

**GREGG COUNTY, TEXAS**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
SEPTEMBER 30, 2003**

**GREGG COUNTY, TEXAS**

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# **INTRODUCTORY SECTION**



HONORABLE DISTRICT JUDGES  
HONORABLE COMMISSIONERS' COURT

Ladies and Gentlemen:

In compliance with the statutory duties of the County Auditor as prescribed by Section 114.025 of the Local Government Code of the State of Texas, the Financial Statements of Gregg County, Texas, for the fiscal year ended September 30, 2003, are submitted herewith. The report was prepared by the County Auditor's office in conjunction with the audit firm of Pattillo, Brown & Hill, L.L.P.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the data presented is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of Gregg County. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included.

Generally accepted accounting principals require a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The Financial Statements are presented in three sections: introductory, financial and compliance. The introductory section includes this transmittal letter, the County's organizational chart and a list of principal officials. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Gregg County's MD&A can be found in the financial section. The financial section also includes government-wide financial statements, fund financial statements, notes, required supplementary information and the combining and individual fund financial statements and schedules in addition to the report of the independent auditors.

## **PROFILE OF GREGG COUNTY**

Located in northeast Texas, Gregg County was inhabited by Caddo Tribes until the early 1800s and partly by Cherokee immigrants until 1839. Gregg County was settled by farmers from the southern United States after Texas achieved statehood in 1845. The construction of the railroad in the 1870s established the early towns that were to form Gregg County. In 1873, State Representative B. W. Brown introduced a bill to create Gregg County from parts of Upshur and Rusk Counties. The County seat is Longview. The name for Gregg County commemorated a leader named John Gregg who was killed in action as a Confederate General.

Cotton was the early foundation of the economy, occupying about half of the County's cultivated acreage, and the use of the uncultivated acreage was timber for the sawmills. Late in the 1930s, Gregg County was rescued from the Great Depression by the largest pool of petroleum ever discovered in the United States. The new wealth resulted in a multitude of civic improvements being initiated before drilling slackened off.

Beginning in 1964, the construction of Interstate Highway 20 confirmed Gregg County's fortunate location on a natural east-west transportation artery. The economy that was based almost entirely on oil production and manufacturing has successfully diversified to sustain slow growth.

The County is a political subdivision of the State of Texas. The general governing body of the County is the elected five-member Commissioners' Court in accordance with Article 5, Paragraph 18 of the Texas Constitution. Commissioners serve four-year staggered terms, two members elected every two years. The County Judge is elected at large to serve a four-year term.

The Commissioners' Court sets the tax rates, establishes policies for County operations, approves contracts for the County, and develops and adopts the County budget based on revenue estimates provided by the County Auditor. The Commissioners' Court is also responsible for approving financial commitments and appointment of various department heads. The management and leadership provided by members of the Commissioners' Court and the elected and appointed officials of other key County offices is crucial to the success of the County in financial management and growth.

The County Auditor has the responsibilities for prescribing the systems and procedures for handling the finances of the County and "examining, auditing and approving" all disbursements from County funds prior to their submission to the Commissioners' Court for approval.

The County provides many services not ordinarily provided by any other entity of government and provides additional services in cooperation with other local governmental units. A primary service is the administration of justice, which includes the civil and criminal county and district courts, justices of the peace, constables, district attorney, investigators, clerks of the courts, sheriff, jail, security and emergency management. Other functions performed by the County include 1) the construction and maintenance of roads and bridges, either independently or in cooperation with other entities; 2) administration of public health services; 3) assistance to indigents; 4) the provision of juvenile, health, education and welfare services involving the care and correction of dependent or delinquent children; 5) property tax collections for multiple agencies; 6) administration of elections; and 7) depository of public records. The County also operates an airport for the benefit of its citizens.

## FINANCIAL INFORMATION

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Single Audit** As a recipient of federal and state financial assistance, the County is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the County.

The County is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U. S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments*. Information related to this single audit, including a Schedule of Expenditures of Federal and State Awards, Findings and Questioned Costs, and independent auditor's reports on the internal control structure and compliance with applicable laws and regulations, is included in the compliance section of this report.

As a part of the County's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with applicable laws and regulations. The results of the County's single audit for the fiscal year ended September 30, 2003, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

### **Factors Affecting Financial Condition**

An understanding of the financial condition of Gregg County is enhanced through a perspective of the environment in which the County operates.

**Local Economy** The County has diversified its economy from oil and gas and now includes manufacturing, medical and retail facilities. This diversification has lessened the effects of the recent economic downturn. Over the past decade, mineral values associated with the oil and gas industry have declined significantly and had an adverse affect on the County's tax base. The rise in property values over this time period, the addition of national retail stores within the County and expansions of existing companies have helped stabilize the overall tax base by substantially offsetting the mineral value decreases. Property values have risen slightly to the current \$5.08 billion.



The 2000 census for the County was 111,379, an increase of 6.13% since 1990. Retail sales for 2002 totaled \$2.2 billion. The total 2002 Effective Buying Income was \$1.9 billion. A total of 72.8% of the households had Effective Buying Incomes in excess of \$20,000, while 27.2% had incomes below \$20,000. The median income per household was \$34,048, compared to the state median of \$38,669.

Gregg County budget initiatives reflect increased pressures to provide for indigent support of the health, welfare and judicial needs of citizenry.

**Budgetary Controls** The annual budget serves as the foundation for the County's planning and control. Budget hearings are posted annually in August by the Budget Director's office with the final budget and setting of the tax rate approved by the Commissioners' Court following the hearings. Activities of the General Fund, certain Special Revenue Funds and Debt Service Funds are included in the annual budget. Project length financial plans are adopted for Capital Projects Funds. The budget is also approved at the position level to maintain control of salaries at the position level instead of the department level. The County maintains an encumbrance accounting system as one method of accomplishing budgetary control. Encumbered amounts lapse at year-end and are not appropriated as part of the following year's budget. Budget to actual comparisons are provide in this report for each major governmental fund.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

**Cash Management** The Commissioners' Court has adopted a formal investment policy for the County consistent with State statutes governing the investment of County funds, and has designated the County Clerk as the investment officer. The policy is reviewed and, if necessary, updated annually. The general objectives set forth in the policy provide for financial security and optimum liquidity of County funds while achieving the maximum yield on funds invested and maximum levels of invested funds. Generally, the County has limited its investments to certificates of deposit with the County's depository bank and government securities.

The County maintains an overall account balance at its depository bank necessary to offset bank charges. Cash temporarily idle in excess of this minimum balance is invested on a daily basis in qualified "sweep" investments. Interest rates on bank deposits are governed by the County's depository contract.

**Risk Management** Gregg County provides for the management of risks through a combination of self-insurance and traditional insurance. Currently, the County has workman's compensation, unemployment compensation, public official liability, law enforcement liability, and general liability policies through the Texas Association of Counties self-insurance program. Traditional insurance includes coverage for property damage, automobile liability and some professional liability.

## OTHER INFORMATION

**Independent Audit** While state statutes do not require an annual audit by independent certified public accountants, Gregg County has followed the policy of having an annual independent audit of its financial records. This policy has been continued for fiscal year 2003 with the engagement of the firm of Pattillo, Brown and Hill, L.L.P. The audit was designed to meet the requirements of the federal Single Audit Act of 1984 and OMB Circular A-133. The auditors' report on the general purpose financial statements is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the compliance section.

**Acknowledgements** I would like to express my appreciation for the dedication my very capable staff has demonstrated. Valerie, Linnie, Desiree, Veronica, Tobi, Tammy, Kristi and Shelia – You are to be commended for your efforts not only in making this report possible, but in your commitment to doing your best for Gregg County in all you do. Thank you.

I would also like to express my appreciation to all the officials and members of County offices who assisted in and contributed to the preparation of this annual report and in the financial administration of the County. In addition, I express my appreciation to the District Judges, County Judge, and Commissioners' Court who have given their support in planning and conducting the financial operation and management of Gregg County in a responsible manner.

Respectfully submitted,

Laurie Woloszyn  
Auditor

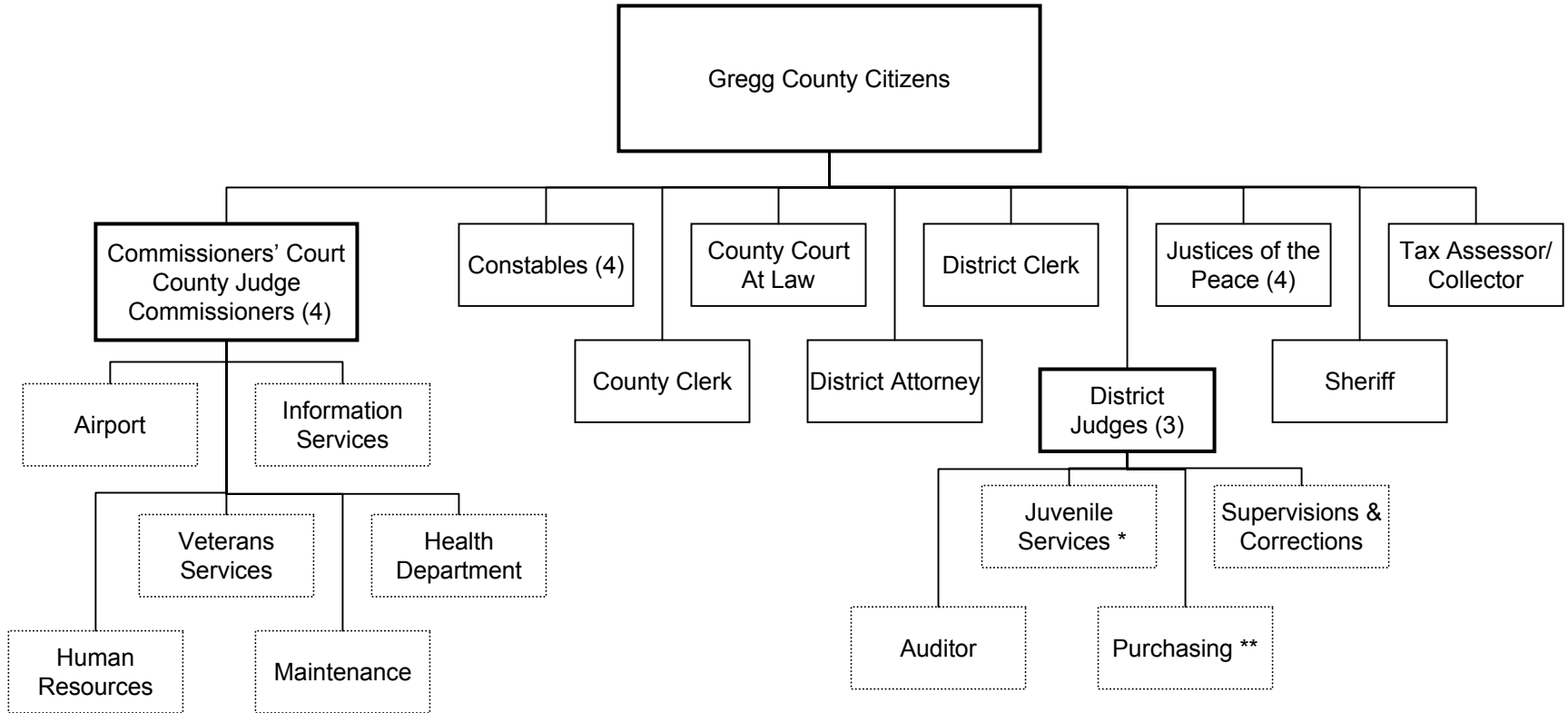
**GREGG COUNTY, TEXAS**

**PRINCIPAL COUNTY OFFICIALS**

**SEPTEMBER 30, 2003**

William Stoudt .....	County Judge
Charles Davis .....	Commissioner, Precinct No. 1
Darryl Primo .....	Commissioner, Precinct No. 2
Bob Barbee .....	Commissioner, Precinct No. 3
Danny Craig .....	Commissioner, Precinct No. 4
Kirk Shields .....	Tax Assessor-Collector
William Jennings .....	Criminal District Attorney
Barbara Duncan .....	District Clerk
Gladyce Carver .....	County Clerk
Maxey Cerliano.....	County Sheriff

# Gregg County Organizational Chart



\*Juvenile Board also includes County Court at Law Judge  
And County Judge serves as chairman

\*\*County Judge also serves on this supervisory board

Elected Officials

Appointed Officials

# **FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

The Honorable County Judge  
and Members of the Commissioners' Court  
Gregg County  
Longview, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Gregg County, Texas as of and for the year ended September 30, 2003, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Gregg County, Texas' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the aggregate remaining fund information, and the respective budgetary comparison for the General Fund and the major Special Revenue Funds of Gregg County, Texas as of September 30, 2003, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, the County has implemented a new financial reporting model, as required by provisions of GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as of September 30, 2003.

In accordance with Government Auditing Standards, we have also issued our report dated March 26, 2004, on our consideration of the Gregg County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis information on pages 3 through 7 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Gregg County, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is also not a required part of the basic financial statements of Gregg County, Texas. The combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

March 26, 2004

**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**



## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Gregg County, we offer readers of Gregg County's financial statements this narrative overview and analysis of the financial activities of Gregg County for the fiscal year ended September 30, 2003. This is the first year Gregg County is presenting financial information in the new reporting format required by Governmental Accounting Standards Board (GASB) Statement 34. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

### FINANCIAL HIGHLIGHTS

The assets of the Gregg County exceeded its liabilities at the close of fiscal year 2003 by \$36,901,026 (*net assets*). Of this amount, \$12,026,767 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.

- The government's total net assets decreased by \$405,273.
- As of September 30, 2003, Gregg County's governmental funds reported combined ending fund balances of \$14,943,078, a decrease of \$2,888,892 or 16.20% in comparison with the prior year. This was due to expenditures on the Hwy 349 project, increased health insurance costs and declining interest earnings on investments. \$10,938,689 is *available for spending* at the government's discretion (*unreserved fund balance*).
- At the end of fiscal year 2003, unreserved fund balance for the General Fund was \$7,123,910 or 34.31% of total General Fund expenditures, a decrease of 18.53% from the prior year.
- Gregg County's outstanding bonds payable decreased by \$2,132,881 (16.81%) during fiscal year 2003.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

Both of the government-wide financial statements distinguish functions of Gregg 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 Gregg County include general government, public safety, judicial, health and human services, public buildings and transportation and roads. Gregg County reports no business-type activities.

The government-wide financial statements can be found on pages 12 – 13 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. Gregg 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 Gregg 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 near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Gregg County maintains 40 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, Road and Bridge, Health Care and Debt Service funds, all of which are considered to be major funds. Data from the other 36 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Gregg 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.

Budgetary comparisons for the Road and Bridge and Health Care funds are provided elsewhere in this report.

The basic governmental fund financial statements can be found on pages 14 – 54 of this report.

***Proprietary Funds:*** Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Gregg County uses internal service funds to account for self-funding for medical and dental insurance and print shop activities. Because both of these services exclusively benefit government rather than business-type functions, they have been included within governmental activities in the government-wide statements.

The basic proprietary fund financial statements can be found on pages 55 – 57 of this report.

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

The basic fiduciary fund financial statement can be found on page 58 of this report.

**Notes to the Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 59 – 74 of this report.

**Other Information:** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Gregg County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 74 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 75 – 99 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Gregg County, assets exceeded liabilities by \$36,901,026 at the close of the most recent fiscal year.

Gregg County's investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding, is 58.13% of net assets. Gregg County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Gregg 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.

### Gregg County's Net Assets

	Governmental Activities 2003
Current and other assets	\$ 19,188,493
Capital assets	<u>33,011,128</u>
Total assets	<u>52,199,621</u>
Long-term liabilities	11,444,235
Other liabilities	<u>3,330,058</u>
Total liabilities	<u>14,774,293</u>
Net assets:	
Invested in capital assets, net of related debt	21,450,111
Restricted	3,424,148
Unrestricted	<u>12,026,767</u>
Total net assets	<u>\$ 36,901,026</u>

An additional portion of Gregg County's net assets (9.28%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets*, \$12,026,767 (32.59%) may be used to meet the government's ongoing obligations to citizens and creditors.

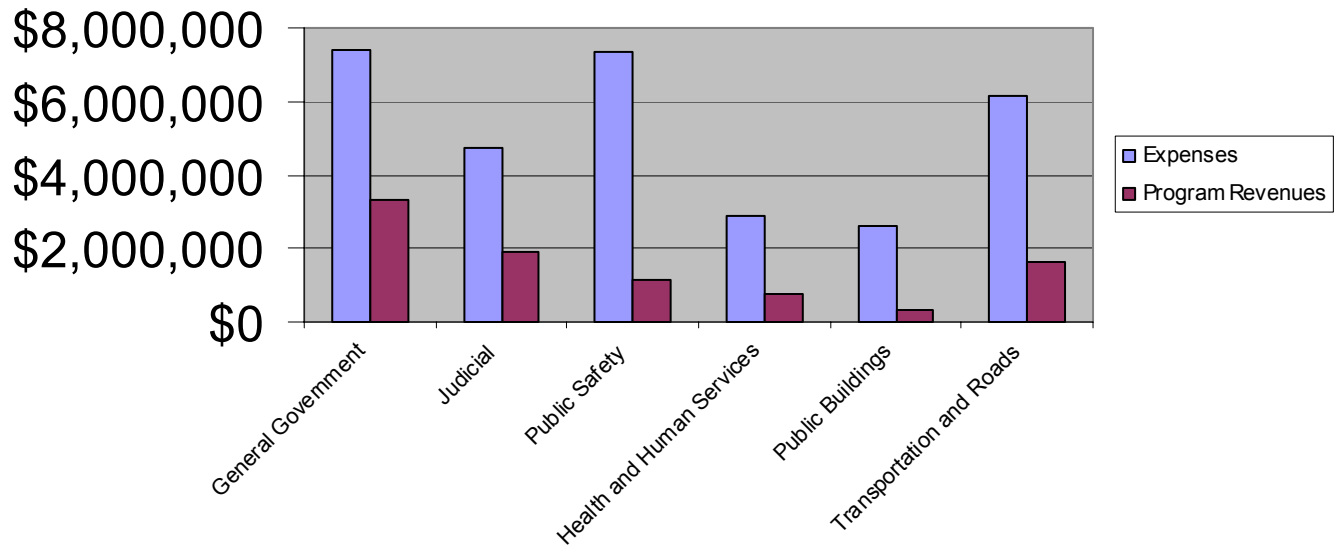
At the end of the current fiscal year, Gregg County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental activities. The same situation held true for the prior fiscal year.

**Governmental Activities:** Governmental activities decreased Gregg County’s net assets by \$(405,273) thereby accounting for a loss of 1.09% of the total net assets of Gregg County. There is no comparative data as this is the first year of GASB 34 implementation for Gregg County.

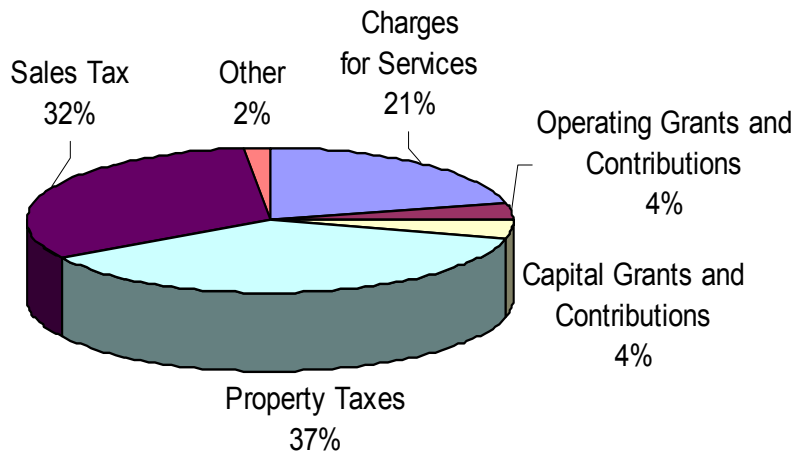
**Gregg County’s Changes in Net Assets**

	Governmental Activities <u>2003</u>
<b>REVENUES</b>	
Program revenues:	
Charges for services	\$ 6,630,316
Operating grants and contributions	1,243,823
Capital grants and contributions	1,235,710
General revenues:	
Property taxes	11,742,635
Sales tax	10,063,372
Other taxes	219,288
Investment earnings	189,562
Miscellaneous	<u>79,368</u>
Total revenues	<u>31,404,074</u>
<b>EXPENSES</b>	
General government	7,420,436
Judicial	4,712,396
Public safety	7,354,139
Health and human services	2,859,193
Public buildings	2,588,349
Transportation and roads	6,136,975
Interest on long-term debt	<u>737,859</u>
Total expenses	<u>31,809,347</u>
<b>CHANGE IN NET ASSETS</b>	( 405,273)
<b>NET ASSETS, BEGINNING</b>	<u>37,306,299</u>
<b>NET ASSETS, ENDING</b>	<u>\$ 36,901,026</u>

## Expenses and Program Revenues - Governmental Activities



## Revenues by Source



## FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

*Governmental Funds:* The focus of Gregg County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Gregg 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.

