

WILLIAMSON COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2008

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WILLIAMSON COUNTY, TEXAS

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED

SEPTEMBER 30, 2008

PRINCIPAL OFFICIALS

COUNTY JUDGE	DAN A. GATTIS
COMMISSIONER, PRECINCT I	LISA BIRKMAN
COMMISSIONER, PRECINCT II	CYNTHIA LONG
COMMISSIONER, PRECINCT III	VALERIE COVEY
COMMISSIONER, PRECINCT IV	RON MORRISON
COUNTY AUDITOR	DAVID U. FLORES
TAX ASSESSOR-COLLECTOR	DEBORAH HUNT
COUNTY CLERK	NANCY RISTER
COUNTY ATTORNEY	JANA DUTY
COUNTY TREASURER	VIVIAN WOOD
DISTRICT CLERK	LISA DAVID
DISTRICT ATTORNEY	JOHN BRADLEY
SHERIFF	JAMES WILSON

OFFICIAL ISSUING REPORT

DAVID U. FLORES
COUNTY AUDITOR

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WILLIAMSON COUNTY, TEXAS

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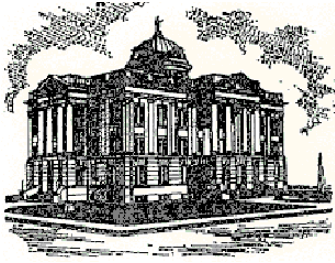
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INTRODUCTORY SECTION

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AUDITOR'S OFFICE
Williamson County Courthouse
710 Main Street, Suite 301
Georgetown, Texas 78626
Phone: 512/943-1500
Fax: 512/943-1567

March 9, 2009

The Honorable District Judges
Billy R. Stubblefield, 26th Judicial District
Ken Anderson, 277th Judicial District
Burt Carnes, 368th Judicial District
Mike Jergins, 395th Judicial District
Mark Silverstone, 425th Judicial District

The Honorable Commissioners' Court, Williamson County, Texas
Dan A. Gattis, County Judge
Lisa Birkman, County Commissioner, Precinct I
Cynthia Long, County Commissioner, Precinct II
Valerie Covey, County Commissioner, Precinct III
Ron Morrison, County Commissioner, Precinct IV

The Citizens of Williamson County

Ladies, Gentlemen and Citizens:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Williamson County for the fiscal year ended September 30, 2008.

This report consists of management's representations concerning the finances of Williamson County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of Williamson County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Williamson County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Williamson County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As financial management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Williamson County's financial statements have been audited by Pattillo, Brown, & Hill, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Williamson County for the fiscal year ended September 30, 2008, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Williamson County's financial statements for the fiscal year ended September 30, 2008, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Williamson County was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the last section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Williamson County’s MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Williamson County, organized in 1848, is located in the central part of the state, which is considered to be the top growth area in the state, and one of the top growth areas in the country. Williamson County currently occupies a land area of 1,135 square miles and serves an estimated population of 381,461. Williamson County is empowered to levy a property tax on both real and personal properties located within its boundaries.

Williamson County is a political subdivision of the State of Texas. It has no legislative powers and very restrictive judicial and administrative powers. The governing body of the County is the Commissioners’ Court of five members. The County Judge is the chairman of the court and the Commissioner from each of the four road and bridge precincts are also members. The Court has only such powers as are conferred upon it by the Constitution and the Statutes or by necessary implication there from.

Williamson County provides many varied services for the public it serves. Among these services are judicial, detention facilities, public safety, county roads, emergency medical service, health and limited social services, public improvements and general administrative services.

In counties over 225,000, the budget is prepared by the County Auditor acting as budget officer. However, a County can hire a budget officer to prepare the county budget. To maintain the County Auditor’s independence, the Commissioner’s Court has hired a Budget Analyst to prepare the county budget for expenditures. The budgets must be carefully itemized to make possible a comparison of the proposed expenditures with the expenditures of the preceding year. The budget must show as definitely as possible or with reasonable accuracy the purpose of each expenditure and the amount of money to be spent.

By statute, the County Auditor projects the revenues for the County. Once these processes are complete, the auditor files a copy of the proposed budget with the County Clerk. The Commissioners’ Court holds a public hearing on the proposed budget. Any taxpayer of the County may attend and may participate in the hearing.

At the conclusion of the public hearing, the Commissioners’ Court takes action on the proposed budget. The Commissioners’ Court may make any changes in the proposed budget that it considers warranted by law and required in the best interest of the taxpayers.

The Commissioners’ Court may levy taxes only in accordance with the budget. After final approval of the budget, the County Auditor shall file the budget with the County Clerk and may spend county funds only in strict compliance with the budget, except in an emergency.

The Commissioners’ Court may authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention. If the Court amends the original budget to meet an emergency, the Court files a copy of its order amending the budget with the County Clerk. The clerk attaches the copy to the original budget.

The Commissioners’ Court, by order, may amend the budget to transfer an amount budgeted for one item to another budgeted item within the same fund without authorizing an emergency expenditure.

State Law requires counties to adopt a budget before they adopt a tax rate. The Commissioners' Court may levy taxes only in accordance with the budget. Chapter 26 of the Property Tax Code requires taxing units to comply with truth-in-taxation laws in setting their tax rates. This law has two purposes:

- to make the taxpayers more knowledgeable about tax rate proposals;
- and, in certain cases, to allow taxpayers to roll back or limit a tax increase.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Williamson County operates.

Local Economy. Williamson County continues to be home to many major industries, including high tech manufacturing, healthcare and higher education. In spite of an increase in the unemployment rate, from 3.7% in 2007 to 4.9% this year, Williamson County continues to benefit from a diverse economic base that has economists forecasting continued job and population growth. Thanks to good infrastructure, good roads, healthy municipalities and an environment that people want to move to, job growth remains positive. The Williamson County economy has remained resilient, compared to the rest of the nation, and is expected by economists to be one of the more stable during the current economic downturn.

Throughout the 2008 fiscal year, Williamson County and its local communities have seen a continued influx of retailers and restaurants, both national and locally owned. National retail chains, such as J. C. Penny, Target, Lowes Home Improvement and Home Depot continue to move into the area. These commercial centers along with the expected sustained economy are also encouraging financial institutions and lenders to open new locations across the area. Area banks and credit unions have avoided suffering the extreme effects of the national economic crisis because many of them were not involved in the risky lending that has caused so many of the larger banks to struggle. Steady regional growth and a diversified job market have helped shield Williamson County from major fluctuations in the housing market. The National Association of Realtors has seen pending homes sales in the area surge as buyers position themselves to take advantage of lower home prices, affordable interest rates and a new tax credit for first-time buyers.

Medical providers are continuing to address the rapid growth of the region's population by expanding existing facilities, opening new hospitals and clinics, and breaking ground for upcoming projects that will provide comprehensive care for a whole range of services from routine to complex medical issues. Seton Hospitals, St. David's HealthCare and Scott & White Healthcare Systems are all working to expand their medical campuses to meet the ever growing needs of area residents.

Educational institutions, at all levels, have also seen tremendous growth throughout the County this fiscal year, prompting the need for new campuses to be added to many of the local school districts and higher education systems. Throughout the County, public schools have seen steady increases in the number of students. Round Rock ISD has seen a nearly 21% increase over the last five years, and is anticipating an annual growth of 3.5% or 1,200 to 1,500 students per year. Round Rock alone has added three new elementary schools, one middle school and is planning a fifth high school to open for the 2010-2011 school year. Leander ISD added two new elementary schools and a new Technology Center, and Georgetown ISD added one new elementary, opened a new ninth grade center that will eventually become Georgetown East View High School, and saw the completion of its new athletic complex. In higher education institutions, in response to the rapidly growing medical sector within Williamson County, Texas A & M Health Sciences broke ground on the first building of its new campus in November, 2008 and expects it to be completed for classes in the fall of 2009. Austin Community College broke ground on their new Round Rock campuses in early 2009 and is expected to be ready for students in 2010.

During this year, Williamson County has celebrated the completion of many major road and park projects and has seen the inception of many new projects, which officials hope will increase mobility and therefore increase the potential for development throughout the area.

Although Williamson County has seen, in recent months, some negative economic impact with a slight slowing of new job creation, slower growth in high-tech sectors and commercial real estate development, rising energy costs and rising inflation, it is outshining the rest of the nation. Local economists continue to forecast single digit unemployment for the area, compared to a forecast of double digits for much of the country. Williamson County also received an improved credit rating from Standard & Poor's who recently raised the County's rating from AA to AA+. Moody's maintains the County's rating at an impressive Aa2. These ratings coupled with increased population growth, strong property values, a lower ratio of mortgage foreclosures and continued growth of commercial and industrial facilities, Williamson County has weathered the slow deterioration of the economic situation throughout the nation over this past year and gives every indication of being able to sustain through these difficult economic times.

Long-term Financial Planning. The \$228M General Obligation Road Bond projects continued construction with approximately a total of \$17.2M expended this year. Ronald Reagan Boulevard (\$11.8M), Chandler Road (\$3.8M), and County Road 274/276 San Gabriel Parkway (\$1.6M) are the major road projects included in the bond. In addition, 2008 saw both new construction and additional phases of Limmer Loop Phase 1C (\$1.6M), CR111/Westinghouse Road (\$2.4M), Williams Drive (\$1M) and CR104/SH29 Turn Lanes at the new Georgetown Ninth Grade Center (\$2.7M). Texas Department of Transportation (TXDOT) will reimburse Williamson County 50% of construction costs for the new turn lanes at CR104/SH29.

The pass through finance program has completed the first project on the SH29 and IH-35 Turnaround Lanes (\$3.9M). It is also the first project completed under the TXDOT program which a portion of construction costs will begin reimbursement in Spring 2009 from TXDOT. US 79 Section B began construction in Summer 2008 (\$2.3M). After substantial completion of each project, TXDOT will reimburse Williamson County semi-annually amount equal to \$.10 for each vehicle mile traveled. TXDOT will reimburse for all projects not to exceed \$151,942,000.

The Hutto Annex completed construction in October 2007 expended \$1.9M from the 2006 Certificate of Obligation. The Tax Assessor Building was purchased (\$2.4M) located at 904 South Main Street, Georgetown, Texas in May 2008. Other major projects to be completed under 2006 CO's are Round Rock Annex, Justice Center Software Upgrade, Radio Upgrade and Emergency Call Center.

The \$14M general obligation park bonds (2006 GO Parks) purchased park land in Eastern Williamson County (Byer Park), Western Williamson County (South San Gabriel Ranch Park) and Twin Springs Preserve located off 3405 toward Lake Georgetown. Through the purchase of the Twin Spring Preserve, Williamson County attained 115.52 Golden Cheek Warbler credits certified by the U. S. Fish and Wildlife Service. The Brushy Creek Trail Phase III (\$1.4M) will complete construction in March 2009. Texas Parks and Wildlife provided a grant of an additional \$517K to complete this project.

In September 2008, a \$10M tax note was issued to install radio towers and to pay for the construction on the Round Rock Annex.

Cash Management Policies and Practices. In accordance with Section 116.112, Local Government Code, the County Treasurer, with direction of the Commissioners' Court is authorized to withdraw any County funds deposited in a County depository that are not immediately required to pay obligations of the County. The Treasurer may invest those funds as provided by this section, unless such an investment or withdrawal is prohibited by law, or the withdrawal is contrary to the terms of the depository contract.

The Commissioners' Court according to the Texas Investment Act has appointed an Investment Committee that, with the County Treasurer, reviews all investments to ensure compliance with the County's Investment Policy. The County has contracted investment expertise with First Southwest Asset Management, Inc. to oversee long-term investments. The court has also authorized state investment pools known as Texpool and TexStar for short-term investments. This provided the County with safety, liquidity, and a reasonable yield that equaled or exceeded the yield of Treasury Bills during the 2007 fiscal year. Investments are reported at fair value based on quoted market prices.

The Investment Committee requires investment officers to receive additional training. The Investment Act requires Texas local governments to provide a copy of a signed and adopted investment policy to perspective investment agencies. It also requires quarterly reporting to the Commissioners' Court of investment actions designed to help make local governments more aware of the investments they make.

The County has adopted a policy to maintain an appropriate level of Unreserved General Fund balance to protect against a reduction of services due to temporary revenue shortfalls or unexpected one-time expenditures. It also helps to ensure stable tax rates. The level of Unreserved Fund Balance in the General Fund shall not be less than 30% of total General Fund budgeted expenditures. If it is determined there is a surplus, these excess funds may be designated or appropriated for tax rate stabilization, one-time expenditures, such as capital improvements, addressing any shortfall in related funds or reducing debt. The goal of each year's budget will be to adopt a policy that maintains compliance with this policy.

In addition, in FY 2009, the County adopted a Tobacco Fund Policy to account for the initial distribution of the County's share of the settlement which established the fund in 1999. To ensure continuation of the fund, the Williamson County Commissioner's Court has designated the portion of fund balance representing the amount of the original settlement (\$2.5M). Designation means that this amount, or "principal" balance, cannot be expended. In addition to the original settlement amount, each year, 20% of the revenues from both interest income and the annual distribution from the state will be added to the designated fund balance in order to allow the fund to grow over time. Only 80% of revenues earned from interest and the earnings distributed annually by the state will be budgeted and expended.

Recently, in February 2009, the County adopted a Debt Management Policy. The primary reason for this policy is to recognize the capital improvement needs of a growing County balanced by the taxpayer's ability to pay. The major factors of this new policy state that capital improvements may be financed by debt to be repaid from available revenue sources that have been pledged for that purpose. Cash surpluses, to the extent available and eligible for the purpose, should be used to finance scheduled capital improvements as outlined in the fund balance policy. The County may issue debt for the purposes of constructing or acquiring capital improvements and for making major renovations to existing capital improvements. All capital improvements financed through the issuance of debt will be financed for the lesser of the useful life of the improvements or 30 years. The total debt rate will not exceed 50% of the total tax rate. This new policy should maintain the proper balance between internal (pay as you go basis) and external (debt) financing to maximize return from favorable interest rates, maintain a suitable fund balance and stabilize tax rates.

Risk Management. The County provides for the management of risks through a combination of self-insurance and traditional insurance. Property and casualty coverage has continued to be obtainable at reasonable premium rates on building and improvements. Comprehensive general liability and public officials' liability coverage have not been obtainable at reasonable rates. As a result, these risks are self-insured by the County.

The County elected to provide group medical and dental benefits to its employees on a self-funded basis as allowed by state statutes. An insurance company provides stop-loss coverage. An independent company serves as Claim Administrator and the County Auditor's office audits the Benefit Program plan.

Pension and Other Postemployment Benefits. The County provides retirement benefits for its retired employees through Texas County and District Retirement System. Williamson County also provides medical benefits to retirees through a self-funded program. The County provides an option to employees to participate in COBRA benefits upon termination of coverage.

Special Recognition and Appreciation. Traditionally, the Auditor's office has recognized an individual in this report who has significantly contributed to our efforts to improve and better the business of Williamson County. This year, the Auditor's office would like to recognize Kathy Grimes, Executive Assistant to Cynthia Long, Commissioner Precinct 2, for her diligent efforts in the area of improving programs for Mental Health services for the citizens of Williamson County. Her readiness to coordinate with this office on expenditure tracking and revenue enhancement ideas has been extremely valuable to the business operations of the County. We recognize Kathy Grimes for her continued support of the Auditor's office and her professional contributions to Williamson County.

Awards and Acknowledgements.

CAFR: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Williamson County for its comprehensive annual financial report for the fiscal year ended September 30, 2007. This was the 16th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility of another certificate.

PAFR: The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Williamson County for its Popular Annual Financial Report for the fiscal year ended September 30, 2007. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA. A copy of this report can be found on the County website at www.wilco.org.

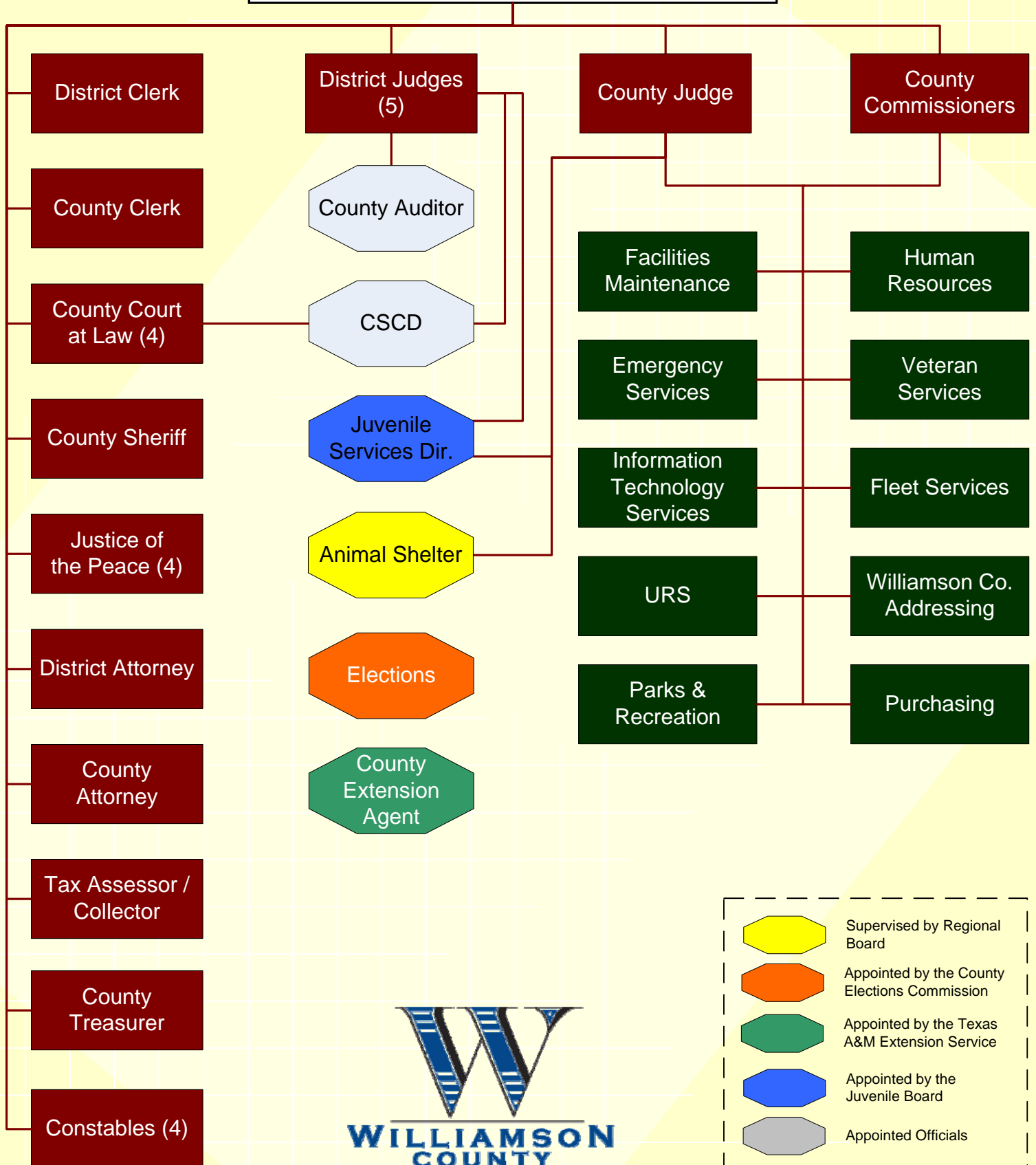
This report would not have been possible without the efficient and dedicated service of the entire staff of the Auditor's office and the audit team of Pattillo, Brown, & Hill, L.L.P. I would like to express my appreciation to all members of the department who contributed to the preparation of this report. In addition, I would like to express my appreciation to the Commissioners' Court, the Audit Committee and to the District Judges for their interest and continued support and for the responsive and progressive manner in which they support the financial position and operations of the County. Also, my gratitude goes to all elected officials and employees concerning all matters related to the operation of this office during the past year and for their efforts toward improving County business.

Respectfully submitted,

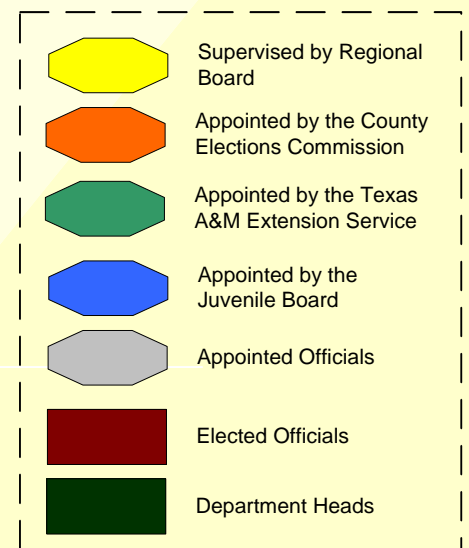
A handwritten signature in dark ink, appearing to read "David U. Flores". The signature is fluid and cursive, with a large initial "D" and "F".

