

Texas Residential Construction Commission

Quality Construction for Texans

Annual Financial Report Fiscal Year Ending August 31, 2005

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November 20, 2005

Honorable Rick Perry, Governor Honorable Carole Keeton Strayhorn, State Comptroller John O'Brien, Deputy Director, Legislative Budget Board John Keel, CPA, State Auditor

Lady and Gentlemen:

We are pleased to submit the Annual Financial Report of the Texas Residential Construction Commission for the year ended August 31, 2005, in compliance with Tex. Gov't Code Ann., §2101.011, and in accordance with the requirements established by the Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact me or Phyllis J. Dawson, Chief Financial Officer, at 512/463-2849.

Sincerely,

A. Duane Waddill Executive Director

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COMBINED FINANCIAL STATEMENTS

Texas Residential Construction Commission Exhibit I - Combined Balance Sheet/Statement of Net Assets - Governmental Funds August 31, 2005

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Loans and Contracts Investments (Note 3) Interfund Receivables (Note 7) Gifts, Pledges and Donations Capital Assets (Note 2): Non-Depreciable Land and Land Improvements Infrastructure Construction in Progress Other Capital Assets Depreciable: Building and Building Improvements Less Accumulated Depreciation Infrastructure Less Accumulated Depreciation Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets 0 0 0 0 0 0 0 0							
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Capital Assets (Note 2): Non-Depreciable Land and Land Improvements Infrastructure Construction in Progress Other Capital Assets Depreciable: Building and Building Improvements Less Accumulated Depreciation Infrastructure Less Accumulated Depreciation Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets 0 0 0 0 0 0 0	Interfund Receivables (Note 7)						
Non-Depreciable Land and Land Improvements Infrastructure Construction in Progress Other Capital Assets Depreciable: Building and Building Improvements Less Accumulated Depreciation Infrastructure Less Accumulated Depreciation Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets 0 0 0 0 0 0 0							
Land and Land Improvements Infrastructure Construction in Progress Other Capital Assets Depreciable: Building and Building Improvements Less Accumulated Depreciation Infrastructure Less Accumulated Depreciation Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets 0 0 0 0 0 0 0							
Infrastructure Construction in Progress Other Capital Assets Depreciable: Building and Building Improvements Less Accumulated Depreciation Infrastructure Less Accumulated Depreciation Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets 0 0 0 0 0 0 0						•	
Construction in Progress Other Capital Assets Depreciable: Building and Building Improvements Less Accumulated Depreciation Infrastructure Less Accumulated Depreciation Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Airoraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets 0 0 0 0 0 0 0							
Depreciable: Building and Building Improvements Less Accumulated Depreciation Infrastructure Less Accumulated Depreciation Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Airoraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets Total Non-Current Assets 0 0 0 0 0 0 0							
Building and Building Improvements Less Accumulated Depreciation Infrastructure Less Accumulated Depreciation Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Airoraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets 0 0 0 0 0 0							
Less Accumulated Depreciation Infrastructure Less Accumulated Depreciation Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets Total Non-Current Assets 0 0 0 0 0 0							
Infrastructure Less Accumulated Depreciation Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets Total Non-Current Assets 0 0 0 0 0 0 0							
Less Accumulated Depreciation Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets Total Non-Current Assets 0 0 0 0 0 0							
Facilities and Other Improvements Less Accumulated Depreciation Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets Total Non-Current Assets 0 0 0 0 0 0	Less Accumulated Depreciation						
Furniture and Equipment Less Accumulated Depreciation Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets Total Non-Current Assets 0 0 0 0 0 0	Facilities and Other Improvements						
Less Accumulated Depreciation Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets Total Non-Current Assets 0 0 0 0 0							
Vehicle, Boats and Aircraft Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets 0 0 0 0 0 Total Non-Current Assets 0 0 0 0 0 0	Furniture and Equipment		•				
Less Accumulated Depreciation Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets 0 0 0 0 0 Total Non-Current Assets 0 0 0 0 0 0	Vehicle Roats and Aircraft						
Other Capital Assets Less Accumulated Depreciation Other Non-Current Assets Total Non-Current Assets 0 0 0 0 0 0							
Less Accumulated Depreciation Other Non-Current Assets 0 0 0 0 0 Total Non-Current Assets 0 0 0 0 0	Other Capital Assets						
Total Non-Current Assets00	Less Accumulated Depreciation						
Total Non-Current Assets			<u> </u>	0	0	0	0
Tatal Assats \$ 2,083,569,58 \$ 0 \$ 0 \$ 0 \$ 2,083	Lotal Non-Current Assets					^ ^	0 \$ 2,083,569.5
1DIAL MSSEQ	Total Assets	\$ 2,083,569.	58 \$	0 \$	0 \$	<u> </u>	<u> </u>

Texas Residential Construction Commission Exhibit I - Combined Balance Sheet/Statement August 31, 2005

	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Net Assets	Discrete Governmental Component Units (Ex K-1)	
SSETS	- 1,	,		-		
Current Assets:						
Cash (Note 3)						
On Hand	\$	\$	\$	\$	\$	
In Bank						
In Transit/Reimburse from Treasury						
Cash in State Treasury						
Securities Lending Collateral						
Short Term Investments (Note 3)						
Restricted:						
Cash (Note 3)						
On Hand						
In Bank						
In Transit/Reimburse from Treasury	•					
In State Treasury	4					
Short Term Investments (Note 3)						
Legislative Appropriations				2,071,892.74		
Receivables from:						
Federal						
Other Intergovernmental						
Interest and Dividends						
Accounts Receivable						
Taxes						
Gifts, Pledges and Donations						
Other						
Interfund Receivables (Note 7)						
Due From Other Funds (Note 7)						
Due From Other Agencies (Note 7)				====		
Consumable Inventories				11,676.84		
Merchandise Inventories						
Prepaid Items						
Loans and Contracts						
Other Current Assets						
Total Current Assets	0	0	0	2,083,569.58	0	
Non-Current Assets:						
Restricted:						
Cash (Note 3)						
On Hand						
in Bank						
In Transit/Reimburse from Treasury						
In State Treasury						
Short Term Investments (Note 3)						
Receivables						
Investments (Note 3)						
Loans and Contracts						
Other Assets						
Loans and Contracts						
Investments (Note 3)						
Interfund Receivables (Note 7)						
Gifts, Pledges and Donations						
Capital Assets (Note 2):						
Non-Depreciable						
Land and Land Improvements						
Infrastructure					*	
Construction in Progress						
Other Capital Assets						
Depreciable:						
Building and Building Improvements						
Less Accumulated Depreciation						
Infrastructure						
Less Accumulated Depreciation						
Facilities and Other Improvements						
Less Accumulated Depreciation						
Furniture and Equipment	293,600.11			293,600.11	1	
Less Accumulated Depreciation	(37,069.51)			(37,069.5		
	(37,008.31)			(07,000.0		
Vehicle, Boats and Aircraft						
Less Accumulated Depreciation						
Other Capital Assets						
Less Accumulated Depreciation						
Other Non-Current Assets						
Total Non-Current Assets	256,530.60	0)	0 256,530.6	00	
			-			
Total Assets	\$ 256,530.60	\$ 0	\$	0 \$ 2,340,100.1	8 \$ 0	

Texas Residential Construction Commission Exhibit I - Combined Balance Sheet/Statement of Net Assets - Governmental Funds August 31, 2005

		Go	vernmental Func	d Types		
	General Funds (Ex A-1)	Special Revenue Funds (Ex B-1)	Debt Service Funds (Ex C-1)	Capital Projects Funds (Ex D-1)	Permanent Funds (Ex F-1)	Governmental Funds Total
LIABILITIES AND FUND BALANCES						
Liabilities Current Liabilities:						
Payables from:						
Accounts Federal	\$ 251,300.99	\$	\$	\$	\$	\$ 251,300.99
Other Intergovernmental						
Payroli Contracts	139,354.64					139,354.64
Other						
Interfund Payable (Note 7) Due To Other Funds (Note 7)						
Due To Other Agencies (Note 7)						
Deferred Revenues Notes and Loans Payable (Note 4)						
Revenue Bonds Payable (Note 4)						
General Obligation Bonds Payable (Note 4) Claims and Judgments (Note 4)						
Employees' Compensable Leave (Note 4)						
Capital Lease Obligations (Note 4, 5) Liabilities Payable from Restricted Assets						
Obligations/Reverse Repurchase Agreement						
Obligations Under Securities Lending Funds Held For Others						
Other Current Liablities				-		<u> </u>
Total Current Liabilities	390,655.63	0	. 0	0	0	390,655.63
Non-Current Liabilities						
Interfund Payables Notes and Loans Payable (Note 4)						
Revenue Bonds Payable (Note 4)		•				
General Obligation Bonds Payable (Note 4) Claims and Judgments (Note 4)					4	
Employees' Compensable Leave (Note 4)						
Capital Lease Obligations (Note 4, 5) Liabilities Payable from Restricted Assets						
Assets Held for Others					•	
Other Non-Current Liabilities Total Non-Current Liabilities		0				
				·	0	0
Total Liabilities	390,655.63	0	00	0		390,655.63
Fund Financial Statement						
Fund Balances (Deficits): Reserved for						
Encumbrances						
Inventories Imprest	11,676.84					11,676.84
Debt Service						
Loans and Contracts Noncurrent Interfund Receivable						*
Other						
Unreserved/Designated for: Other						
Permanent Health Fund						
Undesignated Total Fund Balances	1,681,237.11				•	1,681,237.11 1,692,913,95
Total Liabilities and Fund Balances	\$ 2,083,569.58	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,083,569.58
Government-Wide Statement of Net Assets						
Net Assets Invested in Capital Assets, net of Related Debt						
Restricted For						
Debt Retirement Capital Projects						
Other						
Funds Held as Permanent Investments: Expendable						
Non-Expendable						
Other Unrestricted						
Total Net Assets						