At the end of fiscal year 2003, Gregg County's *governmental funds* reported combined ending fund balances of \$14,943,078, a decrease of \$2,888,892 in comparison with the prior year. Most of the decrease is attributable to funding of a state highway project. Approximately 73% of the ending fund balance amount constitutes *unreserved fund balance*. The remainder of fund balance is reserved to indicate it is not available for new spending because it has already been committed: 1) to pay debt service (\$3,424,148); 2) to fund capital projects (\$393,893); 3) to reflect inventories (\$72,498); and 4) for other restricted purposes (\$113,850).

The General Fund is the chief operating fund of Gregg County. At the end of fiscal year 2003, the General Fund had an ending fund balance of \$7,123,910 with none reserved. As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 34.31% of total General Fund expenditures.

The fund balance of Gregg County's General Fund decreased by \$1,620,024 during 2003. This decrease is primarily the result of a cash transfer to the Road & Bridge Fund relating to the Highway 349 project.

The Road and Bridge Fund had an ending fund balance of \$319,782, a net decrease of \$85,482, while the Healthcare Fund reported an increase of \$24,962 for an ending fund balance of \$2,161,132.

At year-end, the Debt Service Fund had a fund balance of \$3,424,148, all of which is reserved for the payment of debt. The net decrease in the fund balance during the year was \$927,854. Property taxes allocated to debt service produced revenues of \$1,913,057; however, debt service payments totaled \$2,834,204 for the year resulting in the decrease.

### General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor and can be briefly summarized as follows:

- Net decrease of \$1,380 in expenditure appropriations; and
- \$341,569 increase in budgeted operating transfers to other funds (primarily related to additional Hwy 349 expenditures and an increase in workman's compensation).

Actual revenues exceeded budgeted revenues by \$523,600 while actual expenditures were under the final budgeted amount by \$1,343,062.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets:** Gregg County's investment in capital assets for its governmental activities as of September 30, 2003, amount to \$32,486,826 (net of accumulated depreciation). This investment in capital assets includes land, buildings, building improvements, machinery and equipment, construction in progress and airport infrastructure.

### Gregg County's Capital Assets (net of depreciation)

	Governmental Activities 2003
	<u>2003</u>
Land	\$ 1,300,308
Construction work in progress	748,579
Buildings and improvements	22,765,303
Improvements other than building	283,100
Machinery and equipment	2,037,282
Infrastructure	<u>5,352,254</u>
Total	<u>\$ 32,486,826</u>

The County had the following major additions to fixed asset:

Conversion Runway to Taxiway EPFY03	\$ 613,594
Purchase of 11 new sheriff vehicles	200,682
Road and Bridge vehicle/equipment	133,618

Gregg County adopted a new Capital Asset Policy beginning in 2003. Depreciation policies were adopted to include useful life and classification by function. Standard capitalization thresholds were established for each major class of asset and are as follows:

Building/improvements	\$ 25,000
Improvements other than building	25,000
Infrastructure	25,000
Machinery, equipment and other assets	5,000
Construction in progress	25,000

Gregg County is not required to include all infrastructure assets at this time. This is the first year of reporting under GASB 34 requirements, and infrastructure valuation includes only airport infrastructure improvements and any roads and bridges built in FY2003. All infrastructure assets are required to be reported no later than FY 2007 and will be included in future financial statements.

Additional information on Gregg County's capital assets can be found in Note 4 on page 68 of this report.



**Long-term Debt:** At the end of fiscal year 2003, Gregg County had total debt outstanding of \$11,444,235, which includes \$10,557,131 in outstanding bonds. Notes payable of \$479,585 and accrued compensated absences of \$407,519 comprise the remaining balance.

The County's overall debt decreased by \$2,244,206 over the prior year. This was due to payments of \$2,545,000 on outstanding bonds as well as payments on notes and a reduction in accrued leave time. Interest accretion on capital appreciation bonds partially offset these reductions

Gregg County maintains an "A+" rating from Standard & Poor's and an "A2" rating from Moody's for general obligation debt.

Additional information on Gregg County's long-term debt can be found in Note 4 on pages 70 – 71 of this report.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

- Modestly expanding tax base is estimated to continue.
- Anticipate favorable debt position as officials have demonstrated solid debt management practices. In 2004, the debt position of the County will improve with the refunding of \$5,965,000 of debt with a \$2,575,000 refunding issuance.
- The General Fund posted net decreases in fund balance for the past three audited fiscal years and a decrease is again budgeted for 2004. The reductions in fund balance are a result of increasing health care costs, declining interest rates on County investments and several one time capital improvements/purchases.
- Estimated revenue for fiscal year 2004 is \$19,571,935 for General Fund with estimated expenditures of \$21,654,968. Additionally, transfers out to other funds are budgeted at \$1,159,500 for a net decrease in fund balance of \$3,242,533. The tax rate is to remain the same at \$.2350.
- Relatively flat revenue stream anticipated.

Although current reserves are sufficient for near term contingencies, County officials should address the decreases in fund balance in the near future.

All of these factors were considered in preparing Gregg County's budget for the 2004 fiscal year.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of Gregg County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Auditor's Office  
101 E. Methvin, Ste 306  
Longview, TX 75601

**BASIC  
FINANCIAL STATEMENTS**

**GREGG COUNTY, TEXAS**  
**STATEMENT OF NET ASSETS**  
**SEPTEMBER 30, 2003**

	Primary Government
	Governmental Activities
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 2,945,460
Investments	12,431,495
Receivables (net of allowances for uncollectibles)	
Accounts	1,697,747
Taxes	847,600
Due from other governments	1,188,506
Inventory	77,685
Capital assets (net of accumulated depreciation):	
Land	1,300,308
Buildings and improvements	35,543,730
Equipment	10,347,867
Improvements other than buildings	298,000
Infrastructure	5,965,517
Construction work in progress	748,579
Less: Accumulated depreciation	( 21,717,175)
Total capital assets	32,486,826
Total assets	51,675,319
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	1,449,174
Accounts payable - other governments	30,434
Accrued liabilities	806,697
Accrued interest	997,215
Deferred revenue	46,538
Noncurrent liabilities:	
Due within one year	2,461,326
Due within more than one year	8,982,909
Total liabilities	14,774,293
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	21,450,111
Restricted for:	
Debt service	3,424,148
Unrestricted	12,026,767
Total net assets	\$ 36,901,026

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

# GREGG COUNTY, TEXAS

## STATEMENT OF ACTIVITIES

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

<b>Functions/Programs</b>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities
<b>Primary Government:</b>					
Governmental activities:					
General government	\$ 7,420,436	\$ 2,090,180	\$ 14,921	\$ 1,225,720	\$( 4,089,615)
Judicial	4,712,396	1,683,079	247,956	-	( 2,781,361)
Public safety	7,354,139	946,237	210,969	-	( 6,196,933)
Health and human services	2,859,193	13,653	731,224	9,990	( 2,104,326)
Public buildings	2,588,349	302,890	2,417	-	( 2,283,042)
Transportation and roads	6,136,975	1,594,277	36,336	-	( 4,506,362)
Interest on long-term debt	737,859	-	-	-	( 737,859)
Total governmental activities	31,809,347	6,630,316	1,243,823	1,235,710	( 22,699,498)
Total primary government	\$ 31,809,347	\$ 6,630,316	\$ 1,243,823	\$ 1,235,710	\$( 22,699,498)
General revenues:					
Taxes:					
Property taxes					\$ 11,742,635
Sales taxes					10,063,372
Alcoholic beverage taxes					166,607
Other taxes					52,681
Unrestricted investment earnings					189,562
Gain on sale of assets					70,174
Gain on insurance proceeds					9,194
Total general revenues, special items, and transfers					22,294,225
Change in net assets					( 405,273)
Net assets, beginning					37,306,299
Net assets, ending					\$ 36,901,026

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

# GREGG COUNTY, TEXAS

## BALANCE SHEET

### GOVERNMENTAL FUNDS

SEPTEMBER 30, 2003

	General	Road and Bridge	Healthcare
<b>ASSETS</b>			
Cash and cash equivalents	\$ 664,375	\$ 124,978	\$ 54,771
Investments	6,693,517	300,000	2,102,648
Receivables (net of allowances for uncollectibles)			
Accounts	560,511	460,910	3,713
Taxes	597,774	70,956	-
Due from other funds	260,711	23,290	-
Inventory	-	69,641	-
Due from other governments	747,325	-	-
Total assets	\$ 9,524,213	\$ 1,049,775	\$ 2,161,132
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 693,962	\$ 123,845	\$ -
Accounts payable - other governments	18,497	469	-
Accrued liabilities	637,581	108,846	-
Deferred revenue	1,045,263	496,833	-
Due to other funds	5,000	-	-
Total liabilities	2,400,303	729,993	-
Fund balances:			
Reserved for:			
Debt service	-	-	-
Inventory	-	69,641	-
Unreserved, reported in:			
General fund	7,123,910	-	-
Special revenue funds			
Designated for general fund projects	-	113,850	-
Undesignated	-	136,291	2,161,132
Capital projects fund	-	-	-
Total fund balances	7,123,910	319,782	2,161,132
Total liabilities and fund balances	\$ 9,524,213	\$ 1,049,775	\$ 2,161,132

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

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

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

An Internal Service Fund is used by management to charge the costs of certain capital assets to individual funds. The assets and liabilities of the Internal Service Fund are included in the governmental activities in the statement of net assets.

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

Net assets of governmental activities

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

<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 175,797	\$ 1,839,774	\$ 2,859,695
3,235,330	100,000	12,431,495
9,828	51,147	1,086,109
135,130	43,740	847,600
3,193	18,777	305,971
-	2,857	72,498
-	<u>441,181</u>	<u>1,188,506</u>
\$ <u>3,559,278</u>	\$ <u>2,497,476</u>	\$ <u>18,791,874</u>
\$ -	\$ 231,218	\$ 1,049,025
-	11,468	30,434
-	60,270	806,697
135,130	106,986	1,784,212
-	<u>173,428</u>	<u>178,428</u>
<u>135,130</u>	<u>583,370</u>	<u>3,848,796</u>
3,424,148	-	3,424,148
-	2,857	72,498
-	-	7,123,910
-	-	113,850
-	1,590,189	3,887,612
-	<u>321,060</u>	<u>321,060</u>
<u>3,424,148</u>	<u>1,914,106</u>	<u>14,943,078</u>
\$ <u>3,559,278</u>	\$ <u>2,497,476</u>	
		\$ 32,486,826
		1,737,674
		174,898
		<u>( 12,441,450)</u>
		\$ <u>36,901,026</u>

**GREGG COUNTY, TEXAS**

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

**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>General</u>	<u>Road and Bridge</u>	<u>Healthcare</u>
<b>REVENUES</b>			
Taxes:			
Current property taxes	\$ 8,126,288	\$ 794,594	\$ -
Delinquent property taxes	270,508	21,843	-
Alcoholic beverage tax	166,607	-	-
Bingo tax	52,681	-	-
Sales tax	8,720,841	-	-
Motor vehicle sales tax	-	1,342,531	-
Licenses and permits	59,858	1,088,800	-
Intergovernmental	365,334	36,336	30,111
Charges for services	2,551,927	-	-
Fines and forfeitures	486,680	437,417	-
Investment earnings	129,006	13,357	34,851
Rents and commissions	314,161	-	-
Miscellaneous	33,481	4,979	-
Total revenues	<u>21,277,372</u>	<u>3,739,857</u>	<u>64,962</u>
<b>EXPENDITURES</b>			
Current:			
General government	5,937,233	-	-
Judicial	4,104,251	-	-
Public safety	6,755,968	-	-
Health and human services	2,162,132	-	40,000
Public buildings	1,803,191	-	-
Transportation and roads	-	6,051,719	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Capital projects	-	-	-
Total expenditures	<u>20,762,775</u>	<u>6,051,719</u>	<u>40,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>514,597</u>	<u>( 2,311,862)</u>	<u>24,962</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	199,407	2,170,849	-
Transfers out	( 2,346,044)	-	-
Sale of capital assets	9,014	58,825	-
Insurance proceeds	3,002	4,919	-
Total other financing sources and uses	<u>( 2,134,621)</u>	<u>2,234,593</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>( 1,620,024)</u>	<u>( 77,269)</u>	<u>24,962</u>
<b>FUND BALANCE, BEGINNING</b>	<u>8,743,934</u>	<u>405,264</u>	<u>2,136,170</u>
<b>INCREASE (DECREASE) IN RESERVE FOR INVENTORY</b>	<u>-</u>	<u>( 8,213)</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 7,123,910</u>	<u>\$ 319,782</u>	<u>\$ 2,161,132</u>

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

<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,836,974	\$ 599,012	\$ 11,356,868
76,083	24,061	392,495
-	-	166,607
-	-	52,681
-	-	8,720,841
-	-	1,342,531
-	-	1,148,658
-	2,346,651	2,778,432
-	682,619	3,234,546
-	-	924,097
( 6,707)	14,744	185,251
-	277,420	591,581
-	325,475	363,935
<u>1,906,350</u>	<u>4,269,982</u>	<u>31,258,523</u>
-	1,073,982	7,011,215
-	583,874	4,688,125
-	625,319	7,381,287
-	649,920	2,852,052
-	84,232	1,887,423
-	-	6,051,719
939,321	-	939,321
1,894,883	-	1,894,883
-	1,511,963	1,511,963
<u>2,834,204</u>	<u>4,529,290</u>	<u>34,217,988</u>
( 927,854)	( 259,308)	( 2,959,465)
-	170,405	2,540,661
-	( 199,407)	( 2,545,451)
-	6,980	74,819
-	1,273	9,194
-	( 20,749)	79,223
( 927,854)	( 280,057)	( 2,880,242)
<u>4,352,002</u>	<u>2,194,600</u>	<u>17,831,970</u>
-	( 437)	( 8,650)
<u>\$ 3,424,148</u>	<u>\$ 1,914,106</u>	<u>\$ 14,943,078</u>



## GREGG COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2003

Amounts reported for governmental activities in the Statement of Activities (page 13) are different because:

Net change in fund balances - total governmental funds (pages 16 - 17)	\$( 2,880,242)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	371,164
The net effect of various miscellaneous transactions involving capital assets (i.e. , sales, trade-ins, and donations) is to increase net assets.	( 4,645)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	44,983
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.	994,691
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	1,124,884
Internal Service Funds are used by management to charge the costs of certain capital assets to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>( 56,108)</u>
Change in net assets of governmental activities (page 13)	<u>\$( 405,273)</u>

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

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Current property taxes	\$ 8,213,969	\$ 8,213,969	\$ 8,126,288	\$( 87,681)
Delinquent property taxes	247,089	247,089	270,508	23,419
Alcoholic beverage tax	140,000	140,000	166,607	26,607
Bingo tax	34,000	34,000	52,681	18,681
Sales tax	<u>8,600,000</u>	<u>8,600,000</u>	<u>8,720,841</u>	<u>120,841</u>
Total taxes	<u>17,235,058</u>	<u>17,235,058</u>	<u>17,336,925</u>	<u>101,867</u>
Licenses and permits:				
Alcoholic beverage licenses	28,000	28,000	28,447	447
Sexually oriented businesses	3,000	3,000	15,950	12,950
Bail bond application fee	-	10,500	2,000	( 8,500)
Sewage disposal systems	<u>16,000</u>	<u>16,000</u>	<u>13,461</u>	<u>( 2,539)</u>
Total licenses and permits	<u>47,000</u>	<u>57,500</u>	<u>59,858</u>	<u>2,358</u>
Intergovernmental:				
Federal grant	9,000	11,417	14,583	3,166
State supplement - court-at-law	55,000	55,000	60,912	5,912
State supplement - County Judge	3,800	3,800	14,921	11,121
State supplement - asst. prosecutors	15,000	15,000	-	( 15,000)
State - indigent defense	49,494	49,494	55,079	5,585
State - commercial waste management fees	300	300	191	( 109)
City of Longview - prisoner care	148,079	148,079	148,079	-
ETCOG - 911 equipment	8,000	8,000	9,990	1,990
ETCOG - 911 reimbursement	47,784	47,784	51,193	3,409
Gregg County Appraisal District	<u>-</u>	<u>-</u>	<u>10,386</u>	<u>10,386</u>
Total intergovernmental	<u>336,457</u>	<u>338,874</u>	<u>365,334</u>	<u>26,460</u>
Charges for services:				
County Judge	200	200	222	22
Sheriff	260,000	260,000	302,896	42,896
Constables	70,000	70,000	75,321	5,321
County clerk	580,000	580,000	678,228	98,228
County clerk - bond administrative fee	14,000	14,000	16,596	2,596

**(continued)**

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES (Continued)</b>				
Charges for services: (Continued)				
Sheriff - bond administrative fee	\$ -	\$ -	\$ 698	\$ 698
District clerk - bond administrative fee	-	-	100	100
Tax assessor-collector	645,000	645,000	675,616	30,616
District attorney	45,000	45,000	47,767	2,767
District clerk	280,000	280,000	388,855	108,855
Justices of the peace	30,000	30,000	28,582	( 1,418)
Trial fees	200	200	-	( 200)
Jury	33,000	33,000	39,638	6,638
Probate judge education fees	2,000	2,000	2,327	327
Other arrest fees	70,000	70,000	61,116	( 8,884)
County court-at-law no. 1	1,300	1,300	2,750	1,450
County court-at-law no. 2	-	-	958	958
State fees	50,000	50,000	71,392	21,392
State fees TP - judicial efficiency	2,900	2,900	3,690	790
Court reporter service fees	45,000	45,000	52,319	7,319
DRO fees	13,000	13,000	16,485	3,485
Health department fees	25	25	1	( 24)
Code unit	8,000	8,000	3,963	( 4,037)
Parking lot fees	6,000	6,000	5,730	( 270)
Computer services	5,500	5,500	6,500	1,000
Defensive driving fees	37,000	37,000	43,461	6,461
Child safety fees	2,800	2,800	3,424	624
Traffic fees	17,000	17,000	17,690	690
Video fees	<u>3,100</u>	<u>3,100</u>	<u>5,602</u>	<u>2,502</u>
Total charges for services	<u>2,221,025</u>	<u>2,221,025</u>	<u>2,551,927</u>	<u>330,902</u>
Fines and forfeitures:				
Justice courts	<u>400,000</u>	<u>400,000</u>	<u>486,680</u>	<u>86,680</u>
Total fines and forfeitures	<u>400,000</u>	<u>400,000</u>	<u>486,680</u>	<u>86,680</u>
Investment earnings:				
Interest	255,000	255,000	159,045	( 95,955)
Unrealized gains (losses)	<u>-</u>	<u>-</u>	<u>( 30,039)</u>	<u>( 30,039)</u>
Total investment earnings	<u>255,000</u>	<u>255,000</u>	<u>129,006</u>	<u>( 125,994)</u>

**(continued)**

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES (Continued)</b>				
Rent and commissions:				
Borgwarner Automotive	\$ 34,100	\$ 34,100	\$ 34,098	\$( 2)
A&M Tower, Inc.	6,615	6,615	6,946	331
Community buildings	8,000	8,000	8,735	735
Other rent	-	-	50	50
Royalties	6,000	6,000	10,349	4,349
Telephone coin stations	95,000	155,000	253,348	98,348
Concession commissions	600	600	635	35
Total rent and commissions	<u>150,315</u>	<u>210,315</u>	<u>314,161</u>	<u>103,846</u>
Miscellaneous:				
Christmas at the courthouse	-	-	3,275	3,275
Miscellaneous	<u>36,000</u>	<u>36,000</u>	<u>30,206</u>	<u>( 5,794)</u>
Total miscellaneous	<u>36,000</u>	<u>36,000</u>	<u>33,481</u>	<u>( 2,519)</u>
Total revenues	<u>20,680,855</u>	<u>20,753,772</u>	<u>21,277,372</u>	<u>523,600</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
County clerk - administration:				
Salaries - elected	50,750	50,750	50,750	-
COLA - elected	1,015	1,015	1,015	-
Social security - elected	4,141	4,141	3,908	233
Group insurance - elected	5,538	5,538	5,306	232
Retirement - elected	4,910	4,963	4,963	-
Workers' compensation - elected	185	269	269	-
Salaries and wages - other employees	427,640	427,640	420,953	6,687
Temporary help	4,000	4,000	3,566	434
Merit pay	6,415	6,415	6,325	90
Longevity	2,160	2,160	2,160	-
Social security - other employees	35,217	35,217	31,978	3,239
Group insurance - other employees	101,923	101,772	94,189	7,583
Retirement - other employees	41,375	41,375	41,011	364