David U. Flores
County Auditor

County Voters



Organizational Chart



WILLIAMSON COUNTY, TEXAS

OFFICIALS

Title	Name
Judge, 26th Judicial District Court	Billy R. Stubblefield
Judge, 368th Judicial District Court	Burt Carnes
Judge, 395 th Judicial District Court	Mike Jergins
Judge, 277th Judicial District Court	Ken Anderson
Judge, 425th Judicial District Court	Mark J. Silverstone
County Auditor	David U. Flores
CSCD Director	Marty Griffith
Chief Juvenile Probation Officer	Charles Skaggs
County Judge	Dan A. Gattis
Commissioner, Precinct 1	Lisa Birkman
Commissioner, Precinct 2	Cynthia Long
Commissioner, Precinct 3	Valerie Covey
Commissioner, Precinct 4	Ron Morrison
Maintenance Supervisor	Joe Latteo
Unified Road System Superintendent	Greg Bergeron
Fleet Services Director	Mike Fox
County Emergency Services Executive Director	John Sneed
Human Resources Director	John Willingham
Elections Administrator	Rick Barron
Information Systems/Telecommunications Director	Jay Schade
Veterans Services Director	Raymond Nelson
County Extension Service Agent	Bob Whitney
Constable, Precinct 1	Gary Griffin
Constable, Precinct 2	Dale Vannoy
Constable, Precinct 3	Bobby Gutierrez
Constable, Precinct 4	Marty Ruble
County Clerk	Nancy Rister
County Court at Law #1	Suzanne Brooks
County Court at Law #2	Tim Wright
County Court at Law #3	Don Higginbotham
County Court at Law #4	John McMaster
District Attorney	John Bradley
District Clerk	Lisa David
Justice of the Peace, Precinct 1	Dain Johnson
Justice of the Peace, Precinct 2	Edna Staudt
Justice of the Peace, Precinct 3	Steve Benton
Justice of the Peace, Precinct 4	Judy S. Hobbs
County Attorney	Jana Duty
Sheriff	James Wilson
Tax Assessor/Collector	Deborah Hunt
Treasurer	Vivian Wood
Parks and Recreation Director	Jim Rodgers
Purchasing Agent	Robert E. Space
Regional Animal Shelter Director	Cheryl Schneider
Williamson County Addressing Coordinator	Emily Stluka

Certificate of Achievement for Excellence in Financial Reporting

Presented to
**Williamson County
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2007

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



President

Executive Director

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge
and County Commissioners
Williamson County, Texas

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Williamson County, Texas, as of and for the year ended September 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Williamson 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Williamson County, Texas, as of September 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund and the Special Road and Bridge Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2009, on our consideration of Williamson County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 13 is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Williamson County, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section 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 and State 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 the State of Texas Uniform Grant Management Standards, and is also not a required part of the basic financial statements of Williamson County, Texas. The combining and individual nonmajor fund financial statements and schedules and the Schedule of Expenditures of Federal and State 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. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

March 9, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

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Management's Discussion and Analysis

As management of Williamson County, we offer readers of the Williamson County financial statements this narrative overview and analysis of the financial activities of Williamson County for the fiscal year ended September 30, 2008. 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 – vi of this report.

This is the sixth year Williamson County is presenting financial information in the new reporting format required by Governmental Accounting Standards Board (GASB) Statement 34.

Financial Highlights

- The assets of Williamson County exceeded its liabilities at the close of the most recent fiscal year by \$17,424,785.
- Restricted net assets of \$37.3 million are funds set aside for specific purposes such as: road and bridge, debt service and tobacco.
- As of the close of the current fiscal year, Williamson County's governmental funds reported combined ending fund balances of \$305.7 million.
- The unreserved fund balance for the General Fund was \$47.8 million, or 48% of total General Fund expenditures, up from 44% last year. The major factors of the increase are explained later in the analysis.
- To take advantage of favorable interest rates, the County issued \$10 million in Limited Tax Notes. These notes are to be used to build radio towers and to construct the Round Rock Annex.

Overview of the Financial Statements

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

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

The statement of net assets presents information on all of the 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 Williamson County is improving or deteriorating.

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

In the Statement of Net Assets and the Statement of Activities, the County presents information of primary government (governmental activities) and Component Unit:

Governmental Activities – Most of the County's basic services are reported here such as public safety, parks and recreation, and community services. Property taxes finance most of these activities.

Component Unit – The County includes a separate legal entity in its report – the Williamson County Conservation Foundation. Although legally separate, this "component unit" is included because of the significance of their operational or financial relationships with the County.

The government-wide financial statements can be found on pages 14 – 16 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. The 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 the 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 available resources, as well as on balances of unencumbered 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.

Williamson County maintains 36 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, Special Road and Bridge Fund, Debt Service Fund, Capital Project Fund, and Grants Fund, all of which are considered to be major funds. Data from the other 31 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Williamson County adopts an annual appropriated budget for its General Fund, certain Special Revenue Funds, and the Debt Service Fund. Budgetary comparison statements have been provided for the General Fund and Special Road and Bridge Fund to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 17 – 23 of this report.

Proprietary Funds. The only type of proprietary fund that Williamson County maintains is Internal Service Funds, which are an accounting device used to accumulate and allocate costs internally among the County's various functions. Williamson County uses two Internal Service Funds to account for the Fleet Maintenance Fund and the Benefits Fund. Because both of these services predominantly benefit governmental activities, they have been included within governmental activities in the government-wide financial statements.

The proprietary fund financial statements provide separate information for the Fleet Maintenance Fund and the Benefits Fund. Both Internal Service Funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the Internal Service Funds is provided in the form of combining statements elsewhere in the report.

The basic proprietary fund financial statements can be found on pages 24 – 26 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Williamson County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 27 – 28 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 29 – 57 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and Internal Service Funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 58 – 93 of this report.

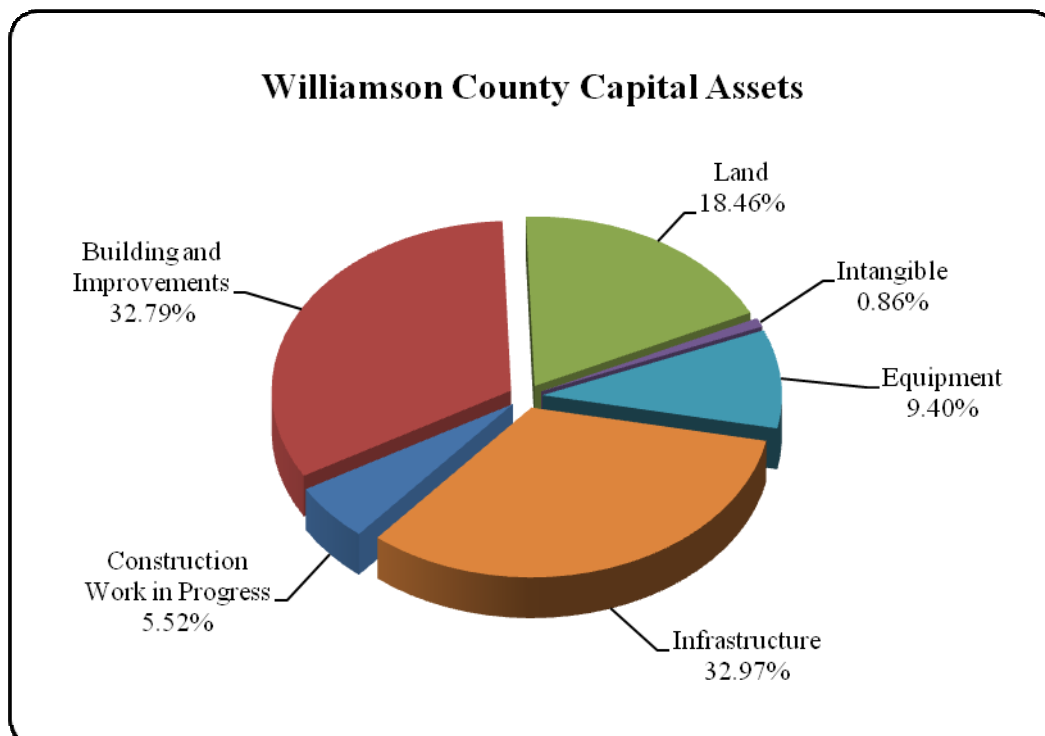
Financial Analysis of Government-Wide Statements

Compared to 2007, this year the total net assets decreased by \$15.5 million. The County has completed many road projects. Many of these projects have been contributed to other governmental entities. In addition, the County has increased the expenditures related to the pass through program. These projects related expenditures have caused the reduction of the total net assets.

WILLIAMSON COUNTY'S NET ASSETS

	Primary Government Governmental Activities		Component Unit	
	2008	2007	2008	2007
Current assets	\$ 385,224,262	\$ 425,674,977	\$ 768,591	\$ 885,928
Capital assets	360,877,814	352,814,398	-	-
Total assets	<u>746,102,076</u>	<u>778,489,375</u>	<u>768,591</u>	<u>885,928</u>
Current liabilities	19,425,125	26,930,343	5,066	4,547
Noncurrent liabilities	<u>709,252,166</u>	<u>718,639,721</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>728,677,291</u>	<u>745,570,064</u>	<u>5,066</u>	<u>4,547</u>
Net assets:				
Invested in capital assets, net of related debt	140,117,628	184,660,300	-	-
Restricted	37,344,812	31,411,957	-	-
Unrestricted	<u>(160,037,655)</u>	<u>(183,152,945)</u>	<u>763,525</u>	<u>881,381</u>
Total net assets	<u>\$ 17,424,785</u>	<u>\$ 32,919,312</u>	<u>\$ 763,525</u>	<u>\$ 881,381</u>

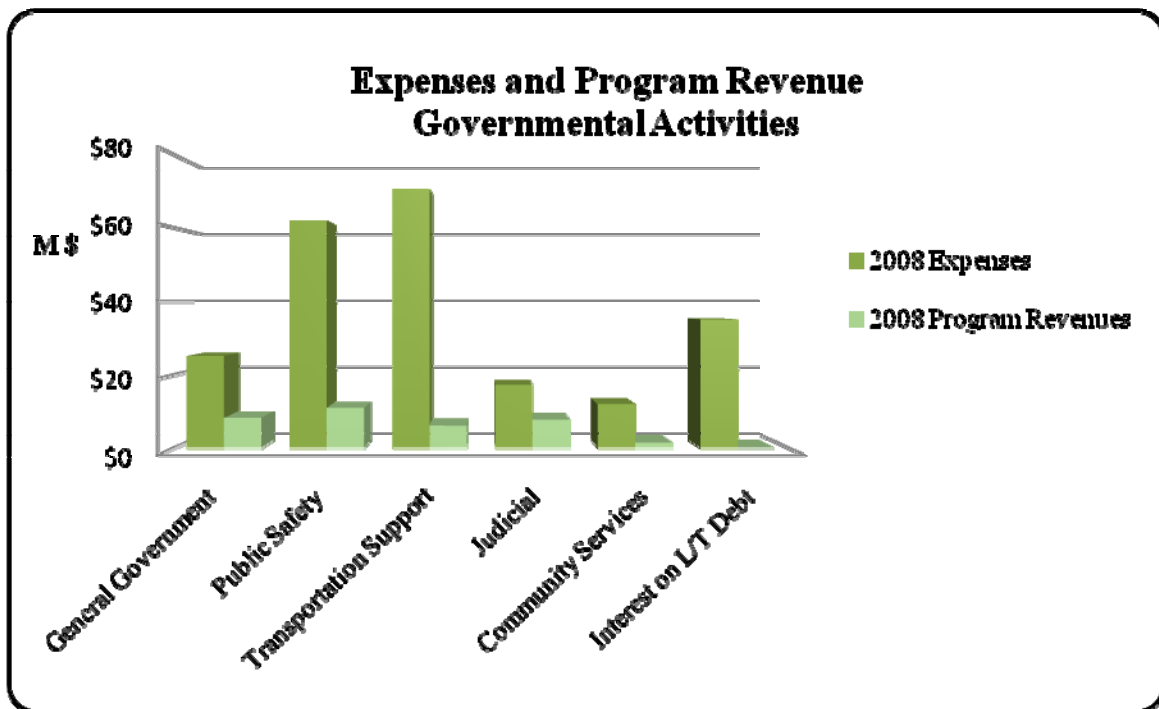
A portion of the County's net assets (\$360.9 million) reflects investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment). Williamson County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. It should be noted that the resources needed to repay the debt associated with these capital assets must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.



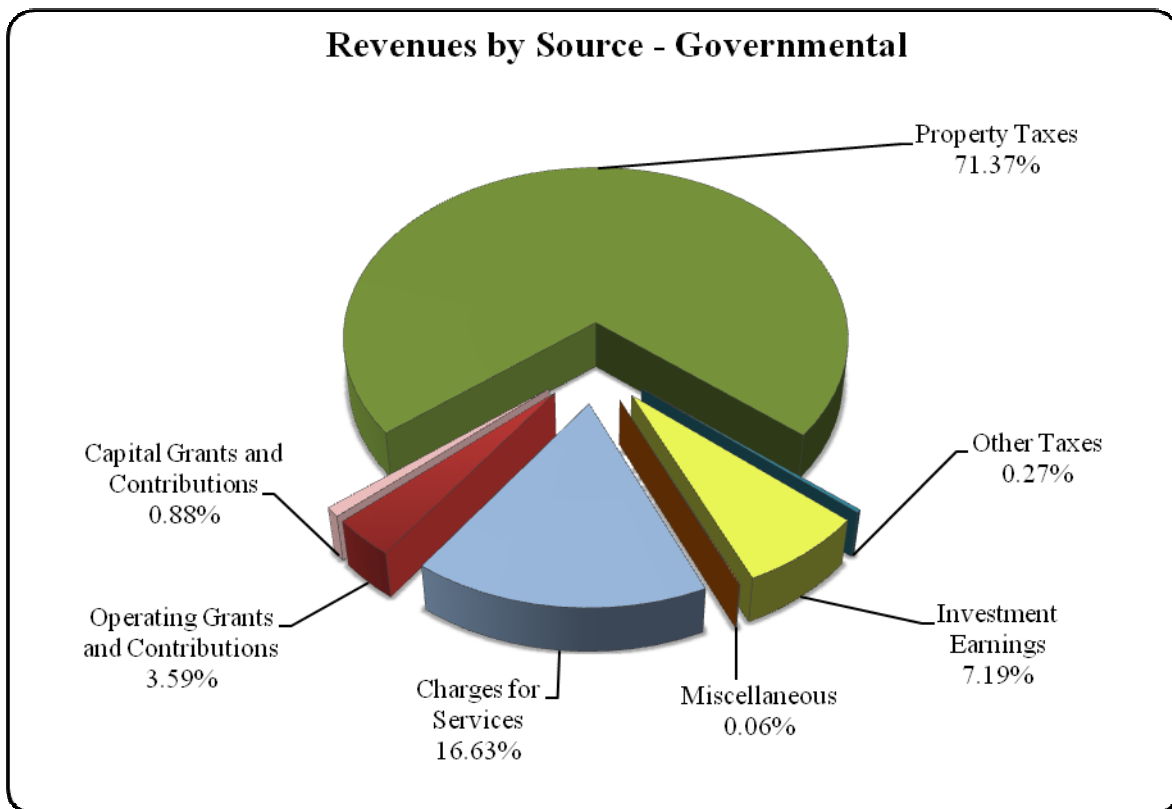
WILLIAMSON COUNTY'S CHANGES IN NET ASSETS

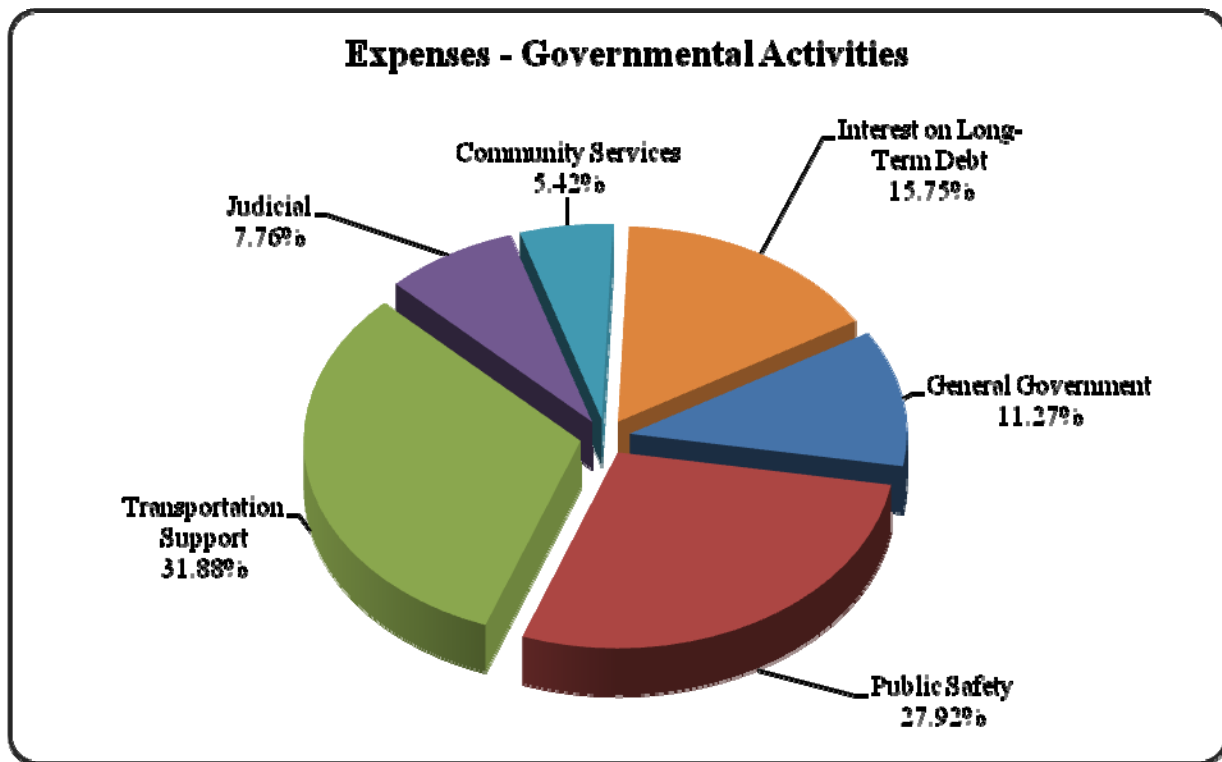
	Primary Government Governmental Activities		Component Unit	
	2008	2007	2008	2007
REVENUES				
Program revenues:				
Charges for services	\$ 34,153,059	\$ 65,785,722	\$ -	\$ -
Operating grants and contributions	7,373,406	11,570,786	-	-
Capital grants and contributions	1,807,836	1,998,962	-	-
General revenues:				
Property taxes	146,594,251	128,719,966	-	-
Other taxes	558,929	493,372	-	-
Investment earnings	14,777,336	12,767,274	25,586	41,668
Miscellaneous	<u>124,575</u>	<u>91,256</u>	<u>-</u>	<u>243,951</u>
Total revenues	<u>205,389,392</u>	<u>221,427,338</u>	<u>25,586</u>	<u>285,619</u>
EXPENSES				
General government	24,893,815	23,497,198	-	-
Public safety	61,670,538	90,897,137	-	-
Transportation support	70,415,173	20,028,127	-	-
Judicial	17,135,891	15,557,642	-	-
Community services	11,981,593	9,646,823	-	-
Interest on long-term debt	34,786,909	25,108,101	-	-
Component unit	<u>-</u>	<u>-</u>	<u>143,442</u>	<u>345,723</u>
Total expenses	<u>220,883,919</u>	<u>184,735,028</u>	<u>143,442</u>	<u>345,723</u>
CHANGE IN NET ASSETS	(15,494,527)	36,692,310	(117,856)	(60,104)
NET ASSETS, BEGINNING	32,919,312	(17,322,610)	881,381	941,485
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>13,549,612</u>	<u>-</u>	<u>-</u>
NET ASSETS, ENDING	<u>\$ 17,424,785</u>	<u>\$ 32,919,312</u>	<u>\$ 763,525</u>	<u>\$ 881,381</u>

Property taxes are collected to support government activity through the General Fund, Special Road and Bridge Fund, and Debt Service Fund. Property tax revenues increased \$17.9 million (14 percent) from last fiscal year. The total property taxes collected is \$146.6 million for the year. Although overall tax rates decreased slightly from 2007 to 2008, growth in both residential and commercial areas as well as increased assessed values on established properties resulted in the increase of property tax revenues collected.



The chart above compares expenses and direct revenues associated with like County services. The pie chart below includes other revenues, i.e. tax collections that are not tied to individual services provided by the County.