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

Texas Residential Construction Commission Exhibit I - Combined Balance Sheet/Statement August 31, 2005

Liabilities Current Liabilities Payables from \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$		Assets	Liabilities			Component Units
Liabilities Current Liabilities Payables from \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	LIABILITIES AND FUND BALANCES	, , , , , , , , , , , , , , , , , , , ,				
Paysbles from:	Liabilities					
Accounts						
Other Intergovernmental Payor (Contracts Contracts Contracts Contract Contracts Contract Cont	Accounts	\$	\$	\$	\$ 251,300.99	\$
Payroll Cortrates Cother Indefund Psystole (Note 7) Due 17 Other Finds (Note 7) Due 17 Other Finds (Note 7) Due 17 Other Finds (Note 17) Due 17 Other Agencies (Note 17) Notes and Losens Payable (Note 4) Revenue Bonds Psystole (Note 4) General Obligation Bonds Psystole (Note 4) General Obligation Bonds Psystole (Note 4) Employeed Compensable Leave (Note 4) Employeed Compensable Leave (Note 4) Employeed Revenue Repursionals (Note 4) Capital Leave Obligations (Note 4) Deligations Revenue Repursionals (Note 4) Collegations Revenue Repursionals (Note 4) Finds Held For Others Other Current Liabilities Total Not-Current Liabilities Total Not-Current Liabilities Total Liabilities Psystole (Note 4) Capital Leave Obligations (Note 4) Capital Capital Leave (Note 4) Capital Lea						
Citer Interfund Payable (Note 7) Due To Other Funds (Note 7) Due To Other Funds (Note 7) Due To Other Agencies (Note 7) Due To Other Agencies (Note 7) Delefrod Revenues Notes and Loren Payable (Note 4) General Otilipation Bonds Payable (Note 4) Employees Compensable Leave (Note 4) Liabilities Payable from Restricted Assets Obligations Recurrities Lending Funds (Note 4) United the Payable (Note 4) In the Payable (Note 4) Revenue Bonds Payable (Note 4) General Obligations Bonds Payable (Note 4) Capital Lease Obligations (Note 4, 5) Liabilities Payable from Restricted Assets Assets Held for Others Other Non-Current Liabilities Total Liabilities 0 174,155.52 0 564,811.55 0 Fund Financial Statement Fund Balances Delicities Contracts Inventories In					139,354.64	
Interfund Physibile (Note 7) Due To Other Funds (Note 7) Due To Other Funds (Note 7) Due From Funds (Note 7) Deferred Revenues Notes and Loars Physible (Note 4) Revenue Bronds Physible (Note 4) General Obligation Endorsh Physible (Note 4) September 1 September 1 September 2						
Due To Other Agencies (Note 7) Deferred Revenues Notes and Loans Payable (Note 4) Revenue Bonds Payable (Note 4) General Otiligation Bords Payable (Note 4, 6) Labitiates Payable from Restricted Assets Obligations Vider Securities Obligations Vider Securities Obligations Vider Securities Funds Held For Others Other Current Liabitities Other Current Liabitities Interfund Payables Notes and Loans Payable (Note 4) Revenue Bonds Payable (Note 4) Revenue Bonds Payable (Note 4) Revenue Bonds Payable (Note 4) Calisms and Judgments (Note 4) Employees Compensable Leave (Note 4) Capital Lease Obligations (Note 4) Capital (For Others Assets Held (or Others Total Non-Current Liabitities 10 174,165,52 11,676,84 11,676,						
Deferred Revenues Notes and Loans Payable (Note 4) Revenue Bonds Payable (Note 4) Revenue B						
Revenue Bonds Payable (Note 4) General Obligation Bonds Payable (Note 4) Claims and Judgments (Note 4, 5) Employees Compensable Leave (Note 4, 5) Liabilities Payable from Restricted Assets Obligations (Note 4, 5) Liabilities Payable from Restricted Assets Obligations (Province Agreement Obligations Under Securities Lending Funds Held For Others Other Current Liabilities						
General Obligation Bonds Payabie (Note 4)	Notes and Loans Payable (Note 4)					
Claims and Judgments (Note 4) 95,622.43 95,622.43 Capital Lease Obligations (Note 4, 5) Liabitities Payable from Restricted Assets Obligations (Note 4, 5) Claims and Judgment Leabling Funds Held For Others Other Current Liabitities 0 95,622.43 0 486,278.06 0 0 0 0 0 0 0 0 0						
Capital Lesse Obligations (Note 4, 5) Liabilities Payable from Restricted Assets	Claims and Judgments (Note 4)					
Liabilities Payable from Restricted Assets			95,622.43		95,622.43	
Doubligations Under Securities Lending Funds Heid For Others Current Liabilities O \$5,622,43 O 486,278.06 O	Liabilities Payable from Restricted Assets					
Funds Held For Others						
Non-Current Liabilities	Funds Held For Others					
Non-Current Liabilities Interfund Payables Notes 40 Revenue Bonds Payable (Note 4) General Colligation Bonds Payable (Note 4) Calims and Judgments (Note 4) Employees' Compensable Leave (Note 4) Employees' Compensab			95 622 43		486 278 06	
Interfund Payables Notes and Loans Payable (Note 4) Revenue Bonds Payable (Note 4) Ceneral Obligation Bonds Payable (Note 4) Employees' Compensable Leave (Note 4) Employees' Compensable Leave (Note 4) Capital Leave Obligations (Note 4, 5) Liabilities Payable from Restricted Assets Assets Held for Others Other Non-Current Liabilities 0 78,533.09 0 78,533 0 0 Total Non-Current Liabilities 0 174,155,52 0 564,811.15 0 0 Fund Financial Statement Fund Balances (Deficits): Reserved for Encurbrances Inventories Inventories Inventories Inventories Noncurrent Interfund Receivable Other Unreserved/Designated for: Other Permanent Health Fund Undesignated Total Fund Balances Government-Wide Statement of Net Assets Net Assets Net Assets Invested in Capital Assets, net of Related Debt Restricted For Debt Retirement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Other Funds Held as Permanent Investments: Expendable Other	Total Current Elabintes		33,022,43		400,270.00	
Notes and Loans Payable (Note 4) Revenue Bonds Payable (Note 4) General Obligation Bonds Payable (Note 4) Employees' Compensable Leave (Note 4) Capital Lease Obligations (Note 4, 5) Liabilities Payable from Restricted Assets Assets Held for Others Other Non-Current Liabilities Total Non-Current Liabilities 0 78,533.09 0 78,533 0 Total Liabilities Total Non-Current Liabilities Total Non-Current Liabilities 0 174,155.52 0 564,811.15 0 Fund Financial Statement Fund Balances (Deficits): Reserved for Encurbrances Inventories Imprest Debt Service Debt Service Other Other Other Other Other Permanent Health Fund Undesignated Undesignated Odesignated Odesignated Odesignated Odesignated Odesignated Odesignated Capital Projects Other Debt Restricted For Debt Restricted For Debt Restricted For Debt Reliement Capital Projects Other Unrested in Capital Assets, net of Related Debt Restricted For Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted Other Unrestricted Other						
General Dibigation Bonds Payable (Note 4) Claims and Judgments (Note 4) Employees' Compensable Leave (Note 4) 78,533.09 78,533 Capital Lease Obligations (Note 4, 5) Liabilities Payable from Restricted Assets Assets Held for Others Other Non-Current Liabilities	Notes and Loans Payable (Note 4)					
Claims and Judgments (Note 4) 78,533.09 78,533 Capital Lease Obligations (Note 4, 5) Liabifities Payable from Restricted Assets Assets Held for Others Other Non-Current Liabifities 0 78,533.09 0 78,533.09 0 78,533.09 0 78,533.00						
Capital Lease Obligations (Note 4, 5)						
Liabilities Payable from Restricted Assets Assets Held for Others Other Non-Current Liabilities Total Non-Current Liabilities 0 78,533.09 0 78,533 0 0 Total Liabilities 0 174,155.52 0 564,811.15 0 Fund Financial Statement Fund Balances (Deficits): Reserved for Encumbrances Inventories			78,533.09		78,533	
Assets Held for Others Other Non-Current Liabilities Total Non-Current Liabilities 0 78,533.09 0 78,533.00 Total Liabilities 0 174,155.52 0 564,811.15 0 Fund Financial Statement Fund Balances (Deficits): Reserved for Encurribrances Inventories Inventories Inventories Inventories Other Other Permanent Health Fund Undesignated Total Fund Balances Government-Wide Statement of Net Assets Net Assets Invested in Capital Assets, net of Related Debt Restricted For Debt Reliement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted (174,155.52) (174,155.52) (174,155.52)						
Total Non-Current Liabilities	Assets Held for Others					
Fund Financial Statement Fund Balances (Deficits): Reserved for Encumbrances Inventories 111,676.84 Imprest Debt Service Loans and Contracts Noncurrent Interfund Receivable Other Unreserved/Designated for: Other Permanent Health Fund Undesignated 1,681,237.11 Total Fund Balances 1,681,237.10 Other Other 1,681,237.10 Other Other 2,257,725.10 Other Other 2,257,725.10 Other Other 3,257,725.10 Other Other 3,257,725.10 Other 4,257,725.10 Other 5,257,725.10 Other 6,257,725.10 Other 7,257,725.10 Other 6,257,725.10 Other 7,257,725.10 Other 7,257,725.10 Other 8,257,725.10 Other 8,257,725.10 Other 9,257,725.10 Other 9,257,725.10 Other 9,257,725.10 Other 1,257,725.10 Other 1,257,7			78,533.09	0	78,533	0
Fund Financial Statement Fund Balances (Deficits): Reserved for Encumbrances Inventories 11,676.84 Imprest Debt Service Loans and Contracts Noncurrent Interfund Receivable Other Unreserved/Designated for: Other Permanent Health Fund Undesignated 1,681,237.11 Total Fund Balances 1,682,913.95 0 Total Liabilities and Fund Balances 2,257,725.10 0 Government-Wide Statement of Net Assets Net Assets Invested in Capital Assets, net of Related Debt 256,530.60 Restricted For Debt Retirement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Non-Expendable Other Unrestricted (174,155.52) (174,155.52)	Total Liabilities	0	174.155.52	0	564.811.15	0
Fund Balances (Deficits): Reserved for Encumbrances Inventories Interfund Receivabie Other Unreserved/Designated for: Other Permanent Health Fund Undesignated Interfund Balances Interfund Balances Inventories Inventories Inventories Invested in Capital Assets, net of Related Debt Restricted For Debt Relirement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Non-Expendable Other Unrestricted (174,155.52) (174,155.52)						
Encumbrances Inventories 11,676.84 Imprest Debt Service Loans and Contracts Noncurrent Interfund Receivable Other Unreserved/Designated for: Other Permanent Health Fund 1,681,237.11 Total Fund Balances 1,692,913.95 O. Total Liabilities and Fund Balances 2,257,725.10 O. Government-Wide Statement of Net Assets Net Assets Invested in Capital Assets, net of Related Debt 256,530.60 256,530.60 Restricted For Debt Retirement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted (174,155.52) (174,155.52) Unrestricted Unrestricted (174,155.52) Unrestricted Unrestricted (174,155.52) Unrestricted						1
Inventories 11,676.84 Imprest Debt Service Loans and Contracts Noncurrent Interfund Receivable Other						•
Imprest Debt Service Loans and Contracts Noncurrent Interfund Receivable Other					11,676.84	
Loans and Contracts Noncurrent Interfund Receivable Other Unreserved/Designated for: Other Permanent Health Fund Undesignated Undesignated Total Fund Balances 1,681,237.11 Total Fund Balances 1,692,913.95 0 Total Liabilities and Fund Balances 2,257,725.10 0 Government-Wide Statement of Net Assets Net Assets Invested in Capital Assets, net of Related Debt Restricted For Debt Retirement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted Unrestricted Unrestricted (174,155.52) (174,155.52)	Imprest				•	
Noncurrent Interfund Receivable Other Unreserved/Designated for: Other Permanent Health Fund Undesignated Total Fund Balances Total Liabilities and Fund Balances Government-Wide Statement of Net Assets Net Assets Invested in Capital Assets, net of Related Debt Restricted For Debt Retirement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted Unrestricted (174,155.52) (174,155.52)						
Unreserved/Designated for: Other Permanent Health Fund Undesignated	Noncurrent Interfund Receivable					
Other Permanent Health Fund Undesignated Total Fund Balances 1,681,237.11 Total Liabilities and Fund Balances 2,257,725.10 0 Government-Wide Statement of Net Assets Net Assets Invested in Capital Assets, net of Related Debt Restricted For Debt Retirement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted 256,530.60 256,530.60 Expendable Other Unrestricted (174,155.52) (174,155.52)						
Undesignated	Other					
Total Fund Balances 1,692,913.95 0					1,681,237,11	
Government-Wide Statement of Net Assets Net Assets Invested in Capital Assets, net of Related Debt 256,530.60 256,530.60 Restricted For Debt Retirement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted (174,155.52) (174,155.52)				,		0
Net Assets Invested in Capital Assets, net of Related Debt 256,530.60 256,530.60 Restricted For Debt Retirement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted (174,155.52) (174,155.52)	Total Liabilities and Fund Balances				2,257,725.10	0
Restricted For Debt Retirement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted (174,155.52) (174,155.52)						
Debt Retirement Capital Projects Other Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted (174,155.52) (174,155.52)	Invested in Capital Assets, net of Related Debt	256,530.60			256,530.60	
Other Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted (174,155.52) (174,155.52)						
Funds Held as Permanent Investments: Expendable Non-Expendable Other Unrestricted (174,155.52) (174,155.52)						
Expendable						
Other (174,155.52) (174,155.52)	Expendable					•
Unrestricted (174,155.52) (174,155.52)						
Total Net Assets \$ 256,530.60 \$ (1/4,155.52) \$ 0 \$1,7/5,289.03 \$ 0	Unrestricted	A 000 000 00				
	Total Net Assets	\$ 256,530.60	\$ (1/4,155.52) 3 0	\$ 1,775,289.03	3 U