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>EXPENDITURES (Continued)</b>				
<b>GENERAL GOVERNMENT (Continued)</b>				
County clerk - administration: (Continued)				
Workers' compensation - other employees	\$ 1,565	\$ 2,235	\$ 2,235	\$ -
State unemployment insurance	880	978	978	-
Supplies and other expense	30,000	29,836	29,081	755
Video tape supplies	300	-	-	-
Print shop	2,000	2,700	2,413	287
Postage	12,500	17,264	17,264	-
Copying machine	8,000	8,000	7,550	450
Conferences, workshops and training	4,000	4,000	3,068	932
Dues and subscriptions	100	100	-	100
Repairs and maintenance service	4,500	1,713	1,114	599
Capital outlay - furnishings and equipment	9,500	12,287	12,287	-
Total County clerk - administration	<u>758,614</u>	<u>764,368</u>	<u>742,383</u>	<u>21,985</u>
Telecommunications:				
Salaries and wages - other employees	10,172	11,102	11,102	-
Part-time pool	22,450	21,421	19,210	2,211
Social security - other employees	2,610	2,610	2,319	291
Retirement - other employees	965	1,060	1,060	-
Workers' compensation - other employees	35	53	53	-
State unemployment insurance	65	69	69	-
Supplies and other expense	200	203	85	118
Contract services	-	147	147	-
Total telecommunications	<u>36,497</u>	<u>36,665</u>	<u>34,045</u>	<u>2,620</u>
Purchasing:				
Salaries and wages - other employees	96,155	95,155	83,293	11,862
Temporary help	-	1,000	945	55
Social security - other employees	7,692	7,692	6,259	1,433
Group insurance - other employees	16,502	16,502	11,668	4,834
Retirement - other employees	9,120	9,120	7,954	1,166
Workers' compensation - other employees	339	500	500	-

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>GENERAL GOVERNMENT (Continued)</b>				
Purchasing: (Continued)				
State unemployment insurance	\$ 192	\$ 192	\$ 187	\$ 5
Supplies and other expense	4,000	4,300	4,137	163
Print shop	700	700	586	114
Postage	700	700	214	486
Copying machine	4,600	4,600	3,923	677
Communications	100	100	100	-
Conferences, workshops and training	2,400	1,095	1,095	-
Advertising	2,600	1,600	1,365	235
Travel	400	400	78	322
Repairs and maintenance service	300	-	-	-
Capital outlay - furnishings and equipment	-	2,305	2,030	275
Total purchasing	<u>145,800</u>	<u>145,961</u>	<u>124,334</u>	<u>21,627</u>
Human resources:				
Salaries and wages - other employees	104,950	105,373	105,373	-
Temporary help	1,000	1,000	876	124
Merit pay	899	899	876	23
Longevity pay	600	600	600	-
Social security - other employees	8,596	8,596	8,067	529
Group insurance - other employees	16,657	16,098	15,609	489
Retirement - other employees	10,097	10,204	10,204	-
Workers' compensation - other employees	375	549	549	-
State unemployment insurance	215	244	244	-
Supplies and other expense	3,550	5,827	5,801	26
Training aids	2,800	1,001	1,001	-
Service awards	1,000	1,740	1,734	6
Print shop	600	670	667	3
Postage	900	570	567	3
Copying machine	2,500	2,622	2,621	1
Conferences, workshops and training	2,000	1,220	1,219	1
Advertising	300	-	-	-
Travel	500	500	489	11
Total human resources	<u>157,539</u>	<u>157,713</u>	<u>156,497</u>	<u>1,216</u>

**(continued)**

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>GENERAL GOVERNMENT (Continued)</b>				
Nondepartmental - general government:				
Salary and fringe adjustments	\$ 40,000	\$ 115,895	\$ 115,895	\$ -
Postage machine supplies	-	545	500	45
Bank service charges	2,500	2,500	950	1,550
Postage	35,000	31,685	( 3,483)	35,168
Appraisal district	175,000	168,001	168,001	-
Legal expense	90,000	90,000	71,406	18,594
Insurance consultant	12,000	12,000	10,000	2,000
Autopsies	20,000	-	-	-
Other professional services	30,000	25,826	15,895	9,931
Communications	160,000	258,850	216,247	42,603
Conferences, workshops and training	2,500	1,356	733	623
Insurance	513,000	513,000	510,183	2,817
Dues and subscriptions	16,500	17,644	17,644	-
Repairs and maintenance service	1,000	1,000	890	110
Postage machine maintenance	-	2,770	2,475	295
Settlement of lawsuits	90,000	90,000	-	90,000
Independent auditors	40,000	40,000	36,500	3,500
Multicultural Center feasibility study	70,000	70,000	15,000	55,000
Juvenile probation contribution	500,000	505,903	505,903	-
City of Longview - Veteran Land Board	-	9,229	9,229	-
City of Kilgore - Veteran Land Board	-	9,200	9,200	-
Light Up Longview	25,000	16,742	16,742	-
Auto theft task force	14,587	14,587	14,099	488
Capital outlay - furnishings and equipment	125,000	42,664	-	42,664
Total nondepartmental - general government	<u>1,962,087</u>	<u>2,039,397</u>	<u>1,734,009</u>	<u>305,388</u>
County judge:				
Salaries and wages - elected	58,500	58,500	58,315	185
State supplement	-	2,500	1,831	669
COLA - elected	1,170	1,170	1,170	-
Social security - elected	4,774	4,774	4,635	139
Group insurance - elected	5,617	5,617	3,711	1,906

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>EXPENDITURES (Continued)</b>				
<b>GENERAL GOVERNMENT (Continued)</b>				
County judge: (Continued)				
Retirement - elected	\$ 5,660	\$ 5,836	\$ 5,836	\$ -
Workers' compensation - elected	213	297	297	-
Salaries and wages - other employees	112,558	109,882	93,131	16,751
Merit pay	1,236	1,236	-	1,236
Longevity pay	480	480	480	-
Social security - other employees	9,142	9,142	6,633	2,509
Group insurance - other employees	16,774	16,774	11,693	5,081
Retirement - other employees	10,839	10,839	8,940	1,899
Workers' compensation - other employees	401	588	588	-
State unemployment insurance	229	229	208	21
Supplies and other expense	4,500	4,500	4,475	25
Print shop	500	500	493	7
Postage	700	700	303	397
Copying machine	5,000	5,000	4,013	987
Other professional services	500	500	140	360
Contract services - court reporters	1,000	1,000	900	100
Communications	250	250	-	250
Conferences, workshops and training	3,500	3,500	600	2,900
Dues and subscriptions	750	750	216	534
Travel	1,000	1,000	-	1,000
Repairs and maintenance service	500	500	120	380
Capital outlay - furnishings and equipment	<u>5,500</u>	<u>5,500</u>	<u>5,055</u>	<u>445</u>
Total County judge	<u>251,293</u>	<u>251,564</u>	<u>213,783</u>	<u>37,781</u>
Elections:				
Salaries and wages - other employees	103,525	104,034	104,034	-
Overtime	6,000	5,491	4,878	613
Election workers	29,000	37,085	31,204	5,881
Merit pay	1,553	1,553	1,546	7
Longevity pay	960	960	960	-
Social security - other employees	11,283	11,283	9,192	2,091
Group insurance - other employees	21,761	21,761	20,614	1,147
Retirement - other employees	13,377	13,377	10,175	3,202

**(continued)**



**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>EXPENDITURES (Continued)</b>				
<b>GENERAL GOVERNMENT (Continued)</b>				
Elections: (Continued)				
Workers' compensation - other employees	\$ 380	\$ 543	\$ 543	\$ -
State unemployment insurance	282	282	270	12
Supplies and other expense	25,000	33,521	33,390	131
Print shop	1,000	1,000	730	270
Postage	20,000	9,310	8,062	1,248
Communications	180	180	148	32
Travel	400	400	222	178
Repairs and maintenance service	3,200	3,284	3,284	-
Total elections	<u>237,901</u>	<u>244,064</u>	<u>229,252</u>	<u>14,812</u>
County auditor:				
Salaries and wages - other employees	327,725	305,506	255,102	50,404
Longevity pay	360	360	360	-
Social security - other employees	26,247	26,247	17,981	8,266
Group insurance - other employees	50,101	50,101	40,640	9,461
Retirement - other employees	31,119	31,119	24,397	6,722
Workers' compensation - other employees	1,400	1,706	1,706	-
State unemployment insurance	656	656	583	73
Supplies and other expense	8,100	8,393	8,386	7
Print shop	2,200	2,200	1,034	1,166
Postage	1,400	1,400	996	404
Copying machine	3,500	3,500	2,531	969
Communications	3,000	1,510	-	1,510
Conferences, workshops and training	5,000	5,465	5,391	74
Dues and subscriptions	-	285	285	-
Travel	500	500	200	300
Capital outlay - furnishings and equipment	2,500	2,947	2,946	1
Total County auditor	<u>463,808</u>	<u>441,895</u>	<u>362,538</u>	<u>79,357</u>

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>EXPENDITURES (Continued)</b>				
<b>GENERAL GOVERNMENT (Continued)</b>				
Tax assessor-collector:				
Salaries - elected	\$ 57,000	\$ 57,000	\$ 57,000	\$ -
COLA - Elected	1,140	1,140	1,140	-
Social security - elected	4,651	4,651	4,465	186
Group insurance - elected	5,601	5,601	5,349	252
Retirement - elected	5,515	5,574	5,574	-
Workers' compensation - elected	207	302	302	-
Salaries and wages - other employees	736,029	732,029	712,260	19,769
Temporary help	2,000	6,000	5,484	516
Merit pay	11,040	11,040	10,448	592
Longevity	4,920	4,920	4,560	360
Social security - other employees	60,319	60,319	53,448	6,871
Group insurance - other employees	166,900	166,701	146,589	20,112
Retirement - other employees	71,326	71,326	69,454	1,872
Workers' compensation - other employees	2,677	3,853	3,843	10
State unemployment insurance	1,508	1,648	1,648	-
Supplies and other expense	73,000	71,646	71,496	150
Print shop	4,000	4,553	4,553	-
Postage	31,000	56,556	56,556	-
Copying machine	6,700	5,793	5,715	78
Communications	5,500	4,498	4,498	-
Conferences, workshops and training	10,000	11,606	11,606	-
Advertising	3,500	3,004	3,004	-
Travel	500	223	223	-
Repairs and maintenance service	2,500	1,505	1,505	-
Total tax assessor-collector	<u>1,267,533</u>	<u>1,291,488</u>	<u>1,240,720</u>	<u>50,768</u>
Information services:				
Salaries and wages - other employees	289,120	273,300	269,246	4,054
Overtime	-	111	111	-
Temporary help	-	15,068	14,560	508
Merit pay	4,337	4,909	4,909	-
Longevity	840	840	840	-

**(continued)**

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>EXPENDITURES (Continued)</b>				
<b>GENERAL GOVERNMENT (Continued)</b>				
Information services: (Continued)				
Social security - other employees	\$ 23,544	\$ 23,544	\$ 21,981	\$ 1,563
Group insurance - other employees	34,534	34,534	33,927	607
Retirement - other employees	27,914	27,914	24,974	2,940
Workers' compensation - other employees	1,051	1,508	1,508	-
State unemployment insurance	589	657	657	-
Supplies and other expense	15,000	17,816	14,083	3,733
Print shop	300	300	137	163
Postage	100	100	8	92
Lease of hardware	20,527	20,527	20,526	1
Copying machine	1,985	1,985	1,984	1
Communications	30,000	30,000	24,048	5,952
Conferences, workshops and training	31,000	31,000	30,366	634
Travel	750	750	284	466
Repairs and maintenance service	94,992	81,800	77,834	3,966
Software license fees	357,430	340,935	340,677	258
Capital outlay - furnishings and equipment	<u>51,100</u>	<u>77,971</u>	<u>77,724</u>	<u>247</u>
Total information services	<u>985,113</u>	<u>985,569</u>	<u>960,384</u>	<u>25,185</u>
Agricultural extension service:				
Salaries and wages - other employees	93,567	93,567	86,317	7,250
Merit pay	770	770	563	207
Longevity	360	360	360	-
Social security - other employees	7,576	7,576	4,672	2,904
Group insurance - other employees	31,540	31,528	26,034	5,494
Retirement - other employees	8,982	8,982	4,011	4,971
Workers' compensation - other employees	162	222	222	-
State unemployment insurance	189	202	201	1
Supplies and other expense	1,605	2,572	2,567	5
Print shop	800	700	688	12
Copying machine	4,195	4,051	4,051	-
Conferences, workshops and training	2,000	1,847	1,847	-

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>EXPENDITURES (Continued)</b>				
<b>GENERAL GOVERNMENT (Continued)</b>				
Agricultural extension service: (Continued)				
Travel	\$ 6,000	\$ 5,630	\$ 5,605	\$ 25
Repairs and maintenance service	200	-	-	-
Capital outlay - furnishings and equipment	<u>2,150</u>	<u>2,150</u>	<u>2,150</u>	<u>-</u>
Total agricultural extension service	<u>160,096</u>	<u>160,157</u>	<u>139,288</u>	<u>20,869</u>
Total general government	<u>6,426,281</u>	<u>6,518,841</u>	<u>5,937,233</u>	<u>581,608</u>
<b>JUDICIAL</b>				
Nondepartmental - judicial:				
Court-appointed attorney fees	<u>675,000</u>	<u>725,000</u>	<u>713,675</u>	<u>11,325</u>
Total nondepartmental - judicial	<u>675,000</u>	<u>725,000</u>	<u>713,675</u>	<u>11,325</u>
Court of civil appeals:				
Salaries - elected	10,814	10,814	10,022	792
Social security - elected	<u>865</u>	<u>865</u>	<u>763</u>	<u>102</u>
Total court of civil appeals	<u>11,679</u>	<u>11,679</u>	<u>10,785</u>	<u>894</u>
County court-at-law no. 1:				
Salaries - elected	95,236	95,236	56,936	38,300
COLA - elected	1,905	1,905	1,905	-
Social security - elected	7,771	7,771	3,757	4,014
Group insurance - elected	11,409	11,409	3,022	8,387
Retirement - elected	9,214	9,214	5,941	3,273
Workers' compensation - elected	354	505	505	-
Salaries and wages - other employees	89,865	90,204	90,204	-
Merit pay	791	791	-	791
Longevity	600	600	600	-
Social security - other employees	7,300	6,757	6,331	426
Group insurance - other employees	10,409	10,574	10,532	42
Retirement - other employees	8,656	8,672	8,672	-
Workers' compensation - other employees	317	470	470	-

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
<b>JUDICIAL (Continued)</b>				
County court-at-law no. 1: (Continued)				
State unemployment insurance	\$ 183	\$ 205	\$ 205	\$ -
Supplies and other expense	3,000	2,500	2,114	386
Print shop	200	567	447	120
Postage	100	103	74	29
Copying machine	2,500	2,500	1,984	516
Court reporters - statement of facts	1,200	4,515	4,515	-
Other professional services	1,250	1,250	700	550
Contract services - court reporters	3,500	3,330	2,125	1,205
Conferences, workshops and training	2,000	1,875	722	1,153
Dues and subscriptions	285	410	390	20
Repairs and maintenance service	500	800	699	101
Total County court-at-law no. 1	<u>258,545</u>	<u>262,163</u>	<u>202,850</u>	<u>59,313</u>
County court-at-law no. 2:				
Salaries - elected	72,856	72,856	72,856	-
Social security - elected	5,828	5,828	5,221	607
Group insurance - elected	10,929	10,929	3,777	7,152
Retirement - elected	6,910	6,958	6,958	-
Workers' compensation - elected	266	407	379	28
Salaries and wages - other employees	59,255	58,832	56,363	2,469
Social security - other employees	4,740	4,712	4,279	433
Group insurance - other employees	7,447	7,805	7,748	57
Retirement - other employees	5,620	5,620	5,383	237
Workers' compensation - other employees	238	308	308	-
State unemployment insurance	119	136	136	-
Supplies and other expense	2,250	11,016	10,693	323
Print shop	375	675	546	129
Postage	113	901	640	261
Copying machine	1,875	1,425	1,244	181
Court reporters - stmt of facts	1,125	-	-	-

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>JUDICIAL (Continued)</b>				
County court-at-law no. 2: (Continued)				
Other professional services	\$ 938	\$ 100	\$ -	\$ 100
Contract services - court reporters	1,575	1,600	1,600	-
Conferences, workshops and training	1,875	280	280	-
Dues and subscriptions	285	410	402	8
Repairs and maintenance service	375	-	-	-
Capital outlay - furnishings and equipment	8,000	2,379	2,379	-
Total County court-at-law no. 2	<u>192,994</u>	<u>193,177</u>	<u>181,192</u>	<u>11,985</u>
Attorney general master:				
Other professional services	100	100	-	100
Contract services - court reporters	<u>7,500</u>	<u>8,200</u>	<u>8,200</u>	<u>-</u>
Total attorney general master	<u>7,600</u>	<u>8,300</u>	<u>8,200</u>	<u>100</u>
124th district court:				
Salaries and wages - other employees	83,771	81,156	81,156	-
Temporary help	1,600	-	-	-
Interpreter	1,000	-	-	-
Merit pay	837	837	837	-
Longevity pay	600	600	600	-
Social security - other employees	6,945	6,945	6,275	670
Group insurance - other employees	11,318	10,520	8,251	2,269
Retirement - other employees	8,082	8,082	7,888	194
Workers' compensation - other employees	310	439	439	-
State unemployment insurance	174	187	187	-
Supplies and other expense	7,500	6,065	5,904	161
Print shop	-	250	173	77
Postage	420	420	148	272
Court reporters - stmt of facts	34,900	35,635	35,633	2
Other professional services	2,500	2,500	2,306	194
Visiting judges	2,000	2,000	1,933	67
Contract services - court reporters	7,500	15,450	15,420	30

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>JUDICIAL (Continued)</b>				
124th district court: (Continued)				
Communication	\$ 100	\$ 400	\$ 321	\$ 79
Conferences, workshops and training	2,000	300	287	13
Dues and subscriptions	285	185	30	155
Repairs and maintenance service	500	500	407	93
Total 124th district court	<u>172,342</u>	<u>172,471</u>	<u>168,195</u>	<u>4,276</u>
188th district court:				
Salaries and wages - other employees	76,160	76,924	76,924	-
Interpreter	1,600	1,600	-	1,600
Merit pay	693	693	675	18
Longevity pay	120	120	120	-
Social security - other employees	6,158	6,158	5,790	368
Group insurance - other employees	11,195	10,288	10,018	270
Retirement - other employees	7,301	7,422	7,422	-
Workers' compensation - other employees	275	397	397	-
State unemployment insurance	154	176	176	-
Supplies and other expense	4,000	5,000	3,751	1,249
Print shop	300	300	300	-
Postage	300	300	230	70
Copying machine	2,800	2,800	2,590	210
Court reporters - stmt of facts	25,000	29,000	28,937	63
Other professional services	5,000	3,000	1,490	1,510
Visiting judges	2,500	1,500	355	1,145
Contract services - court reporters	8,000	6,000	5,000	1,000
Conferences, workshops and training	2,000	2,000	1,118	882
Dues and subscriptions	285	285	80	205
Repairs and maintenance service	500	500	-	500
Total 188th district court	<u>154,341</u>	<u>154,463</u>	<u>145,373</u>	<u>9,090</u>
307th district court:				
Salaries and wages - other employees	80,915	81,244	81,244	-
Temporary help	2,500	3,000	2,919	81
Interpreter	500	500	-	500
Merit pay	702	702	684	18

**(continued)**

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>JUDICIAL (Continued)</b>				
307th district court: (Continued)				
Longevity pay	\$ 360	\$ 360	\$ 360	\$ -
Social security - other employees	6,758	6,758	6,156	602
Group insurance - other employees	11,270	10,841	10,482	359
Retirement - other employees	7,776	7,858	7,858	-
Workers' compensation - other employees	300	423	423	-
State unemployment insurance	169	186	186	-
Supplies and other expense	6,500	8,184	7,142	1,042
Print shop	750	750	336	414
Postage	200	200	146	54
Copying machine	3,000	3,000	2,088	912
Court reporters - stmt of facts	5,000	5,000	3,975	1,025
Visiting judges	2,500	2,500	662	1,838
Contract services - court reporters	5,000	5,000	2,475	2,525
Conferences, workshops and training	3,000	3,000	2,404	596
Dues and subscriptions	285	285	105	180
Repairs and maintenance service	1,200	1,200	687	513
Capital outlay - furnishings and equipment	2,184	-	-	-
Total 307th district court	<u>140,869</u>	<u>140,991</u>	<u>130,332</u>	<u>10,659</u>
General:				
Supplies and other expense	500	500	-	500
Other professional services	6,870	6,870	6,152	718
Juror fees	55,000	55,000	50,000	5,000
Juror expense	<u>10,000</u>	<u>9,300</u>	<u>283</u>	<u>9,017</u>
Total general	<u>72,370</u>	<u>71,670</u>	<u>56,435</u>	<u>15,235</u>
District clerk:				
Salaries - elected	51,000	51,000	51,000	-
COLA - elected	1,225	1,225	1,225	-
Social security - elected	4,178	4,178	3,940	238
Group insurance - elected	5,542	5,542	4,676	866
Retirement - elected	4,954	4,974	4,974	-
Workers' compensation - elected	186	272	272	-