Financial Analysis of the Governmental Funds

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

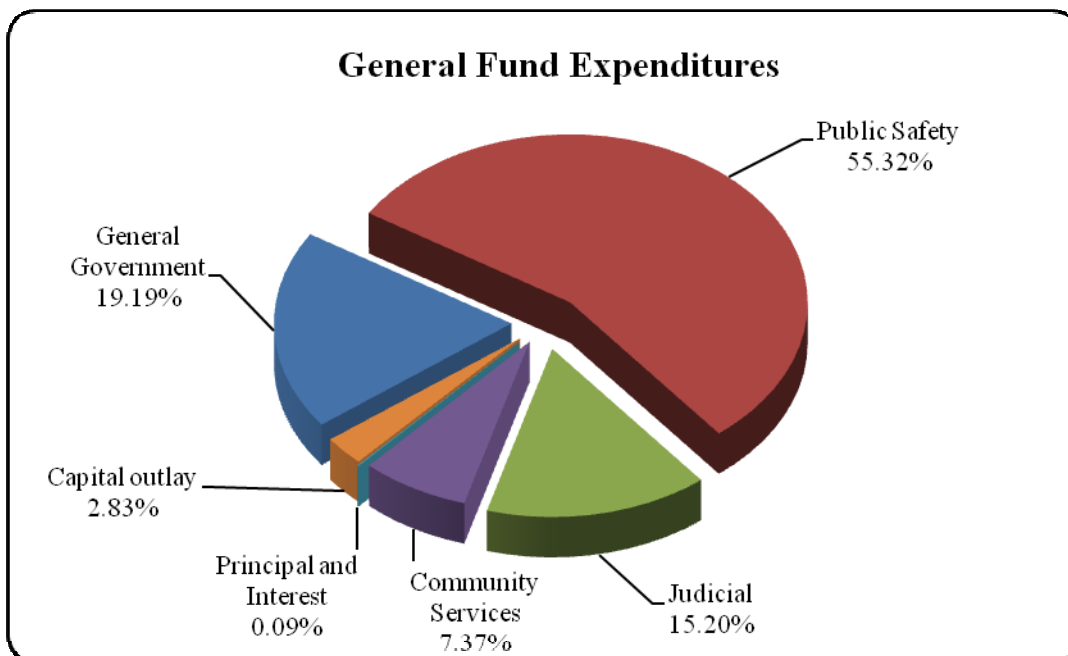
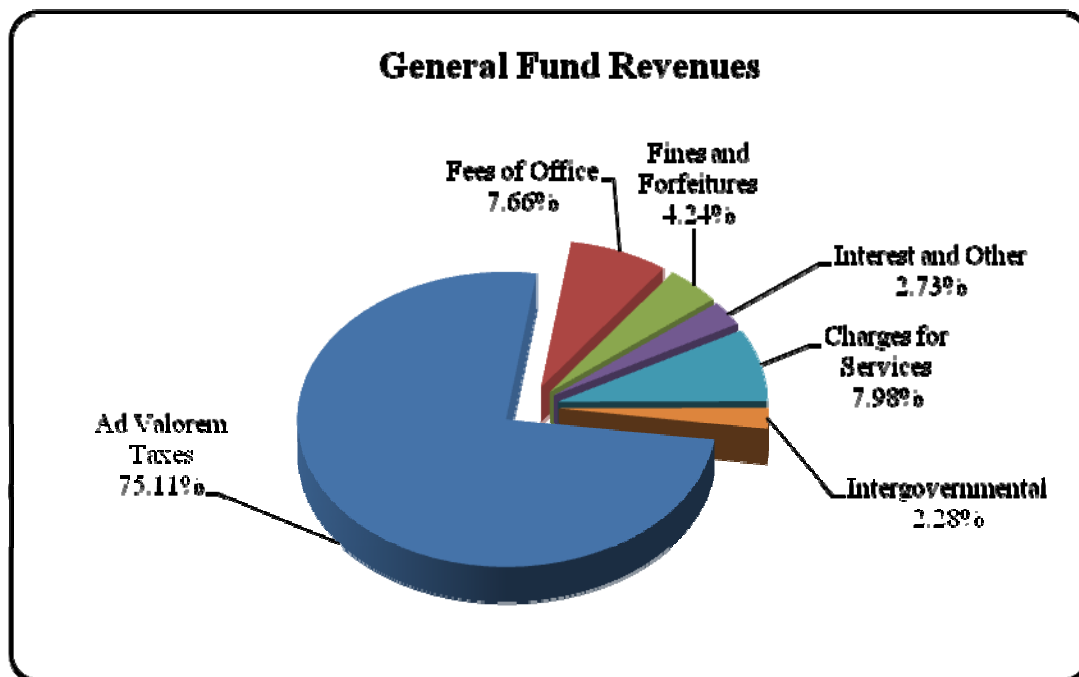
Governmental Funds. The focus of this section is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Williamson County's financing requirements. In particular, the unreserved fund balance may serve as a useful measure of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

As of the end of the current fiscal year, Williamson County's governmental funds reported combined ending fund balances of \$305.7 million, a decrease of \$56.5 million compared to the prior year. This is due to the completion of many road projects, the purchase of park lands and the escalation of the pass through program. All but \$1.7 million of the fund balance is available for spending at the government's discretion. The County is a lessor in new capital lease agreements for the Williamson County Children's Advocacy Center building and to lease radios to other local governmental entities; \$1.6 million is reserved for the investments in these capital leases. In addition, the County has collected election equipment usage fees (\$100K) per HAVA Title II; these revenues will be used to purchase and maintain election equipment.

General Fund. The General Fund is the chief operating fund of the County. At the end of the current fiscal year, total fund balance of the General Fund was \$49.3 million with \$1.6 million reserved for investment in capital leases as noted above. As a measure of the General Fund's liquidity, it is useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance for 2008 represents 48% of total General Fund expenditures. This significant fund balance to total expenditure ratio indicates a healthy financial position. The County has adopted a policy to maintain an appropriate level of unreserved General Fund balance to protect against a reduction of services due to temporary revenue shortfalls or unexpected one-time expenditures. A Fund Balance Policy adopted by the Commissioner's Court this year states that the level shall not be less than 30% of total General Fund budgeted expenditures.

The fund balance of Williamson County's General Fund has increased by 21% during the current fiscal year. The County's property value growth, increases in revenues from emergency medical service fees, increased revenues from intergovernmental sources and conservative revenue budget projections all combine to increase the fund balance in the general fund beyond projected amount.

General Fund revenues and expenditures are graphically depicted below.



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

- Actual revenues exceeded budgeted revenues by \$7.7 million. The major factors of the increase include the tax roll supplements exceeding estimates and the increase of assessed property values producing an additional \$5.5 million in property tax revenue. In addition, the revenues from emergency medical services showed an increase of \$1.4 million due to higher collection rates and increased fees. Moreover, the intergovernmental revenues increase by \$550,000 due to additional Federal and State funding for projects and more joint projects with other local governments.
- The actual net change in fund balance was \$8.7 million. The continuation of the County's cost containing policies helped to facilitate this savings. For example, the budget order does not allow transfers for salaries and fringes to other expenditure accounts. In addition, the County takes a conservative approach to revenue projections. Consequently, this moderate position of forecasting provides budget surpluses at the fiscal year-end.
- Actual total expenditures were below budgeted amounts by \$6.5 million. There are several major factors that added to the across the board conservative spending in FY 2008. The County Jail continued cost savings measures, netting \$1.2 million. Secondly, the extremely competitive market for law enforcement personnel resulted in unspent budgeted dollars of \$1.4 million for the Sheriff's Office. Finally, Juvenile Services had cost savings in the residential services saving the County \$690K.

Debt Service Fund. The tax levy produced revenues of \$54.2 million in the current fiscal year. This is an increase from last year which was \$46.4 million. During the 2006 bond election, County management pledged to the citizens a stabilization of the portion of tax rate supporting debt service at 0.1841 per \$100 assessed value. The total fund balance at year end is \$12.1 million, all of which is reserved for the payment of debt service. The net increase in the fund balance during the current year was \$3.5 million. The County's investment in infrastructure has resulted in continued growth in the tax base therefore increasing property tax revenues. The increase in fund balance allows the County to meet this goal while continuing to take on additional debt to address future needs. To take advantage of favorable interest rates, the County issued \$10 million in Limited Tax Notes. These notes are to be used to build radio towers and to construct the Round Rock Annex.

Long-term Debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$678.5 million. The total amount is backed by the full faith and credit of the County. Williamson County's debt has increased by \$9.5 million during the current fiscal year. This excludes Avery Ranch Road District which is directly obligated to those particular bonds. As stated earlier, this increase in debt will fund infrastructure improvements to accommodate current growth and promote future growth.

Capital Projects Fund. The Capital Projects Fund has a total fund balance of \$216.1 million which is a decrease from the FY 2007 of \$288.5 million. The pass through toll program intensified this fiscal year. The fund balance decrease is also due to the transfer of some road projects to other local entities. Capital outlay increased due to the purchase of park lands and the continuation of the County's aggressive infrastructure programs. On the other hand, there was a slight increase of fund balance at the end of the fiscal year because the County received the proceeds from a \$10 million tax note. These proceeds will be spent on radio towers and the Round Rock Annex. Total expenditures from the Capital Projects Fund were \$94.3 million with capital outlay expenditures accounting for \$56.9 million.

Capital Assets. Williamson County's investment in capital assets as of September 30, 2008, amounts to \$360.9 million (net of accumulated depreciation). This investment includes land, buildings, system improvements, machinery and equipment, park facilities, roads, highways, and bridges.

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

- Ronald Reagan Boulevard
- Chandler Road
- Limmer Loop
- San Gabriel Ranch Park
- Tax Assessor Collector Building

Additional information on Williamson County's capital assets can be found in Note IV.C on pages 43 – 44 of this report.

Special Road and Bridge Fund. The Special Road and Bridge Fund has a total fund balance of \$14.5 million, with a net increase of \$2.5 million. The County is growing and property tax revenues continue to increase. Therefore, the Commissioners' Court is exploring additional needs as well as maintenance of existing infrastructure.

Proprietary Funds. Proprietary funds are made up of two Internal Service Funds which include the Fleet Service Fund and the Benefits Fund.

Economic Factors and Next Year's Budgets and Rates

Credit Ratings. Williamson County maintains an "Aa2" rating with Moody's Investment Services for general obligation debt and, this year, received an upgraded rating from "AA/Stable" to "AA+/Stable" with Standard & Poor's. According to Moody's, "the County's commitment to maintenance of sound levels of reserves, coupled with healthy growth in primary operating revenues will contribute to the long-term health of the financial position." Moody's continues by reporting, "The stable outlook reflects a diverse region supported by consistently well-maintained financial operations and a solid socio-economic profile. In addition, although population growth will demand ongoing infrastructure improvements requiring additional indebtedness, we believe the County will maintain manageable debt levels as the assessed valuation experiences long-term growth." Standard & Poor's raised the County's rating based on a "view of continued strong economic expansion and diversification and rapid property tax base and population growth that has allowed the County to keep what we view as its already high debt burden indicators constant over the past eight years." Also, "The stable outlook reflects Standard & Poor's view of the County's deep, diverse, stable, and expanding economic base. The stable outlook also reflects our expectation that management will maintain its sound financial position while undertaking a significant capital program and that it will adhere to managing the overall direct debt position by maintaining annual debt service expenditures at about \$57 million annually." Standard & Poor's has revised Williamson County's Financial Management Assessment to "strong" from "good."

Bond Issuance and Debt. In November 2006 the voters approved park bonds in the amount of \$22 Million. In February 2009, the County issued the remaining \$8 million of the approved bonds. The bonds constitute direct obligations of the County payable from ad valorem taxes levied upon all taxable property located within the County. These bonds enabled the purchase of park lands in Eastern Williamson County (Byer Park), Western Williamson County (South San Gabriel Ranch Park) and Twin Springs Preserve located off 3405 toward Lake Georgetown.

In addition to \$8 million of Tax bonds, the County also issued approximately \$89 million of Pass-through Toll Revenue and Limited Tax Bonds. The Pass-through Toll is a partnership between Williamson County and the Texas Department of Transportation (TX-DOT) to allow the County to manage the improvement of State highways. TX-DOT will reimburse the County based on a per vehicle usage after completion of each project. The program has completed the first project on the SH29 and IH-35 Turnaround Lanes (\$3.9M) and the County will begin receiving reimbursement of construction costs in the spring 2009 from TXDOT. Other projects under the program include US 79 Section B which began construction in summer 2008 (\$2.3M). Future projects are being planned.

The County determines tax rates to repay debt; therefore, existing debt service is a factor in the County's tax rate. The tax rate for debt service was \$.1841 per \$100 and resulted in \$54.2 million in revenue in 2008.

Unemployment. The 2008 average unemployment rate for Williamson County was 4.5%, which is an increase from the rate of 3.7% a year ago. This compares favorably to the state's unemployment rate of 6.0% and the national average rate of 7.2%.

All of these factors were considered in preparing Williamson County's budget for FY 2009.

Requests for Information

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

Office of the County Auditor
710 South Main Street, Suite 301
Georgetown, Texas 78626
jkiley@wilco.org

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BASIC FINANCIAL STATEMENTS

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WILLIAMSON COUNTY, TEXAS

STATEMENT OF NET ASSETS

SEPTEMBER 30, 2008

	<u>Primary Government</u>	<u>Component Unit</u>
	Governmental Activities	Williamson County Conservation Foundation
ASSETS		
Cash and investments	\$ 247,916,154	\$ 768,591
Accounts receivable (net of allowance)	9,860,427	-
Due from other governments	3,237,318	-
Inventories	482,613	-
Prepaid items	89,055	-
Restricted cash and investments	68,765,243	-
Deferred contributions	45,764,009	-
Investment in lease	1,580,512	-
Deferred charges	7,528,931	-
Capital assets:		
Land	86,720,182	-
Intangible	4,058,640	-
Buildings and improvements	154,016,891	-
Infrastructure	154,857,123	-
Equipment	44,150,188	-
Construction in progress	25,947,645	-
Less: accumulated depreciation	(108,872,855)	-
Total capital assets	<u>360,877,814</u>	<u>-</u>
Total assets	<u>746,102,076</u>	<u>768,591</u>
LIABILITIES		
Accounts payable	9,617,984	5,066
Accrued liabilities	2,642,641	-
Due to other governments	1,859,835	-
Unearned revenues	1,189,438	-
Accrued interest	4,115,227	-
Noncurrent liabilities:		
Due within one year	24,555,945	-
Due in more than one year	<u>684,696,221</u>	<u>-</u>
Total liabilities	<u>728,677,291</u>	<u>5,066</u>
NET ASSETS		
Invested in capital assets, net of related debt	140,117,628	-
Restricted for:		
Debt service	9,914,275	-
Road and bridge	14,679,891	-
Tobacco	4,055,648	-
Records management	3,693,124	-
Public safety	1,329,979	-
Other projects	3,671,895	-
Unrestricted	<u>(160,037,655)</u>	<u>763,525</u>
Total net assets	<u>\$ 17,424,785</u>	<u>\$ 763,525</u>

The accompanying notes are an integral part of these financial statements.

WILLIAMSON COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2008

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	\$ 24,893,815	\$ 8,159,720	\$ 5,167,359	\$ 808,640
Public safety	61,670,538	10,889,257	982,215	-
Transportation support	70,415,173	6,058,560	139,500	999,196
Judicial	17,135,891	7,666,021	216,314	-
Community services	11,981,593	1,379,501	868,018	-
Interest on long-term debt	34,786,909	-	-	-
Total governmental activities	<u>220,883,919</u>	<u>34,153,059</u>	<u>7,373,406</u>	<u>1,807,836</u>
Total primary government	<u>\$ 220,883,919</u>	<u>\$ 34,153,059</u>	<u>\$ 7,373,406</u>	<u>\$ 1,807,836</u>
Component unit				
Williamson County Conservation Foundation	\$ <u>143,442</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total component units	<u>\$ 143,442</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues:				
Taxes:				
Property taxes, levied for general purposes				
Property taxes, levied for farm to market				
Property taxes, levied for debt service				
Other				
Investment earnings				
Miscellaneous				
Total general revenues				
Change in net assets				
Net assets, beginning				
Net assets, ending				

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and Changes in Net Assets

Primary Government	Component Unit
Governmental Activities	Williamson County Conservation Foundation
\$(10,758,096)	\$ -
(49,799,066)	-
(63,217,917)	-
(9,253,556)	-
(9,734,074)	-
(34,786,909)	-
(177,549,618)	-
(177,549,618)	-
-	(143,442)
-	(143,442)
81,973,085	-
10,376,729	-
54,244,437	-
558,929	-
14,777,336	25,586
124,575	-
162,055,091	25,586
(15,494,527)	(117,856)
32,919,312	881,381
\$ 17,424,785	\$ 763,525

WILLIAMSON COUNTY, TEXAS

BALANCE SHEET GOVERNMENTAL FUNDS SEPTEMBER 30, 2008

	General	Special Road and Bridge	Debt Service
ASSETS			
Cash and investments	\$ 47,313,074	\$ 14,715,346	\$ 11,941,975
Accounts receivable (net of allowance)	7,570,376	413,774	1,190,560
Due from other funds	5,157,148	-	-
Due from other governments	45,547	-	-
Inventories	-	272,230	-
Prepaid items	1,198	-	-
Restricted cash and investments	-	-	-
Investment in capital lease	1,580,512	-	-
Total assets	<u>\$ 61,667,855</u>	<u>\$ 15,401,350</u>	<u>\$ 13,132,535</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	2,289,765	540,927	17,392
Accrued liabilities	2,057,391	161,605	-
Due to other governments	1,835,056	-	-
Due to other funds	-	-	-
Deferred revenue	6,148,452	225,224	971,786
Total liabilities	<u>12,330,664</u>	<u>927,756</u>	<u>989,178</u>
Fund balances:			
Reserved for investment in capital lease	1,580,512	-	-
Unreserved, designated for capital projects, reported in special revenue fund	-	-	-
Unreserved, undesignated reported in:			
General fund	47,756,679	-	-
Special revenue funds	-	14,473,594	-
Capital projects fund	-	-	-
Debt service fund	-	-	12,143,357
Total fund balances	<u>49,337,191</u>	<u>14,473,594</u>	<u>12,143,357</u>
Total liabilities and fund balances	<u>\$ 61,667,855</u>	<u>\$ 15,401,350</u>	<u>\$ 13,132,535</u>

Amounts not 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.

Deferred contributions and intangible assets 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 accompanying notes are an integral part of these financial statements.

Capital Projects	Grants	Other Governmental	Total Governmental Funds
\$ 156,027,415	\$ -	\$ 13,988,861	\$ 243,986,671
317,219	-	294,349	9,786,278
-	-	-	5,157,148
343,916	2,847,855	-	3,237,318
-	-	-	272,230
-	-	-	1,198
68,765,243	-	-	68,765,243
-	-	-	1,580,512
<u>\$ 225,453,793</u>	<u>\$ 2,847,855</u>	<u>\$ 14,283,210</u>	<u>\$ 332,786,598</u>
5,695,194	453,136	329,385	9,325,799
-	34,767	59,656	2,313,419
-	-	24,779	1,859,835
3,499,317	1,602,726	55,105	5,157,148
206,686	757,226	150,472	8,459,846
<u>9,401,197</u>	<u>2,847,855</u>	<u>619,397</u>	<u>27,116,047</u>
-	-	-	1,580,512
-	-	113,753	113,753
-	-	-	47,756,679
-	-	13,550,060	28,023,654
216,052,596	-	-	216,052,596
-	-	-	12,143,357
<u>216,052,596</u>	<u>-</u>	<u>13,663,813</u>	<u>305,670,551</u>
<u>\$ 225,453,793</u>	<u>\$ 2,847,855</u>	<u>\$ 14,283,210</u>	
			356,793,656
			54,326,350
			7,270,408
			3,705,983
			(705,838,462)
			<u>\$ 21,928,486</u>

WILLIAMSON COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	General	Special Road and Bridge	Debt Service
REVENUES			
Taxes	\$ 82,484,535	\$ 9,013,535	\$ 54,201,131
Fees of office	8,417,399	-	-
Fines and forfeitures	4,655,996	-	-
Intergovernmental	2,506,063	269,778	119,726
Charges for services	8,759,115	77,198	-
Motor vehicle registration	-	5,613,275	-
Special assessment	-	-	-
Investment earnings	2,600,974	518,238	720,404
Miscellaneous	<u>392,515</u>	<u>103,789</u>	<u>-</u>
Total revenues	<u>109,816,597</u>	<u>15,595,813</u>	<u>55,041,261</u>
EXPENDITURES			
Current:			
General government	19,278,412	-	-
Public safety	55,576,053	-	-
Transportation support	-	11,754,451	-
Judicial	15,271,423	-	-
Community services	7,399,909	-	-
Debt service:			
Principal	77,972	-	19,760,000
Interest and other charges	14,771	-	31,790,796
Capital outlay	<u>2,841,577</u>	<u>1,258,827</u>	<u>-</u>
Total expenditures	<u>100,460,117</u>	<u>13,013,278</u>	<u>51,550,796</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>9,356,480</u>	<u>2,582,535</u>	<u>3,490,465</u>
OTHER FINANCING SOURCES (USES)			
Issuance of long-term debt	-	-	-
Capital lease issued	844,078	-	-
Proceeds from sale of capital assets	123,771	222,162	-
Transfers in	6,534	9,900	-
Transfers out	<u>(1,657,385)</u>	<u>(329,379)</u>	<u>-</u>
Total other financing sources and uses	<u>(683,002)</u>	<u>(97,317)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	8,673,478	2,485,218	3,490,465
FUND BALANCES, BEGINNING	<u>40,663,713</u>	<u>11,988,376</u>	<u>8,652,892</u>
FUND BALANCES, ENDING	<u>\$ 49,337,191</u>	<u>\$ 14,473,594</u>	<u>\$ 12,143,357</u>

The accompanying notes are an integral part of these financial statements.

