

GONZALES COUNTY, TEXAS

ANNUAL FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2006

GONZALES COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS
SEPTEMBER 30, 2006

	<u>Page Number</u>
Independent Auditor's Report.....	1
COMBINED FINANCIAL STATEMENTS	
Combined Statement of Assets, Liabilities and Equity-Cash Basis All Fund Types and Account Groups.....	3-4
Combined Statement of Receipts, Disbursements and Changes in Fund Balances-Cash Basis All Governmental Fund Types and Expendable Trust Funds.....	5-6
Combined Statement of Receipts, Disbursements and Changes in Fund Balances-Budget and Actual-Cash Basis All Governmental Fund Types and Expendable Trust Funds.....	7-9
Combined Statement of Receipts, Disbursements and Changes in Retained Earnings-Cash Basis-Nonexpendable Trust Funds.....	10
Notes to the Financial Statements.....	11-17
INDIVIDUAL AND COMBINING STATEMENTS	
General Fund: Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis.....	20-24
Special Revenue Fund: Combining Statement of Assets, Liabilities and Equity-Cash Basis.....	26-30
Combining Statement of Receipts, Disbursements and Changes in Fund Balances-Cash Basis.....	31-36
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Road and Bridge Fund Pct. #1.....	37
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Road and Bridge Fund Pct. #2.....	38
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Road and Bridge Fund Pct. #3.....	39
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Road and Bridge Fund Pct. #4.....	40
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Road and Bridge Lateral Road Fund Pct. #1.....	41

GONZALES COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS
SEPTEMBER 30, 2006

	<u>Page Number</u>
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Road and Bridge Lateral Road Fund Pct. #2.....	42
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Road and Bridge Lateral Road Fund Pct. #3.....	43
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Road and Bridge Lateral Road Fund Pct. #4.....	44
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Law Library Fund.....	45
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Attorney Check Collection Fund.....	46
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Records Management Fund-County Clerk.....	47
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Records Management Fund-Courthouse	48
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Court Reporter Service	49
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Probate Court.....	50
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Courthouse Security Fund.....	51
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Courthouse and Jail Improvement Fund.....	52
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Justice Court Technology Fund.....	53

**GONZALES COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS
SEPTEMBER 30, 2006**

	<u>Page Number</u>
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis District Clerk Records Management Fund	54
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis ORCA Grant.....	55
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis FEMA Grant.....	56
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Texas Wildlife Grant.....	57
Comparative Statement of Receipts, Disbursements and Changes in Fund Balance-Budget and Actual-Cash Basis Helping Americans Vote Act Grant.....	58
Trust and Agency Funds: Combining Statement of Assets, Liabilities and Equity-Cash Basis.....	60-61

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INDEPENDENT AUDITOR'S REPORT

Honorable Judge David Bird and Members of
the Commissioner's Court
Gonzales County, Gonzales, Texas

We have audited the accompanying financial statements of Gonzales County, Texas for the year ended September 30, 2006, as listed in the table of contents. These financial statements are the responsibility of Gonzales County management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As discussed in Note 1, Gonzales County prepares its financial statements on the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, because of the County's policy to prepare its financial statements on the basis of accounting discussed in Note 1, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Gonzales County as of September 30, 2006, or the results of its operations, or cash flows for the year then ended.

However, in our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the cash balances of Gonzales County, as of September 30, 2006, and the receipts it received and disbursements it paid for the year then ended, on the basis of accounting described in Note 1.


Floyd & Gindler, PC

January 19, 2007

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COMBINED FINANCIAL STATEMENTS

GONZALES COUNTY, TEXAS

COMBINED STATEMENT OF ASSETS, LIABILITIES AND EQUITY-CASH BASIS

ALL FUND TYPES AND ACCOUNT GROUPS

September 30, 2006

	Governmental Fund Types			Fiduciary
	General	Special Revenue	Debt Service	Trust and Agency Funds
ASSETS AND OTHER DEBITS				
Assets:				
Cash and cash equivalents	\$ 2,088,304	1,829,994	-	262,988
Receivables (net of allowance for uncollectible):				
Property taxes	385,925	-	-	-
Notes	8,130	-	-	780,341
Due from other funds	-	-	-	-
Due from others	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	93,958	-
Other debits:				
Amounts provided for retirement of general long term debt	-	-	-	-
Amounts to be provided for retirement of general long term debt	-	-	-	-
Total assets	<u>\$ 2,482,359</u>	<u>1,829,994</u>	<u>93,958</u>	<u>1,043,329</u>
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
Accounts payable	\$ (149)	419	-	13
Due to others	-	-	-	609
Current portion of bonds and notes payable	-	-	-	-
Current portion of capital leases payable	-	-	-	-
Bonds and notes payable	-	-	-	-
Capital leases payable	-	-	-	-
Deferred revenues	414,889	-	-	780,341
Total liabilities	<u>414,740</u>	<u>419</u>	<u>-</u>	<u>780,963</u>
Equity and other credits:				
Retained earnings-unreserved, undesignated	-	-	-	209,839
Fund balances:				
Restricted for state court fees	183,378	-	-	-
Reserved	-	-	93,958	-
Unreserved, undesignated	1,884,241	1,829,575	-	52,527
Total equity and other credits	<u>2,067,619</u>	<u>1,829,575</u>	<u>93,958</u>	<u>262,366</u>
Total liabilities, equity and other credits	<u>\$ 2,482,359</u>	<u>1,829,994</u>	<u>93,958</u>	<u>1,043,329</u>

The accompanying notes are an integral part of these statements.