(continued)



**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>JUDICIAL (Continued)</b>				
District clerk: (Continued)				
Salaries and wages - other employees	\$ 460,715	\$ 460,715	\$ 427,787	\$ 32,928
Merit pay	6,911	6,911	6,851	60
Longevity	2,400	2,520	2,520	-
Social security - other employees	37,602	37,602	32,624	4,978
Group insurance - other employees	107,450	107,258	95,384	11,874
Retirement - other employees	44,582	44,582	41,742	2,840
Workers' compensation - other employees	1,500	2,408	2,408	-
State unemployment insurance	940	992	992	-
Supplies and other expense	25,000	25,000	24,650	350
Print shop	2,500	2,853	2,853	-
Postage	26,500	28,289	28,289	-
Copying machine	11,200	9,350	9,147	203
Conferences, workshops, and training	2,500	2,069	1,999	70
Repairs and maintenance service	4,000	4,139	4,139	-
Total district clerk	<u>800,885</u>	<u>801,879</u>	<u>747,472</u>	<u>54,407</u>
Justice of the peace no. 1:				
Salaries - elected	39,500	39,500	39,500	-
Social security - elected	3,160	3,160	2,569	591
Group insurance - elected	16,150	14,850	5,234	9,616
Retirement - elected	3,747	3,787	3,787	-
Workers' compensation - elected	140	205	205	-
Salaries and wages - other employees	70,635	70,688	70,688	-
Temporary help	2,250	2,511	2,511	-
Merit pay	1,060	1,060	1,060	-
Longevity	960	960	960	-
Social security - other employees	5,992	5,992	5,291	701
Group insurance - other employees	14,650	15,475	15,449	26
Retirement - other employees	6,891	6,995	6,995	-
Workers' compensation - other employees	261	372	372	-
State unemployment insurance	150	167	167	-
Supplies and other expense	2,500	3,761	3,730	31

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>JUDICIAL (Continued)</b>				
Justice of the peace no. 1: (Continued)				
Print shop	\$ 1,500	\$ 1,689	\$ 1,689	\$ -
Postage	2,600	2,600	2,505	95
Copying machine	2,354	2,354	2,255	99
Autopsies	25,000	60,000	55,688	4,312
Contract services - court reporters	400	-	-	-
Communications	450	450	434	16
Conferences, workshops and training	2,000	1,350	1,330	20
Repairs and maintenance service	600	200	199	1
Total justice of the peace no. 1	<u>202,950</u>	<u>238,126</u>	<u>222,618</u>	<u>15,508</u>
Justice of the peace no. 2:				
Salaries - elected	38,500	38,500	38,500	-
Social security - elected	3,080	3,080	2,938	142
Group insurance - elected	5,384	5,384	5,229	155
Retirement - elected	3,652	3,691	3,691	-
Workers' compensation - elected	134	200	200	-
Salaries and wages - other employees	23,640	23,736	23,736	-
Temporary help	7,000	7,500	7,498	2
Merit pay	355	355	345	10
Longevity	240	240	240	-
Social security - other employees	2,499	2,499	2,434	65
Group insurance - other employees	4,884	5,159	5,143	16
Retirement - other employees	2,963	2,542	2,323	219
Workers' compensation - other employees	100	124	124	-
State unemployment insurance	62	73	73	-
Supplies and other expense	2,500	2,500	2,499	1
Print shop	300	300	287	13
Postage	400	900	897	3
Copying machine	1,800	1,800	1,553	247
Autopsies	5,000	4,500	1,219	3,281
Communications	500	500	411	89
Conferences, workshops and training	1,500	2,000	1,846	154
Repairs and maintenance service	1,000	-	-	-
Total justice of the peace no. 2	<u>105,493</u>	<u>105,583</u>	<u>101,186</u>	<u>4,397</u>

**(continued)**

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>JUDICIAL (Continued)</b>				
Justice of the peace no. 3:				
Salaries - elected	\$ 38,500	\$ 38,500	\$ 38,500	\$ -
Social security - elected	3,080	3,080	2,929	151
Group insurance - elected	15,972	15,144	4,609	10,535
Retirement - elected	3,652	3,691	3,691	-
Workers' compensation - elected	134	200	200	-
Salaries and wages - other employees	59,635	59,635	59,199	436
Merit pay	895	895	562	333
Longevity	240	240	-	240
Social security - other employees	4,862	4,862	4,270	592
Group insurance - other employees	14,472	15,246	15,196	50
Retirement - other employees	5,764	5,764	5,707	57
Workers' compensation - other employees	218	311	311	-
State unemployment insurance	122	136	136	-
Supplies and other expense	2,500	3,988	3,988	-
Print shop	500	438	438	-
Postage	1,250	1,221	1,221	-
Autopsies	15,000	29,859	29,859	-
Communications	3,500	3,737	3,430	307
Conferences, workshops, and training	1,800	2,095	2,027	68
Dues and subscriptions	150	75	75	-
Travel	200	-	-	-
Repairs and maintenance service	1,200	682	681	1
Capital outlay - furnishings and equipment	1,135	-	-	-
Total justice of the peace no. 3	<u>174,781</u>	<u>189,799</u>	<u>177,029</u>	<u>12,770</u>
Justice of the peace no. 4:				
Salaries - elected	38,500	38,500	38,500	-
Social security - elected	3,080	3,080	2,621	459
Group insurance - elected	5,405	5,405	5,229	176
Retirement - elected	3,652	3,691	3,691	-
Workers' compensation - elected	134	200	200	-
Salaries and wages - other employees	42,070	42,245	42,245	-
Merit pay	631	631	615	16

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>JUDICIAL (Continued)</b>				
Justice of the peace no. 4: (Continued)				
Longevity	\$ 360	\$ 360	\$ 360	\$ -
Social security - other employees	3,445	3,445	3,203	242
Group insurance - other employees	10,686	10,416	10,251	165
Retirement - other employees	4,084	4,128	4,128	-
Workers' compensation - other employees	154	221	221	-
State unemployment insurance	86	98	98	-
Supplies and other expense	2,500	2,500	2,491	9
Print shop	300	550	337	213
Postage	1,200	1,200	1,110	90
Copying machine	2,500	2,500	1,784	716
Autopsies	14,000	12,750	4,961	7,789
Communications	500	500	296	204
Conferences, workshops, and training	1,000	1,076	1,076	-
Dues and subscriptions	150	150	120	30
Utilities	4,500	4,924	4,668	256
Repairs and maintenance service	3,500	2,865	2,679	186
Capital outlay - buildings	-	1,100	1,100	-
Capital outlay - furnishings and equipment	500	1,635	1,135	500
Total justice of the peace no. 4	<u>142,937</u>	<u>144,170</u>	<u>133,119</u>	<u>11,051</u>
District attorney:				
Salaries - elected	10,500	10,500	10,500	-
COLA - elected	210	210	210	-
Social security - elected	857	857	823	34
Group insurance - elected	5,127	5,127	5,057	70
Retirement - elected	1,016	1,027	1,027	-
Salaries and wages - other employees	776,318	771,318	759,040	12,278
Temporary help	2,775	7,775	7,775	-
Merit pay	11,645	11,645	10,172	1,473
Longevity	3,480	3,480	3,480	-
Longevity-assistant prosecutors	12,500	13,482	13,482	-
Social security - other employees	64,537	64,537	58,929	5,608
Group insurance - other employees	117,292	116,069	111,975	4,094
Retirement - other employees	76,254	76,254	74,298	1,956

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>JUDICIAL (Continued)</b>				
District attorney: (Continued)				
Workers' compensation - other employees	\$ 6,012	\$ 7,380	\$ 6,528	\$ 852
State unemployment insurance	1,613	1,844	1,820	24
Supplies and other expense	12,500	13,137	12,870	267
Video tape supplies	1,775	995	995	-
Print shop	3,750	3,750	3,726	24
Postage	14,500	14,500	11,314	3,186
Copying machine	5,000	5,970	5,929	41
Court reporters - statement of facts	3,000	844	844	-
Other professional services	3,000	4,330	4,330	-
Total district attorney	<u>1,133,661</u>	<u>1,135,031</u>	<u>1,105,124</u>	<u>29,907</u>
Bail bond board:				
Temporary help	-	3,500	585	2,915
Supplies and other expense	-	950	81	869
Travel	-	500	-	500
Total bail bond board	<u>-</u>	<u>4,950</u>	<u>666</u>	<u>4,284</u>
Total judicial	<u>4,246,447</u>	<u>4,359,452</u>	<u>4,104,251</u>	<u>255,201</u>
<b>PUBLIC SAFETY</b>				
Constable no. 1:				
Salaries - elected	37,000	37,000	37,000	-
Social security - elected	2,960	2,960	2,746	214
Group insurance - elected	5,390	5,314	5,217	97
Retirement - elected	3,509	3,548	3,548	-
Workers' compensation - elected	1,372	1,943	1,943	-
Salaries and wages - other employees	6,440	6,470	6,470	-
Merit pay	97	97	84	13
Social security - other employees	523	523	495	28
Group insurance - other employees	1,353	1,353	1,277	76
Retirement - other employees	620	626	626	-
Workers' compensation - other employees	23	33	33	-
State unemployment insurance	13	15	15	-

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC SAFETY</b>				
Constable no. 1: (Continued)				
Supplies and other expense	\$ 471	\$ 421	\$ 402	\$ 19
Print shop	25	49	49	-
Postage	250	551	551	-
Communications	350	350	265	85
Dues and subscriptions	150	25	25	-
Repairs and maintenance service	150	-	-	-
Total constable no. 1	<u>60,696</u>	<u>61,278</u>	<u>60,746</u>	<u>532</u>
Constable no. 2:				
Salaries - elected	37,000	37,000	37,000	-
Social security - elected	2,960	2,960	2,842	118
Group insurance - elected	5,390	5,351	5,217	134
Retirement - elected	3,509	3,548	3,548	-
Workers' compensation - elected	1,372	1,943	1,943	-
Supplies and other expense	1,000	1,000	484	516
Print shop	350	350	8	342
Postage	50	50	50	-
Communications	700	700	-	700
Conferences, workshops and training	400	400	309	91
Travel	200	200	-	200
Repairs and maintenance service	200	200	-	200
Uniforms	200	200	173	27
Capital outlay - furnishings and equipment	700	700	620	80
Total constable no. 2	<u>54,031</u>	<u>54,602</u>	<u>52,194</u>	<u>2,408</u>
Constable no. 3:				
Salaries - elected	37,000	37,000	37,000	-
Social security - elected	2,960	2,960	2,842	118
Group insurance - elected	5,390	5,351	5,217	134
Retirement - elected	3,509	3,548	3,548	-
Workers' compensation - elected	1,372	1,943	1,943	-
Supplies and other expense	1,000	1,335	1,165	170

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC SAFETY (Continued)</b>				
Constable no. 3: (Continued)				
Print shop	\$ 300	\$ 300	\$ 299	\$ 1
Postage	100	100	99	1
Communications	2,100	2,065	1,820	245
Conferences, workshops and training	750	563	563	-
Dues and subscriptions	227	127	50	77
Travel	150	-	-	-
Uniforms	500	637	637	-
Total constable no. 3	<u>55,358</u>	<u>55,929</u>	<u>55,183</u>	<u>746</u>
Constable no. 4:				
Salaries - elected	37,000	37,000	37,000	-
Social security - elected	2,960	2,960	2,492	468
Group insurance - elected	5,390	5,351	5,217	134
Retirement - elected	3,509	3,548	3,548	-
Workers' compensation - elected	1,372	1,943	1,943	-
Supplies and other expense	1,200	2,000	1,809	191
Print shop	150	150	18	132
Postage	200	200	195	5
Communications	750	750	442	308
Conferences, workshops and training	500	500	50	450
Travel	100	100	-	100
Uniforms	1,250	450	-	450
Total constable no. 4	<u>54,381</u>	<u>54,952</u>	<u>52,714</u>	<u>2,238</u>
Code unit:				
Salaries and wages - other employees	7,389	7,389	3,584	3,805
Social security - other employees	591	591	274	317
Workers' compensation - other employees	26	388	194	194
State unemployment insurance	15	15	8	7
Total code unit	<u>8,021</u>	<u>8,383</u>	<u>4,060</u>	<u>4,323</u>

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC SAFETY (Continued)</b>				
Department of public safety: (Continued)				
Salaries and wages - other employees	\$ 22,176	\$ 22,292	\$ 22,292	\$ -
Temporary help	8,000	8,000	7,699	301
Merit pay	333	333	302	31
Longevity	360	360	360	-
Social security - other employees	2,469	2,469	2,317	152
Group insurance - other employees	5,363	5,217	5,129	88
Retirement - other employees	2,169	2,192	2,192	-
Workers' compensation - other employees	78	117	117	-
State unemployment insurance	62	69	69	-
Supplies and other expense	2,500	3,712	3,661	51
Communications	1,250	828	815	13
Repair and maintenance service	800	-	-	-
Capital outlay - furnishings and equipment	-	9	-	9
Total department of public safety	<u>45,560</u>	<u>45,598</u>	<u>44,953</u>	<u>645</u>
Parks and wildlife:				
Supplies and other expense	650	800	757	43
Communication	150	-	-	-
Total parks and wildlife	<u>800</u>	<u>800</u>	<u>757</u>	<u>43</u>
Texas Alcoholic Beverage Commission:				
Supplies and other expense	250	250	-	250
Total Texas Alcoholic Beverage Commission	<u>250</u>	<u>250</u>	<u>-</u>	<u>250</u>
Sheriff - corrections:				
Salaries - elected	54,105	54,105	54,105	-
COLA - elected	1,082	1,082	1,082	-
Social security - elected	4,415	4,415	4,190	225
Group insurance - elected	5,572	5,572	5,330	242
Retirement - elected	5,234	5,291	5,291	-
Workers' compensation - elected	2,106	2,897	2,897	-
Salaries and wages - other employees	3,838,540	3,837,364	3,778,325	59,039

**(continued)**



**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC SAFETY (Continued)</b>				
Sheriff - corrections: (Continued)				
Overtime	\$ 12,000	\$ 12,000	\$ 10,664	\$ 1,336
Certification pool	10,000	10,000	-	10,000
Merit pay	57,578	57,578	47,744	9,834
Longevity	14,040	14,040	12,840	1,200
Social security - other employees	314,573	314,573	289,349	25,224
Group insurance - other employees	746,572	745,339	668,055	77,284
Retirement - other employees	372,965	372,965	369,385	3,580
Workers' compensation - other employees	156,500	201,359	192,154	9,205
State unemployment insurance	7,864	9,040	9,040	-
Supplies and other expense	25,000	35,442	35,392	50
Print shop	6,000	9,620	9,620	-
Postage	-	13,837	13,836	1
Copying machine	7,000	3,380	3,380	-
Other professional services	19,500	17,030	17,030	-
Communications	30,500	11,897	11,844	53
Conferences, workshops and training	8,000	10,428	10,428	-
Travel	20,000	15,019	14,895	124
Repairs and maintenance service	34,000	44,852	44,815	37
Groceries/food service	360,000	421,955	421,955	-
Jail repairs and maintenance	10,000	9,134	9,134	-
Uniforms	25,000	10,115	10,075	40
Drugs and medicine	60,000	32,757	32,757	-
Hospital services	16,000	21,195	21,195	-
Contract services	5,000	-	-	-
Tires and tubes	9,000	7,400	7,373	27
Fuel and lubrication	88,000	88,750	88,651	99
Capital outlay - furnishings and equipment	179,000	183,670	183,552	118
Total sheriff - corrections	<u>6,505,146</u>	<u>6,584,101</u>	<u>6,386,383</u>	<u>197,718</u>

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC SAFETY (Continued)</b>				
Juvenile board:				
Salaries - elected	\$ 75,132	\$ 73,810	\$ 69,117	\$ 4,693
Social security - elected	6,011	6,011	5,064	947
Group insurance - elected	16,187	17,509	17,501	8
Retirement - elected	7,126	7,126	6,632	494
Workers' compensation - elected	231	664	664	-
Conferences, workshops, and training	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total juvenile board	<u>105,687</u>	<u>106,120</u>	<u>98,978</u>	<u>7,142</u>
 Total public safety	 <u>6,889,930</u>	 <u>6,972,013</u>	 <u>6,755,968</u>	 <u>216,045</u>
 <b>HEALTH AND HUMAN SERVICES</b>				
Veterans services:				
Salaries and wages - other employees	57,425	57,657	57,657	-
Merit pay	418	418	407	11
Longevity	240	240	240	-
Social security - other employees	4,647	4,647	4,460	187
Group insurance - other employees	10,911	10,603	5,349	5,254
Retirement - other employees	5,509	5,568	5,568	-
Workers' compensation - other employees	206	300	300	-
State unemployment insurance	116	132	132	-
Supplies and other expense	1,300	1,222	702	520
Print shop	160	160	96	64
Postage	780	780	776	4
Communications	350	350	131	219
Conferences, workshops and training	1,700	1,700	-	1,700
Dues and subscriptions	50	50	20	30
Travel	844	844	190	654
Repairs and maintenance service	500	578	578	-
Rent	<u>8,400</u>	<u>8,400</u>	<u>8,400</u>	<u>-</u>
Total veterans services	<u>93,556</u>	<u>93,649</u>	<u>85,006</u>	<u>8,643</u>

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>EXPENDITURES (Continued)</b>				
<b>HEALTH AND HUMAN SERVICES (Continued)</b>				
Civil defense:				
Supplies and other expense	\$ 600	\$ 600	\$ -	\$ 600
Conferences, workshops and training	<u>600</u>	<u>600</u>	<u>597</u>	<u>3</u>
Total civil defense	<u>1,200</u>	<u>1,200</u>	<u>597</u>	<u>603</u>
Gregg County Industrial Airpark:				
Supplies and other expenses	3,500	5,500	4,917	583
Real estate brokerage contingency	15,000	15,000	-	15,000
Other professional services	60,500	52,524	49,500	3,024
Communications	1,200	1,200	362	838
Conferences, workshops and training	9,000	10,000	8,930	1,070
Advertising	6,500	6,500	4,147	2,353
Dues and subscriptions	1,500	1,500	1,100	400
Travel	6,000	4,000	2,393	1,607
Utilities	<u>500</u>	<u>500</u>	<u>320</u>	<u>180</u>
Total Gregg County Industrial Airpark	<u>103,700</u>	<u>96,724</u>	<u>71,669</u>	<u>25,055</u>
Environmental protection:				
Other professional services	-	5,300	5,242	58
Hazardous waste	25,000	27,399	27,396	3
Travel	<u>5,000</u>	<u>430</u>	<u>-</u>	<u>430</u>
Total Environmental Protection	<u>30,000</u>	<u>33,129</u>	<u>32,638</u>	<u>491</u>
911 Addressing:				
Salaries and wages - other employees	52,830	53,076	53,076	-
Merit pay	792	792	683	109
Longevity	240	240	240	-
Social security - other employees	4,309	4,309	4,127	182
Group insurance - other employees	10,848	10,539	10,312	227
Retirement - other employees	5,109	5,157	5,157	-
Workers' compensation - other employees	1,340	1,822	1,822	-

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>EXPENDITURES (Continued)</b>				
<b>HEALTH AND HUMAN SERVICES (Continued)</b>				
911 Addressing: (Continued)				
State unemployment insurance	\$ 108	\$ 122	\$ 122	\$ -
Supplies and other expense	4,500	4,500	3,686	814
Print shop	200	200	68	132
Postage	300	300	106	194
Other professional services	38,000	13,000	12,453	547
Communications	400	400	102	298
Conferences, workshops, and training	1,000	1,000	-	1,000
Advertising	500	500	-	500
Dues and subscriptions	250	250	-	250
Repairs and maintenance service	1,000	1,000	-	1,000
Fuel and lubrication	1,800	1,800	1,589	211
Capital outlay - furnishings and equipment	18,000	18,000	16,800	1,200
Total 911 addressing	<u>141,526</u>	<u>117,007</u>	<u>110,343</u>	<u>6,664</u>
Health:				
Salaries and wages - other employees	279,405	279,405	272,769	6,636
Temporary help	5,000	5,000	4,072	928
Merit pay	3,186	3,186	1,426	1,760
Longevity	1,080	1,200	1,200	-
Social security - other employees	23,094	23,094	20,150	2,944
Group insurance - other employees	54,455	54,279	45,747	8,532
Retirement - other employees	26,906	26,906	24,884	2,022
Workers' compensation - other employees	3,174	4,550	4,550	-
State unemployment insurance	577	633	633	-
Supplies and other expense	14,500	17,000	15,685	1,315
Print shop	800	1,100	994	106
Postage	2,000	2,298	2,298	-
Copying machine	2,900	3,204	3,048	156
County health director	100,000	100,000	100,000	-
Arson investigator	5,000	4,214	2,612	1,602