Capital Projects	Grants	Other Governmental	Total Governmental Funds
\$ -	\$ -	\$ 1,371,796	\$ 147,070,997
-	-	2,590,781	11,008,180
-	-	335,695	4,991,691
998,980	4,899,417	1,586,235	10,380,199
-	-	808,800	9,645,113
-	-	-	5,613,275
-	-	86	86
9,962,060	-	380,384	14,182,060
-	-	21,953	518,257
<u>10,961,040</u>	<u>4,899,417</u>	<u>7,095,730</u>	<u>203,409,858</u>
17,123	1,974,849	1,338,880	22,609,264
4,807	1,737,616	710,966	58,029,442
37,150,584	-	-	48,905,035
-	115,578	813,004	16,200,005
197,644	594,535	2,578,821	10,770,909
-	-	620,000	20,457,972
52,700	-	709,523	32,567,790
<u>56,879,323</u>	<u>479,527</u>	<u>139,967</u>	<u>61,599,221</u>
<u>94,302,181</u>	<u>4,902,105</u>	<u>6,911,161</u>	<u>271,139,638</u>
(83,341,141)	(2,688)	184,569	(67,729,780)
10,000,000	-	-	10,000,000
-	-	-	844,078
-	-	-	345,933
833,203	2,688	1,190,973	2,043,298
-	-	(56,534)	(2,043,298)
<u>10,833,203</u>	<u>2,688</u>	<u>1,134,439</u>	<u>11,190,011</u>
(72,507,938)	-	1,319,008	(56,539,769)
<u>288,560,534</u>	<u>-</u>	<u>12,344,805</u>	<u>362,210,320</u>
\$ <u>216,052,596</u>	\$ <u>-</u>	\$ <u>13,663,813</u>	\$ <u>305,670,551</u>

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WILLIAMSON COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2008

Net change in fund balances - total governmental funds: \$(56,539,769)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 5,768,068

Governmental funds report expenditures for costs of assets under construction that will be contributed on completion to another entity. However, in the statement of activities, the cost of those assets will be expensed when the completed asset is transferred. 24,063,720

Governmental funds report expenditures for costs of intangible assets. However, in the statement of activities, the intangible assets will be expensed when the value of the intangible asset declines. 4,058,640

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the statement of activities reports only the gain or loss on the sale of the assets. Thus, the change in net assets differs from the change in fund balance by the cost of the asset sold. (1,757,152)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 2,142,565

The issuance of long-term debt (e.g., bonds) 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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 9,666,594

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. (2,216,376)

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. (680,817)

Change in net assets of governmental activities \$(15,494,527)

The accompanying notes are an integral part of these financial statements.

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WILLIAMSON COUNTY, TEXAS

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

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes	\$ 76,915,000	\$ 76,915,000	\$ 82,484,535	\$ 5,569,535
Fees of office	7,716,800	7,758,834	8,417,399	658,565
Fines and forfeitures	4,650,000	4,650,000	4,655,996	5,996
Intergovernmental	1,886,150	1,942,764	2,506,063	563,299
Charges for services	6,949,800	7,004,800	8,759,115	1,754,315
Investment earnings	3,500,000	3,500,000	2,600,974	(899,026)
Miscellaneous	218,350	355,537	392,515	36,978
Total revenues	<u>101,836,100</u>	<u>102,126,935</u>	<u>109,816,597</u>	<u>7,689,662</u>
EXPENDITURES				
Current:				
General government	20,308,805	20,277,558	19,278,412	999,146
Public safety	58,664,547	59,344,848	55,576,053	3,768,795
Judicial	15,266,303	15,786,690	15,271,423	515,267
Community services	8,324,760	7,764,323	7,399,909	364,414
Debt service:				
Principal	-	77,972	77,972	-
Interest and other charges	-	14,771	14,771	-
Capital outlay	<u>3,662,247</u>	<u>3,688,939</u>	<u>2,841,577</u>	<u>847,362</u>
Total expenditures	<u>106,226,662</u>	<u>106,955,101</u>	<u>100,460,117</u>	<u>6,494,984</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(4,390,562)</u>	<u>(4,828,166)</u>	<u>9,356,480</u>	<u>14,184,646</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital leases	-	-	844,078	844,078
Proceeds from sale of land	100,000	100,000	123,771	23,771
Transfers in	-	6,599	6,534	(65)
Transfers out	<u>(859,086)</u>	<u>(5,426,789)</u>	<u>(1,657,385)</u>	<u>3,769,404</u>
Total other financing sources and uses	<u>(759,086)</u>	<u>(5,320,190)</u>	<u>(683,002)</u>	<u>4,637,188</u>
NET CHANGE IN FUND BALANCE	<u>(5,149,648)</u>	<u>(10,148,356)</u>	<u>8,673,478</u>	<u>18,821,834</u>
FUND BALANCE, BEGINNING	<u>40,663,713</u>	<u>40,663,713</u>	<u>40,663,713</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 35,514,065</u>	<u>\$ 30,515,357</u>	<u>\$ 49,337,191</u>	<u>\$ 18,821,834</u>

The accompanying notes are an integral part of these financial statements.

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WILLIAMSON COUNTY, TEXAS

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

SPECIAL ROAD AND BRIDGE

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes	\$ 8,219,500	\$ 8,219,500	\$ 9,013,535	\$ 794,035
Intergovernmental	95,000	95,000	269,778	174,778
Charges for services	270,000	270,000	77,198	(192,802)
Motor vehicle registration	5,350,000	5,350,000	5,613,275	263,275
Investment earnings	500,000	500,000	518,238	18,238
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>103,789</u>	<u>98,789</u>
Total revenues	<u>14,439,500</u>	<u>14,439,500</u>	<u>15,595,813</u>	<u>1,156,313</u>
EXPENDITURES				
Current:				
Transportation support	12,895,117	13,378,883	11,754,451	1,624,432
Capital outlay	<u>1,465,600</u>	<u>1,434,839</u>	<u>1,258,827</u>	<u>176,012</u>
Total expenditures	<u>14,360,717</u>	<u>14,813,722</u>	<u>13,013,278</u>	<u>1,800,444</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>78,783</u>	<u>(374,222)</u>	<u>2,582,535</u>	<u>2,956,757</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of land	50,000	51,516	222,162	170,646
Transfers in	-	-	9,900	9,900
Transfers out	<u>(2,000,000)</u>	<u>(1,998,510)</u>	<u>(329,379)</u>	<u>1,669,131</u>
Total other financing sources and uses	<u>(1,950,000)</u>	<u>(1,946,994)</u>	<u>(97,317)</u>	<u>1,849,677</u>
NET CHANGE IN FUND BALANCE	<u>(1,871,217)</u>	<u>(2,321,216)</u>	<u>2,485,218</u>	<u>4,806,434</u>
FUND BALANCE, BEGINNING	<u>11,988,376</u>	<u>11,988,376</u>	<u>11,988,376</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 10,117,159</u>	<u>\$ 9,667,160</u>	<u>\$ 14,473,594</u>	<u>\$ 4,806,434</u>

The accompanying notes are an integral part of these financial statements.

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WILLIAMSON COUNTY, TEXAS

STATEMENT OF FUND NET ASSETS

PROPRIETARY FUNDS

SEPTEMBER 30, 2008

	<u>Governmental Activities</u>	<u>Internal Service Funds</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,929,483	
Accounts receivable	74,149	
Inventory	210,383	
Prepaid expenses	87,857	
Total current assets	<u>4,301,872</u>	
Non-current assets:		
Capital assets:		
Machinery and equipment	225,395	
Less accumulated depreciation	(199,877)	
Total non-current assets	<u>25,518</u>	
Total assets	<u>4,327,390</u>	
LIABILITIES		
Accounts payable	292,185	
Accrued liabilities	329,222	
Total liabilities	<u>621,407</u>	
NET ASSETS		
Invested in capital assets	25,518	
Unrestricted	<u>3,680,465</u>	
Total net assets	<u>\$ 3,705,983</u>	

The accompanying notes are an integral part of these financial statements.

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WILLIAMSON COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Governmental Activities</u>	<u>Internal Service Funds</u>
OPERATING REVENUES		
Employer contributions	\$ 8,567,840	
Employee contributions	3,567,600	
Charges for services	<u>3,243,338</u>	
Total operating revenues	<u>15,378,778</u>	
OPERATING EXPENSES		
Claims	11,171,791	
Insurance	477,492	
Administration	4,533,604	
Depreciation	<u>6,139</u>	
Total operating expenses	<u>16,189,026</u>	
OPERATING INCOME	<u>(810,248)</u>	
NON-OPERATING REVENUES (EXPENSES)		
Interest and investment revenues	<u>129,431</u>	
Total non-operating revenues (expenses)	<u>129,431</u>	
CHANGE IN NET ASSETS	<u>(680,817)</u>	
TOTAL NET ASSETS, BEGINNING	<u>4,386,800</u>	
TOTAL NET ASSETS, ENDING	<u>\$ 3,705,983</u>	

The accompanying notes are an integral part of these financial statements.

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WILLIAMSON COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 15,359,083
Payments to suppliers	(14,957,183)
Payments to employees	(1,339,483)
Net cash used by operating activities	<u>(937,583)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment earnings	<u>129,431</u>
Net cash flows provided by investing activities	<u>129,431</u>
DECREASE IN CASH AND CASH EQUIVALENTS	(808,152)
CASH AND EQUIVALENTS, BEGINNING	<u>4,737,635</u>
CASH AND EQUIVALENTS, ENDING	<u>\$ 3,929,483</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating loss	\$(810,248)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	6,139
(Increase) decrease in accounts receivable	(19,695)
(Increase) decrease in inventory	(40,779)
(Increase) decrease in prepaid expenses	94,158
(Decrease) increase in accounts payable	96,733
(Decrease) increase in accrued liabilities	(263,851)
(Decrease) increase in due to others	<u>(40)</u>
Net cash used by operating activities	<u><u>\$(937,583)</u></u>

The accompanying notes are an integral part of these financial statements.

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WILLIAMSON COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2008

	Private Purpose Trust - Available School	<u>Agency Fund</u>
ASSETS		
Cash and investments	\$ 19,528	\$ 10,655,711
Due from others	<u>336</u>	<u>-</u>
Total assets	\$ <u>19,864</u>	\$ <u>10,655,711</u>
LIABILITIES		
Due to others	\$ <u>17,407</u>	\$ <u>10,655,711</u>
Total liabilities	\$ <u>17,407</u>	\$ <u>10,655,711</u>
NET ASSETS		
Held in trust for benefits and other purposes	\$ <u>2,457</u>	
Total net assets	\$ <u>2,457</u>	

The accompanying notes are an integral part of these financial statements.

WILLIAMSON COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Private Purpose Trust - Available School</u>
ADDITIONS	
Investment earnings	\$ <u>2,652</u>
DEDUCTIONS	
Miscellaneous expense	<u>195</u>
Total deductions	<u>195</u>
CHANGE IN NET ASSETS	2,457
NET ASSETS, BEGINNING	<u>-</u>
NET ASSETS, ENDING	\$ <u>2,457</u>

The accompanying notes are an integral part of these financial statements.

WILLIAMSON COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Williamson County, Texas, (the County) uses a commission form of government under the laws and statutes of the constitution of the State of Texas. The County provides various services to advance the welfare, health, morals, comfort, safety, and convenience of the County and its inhabitants. A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

A. Reporting Entity

In 1991, GASB issued "Statement No. 14, The Financial Reporting Entity," which established standards for defining and reporting on the financial reporting entity. The discussion that follows includes not only the minimum guidelines for an entity's inclusion in the County's financial statements, but also the reasons that certain entities were excluded from the statements.

The definition of the reporting entity is based primarily on the notion of financial accountability. The elected officials governing Williamson County are accountable to their constituents for their public policy decisions, regardless of whether those decisions are carried out directly through the operations of the County or by their appointees through the operations of a separate entity. Therefore, the County is not only financially accountable for the organizations that make up its legal entity, it is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the County.

Depending upon the significance of the County's financial and operational relationships with various separate entities, the organizations are classified as blended or discretely presented component units, related organizations, joint ventures, or jointly governed organizations, and the financial disclosure is treated accordingly.

Related Organizations – Where the Commissioners' Court is responsible for appointing a majority of the members of a board of another organization, but the County's accountability does not extend beyond making such appointments, disclosure is made in the form of the relation between the County and such organization.

(continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Discretely Presented Component Unit

Williamson County Conservation Foundation is a nonprofit corporation formed under the laws of the Texas Nonprofit Corporation Act. It was formed by the Williamson County Commissioners' Court in December of 2002, as a pro-active approach to providing for conservation of the recovery of endangered species in the Williamson County area. The Foundation is overseen by a board of directors appointed by the Williamson County Commissioners' Court. The Commissioners' Court is also responsible for approving the Conservation Foundations budget.

Blended Component Unit

Avery Ranch Road District was formed by the Williamson County Commissioners' Court in accordance with the Texas Government Code in February of 2001. The District issues unlimited tax bonds for the purpose of developing roads within the District. The bonds constitute direct obligations of the Avery Ranch Road District payable from ad valorem taxes levied upon all taxable property located within the District. The District is governed by a Board comprised of the Williamson County Commissioners' Court.

Complete financial statements for each of the individual component units may be obtained at the Williamson County Auditor's office.

Based upon the foregoing criteria, the following entities are not included in the accompanying financial statements: the Williamson County Health Department, the Williamson County Crisis Center, the Williamson County Board of Alcoholism, Northeast Round Rock Road District No. 1, Southeast Williamson County Road District No. 1, Southwest Williamson County Road District No. 1, and Georgetown Road District No. 1.

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 government. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenue.

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 revenues.

(continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

The County reports the following major governmental funds:

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

The **Special Road and Bridge Fund** is a Special Revenue Fund used to account for revenue derived from ad valorem taxes, vehicle registration fees and rebates from the State of Texas. Expenditures are for maintenance and construction of County roads and bridges.

The **Debt Service Fund** is used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs.

The **Capital Projects Fund** is used to account for the acquisition of capital assets or construction of major capital projects.

(continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The **Grants Fund** is set up to account for federal and state monies provided for the enhancement of programs not fully funded by the County.

Additionally, the County reports the following fund types:

Internal Service Funds account for the Benefits Program and Fleet Maintenance services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

The **Private-purpose Trust Fund** is used to account for investments, interest, rents and royalties for the benefit of various school districts in the County. The revenues are distributed to the various school districts.

Agency Funds are used to account for assets held by the County on behalf of individuals and other governments. Examples include taxes, fines, bonds and restitution. Agency Funds are custodial in nature and do not include measurements of results of operations.

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

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

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

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

1. Cash and Investments

The County pools cash resources of some funds and invests these funds jointly. Each fund owns a prorata share of the cash and investments. The County is entitled to invest in obligations of the United States, the State of Texas, and certificates of deposit of state or national banks or savings and loan associations within the State. All investments are stated at fair value.

(continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity

1. Cash and Investments (Continued)

Investment earnings are allocated to the respective funds based on the cash balances outstanding at the end of each month.

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

2. 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."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

Ad valorem property taxes attach as enforceable liens as of January 1. Taxes are levied prior to September 30, payable on October 1, and are delinquent on February 1. The majority of the County's property tax collections occur during December and early January each year. To the extent that County property tax revenue result in current receivables as defined by the Governmental Accounting Standards Board (GASB) they are recognized when levied.

3. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Certain funds are set aside and classified as restricted assets on the balance sheet because they are maintained in a separate bank account and their use is restricted by third parties.

(continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. Deferred Contributions

Deferred contributions include the construction costs primarily of roads within the County that will be contributed upon completion to another governmental entity. Upon completion of the project, these assets will be transferred to another governmental entity and expensed in the statement of activities.

6. Capital Assets

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

Intangible assets - mitigation credits. The County has entered into an interlocal agreement with the Conservation Foundation to manage the Regional Habitat Conservation Plan (RHCP). The plan requires the establishment of mitigation credits through the acquisition of lands that may be used to support the habitats of endangered species. In fiscal year 2008, the County purchased land that will be operated and maintained as a conservation area. This area created 115.52 mitigation credits for the golden-cheeked warbler habitat. In addition, the County purchased credits to meet the needs for development within the County. The County purchased 500 credits from the Hickory Pass Ranch Conservation Bank for mitigation for future development of various county projects such as but not limited to Ronald Reagan road expansion, the expansion of State Highway 29 and the expansion of State Highway 195. These credits are reported as an intangible asset and have a total value of \$4,058,640.

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. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20 - 40
Vehicles	3 - 10
Machinery and equipment	5 - 15
Infrastructure	5 - 50

(continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

7. Federal and State Grants

Revenue from federal and state grants is recognized on the basis of actual expenditures incurred, limited to the amount of the total grant award. Shared revenue is recognized based on the fiscal period to which the entitlements received apply.

8. Compensated Absences

The Williamson County Personnel Policy provides employees with vacation leave and nonvesting accumulating rights to sick pay benefits. The policy allows all employees to accumulate a range of 80 to 160 hours of vacation per year. Employees are allowed to carry their vacation balance forward to the next fiscal year in an amount not to exceed 80 to 160 hours, respectively. Employees may also accrue up to 240 hours of compensatory time. Additionally, holiday time is accrued up to a maximum of 200 hours. Unused compensatory time, vacation leave, and holiday time is paid upon termination. Governmental fund liability and expenditures are not recognized until they come due for payment in accordance with the provisions of GASB Interpretation 6.

9. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. 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 the use for specific purposes. Designations of fund balance represent tentative management plans that are subject to change.

(continued)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

11. Net Assets

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

12. Use of Estimates

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains, “Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$705,838,462 difference are as follows:

Bonds payable	\$ 677,849,942
Deferred charge on refunding (to be amortized as interest expense)	(16,921,455)
Deferred charge for issuance costs (to be amortized over life of debt)	(7,528,931)
Issuance discount (to be amortized as interest expense)	(580,136)
Issuance premium (to be amortized as interest expense)	28,078,945
Accumulated accretion on capital appreciation bonds	5,872,194
Tax anticipation notes	10,000,000
Capital lease	766,106
Accrued interest payable	4,115,227
Compensated absences	3,343,343
Arbitrage rebate	<u>843,227</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	\$ <u>705,838,462</u>

(continued)

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

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

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 \$54,495,929 difference are as follows:

Capital outlay	\$ 67,470,219
Depreciation expense	(12,974,290)
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	\$ <u>54,495,929</u>

Another element of that reconciliation states, “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The details of this \$2,142,565 difference are as follows:

Property taxes	\$ 20,892
Adjudicated fines	(2,774)
Emergency medical services	429,760
Investment in capital lease	1,580,512
Animal shelter fees	<u>114,175</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	\$ <u>2,142,565</u>

(continued)

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

B. 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)

Another element of that reconciliation states, “The issuance of long-term debt (e.g., bonds) 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.” The details of this \$9,666,594 difference are as follows:

Capital lease	\$(844,078)
Tax anticipation notes	(10,000,000)
Tax anticipation notes issuance cost	52,700
Principal payments	<u>20,457,972</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 9,666,594</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 \$(2,216,376) difference are as follows:

Amortization of bond issuance discount	\$ 1,539,608
Amortization of bond issuance premium	(32,579)
Amortization of bond issuance costs	(593,498)
Amortization of loss on refunding bonds	(1,529,488)
Accretion of capital appreciation bonds	(259,323)
Compensated absences	(423,967)
Accrued interest	(1,396,539)
Arbitrage rebate	<u>479,410</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>\$(2,216,376)</u>

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

In accordance with the Local Government Budget and Fiscal Control Act, the County follows these procedures in establishing the budgetary data reflected in the financial report:

- (1) The County Auditor submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following October. The operational budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) The budget is legally enacted through passage of an ordinance by September 30 each year.

The County Commissioners may amend the budget ordinance at any time after its adoption so long as the amended ordinance continues to meet the requirements of "Local Government Budget and Fiscal Control Act." During the year, several supplementary appropriations to the original budget were necessary. The County's legally adopted budget is at the function level. For internal management purposes, the budgets are detailed by line item and entered into the accounting records. Comparisons of actual expenditures or expenses to budget are made on an ongoing basis. Budgets of the General, Special Revenue, and Debt Service are prepared on an annual basis. Formal budgetary integration is not employed for Capital Projects Funds because budgetary control is achieved through legally binding construction contracts.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue (except as noted in the following paragraph) and Debt Service Funds. All annual appropriations lapse at fiscal year-end.

Annually appropriated budgets are not adopted for all Special Revenue Funds. The Avery Ranch Road District, Records Archive Fund, Child Safety Fund, Tobacco Fund, Justice Court Technology Fund, Juvenile Delinquency Preservation Fund, County Sheriff Fund, Grants Fund, Southeast Road District, Southwest Road District, JP Security, Appellate Judicial System, and the Medicaid UPL do not have legally adopted budgets. Accordingly, budget and actual comparisons do not include these funds.

Deficit Unrestricted Net Assets

A deficit unrestricted net assets of \$160,037,655 exists in governmental activities as of September 30, 2008. This deficit is primarily the result of the County issuing bonds to finance the construction of infrastructure contributed to another governmental entity. As of September 30, 2008, the amount of bonds outstanding that were used to finance construction of assets transferred to another governmental entity was \$252 million. These bonds will be paid with future property tax revenues restricted for debt service.

Deficit Fund Balance

The County Radio Communications System (RCS), Election Chapter 19, and Regional Animal Shelter (WCRAS) Special Revenue Funds had deficit fund balances of \$20,213, \$14,691, and \$96,773, respectively, as of September 30, 2008. The County is waiting for reimbursement from other participating entities.