The accompanying notes to the financial statements are an integral part

Texas Residential Construction Commission
Exhibit II - Combined Statement of Revenues, Expenditures and Changes in Fund Balances/Statement of Activities Governmental Funds
For the Fiscal Year Ended August 31, 2005

	G	eneral Funds (Ex A-2)		Special Revenue Funds (Ex B-2)	Ser Fu	ebt vice nds C-2)	Capital Projects Funds (Ex D-2)		Permanent Funds (Ex E-2)		Governmental Funds Total	
REVENUES**	_	(EX A-2)	_	(LX D-2)		<u> </u>	<u> </u>	-				
Legislative Appropriations Original Appropriations (GR)	\$		\$		\$		\$	\$		\$	296,498.98	
Additional Appropriations (GR) Taxes (GR)		296,498.98									290,496.96	
Federal Revenue (PR - Operating or Capital) Federal Grant Pass-Through Revenue (GR) State Grant Pass-Through Revenue (GR) License, Fees & Permits (PR) interest and Other Investment Income (PR) Interest, and Other Investment Income (GR) Net Increase (Decrease) in Fair Value (PR)		3,872,518.74									3,872,518.74	
Net Increase (Decrease) in Fair Value (GR) Land Income (PR) Settlement of Claims (PR)												
Settlement of Claims (GR) Settlement of Claims (GR) Sales of Goods and Services (PR) Other (PR - Chg for Serv, Operating or Capital)												
Other (GR) Total Revenues		4,169,017.72		0	_	0	0	- -		0	4,169,017.72	-
Total Nevertuces	-											
EXPENDITURES Salaries and Wages Payroll Related Costs Professional Fees and Services		1,319,516.94 288,836.41 425,481.14 98,874.30									1,319,516.94 288,836.41 425,481.14 98,874.30	
Travel Materials and Supplies Communication and Utilities Repairs and Maintenance Rentals and Leases		153,371.77 63,669.71 71,534.88 197,069.20									153,371.77 63,669.71 71,534.88 197,069.20 90,490.21	:
Printing and Reproduction Claims and Judgments Federal Grant Pass-Through Expenditures State Grant Pass-Through Expenditures		90,490.21				,					90,490.21	
Intergovernmental Payments Public Assistance Payments Employee Benefit Payments Other Expenditures		919,318.94									919,318.94	1
Debt Service: Principal Interest												
Other Payments for Refunding Capital Outlay		125,717.23	3								125,717.23	
Depreciation Expense Total Expenditures/Expenses	-	3,753,880.73	3.	0	Ξ =	0		0		0_	3,753,880.7	3_
Excess (Deficiency) of Revenues over Expenditures		415,136.99	9)	0		0		0_	415,136.9	9_
OTHER FINANCING SOURCES (USES) Bond and Note Proceeds Increase in Obligations Under Capital Leases		\$		\$	\$		\$		\$		\$	
Sale of Capital Assets Transfers In Transfers Out												
Legislative Transfers In Legislative Transfers Out Gain (Loss) on Sale of Capital Assets Inc/(Dec) in Net Assets Due to Interagency Transfer												
Total Other Financing Sources (Uses)								_				
SPECIAL ITEMS Proceeds from Sale of Park Land												
EXTRAORDINARY ITEMS Natural Disaster-Hurricane										<u>. </u>	445 136	
Net Change in Fund Balances/Net Assets		415,136.9	99								415,136.	33_
Fund Financial Statement - Fund Balances Fund Balances - Beginning Restatements		1,263,184. 14,592	00								1,263,184. 14,592. 1,277,776.	.00
Fund Balances - September 1, 2004, as Restated		1,277,776.	96								.,,2.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Appropriations Lapsed Fund Balances, August 31, 2005		\$ 1,692,913.	95	\$	0	\$ (0 \$	0	\$	0	\$ 1,692,913	.95