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>HEALTH AND HUMAN SERVICES (Continued)</b>				
Health: (Continued)				
Other professional services	\$ 95,000	\$ 73,737	\$ 73,185	\$ 552
Communications	250	250	231	19
Conferences, workshops and training	4,000	6,988	6,827	161
Travel	200	211	210	1
Utilities	13,000	13,000	12,836	164
Repairs and maintenance service	1,500	1,600	1,530	70
Drugs and medicine	110,000	99,056	84,099	14,957
X-ray and laboratory	30,000	30,000	27,756	2,244
Hospital services	525,000	531,128	531,128	-
Funerals	15,000	35,364	35,363	1
Fuel and lubrication	2,000	2,000	1,593	407
Total health	<u>1,318,027</u>	<u>1,319,403</u>	<u>1,274,826</u>	<u>44,577</u>
Historical commission:				
Supplies and other expense	2,500	2,440	1,492	948
Print shop charges	-	25	22	3
Postage	150	150	121	29
Communications	950	1,010	972	38
Conferences, workshops and training	3,400	3,215	2,234	981
Dues and subscriptions	217	217	90	127
Travel	400	560	512	48
Repairs and maintenance service	250	250	160	90
Total historical commission	<u>7,867</u>	<u>7,867</u>	<u>5,603</u>	<u>2,264</u>
Contributions:				
Longview - library	70,000	70,000	70,000	-
Kilgore - library	17,000	17,000	17,000	-
Gladewater - library	16,500	16,500	16,500	-
White Oak - library	3,500	3,500	3,500	-
Elderville Lakeport Fire Department	20,000	20,000	20,000	-
Sabine Fire Department	16,500	16,500	16,500	-
Easton Fire Department	7,000	7,000	7,000	-
Kilgore Rescue Unit	18,000	18,000	18,000	-

**(continued)**

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
<b>HEALTH AND HUMAN SERVICES (Continued)</b>				
Contributions: (Continued)				
Civil Air Patrol	\$ 6,000	\$ 6,000	\$ 6,000	\$ -
East Mountain Fire Department	2,500	2,500	2,500	-
Macedonia Volunteer Fire Department	4,000	4,000	4,000	-
LEPC First Call Alert	1,000	1,000	1,000	-
Clarksville City-Warren City VFD	3,000	3,000	3,000	-
Gladewater Chamber of Commerce	10,000	10,000	10,000	-
Kilgore Chamber of Commerce	10,000	10,000	10,000	-
White Oak Chamber of Commerce	7,500	7,500	7,500	-
Liberty City Chamber of Commerce	2,500	2,500	2,500	-
Historical Foundation	13,800	13,800	13,800	-
Humane Society	10,000	12,000	12,000	-
Upshur/Gregg Soil and Water Conservation	3,000	3,000	3,000	-
Longview Partnership	7,500	7,500	7,500	-
Mental Health and Mental Retardation	133,650	133,650	133,650	-
Council on Alcoholism and Drug Abuse	15,000	15,000	15,000	-
Association for Retarded Citizens	10,000	10,000	10,000	-
Child Welfare Board	100,000	100,000	100,000	-
Women's Center of East Texas	10,000	10,000	10,000	-
East Texas Literacy Council	10,000	10,000	10,000	-
Early Childhood Development Center	5,500	5,500	5,500	-
Paula M. Jones Charity	6,000	6,000	6,000	-
Boys and Girls Club of Gregg County	6,000	6,000	6,000	-
Longview Teen Court	3,500	3,500	3,500	-
E.T. Child Advocates	8,500	8,500	8,500	-
Parenting Resource Center	3,000	3,000	3,000	-
Kilgore Crisis Center	6,000	6,000	6,000	-
Longview Depot Project	25,000	25,000	-	25,000
Special Health Resources of East Texas	3,000	3,000	3,000	-
Longview Museum of Fine Arts	305,000	1,652	-	1,652
Greater Longview United Way	10,000	10,000	10,000	-
Total contributions	<u>909,450</u>	<u>608,102</u>	<u>581,450</u>	<u>26,652</u>
Total health and human services	<u>2,605,326</u>	<u>2,277,081</u>	<u>2,162,132</u>	<u>114,949</u>

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC BUILDINGS</b>				
Courthouse building:				
Salaries and wages - other employees	\$ 422,693	\$ 422,693	\$ 398,669	\$ 24,024
Overtime	6,000	9,000	8,779	221
Temporary help	-	13,075	10,657	2,418
Merit pay	5,905	5,905	5,308	597
Longevity pay	1,920	1,920	1,320	600
Social security - other employees	34,921	34,921	31,193	3,728
Group insurance - other employees	101,928	101,842	86,723	15,119
Retirement - other employees	41,404	41,404	39,549	1,855
Workers' compensation - other employees	21,389	31,021	31,021	-
State unemployment insurance	873	959	959	-
Supplies and other expense	75,000	92,000	81,236	10,764
Print shop	500	500	246	254
Postage	250	250	101	149
Copying machine	750	750	-	750
Communications	2,200	2,200	2,042	158
Conferences, workshops, and training	500	500	65	435
Advertising	400	400	-	400
Travel	500	500	-	500
Utilities	410,000	430,000	426,396	3,604
Repairs and maintenance service	138,000	90,421	78,300	12,121
Uniforms	6,000	6,000	4,152	1,848
Contract services	16,800	3,725	3,725	-
Tires and tubes	500	500	-	500
Fuel and lubrication	2,000	2,000	1,328	672
Capital outlay - buildings	47,000	52,669	41,628	11,041
Capital outlay - furnishings and equipment	3,900	3,900	3,400	500
Total courthouse building	<u>1,341,333</u>	<u>1,349,055</u>	<u>1,256,797</u>	<u>92,258</u>

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC BUILDINGS (Continued)</b>				
Service center building:				
Supplies and other expenses	\$ 7,240	\$ 7,240	\$ 6,728	\$ 512
Utilities	25,000	25,000	15,429	9,571
Repairs and maintenance service	5,500	5,500	4,035	1,465
Capital outlay - buildings	-	49,695	49,695	-
Capital outlay - furnishings and equipment	50,000	305	-	305
Total service center building	<u>87,740</u>	<u>87,740</u>	<u>75,887</u>	<u>11,853</u>
Greggton building:				
Salaries and wages - other employees	5,334	5,334	2,923	2,411
Social security - other employees	427	427	224	203
Retirement - other employees	506	506	-	506
Workers' compensation - other employees	294	432	432	-
State unemployment insurance	11	11	7	4
Supplies and other expense	2,500	2,500	2,037	463
Utilities	9,300	9,800	9,453	347
Repairs and maintenance service	3,500	3,000	1,663	1,337
Capital outlay - buildings	1,480	4,680	3,200	1,480
Capital outlay - furnishings and equipment	1,500	1,500	-	1,500
Total Greggton building	<u>24,852</u>	<u>28,190</u>	<u>19,939</u>	<u>8,251</u>
Gladewater Commerce Street Building:				
Supplies and other expense	2,000	2,000	1,649	351
Utilities	4,200	4,200	4,063	137
Repairs and maintenance service	3,500	3,500	3,160	340
Total Gladewater Commerce Street Building	<u>9,700</u>	<u>9,700</u>	<u>8,872</u>	<u>828</u>
Jail building:				
Supplies and other expense	6,000	13,500	12,880	620
Utilities	85,000	93,000	90,428	2,572
Repairs and maintenance service	45,000	29,500	28,720	780
Total jail building	<u>136,000</u>	<u>136,000</u>	<u>132,028</u>	<u>3,972</u>

**(continued)**



**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC BUILDINGS (Continued)</b>				
Juvenile Post Adjudication Facility:				
Utilities	\$ 25,000	\$ 25,000	\$ 21,749	\$ 3,251
Total Juvenile Post Adjudication Facility	<u>25,000</u>	<u>25,000</u>	<u>21,749</u>	<u>3,251</u>
Youth detention center:				
Supplies and other expense	6,290	6,290	5,770	520
Utilities	35,000	35,000	22,787	12,213
Repairs and maintenance service	<u>4,000</u>	<u>4,000</u>	<u>2,210</u>	<u>1,790</u>
Total youth detention center	<u>45,290</u>	<u>45,290</u>	<u>30,767</u>	<u>14,523</u>
Community building maintenance:				
Salaries and wages - other employees	27,080	27,181	27,181	-
Overtime	500	500	20	480
Merit pay	406	406	-	406
Social security - other employees	2,239	2,239	2,121	118
Group insurance - other employees	5,440	5,333	5,161	172
Retirement - other employees	2,654	2,654	2,598	56
Workers' compensation - other employees	1,484	2,191	2,190	1
State unemployment insurance	56	62	62	-
Supplies and other expense	1,096	1,096	678	418
Communications	500	500	414	86
Repairs and maintenance service	2,000	1,500	1,010	490
Uniforms	500	500	279	221
Tires and tubes	500	500	155	345
Fuel and lubrication	<u>2,000</u>	<u>2,500</u>	<u>2,265</u>	<u>235</u>
Total community building maintenance	<u>46,455</u>	<u>47,162</u>	<u>44,134</u>	<u>3,028</u>
Longview Whaley Street Community Building:				
Salaries and wages - other employees	13,387	15,048	15,048	-
Temporary help	-	2,650	2,442	208
Social security - other employees	1,071	1,336	1,336	-
Group insurance - other employees	5,221	2,284	585	1,699

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC BUILDINGS (Continued)</b>				
Longview Whaley Street Community Building: (Continued)				
Retirement - other employees	\$ 1,270	\$ 1,270	\$ 633	\$ 637
Workers' compensation - other employees	679	1,083	1,083	-
State unemployment insurance	27	38	38	-
Supplies and other expense	3,500	3,022	2,664	358
Other professional services	-	767	766	1
Conferences, workshops, and training	-	12	12	-
Utilities	2,000	806	805	1
Repairs and maintenance service	4,000	6,000	5,970	30
Capital outlay - buildings	30,000	27,643	23,069	4,574
Capital outlay - furnishings and equipment	-	500	500	-
Total Longview Whaley Street Community Building	<u>61,155</u>	<u>62,459</u>	<u>54,951</u>	<u>7,508</u>
Judson Community Building:				
Supplies and other expense	3,500	4,100	3,578	522
Repairs and maintenance service	<u>3,000</u>	<u>1,500</u>	<u>1,330</u>	<u>170</u>
Total Judson Community Building	<u>6,500</u>	<u>5,600</u>	<u>4,908</u>	<u>692</u>
Garfield Hill Community Building:				
Supplies and other expense	4,120	4,120	1,220	2,900
Communications	500	500	438	62
Utilities	2,000	2,000	934	1,066
Repairs and maintenance service	<u>1,000</u>	<u>1,000</u>	<u>258</u>	<u>742</u>
Total Garfield Hill Community Building	<u>7,620</u>	<u>7,620</u>	<u>2,850</u>	<u>4,770</u>
Gladewater Senior Citizens Building:				
Supplies and other expense	700	68	-	68
Communications	500	500	331	169
Repairs and maintenance service	<u>1,500</u>	<u>718</u>	<u>718</u>	<u>-</u>
Total Gladewater Senior Citizens Building	<u>2,700</u>	<u>1,286</u>	<u>1,049</u>	<u>237</u>

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC BUILDINGS (Continued)</b>				
Liberty City Office/Community Building:				
Supplies and other expense	\$ 2,500	\$ 1,612	\$ 1,539	\$ 73
Communications	600	600	461	139
Utilities	6,000	6,880	6,427	453
Repairs and maintenance service	2,000	2,800	2,492	308
Capital outlay - buildings	4,000	4,290	4,290	-
Capital outlay - furnishings and equipment	-	632	632	-
Total Liberty City Office/Community Building	<u>15,100</u>	<u>16,814</u>	<u>15,841</u>	<u>973</u>
Hugh Camp Memorial Park:				
Supplies and other expense	3,000	3,000	2,515	485
Communications	500	500	454	46
Utilities	4,000	4,000	2,584	1,416
Repairs and maintenance service	8,000	7,796	6,647	1,149
Capital outlay - buildings	1,500	1,500	-	1,500
Capital outlay - furnishings and equipment	500	500	-	500
Total Hugh Camp Memorial Park	<u>17,500</u>	<u>17,296</u>	<u>12,200</u>	<u>5,096</u>
Olivia R. Hilburn Community Building:				
Supplies and other expense	3,500	3,420	1,643	1,777
Communications	500	580	527	53
Utilities	4,000	4,000	2,454	1,546
Repairs and maintenance service	2,000	2,000	1,182	818
Capital outlay - buildings	1,500	-	-	-
Capital outlay - furnishings and equipment	-	2,521	2,521	-
Total Olivia R. Hilburn Community Building	<u>11,500</u>	<u>12,521</u>	<u>8,327</u>	<u>4,194</u>
Kilgore Office and Community Building:				
Salaries and wages - other employees	21,219	21,301	21,301	-
Longevity	240	240	240	-
Social security - other employees	1,717	1,717	1,651	66
Group insurance - other employees	5,342	5,228	5,120	108
Retirement - other employees	2,035	2,062	2,062	-

**(continued)**

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC BUILDINGS (Continued)</b>				
Kilgore Office and Community Building: (Continued)				
Workers' compensation - other employees	\$ 1,108	\$ 1,736	\$ 1,736	\$ -
State unemployment insurance	43	49	49	-
Supplies and other expense	8,000	6,400	6,180	220
Postage	74	74	-	74
Communications	1,000	1,200	1,082	118
Utilities	12,000	12,000	11,519	481
Repairs and maintenance service	3,000	5,700	5,538	162
Total Kilgore Office and Community Building	<u>55,778</u>	<u>57,707</u>	<u>56,478</u>	<u>1,229</u>
Kilgore South Street Building:				
Supplies and other expense	3,800	3,800	436	3,364
Communications	750	750	562	188
Utilities	2,000	2,000	1,424	576
Repairs and maintenance service	1,600	2,200	1,710	490
Capital outlay - furnishings and equipment	1,200	600	-	600
Total Kilgore South Street Building	<u>9,350</u>	<u>9,350</u>	<u>4,132</u>	<u>5,218</u>
Elderville Community Building:				
Supplies and other expense	3,410	3,410	3,072	338
Communications	750	750	360	390
Utilities	2,000	2,000	1,881	119
Repairs and maintenance service	1,500	1,500	886	614
Capital outlay- buildings	3,500	4,050	3,920	130
Capital outlay - furnishings and equipment	3,100	2,550	1,239	1,311
Total Elderville Community Building	<u>14,260</u>	<u>14,260</u>	<u>11,358</u>	<u>2,902</u>
Easton Community Building:				
Supplies and other expense	2,500	2,500	1,954	546
Communications	800	800	636	164
Utilities	2,000	2,300	2,228	72
Repairs and maintenance service	2,000	1,700	729	971
Capital outlay- buildings	3,500	7,150	6,951	199
Capital outlay - furnishings and equipment	4,500	850	613	237
Total Easton Community Building	<u>15,300</u>	<u>15,300</u>	<u>13,111</u>	<u>2,189</u>

(continued)

**GREGG COUNTY, TEXAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC BUILDINGS (Continued)</b>				
West Harrison Volunteer Fire Department:				
Supplies and other expense	\$ 500	\$ 500	\$ 80	\$ 420
Communications	600	600	508	92
Utilities	1,500	1,500	470	1,030
Capital outlay - buildings	3,500	4,000	3,521	479
Total West Harrison Volunteer Fire Department	<u>6,100</u>	<u>6,600</u>	<u>4,579</u>	<u>2,021</u>
CSCD Annex:				
Capital outlay - buildings	-	23,500	23,234	266
Total CSCD Annex	<u>-</u>	<u>23,500</u>	<u>23,234</u>	<u>266</u>
Total public buildings	<u>1,939,233</u>	<u>1,978,450</u>	<u>1,803,191</u>	<u>175,259</u>
Total expenditures	<u>22,107,217</u>	<u>22,105,837</u>	<u>20,762,775</u>	<u>1,343,062</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>( 1,426,362)</u>	<u>( 1,352,065)</u>	<u>514,597</u>	<u>1,866,662</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers from other funds:				
Jury	-	199,407	199,407	-
Total operating transfers from other funds	<u>-</u>	<u>199,407</u>	<u>199,407</u>	<u>-</u>
Operating transfers to other funds:				
Security	( 60,753)	( 61,541)	( 61,541)	-
Road and bridge	( 1,887,255)	( 2,170,849)	( 2,170,849)	-
Airport	-	( 8,816)	( 8,816)	-
Local law enforcement block grant	( 1,700)	( 1,700)	( 1,677)	23
Sabine Valley grant	-	( 1,176)	( 1,176)	-
Airport improvement	-	( 50,000)	( 50,000)	-
Courthouse improvement	( 50,000)	( 47,195)	( 47,195)	-
Print shop	( 4,790)	( 4,790)	( 4,790)	-
Total operating transfers to other funds	<u>( 2,004,498)</u>	<u>( 2,346,067)</u>	<u>( 2,346,044)</u>	<u>23</u>
Sale of fixed assets	19,000	25,600	9,014	( 16,586)
Insurance proceeds - loss of fixed assets	-	2,882	3,002	120
Total other financing sources and uses	<u>( 1,985,498)</u>	<u>( 2,118,178)</u>	<u>( 2,134,621)</u>	<u>( 16,443)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>( 3,411,860)</u>	<u>( 3,470,243)</u>	<u>( 1,620,024)</u>	<u>1,850,219</u>
<b>FUND BALANCES, BEGINNING</b>	<u>8,743,934</u>	<u>8,743,934</u>	<u>8,743,934</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 5,332,074</u>	<u>\$ 5,273,691</u>	<u>\$ 7,123,910</u>	<u>\$ 1,850,219</u>

**GREGG COUNTY, TEXAS**

**STATEMENT OF NET ASSETS**

**PROPRIETARY FUNDS**

**SEPTEMBER 30, 2003**

Governmental  
Activities -  
Internal  
Service  
Funds

---

**ASSETS**

Current assets:

Cash and cash equivalents	\$ 85,765
Accounts receivable, net of allowances	484,095
Inventories	<u>5,187</u>
Total current assets	<u>575,047</u>

Noncurrent assets:

Capital assets:

Equipment	16,000
Less: accumulated depreciation	<u>( 5,600)</u>
Total capital assets	<u>10,400</u>

Total noncurrent assets 10,400

Total assets 585,447

**LIABILITIES**

Current liabilities:

Accounts payable	<u>400,149</u>
Total current liabilities	<u>400,149</u>

Total liabilities 400,149

**NET ASSETS**

Invested in capital assets, net of related debt	10,400
Unrestricted	<u>174,898</u>
Total net assets	<u>\$ 185,298</u>

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

**GREGG COUNTY, TEXAS**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**

**PROPRIETARY FUNDS**

**YEAR ENDED SEPTEMBER 30, 2003**

	<u>Internal Service Funds</u>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 3,078,956
Other	<u>536,804</u>
Total operating revenues	<u>3,615,760</u>
<b>OPERATING EXPENSES</b>	
Supplies	26,454
Copying machine	5,804
Repairs and maintenance service	2,054
Claim expenses	3,120,508
Administrative	522,949
Depreciation	<u>3,200</u>
Total operating expenses	<u>3,680,969</u>
<b>OPERATING LOSS</b>	<u>( 65,209)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Interest and investment revenue	<u>4,311</u>
Total nonoperating revenues (expenses)	<u>4,311</u>
<b>LOSS BEFORE TRANSFERS</b>	<u>( 60,898)</u>
<b>TRANSFERS IN</b>	4,790
<b>CHANGES IN NET ASSETS</b>	<u>( 56,108)</u>
<b>TOTAL NET ASSETS, BEGINNING</b>	241,406
<b>TOTAL NET ASSETS, ENDING</b>	<u>\$ 185,298</u>

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

**GREGG COUNTY, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2003**

	<u>Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 3,187,577
Cash paid to suppliers for goods and services	( 3,514,161)
Net cash used for operating activities	<u>( 326,584)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers in	<u>4,790</u>
Net cash provided by Noncapital Financing Activities	<u>4,790</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Earnings on investments	<u>3,767</u>
Net cash provided by investing activities	<u>3,767</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	( 318,027)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>403,792</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 85,765</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating loss	\$( 65,209)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	3,200
Changes in assets and liabilities:	
Decrease (increase) in assets:	
Accounts receivable	( 428,995)
Inventory	( 1,763)
Increase (decrease) in liabilities:	
Accounts payable	<u>166,183</u>
Net cash used for operations	<u>\$( 326,584)</u>
Noncash investing, capital, and financing activities:	
Contributions of capital assets	<u>\$ -</u>

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



**GREGG COUNTY, TEXAS**

**STATEMENT OF FIDUCIARY NET ASSETS**

**FIDUCIARY FUNDS**

**SEPTEMBER 30, 2003**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash	\$ 3,984,847
Investments	2,831,026
Due from other funds	5,000
Accounts receivables (net of allowance for uncollectibles)	<u>12,587</u>
 Total assets	 \$ <u><u>6,833,460</u></u>
<b>LIABILITIES</b>	
Cash bond deposits	\$ 284,607
Unearned cost deposits and amounts held in trust	4,074,414
Accounts payable	550,192
Due to other funds	132,543
Accounts payable - other governments	<u>1,791,704</u>
 Total liabilities	 \$ <u><u>6,833,460</u></u>

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

# GREGG COUNTY, TEXAS

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2003

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of Gregg 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. Based on this criteria, no entity was considered a component unit of the County.