IV. DETAILED NOTES ON ALL FUNDS

Deposits and Investments

As of September 30, 2008, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>
Primary government:		
TexPool	\$ 20,010,664	45
TexPool Prime	68,402,549	34
TexPool DA's office	687,042	45
TexPool District Clerk	847,695	45
TexStar	4,800,109	36
FHLB	46,928,838	191
FHLMC DN	4,901,000	238
FFCB	993,750	350
Am Exp Credit CP	2,988,726	41
FNMA/FNMA DN	21,216,221	291
Flex Citigroup	<u>127,203,172</u>	806
Total fair value	\$ <u>298,979,766</u>	
Component unit:		
TexPool	\$ <u>725,373</u>	45

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

The deposit and investment policies for the Williamson County Conservation Foundation and Avery Ranch Road District are substantially the same as the County.

The County's investment pools are 2a7-like pools. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

Interest Rate Risk. In accordance with its investment policy, the County manages its exposure to declines in fair market values by limiting the average dollar-weighted maturity of its portfolio to a maximum of 365 days.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government Obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2008, the County's deposit balance in the amount of \$28.7 million was collateralized with securities held by the pledging financial institution in the County's name or FDIC insurance.

Credit Risk. It is the County's policy, as defined in the Texas Public Funds Investment Act, to limit its investments to investment types with an investment quality rating not less than A or its equivalent by a nationally recognized statistical rating organization. The Citigroup Flex repo is not rated, however, the agreement is collateralized by AAA rated U. S. government and agency securities at 103%. The remainder of the County's investments were rated as follows:

Investment Type	Rating	Rating Agency
TexPool	AAAm	Standard & Poor's
TexPool Prime	AAAm	Standard & Poor's
TexStar	AAAm	Standard & Poor's
FHLB	AAA	Standard & Poor's
FNMA/FNMADN	AAA	Standard & Poor's
FHLMC DN	AAA	Standard & Poor's
FFCB	AAA	Standard & Poor's
Am Exp Credit CP	A-1	Standard & Poor's

B. Receivables

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

	Governmental Funds					Total
	General	Special Road and Bridge	Debt Service	Capital Projects	Other Governmental Funds	
Receivables:						
Property taxes	\$ 1,891,340	\$ 229,935	\$ 1,112,043	\$ -	\$ 2,735	\$ 3,236,053
Adjudicated fines	3,261,300	-	-	-	-	3,261,300
Emergency						
medical services	8,306,894	-	-	-	-	8,306,894
Intergovernmental	1,361,840	18,927	-	-	119,873	1,500,640
Interest	294,646	164,522	78,517	317,219	-	854,904
Other	-	390	-	-	170,386	170,776
Gross receivables	15,116,020	413,774	1,190,560	317,219	292,994	17,330,567
Less: allowance for uncollectibles	7,545,644	-	-	-	-	7,545,644
Net total receivables	\$ 7,570,376	\$ 413,774	\$ 1,190,560	\$ 317,219	\$ 292,994	\$ 9,784,923

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables (Continued)

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	\$ 1,679,481	\$ -
Adjudicated fines	966,638	-
Emergency medical services	1,750,327	-
Investment in capital lease	1,580,512	-
Other	<u>-</u>	<u>171,494</u>
Total General Fund	<u>5,976,958</u>	<u>171,494</u>
Special Road and Bridge		
Delinquent property tax receivable	206,297	-
Other	<u>-</u>	<u>19,127</u>
Total Special Road and Bridge	<u>206,297</u>	<u>19,127</u>
Debt Service Fund		
Delinquent property taxes receivable	<u>971,786</u>	<u>-</u>
Total Debt Service Fund	<u>971,786</u>	<u>-</u>
Capital Projects Fund		
Intergovernmental	<u>-</u>	<u>206,686</u>
Total Capital Projects Fund	<u>-</u>	<u>206,686</u>
Other Governmental Funds		
Delinquent property	1,192	-
Intergovernmental	-	792,131
Animal shelter fees	<u>114,175</u>	<u>-</u>
Total Other Governmental Funds	<u>115,367</u>	<u>792,131</u>
Total Governmental Funds	<u>\$ 7,270,408</u>	<u>\$ 1,189,438</u>

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

Capital asset activity for the year ended September 30, 2008, was as follows:

	Beginning Balance	Increases	Reclassifications/ Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 67,862,031	\$ 24,411,733	\$(5,553,582)	\$ 86,720,182
Intangible	-	4,058,640	-	4,058,640
Construction in progress	97,494,998	30,994,673	(102,542,026)	25,947,645
Total assets not being depreciated	165,357,029	59,465,046	(108,095,608)	116,726,467
Capital assets, being depreciated:				
Buildings and improvements	136,934,408	-	17,082,483	154,016,891
Infrastructure	105,094,580	7,131,345	42,631,198	154,857,123
Machinery and equipment	43,451,243	4,932,467	(4,233,522)	44,150,188
Total capital assets being depreciated	285,480,231	12,063,812	55,480,159	353,024,202
Less accumulated depreciation:				
Buildings and improvements	21,897,563	4,176,246	-	26,073,809
Infrastructure	55,799,290	4,586,121	-	60,385,411
Machinery and equipment	20,326,009	4,218,061	(2,130,435)	22,413,635
Total accumulated depreciation	98,022,862	12,980,428	(2,130,435)	108,872,855
Total capital assets being depreciated, net	187,457,369	(916,616)	57,610,594	244,151,347
Governmental activities capital assets, net	\$ 352,814,398	\$ 58,548,430	\$(50,485,014)	\$ 360,877,814

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

Governmental activities:	
General government	\$ 1,368,311
Public safety	4,021,965
Transportation support	5,526,941
Judicial	829,895
Community services	1,227,178
Capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	6,138
Total depreciation expense - governmental activities	\$ 12,980,428

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

Construction Commitments

The County has active construction projects as of September 30, 2008. The projects include road construction, parks and park improvements, as well as facilities construction. As of September 30, 2008, the County's commitments with contractors were as follows:

<u>Project</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Road construction, parks and park improvements, facilities construction	\$ <u>627,486,678</u>	\$ <u>42,621,217</u>

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of September 30, 2008, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Other governmental	\$ 55,105
General	Capital projects	3,499,317
General	Grants	1,602,726

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

	<u>Transfers In</u>					<u>Total</u>
	<u>General</u>	<u>Special Road and Bridge</u>	<u>Capital Projects</u>	<u>Grants</u>	<u>Other Governmental Funds</u>	
Transfers Out:						
General fund	\$ -	\$ 9,900	\$ 453,824	\$ 2,688	\$ 1,190,973	\$ 1,657,385
Special road and bridge	-	-	329,379	-	-	329,379
Other governmental funds	<u>6,534</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>56,534</u>
Total Transfers Out	<u>\$ 6,534</u>	<u>\$ 9,900</u>	<u>\$ 833,203</u>	<u>\$ 2,688</u>	<u>\$ 1,190,973</u>	<u>\$ 2,043,298</u>

Interfund transfers:

Transfers are used to: (1) move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them; and (2) fund the County's match portion for grants.

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

E. Investment in Leases

The County has a 30-year agreement to lease a building to the Children's Advocacy Center. For accounting purposes, the County has classified the lease as a direct financing lease. At September 30, 2008, the future minimum lease payments to be received under the lease are as follows:

<u>Year Ending September 30,</u>	<u>Payment</u>
2009	\$ 24,000
2010	24,000
2011	24,000
2012	24,000
2013	24,000
2014-2018	120,000
2019-2023	120,000
2024-2028	120,000
2029-2033	120,000
2034-2038	<u>116,000</u>
Total minimum lease payments receivable	716,000
Less: unearned income	(522,732)
Estimated unguaranteed residual value	<u>903,075</u>
Net investment in capital lease	<u>\$ 1,096,343</u>

The County has agreements to lease radio equipment to other governments. For accounting purposes, the County has classified the lease as a direct financing lease. At September 30, 2008, the future minimum lease payments to be received under the lease are as follows:

<u>Year Ending September 30,</u>	<u>Payment</u>
2009	\$ 107,540
2010	97,540
2011	97,540
2012	97,540
2013	74,294
2014-2018	<u>65,999</u>
Total minimum lease payments receivable	540,453
Less: unearned income	(56,284)
Net investment in capital lease	<u>\$ 484,169</u>

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-term Liabilities

The following is a summary of the long-term liability transactions of the County for the year ended September 30, 2008.

	Balance September 30, 2007	Additions	Retirements	Balance September 30, 2008	Amounts Due Within One Year
<u>Governmental activities</u>					
Bonds payable	\$ 698,229,942	\$ -	\$ 20,380,000	\$ 677,849,942	\$ 19,755,000
Accumulated accretion of interest	5,612,871	259,323	-	5,872,194	-
Deferred amounts:					
For issuance premium	29,618,553	-	1,539,608	28,078,945	1,539,608
For issuance discount	(612,715)	-	(32,579)	(580,136)	(32,579)
For loss on refunding	(18,450,943)	-	(1,529,488)	(16,921,455)	(1,529,488)
Total bonds payable	714,397,708	259,323	20,357,541	694,299,490	19,732,541
Tax anticipation notes	-	10,000,000	-	10,000,000	1,320,000
Capital lease	-	844,078	77,972	766,106	160,061
Arbitrage rebate	1,322,637	-	479,410	843,227	-
Compensated absences	2,919,376	5,425,179	5,001,212	3,343,343	3,343,343
Total governmental activities	\$ 718,639,721	\$ 16,528,580	\$ 25,916,135	\$ 709,252,166	\$ 24,555,945

The compensated absences liability will be liquidated primarily by the General Fund and the Special Road and Bridge Fund. The arbitrage rebate liability will be liquidated by the Capital Projects Fund.

Approximately \$252 million of the County's bonds outstanding as of September 30, 2008, were issued to construct or acquire capital assets for the County. The remainder of the outstanding bonds are used for construction of County infrastructure that is not a County owned asset, but benefits County citizens.

Bonds

During fiscal year 2000, the County authorized \$82,500,000 of Certificates of Obligation by an order passed by the Commissioners' Court. \$22,500,000 and \$60,000,000 of such bonds were issued during the fiscal year ended September 30, 2000. The bonds are payable from an ad valorem tax levied within the County. Interest at rates ranging from 5.2% to 7% are payable at February 15 and August 15 of each year for both bond issues.

In May of 2001, the County issued \$95,000,000 of Combination Tax and Revenue Certificates of Obligation. The certificates of obligation constitute direct obligations of the County payable from ad valorem taxes levied upon all taxable property located within the County. Interest at rates ranging from 4.5% to 5.5% are payable at February 15 and August 15 of each year.

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-term Liabilities (Continued)

Additionally, in May of 2001, the County issued \$19,700,000 of General Obligation and Refunding Bonds. \$1,703,225 of these bonds was used to provide resources to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments on \$1,650,000 of refunded debt. As a result, the refunded debt is considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. This advance refunding was undertaken to reduce total debt service payments in the next year by \$1,664,560 and resulted in an economic loss of \$10,834. The bonds constituted direct obligations of the County payable from ad valorem taxes levied upon all taxable property located within the County. Interest at rates ranging from 4.5% to 5% are payable at February 15 and August 15 of each year.

In June of 2002, the County issued \$122,785,000 of Combination Tax and Revenue Certificates of Obligation. The certificates of obligation constitute direct obligations of the County payable from ad valorem taxes levied upon all taxable property located within the county. Interest at rates ranging from 3% to 5.5% are payable at February 15 and August 15 of each year.

In June of 2002, the County issued \$7,000,000 of General Obligation and Refunding Bonds. The bonds constituted direct obligations of the County payable from ad valorem taxes levied upon all taxable property located within the County. Interest at rates ranging from 3% to 5.125% are payable at February 15 and August 15 of each year.

Additionally, in June 2002, the County issued a \$23,925,000 of Tax Certificate of Obligation. The bonds constitute a direct obligation of the County payable from ad valorem taxes levied upon all taxable property located within the County. Interest rates ranging from 3% to 5% are payable at February 15 and August 15 of each year.

In September of 2002, Avery Ranch Road District (a blended component unit) issued \$6,425,000 in Unlimited Tax Road Bonds. The bonds constitute direct obligations of the Avery Ranch Road District payable from ad valorem taxes levied upon all taxable property located within the Road District. Interest at rates ranging from 4.9% to 5.75% are payable at February 15 and August 15 of each year.

In August of 2003, Avery Ranch Road District (a blended component unit) issued \$4,620,000 in Unlimited Tax Road Bonds. The bonds constitute direct obligations of the Avery Ranch Road District payable from ad valorem taxes levied upon all taxable property located within the Road District. Interest at rates ranging from 3.5% to 5.0% are payable at February 15 and August 15 of each year.

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-term Liabilities (Continued)

In April of 2004, the County issued \$82,535,000 in Unlimited Tax Road and Refunding Bonds. \$11,875,000 of these bonds was used to provide resources to purchase U. S. Government Securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payment of \$12,500,000 of Unlimited Tax Road Bonds, Series 1997. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets.

Additionally, in April of 2004, the County issued \$62,110,000 in Limited Tax Refunding Bonds. These bonds were used to provide resources to purchase U. S. Government Securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$60,600,000 of certificates of obligation. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets.

In April of 2005, the County issued \$83,590,000 of Unlimited Tax Refunding Bonds to provide resources to purchase U. S. Government State and Local Government Series Securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$90,928,483 of unlimited bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$6,568,483. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was undertaken to decrease total debt service payments over the next 23 years by \$4,337,171 and resulted in an economic gain of \$3,442,608. The bonds constitute direct obligations of the County payable from ad valorem taxes levied upon all taxable property located within the County. Interest at rates ranging from 5% to 5.25% are payable at February 15 and August 15 of each year.

In addition, in August of 2005, Avery Ranch Road District (a blended component unit) issued \$5,955,000 in Unlimited Tax Road Bonds. The bonds constituted direct obligations of the Avery Ranch Road District payable from ad valorem taxes levied upon all taxable property located within the Road District. Interest at rates ranging from 4.0% to 4.8% are payable at February 15 and August 15 of each year.

In December of 2005, the County issued \$53,465,000 in Unlimited Tax Road Bonds. The bonds constituted a direct obligation of the County payable from ad valorem taxes levied upon all taxable property located within the County. Interest at rates ranging from 4% to 5% are payable at February 15 and August 15 of each year.

In January of 2006, the County issued \$46,180,000 of Combination Tax and Revenue Certificates of Obligation. The certificates of obligation constitute direct obligations of the County payable from ad valorem taxes levied upon all taxable property located within the County. Interest at rates ranging from 3.5% to 5% are payable at February 15 and August 15 of each year.

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-term Liabilities (Continued)

In September of 2006, the County issued \$27,000,000 of Pass-through Toll Revenue and Limited Tax Bonds. The bonds constituted direct obligations of the County payable from pass-through toll revenue from the Department of Transportation. Interest at rates ranging from 4% to 5% are payable at February 15 and August 15 of each year.

In November of 2006, the County issued \$91,364,941.55 of Unlimited Tax Refunding Bonds to provide resources to purchase U. S. Government State and Local Government Series Securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payment of \$95,232,230 of unlimited tax road bonds . As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$3,867,231. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was undertaken to decrease total debt service payments over the next 21 years by \$5,097,526 and resulted in an economic gain of \$3,603,395. The bonds constitute direct obligations of the County payable from ad valorem taxes levied upon all taxable property located within the County. Interest at rates ranging from 4% to 5% are payable at February 15 and August 15 of each year.

In addition, in November of 2006, the County issued \$16,946,000 of Limited Tax Refunding Bonds to purchase U. S. Government State and Local Government Series Securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$16,594,545 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$759,544. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was undertaken to decrease total debt service payments over the next 13 years by \$687,988, and resulted in an economic gain of \$752,225. The bonds constitute direct obligations of the County payable from ad valorem taxes levied upon all taxable property.

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-term Liabilities (Continued)

In July of 2007, the Avery Ranch Road District (a blended component unit) issued \$3,535,000 in Unlimited Tax Refunding Bonds to purchase U. S. Government State and Local Government Series Securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$3,534,378 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$352,490. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was undertaken to decrease the total debt service payments over the next 9 years by \$157,216, and resulted in an economic gain of \$115,294. The bonds constitute direct obligations of the Avery Ranch Road District payable from ad valorem taxes levied upon all taxable property located within the Road District. Interest at rates ranging from 3.9% to 5.5% are payable at February 15 and August 15 of each year.

In September of 2007, the County issued \$147,535,000 in Unlimited Tax Road Bonds. The bonds constituted a direct obligation of the County payable from ad valorem taxes levied upon all taxable property located within the County. Interest at rates ranging from 4% to 5% are payable at February 15 and August 15 of each year.

In addition, in September of 2007, the County issued \$14,000,000 in Limited Tax Bonds. The bonds constituted direct obligations of the County payable from ad valorem taxes levied upon all taxable property located within the County. Interest at rates ranging from 4% to 4.6% are payable at February 15 and August 15 of each year.

The debt service requirements to maturity on all bonds are:

Fiscal Year Ending September 30,	Principal	Interest	Total
2009	\$ 20,420,000	\$ 32,359,770	\$ 52,779,770
2010	21,105,000	31,327,695	52,432,695
2011	22,500,000	30,160,708	52,660,708
2012	26,080,000	28,996,343	55,076,343
2013	29,185,000	27,663,279	56,848,279
2014-2018	164,160,000	115,629,285	279,789,285
2019-2023	182,945,000	83,280,950	266,225,950
2024-2028	163,580,000	30,663,549	194,243,549
2029-2033	<u>57,865,000</u>	<u>4,905,170</u>	<u>62,770,170</u>
Total	\$ <u>687,840,000</u>	\$ <u>384,986,749</u>	\$ <u>1,072,826,749</u>

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-term Liabilities (Continued)

Accretion on Premium Capital Appreciation Bonds

A portion of the bonds sold in the Unlimited Tax Refunding Bonds Series 2006 were premium capital appreciation bonds. These obligations have par values of \$24,942 and maturity values of \$10,015,000. The interest on these obligations will be paid upon maturity in the fiscal years ending September 30, 2020 and 2021. The accreted values of these bonds at September 30, 2008, are approximately \$5,872,194, which has been allocated to the governmental activities.

Prior Year Defeasance of Bonds

In prior years, the County defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the County's financial statements. On September 30, 2008, \$255,285,000 of bonds considered defeased is still outstanding.

Tax Anticipation Notes

In September of 2008, the County issued \$10,000,000 in Limited Tax Notes. The notes constituted a direct obligation of the County payable from ad valorem taxes levied upon all taxable property located within the County. Interest at a rate of 3.34% is payable at February 15 and August 15 of each year.

The debt service requirements to maturity on tax notes are:

Fiscal Year Ending September 30,	Principal	Interest	Total
2009	\$ 1,320,000	\$ 293,178	\$ 1,613,178
2010	1,325,000	289,912	1,614,912
2011	1,370,000	245,657	1,615,657
2012	1,420,000	199,899	1,619,899
2013	1,470,000	152,471	1,622,471
2014-2015	<u>3,095,000</u>	<u>155,978</u>	<u>3,250,978</u>
Total	<u>\$ 10,000,000</u>	<u>\$ 1,337,095</u>	<u>\$ 11,337,095</u>

(continued)

IV. DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-term Liabilities (Continued)

Capital Lease

Additionally, in November 2007, the County entered into a lease agreement, as lessee, for financing the acquisition of digital radios. This lease agreement qualifies as a capital lease for accounting purposes however; the individual digital radios did not exceed the County's capitalization threshold and are not reported as a capital asset in the governmental-wide financial statements.

The following is a schedule of the future minimum lease payments under these agreements, and the present value of the net minimum lease payments at September 30:

<u>Year Ending</u> <u>September 30,</u>	
2009	\$ 185,486
2010	185,486
2011	185,486
2012	185,486
2013	<u>92,743</u>
	834,687
Less interest portion	<u>68,581</u>
Obligations under capital lease	\$ <u><u>766,106</u></u>

V. OTHER INFORMATION

A. Retirement Plan

Plan Description

Williamson County, Texas, provides retirement, disability, and death benefits for all of its fulltime 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 574 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.

(continued)

V. OTHER INFORMATION (Continued)

A. Retirement Plan (Continued)

Plan Description (Continued)

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 deposits in the plan to receive any employer-financed benefit. Members who withdraw their personal deposits 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 deposits 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 (Variable-Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually.

The employer contributed using the actuarially determined rate of 10.96% for the months of the accounting year in 2007, and 10.69% for the months of the accounting year in 2008.

The deposit rate payable by the employee members for calendar year 2008 is the rate of 7%, as adopted by the governing body of the employer.

For the employer's accounting year ending September 30, 2008, the annual pension cost for the TCDRS plan for its employees was \$7,347,514 and the actual contributions were \$7,347,514.

(continued)

V. OTHER INFORMATION (Continued)

A. Retirement Plan (Continued)

Funding Policy (Continued)

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, 2005 and December 31, 2006, the basis for determining the contribution rates for calendar years 2007 and 2008. The December 31, 2007, actuarial valuation is the most recent valuation.