Government-Wide Statement of Net Assets

Texas Residential Construction Commission Exhibit II - Combined Statement of Revenues, Expe Governmental Funds For the Fiscal Year Ended August 31, 2005

Government-Wide Statement of Net Assets

	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Activities	Discrete Governmental Component Units (Ex K-2)
REVENUES**					
Legislative Appropriations Original Appropriations (GR) Additional Appropriations (GR) Taxes (GR) Federal Revenue (PR - Operating or Capital)	\$	\$	\$	\$ 296,498.98	\$
Federal Grant Pass-Through Revenue (GR) State Grant Pass-Through Revenue (GR) License, Fees & Permits (PR) Interest and Other Investment Income (PR) interest and Other Investment Income (GR) Net Increase (Decrease) in Fair Value (PR) Net Increase (Decrease) in Fair Value (GR) Land Income (PR) Settlement of Claims (PR)				3,872,518.74	
Settlement of Claims (GR) Sales of Goods and Services (PR) Other (PR - Chg for Serv, Operating or Capital)					
Other (GR) Total Revenues	0	0	0	4,169,017.72	0
EXPENDITURES Salaries and Wages Payroll Related Costs Professional Fees and Services Travel Materials and Supplies Communication and Utilities		174,155.52	•	1,493,672.46 288,836.41 425,481.14 98,874.30 153,371.77 63,669.71	
Repairs and Maintenance Rentals and Leases Printing and Reproduction Claims and Judgments Federal Grant Pass-Through Expenditures				71,534.88 197,069.20 90,490.21	
State Grant Pass-Through Expenditures Intergovernmental Payments Public Assistance Payments Employee Benefit Payments				919,318.94	
Other Expenditures Debt Service: Principal				9 (9,310.94	
Interest Other Payments for Refunding	(293,600.11	1	•	(167,882.88)
Capital Outlay Depreciation Expense	37,069.51 (256,530.60			37,069.51 0 3,671,505.65	
Total Expenditures/Expenses	(200,550.00	174,300.02		<u> </u>	
Excess (Deficiency) of Revenues over Expenditures	256,530.60	(174,155.5	2)	0 497,512.07	0
OTHER FINANCING SOURCES (USES)		_	•	\$	\$
Bond and Note Proceeds Increase in Obligations Under Capital Leases Sale of Capital Assets Transfers in	\$	\$	\$	J	•
Transfers Out Legislative Transfers In Legislative Transfers Out Gain (Loss) on Sale of Capital Assets					
Inc/(Dec) in Net Assets Due to Interagency Transfer Total Other Financing Sources (Uses)					
SPECIAL ITEMS Proceeds from Sale of Park Land					
EXTRAORDINARY ITEMS Natural Disaster-Hurricane					
Net Change in Fund Balances/Net Assets				497,512.0	7
Fund Financial Statement - Fund Balances Fund Balances - Beginning Restatements				1,263,184.9	0
Fund Balances - September 1, 2004, as Restated		•		1,277,776.9	
Appropriations Lapsed Fund Balances, August 31, 2005				1,775,289.0	3 0

Texas Residential Construction Commission
Exhibit II - Combined Statement of Revenues, Expenditures and Changes in Fund Balances/Statement of Activities Governmental Funds

For the Fiscal Year Ended August 31, 2005

	General Funds (Ex A-2)	Special Revenue Funds (Ex B-2)	Debt Service Funds (Ex C-2)	Capital Projects Funds (Ex D-2)	Permanent Funds (Ex E-2)	Governmental Funds Total
Net Assets/Net Change in Net Assets						1,692,913.95
Net Assets, Beginning Restatements Net Assets, September 1, 2004, as Restated						
Net Assets as of August 31, 2005						\$ 1,692,913.95
** \A/\						

^{**} When analyzing which comptroller object code to use, agencies need to determine if it rolls to Program Revenue (PR) or General Revenue (GR) on the Statement of Activities

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

Texas Residential Construction Commission Exhibit II - Combined Statement of Revenues, Expe Governmental Funds For the Fiscal Year Ended August 31, 2005

	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Activities	Discrete Governmental Component Units (Ex K-2)
Net Assets/Net Change in Net Assets	256,530.60	(174,155.52)		1,775,289.03	
Net Assets, Beginning Restatements Net Assets, September 1, 2004, as Restated	0	0	0	0	0
Net Assets as of August 31, 2005	\$ 256,530.60	\$ (174,155.52)	\$ 0	\$ 1,775,289.03	\$ 0

^{**} When analyzing which comptroller object code to use, age Program Revenue (PR) or General Revenue (GR) on the Staf

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

Texas Residential Construction Commission Exhibit VI - Combined Statement of Net Assets - Fiduciary Funds August 31, 2005

	Pension and Other Employee Benefit Trust Funds (Exhibit G-1)	External Investment Trust Funds (Exhibit H-1)	Private- Purpose Trust Funds (Exhibit I-1)	Agency Funds . (Exhibit J-1)	Totals
ASSETS					
Cash and Cash Equivalents (Note 3)	•	•	•	^	٨
Cash on Hand Cash in Bank	\$	\$	\$	\$	\$
Cash in Transit/Reimburse from Treasury					
Cash in State Treasury					
Cash Equivalents					
Securities Lending Collateral					
Short Term Investments (Note 3) Restricted:					
Cash and Cash Equivalents (Note 3)					
Cash on Hand					
Cash in Bank					
Cash in Transit/Reimburse from Treasury Cash in State Treasury					
Cash Equivalents					
Short Term Investments (Note 3)					
Legislative Appropriations					
Investments (Note 3)					
Receivables from: Federal					
Other Intergovernmental					
Interest and Dividends					
Accounts Receivable					
Taxes Other					
Interfund Receivables (Note 8)		1.			
Due From Other Funds (Note 8)					
Due From Other Agencies (Note 8)					
Consumable Inventories Merchandise Inventories					
Prepaid Items					
Loans and Contracts					
Other Assets					
Properties, at Cost, net of Accumulated Depreciation Total Assets	0	0	0		0
LIABILITIES					
Payables from: Accounts					
Federal					
Other intergovernmental					
Payroll					
Contracts Other					
Interfund Payable (Note 8)					
. Due To Other Funds (Note 8)					
Due To Other Agencies (Note 8)					
Deferred Revenues Notes and Loans Payable (Note 5)					
Revenue Bonds Payable (Note 5)					
General Obligation Bonds Payable (Note 5)					
Claims and Judgments (Note 5)					
Employees' Compensable Leave (Note 5) Capital Lease Obligations (Note 5, 6)					
Liabilities Payable from Restricted Assets					
Obligations/Reverse Purchase Agreement					
Obligations Under Securities Lending					
Funds Held For Others Total Liabilities)	0	0
1 Otal Flammies					
NET ASSETS					
Held in Trust For					
Pension and Other Employee Benefits Post-Employment Health Care Benefits					
Pool Participants					
Individuals, Organizations, and Other Governments				\$ 0	\$ 0
Total Net Assets	\$ 0	3	\$ (<u>\$ 0</u>	· · · · · ·

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



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL INTRODUCTION.

The Texas Residential Construction Commission (the "commission") is an agency of the State of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts Reporting Requirements of State Agencies.

The commission operates under the authority of TEXAS PROPERTY CODE, Title 16. The purpose of this commission is to regulate entities building or remodeling one or two family homes in the State of Texas. Specific duties performed by this commission include:

- a. Register homes and home builders.
- b. Oversee the state-sponsored inspection and dispute resolution process.
- c. Prepare and adopt limited warranties and building and performance standards.
- d. Oversee three task force groups pertaining to mold, arbitration, and rain harvesting and water recycling.
- e. Provide a voluntary certification of arbitrators.
- f. Provide for the filing of arbitration awards.

To perform its various duties, the commission is authorized to employ a staff of 26 with specific operational responsibilities.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

B. FUND STRUCTURE

The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity.

GOVERNMENTAL FUND TYPES & GOVERNMENT-WIDE ADJUSTMENT FUND TYPES

<u>General Fund</u> - The general fund is the principal operating fund used to account for most of the state's general activities. It accounts for all financial resources except those accounted for in other funds.

<u>Long-Term Liabilities Adjustment Funds Type</u> – Long-Term Liabilities Adjustment fund type will be used to convert governmental fund types' debt from modified accrual to full accrual.