#### 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 and its component units. 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.

(continued)

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

**B. Government-wide and Fund Financial Statements (Continued)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**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 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.

(continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government has the following major governmental funds:

The 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.

The Road and Bridge Fund accounts for the operation, construction and maintenance of roads and bridges.

The Health Care Fund accounts for monies received by the County from the state as a pro rata distribution from the lump sum payment made by tobacco companies. The money collected from the state is to be spent on health-related issues.

The Debt Service Fund accounts for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

Additionally, the government reports the following fund types:

Internal Service Funds account for insurance/risk management services and print services provided to other departments on a cost reimbursement basis.

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

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.

(continued)

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

### D. Assets, Liabilities and Net Assets or Equity

#### **Cash and Cash Equivalents**

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and government securities.

State statutes authorize the government and the County to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments for the government are reported at fair value.

#### **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."

Property tax receivables are shown net of an allowance for uncollectibles. Property taxes are levied on October 1 and attach as an enforceable lien on property as of January 1. Statements are mailed on October 1, or as soon thereafter as possible, and are due upon receipt. All unpaid taxes become delinquent if not paid before February 1 of the following year.

#### **Inventories**

All inventories are stated at cost. The costs of inventory items are recognized as expenditures in governmental funds when purchased.

#### **Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items) are reported in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 for equipment and \$25,000 for buildings 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.

(continued)

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

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

**Capital Assets** (Continued)

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.

GASB Statement 34 requires the County to report and depreciate new infrastructure assets effective with the beginning of the current year. Infrastructure assets include roads, bridges, traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the County. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period and is first required for the fiscal year ending in 2007. The County has implemented the general provisions of GASB Statement No. 34 in the current year and hopes to implement the retroactive infrastructure provisions in the fiscal year ending September 30, 2004.

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Improvements	20
Equipment	3-15
Infrastructure (streets and drainage)	16

**Compensated Absences**

Vacation and sick leave benefits are accumulated by County employees according to formulas adopted by the Commissioners' Court. The County's policy requires vacation time to be used within 14 months of being earned. Upon termination or retirement, employees are paid for any unused vacation time. The County's policy allows for accumulation of sick leave up to 60 days and provides for payment of sick leave accruals only upon retirement. At September 30, 2003, a liability has been recorded in the government-wide financial statements for accrued vacation time as well as the portion of accumulated sick leave expected to be paid.

**Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets.

(continued)

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

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

**Fund Equity**

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

**Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of accumulated depreciation, are reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. 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.

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

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

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental fund* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$371,164 difference are as follows:

(continued)

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

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

Capital outlay	\$ 1,973,333
Depreciation expense	<u>( 1,602,169)</u>
Net adjustment to reduce <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 371,164</u>

Another element of that reconciliation states, “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this \$1,124,884 difference are as follows:

Compensated absences	\$( 32,140)
Accrued interest	<u>1,157,024</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 1,124,884</u>

**3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

Annual budgets are adopted on a modified accrual basis for all governmental funds with the exception of the Sheriff Asset & Forfeiture, Sheriff Enforcement, and Sheriff Inmate Welfare Special Revenue Funds. A budget is prepared for the District Attorney General Special Revenue Fund based on a fiscal year ending October 31. A combined budget is prepared for all Code Unit operations rather than individual budgets for each fund. Budgetary control is exercised at the departmental level. All appropriations lapse at year-end.

State law provides that amendments approved by the Commissioners’ Court may be made to the original budget provided that funds are available for the added expenditures. Reported budget amounts reflect the budget as originally adopted and all budget amendments and transfers approved by the Commissioners’ Court.

(continued)



**3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**Budgetary Information** (Continued)

The County uses encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation. Purchase orders outstanding at year-end are not reported as reservations of fund balance because all open purchase orders lapse at year-end and are subject to re-appropriation in the budgetary process.

**4. DETAILED NOTES ON ALL FUNDS**

**Deposits and Investments**

At September 30, 2003, the government's carrying amount of deposits was \$6,930,307 and the bank balance was \$7,098,415. The bank balance was fully covered by federal depository insurance \$1,432,416, or collateral \$5,665,999 held by the pledging financial institution's agent in the County's name.

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the County or its agent in the County's name.
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the County's name.
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the County's name.

At year-end, the government's investment balances were as follows:

	<u>Category</u>			<u>Reported Amount/ Fair Value</u>
	<u>(1)</u>	<u>(2)</u>	<u>(3)</u>	
U. S. Government securities	<u>\$ -</u>	<u>\$ 12,431,495</u>	<u>\$ -</u>	<u>\$ 12,431,495</u>

**(continued)**

4. DETAILED NOTES ON ALL FUNDS (Continued)

**Receivables**

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

	<u>General</u>	<u>Road and Bridge</u>	<u>Health Care</u>	<u>Debt Service</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:						
Taxes	\$ 785,305	\$ 93,216	\$ -	\$ 177,522	\$ 57,462	\$ 1,113,505
Accounts	743,332	632,346	3,713	9,828	559,040	1,948,259
Due from other governments	<u>747,325</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>441,181</u>	<u>1,188,506</u>
Gross receivables	2,275,962	725,562	3,713	187,350	1,057,683	4,250,270
Less: allowance for uncollectibles	<u>( 370,352)</u>	<u>( 193,696)</u>	<u>-</u>	<u>( 42,392)</u>	<u>( 24,933)</u>	<u>( 631,373)</u>
Net Total Receivables	<u>\$ 1,905,610</u>	<u>\$ 531,866</u>	<u>\$ 3,713</u>	<u>\$ 144,958</u>	<u>\$ 1,032,750</u>	<u>\$ 3,618,897</u>

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

	<u>Unavailable</u>	<u>Unearned</u>
General Fund:		
Delinquent property taxes receivable	\$ 597,774	\$ -
Other	447,489	-
Road and Bridge:		
Delinquent property taxes receivable	70,956	-
Other	425,877	-
Debt Service Fund:		
Delinquent property taxes receivable	135,130	-
Nonmajor Funds:		
Delinquent property taxes receivable	43,740	-
Other	<u>16,706</u>	<u>46,540</u>
Governmental Funds	<u>\$ 1,737,672</u>	<u>\$ 46,540</u>

(continued)

4. DETAILED NOTES ON ALL FUNDS (Continued)

**Capital Assets**

Capital asset activity for the year ended September 30, 2003, was as follows:

**Primary Government**

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Government activities:					
Capital assets, not being depreciated:					
Land	\$ 1,300,308	\$ -	\$ -	\$ -	\$ 1,300,308
Construction work in progress	<u>2,757,846</u>	<u>748,579</u>	<u>( 2,757,846)</u>	<u>-</u>	<u>748,579</u>
Total assets not being depreciated	<u>4,058,154</u>	<u>748,579</u>	<u>( 2,757,846)</u>	<u>-</u>	<u>2,048,887</u>
Capital assets, being depreciated:					
Buildings and improvements	45,299,566	119,283	-	( 9,875,119)	35,543,730
Equipment	14,405,057	411,675	( 567,784)	( 3,901,081)	10,347,867
Improvements other than buildings	355,546	-	-	( 57,546)	298,000
Infrastructure	<u>2,513,875</u>	<u>3,451,642</u>	<u>-</u>	<u>-</u>	<u>5,965,517</u>
Total capital assets being depreciated	<u>62,574,044</u>	<u>3,982,600</u>	<u>( 567,784)</u>	<u>( 13,833,746)</u>	<u>52,155,114</u>
Less accumulated depreciation	<u>( 20,639,591)</u>	<u>( 1,601,886)</u>	<u>559,654</u>	<u>( 35,352)</u>	<u>( 21,717,175)</u>
Total capital assets being depreciated, net	<u>41,934,453</u>	<u>2,380,714</u>	<u>( 8,130)</u>	<u>( 13,869,098)</u>	<u>30,437,939</u>
Governmental activities capital assets, net	<u>\$ 45,992,607</u>	<u>\$ 3,129,293</u>	<u>\$ ( 2,765,976)</u>	<u>\$ ( 13,869,098)</u>	<u>\$ 32,486,826</u>

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

Governmental Activities:	
General government	\$ 413,416
Judicial	3,247
Public safety	172,204
Health and human services	14,267
Public buildings	744,631
Transportation and roads	<u>254,405</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,602,170</u>

(continued)

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

**Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of September 30, 2003, is as follows:

**Due to/from other funds:**

<u>Due from Fund</u>	<u>Due to Fund</u>	<u>Amount</u>	
General	Code Enforcement Awarded Forfeiture	\$ 3,808	
	County Clerk	34,073	
	District Attorney - General	48,334	
	District Clerk	10,691	
	Juvenile Probation	640	
	Sheriff	12,354	
	Tax Assessor-Collector	33,476	
	Sabine Valley Officer 08/31/04	3,332	
	Violence Against Women Prosecution 08/31/04	3,459	
	Violence Against Women Prosecution 08/31/03	10,142	
	Tobacco Grant - TDH 08/31/03	370	
	Community Gun Violence 12/31/03	13,832	
	Bioterrorism Grant 08/31/03	35,704	
	Bioterrorism Grant 08/31/04	4,248	
	Foster Care 05/31/04	1,109	
	SAMSHA 09/30/03	45,139	
	Road and Bridge	County Clerk	480
		Tax Assessor-Collector	21,420
Sheriff		1,390	
Debt Service	Tax Assessor-Collector	3,193	
Records Management and Preservation	County Clerk	9,210	
	County Clerk	860	
Law Library	District Clerk	940	
	Tax Assessor-Collector	852	
Airport			
County Records Management and Preservation	County Clerk	130	
	District Clerk	312	
	Sheriff	108	
Security	County Clerk	2,090	
	District Clerk	308	
	Sheriff	16	
District Clerk	General Fund	5,000	
Violence Against Women Prosecution 08/31/03	District Attorney - General	<u>3,951</u>	
Total		<u>\$ 310,971</u>	

**(continued)**

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

**Interfund Receivables, Payables and Transfers (Continued)**

**Interfund transfers:**

	Transfer In				Total
	General	Road and Bridge	Other Governmental	Internal Service	
Transfer Out:					
General	\$ -	\$ 2,170,849	\$ 170,405	\$ 4,790	\$ 2,346,044
Road and Bridge	-	-	-	-	-
Other	199,407	-	-	-	199,407
Total Transfers Out	\$ 199,407	\$ 2,170,849	\$ 170,405	\$ 4,790	\$ 2,545,451

**Long-term Debt**

**General Obligation Bonds**

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The original amount of general obligation bonds issued in prior years was \$24,835,173.

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	4.50 - 7.50%	\$ 6,125,000
Governmental activities - refunding	5.90 - 7.10%	4,432,131
		<u>\$ 10,557,131</u>

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

Year Ending September 30,	Governmental Activities	
	Principal	Interest
2004	\$ 2,550,000	\$ 277,205
2005	2,555,000	268,193
2006	1,160,000	237,800
2007	1,160,000	183,860
2008	1,160,000	130,500
2009	1,160,000	78,300
2010	1,160,000	26,100
Total	<u>\$ 10,905,000</u>	<u>\$ 1,201,958</u>

(continued)

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

##### Long-term Debt (Continued)

##### Changes in Long-term Liabilities

Long-term liability activity (shown in thousands of dollars) for the year ended September 30, 2003, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Government activities</b>					
Bonds payable:					
General obligation bonds	\$ 8,441,055	\$ -	\$ 939,320	\$ 7,501,735	\$ 879,940
Interest accretion	<u>4,248,957</u>	<u>412,119</u>	<u>1,605,680</u>	<u>3,055,396</u>	<u>1,581,386</u>
Total Bonds Payable	12,690,012	412,119	2,545,000	10,557,131	2,461,326
Notes payable	534,956	-	55,371	479,585	-
Compensated absences	<u>463,473</u>	<u>-</u>	<u>55,954</u>	<u>407,519</u>	<u>-</u>
Governmental Activity					
Long-term Liabilities	<u>\$ 13,688,441</u>	<u>\$ 412,119</u>	<u>\$ 2,656,325</u>	<u>\$ 11,444,235</u>	<u>\$ 2,461,326</u>

##### Other Information

##### Risk Management

The County and/or employees of the County are defendants in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's legal counsel the resolution of these matters will not have a material adverse effect on the financial condition of the County.

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During fiscal year 2003, the County was covered under a general liability insurance plan. Additionally, the County has commercial insurance for other risks of loss, including workers' compensation and employee life and accident insurance. There were no significant reductions in insurance coverage from the prior year, nor did any settlement exceed coverage.

##### Contingent Liabilities

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

There are currently several claims and lawsuits pending against the County. It is the opinion of the County Attorney and County Staff that there is no pending litigation against the County that, if decided against the County, would have a material adverse effect upon the operations of the County or that would exceed the contingency amounts set aside for such purpose.

(continued)

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

##### **Retirement Plan**

##### **Plan Description**

Gregg 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 535 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 9.55% for the months of the accounting year in 2003, and 9.55% for the months of the accounting year in 2002.

The deposit rate payable by the employee members for calendar year 2003 is the rate of 7%, as adopted by the governing body of the employer.

(continued)

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

**Retirement Plan (Continued)**

**Annual Pension Cost**

For the employer's accounting year ended September 30, 2003, the annual pension cost for the TCDRS plan for its employees was \$1,306,212 and the actual contributions were \$1,306,212.

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, 2000 and December 31, 2001, the basis for determining the contribution rates for calendar years 2002 and 2001. The December 31, 2002, actuarial valuation is the most recent valuation.

**Actuarial Valuation Information**

Actuarial Valuation Date	12/31/00	12/31/01	12/31/02
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	20.0	17.0	17.2
Asset valuation method	long-term appreciation for adjustment	long-term appreciation for adjustment	long-term appreciation for adjustment
Actuarial Assumptions:			
Investment return <sup>1</sup>	8.00%	8.00%	8.00%
Projected salary increases <sup>1</sup>	5.9%	5.5%	5.5%
Inflation	4.0%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0

<sup>1</sup>Includes inflation at the stated rate

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

<u>Accounting Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
09/30/01	\$ 1,282,876	100%	-
09/30/02	1,259,822	100%	-
09/30/03	1,306,212	100%	-

(continued)



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

**Retirement Plan** (Continued)

**Annual Pension Cost (Continued)**

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

Year	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (1) (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2000	\$ 29,657,395	\$ 36,218,565	\$ 6,561,170	81.88%	\$ 13,529,719	48.49%
2001	31,328,561	37,700,468	6,371,907	83.10%	13,964,742	45.63%
2002	32,785,251	39,592,053	6,806,802	82.81%	14,725,732	46.22%

- (1) The annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.
- (2) Revised economic and demographic assumptions due to an experience review were reflected in this valuation.

**Subsequent Events**

As of September 30, 2003, the County had a non-interest bearing note payable of \$479,586 relating to the renovation of the jail's third floor. Repayment of the debt is solely based on revenues generated from a contract with a third party administrator for housing inmates on jail's third floor. On February 10, 2004, the contract with the third party administrator expired and the County is not liable for the remaining balance.

On March 1, 2004, the County issued General Obligation Refunding Bonds in the amount of \$2,575,000. These bonds will mature on September 1, 2008, and bear an interest rate of 2.0%. The proceeds of the bond will be used to refund the General Obligation Bonds, Series 1993.

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

## **NONMAJOR GOVERNMENTAL FUNDS**

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

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

**GREGG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2003**

	Special Revenue				
	Election Services Contract	Records Management and Preservation	Jail Lease Facility	Jury	LEOSE
<b>ASSETS</b>					
Cash and cash equivalents	\$ 32,268	\$ 132,809	\$ 45,187	\$ -	\$ 16,634
Investments	-	-	-	-	-
Accounts receivable, net of allowance	42	130	3,160	-	-
Taxes receivable	-	-	-	-	-
Due from other funds	-	9,210	-	-	-
Inventory	-	-	-	-	-
Due from other governments	-	45,933	-	-	-
Total assets	<u>\$ 32,310</u>	<u>\$ 188,082</u>	<u>\$ 48,347</u>	<u>\$ -</u>	<u>\$ 16,634</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 265	\$ 7,545	\$ 736	\$ -	\$ 16,634
Accounts payable - other governments	-	-	-	-	-
Accrued liabilities	-	3,002	-	-	-
Deferred revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	<u>265</u>	<u>10,547</u>	<u>736</u>	<u>-</u>	<u>16,634</u>
<b>FUND BALANCES</b>					
Reserved for inventory	-	-	-	-	-
Unreserved:					
Undesignated	<u>32,045</u>	<u>177,535</u>	<u>47,611</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>32,045</u>	<u>177,535</u>	<u>47,611</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 32,310</u>	<u>\$ 188,082</u>	<u>\$ 48,347</u>	<u>\$ -</u>	<u>\$ 16,634</u>

Special Revenue

<u>Law Library</u>	<u>Airport</u>	<u>County Records Management and Preservation</u>	<u>Security</u>	<u>Justice Court Technology</u>	<u>Sheriff - Asset and Forfeiture</u>	<u>Sheriff - Enforcement</u>	<u>Sheriff - Inmate Welfare</u>
\$ 42,671	\$ 213,496	\$ 89,702	\$ 18,175	\$ 14,257	\$ 59,942	\$ 11,476	\$ 85,984
-	100,000	-	-	-	-	-	-
11,384	20,112	4,973	3,475	24	-	-	-
-	43,740	-	-	-	-	-	-
1,800	852	550	2,414	-	-	-	-
-	2,857	-	-	-	-	-	-
<u>86,637</u>	<u>17,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 142,492</u>	<u>\$ 398,378</u>	<u>\$ 95,225</u>	<u>\$ 24,064</u>	<u>\$ 14,281</u>	<u>\$ 59,942</u>	<u>\$ 11,476</u>	<u>\$ 85,984</u>
\$ 1,076	\$ 19,739	\$ 10,078	\$ 2,125	\$ -	\$ -	\$ -	\$ -
-	1,656	-	-	-	-	-	-
427	32,738	854	3,757	-	-	-	-
11,223	43,740	2,640	2,819	24	-	-	-
-	-	-	-	-	-	-	-
<u>12,726</u>	<u>97,873</u>	<u>13,572</u>	<u>8,701</u>	<u>24</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	2,857	-	-	-	-	-	-
<u>129,766</u>	<u>297,648</u>	<u>81,653</u>	<u>15,363</u>	<u>14,257</u>	<u>59,942</u>	<u>11,476</u>	<u>85,984</u>
<u>129,766</u>	<u>300,505</u>	<u>81,653</u>	<u>15,363</u>	<u>14,257</u>	<u>59,942</u>	<u>11,476</u>	<u>85,984</u>
<u>\$ 142,492</u>	<u>\$ 398,378</u>	<u>\$ 95,225</u>	<u>\$ 24,064</u>	<u>\$ 14,281</u>	<u>\$ 59,942</u>	<u>\$ 11,476</u>	<u>\$ 85,984</u>

(continued)