Actuarial Liabilities and Funding Progress

Actuarial Valuation Date	12/31/05	12/31/06	12/31/07
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	20	15	15
Asset valuation method	long-term appreciation with adjustment	SAF: 10-yr smoothed value ESF: Fund Value	SAF: 10-yr smoothed value ESF: Fund Value
Actuarial Assumptions:			
Investment return	8.00%	8.00%	8.00%
Projected salary increases	5.3	5.3	5.3
Inflation	3.5	3.5	3.5
Cost-of-living adjustments	0.0%	0.0%	0.0%

Trend Information for the Retirement Plan for the Employees of Williamson County

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
09/30/06	\$ 5,562,946	100%	\$ -
09/30/07	6,697,768	100%	-
09/30/08	7,347,514	100%	-

Schedule of Funding Progress for the Retirement Plan For the Employees of Williamson 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)
2005	\$ 90,021,322	\$ 105,573,946	\$ 15,552,624	85.27%	\$ 52,930,145	29.38%
2006	106,566,107	120,178,219	13,612,112	88.67%	57,588,147	23.64%
2007	121,011,544	135,789,516	14,777,972	89.12%	64,029,317	23.08%

(continued)

V. OTHER INFORMATION (Continued)

B. Postemployment Health Care

In addition to the pension benefits described above, the Commissioners' Court established a medical insurance benefit plan for retirees. Eligible retirees will be provided medical insurance benefits at a set premium rate equal to the County employees' rate. Dental insurance benefits for retirees have a set premium rate that closely approximates the County employees' rate. Eligible retirees may also cover their eligible dependents. Retirees are responsible for paying the premiums. A retiree is defined as someone who is receiving lifetime monthly Texas County and District retirement pension benefit payments and who retired directly from active employment with Williamson County. The County will stop insurance coverage on the retiree and dependent on the last day of the month when one of the following occurs:

1. the retiree reaches age 65; or
2. the retiree fails to submit the required set premium rate.

Effective May 24, 2005, the County grandfathered current retirees with dependents over age 65 so that their dependents are covered until the retiree reaches age 65 (or 70 for those previously grandfathered retirees who retired prior to May 1, 1994). Other current retirees and any future retirees with dependents under age 65 will lose dependent coverage when the dependent reaches age 65. Retirees will continue to have individual coverage until they reach the age of 65.

Currently, 42 retirees meet those eligibility requirements. Expenses for post-employment health care benefits are recognized on a pay-as-you-go basis. During the year, premiums paid by the retirees were \$90,199.

In June 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. GASB 45 requires employer governments to account for and report the annual cost of other postemployment benefits in the same manner as they do pensions. This statement is effective for the County's financial statements for the fiscal year ending September 30, 2009.

The County contracted with an actuarial firm to value the post employment medical plan. Results of the valuations are as follows:

Actuarial Accrued Liability (AAL)	\$27 million
Annual Required Contribution (ARC)	\$4.9 million
Amortization Period	30 years

The ARC is made up of two components—the Normal Cost and the Amortization Amount. The normal cost, which is the present value of the benefits deemed to accrue in the plan year, is \$3.3 million. The amortized amount, which is the present value of the accrued benefit, is \$1.6 million. The amortized amount has been calculated by level annual payments. The amortized amount is required to fully amortize the unfunded actuarial accrued liabilities over a 30-year period.

(continued)

V. OTHER INFORMATION (Continued)

B. Postemployment Health Care (Continued)

The County's annual employer contributions each year will continue to equal the benefits that are paid on behalf of the retirees. The County will reflect proper treatment and note disclosure of Health Care Benefits for Retired Employees in accordance with GASB Statement No. 45 beginning with the fiscal year ending September 30, 2009.

C. Employee Benefits Plan

The County provides group medical benefits to its employees on a self-funded basis. Stop-loss coverage is provided by an insurance company and an independent company serves as Claim Administrator.

All fulltime County employees (regularly scheduled to work at least 30 hours per week) are eligible for coverage under the Plan. Employees can enroll for personal coverage and dependent coverage.

A reconciliation of claims liabilities is shown below.

	2008	2007
Claims liabilities at October 1	\$ 574,063	\$ 428,156
Incurred claims	11,172,767	9,592,838
Payments on claims	(11,445,999)	(9,446,931)
Claims liabilities at September 30	\$ <u>300,831</u>	\$ <u>574,063</u>

All claim liabilities are due within one year.

D. Risk Management

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. The County provides for the management of risks through a combination of self-insurance and traditional insurance. The amount of settlements has not exceeded insurance coverage for each of the past three fiscal years.

E. Commitments and Contingencies

The County is the defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of the management, the outcome of these lawsuits will not have a material adverse effect on the accompanying combined financial statements, and accordingly, no provision for losses has been recorded.

(continued)

V. OTHER INFORMATION (Continued)

E. Commitments and Contingencies (Continued)

The County participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at September 30, 2008, may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

F. Subsequent Events

In October 2008, the State of Texas approved the transfer of ownership of a portion of FM 2338 (Williams Drive) to Williamson County. This allows the road expansion to be completed more quickly and address safety issues near Sun City. In January 2009, the County entered into an interlocal agreement with the City of Georgetown to repay the County for the City's share of the project. The City will reimburse the County 65% of the project over a 3-year period. The city was awarded \$8.8 million from the Capital Area Metro Planning Organization (CAMPO) for their portion of the project. These funds will be sent to the County for funding of the project. The City will repay the County any funds spent above the \$8.8 million. In October 2009, the City will maintain FM 2338 (Williams Drive) from the west side of IH 35 to D.B. Wood Road. After completion of the portion from D.B. Wood Road to Jim Hogg Road the city will take over maintenance. The County will continue to maintain FM 2338 from Jim Hogg Road to FM 3405.

In November 2006, the voters approved park bonds in the amount of \$22 million. In February 2009, the County will issue the remaining \$8 million of the approved bonds. The bonds constitute direct obligations of the County payable from ad valorem taxes levied upon all taxable property located within the County.

In addition to \$8 million of Tax Bonds, the County will also issue \$89 million of Pass-through Toll Revenue and Limited Tax Bonds. The pass-through toll is a partnership between Williamson County and the Texas Department of Transportation (TX-DOT) to allow the County to manage the improvement of state highways. TX-DOT will reimburse the County based on a per vehicle usage after completion of these projects. These bonds constitute direct obligation of the County payable in whole or part from the payments of pass-through toll revenue received from TX-DOT.

In October 2008, the U. S. Fish and Wildlife Service issued a permit to allow the Williamson County Conservation Foundation to ensure protection of the habitat of rare species, such as the karst invertebrates and Georgetown salamanders. To become a permit holder, the Foundation prepared a Regional Habitat Conservation Plan (RHCP). The RHCP is a plan to ensure conservation and management conditions are in place to manage the endangered species preserves in perpetuity. The Conservation Foundation entered into an interlocal agreement with Williamson County where the County will be responsible for the management of the RHCP.

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**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

WILLIAMSON COUNTY, TEXAS
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
REVENUES				
Taxes:				
Ad valorem taxes	\$ 76,515,000	\$ 76,515,000	\$ 81,986,898	\$ 5,471,898
Alcohol beverage taxes	400,000	400,000	497,637	97,637
Total taxes	<u>76,915,000</u>	<u>76,915,000</u>	<u>82,484,535</u>	<u>5,569,535</u>
Fees of office:				
County sheriff	260,000	270,175	287,448	17,273
County clerk	3,500,000	3,500,000	3,029,224	(470,776)
Tax assessor/collector	1,500,000	1,500,000	2,449,560	949,560
District clerk	460,300	460,300	487,499	27,199
Justice of the peace	465,000	465,000	546,661	81,661
District attorney	7,000	7,000	10,952	3,952
Constables	891,000	922,859	993,332	70,473
Other	633,500	633,500	612,723	(20,777)
Total fees of office	<u>7,716,800</u>	<u>7,758,834</u>	<u>8,417,399</u>	<u>658,565</u>
Fines and forfeitures:				
County clerk	1,045,000	1,045,000	1,020,069	(24,931)
District clerk	675,000	675,000	917,340	242,340
Justice of the peace	2,930,000	2,930,000	2,718,587	(211,413)
Total fines and forfeitures	<u>4,650,000</u>	<u>4,650,000</u>	<u>4,655,996</u>	<u>5,996</u>
Charges for services:				
Emergency medical service	5,508,000	5,563,000	6,909,820	1,346,820
Parks	182,800	182,800	227,723	44,923
Other	1,259,000	1,259,000	1,621,572	362,572
Total charges for services	<u>6,949,800</u>	<u>7,004,800</u>	<u>8,759,115</u>	<u>1,754,315</u>
Intergovernmental:				
Federal payments in lieu of taxes	60,000	60,000	70,873	10,873
Prisoner payments	180,000	180,000	179,058	(942)
State shared	1,646,150	1,702,764	2,256,132	553,368
Total intergovernmental	<u>1,886,150</u>	<u>1,942,764</u>	<u>2,506,063</u>	<u>563,299</u>
Investment income and other:				
Investment income	3,500,000	3,500,000	2,600,974	(899,026)
Other	218,350	355,537	392,515	36,978
Total investment and other	<u>3,718,350</u>	<u>3,855,537</u>	<u>2,993,489</u>	<u>(862,048)</u>
Total revenues	<u>\$ 101,836,100</u>	<u>\$ 102,126,935</u>	<u>\$ 109,816,597</u>	<u>\$ 7,689,662</u>

WILLIAMSON COUNTY, TEXAS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
EXPENDITURES				
General government:				
County judge	\$ 440,772	\$ 481,010	\$ 381,607	\$ 99,403
Commissioners' court	1,499,876	1,511,974	1,268,724	243,250
County clerk	606,865	595,709	576,885	18,824
Non-departmental	3,663,852	2,955,288	2,652,455	302,833
County auditor	1,732,434	1,732,434	1,711,138	21,296
Purchasing	540,126	540,126	493,426	46,700
County treasurer	395,130	387,730	376,859	10,871
Tax assessor/collector	2,667,201	2,734,452	2,622,821	111,631
Office buildings	4,529,142	4,883,068	4,880,421	2,647
Information technology services	2,542,214	2,704,773	2,623,834	80,939
Human resources	592,345	592,345	531,599	60,746
General elections	1,098,848	1,158,649	1,158,643	6
Total general government	20,308,805	20,277,558	19,278,412	999,146
Public safety:				
Constable, precinct 1	520,199	525,521	493,867	31,654
Constable, precinct 2	890,305	893,707	824,447	69,260
Constable, precinct 3	1,138,779	1,156,468	1,108,749	47,719
Constable, precinct 4	791,730	809,737	759,938	49,799
County sheriff	15,165,204	15,394,288	14,030,660	1,363,628
Department of public safety	215,457	216,357	170,419	45,938
Jail and law enforcement	17,677,645	17,896,240	16,686,627	1,209,613
Juvenile services	8,123,199	8,171,231	7,480,868	690,363
Adult probation	93,379	93,379	92,838	541
Emergency medical services	10,742,645	10,968,455	10,708,176	260,279
Emergency operations center	3,306,005	3,219,465	3,219,464	1
Total public safety	58,664,547	59,344,848	55,576,053	3,768,795
Judicial:				
County courts-at-law	2,070,335	2,255,335	2,180,790	74,545
District courts	1,626,535	1,696,535	1,648,804	47,731
26th Judicial court	236,018	237,412	236,686	726
277th Judicial court	200,988	201,710	196,282	5,428
368th Judicial court	204,681	204,681	203,370	1,311
395th Judicial court	200,452	200,452	198,858	1,594
425th Judicial court	190,541	190,541	187,254	3,287
District attorney	2,318,021	2,335,307	2,299,180	36,127
District clerk	1,344,308	1,344,308	1,247,714	96,594

(continued)

WILLIAMSON COUNTY, TEXAS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND (Continued) FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
EXPENDITURES (Continued)				
Judicial: (Continued)				
Justice court, precinct 1	\$ 645,824	\$ 700,767	\$ 660,069	\$ 40,698
Justice court, precinct 2	688,998	748,998	695,303	53,695
Justice court, precinct 3	868,573	880,673	834,082	46,591
Justice court, precinct 4	726,939	768,939	733,035	35,904
County attorney	3,061,090	3,126,804	3,083,275	43,529
County clerk	794,376	805,531	778,024	27,507
Personal bond office	88,624	88,697	88,697	-
Total judicial	<u>15,266,303</u>	<u>15,786,690</u>	<u>15,271,423</u>	<u>515,267</u>
Community services:				
Veterans service	154,003	160,467	158,757	1,710
Health department	5,407,332	4,831,581	4,673,143	158,438
Recycling center	62,705	62,705	46,572	16,133
Agricultural extension service	303,373	305,573	282,074	23,499
Parks department	985,113	991,763	945,222	46,541
Public welfare	986,600	986,600	910,165	76,435
Child welfare	220,800	220,800	179,142	41,658
Museum	204,834	204,834	204,834	-
Total community services	<u>8,324,760</u>	<u>7,764,323</u>	<u>7,399,909</u>	<u>364,414</u>
Debt service:				
Principal	-	77,972	77,972	-
Interest and other charges	-	14,771	14,771	-
Total debt service	<u>-</u>	<u>92,743</u>	<u>92,743</u>	<u>-</u>
Capital outlay	<u>3,662,247</u>	<u>3,688,939</u>	<u>2,841,577</u>	<u>847,362</u>
Total expenditures	<u>\$ 106,226,662</u>	<u>\$ 106,955,101</u>	<u>\$ 100,460,117</u>	<u>\$ 6,494,984</u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

DEBT SERVICE

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes	\$ 50,250,000	\$ 54,201,131	\$ 3,951,131
Intergovernmental	119,728	119,726	(2)
Investment earnings	<u>900,000</u>	<u>720,404</u>	<u>(179,596)</u>
Total revenues	<u>51,269,728</u>	<u>55,041,261</u>	<u>3,771,533</u>
EXPENDITURES			
Debt service:			
Principal	19,760,000	19,760,000	-
Interest and other charges	<u>32,338,295</u>	<u>31,790,796</u>	<u>547,499</u>
Total expenditures	<u>52,098,295</u>	<u>51,550,796</u>	<u>547,499</u>
NET CHANGE IN FUND BALANCE	(828,567)	3,490,465	4,319,032
FUND BALANCE, BEGINNING	<u>8,652,892</u>	<u>8,652,892</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 7,824,325</u>	<u>\$ 12,143,357</u>	<u>\$ 4,319,032</u>

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specified revenue sources or to finance specified activities as required by law or administrative regulation.

The following comprise the County's nonmajor Special Revenue Funds:

Alternate Dispute Resolution – This fund was set up to aid in a week long mass mediation session held annually to clear open cases and finalize documentation in question. The monies are spent on advertisement and preparation necessary to acquire attention and attendance.

Appellate Judicial Fund – Each county in the Third Court of Appeals is required to establish an Appellate Judicial Fund to assist the court of appeals in the processing of appeals and to defray costs incurred by the County. Fees are assessed for court cases filed in a County court, County court a law, probate court and district courts.

Avery Ranch Road District Fund – This fund is used to account for the issuance of unlimited tax bonds for the purpose of reimbursing the developer for the construction costs of developing roads within the District. Also, receipts of assessed taxes are accounted for in this fund to pay bonds issued by the District.

Child Safety – This fund is used to account for \$1.50 tax collected during the vehicle registration process. This fund is used to provide a school crossing guard program and/or programs designed to enhance child safety, health or nutrition.

County Attorney Hot Check – This fund is used to account for monies received from fees collected on the payment of hot checks. Expenditures are made for the improvement of the operation of the County Attorney's office.

County Sheriff – This fund is used to account for jail inmates' purchase of food and toiletry items or other supplies. Expenditures are for the purchase of these items. Any revenue generated may be used for the benefit of the inmate.

County Sheriff Drug Enforcement – This fund is used to account for monies received from Federal and State court cases dealing with illegal drug violations. Money is distributed to entities involved in the resolution of the drug case and use for education or equipment needed to enhance law enforcement activities.

County Radio Communications Systems (RCS) – This fund is used to account for money collected from governmental entities utilizing the countywide radio communications system.

Court Reporter – The clerk of each court that has an official court reporter shall collect a court reporter service fee of \$15 as a court cost in each civil case filed with the clerk to maintain a court reporter who is available for assignment in the court.

Courthouse Security – This fund is used to collect court costs of defendants convicted of felony and misdemeanor offenses. The clerks collect the costs and pay them to the County treasurer where it is designated for security purposes such as, metal detectors, identification cards, and surveillance cameras.

District Attorney Drug Enforcement – This fund is used to account for monies received from Federal and State court cases dealing with illegal drug violations. Money is distributed to entities involved in the resolution of the drug case and used for education or equipment needed to enhance law enforcement activities.

District Attorney Welfare Fraud – This fund is used to account for monies received from fees collected from the Health and Human Services Commission for prosecuting welfare fraud cases. Expenditures are made for the prosecution of welfare fraud cases.

Drug Court – Counties with a population of 200,000 or more are mandated to create a Drug Court Program. The fund was created for the collection of the court costs of a conviction for certain intoxication and drug related offenses. The fund retains 50% of the total fee to be used to exclusively to develop and maintain drug court programs. A service fee of 10% is revenue deposited into the General Fund. The remaining 40% of the total fee is sent to the state.

Election Chapter 19 Fund – Counties with a population of 200,000 or more are mandated to create a Drug Court Program. The fund was created for the collection of the court costs of a conviction for certain intoxication and drug related offenses. The fund retains 50% of the total fee to be used to exclusively to develop and maintain drug court programs. A service fee of 10% is revenue deposited into the General Fund. The remaining 40% of the total fee is sent to the State.

Election Services Contract – This fund is used to support and contain costs generated from an election. Contracts between political parties and other entities are handled through the court and paid by the contracting party for administering election services.

Guardianship Fund – This fund is used to account for the collection of a \$20.00 “supplemental court-initiated guardianship fee” required by the State of Texas for support of judiciary guardianship initiated under Section 683 of the Texas Probate Code. The fees are to be used to supplement, not supplant, the compensation of a court-appointed guardian ad litem or attorney ad litem and to fund local guardianship programs for indigent, incapacitated persons who do not have a family member suitable and willing to serve in that capacity.

Justice Court Technology – This fund accounts for money charged to a defendant convicted of a misdemeanor in a justice court. It is designated for the purpose of financing the purchase of technological enhancements for a justice court.

Justice of the Peace Security – This fund is used to collect court costs of defendants convicted misdemeanor offenses. The clerks collect the costs and deposit them with the County Treasurer where it is designated for security purposes, such as metal detectors, identification cards, and surveillance cameras for justice courts not housed in County courthouse.

Juvenile Delinquency Prevention – This fund is used to repair damage and reward the public for identifying and aiding in the apprehension of offenders who vandalize public and personal property. Funds are also used for recognition and recreation programs for teens; local teen court programs; local juvenile probation department and educational and intervention programs to prevent juveniles from engaging in delinquent conduct.

Law Library – Monies collected through civil cases filed in the County or district court are accounted for through this fund. Monies collected are used to support the management and expenditures necessary to maintain law libraries throughout the County.

Medicaid UPL – This fund was established as a result of the Williamson County Indigent Care Affiliation Agreement entered into between Williamson County, St. David's Georgetown Hospital and Round Rock Medical Center in June 2008. As part of the collaboration established between the hospitals and the County, the County has chosen to use a portion of its annual ad valorem tax revenues to fund Medicaid services provided to Williamson County residents by these hospitals.

Revenues to this fund will be spent to pay for Medicaid services provided by St. David's Georgetown Hospital and Round Rock Medical Center, either through direct Medicaid payments to the hospitals or by funding Medicaid supplemental payments to the hospitals through intergovernmental transfers of funding to the state, for purposes of the private hospital Medicaid upper payment limit program authorized by Section 355.8063(t)(4) of the Texas Administrative Code, Title 1.

Probate Court – This fund accounts for fees from all probate court cases filed and used for training for County Courts at Law personnel.

Records Archive – This fund was established specifically to support the preservation and restoration services performed by the County Clerk in connection with maintaining archived records. These monies support and will be dedicated to assisting County Clerks with maintaining public documents filed before January 1, 1990.

Records Management – This fund is used to account for monies collected from fees charged by the County and District Clerk. These funds are used Countywide for records management, records management training and for the disposal of large quantities of outdated documents.

Records Management and Preservation – This fund is compiled of the fees for records management and preservation services performed by the County Clerk. All records are documented, filed and must be paid for at the time the document is filed. This fee may be used for specific records preservation and automation projects.

Regional Animal Shelter (WCRAS) – This fund accounts for the County's percentage share of revenues collected as adoption fees, surrender fees, etc. at the WCRAS. Expenditures are made for the day-to-day operations of the facility. The other regional participants in the shelter share proportionately in the operations cost.

Southeast Road District – The purpose of this fund was to account for the issuance of tax bonds to improve and develop roads within the District. Now that all debt has been repaid, the funds can be spent at the discretion of the Commissioners' Court.

Southwest Road District – The purpose of this fund was to account for the issuance of tax bonds to improve and develop roads within the District. Now that all debt has been repaid, the funds can be spent at the discretion of the Commissioners' Court.

Summer School – The Texas Juvenile Probation Commission provides funding for summer school attended by at-risk youth. Funding is based on attendance and the daily rate is set by the state. Claims are filed by the County's Juvenile Services Department.

Texas Youth Commission – This fund accounts for money paid to the County by the state when the County provides parole supervision and additional contracted services for the youth of Williamson County. Chargeable rates are set by the state and are billed by Williamson County Juvenile Services Department monthly.

Tobacco – Monies received by the County from the state as pro rata distributions from the lump sum payment made by tobacco companies are accounted for through this fund. The money collected from the state is to be spent on health-related issues.