Account Group	Total (Memorandum Only)	
	September 30, 2006	September 30, 2005
General Long Term-Debt		
-	4,181,286	3,451,171
-	385,925	430,762
-	788,471	751,767
-	-	-
-	-	240
-	93,958	95,337
93,957	93,957	95,337
<u>3,835,778</u>	<u>3,835,778</u>	<u>3,961,933</u>
<u>3,929,735</u>	<u>9,379,375</u>	<u>8,786,547</u>

-	283	-
-	609	1,391
245,000	245,000	230,000
61,357	61,357	127,904
-	-	3,555,000
183,378	183,378	144,366
<u>3,440,000</u>	<u>4,635,230</u>	<u>1,200,442</u>
<u>3,929,735</u>	<u>5,125,857</u>	<u>5,259,103</u>

-	209,839	203,165
-	183,378	145,007
-	93,958	95,337
-	<u>3,766,343</u>	<u>3,083,935</u>
-	<u>4,253,518</u>	<u>3,527,444</u>
<u>3,929,735</u>	<u>9,379,375</u>	<u>8,786,547</u>

GONZALES COUNTY, TEXAS

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES-CASH BASIS ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS For the Fiscal Year Ended September 30, 2006

	Governmental Fund Types			Trust Funds
	General	Special Revenue	Debt Service	Expendable Trust Funds
<u>Receipts</u>				
Taxes	\$ 3,686,096	1,491,243	392,507	-
Licenses and permits	1,647	659,148	-	-
Intergovernmental	88,613	30,106	-	-
Charges for services	511,988	3,923	-	-
Court fees and fines	950,023	141,044	-	-
Investment income	114,925	91,693	7,284	28,060
Miscellaneous	144,008	14,701	-	-
Grant revenues	-	385,980	-	-
Total receipts	<u>5,497,300</u>	<u>2,817,838</u>	<u>399,791</u>	<u>28,060</u>
<u>Disbursements</u>				
Current:				
General government	1,018,509	126,025	-	1,950
Financial administration	449,001	-	-	-
Public safety	2,320,341	62,625	-	-
Health and welfare	22,767	-	-	-
Judicial	796,022	90,087	-	-
Public facilities	107,001	36,811	-	-
Public transportation	-	2,580,826	-	-
Conservation	82,147	-	-	-
Debt repayment:				
Bond discount and issuance cost	-	-	300	-
Interest	-	-	140,870	-
Principal	-	-	230,000	-
Total disbursements	<u>4,795,788</u>	<u>2,896,374</u>	<u>371,170</u>	<u>1,950</u>
Excess of receipts over (under) disbursements	<u>701,512</u>	<u>(78,536)</u>	<u>28,621</u>	<u>26,110</u>
<u>Other financing sources and (uses)</u>				
Operating transfers in	-	2,205	-	-
Operating transfers out	(2,205)	-	-	-
Proceeds from bond issuance	-	-	1,740,000	-
Bonds defeases	-	-	(1,705,655)	-
Bond issuance cost	-	-	(64,345)	-
Proceeds from capital leases	-	100,370	-	-
Principal received on loans	-	-	-	91,323
Loans to businesses	-	-	-	(120,000)
Total other financing sources and (uses)	<u>(2,205)</u>	<u>102,575</u>	<u>(30,000)</u>	<u>(28,677)</u>
Excess of receipts and other financial sources over (under) disbursements and other financing (uses)	<u>699,307</u>	<u>24,039</u>	<u>(1,379)</u>	<u>(2,567)</u>
Beginning fund balance	1,380,381	1,800,372	95,337	48,189
Residual equity transfer in (out)	(12,069)	5,164	-	-
Ending fund balance	<u>\$ 2,067,619</u>	<u>1,829,575</u>	<u>93,958</u>	<u>45,622</u>

The accompanying notes are an integral part of these statements.