**GREGG COUNTY, TEXAS**

**COMBINING BALANCE SHEET**

**NONMAJOR GOVERNMENTAL FUNDS**

**(Continued)**

**SEPTEMBER 30, 2003**

	Special Revenue			
	Code - Enforcement Awarded Forfeiture	Code - Federal Enforcement Account	District Attorney General	Child Support Title IV-D 08/31/03
<b>ASSETS</b>				
Cash and cash equivalents	\$ 624,179	\$ 4,182	\$ 64,641	\$ 43,901
Investments	-	-	-	-
Accounts receivable, net of allowance	-	-	-	-
Taxes receivable	-	-	-	-
Due from other funds	-	-	-	-
Inventory	-	-	-	-
Due from other governments	-	-	-	2,592
	-	-	-	2,592
Total assets	\$ 624,179	\$ 4,182	\$ 64,641	\$ 46,493
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accounts payable - other governments	-	-	-	-
Accrued liabilities	-	-	-	-
Deferred revenue	-	-	-	46,493
Due to other funds	3,808	-	52,285	-
	3,808	-	52,285	46,493
Total liabilities	3,808	-	52,285	46,493
<b>FUND BALANCES</b>				
Reserved for inventory	-	-	-	-
Unreserved:				
Undesignated	620,371	4,182	12,356	-
Total fund balances	620,371	4,182	12,356	-
Total liabilities and fund balances	\$ 624,179	\$ 4,182	\$ 64,641	\$ 46,493

Special Revenue

Sabine Valley Officer 08/31/03	Sabine Valley Officer 08/31/04	Local Law Enforcement Block 09/30/03	Local Law Enforcement Block 09/30/04	Violence Against Women Prosecution 11/30/02	Violence Against Women Prosecution 08/31/03	Violence Against Women Prosecution 08/31/04	Bioterrorism Grant 08/31/03
\$ -	\$ -	\$ 7,206	\$ 16,771	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	7,363	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	3,951	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	6,191	7,566	36,440
<u>\$ -</u>	<u>\$ 7,363</u>	<u>\$ 7,206</u>	<u>\$ 16,771</u>	<u>\$ -</u>	<u>\$ 10,142</u>	<u>\$ 7,566</u>	<u>\$ 36,440</u>
\$ -	\$ -	\$ 6,314	\$ 16,771	\$ -	\$ -	\$ -	\$ 736
-	-	213	-	-	-	-	-
-	4,031	648	-	-	-	4,107	-
-	-	31	-	-	-	-	-
-	3,332	-	-	-	10,142	3,459	35,704
-	7,363	7,206	16,771	-	10,142	7,566	36,440
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 7,363</u>	<u>\$ 7,206</u>	<u>\$ 16,771</u>	<u>\$ -</u>	<u>\$ 10,142</u>	<u>\$ 7,566</u>	<u>\$ 36,440</u>

(continued)

**GREGG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**(Continued)**  
**SEPTEMBER 30, 2003**

	Special Revenue				
	Bioterrorism Grant 08/31/04	Tobacco Grant - TDH 08/31/03	TNRCC-SEP Project 07/31/04	Truancy Reduction Program 08/31/03	Foster Care 5/31/04
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ 16	\$ -	\$ -
Investments	-	-	-	-	-
Accounts receivable, net of allowance	-	-	-	-	-
Taxes receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Inventory	-	-	-	-	-
Due from other governments	<u>9,904</u>	<u>370</u>	<u>-</u>	<u>9,599</u>	<u>3,017</u>
Total assets	<u>\$ 9,904</u>	<u>\$ 370</u>	<u>\$ 16</u>	<u>\$ 9,599</u>	<u>\$ 3,017</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 1,908
Accounts payable - other governments	-	-	-	9,599	-
Accrued liabilities	5,656	-	-	-	-
Deferred revenue	-	-	16	-	-
Due to other funds	<u>4,248</u>	<u>370</u>	<u>-</u>	<u>-</u>	<u>1,109</u>
Total liabilities	<u>9,904</u>	<u>370</u>	<u>16</u>	<u>9,599</u>	<u>3,017</u>
<b>FUND BALANCES</b>					
Reserved for inventory	-	-	-	-	-
Unreserved:					
Undesignated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 9,904</u>	<u>\$ 370</u>	<u>\$ 16</u>	<u>\$ 9,599</u>	<u>\$ 3,017</u>



Special Revenue			Capital Projects			Total Nonmajor Governmental Funds
Community Gun Violence 12/31/03	Community Gun Violence 12/31/04	SAMSHA 09/30/03	Airport Improvement	Jail	Courthouse Improvement	
\$ -	\$ -	\$ -	\$ 176,546	\$ 73,814	\$ 65,917	\$ 1,839,774
-	-	-	-	-	-	100,000
-	-	-	365	95	24	51,147
-	-	-	-	-	-	43,740
-	-	-	-	-	-	18,777
-	-	-	-	-	-	2,857
<u>18,154</u>	<u>-</u>	<u>120,325</u>	<u>77,132</u>	<u>-</u>	<u>-</u>	<u>441,181</u>
<u>\$ 18,154</u>	<u>\$ -</u>	<u>\$ 120,325</u>	<u>\$ 254,043</u>	<u>\$ 73,909</u>	<u>\$ 65,941</u>	<u>\$ 2,497,476</u>
\$ -	\$ -	\$ 74,458	\$ 72,833	\$ -	\$ -	\$ 231,218
-	-	-	-	-	-	11,468
4,322	-	728	-	-	-	60,270
-	-	-	-	-	-	106,986
<u>13,832</u>	<u>-</u>	<u>45,139</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>173,428</u>
<u>18,154</u>	<u>-</u>	<u>120,325</u>	<u>72,833</u>	<u>-</u>	<u>-</u>	<u>583,370</u>
-	-	-	-	-	-	2,857
<u>-</u>	<u>-</u>	<u>-</u>	<u>181,210</u>	<u>73,909</u>	<u>65,941</u>	<u>1,911,249</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>181,210</u>	<u>73,909</u>	<u>65,941</u>	<u>1,914,106</u>
<u>\$ 18,154</u>	<u>\$ -</u>	<u>\$ 120,325</u>	<u>\$ 254,043</u>	<u>\$ 73,909</u>	<u>\$ 65,941</u>	<u>\$ 2,497,476</u>

**GREGG COUNTY, TEXAS**

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

**NONMAJOR GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Special Revenue				
	Election Services Contract	Records Management and Preservation	Jail Lease Facility	Jury	LEOSE
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	8,569	162,600	-	-	-
Interest	367	1,479	-	-	-
Rents and commissions	-	-	32,214	-	-
Miscellaneous	-	-	-	-	-
Total revenues	8,936	164,079	32,214	-	-
<b>EXPENDITURES</b>					
Current:					
General government	10,019	110,877	-	-	-
Judicial	-	-	-	-	-
Public safety	-	-	-	-	-
Health and human services	-	-	-	-	-
Public buildings	-	-	84,232	-	-
Capital projects	-	-	-	-	-
Total expenditures	10,019	110,877	84,232	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	( 1,083)	53,202	( 52,018)	-	-
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	( 199,407)	-
Sale of fixed assets	-	-	-	-	-
Insurance proceeds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	( 199,407)	-
<b>NET CHANGE IN FUND BALANCES</b>	( 1,083)	53,202	( 52,018)	( 199,407)	-
<b>FUND BALANCES, BEGINNING</b>	33,128	124,333	99,629	199,407	-
<b>INCREASE (DECREASE) IN RESERVE FOR INVENTORY</b>	-	-	-	-	-
<b>FUND BALANCES, ENDING</b>	\$ 32,045	\$ 177,535	\$ 47,611	\$ -	\$ -

Special Revenue

<u>Law Library</u>	<u>Airport</u>	<u>County Records Management and Preservation</u>	<u>Security</u>	<u>Justice Court Technology</u>	<u>Sheriff - Asset and Forfeiture</u>	<u>Sheriff - Enforcement</u>	<u>Sheriff - Inmate Welfare</u>
\$ -	\$ 623,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
65,473	90,963	45,074	78,787	873	-	-	-
1,278	5,763	887	24	-	-	-	-
-	245,206	-	-	-	-	-	-
42	3,473	-	-	-	98,899	4,837	90,867
<u>66,793</u>	<u>968,478</u>	<u>45,961</u>	<u>78,811</u>	<u>873</u>	<u>98,899</u>	<u>4,837</u>	<u>90,867</u>
-	916,902	36,184	-	-	-	-	-
64,688	-	-	-	-	-	-	-
-	-	-	134,858	-	51,413	5,665	84,364
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>64,688</u>	<u>916,902</u>	<u>36,184</u>	<u>134,858</u>	<u>-</u>	<u>51,413</u>	<u>5,665</u>	<u>84,364</u>
<u>2,105</u>	<u>51,576</u>	<u>9,777</u>	<u>( 56,047)</u>	<u>873</u>	<u>47,486</u>	<u>( 828)</u>	<u>6,503</u>
-	8,816	-	61,541	-	-	-	-
-	-	-	-	-	-	-	-
-	6,980	-	-	-	-	-	-
-	1,273	-	-	-	-	-	-
<u>-</u>	<u>17,069</u>	<u>-</u>	<u>61,541</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,105	68,645	9,777	5,494	873	47,486	( 828)	6,503
<u>127,661</u>	<u>232,297</u>	<u>71,876</u>	<u>9,869</u>	<u>13,384</u>	<u>12,456</u>	<u>12,304</u>	<u>79,481</u>
<u>-</u>	<u>( 437)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 129,766</u>	<u>\$ 300,505</u>	<u>\$ 81,653</u>	<u>\$ 15,363</u>	<u>\$ 14,257</u>	<u>\$ 59,942</u>	<u>\$ 11,476</u>	<u>\$ 85,984</u>

(continued)

**GREGG COUNTY, TEXAS**

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

**NONMAJOR GOVERNMENTAL FUNDS  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Special Revenue			
	Code - Enforcement Awarded Forfeiture	Code - Federal Enforcement Account	District Attorney General	Child Support Title IV-D 08/31/03
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	85,164	12,794
Charges for services	-	-	169,792	-
Interest	3,290	22	-	-
Rents and commissions	-	-	-	-
Miscellaneous	<u>120,121</u>	<u>-</u>	<u>259</u>	<u>-</u>
Total revenues	<u>123,411</u>	<u>22</u>	<u>255,215</u>	<u>12,794</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Judicial	-	-	327,393	12,794
Public safety	146,243	-	-	-
Health and human services	-	-	-	-
Public buildings	-	-	-	-
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>146,243</u>	<u>-</u>	<u>327,393</u>	<u>12,794</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 22,832)</u>	<u>22</u>	<u>( 72,178)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Sale of fixed assets	-	-	-	-
Insurance proceeds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>( 22,832)</u>	<u>22</u>	<u>( 72,178)</u>	<u>-</u>
<b>FUND BALANCES, BEGINNING</b>	<u>643,203</u>	<u>4,160</u>	<u>84,534</u>	<u>-</u>
<b>INCREASE (DECREASE) IN RESERVE FOR INVENTORY</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 620,371</u>	<u>\$ 4,182</u>	<u>\$ 12,356</u>	<u>\$ -</u>

Special Revenue

Sabine Valley Officer 08/31/03	Sabine Valley Officer 08/31/04	Local Law Enforcement Block 09/30/03	Local Law Enforcement Block 09/30/04	Violence Against Women Prosecution 11/30/02	Violence Against Women Prosecution 08/31/03	Violence Against Women Prosecution 08/31/04	Bioterrorism Grant 08/31/03
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
79,485	7,363	20,067	15,094	11,684	60,000	7,566	139,890
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	798	3,951	-	-
<u>79,485</u>	<u>7,363</u>	<u>20,067</u>	<u>15,094</u>	<u>12,482</u>	<u>63,951</u>	<u>7,566</u>	<u>139,890</u>
-	-	-	-	-	-	-	-
80,661	7,363	21,187	16,771	12,482	63,951	7,566	-
-	-	-	-	-	-	-	139,890
-	-	-	-	-	-	-	-
<u>80,661</u>	<u>7,363</u>	<u>21,187</u>	<u>16,771</u>	<u>12,482</u>	<u>63,951</u>	<u>7,566</u>	<u>139,890</u>
( 1,176)	-	( 1,120)	( 1,677)	-	-	-	-
1,176	-	-	1,677	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,176</u>	<u>-</u>	<u>-</u>	<u>1,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	( 1,120)	-	-	-	-	-
-	-	1,120	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

**GREGG COUNTY, TEXAS**

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

**NONMAJOR GOVERNMENTAL FUNDS  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Special Revenue				
	Bioterrorism Grant 08/31/04	Tobacco Grant - TDH 08/31/03	TNRCC-SEP Project 07/31/04	Truancy Reduction Program 08/31/03	Foster Care 5/31/04
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	9,904	1,116	384	75,678	3,017
Charges for services	-	-	-	-	-
Interest	-	-	-	-	-
Rents and commissions	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>9,904</u>	<u>1,116</u>	<u>384</u>	<u>75,678</u>	<u>3,017</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Judicial	-	-	-	-	3,017
Public safety	-	1,116	-	75,678	-
Health and human services	9,904	-	384	-	-
Public buildings	-	-	-	-	-
Capital projects	-	-	-	-	-
Total expenditures	<u>9,904</u>	<u>1,116</u>	<u>384</u>	<u>75,678</u>	<u>3,017</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-
Insurance proceeds	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-	-	-
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>INCREASE (DECREASE) IN RESERVE FOR INVENTORY</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Special Revenue			Capital Projects			
Community Gun Violence 12/31/03	Community Gun Violence 12/31/04	SAMHSA 09/30/03	Airport Improvement	Jail	Courthouse Improvement	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 623,073
69,093	22,890	499,742	1,225,720	-	-	2,346,651
-	-	-	60,488	-	-	682,619
-	-	-	535	799	300	14,744
-	-	-	-	-	-	277,420
-	-	-	-	-	2,228	325,475
<u>69,093</u>	<u>22,890</u>	<u>499,742</u>	<u>1,286,743</u>	<u>799</u>	<u>2,528</u>	<u>4,269,982</u>
-	-	-	-	-	-	1,073,982
69,093	22,890	-	-	-	-	583,874
-	-	-	-	-	-	625,319
-	-	499,742	-	-	-	649,920
-	-	-	-	-	-	84,232
-	-	-	1,442,374	-	69,589	1,511,963
<u>69,093</u>	<u>22,890</u>	<u>499,742</u>	<u>1,442,374</u>	<u>-</u>	<u>69,589</u>	<u>4,529,290</u>
-	-	-	( 155,631)	799	( 67,061)	( 259,308)
-	-	-	50,000	-	47,195	170,405
-	-	-	-	-	-	( 199,407)
-	-	-	-	-	-	6,980
-	-	-	-	-	-	1,273
-	-	-	50,000	-	47,195	( 20,749)
-	-	-	( 105,631)	799	( 19,866)	( 280,057)
-	-	-	286,841	73,110	85,807	2,194,600
-	-	-	-	-	-	( 437)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 181,210</u>	<u>\$ 73,909</u>	<u>\$ 65,941</u>	<u>\$ 1,914,106</u>

**GREGG COUNTY, TEXAS**

**ROAD AND BRIDGE FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Current property taxes	\$ 808,739	\$ 808,739	\$ 794,594	\$( 14,145)
Delinquent property taxes	19,874	19,874	21,843	1,969
Motor vehicle sales tax	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,342,531</u>	<u>42,531</u>
Total taxes	<u>2,128,613</u>	<u>2,128,613</u>	<u>2,158,968</u>	<u>30,355</u>
Licenses and permits:				
Motor vehicle registration	1,075,000	1,075,000	1,081,544	6,544
Weight permits	<u>6,500</u>	<u>6,500</u>	<u>7,256</u>	<u>756</u>
Total licenses and permits	<u>1,081,500</u>	<u>1,081,500</u>	<u>1,088,800</u>	<u>7,300</u>
Intergovernmental:				
Federal grant	-	13,607	13,607	-
Lateral road	<u>22,400</u>	<u>22,400</u>	<u>22,729</u>	<u>329</u>
Total intergovernmental	<u>22,400</u>	<u>36,007</u>	<u>36,336</u>	<u>329</u>
Fines and forfeitures:				
County and district courts	<u>340,000</u>	<u>340,000</u>	<u>437,417</u>	<u>97,417</u>
Total fines and forfeitures	<u>340,000</u>	<u>340,000</u>	<u>437,417</u>	<u>97,417</u>
Investment earnings:				
Interest	10,000	10,000	13,623	3,623
Unrealized gain (loss)	<u>-</u>	<u>-</u>	<u>( 266)</u>	<u>( 266)</u>
Total investment earnings	<u>10,000</u>	<u>10,000</u>	<u>13,357</u>	<u>3,357</u>
Miscellaneous:				
Miscellaneous	<u>-</u>	<u>1,000</u>	<u>4,979</u>	<u>3,979</u>
Total miscellaneous	<u>-</u>	<u>1,000</u>	<u>4,979</u>	<u>3,979</u>
Total revenue	<u>3,582,513</u>	<u>3,597,120</u>	<u>3,739,857</u>	<u>142,737</u>

**(continued)**



**GREGG COUNTY, TEXAS**

**ROAD AND BRIDGE FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
<b>EXPENDITURES</b>				
Administration:				
Salaries - elected	\$ 227,760	\$ 227,760	\$ 227,760	\$ -
COLA - elected	4,555	4,555	4,555	
Social security - elected	18,585	18,585	16,436	2,149
Group insurance - elected	22,403	22,167	21,393	774
Retirement - elected	22,035	22,271	22,271	-
Workers' compensation - elected	5,389	7,736	7,736	-
Insurance	<u>67,000</u>	<u>67,000</u>	<u>56,600</u>	<u>10,400</u>
Total administration	<u>367,727</u>	<u>370,074</u>	<u>356,751</u>	<u>13,323</u>
Road and bridge - general:				
Supplies and other expense	300	345	305	40
Conferences, workshops and training	<u>4,200</u>	<u>4,200</u>	<u>2,215</u>	<u>1,985</u>
Total road and bridge - general	<u>4,500</u>	<u>4,545</u>	<u>2,520</u>	<u>2,025</u>
Road and bridge - precinct no. 1:				
Salaries and wages - other employees	489,191	479,511	439,843	39,668
Overtime	4,000	9,580	8,204	1,376
Merit pay	7,338	4,543	3,945	598
Longevity	3,240	3,240	2,520	720
Part-time pool	16,700	23,595	15,486	8,109
Social security - other employees	41,638	41,638	34,455	7,183
Group insurance - other employees	87,877	87,855	77,208	10,647
Retirement - other employees	47,782	47,782	43,404	4,378
Workers' compensation - other employees	35,462	50,790	50,790	-
State unemployment insurance	1,042	1,064	1,064	-
Supplies and other expense	48,600	67,133	65,707	1,426
Print shop	500	325	168	157
Postage	300	300	148	152
Copying machine	2,772	2,947	2,933	14
Communications	4,500	4,500	2,142	2,358
Conferences, workshops and training	800	1,350	1,089	261

**(continued)**

**GREGG COUNTY, TEXAS**

**ROAD AND BRIDGE FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Road and bridge - precinct no. 1: (Continued)				
Travel	\$ 250	\$ -	\$ -	\$ -
Utilities	12,000	12,000	10,429	1,571
Repairs and maintenance service	55,913	17,413	17,088	325
Uniforms	11,000	7,000	5,860	1,140
Chip and seal	62,185	107,602	107,515	87
Contract services	1,000	4,200	4,200	-
Pipe and culvert	3,000	1,000	396	604
Gravel, sand and cement	10,000	9,100	9,008	92
Road oil and asphalt	237,815	194,065	191,831	2,234
Rent - equipment	500	1,100	988	112
Tires and tubes	6,000	6,000	4,922	1,078
Fuel and lubrication	35,000	35,000	30,411	4,589
Capital outlay - buildings	4,000	600	-	600
Capital outlay - furnishings and equipment	25,000	65,499	65,351	148
Total road and bridge - precinct no. 1	<u>1,255,405</u>	<u>1,286,732</u>	<u>1,197,105</u>	<u>89,627</u>
Road and bridge - precinct no. 2:				
Salaries and wages - other employees	23,645	23,741	23,741	-
Temporary help	-	750	537	213
Merit pay	355	355	346	9
Social security - other employees	1,920	1,920	1,874	46
Group insurance - other employees	5,380	5,252	5,143	109
Retirement - other employees	2,276	2,300	2,300	-
Workers' compensation - other employees	86	123	123	-
State unemployment insurance	48	56	56	-
Supplies and other expense	2,000	1,250	834	416
Print shop	300	50	22	28
Copying machine	500	210	155	55
Communications	2,400	2,400	1,783	617
Conferences, workshops and training	750	1,490	1,488	2
Dues and subscriptions	300	300	269	31
Travel	200	-	-	-
Total road and bridge - precinct no. 2	<u>40,160</u>	<u>40,197</u>	<u>38,671</u>	<u>1,526</u>