WILLIAMSON COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2008

	<u>Alternate Dispute Resolution</u>	<u>Appellate Judicial System</u>	<u>Avery Ranch Road District</u>	<u>Child Safety</u>
ASSETS				
Cash and investments	\$ 175,527	\$ 5,006	\$ 911,624	\$ 487,343
Accounts receivable (net of allowance)	<u>153</u>	<u>254</u>	<u>2,735</u>	<u>100</u>
Total assets	<u>\$ 175,680</u>	<u>\$ 5,260</u>	<u>\$ 914,359</u>	<u>\$ 487,443</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 5,006	\$ -	\$ -
Accrued liabilities	66	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	<u>-</u>	<u>-</u>	<u>1,192</u>	<u>-</u>
Total liabilities	<u>66</u>	<u>5,006</u>	<u>1,192</u>	<u>-</u>
Fund balances:				
Designated for capital equipment	-	-	-	-
Unreserved, undesignated	<u>175,614</u>	<u>254</u>	<u>913,167</u>	<u>487,443</u>
Total fund balances	<u>175,614</u>	<u>254</u>	<u>913,167</u>	<u>487,443</u>
Total liabilities and fund balances	<u>\$ 175,680</u>	<u>\$ 5,260</u>	<u>\$ 914,359</u>	<u>\$ 487,443</u>

<u>County Attorney Hot Check</u>	<u>County Sheriff</u>	<u>County Sheriff Drug Enforcement</u>	<u>County Radio Communications System (RCS)</u>	<u>Court Reporter</u>	<u>Courthouse Security</u>
\$ 35,668	\$ 564,602	\$ 275,668	\$ 11,292	\$ 703,003	\$ 95,454
-	-	2,430	95,883	763	3,161
<u>\$ 35,668</u>	<u>\$ 564,602</u>	<u>\$ 278,098</u>	<u>\$ 107,175</u>	<u>\$ 703,766</u>	<u>\$ 98,615</u>
\$ 1,310	\$ -	\$ 164	\$ 107,175	\$ 3,448	\$ 106
2,652	-	-	-	-	5,181
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	20,213	-	-
<u>3,962</u>	<u>-</u>	<u>164</u>	<u>127,388</u>	<u>3,448</u>	<u>5,287</u>
-	-	-	-	-	-
31,706	564,602	277,934	(20,213)	700,318	93,328
<u>31,706</u>	<u>564,602</u>	<u>277,934</u>	<u>(20,213)</u>	<u>700,318</u>	<u>93,328</u>
<u>\$ 35,668</u>	<u>\$ 564,602</u>	<u>\$ 278,098</u>	<u>\$ 107,175</u>	<u>\$ 703,766</u>	<u>\$ 98,615</u>

(continued)

WILLIAMSON COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

SEPTEMBER 30, 2008

	District Attorney Drug Enforcement	District Attorney Welfare Fraud	Drug Court	Election Chapter 19	Election Services Contract
ASSETS					
Cash and investments	\$ 179,656	\$ 6,237	\$ 9,211	\$ -	\$ 197,314
Accounts receivable (net of allowance)	<u>36</u>	<u>-</u>	<u>1,255</u>	<u>14,692</u>	<u>2,029</u>
Total assets	<u>\$ 179,692</u>	<u>\$ 6,237</u>	<u>\$ 10,466</u>	<u>\$ 14,692</u>	<u>\$ 199,343</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 2,807	\$ 61	\$ -	\$ 3,750	\$ 6,399
Accrued liabilities	2,846	-	-	5,449	710
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	5,492	-
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,692</u>	<u>-</u>
Total liabilities	<u>5,653</u>	<u>61</u>	<u>-</u>	<u>29,383</u>	<u>7,109</u>
Fund balances:					
Designated for capital equipment	-	-	-	-	113,753
Unreserved, undesignated	<u>174,039</u>	<u>6,176</u>	<u>10,466</u>	<u>(14,691)</u>	<u>78,481</u>
Total fund balances	<u>174,039</u>	<u>6,176</u>	<u>10,466</u>	<u>(14,691)</u>	<u>192,234</u>
Total liabilities and fund balances	<u>\$ 179,692</u>	<u>\$ 6,237</u>	<u>\$ 10,466</u>	<u>\$ 14,692</u>	<u>\$ 199,343</u>

<u>Guardianship</u>	<u>Justice Court Technology</u>	<u>Justice of the Peace Security</u>	<u>Juvenile Delinquency Prevention</u>	<u>Law Library</u>	<u>Medicaid UPL</u>	<u>Probate Court</u>
\$ 9,740 <u>100</u>	\$ 479,054 <u>1,348</u>	\$ 68,684 <u>328</u>	\$ 7,878 <u>-</u>	\$ 607,301 <u>1,527</u>	\$ 150,215 <u>-</u>	\$ 29,075 <u>25</u>
<u>\$ 9,840</u>	<u>\$ 480,402</u>	<u>\$ 69,012</u>	<u>\$ 7,878</u>	<u>\$ 608,828</u>	<u>\$ 150,215</u>	<u>\$ 29,100</u>
\$ -	\$ 2,030	\$ -	\$ -	\$ 15,531	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>2,030</u>	<u>-</u>	<u>-</u>	<u>15,531</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
<u>9,840</u>	<u>478,372</u>	<u>69,012</u>	<u>7,878</u>	<u>593,297</u>	<u>150,215</u>	<u>29,100</u>
<u>9,840</u>	<u>478,372</u>	<u>69,012</u>	<u>7,878</u>	<u>593,297</u>	<u>150,215</u>	<u>29,100</u>
<u>\$ 9,840</u>	<u>\$ 480,402</u>	<u>\$ 69,012</u>	<u>\$ 7,878</u>	<u>\$ 608,828</u>	<u>\$ 150,215</u>	<u>\$ 29,100</u>

(continued)

WILLIAMSON COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

SEPTEMBER 30, 2008

	<u>Records Archive</u>	<u>Records Management</u>	<u>Records Management and Preservation</u>	<u>Regional Animal Shelter (WCRAS)</u>
ASSETS				
Cash and investments	\$ 1,625,692	\$ 1,292,343	\$ 898,542	\$ -
Accounts receivable (net of allowance)	<u>15,680</u>	<u>6,290</u>	<u>4,666</u>	<u>119,873</u>
Total assets	<u>\$ 1,641,372</u>	<u>\$ 1,298,633</u>	<u>\$ 903,208</u>	<u>\$ 119,873</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 75,623	\$ 19,765	\$ 37,550	\$ 10,469
Accrued liabilities	5,556	11,595	-	17,610
Due to other governments	-	-	-	24,779
Due to other funds	-	-	-	49,613
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,175</u>
Total liabilities	<u>81,179</u>	<u>31,360</u>	<u>37,550</u>	<u>216,646</u>
Fund balances:				
Designated for capital equipment	-	-	-	-
Unreserved, undesignated	<u>1,560,193</u>	<u>1,267,273</u>	<u>865,658</u>	<u>(96,773)</u>
Total fund balances	<u>1,560,193</u>	<u>1,267,273</u>	<u>865,658</u>	<u>(96,773)</u>
Total liabilities and fund balances	<u>\$ 1,641,372</u>	<u>\$ 1,298,633</u>	<u>\$ 903,208</u>	<u>\$ 119,873</u>

<u>Southeast Road District</u>	<u>Southwest Road District</u>	<u>Summer School</u>	<u>Texas Youth Commission</u>	<u>Tobacco</u>	<u>Total Governmental Funds</u>
\$ 17,274	\$ 869,347	\$ 160,625	\$ 31,698	\$ 4,083,788	\$ 13,988,861
<u>200</u>	<u>-</u>	<u>-</u>	<u>4,028</u>	<u>16,793</u>	<u>294,349</u>
\$ <u>17,474</u>	\$ <u>869,347</u>	\$ <u>160,625</u>	\$ <u>35,726</u>	\$ <u>4,100,581</u>	\$ <u>14,283,210</u>
\$ -	\$ -	\$ -	\$ -	\$ 38,191	\$ 329,385
-	-	-	1,249	6,742	59,656
-	-	-	-	-	24,779
-	-	-	-	-	55,105
<u>200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,472</u>
<u>200</u>	<u>-</u>	<u>-</u>	<u>1,249</u>	<u>44,933</u>	<u>619,397</u>
-	-	-	-	-	113,753
<u>17,274</u>	<u>869,347</u>	<u>160,625</u>	<u>34,477</u>	<u>4,055,648</u>	<u>13,550,060</u>
<u>17,274</u>	<u>869,347</u>	<u>160,625</u>	<u>34,477</u>	<u>4,055,648</u>	<u>13,663,813</u>
\$ <u>17,474</u>	\$ <u>869,347</u>	\$ <u>160,625</u>	\$ <u>35,726</u>	\$ <u>4,100,581</u>	\$ <u>14,283,210</u>

WILLIAMSON COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Alternate Dispute Resolution	Appellate Judicial System	Avery Ranch Road District	Child Safety
REVENUES				
Taxes	\$ -	\$ -	\$ 1,371,796	\$ -
Fees of office	25,030	29,185	-	486,658
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Special assessment	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	4,632	-	41,836	7,673
Miscellaneous	-	-	-	-
Total revenues	<u>29,662</u>	<u>29,185</u>	<u>1,413,632</u>	<u>494,331</u>
EXPENDITURES				
Current:				
General government	-	-	10,089	-
Public safety	-	-	-	-
Judicial	3,378	29,246	-	-
Community services	-	-	-	466,018
Debt service:				
Principal	-	-	620,000	-
Interest and other charges	-	-	709,523	-
Capital outlay	-	-	-	-
Total expenditures	<u>3,378</u>	<u>29,246</u>	<u>1,339,612</u>	<u>466,018</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>26,284</u>	<u>(61)</u>	<u>74,020</u>	<u>28,313</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	26,284	(61)	74,020	28,313
FUND BALANCES, BEGINNING	<u>149,330</u>	<u>315</u>	<u>839,147</u>	<u>459,130</u>
FUND BALANCES, ENDING	<u>\$ 175,614</u>	<u>\$ 254</u>	<u>\$ 913,167</u>	<u>\$ 487,443</u>

<u>County Attorney Hot Check</u>	<u>County Sheriff</u>	<u>County Sheriff Drug Enforcement</u>	<u>County Radio Communications System (RCS)</u>	<u>Court Reporter</u>	<u>Courthouse Security</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
120,920	-	-	-	87,710	237,870
-	-	211,282	-	-	-
-	206,786	-	-	-	-
-	-	-	-	-	-
-	-	-	408,268	-	-
-	13,568	3,345	-	18,440	3,462
-	-	-	-	-	-
<u>120,920</u>	<u>220,354</u>	<u>214,627</u>	<u>408,268</u>	<u>106,150</u>	<u>241,332</u>
-	-	-	-	-	-
-	-	49,088	606,934	-	-
107,918	117,367	-	-	45,677	292,898
-	-	-	-	-	-
-	-	-	-	-	-
-	-	68,794	1,507	-	-
<u>107,918</u>	<u>117,367</u>	<u>117,882</u>	<u>608,441</u>	<u>45,677</u>	<u>292,898</u>
<u>13,002</u>	<u>102,987</u>	<u>96,745</u>	<u>(200,173)</u>	<u>60,473</u>	<u>(51,566)</u>
-	-	-	236,068	-	10,397
-	-	-	-	-	-
-	-	-	<u>236,068</u>	<u>-</u>	<u>10,397</u>
13,002	102,987	96,745	35,895	60,473	(41,169)
<u>18,704</u>	<u>461,615</u>	<u>181,189</u>	<u>(56,108)</u>	<u>639,845</u>	<u>134,497</u>
<u>\$ 31,706</u>	<u>\$ 564,602</u>	<u>\$ 277,934</u>	<u>\$ (20,213)</u>	<u>\$ 700,318</u>	<u>\$ 93,328</u>

(continued)

WILLIAMSON COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	District Attorney Drug Enforcement	District Attorney Welfare Fraud	Drug Court	Election Chapter 19	Election Services Contract
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Fees of office	-	-	18,421	-	390,440
Fines and forfeitures	124,413	-	-	-	-
Charges for services	-	-	-	-	-
Special assessment	-	-	-	-	-
Intergovernmental	-	-	-	65,748	-
Investment income	2,338	-	-	-	-
Miscellaneous	-	840	-	-	-
Total revenues	<u>126,751</u>	<u>840</u>	<u>18,421</u>	<u>65,748</u>	<u>390,440</u>
EXPENDITURES					
Current:					
General government	-	-	-	80,439	261,467
Public safety	-	-	-	-	-
Judicial	42,828	760	7,955	-	-
Community services	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	<u>5,128</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>47,956</u>	<u>760</u>	<u>7,955</u>	<u>80,439</u>	<u>261,467</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>78,795</u>	<u>80</u>	<u>10,466</u>	<u>(14,691)</u>	<u>128,973</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	<u>(6,534)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>(6,534)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	72,261	80	10,466	(14,691)	128,973
FUND BALANCES, BEGINNING	<u>101,778</u>	<u>6,096</u>	<u>-</u>	<u>-</u>	<u>63,261</u>
FUND BALANCES, ENDING	<u>\$ 174,039</u>	<u>\$ 6,176</u>	<u>\$ 10,466</u>	<u>\$(14,691)</u>	<u>\$ 192,234</u>

<u>Guardianship</u>	<u>Justice Court Technology</u>	<u>Justice of the Peace Security</u>	<u>Juvenile Delinquency Prevention</u>	<u>Law Library</u>	<u>Medicaid UPL</u>	<u>Probate Court</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9,840	118,660	28,378	-	175,463	-	3,165
-	-	-	-	-	-	-
-	-	-	-	-	116,484	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	11,382	-	-	15,732	2,028	-
-	-	-	-	-	-	-
<u>9,840</u>	<u>130,042</u>	<u>28,378</u>	<u>-</u>	<u>191,195</u>	<u>118,512</u>	<u>3,165</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	29,628	-	-	135,349	-	-
-	-	-	-	-	544,048	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	10,785	-	-	-	-	-
<u>-</u>	<u>40,413</u>	<u>-</u>	<u>-</u>	<u>135,349</u>	<u>544,048</u>	<u>-</u>
9,840	89,629	28,378	-	55,846	(425,536)	3,165
-	-	-	-	-	575,751	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	575,751	-
9,840	89,629	28,378	-	55,846	150,215	3,165
<u>-</u>	<u>388,743</u>	<u>40,634</u>	<u>7,878</u>	<u>537,451</u>	<u>-</u>	<u>25,935</u>
<u>\$ 9,840</u>	<u>\$ 478,372</u>	<u>\$ 69,012</u>	<u>\$ 7,878</u>	<u>\$ 593,297</u>	<u>\$ 150,215</u>	<u>\$ 29,100</u>

(continued)

WILLIAMSON COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Records Archive	Records Management	Records Management and Preservation	Regional Animal Shelter (WCRAS)
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees of office	-	541,558	130,132	187,351
Fines and forfeitures	-	-	-	-
Charges for services	485,530	-	-	-
Special assessment	-	-	-	-
Intergovernmental	-	-	-	254,583
Investment income	44,905	38,131	25,040	-
Miscellaneous	-	-	-	17,981
Total revenues	<u>530,435</u>	<u>579,689</u>	<u>155,172</u>	<u>459,915</u>
EXPENDITURES				
Current:				
General government	339,104	528,588	119,193	-
Public safety	-	-	-	-
Judicial	-	-	-	-
Community services	-	-	-	925,445
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	53,753	-	-
Total expenditures	<u>339,104</u>	<u>582,341</u>	<u>119,193</u>	<u>925,445</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>191,331</u>	<u>(2,652)</u>	<u>35,979</u>	<u>(465,530)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	368,757
Transfers out	-	-	-	(50,000)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>318,757</u>
NET CHANGE IN FUND BALANCES	191,331	(2,652)	35,979	(146,773)
FUND BALANCES, BEGINNING	<u>1,368,862</u>	<u>1,269,925</u>	<u>829,679</u>	<u>50,000</u>
FUND BALANCES, ENDING	<u>\$ 1,560,193</u>	<u>\$ 1,267,273</u>	<u>\$ 865,658</u>	<u>\$ (96,773)</u>

<u>Southeast Road District</u>	<u>Southwest Road District</u>	<u>Summer School</u>	<u>Texas Youth Commission</u>	<u>Tobacco</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,371,796
-	-	-	-	-	2,590,781
-	-	-	-	-	335,695
-	-	-	-	-	808,800
86	-	-	-	-	86
-	-	66,371	38,361	752,904	1,586,235
549	27,701	12	-	119,610	380,384
-	-	-	-	3,132	21,953
<u>635</u>	<u>27,701</u>	<u>66,383</u>	<u>38,361</u>	<u>875,646</u>	<u>7,095,730</u>
-	-	-	-	-	1,338,880
-	-	13,841	41,103	-	710,966
-	-	-	-	-	813,004
-	-	-	-	643,310	2,578,821
-	-	-	-	-	620,000
-	-	-	-	-	709,523
-	-	-	-	-	139,967
<u>-</u>	<u>-</u>	<u>13,841</u>	<u>41,103</u>	<u>643,310</u>	<u>6,911,161</u>
<u>635</u>	<u>27,701</u>	<u>52,542</u>	<u>(2,742)</u>	<u>232,336</u>	<u>184,569</u>
-	-	-	-	-	1,190,973
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(56,534)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,134,439</u>
635	27,701	52,542	(2,742)	232,336	1,319,008
<u>16,639</u>	<u>841,646</u>	<u>108,083</u>	<u>37,219</u>	<u>3,823,312</u>	<u>12,344,805</u>
<u>\$ 17,274</u>	<u>\$ 869,347</u>	<u>\$ 160,625</u>	<u>\$ 34,477</u>	<u>\$ 4,055,648</u>	<u>\$ 13,663,813</u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

ALTERNATE DISPUTE RESOLUTION

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fees of office	\$ 17,000	\$ 25,030	\$ 8,030
Investment earnings	<u>4,000</u>	<u>4,632</u>	<u>632</u>
Total revenues	<u>21,000</u>	<u>29,662</u>	<u>8,662</u>
EXPENDITURES			
Current:			
Judicial	<u>4,892</u>	<u>3,378</u>	<u>1,514</u>
Total expenditures	<u>4,892</u>	<u>3,378</u>	<u>1,514</u>
NET CHANGE IN FUND BALANCE	16,108	26,284	10,176
FUND BALANCE, BEGINNING	<u>149,330</u>	<u>149,330</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 165,438</u>	<u>\$ 175,614</u>	<u>\$ 10,176</u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

COUNTY ATTORNEY HOT CHECK

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fees of office	\$ <u>132,000</u>	\$ <u>120,920</u>	\$(<u>11,080</u>)
Total revenues	<u>132,000</u>	<u>120,920</u>	(<u>11,080</u>)
EXPENDITURES			
Current:			
Judicial	<u>140,267</u>	<u>107,916</u>	<u>32,351</u>
Total expenditures	<u>140,267</u>	<u>107,916</u>	<u>32,351</u>
NET CHANGE IN FUND BALANCE	(<u>8,267</u>)	<u>13,004</u>	<u>21,271</u>
FUND BALANCE, BEGINNING	<u>18,702</u>	<u>18,702</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u><u>10,435</u></u>	\$ <u><u>31,706</u></u>	\$ <u><u>21,271</u></u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

COUNTY SHERIFF DRUG ENFORCEMENT

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fines and forfeitures	\$ -	\$ 211,282	\$ 211,282
Investment earnings	-	3,345	3,345
Total revenues	<u>-</u>	<u>214,627</u>	<u>214,627</u>
EXPENDITURES			
Current:			
Public safety	129,248	49,088	80,160
Capital outlay	<u>98,779</u>	<u>68,794</u>	<u>29,985</u>
Total expenditures	<u>228,027</u>	<u>117,882</u>	<u>110,145</u>
NET CHANGE IN FUND BALANCE	(228,027)	96,745	324,772
FUND BALANCE, BEGINNING	<u>181,189</u>	<u>181,189</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$(46,838)</u>	<u>\$ 277,934</u>	<u>\$ 324,772</u>

WILLIAMSON COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

COUNTY RADIO COMMUNICATIONS SYSTEM (RCS)

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 241,710	\$ 408,268	\$ 166,558
Total revenues	<u>241,710</u>	<u>408,268</u>	<u>166,558</u>
EXPENDITURES			
Current:			
Public safety	<u>619,744</u>	<u>606,934</u>	<u>12,810</u>
Total expenditures	<u>619,744</u>	<u>608,441</u>	<u>11,303</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(378,034)</u>	<u>(200,173)</u>	<u>177,861</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>332,578</u>	<u>236,068</u>	<u>(96,510)</u>
Total other financing sources and uses	<u>332,578</u>	<u>236,068</u>	<u>(96,510)</u>
NET CHANGE IN FUND BALANCE	<u>(45,456)</u>	<u>35,895</u>	<u>81,351</u>
FUND BALANCE, BEGINNING	<u>(56,108)</u>	<u>(56,108)</u>	<u>-</u>
FUND BALANCE, ENDING	<u><u>\$ (101,564)</u></u>	<u><u>\$ (20,213)</u></u>	<u><u>\$ 81,351</u></u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