Other Adjustments Fund Type – Other Adjustments fund type will be used to convert all other governmental fund types activity from modified accrual to full accrual.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FIDUCIARY FUND TYPES

<u>Agency Funds</u> - Agency funds are used to account for assets the government holds on behalf of others in a purely custodial capacity. Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

C. COMPONENT UNITS

There are no component units for this agency.

D. Basis of Accounting

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for using the modified accrual method basis of accounting. Under the modified accrual basis, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year end. The State of Texas considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year for Fund Financial Statements prepared on the modified accrual basis. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual basis of accounting. This includes capital assets, accumulated depreciation, unpaid Employee Compensable Leave, the unmatured debt service (principal and interest) on general long-term liabilities, long-term capital leases, and long-term claims and judgments and full accrual revenues and expenses. The activity will be recognized in these fund types.

E. BUDGET AND BUDGETARY ACCOUNTING

The budget is prepared biennially and represents appropriations authorized by the legislature and approved by the Governor (the *General Appropriations Act*).

Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

F. ASSETS, LIABILITIES AND FUND BALANCES/NET ASSETS

ASSETS

<u>Inventories</u> – Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost, generally utilizing the last-in, first-out method. The consumption method of accounting is used to account for inventories and prepaid items that appear in the governmental and proprietary fund types. The cost of these items is expensed when the items are consumed.

<u>Capital Assets</u> – Assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year should be capitalized. These assets are capitalized at cost or, if any purchased, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets such as works of

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

art and historical treasures are not depreciated. Road and highway infrastructure is reported on the modified basis. Assets are depreciated over the estimated useful life of the asset using the straight-line method.

LIABILITIES

<u>Accounts Payable</u> - Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

<u>Current Payables - Other</u> – Payables are the accrual at year-end of expenditure transactions. Other payables may be included in either governmental or proprietary fund types.

<u>Employees' Compensable Leave Balances</u> – Employees' Compensable Leave Balances represent the liability that become "due" upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or non-current in the statement of net assets.

FUND BALANCE/NET ASSETS

The difference between fund assets and liabilities is 'Net Assets' on the government-wide, proprietary and fiduciary fund statements, and the 'Fund Balance' is the difference between fund assets and liabilities on the governmental fund statements.

Reservations of Fund Balance – Fund balances for governmental funds are classified as either reserved or unreserved in the fund financial statements. Reservations are legally restricted to a specific future use or not available for expenditure.

Reserved for Encumbrances - This represents commitments of the value of contracts awarded or assets ordered prior to year-end but not received as of that date. Encumbrances are not included with expenditures or liabilities. They represent current resources designated for specific expenditures in subsequent operating periods.

<u>Unreserved/Undesignated</u> - This represents the unappropriated balance at year end.

<u>Invested in Capital Assets, Net of Related Debt</u> – Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bond, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

<u>Restricted Net Assets</u> – Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

<u>Unrestricted Net Assets</u> – Unrestricted net assets consist of net assets, which do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources, which are imposed by management, but can be removed or modified.

INTERFUND TRANSACTIONS AND BALANCES

The commission has the following types of transactions among funds:

(1) <u>Transfers:</u> Legally required transfers that are reported when incurred as 'Transfers In' by the recipient fund and as 'Transfers Out' by the disbursing fund.

(2) <u>Reimbursements:</u> Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Reimbursements are not displayed in the financial statements.

The composition of the commission's interfund activities and balances are presented in Note 8.

NOTE 2: FIXED ASSETS

A summary of changes in Capital Assets for the year ended August 31, 2005, is presented below:

	PRIMARY GOVERNMENT								
	Balance		Reclass	Redass	Redass			Balance	
	09/01/04	Adjustments	Completed CIP	Inc-Int'agy Trans	Dec-Int'agy Trans	Additions	Deletions	08/31/05	
GOVERNMENTAL ACTIVITIES									
Non-Depreciable Assets						ж.			
Land and Land Improvements			-						
Infrastructure		- '		-					
Construction in Progress				-	-		-	-	
Other Assets			-					-	
Total Non-Depreciable Assets	-	-	-	-	-	-	<u> </u>	-	
Depreciable Assets								*	
Buildings and Building Improvements									
Infrastructure				·					
Facilities & Other Improvements									
Furniture and Equipment	426,301.04	(14,592.00))			125,717.23	(243,826.16)	293,600.11	
Vehicle, Boats & Aircraft									
Other Assets									
Total Depreciable Assets at Historical Costs	426,301.04	(14,592.00) -			125,717.23	(243,826.16)	293,600.11	
Less Accumulated Depreciation for:									
Buildings and Improvements									
Infrastructure								•	
Facilities & Other Improvements									
Furniture and Equipment	(54,681.59)	2,918.40				(50,326.48)	65,020.16	(37,069.51)	
Vehicles, Boats & Aircraft									
Other Capital Assets									
Total Accumulated Depreciation	(54,681.59)	2,918.40	_	-	-	(50,326.48)	65,020.16	(37,069.51)	
Depreciable Assets, Net	371,619.45	(11,673.60) -	-	-	75,390.75	(178,806.00)	256,530.60	
Governmental Activities Capital Assets, Net	371,619.45	(11,673.60) -			75,390.75	(178,806.00)	256,530.60	

NOTE 3: DEPOSITS, INVESTMENTS, AND REPURCHASE AGREEMENTS

Not-Applicable

NOTE 4: SHORT-TERM DEBT

Not-Applicable

NOTE 5: SUMMARY OF LONG-TERM LIABILITIES

Changes in Long-Term Liabilities

During the year ended August 31, 2005, the following changes occurred in liabilities.

Governmental Activities	Balance 09-01-04	Additions	Reductions	Balance 08-31-05	Amounts Due Within One Year
Compensable Leave	\$162,810.73	\$182,716.25	\$171,371.46	\$174,155.52	\$ 95,622.43
Total Governmental Activities				alian i	

Employees' Compensable Leave

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from state employment, provided the employee has had continuous employment with the state for six months. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Assets. An expense and liability for proprietary fund types are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

NOTE 6: CAPITAL LEASES

Not-Applicable

NOTE 7: OPERATING LEASE OBLIGATIONS

Not-Applicable

NOTE 8: INTERFUND BALANCES / ACTIVITIES

Not-Applicable

NOTE 9: CONTINGENT LIABILITIES

Not-Applicable

NOTE 10: CONTINUANCE SUBJECT TO REVIEW

Not-Applicable

NOTE 11: RISK FINANCING AND RELATED INSURANCE

Not-Applicable

NOTE 12: SEGMENT INFORMATION

Not-Applicable

NOTE 13: BONDED INDEBTEDNESS

Not-Applicable

NOTE 14: SUBSEQUENT EVENTS

Not-Applicable

NOTE 15: RELATED PARTIES

Not-Applicable

NOTE 16: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Not-Applicable

NOTE 17: THE FINANCIAL REPORTING ENTITY AND JOINT VENTURES

Not-Applicable

NOTE 18: RESTATEMENT OF FUND BALANCES / NET ASSETS

During FY2005 and adjustment was made which required the restatement of the amounts in fund balance and fund equity as shown and discussed below:

	General Funds	Capital . Assets
Fund Bal/Equity August 31, 2004	\$1,263,184.96	\$371,619.45
Restatement:		
a. Overstatement of Accounts Payable	14,592.00	
b. Overstatement of Assets		(14,592.00)
c. Overstatement of Accum Depr		2,918.40
Net Restatements	14,592.00	(11,673.60)
1920 C 1011 (1921 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
Fund Bal/Equity Sept 1, 2005, As Restated	\$1,277,776.96	\$359,945.85

NOTE 19: EMPLOYEES RETIREMENT PLANS

Not-Applicable

NOTE 20: DEFERRED COMPENSATION

Not-Applicable

NOTE 21: DONOR-RESTRICTED ENDOWMENTS

Not-Applicable

NOTE 22: MANAGEMENT DISCUSSION AND ANALYSIS

Not-Applicable

NOTE 23: POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Not-Applicable

NOTE 24: SPECIAL OR EXTRAORDINARY ITEMS

Not-Applicable

NOTE 25: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

Not-Applicable



Texas Residential Construction Commission Exhibit A-1 - Combining Balance Sheet - All General and Consolidated Funds August 31, 2005