**(continued)**

**GREGG COUNTY, TEXAS**

**ROAD AND BRIDGE FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

**(Continued)**

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Road and bridge - precinct no. 3:				
Salaries and wages - other employees	\$ 551,404	\$ 551,404	\$ 550,399	\$ 1,005
Overtime	10,000	17,580	16,504	1,076
Longevity	3,360	3,360	2,520	840
Social security - other employees	45,181	45,715	41,426	4,289
Group insurance - other employees	98,831	98,549	89,743	8,806
Retirement - other employees	53,568	54,376	54,376	-
Workers' compensation - other employees	41,042	56,486	56,486	-
State unemployment insurance	1,130	1,287	1,287	-
Supplies and other expense	90,000	89,886	86,678	3,208
Print shop	100	100	60	40
Postage	300	249	41	208
Communications	9,000	10,091	8,857	1,234
Conferences, workshops and training	1,500	1,500	1,066	434
Travel	500	2,386	2,280	106
Utilities	10,500	12,000	11,715	285
Repairs and maintenance service	34,698	22,212	21,842	370
Uniforms	9,000	4,500	4,315	185
Contract services	39,750	39,750	39,750	-
Pipe and culvert	12,000	4,645	4,631	14
Gravel, sand and cement	25,000	29,151	29,150	1
Road oil and asphalt	385,000	383,255	382,344	911
Rent - equipment	1,500	144	144	-
Tires and tubes	13,000	12,509	11,486	1,023
Fuel and lubrication	45,000	54,500	54,252	248
Capital outlay - buildings	-	10,500	10,500	-
Capital outlay - furnishings and equipment	75,370	122,195	122,157	38
Total road and bridge - precinct no. 3	<u>1,556,734</u>	<u>1,628,330</u>	<u>1,604,009</u>	<u>24,321</u>
Road and bridge - precinct no. 4:				
Salaries and wages - other employees	396,200	396,200	364,483	31,717
Overtime	10,000	10,000	740	9,260
Temporary help	6,000	6,000	3,680	2,320
Merit pay	5,943	5,943	3,946	1,997
Longevity	2,160	2,400	2,400	-
Social security - other employees	33,624	33,624	27,270	6,354
Group insurance - other employees	76,495	76,246	71,252	4,994
Retirement - other employees	39,297	39,297	35,485	3,812

**(continued)**

**GREGG COUNTY, TEXAS**

**ROAD AND BRIDGE FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

**(Continued)**

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
Road and bridge - precinct no. 4: (Continued)				
Workers' compensation - other employees	\$ 28,472	\$ 39,743	\$ 39,743	\$ -
State unemployment insurance	841	850	850	-
Supplies and other expense	34,500	37,000	35,601	1,399
Print shop	500	500	119	381
Postage	200	200	69	131
Copying machine	2,000	2,000	1,950	50
Communications	6,000	6,000	2,422	3,578
Conferences, workshops and training	3,000	3,000	2,135	865
Utilities	15,000	15,000	12,372	2,628
Repairs and maintenance service	38,000	21,375	16,630	4,745
Uniforms	9,000	9,000	3,898	5,102
Pipe and culvert	3,000	3,000	( 599)	3,599
Road oil and asphalt	94,697	94,697	82,487	12,210
Rent - equipment	1,600	1,600	915	685
Tires and tubes	9,000	9,000	3,274	5,726
Fuel and lubrication	32,000	32,000	18,671	13,329
Gravel, sand and cement	1,800	1,800	-	1,800
Capital outlay - furnishings and equipment	-	14,125	14,124	1
Total road and bridge - precinct no. 4	<u>849,329</u>	<u>860,600</u>	<u>743,917</u>	<u>116,683</u>
Right-of-way:				
Other professional services	<u>2,063,000</u>	<u>2,302,167</u>	<u>2,108,746</u>	<u>193,421</u>
Total right-of-way	<u>2,063,000</u>	<u>2,302,167</u>	<u>2,108,746</u>	<u>193,421</u>
Total expenditures	<u>6,136,855</u>	<u>6,492,645</u>	<u>6,051,719</u>	<u>440,926</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<u>( 2,554,342)</u>	<u>( 2,895,525)</u>	<u>( 2,311,862)</u>	<u>583,663</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	1,887,255	2,170,849	2,170,849	-
Insurance proceeds	4,698	4,919	4,919	-
Sale of fixed assets	<u>1,000</u>	<u>59,825</u>	<u>58,825</u>	<u>( 1,000)</u>
Total other financing sources	<u>1,892,953</u>	<u>2,235,593</u>	<u>2,234,593</u>	<u>( 1,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>( 661,389)</u>	<u>( 659,932)</u>	<u>( 77,269)</u>	<u>582,663</u>
<b>FUND BALANCES, BEGINNING</b>	<u>405,264</u>	<u>405,264</u>	<u>405,264</u>	<u>-</u>
<b>INCREASE (DECREASE) IN RESERVE INVENTORY</b>	<u>-</u>	<u>-</u>	<u>( 8,213)</u>	<u>( 8,213)</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ ( 256,125)</u></u>	<u><u>\$ ( 254,668)</u></u>	<u><u>\$ 319,782</u></u>	<u><u>\$ 574,450</u></u>

**GREGG COUNTY, TEXAS**

**HEALTH CARE FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget - Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental:				
State - Tobacco settlement	\$ 25,000	\$ 25,000	\$ 30,111	\$ 5,111
Investment earnings:				
Interest	40,000	40,000	22,850	( 17,150)
Unrealized gain (loss) on investments	<u>-</u>	<u>-</u>	<u>12,001</u>	<u>12,001</u>
Total investment earnings	<u>40,000</u>	<u>40,000</u>	<u>34,851</u>	<u>( 5,149)</u>
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>64,962</u>	<u>( 38)</u>
<b>EXPENDITURES</b>				
Health and human services:				
Health care distributions	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total expenditures	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	25,000	25,000	24,962	( 38)
<b>FUND BALANCES, BEGINNING</b>	<u>2,136,170</u>	<u>2,136,170</u>	<u>2,136,170</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 2,161,170</u>	<u>\$ 2,161,170</u>	<u>\$ 2,161,132</u>	<u>\$( 38)</u>

**GREGG COUNTY, TEXAS**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET ASSETS**  
**SEPTEMBER 30, 2003**

	<u>Self Insurance</u>	<u>Print Shop</u>	<u>Totals</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 72,518	\$ 13,247	\$ 85,765
Accounts receivable, net of allowance	483,813	282	484,095
Inventory	<u>-</u>	<u>5,187</u>	<u>5,187</u>
Total current assets	<u>556,331</u>	<u>18,716</u>	<u>575,047</u>
Noncurrent assets:			
Capital assets:			
Equipment	-	16,000	16,000
Accumulated depreciation	<u>-</u>	<u>( 5,600)</u>	<u>( 5,600)</u>
Total capital assets (net of accumulated depreciation)	<u>-</u>	<u>10,400</u>	<u>10,400</u>
 Total assets	 <u>556,331</u>	 <u>29,116</u>	 <u>585,447</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	<u>397,849</u>	<u>2,300</u>	<u>400,149</u>
Total liabilities	<u>397,849</u>	<u>2,300</u>	<u>400,149</u>
<b>NET ASSETS</b>			
Invested in capital assets	-	10,400	10,400
Unrestricted	<u>158,482</u>	<u>16,416</u>	<u>174,898</u>
 Total net assets	 <u>\$ 158,482</u>	 <u>\$ 26,816</u>	 <u>\$ 185,298</u>

**GREGG COUNTY, TEXAS**

**INTERNAL SERVICE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Self Insurance</u>	<u>Print Shop</u>	<u>Totals</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 3,038,966	\$ 39,990	\$ 3,078,956
Other	<u>536,804</u>	<u>-</u>	<u>536,804</u>
Total operating revenues	<u>3,575,770</u>	<u>39,990</u>	<u>3,615,760</u>
<b>OPERATING EXPENSES</b>			
Supplies	-	26,454	26,454
Copying machine	-	5,804	5,804
Repairs and maintenance service	-	2,054	2,054
Claim expenses	3,120,508	-	3,120,508
Administrative	522,949	-	522,949
Depreciation	<u>-</u>	<u>3,200</u>	<u>3,200</u>
Total operating expenses	<u>3,643,457</u>	<u>37,512</u>	<u>3,680,969</u>
<b>OPERATING INCOME (LOSS)</b>	<u>( 67,687)</u>	<u>2,478</u>	<u>( 65,209)</u>
<b>NONOPERATING REVENUES</b>			
Investment earnings	<u>4,266</u>	<u>45</u>	<u>4,311</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<u>( 63,421)</u>	<u>2,523</u>	<u>( 60,898)</u>
<b>TRANSFERS IN</b>	-	4,790	4,790
<b>CHANGE IN NET ASSETS</b>	<u>( 63,421)</u>	<u>7,313</u>	<u>( 56,108)</u>
<b>FUND BALANCES, BEGINNING</b>	<u>221,903</u>	<u>19,503</u>	<u>241,406</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 158,482</u>	<u>\$ 26,816</u>	<u>\$ 185,298</u>

**GREGG COUNTY, TEXAS**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Self Insurance</u>	<u>Print Shop</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from interfund services	\$ 3,147,179	\$ 40,398	\$ 3,187,577
Cash paid to suppliers for goods and services	<u>(3,477,179)</u>	<u>( 36,982)</u>	<u>(3,514,161)</u>
Net cash provided by (used for) operating activities	<u>( 330,000)</u>	<u> 3,416</u>	<u>( 326,584)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	<u>-</u>	<u>4,790</u>	<u>4,790</u>
Net cash flows provided by noncapital financing activities	<u>-</u>	<u>4,790</u>	<u>4,790</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment earnings	<u>3,727</u>	<u> 40</u>	<u>3,767</u>
Net cash provided by investing activities	<u>3,727</u>	<u> 40</u>	<u>3,767</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	( 326,273)	8,246	( 318,027)
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	<u>398,791</u>	<u> 5,001</u>	<u>403,792</u>
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<u>\$ 72,518</u>	<u>\$ 13,247</u>	<u>\$ 85,765</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$( 67,687)	\$ 2,478	\$( 65,209)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	-	3,200	3,200
Changes in assets and liabilities:			
(Increase) decrease in assets:			
Inventory	-	( 1,763)	( 1,763)
Accounts receivable	( 429,407)	412	( 428,995)
Increase (decrease) in liabilities:			
Accounts payable	<u>167,094</u>	<u>( 911)</u>	<u>166,183</u>
Net cash provided by (used for) operating activities	<u>\$ ( 330,000)</u>	<u>\$ 3,416</u>	<u>\$ ( 326,584)</u>



**AGENCY FUNDS**

# GREGG COUNTY, TEXAS

## COMBINING STATEMENT OF FIDUCIARY NET ASSETS

### AGENCY FUNDS

SEPTEMBER 30, 2003

	Tax Assessor- Collector	County Clerk	District Clerk	Sheriff
<b>ASSETS</b>				
Cash	\$ 1,628,992	\$ 778,104	\$ 438,846	\$ 117,954
Investments	-	83,654	2,747,372	-
Due from other funds	-	-	5,000	-
Accounts receivables (net of allowance for uncollectibles)	<u>4,580</u>	<u>5,723</u>	<u>2,284</u>	<u>-</u>
Total assets	<u>\$ 1,633,572</u>	<u>\$ 867,481</u>	<u>\$ 3,193,502</u>	<u>\$ 117,954</u>
<b>LIABILITIES</b>				
Cash bond deposits	\$ -	\$ 229,463	\$ 9,750	\$ 45,394
Unearned cost deposits and amounts held in trust	-	563,591	3,159,339	45,610
Accounts payable	49,595	18,189	10,820	7,757
Due to other funds	58,941	46,843	12,251	13,868
Accounts payable - other governments	<u>1,525,036</u>	<u>9,395</u>	<u>1,342</u>	<u>5,325</u>
Total liabilities	<u>\$ 1,633,572</u>	<u>\$ 867,481</u>	<u>\$ 3,193,502</u>	<u>\$ 117,954</u>

<u>District Attorney</u>	<u>Code Forfeiture Pending</u>	<u>State Fees</u>	<u>Local Emergency Planning</u>	<u>Gregg/ Harrison First Call Warning</u>	<u>Payroll</u>	<u>Juvenile Probation</u>	<u>Total</u>
\$ 188,321	\$ 97,449	\$ 141,075	\$ 1,500	\$ 11,900	\$ 462,488	\$ 118,218	\$ 3,984,847
-	-	-	-	-	-	-	2,831,026
-	-	-	-	-	-	-	5,000
-	-	-	-	-	-	-	12,587
<u>\$ 188,321</u>	<u>\$ 97,449</u>	<u>\$ 141,075</u>	<u>\$ 1,500</u>	<u>\$ 11,900</u>	<u>\$ 462,488</u>	<u>\$ 118,218</u>	<u>\$ 6,833,460</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 284,607
188,321	97,449	-	1,500	11,900	-	6,704	4,074,414
-	-	-	-	-	462,488	1,343	550,192
-	-	-	-	-	-	640	132,543
-	-	<u>141,075</u>	-	-	-	<u>109,531</u>	<u>1,791,704</u>
<u>\$ 188,321</u>	<u>\$ 97,449</u>	<u>\$ 141,075</u>	<u>\$ 1,500</u>	<u>\$ 11,900</u>	<u>\$ 462,488</u>	<u>\$ 118,218</u>	<u>\$ 6,833,460</u>

# GREGG COUNTY, TEXAS

## AGENCY FUNDS

### COMBINING STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2003

(With Comparative Totals for Year Ended September 30, 2002)

<u>Office and Fund</u>	<u>Cash and Investments October 1</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments September 30</u>
<b>TAX ASSESSOR - COLLECTOR</b>				
Unapportioned tax	\$ 310,927	\$ 72,365,281	\$ 72,591,026	\$ 85,182
Highway	684,181	12,912,706	12,895,617	701,270
Sales tax	430,634	20,771,740	20,969,897	232,477
Certificate of title	8,216	563,043	561,649	9,610
Boat registration	2,029	85,760	86,032	1,757
VIT escrow account	617,440	882,743	901,487	598,696
Total tax assessor - collector	<u>2,053,427</u>	<u>107,581,273</u>	<u>108,005,708</u>	<u>1,628,992</u>
<b>COUNTY CLERK</b>				
Regular account	32,422	776,237	749,830	58,829
Special account	310,914	1,295,408	813,115	793,207
Advance account	3,147	299,709	293,134	9,722
Total County clerk	<u>346,483</u>	<u>2,371,354</u>	<u>1,856,079</u>	<u>861,758</u>
<b>DISTRICT CLERK</b>				
Child support	300	4,851,953	4,851,953	300
Advance account	33,266	818,980	837,941	14,305
Trust	3,143,045	983,362	957,318	3,169,089
Jury	7,336	45,000	49,812	2,524
Total district clerk	<u>3,183,947</u>	<u>6,699,295</u>	<u>6,697,024</u>	<u>3,186,218</u>
<b>SHERIFF</b>				
Cash bonds	69,178	778,749	775,583	72,344
Inmate trust	34,826	487,013	484,445	37,394
Asset seizure pending	21,077	53,926	66,787	8,216
Total sheriff	<u>125,081</u>	<u>1,319,688</u>	<u>1,326,815</u>	<u>117,954</u>

(continued)

# GREGG COUNTY, TEXAS

## AGENCY FUNDS

### COMBINING STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

(Continued)

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

(With Comparative Totals for Year Ended September 30, 2002)

Office and Fund	Cash and Investments October 1	Receipts	Disbursements	Cash and Investments September 30
<b>DISTRICT ATTORNEY</b>				
Trust fund	\$ 210,987	\$ 99,971	\$ 122,637	\$ 188,321
Hot check	-	1,090,162	1,090,162	-
Total district attorney	210,987	1,190,133	1,212,799	188,321
<b>CODE FORFEITURE PENDING</b>	146,955	72,977	122,483	97,449
<b>LOCAL EMERGENCY PLANNING</b>	1,500	-	-	1,500
<b>STATE FEES</b>	142,227	610,676	611,828	141,075
<b>GREGG/HARRISON FIRST CALL WARNING</b>	17,100	10,300	15,500	11,900
<b>PAYROLL</b>	412,694	11,045,139	10,995,345	462,488
<b>JUVENILE PROBATION</b>				
Operating funds	405,907	1,588,135	1,994,042	-
Grant funds	271,565	878,868	1,041,307	109,126
Trust funds	12,554	47,380	50,842	9,092
Total juvenile probation	690,026	2,514,383	3,086,191	118,218
<b>MEMORANDUM TOTAL - SEPTEMBER 30, 2003</b>	\$ 7,330,427	\$ 133,415,218	\$ 133,929,772	\$ 6,815,873

# **COMPLIANCE SECTION**



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

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

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Gregg County, Texas, as of and for the year ended September 30, 2003, which collectively comprise Gregg County, Texas' basic financial statements and have issued our report thereon dated March 26, 2004. 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.

**Compliance**

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

## **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Gregg County, Texas' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of Gregg County, Texas, in a separate letter dated March 26, 2004.

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

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

March 26, 2004





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

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

**Compliance**

We have audited the compliance of Gregg County, Texas, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2003. Gregg County, Texas' major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Gregg County, Texas' management. Our responsibility is to express an opinion on Gregg County, Texas' compliance based on our audit.

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

In our opinion, Gregg County, Texas complied in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2003.

## **Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be a material weakness.

This report is intended solely for the information of the Commissioners' Court, management and federal cognizant agency, and is not intended to be and should not be used by anyone other than these specified parties.

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

March 26, 2004

**GREGG COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

<u>Pass-through Grantor's Number</u>	<u>Federal Grantor/ Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Total Expenditures</u>
<u>U. S. Department of Justice</u>			
Passed-through the Criminal Justice Council:			
JB-01-J20-13289-04	Juvenile Accountability Incentive Block Grant	16.523	\$ 71,159
JB-01-J20-13289-05	Juvenile Accountability Incentive Block Grant	16.523	6,369
N/A	DEA Overtime	16.527	9,801
JT-01-J21-15113-03	Title V Delinquency Prevention	16.548	75,678
WF-01-V30-13450-04	Violence Against Women	16.588	11,684
WF-02-V30-13450-05	Violence Against Women	16.588	60,000
WF-02-V30-13450-06	Violence Against Women	16.588	7,566
2001-LB-BX4012	Local Law Enforcement Block Grant	16.592	20,067
2002-LB-BX-2153	Local Law Enforcement Block Grant	16.592	15,094
2002-GP-CX-0168	Gun Violence	16.609	91,983
	Total Passed through the Criminal Justice Council		<u>369,401</u>
	Total U. S. Department of Justice		<u>369,401</u>
<u>U. S. Department of Transportation</u>			
Passed-through Federal Aviation Administration:			
3-48-0137-20-02	Airport Renovation	20.106	551,999
3-48-0137-22-02	Airport Renovation	20.106	673,721
	Total U. S. Department of Transportation		<u>1,225,720</u>
<u>Federal Emergency Management Agency</u>			
1356	FEMA - Severe Ice Storm	83.544	2,417
3171	FEMA - Space Shuttle	83.544	13,607
	Total U. S. Department of Transportation		<u>16,024</u>
<u>U. S. Department of Health and Human Services</u>			
Passed-through Texas Department of Protective and Regulatory Services:			
N/A	SAMSHA	93.230	499,742
N/A	Bioterrorism	93.238	139,890
N/A	Bioterrorism	93.238	9,904
	Total U. S. Department of Health and Human Services		<u>649,536</u>
	Total Federal Awards		<u>\$ 2,260,681</u>

# **GREGG COUNTY, TEXAS**

## **NOTES TO GRANT FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2003**

### **1. GENERAL**

The Schedule of Expenditures of Federal Awards presents the activity of all applicable federal awards programs of Gregg County. The County's reporting entity is defined in Note 1 of the financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

### **2. BASIS OF ACCOUNTING**

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note 1 of the financial statements.

**GREGG COUNTY, TEXAS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

**Summary of Auditors' Results**

Type of report on financial statements	Unqualified
Internal control over financial reporting: Material weakness(es) identified?	No
Reportable condition(s) identified that are not considered to be material weakness(es)?	None reported
Internal control over major programs: Material weakness(es) identified?	No
Reportable condition(s) identified that are not considered to be material weakness(es)?	None reported
Noncompliance which is material to the financial statements	None
Type of report on compliance with major programs	Unqualified
Findings and questioned costs for federal awards as defined in Section 501(a), OMB Circular A- 133	None
Dollar threshold considered between Type A and Type B federal programs	\$300,000
Low risk auditee statement	The County was classified as a low-risk auditee in the context of OMB Circular A-133
Major federal programs	Airport Development, CFDA 20.106 SAMSHA, CFDA 93.230

**Findings Relating to the Financial Statements Which are  
Required to be Reported in Accordance With Generally  
Accepted Government Auditing Standards**

None

**Findings and Questioned Costs for Federal Awards**

None

**GREGG COUNTY, TEXAS**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

None