Total
(Memorandum Only)

September 30, 2006	September 30, 2005
5,569,846	5,158,287
660,795	650,256
118,719	111,162
515,911	584,108
1,091,067	911,145
241,962	128,211
158,709	106,673
385,980	149,553
<u>8,742,989</u>	<u>7,799,395</u>

1,146,484	1,103,128
449,001	411,379
2,382,966	2,214,278
22,767	22,403
886,109	839,434
143,812	93,279
2,580,826	2,459,409
82,147	59,572

300	650
140,870	183,067
230,000	225,000
<u>8,065,282</u>	<u>7,611,599</u>

<u>677,707</u>	<u>187,796</u>
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2,205	50,000
(2,205)	(50,000)
1,740,000	-
(1,705,655)	-
(64,345)	-
100,370	184,372
91,323	64,668
(120,000)	(300,000)
<u>41,693</u>	<u>(50,960)</u>

719,400	136,836
3,324,279	3,187,443
(6,905)	-
<u>4,036,774</u>	<u>3,324,279</u>

GONZALES COUNTY, TEXAS

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL-CASH BASIS ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS For the Fiscal Year Ended September 30, 2006

	GENERAL FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
<u>Receipts</u>			
Taxes	\$ 3,649,519	3,686,096	36,577
Licenses and permits	1,600	1,647	47
Intergovernmental	89,863	88,613	(1,250)
Charges for services	411,914	511,988	100,074
Court fees and fines	918,730	950,023	31,293
Investment income	47,000	114,925	67,925
Miscellaneous	31,092	144,008	112,916
Grants	-	-	-
Total receipts	<u>5,149,718</u>	<u>5,497,300</u>	<u>347,582</u>
<u>Disbursements</u>			
Current:			
General government	1,086,443	1,018,509	67,934
Financial administration	462,457	449,001	13,456
Public safety	2,496,673	2,320,341	176,332
Health and welfare	24,720	22,767	1,953
Judicial	901,457	796,022	105,435
Public facilities	107,995	107,001	994
Public transportation	-	-	-
Conservation	85,374	82,147	3,227
Debt repayment:			
Bond discount and issuance cost	-	-	-
Interest	-	-	-
Principal	-	-	-
Total disbursements	<u>5,165,119</u>	<u>4,795,788</u>	<u>369,331</u>
Excess of receipts over (under) disbursements	<u>(15,401)</u>	<u>701,512</u>	<u>716,913</u>
<u>Other financing sources and (uses)</u>			
Operating transfers in	-	-	-
Operating transfers out	(2,205)	(2,205)	-
Proceeds from bond issuance	-	-	-
Bonds defeased	-	-	-
Bond issuance cost	-	-	-
Proceeds from capital leases	-	-	-
Principal received on loans	-	-	-
Loans to businesses	-	-	-
Total other financing sources (uses)	<u>(2,205)</u>	<u>(2,205)</u>	<u>-</u>
Excess of receipts and other financial sources over (under) disbursements and other financing (uses)	<u>(17,606)</u>	<u>699,307</u>	<u>716,913</u>
Beginning fund balance	1,380,381	1,380,381	-
Residual equity transfer in (out)	-	(12,069)	(12,069)
Ending fund balance	<u>\$ 1,362,775</u>	<u>2,067,619</u>	<u>704,844</u>

The accompanying notes are an integral part of these statements.

BUDGETED SPECIAL REVENUE FUNDS			DEBT SERVICE FUND		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
1,499,244	1,491,242	(8,002)	360,171	392,507	32,336
640,000	666,592	26,592	-	-	-
29,212	36,072	6,860	-	-	-
24,100	24,004	(96)	-	-	-
166,535	117,421	(49,114)	-	-	-
43,300	91,693	48,393	5,000	7,284	2,284
-	14,767	14,767	-	-	-
106,075	372,504	266,429	-	-	-
<u>2,508,466</u>	<u>2,814,295</u>	<u>305,829</u>	<u>365,171</u>	<u>399,791</u>	<u>34,620</u>
132,075	126,025	6,050	-	-	-
-	-	-	-	-	-
23,875	23,875	-	-	-	-
-	-	-	-	-	-
126,959	121,131	5,828	-	-	-
41,843	36,811	5,032	-	-	-
2,899,707	2,580,825	318,882	-	-	-
-	-	-	-	-	-
-	-	-	3,000	300	2,700
-	-	-	153,187	140,870	12,317
-	-	-	230,000	230,000	-
<u>3,224,459</u>	<u>2,888,667</u>	<u>335,792</u>	<u>386,187</u>	<u>371,170</u>	<u>15,017</u>
<u>(715,993)</u>	<u>(74,372)</u>	<u>641,621</u>	<u>(21,016)</u>	<u>28,621</u>	<u>49,637</u>
-	2,205	2,205	-	-	-
-	-	-	-	-	-
-	-	-	-	1,740,000	1,740,000
-	-	-	-	(1,705,655)	(1,705,655)
-	-	-	-	(64,345)	(64,345)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>2,205</u>	<u>2,205</u>	<u>-</u>	<u>(30,000)</u>	<u>(30,000)</u>
(715,993)	(72,167)	643,826	(21,016)	(1,379)	19,637
1,971,472	1,971,472	-	95,337	95,337	-
-	1,830	1,830	-	-	-
<u>1,255,479</u>	<u>1,901,135</u>	<u>645,656</u>	<u>74,321</u>	<u>93,958</u>	<u>19,637</u>