	General	Consolidated Accounts						
	Fund 1 (0001)*	Fund 1 (0001)*	Fund 2	Fund 3	Total			
	U/F (0001)	U/F (0011)	None	None	(Ex I)			
ASSETS								
Current Assets: Cash								
On Hand	\$	\$	\$	\$	\$			
in Bank	- T	•	•	•	•			
In Transit/Reimburse from Treasury								
In State Treasury	(1,922,856.98)	1,922,856.98						
Securities Lending Collateral								
Short Term Investments								
Restricted:								
Cash								
On Hand								
In Bank In Transit/Reimburse from Treasury								
In State Treasury		_						
Short Term Investments	,							
Legislative Appropriations	2,071,892.74				2,071,892.74			
20giolairo / propilationo	2,011,000							
Receivables from:								
Federal								
Other Intergovernmental								
Interest and Dividends								
Accounts Receivable								
Taxes								
Other								
Interfund Receivables Due From Other Funds								
Due From Other Agencies								
Consumable Inventories	11,676.84				11,676.84			
Merchandise Inventories	,							
Prepaid Items								
Loans and Contracts								
Other Current Assets	± ·····							
Total Current Assets	160,712.60	1,922,856.98	0	0	2,083,569.58			
Non-Current Assets:								
Restricted: Cash								
On Hand								
In Bank								
In Transit/Reimburse from Treasury								
In State Treasury								
Short Term Investments								
Receivables								
Investments								
Loans and Contracts								
Other Assets								
Loans and Contracts Investments								
Interfund Receivables								
Gifts, Pledges and Donations								
Other Non-Current Assets								
Total Non-Current Assets	0	0) () (0			
					A 0.000 ECD 50			
Total Assets	\$ 160,712.60	\$1,922,856.98	\$.00	.00	\$ 2,083,569.58			

Texas Residential Construction Commission Exhibit A-1 - Combining Balance Sheet - All General and Consolidated Funds August 31, 2005

	G	eneral	Consolidated Accounts				
- -	F ((und 1 0001)*	Fund 1 (0001)*	Fund 2	Fun		Total
-	UII	F (0001)	U/F (0011)	None	Noi	1e	(Ex I)
LIABILITIES AND FUND BALANCES Liabilities							
Current Liabilities: Payables from							
	\$	(14,592.00)	\$.265,892.99			5	251,300.99
Federal							
Other Intergovernmental							100.051.01
Payroll		30,167.42	109,187.22				139,354.64
Contracts							
Other		-					
Interfund Payable Due To Other Funds							
Due To Other Agencies							
Deferred Revenues							
Notes and Loans Payable							
Revenue Bonds Payable							
General Obligation Bonds Payable							
Claims and Judgments Employees' Compensable Leave							
Capital Lease Obligations							
Liabilities Payable from Restricted Assets							
Obligations/Reverse Repurchase Agreement							
Obligations Under Securities Lending							
Funds Held For Others		15.575.42	375,080.21			0	390,655.63
Total Current Liabilities		15,575.42	370,000.21		<u></u>		
Non-Current Liabilities Interfund Payables Notes and Loans Payable Revenue Bonds Payable							
General Obligation Bonds Payable Claims and Judgments Employees' Compensable Leave Capital Lease Obligations							
Liabilities Payable from Restricted Assets							•
Assets Held for Others Total Non-Current Liabilities		0	0_		0	0	Ö
. 5.00.1 (6.1)	-			-		•	390,655.63
Total Liabilities		15,575.42	375,080.21		0	0_	390,000.03
Fund Balances (Deficits):							
Reserved for.							
Encumbrances		====					11,676.84
Inventories		11,676.84					11,070.04
Imprest							
Debt Service Loans and Contracts							
Non-Current Interfund Receivable							
Other							
Unreserved/Designated for:							
Other							
Permanent Health Fund Undesignated		133,460.34	1,547,776.77				1,681,237.11
Total Fund Balances		145,137.18	1,547,776.77		0	0	1,692,913.95
				•	0 6	^	\$ 2,083,569.58
Total Liabilities and Fund Balances	\$	160,712.60	\$1,922,856.98	\$	0 \$		\$ 2,083,569.58

^{*} Appropriated Fund is noted as (XXXX), USAS D23 U/F (XXXX)

Texas Residential Construction Commission
Exhibit A-2 - Combining Statement of Revenues, Expenditures and Changes in Fund Balances All General and Consolidated Funds
For the Fiscal Year Ended August 31, 2005

	General	Consolid	dated Account	s	
•	Fund 1	Fund 1	Fund 2	Fund 3	Tatal
	(0001)* U/F (0001)	(0001)* U/F (0011)	None	None	Total (Ex II)
REVENUES**	O// (0001)	- ON 1001.17			
Legislative Appropriations			٠	\$ \$	
Original Appropriations (GR) Additional Appropriations (GR) Taxes (GR)	\$ 296,498.98		\$	\$ \$	296,498.98
Federal Revenue (PR - Operating or Capital) Federal Grant Pass-Through Revenue (GR) State Grant Pass-Through Revenue (GR) Liscense, Fees & Permits (PR) Contribution to Employee's Benefit Funds (PR) Interest and Other Investment Income (PR)	394,798.26	3,477,720.48			3,872,518.74
Interest and Other Investment Income (GR) Net Increase (Decrease) in Fair Value (PR) Net Increase (Decrease) in Fair Value (GR) Land Income (PR). Settlement of Claims (PR). Settlement of Claims (GR) Sales of Goods and Services (PR)					
Other (PR - Chg for Serv, Operating or Capital) Other (GR)					
Total Revenues	691,297.24	3,477,720.48	0	0.	4,169,017.72
EXPENDITURES Salarles and Wages Payroll Related Costs	1,197,785.42 287,513.88	121,731.52 1,322.53			1,319,516.94 288,836.41
Professional Fees and Services	4,950.00	420,531.14			425,481.14
Travel	256.04	98,618.26 .			98,874.30 153,371.77
Materials and Supplies	(2,546.77)	155,918.54 63,669.71			63,669.71
Communication and Utilities	(4,950.00)	76,484.88		*	71,534.88
Repairs and Maintenance	(4,000.00)	197,069.20			197,069.20
Rentals and Leases Printing and Reproduction		90,490.21			90,490.21
		00,100.00			
Claims and Judgments Federal Grant Pass-Through Expenditures					
State Grant Pass-Through Expenditures					
Intergovernmental Payments					
Public Assistance Payments					
Employee Benefit Payments					
Other Expenditures	401,412.94	517,906.00			919,318.94
Debt Service:	•				
Principal					
Interest					
Other Payments for Refunding					125,717.23
Capital Outlay	(60,484.49)	186,201.72			3,753,880.73
Total Expenditures	1,823,937.02	1,929,943.71		- 	0,700,000.10
(D. Friend of Payenger ayer	(1,132,639.78)	1,547,776.77	. 0	0	415,136.99
Excess (Deficiency) of Revenues over Expenditures	(1,102,000.10)	1,0,7,1,10.71			
Exheliquines					
OTHER FINANCING SOURCES (USES)					
Bond and Note Proceeds					
Increase in Obligations Under Capital Leases					
Sale of Capital Assets					
Transfers In					
Transfers Out					
Legislative Transfers In					
Legislative Transfers Out Total Other Financing Sources (Uses)	0	0	C	0	0
Total Other Financing Godices (GSes)					
SPECIAL ITEMS				_	
Proceeds from Sale of Park Land	0			0	
EXTRAORDINARY ITEMS					
Natural Disaster-Hurricane Schermann/Bean					
	(4 400 000 70)	1,547,776.77	7 {	0 0	415,136.99
Net Change in Fund Balances	(1,132,639.78)	1,547,770.77			
Fund Financial Statement Fund Balances				•	
Fund Financial Statement - Fund Balances Fund Balances - Beginning	1,263,184.96				1,263,184.96
Restatements	14,592.00				14,592.00
Fund Balances - September 1, 2004, as Restate			2	0 0	1,277,776.96
, and balances approximating					
Appropriations Lapsed		A 151777	7 0	0 \$ 0	\$ 1,692,913.95
Fund Balances, August 31, 2005	\$ 145,137.18	\$ 1,547,776.7	7 \$	0 \$ 0	1,002,010.00
•					

[•] Appropriated Fund is noted as (XXXX), USAS D23 U/F (XXXX)

^{**} When analyzing which comptroller object code to use, agencies need to determine if it rolls to Program Revenue (PR) or General Revenue (GR) on the Statement of Activities

Texas Residential Construction Commission Exhibit J-1 - Combining Statement of Changes in Assets and Liabilities - Agency Funds August 31, 2005

Unappropriated Receipts		Beginning Balance September 1, 2004	Additions	Deductions	Ending Balance August 31, 2005
Cash on Hand S	General Revenue Fund (0001) U/F (1000)	September 1, 2004	Additions	Deductions	August 31, 2005
Total Labilities	Cash on Hand	\$	\$	\$	\$
Funds Held for Others S		\$ 0	\$ 0	\$ 0	\$ 0
Texasaver Hold-Transmit 401k Agency Fund (942) U/F (942) ASSETS Cash on Hand Cash in State Treasury Inflarest and Dividend Receivable Investments Accounts Receivable Total Assets LIABILITIES Funds Held for Others Total Liabilities Accounts Payable Funds Held for Others Total Assets LIABILITIES Accounts Payable Funds Held for Others Total Assets LIABILITIES Accounts Payable Funds Held for Others Total Assets LIABILITIES Accounts Payable Funds Held for Others Total Assets LIABILITIES Accounts Payable Funds Held for Others Total Liabilities Accounts Payable Funds Held for Others Total Liabilities Accounts Payable Other Intergovernmental Funds Held for Others Total Liabilities Accounts Payable Other Intergovernmental Interest and Dividends Cash on Hend Total Liabilities Accounts Payable Other Intergovernmental Interest and Dividends Other Interest Accounts Payable Other Intergovernmental Interest and Dividends Other Interest Accounts Payable Other Intergovernmental Interest and Dividends Other Interest Accounts Payable Other Intergovernmental Interest and Dividends Other Interest Accounts Payable Other Intergovernmental Interest and Dividends Other Interest Accounts Payable Other Intergovernmental Interest and Dividends Other Intergovernmental Interest Accounts Payable Other Interpovernmental Interest Accounts Payable	Funds Held for Others				
Agency Fund (942) UF (942) ASSETS Cash on Hand Cash in State Treesury Interest and Dividend Receivable Investments Accounts Receivable Total Assets LIABILITIES Funds Held for Others Total Liabilities ASSETS Cash on Hand Interest and Dividend Receivable Cuther Assets LIABILITIES Accounts Payable Funds Held for Others Total Liabilities ASSETS Cash on Hand Interest and Dividend Receivable Cuther Assets LIABILITIES Accounts Payable Funds Held for Others Total Liabilities ASSETS Cash on Hand Interest and Dividends Receivable Cuther Assets LIABILITIES Accounts Payable Funds Held for Others Total Liabilities ASSETS Cash on Hand Total Assets LIABILITIES Accounts Payable Other Intergovernmental Funds Held for Others Total Liabilities ACCEST ON SON SON SON SON SON SON SON SON SON	Total Liabilities	\$ 0.	\$ 0	\$ 0	\$ 0
Cash in Slate Treasury (479.11) 479.11 1 1 1 1 1 1 1 1 1	Agency Fund (0942) U/F (0942)				
Accounts Receivable	Cash in State Treasury Interest and Dividend Receivable		479.11	\$	\$ 0
Total Liabilities	Accounts Receivable			\$ 0	\$ <u>0</u>
ASSETS	Funds Held for Others	\$ 0	\$ 0	\$ 0	\$ 0
Sample	Agency Fund #3 (XXXX) U/F (XXXX)				
Color Assets	Cash on Hand				\$
Accounts Payable Funds Held for Others Total Liabilities \$ 0 \$ 0 \$ 0 \$ 0 \$ Agency Fund #4 (XXXX) U/F (XXXX) ASSETS Cash on Hand Total Assets \$ 0 \$ 0 \$ 0 \$ 0 \$ Elabel Titles Accounts Payable Other Intergovernmental Funds Held for Others Total Liabilities \$ 0 \$ 0 \$ 0 \$ 0 \$ Agency Fund #5 (XXXXX) U/F (XXXX) ASSETS Cash on Hand Investments Raceivables: Other Intergovernmental Interest and Dividends Other Untergovernmental Interest and Dividends Other Total Chasets Total Assets Total Assets \$ 0 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ 0 \$ \$ 10 \$ 0 \$ \$	Other Assets	\$ 0		\$ 0	\$ 0
Agency Fund #4 (XXXX) U/F (XXXX) ASSETS Cash on Hand Total Assets LIABILITIES Accounts Payable Other Intergovernmental Funds Held for Others Total Liabilities Agency Fund #5 (XXXX) U/F (XXXX) ASSETS Cash on Hand Investments Receivables: Other Intergovernmental interest and Dividends Other Interfund Receivables Other Interfund Receivables Other Assets Total Assets ELIABILITIES Accounts Payables Other Intergovernmental interest and Dividends Other Interfund Receivables Other Receivab					
ASSETS Cash on Hand		\$ 0	\$ 0	\$ 0	\$ 0
Cash on Hand Total Assets	Agency Fund #4 (XXXX) U/F (XXXX)				
Total Assets					
Accounts Payable Other Intergovernmental Funds Held for Others Total Liabilities \$ 0 \$ 0 \$ 0 \$ Agency Fund #5 (XXXX) U/F (XXXX) ASSETS Cash on Hand Investments Receivables: Other Intergovernmental interest and Dividends Other Interfund Receivables Due From Other Agencies Other Assets Total Assets \$ 0 \$ 0 \$ 0 \$ 0 \$ LIABILITIES Accounts Payables Other intergovernmental Interfund Payables Other Interfunds Other Interfunds Other Intergovernmental Interfund Payables Oue To Other Funds Oue To Component Units Funds Held for Others Totals - All Agency Funds ASSETS		\$ 0	\$ 0	\$ 0	\$ 0
Agency Fund #5 (XXXX) U/F (XXXX) ASSETS Cash on Hand	Accounts Payable				
ASSETS Cash on Hand Investments Receivables: Other intergovernmental Interest and Dividends Other Interfund Receivables Due From Other Agencies Other Assets Total Assets \$ 0 \$ 0 \$ 0 \$ LIABILITIES Accounts Payables Other intergovernmental Interfund Payables Other intergovernmental Interfund Payables Due to Other Funds Due To Component Units Funds Held for Others Totals - All Agency Funds ASSETS		0	\$ 0	\$ 0	\$ 0
Cash on Hand Investments \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	Agency Fund #5 (XXXX) U/F (XXXX)				
Investments Receivables Content interest and Dividends College Col		c	¢	¢	
Interest and Dividends	Investments	•	•		¥
Due From Other Agencies Other Assets \$ 0 \$ 0 \$ 0 \$ 0 \$ Total Assets \$ 0 \$ 0 \$ 0 \$ 0 \$	Interest and Dividends Other				
Colai Assets	Due From Other Agencies	•			
Accounts Payables \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$		\$ 0	\$ 0	\$ 0	\$ 0
Other intergovernmental		\$	\$	\$	\$
Funds Held for Others Total Liabilities \$ 0 \$ 0 \$ 0 \$ Totals - All Agency Funds ASSETS	Other Intergovernmental Interfund Payables Due to Other Funds	•	•	•	·
Totals - All Agency Funds ASSETS	Funds Held for Others	\$ 0	\$ 0	\$ 0	\$ 0
	Totals - All Agency Funds				
Continued 9 9 9	ASSETS Cash on Hand	\$	\$	\$	\$

Texas Residential Construction Commission Exhibit J-1 - Combining Statement of Changes in Assets and Liabilities - Agency Funds August 31, 2005

	Beginning Balance September 1, 2004	Additions	Deductions	Ending Balance August 31, 2005
Cash in State Treasury				•
Investments				
Receivables:				
Other Intergovernmental				
interest and Dividends				
Accounts Receivable				
Other				
Interfund Receivables				-
Due From Other Agencies				-
Other Assets	·			
Total Assets	\$ 0	\$ 0	\$ 0	\$ 0
LIABILITIES				
Payables	\$	\$	\$	\$
Other Intergovernmental				
Interfund Payables				-
Due to Other Funds				-
Due To Component Units				
Funds Held for Others				
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 0

^{*} Appropriated Fund is noted as (XXXX), USAS D23 U/F (XXXX)

Texas Residential Construction Commission Schedule 4 - Schedule of Modified to Full Accrual Adjustments - Governmental Funds - Balance Sheet/Statement of Net Assets

August 31, 2005

	Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Net
ASSETS					,
Current Assets:	•				
Cash	¢	¢	\$	\$	\$
On Hand	\$	\$	Ψ .	Ų	4
In Bank					
In Transit/Reimburse from Treasury					
In State Treasury					
Securities Lending Collateral					
Short Term Investments					
Restricted:					
Cash					
On Hand					
In Bank					
In Transit/Reimburse from Treasury					
In State Treasury					
Short Term Investments	2,071,892.74				2,071,892.74
Legislative Appropriations	2,071,002.74	*			
Receivables from:					
Federal					
Other Intergovernmental Interest and Dividends					
Accounts Receivable					
Taxes					
Gifts, Pledges and Donations					
Other					
Interfund Receivables					
Due From Other Funds					
Due From Other Agencies					
Consumable Inventories	11,676.84				11,676.84
Merchandise Inventories					
Prepaid Items					
Loans and Contracts					
Other Current Assets					
Total Current Assets	2,083,569.58	0	. (<u> </u>	0 2,083,569.58
Non-Current Assets:					•
Restricted:					
Cash					
On Hand					
In Bank					
In Transit/Reimburse from Treasury	•				
In State Treasury					
Short Term Investments					
Receivables					
Investments					
Loans and Contracts					
Other Assets					
Loans and Contracts					
Investments	* .				
interfund Receivables					
Gifts, Pledges and Donations					
Capital Assets:					
Non-Depreciable					
Land and Land Improvements					
Infrastructure					
Construction in Progress					
Other Capital Assets					
Depreciable:					
Building and Building Improvements					
Less Accumulated Depreciation					
Infrastructure					
Less Accumulated Depreciation					
Facilities and Other Improvements					
Less Accumulated Depreciation		293,600.11	1		293,600.11
Furniture and Equipment		(37,069.5			(37,069.51
Less Accumulated Depreciation		(31,008.3	11		(2.,,2.0.0.
Vehicle, Boats and Aircraft					
Less Accumulated Depreciation					
Other Capital Assets					
Less Accumulated Depreciation					
Other Non-Current Assets		256,530.6	<u> </u>	0	0 256,530.60
Total Non-Current Assets		200,000.0	-	<u> </u>	
Total Assets	\$ 2,083,569.5	8 \$ 256,530.6	0 \$	0 \$	0 \$ 2,340,100.18

Texas Residential Construction Commission Schedule 4 - Schedule of Modified to Full Accrual Adjustments - Governmental Funds - Balance Sheet/Statement of Net Assets

August 31, 2005

	Covernmental	Canital Assats	Long-Term Liabilities	Other	Statement of Net
	Governmental Funds Total	Capital Assets Adjustments	Adjustments	Adjustments	Assets
LIABILITIES AND FUND BALANCES Liabilities					
Current Liabilities:					
Payables From Accounts	251,300.99				251,300.99
Federal	201,000.00				
Other Intergovernmental					
Payroll	139,354.64				139,354.64
Contracts		r.			
Other					
Interfund Payable Due To Other Funds					
Due To Other Agencies					
Deferred Revenues					
Notes and Loans Payable					
Revenue Bonds Payable					
General Obligation Bonds Payable Claims and Judgments					
Employees' Compensable Leave			95,622.43		95,622.43
Capital Lease Obligations					•
Liabilities Payable from Restricted Assets					
Obligations/Reverse Repurchase Agreement					
Obligations Under Securities Lending Funds Held For Others					
Other Current Liabilities					
Total Current Liabilities	390,655.63	0	95,622.43	0	486,278.06
Non-Current Liabilities					
Interfund Payables Notes and Loans Payable					
Revenue Bonds Payable					
General Obligation Bonds Payable					
Claims and Judgments			70 500 00		78,533.09
Employees' Compensable Leave			78,533.09		10,000.00
Capital Lease Obligations Liabilities from Restricted Assets					
Assets Held for Others					
Other Non-Current Liabilities					
Total Non-Current Liabilities	. 0	0	78,533.09	. 0	78,533.09
Total Liabilities	\$ 390,655.63	\$ 0	\$ 174,155.52	<u>\$</u> 0	\$ 564,811.15
Fund Financial Statement					
Fund Balances (Deficits):					
Reserved for					
Encumbrances	11,676.84				11,676.84
Inventories Imprest	11,070,04				11,010,01
Debt Service					
Loans and Contracts					
Noncurrent Interfund Receivable					
Other Unreserved/Designated for:					
Other					
Permanent Health Fund			•		
Undesignated	1,681,237.11	-			1,681,237.11
Total Fund Balances	1,692,913.95	-			1,692,913.95
Total Liabilities and Fund Balances	\$ 2,083,569.58	=			\$ 2,257,725.10
Government-Wide Statement of Net Assets					
Net Assets					
Invested in Capital Assets, net of Related De	ebt .	256,530.60			256,530.60
Restricted For					
Debt Retirement					
Capital Projects					
Other Funds Held as Permanent Investments:					
Expendable					
Non-Expendable					
Olher			(471 455 50)	`	(174,155.52)
Unrestricted		\$ 256,530.60	(174,155.52) \$ (174,155.52)		\$ 1.775.289.03
Total Net Assets		¥ 250,050.00	<u> </u>	<u> </u>	
•					

Texas Residential Construction Commission
Schedule 4 - Schedule of Modified to Full Accrual Adjustments - Governmental Funds
- Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities
For the Fiscal Year Ended August 31, 2005

	Gover	nmental	Cap	oital Assets	Li	ng-Term iabilities		Other		atement of
	Fund	s Total	Ad	ljustments	Adj	justments	Adj	ustments		Activities
REVENUES**										
Legislative Appropriations Original Appropriations (GR) Additional Appropriations (GR) Taxes (GR)	\$ 29	6,498.98	\$		\$		\$		\$	296,498.98
Federal Revenue (PR - Operating or Capital) Federal Grant Pass-Through Revenue (GR) State Grant Pass-Through Revenue (GR) License, Fees & Permits (PR)	3,87	2,518.74							. 3	i,872,518.74
Interest and Other Investment Income (PR) Interest and Other Investment Income (GR) Net Increase (Decrease) in Fair Value (PR) Net Increase (Decrease) in Fair Value (GR)										
Land Income (PR) Settlement of Claims (PR) Settlement of Claims (GR) Sales of Goods and Services (PR)										
Other (PR - Chg for Serv, Operating or Capital)										
Other (GR)	0 11	30.047.70	_	0	\$	0	\$	0	\$ 4	4,169,017.72
Total Revenues	\$ 4,10	59,017.72	\$	<u> </u>	<u> </u>		Φ		φ.	4,109,017.72
EXPENDITURES Salaries and Wages Payroll Related Costs		19,516.94 88,836.41				11,344.79		. .		1,330,861.73 288,836.41
Professional Fees and Services Travel Materials and Supplies	. 1	25,481.14 98,874.30 53,371.77 63,669.71				,				425,481.14 98,874.30 153,371.77 63,669.71
Communication and Utilities Repairs and Maintenance Rentals and Leases Printing and Reproduction	1	71,534.88 97,069.20 90,490.21								71,534.88 197,069.20 90,490.21
Claims and Judgments Federal Grant Pass-Through Expenditures State Grant Pass-Through Expenditures Intergovernmental Payments										
Public Assistance Payments Employee Benefit Payments Other Expenditures	·	19,318.94								919,318.94
Debt Service: Principal Interest		10,010.04								, .
Other Payments for Refunding Capital Outlay Depreciation Expense		25,717.23		(125,717.23) 50,326.48 (75,390.75)		11,344.79	- \$	0	\$	50,326.48 3,689,834.77
Total Expenditures/Expenses	\$ 3,7	53,880.73	<u> </u>	(75,380.75)	Ψ_	11,344.79	Ψ		Ψ	0,000,004.77
Excess (Deficiency) of Revenues over Expenditures	\$ 4	15,136.99	\$	75,390.75	\$	(11,344.79)	\$_	0	\$	479,182.95

Texas Residential Construction Commission
Schedule 4 - Schedule of Modified to Full Accrual Adjustments - Governmental Funds
- Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities
For the Fiscal Year Ended August 31, 2005

	Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Activities
OTHER FINANCING SOURCES (USES) Bond and Note Proceeds Increase in Obligations Under Capital Leases Sale of Capital Assets Transfers In Transfers Out Legislative Transfers In					
Legislative Transfers Out Legislative Transfers Out Gain (Loss) on Sale of Capital Assets Inc in Net Assets Due to Interagency Transfer (Dec) in Net Assets Due to Interagency Transfer		(178,806)			(178,806)
Total Other Financing Sources (Uses)	0	(178,806)	0	0	(178,806)
SPECIAL ITEMS Proceeds from Sale of Park Land			· · · · · · · · · · · · · · · · · · ·		
EXTRAORDINARY ITEMS Natural Disaster-Hurricane					
Net Change in Fund Balances/Net Assets	\$ 415,136.99				\$ 300,376.95
Fund Financial Statement - Fund Balances Fund Balances - Beginning Restatements Fund Balances - September 1, 2004, as Restated	1,263,184.96 14,592.00 1,277,776.96				1,263,184.96 14,592.00 1,277,776.96
Appropriations Lapsed Fund Balances, August 31, 2005	\$ 1,692,913.95				\$ 1,578,153.91
Government-Wide Statement of Net Assets					
Net Assets/Net Change in Net Assets	1,692,913.95	(103,415.25)	(11,344.79)	0	1,578,153.91
Net Assets, Beginning Restatements Net Assets, September 1, 2004, as Restated		371,619.45 (11,673.60) 359,945.85	(162,810.73)	0	208,808.72 (11,673.60) 197,135.12
Net Assets as of August 31, 2005	\$ 1,692,913.95	\$ 256,530.60	\$ (174,155.52)	\$ 0	\$ 1,775,289.03

^{**} When analyzing which comptroller object code to use, agencies need to determine if it rolls to Program Revenue (PR) or General Revenue (GR) on the Statement of Activities



COMMISSIONERS

The Commissioners of the Texas Residential Construction Commission direct the activities of the commission. The board consists of nine (9) members appointed by the Governor with the advice and consent of the Texas Senate to six-year staggered terms. The terms of one-third of the members expire on February 1 of each odd-numbered year. The current Commissioners are:

NAME	TERM EXPIRES	HOMETOWN
Patrick H. Cordero, Jr., Chair	February 1, 2009	Midland
Art Cuevas, Vice Chair	February 1, 2011	Lubbock
Lewis Brown, Secretary	February 1, 2011	The Woodlands
Kenneth L. Davis	February 1, 2009	Fort Worth
Paulo Flores	February 1, 2011	Dallas
John R. Krugh	February 1, 2009	Houston
Glenda Mariott	February 1, 2007	College Station
Scott M. Porter	February 1, 2007	Kerrville
Mickey Redwine	February 1, 2007	Ben Wheeler