COURT REPORTER

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fees of office	\$ 90,000	\$ 87,710	\$(2,290)
Investment earnings	<u>20,000</u>	<u>18,440</u>	<u>(1,560)</u>
Total revenues	<u>110,000</u>	<u>106,150</u>	<u>(3,850)</u>
EXPENDITURES			
Current:			
Judicial	<u>60,986</u>	<u>45,677</u>	<u>15,309</u>
Total expenditures	<u>60,986</u>	<u>45,677</u>	<u>15,309</u>
NET CHANGE IN FUND BALANCE	49,014	60,473	11,459
FUND BALANCE, BEGINNING	<u>639,845</u>	<u>639,845</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 688,859</u>	<u>\$ 700,318</u>	<u>\$ 11,459</u>

WILLIAMSON COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

COURTHOUSE SECURITY

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Final	Actual	Variance Positive (Negative)
REVENUES			
Fees of office	\$ 235,000	\$ 237,870	\$ 2,870
Investment earnings	<u>7,000</u>	<u>3,462</u>	(3,538)
Total revenues	<u>242,000</u>	<u>241,332</u>	(668)
EXPENDITURES			
Current:			
Judicial	<u>334,077</u>	<u>292,898</u>	<u>41,179</u>
Total expenditures	<u>334,077</u>	<u>292,898</u>	<u>41,179</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(92,077)	(51,566)	(41,847)
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>10,397</u>	<u>10,397</u>	<u>-</u>
Total other financing sources and uses	<u>10,397</u>	<u>10,397</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(81,680)	(41,169)	40,511
FUND BALANCE, BEGINNING	<u>134,497</u>	<u>134,497</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 52,817</u>	<u>\$ 93,328</u>	<u>\$ 40,511</u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

DISTRICT ATTORNEY DRUG ENFORCEMENT

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fines and forfeitures	\$ -	\$ 124,413	\$ 124,413
Investment earnings	<u>-</u>	<u>2,338</u>	<u>2,338</u>
Total revenues	<u>-</u>	<u>126,751</u>	<u>126,751</u>
EXPENDITURES			
Current:			
Judicial	56,383	42,828	13,555
Capital outlay	<u>-</u>	<u>5,128</u>	<u>(5,128)</u>
Total expenditures	<u>56,383</u>	<u>47,956</u>	<u>8,427</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(56,383)</u>	<u>78,795</u>	<u>135,178</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(6,600)</u>	<u>(6,534)</u>	<u>66</u>
Total other financing sources and uses	<u>(6,600)</u>	<u>(6,534)</u>	<u>66</u>
NET CHANGE IN FUND BALANCE	<u>(62,983)</u>	<u>72,261</u>	<u>135,244</u>
FUND BALANCE, BEGINNING	<u>101,778</u>	<u>101,778</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 38,795</u>	<u>\$ 174,039</u>	<u>\$ 135,244</u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

DISTRICT ATTORNEY HOT CHECK

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Miscellaneous	\$ <u>-</u>	\$ <u>840</u>	\$ <u>840</u>
Total revenues	<u>-</u>	<u>840</u>	<u>840</u>
EXPENDITURES			
Current:			
Judicial	<u>3,000</u>	<u>760</u>	<u>2,240</u>
Total expenditures	<u>3,000</u>	<u>760</u>	<u>2,240</u>
NET CHANGE IN FUND BALANCE	(3,000)	80	3,080
FUND BALANCE, BEGINNING	<u>6,096</u>	<u>6,096</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u><u>3,096</u></u>	\$ <u><u>6,176</u></u>	\$ <u><u>3,080</u></u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

DRUG COURT

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fees of office	\$ <u>3,000</u>	\$ <u>18,421</u>	\$ <u>15,421</u>
Total revenues	<u>3,000</u>	<u>18,421</u>	<u>15,421</u>
EXPENDITURES			
Current:			
Judicial	<u>7,955</u>	<u>7,955</u>	<u>-</u>
Total expenditures	<u>7,955</u>	<u>7,955</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(<u>4,955</u>)	<u>10,466</u>	<u>15,421</u>
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u><u>(4,955)</u></u>	\$ <u><u>10,466</u></u>	\$ <u><u>15,421</u></u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

ELECTION CHAPTER 19

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ <u>-</u>	\$ <u>65,748</u>	\$ <u>65,748</u>
Total revenues	<u>-</u>	<u>65,748</u>	<u>65,748</u>
EXPENDITURES			
Current:			
General government	<u>80,439</u>	<u>80,439</u>	<u>-</u>
Total expenditures	<u>80,439</u>	<u>80,439</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(<u>80,439</u>)	(<u>14,691</u>)	<u>65,748</u>
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	\$(<u>80,439</u>)	\$(<u>14,691</u>)	\$ <u>65,748</u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

ELECTION SERVICES CONTRACT

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fees of office	\$ <u>-</u>	\$ <u>390,440</u>	\$ <u>390,440</u>
Total revenues	<u>-</u>	<u>390,440</u>	<u>390,440</u>
EXPENDITURES			
Current:			
General government	<u>350,349</u>	<u>261,467</u>	<u>88,882</u>
Total expenditures	<u>350,349</u>	<u>261,467</u>	<u>88,882</u>
NET CHANGE IN FUND BALANCE	(<u>350,349</u>)	<u>128,973</u>	<u>479,322</u>
FUND BALANCE, BEGINNING	<u>63,261</u>	<u>63,261</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$(287,088)</u>	<u>\$ 192,234</u>	<u>\$ 479,322</u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

LAW LIBRARY

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fees of office	\$ 180,000	\$ 175,463	\$(4,537)
Investment earnings	<u>15,000</u>	<u>15,732</u>	<u>732</u>
Total revenues	<u>195,000</u>	<u>191,195</u>	<u>(3,805)</u>
EXPENDITURES			
Current:			
Judicial	13,700	135,349	(121,649)
Capital outlay	<u>126,000</u>	<u>-</u>	<u>126,000</u>
Total expenditures	<u>139,700</u>	<u>135,349</u>	<u>4,351</u>
NET CHANGE IN FUND BALANCE	55,300	55,846	546
FUND BALANCE, BEGINNING	<u>537,451</u>	<u>537,451</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 592,751</u>	<u>\$ 593,297</u>	<u>\$ 546</u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

PROBATE COURT

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Fees of office	\$ <u>3,000</u>	\$ <u>3,165</u>	\$ <u>165</u>
Total revenues	<u>3,000</u>	<u>3,165</u>	<u>165</u>
EXPENDITURES			
Current:			
Judicial	<u>2,800</u>	<u>-</u>	<u>2,800</u>
Total expenditures	<u>2,800</u>	<u>-</u>	<u>2,800</u>
NET CHANGE IN FUND BALANCE	200	3,165	2,965
FUND BALANCE, BEGINNING	<u>25,935</u>	<u>25,935</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u><u>26,135</u></u>	\$ <u><u>29,100</u></u>	\$ <u><u>2,965</u></u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

RECORDS ARCHIVE

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 500,000	\$ 485,530	\$(14,470)
Interest income and other	<u>40,000</u>	<u>44,905</u>	<u>4,905</u>
Total revenues	<u>540,000</u>	<u>530,435</u>	<u>(9,565)</u>
EXPENDITURES			
Current:			
General government	<u>426,056</u>	<u>339,104</u>	<u>86,952</u>
Total expenditures	<u>426,056</u>	<u>339,104</u>	<u>86,952</u>
NET CHANGE IN FUND BALANCE	113,944	191,331	77,387
FUND BALANCE, BEGINNING	<u>1,368,862</u>	<u>1,368,862</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 1,482,806</u>	<u>\$ 1,560,193</u>	<u>\$ 77,387</u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

RECORDS MANAGEMENT

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fees of office	\$ 536,235	\$ 541,558	\$ 5,323
Investment earnings	<u>40,000</u>	<u>38,131</u>	<u>(1,869)</u>
Total revenues	<u>576,235</u>	<u>579,689</u>	<u>3,454</u>
EXPENDITURES			
Current:			
General government	546,983	528,588	18,395
Capital outlay	<u>58,389</u>	<u>53,753</u>	<u>4,636</u>
Total expenditures	<u>605,372</u>	<u>582,341</u>	<u>23,031</u>
NET CHANGE IN FUND BALANCE	(29,137)	(2,652)	26,485
FUND BALANCE, BEGINNING	<u>1,269,925</u>	<u>1,269,925</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 1,240,788</u>	<u>\$ 1,267,273</u>	<u>\$ 26,485</u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

RECORDS MANAGEMENT AND PRESERVATION

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fees of office	\$ 140,000	\$ 130,132	\$(9,868)
Investment earnings	<u>25,000</u>	<u>25,040</u>	<u>40</u>
Total revenues	<u>165,000</u>	<u>155,172</u>	<u>(9,828)</u>
EXPENDITURES			
Current:			
General government	<u>144,448</u>	<u>119,193</u>	<u>25,255</u>
Total expenditures	<u>144,448</u>	<u>119,193</u>	<u>25,255</u>
NET CHANGE IN FUND BALANCE	20,552	35,979	15,427
FUND BALANCE, BEGINNING	<u>829,679</u>	<u>829,679</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 850,231</u>	<u>\$ 865,658</u>	<u>\$ 15,427</u>

WILLIAMSON COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

REGIONAL ANIMAL SHELTER (WCRAS)

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Fees of office	\$ 189,416	\$ 187,351	\$(2,065)
Intergovernmental	-	254,583	254,583
Miscellaneous	<u>1,331</u>	<u>17,981</u>	<u>16,650</u>
Total revenues	<u>190,747</u>	<u>459,915</u>	<u>269,168</u>
EXPENDITURES			
Current:			
Community services	<u>1,002,595</u>	<u>925,445</u>	<u>77,150</u>
Total expenditures	<u>1,002,595</u>	<u>925,445</u>	<u>77,150</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(811,848)</u>	<u>(465,530)</u>	<u>346,318</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	368,757	(368,757)
Transfers out	<u>-</u>	<u>(50,000)</u>	<u>50,000</u>
Total other financing sources and uses	<u>-</u>	<u>318,757</u>	<u>(318,757)</u>
NET CHANGE IN FUND BALANCE	<u>(811,848)</u>	<u>(146,773)</u>	<u>665,075</u>
FUND BALANCE, BEGINNING	<u>50,000</u>	<u>50,000</u>	<u>-</u>
FUND BALANCE, ENDING	<u><u>\$(761,848)</u></u>	<u><u>\$(96,773)</u></u>	<u><u>\$ 665,075</u></u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

SUMMER SCHOOL

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ -	\$ 66,371	\$ 66,371
Investment earnings	<u>-</u>	<u>12</u>	<u>12</u>
Total revenues	<u>-</u>	<u>66,383</u>	<u>66,383</u>
EXPENDITURES			
Current:			
Public safety	<u>31,000</u>	<u>13,841</u>	<u>17,159</u>
Total expenditures	<u>31,000</u>	<u>13,841</u>	<u>17,159</u>
NET CHANGE IN FUND BALANCE	(31,000)	52,542	83,542
FUND BALANCE, BEGINNING	<u>108,083</u>	<u>108,083</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 77,083</u>	<u>\$ 160,625</u>	<u>\$ 83,542</u>

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

TEXAS YOUTH COMMISSION

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ <u>60,000</u>	\$ <u>38,361</u>	\$(<u>21,639</u>)
Total revenues	<u>60,000</u>	<u>38,361</u>	(<u>21,639</u>)
EXPENDITURES			
Current:			
Public safety	<u>47,144</u>	<u>41,103</u>	<u>6,041</u>
Total expenditures	<u>47,144</u>	<u>41,103</u>	<u>6,041</u>
NET CHANGE IN FUND BALANCE	12,856	(2,742)	(15,598)
FUND BALANCE, BEGINNING	<u>37,219</u>	<u>37,219</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u>50,075</u>	\$ <u>34,477</u>	\$(<u>15,598</u>)

WILLIAMSON COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

TOBACCO

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 54,381	\$ 752,904	\$ 698,523
Investment income	-	119,610	119,610
Miscellaneous	<u>-</u>	<u>3,132</u>	<u>3,132</u>
Total revenues	<u>54,381</u>	<u>875,646</u>	<u>821,265</u>
EXPENDITURES			
Current:			
Community services	<u>746,159</u>	<u>643,310</u>	<u>102,849</u>
Total expenditures	<u>746,159</u>	<u>644,817</u>	<u>101,342</u>
NET CHANGE IN FUND BALANCE	(691,778)	230,829	922,607
FUND BALANCE, BEGINNING	<u>3,823,312</u>	<u>3,823,312</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 3,131,534</u>	<u>\$ 4,054,141</u>	<u>\$ 922,607</u>

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the County on a cost-reimbursement basis.

Benefits Program – This fund is used to account for the accumulation and allocation of costs associated with medical and dental benefits.

Fleet Maintenance – This fund is used to account for the maintenance and repair of motor vehicles and related costs.

WILLIAMSON COUNTY, TEXAS
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2008

	Benefits Program	Fleet Management	Total
ASSETS			
Current assets:			
Cash and investments	\$ 3,798,078	\$ 131,405	\$ 3,929,483
Accounts receivables	68,681	5,468	74,149
Inventory	-	210,383	210,383
Prepaid expenses	<u>87,857</u>	<u>-</u>	<u>87,857</u>
Total current assets	<u>3,954,616</u>	<u>347,256</u>	<u>4,301,872</u>
Non-current assets:			
Capital assets:			
Machinery and equipment	-	225,395	225,395
Less accumulated depreciation	<u>-</u>	<u>(199,877)</u>	<u>(199,877)</u>
Total non-current assets	<u>-</u>	<u>25,518</u>	<u>25,518</u>
Total assets	<u>3,954,616</u>	<u>372,774</u>	<u>4,327,390</u>
LIABILITIES			
Current liabilities:			
Accounts payable	94,118	198,067	292,185
Accrued liabilities	<u>308,068</u>	<u>21,154</u>	<u>329,222</u>
Total current liabilities	<u>402,186</u>	<u>219,221</u>	<u>621,407</u>
Total liabilities	<u>402,186</u>	<u>219,221</u>	<u>621,407</u>
NET ASSETS			
Invested in capital assets	-	25,518	25,518
Unrestricted	<u>3,552,430</u>	<u>128,035</u>	<u>3,680,465</u>
Total net assets	<u>\$ 3,552,430</u>	<u>\$ 153,553</u>	<u>\$ 3,705,983</u>

WILLIAMSON COUNTY, TEXAS**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS****INTERNAL SERVICE FUNDS****FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	<u>Benefits Program</u>	<u>Fleet Maintenance</u>	<u>Total</u>
OPERATING REVENUES			
Employer contributions	\$ 8,567,840	\$ -	\$ 8,567,840
Employee contributions	3,567,600	-	3,567,600
Charges for services	<u>-</u>	<u>3,243,338</u>	<u>3,243,338</u>
Total operating revenues	<u>12,135,440</u>	<u>3,243,338</u>	<u>15,378,778</u>
OPERATING EXPENSES			
Claims	11,171,791	-	11,171,791
Insurance	477,492	-	477,492
Administration	1,339,483	3,194,121	4,533,604
Depreciation	<u>-</u>	<u>6,139</u>	<u>6,139</u>
Total operating expenses	<u>12,988,766</u>	<u>3,200,260</u>	<u>16,189,026</u>
OPERATING INCOME (LOSS)	(853,326)	43,078	(810,248)
NON-OPERATING REVENUES			
Interest and investment revenue	<u>129,431</u>	<u>-</u>	<u>129,431</u>
Total non-operating revenues	<u>129,431</u>	<u>-</u>	<u>129,431</u>
CHANGE IN NET ASSETS	(723,895)	43,078	(680,817)
TOTAL NET ASSETS, BEGINNING	<u>4,276,325</u>	<u>110,475</u>	<u>4,386,800</u>
TOTAL NET ASSETS, ENDING	<u>\$ 3,552,430</u>	<u>\$ 153,553</u>	<u>\$ 3,705,983</u>

WILLIAMSON COUNTY, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Benefits Program</u>	<u>Fleet Maintenance</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 12,118,317	\$ 3,240,766	\$ 15,359,083
Payments to suppliers	(11,758,670)	(3,198,513)	(14,957,183)
Payments to employees	(1,339,483)	-	(1,339,483)
Net cash provided (used) by operating activities	(979,836)	42,253	(937,583)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	129,431	-	129,431
Net cash flows provided by investing activities	129,431	-	129,431
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(850,405)	42,253	(808,152)
CASH AND EQUIVALENTS, BEGINNING	4,648,483	89,152	4,737,635
CASH AND EQUIVALENTS, ENDING	\$ 3,798,078	\$ 131,405	\$ 3,929,483
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$(853,326)	\$ 43,078	\$(810,248)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	-	6,139	6,139
(Increase) decrease in accounts receivable	(17,123)	(2,572)	(19,695)
(Increase) decrease in inventory	-	(40,779)	(40,779)
(Increase) decrease in prepaid expenses	94,158	-	94,158
(Decrease) increase in accounts payable	66,059	30,674	96,733
(Decrease) increase in accrued liabilities	(269,564)	5,713	(263,851)
(Decrease) increase in accrued liabilities	(40)	-	(40)
Net cash provided (used) by operating activities	\$(979,836)	\$ 42,253	\$(937,583)

FIDUCIARY FUNDS

Agency Funds

Agency Funds serve primarily as clearing mechanisms for cash resources which are collected by a governmental unit, held as such for a brief period, and then distributed to authorized recipients.

The following comprise the County's Agency Funds:

- CCA-ICE Billing
- County Attorney Hot Check Restitution
- County Clerk Trust
- District Attorney
- District Clerk Trust
- Historical Commission
- Inmate Trust
- Justice of the Peace Bond
- Juvenile Probation
- Outreach Program
- Sheriff Special Cash Bond
- Tax Assessor – Collector
- Wilco Care Program

WILLIAMSON COUNTY, TEXAS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND
LIABILITIES - ALL AGENCY FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<u>CCA/ICE BILLING</u>				
Assets:				
Cash and investments	\$ <u>-</u>	\$ <u>35,004,403</u>	\$ <u>35,004,403</u>	\$ <u>-</u>
Liabilities:				
Due to others	\$ <u>-</u>	\$ <u>35,004,403</u>	\$ <u>35,004,403</u>	\$ <u>-</u>
<u>COUNTY ATTORNEY HOT CHECK RESTITUTION</u>				
Assets:				
Cash and investments	\$ <u>83,983</u>	\$ <u>1,175,358</u>	\$ <u>1,136,569</u>	\$ <u>122,772</u>
Liabilities:				
Due to others	\$ <u>83,983</u>	\$ <u>1,175,358</u>	\$ <u>1,136,569</u>	\$ <u>122,772</u>
<u>COUNTY CLERK TRUST</u>				
Assets:				
Cash and investments	\$ <u>2,844,455</u>	\$ <u>11,017,031</u>	\$ <u>11,091,523</u>	\$ <u>2,769,963</u>
Liabilities:				
Due to others	\$ <u>2,844,455</u>	\$ <u>11,017,031</u>	\$ <u>11,091,523</u>	\$ <u>2,769,963</u>
<u>DISTRICT ATTORNEY</u>				
Assets:				
Cash and investments	\$ <u>300,611</u>	\$ <u>1,873,452</u>	\$ <u>1,481,990</u>	\$ <u>692,073</u>
Liabilities:				
Due to others	\$ <u>300,611</u>	\$ <u>1,873,452</u>	\$ <u>1,481,990</u>	\$ <u>692,073</u>
<u>DISTRICT CLERK TRUST</u>				
Assets:				
Cash and investments	\$ <u>2,133,721</u>	\$ <u>2,329,851</u>	\$ <u>2,033,592</u>	\$ <u>2,429,980</u>
Liabilities:				
Due to others	\$ <u>2,133,721</u>	\$ <u>2,329,851</u>	\$ <u>2,033,592</u>	\$ <u>2,429,980</u>

(continued)

WILLIAMSON COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<u>HISTORICAL COMMISSION</u>				
Assets:				
Cash and investments	\$ <u>13,582</u>	\$ <u>408</u>	\$ <u>950</u>	\$ <u>13,040</u>
Liabilities:				
Due to others	\$ <u>13,582</u>	\$ <u>408</u>	\$ <u>950</u>	\$ <u>13,040</u>
<u>INMATE TRUST</u>				
Assets:				
Cash and investments	\$ <u>26,373</u>	\$ <u>1,501,723</u>	\$ <u>1,498,398</u>	\$ <u>29,698</u>
Liabilities:				
Due to others	\$ <u>26,373</u>	\$ <u>1,501,723</u>	\$ <u>1,498,398</u>	\$ <u>29,698</u>
<u>JUSTICE OF THE PEACE BOND</u>				
Assets:				
Cash and investments	\$ <u>28,705</u>	\$ <u>270,118</u>	\$ <u>265,856</u>	\$ <u>32,967</u>
Liabilities:				
Due to others	\$ <u>28,705</u>	\$ <u>270,118</u>	\$ <u>265,856</u>	\$ <u>32,967</u>
<u>JUVENILE PROBATION</u>				
Assets:				
Cash and investments	\$ <u>219,737</u>	\$ <u>162,226</u>	\$ <u>133,369</u>	\$ <u>248,594</u>
Liabilities:				
Due to others	\$ <u>219,737</u>	\$ <u>162,226</u>	\$ <u>133,369</u>	\$ <u>248,594</u>
<u>OUTREACH PROGRAM</u>				
Assets:				
Cash and investments	\$ <u>2,437</u>	\$ <u>18,907</u>	\$ <u>17,453</u>	\$ <u>3,891</u>
Liabilities:				
Due to others	\$ <u>2,437</u>	\$ <u>18,907</u>	\$ <u>17,453</u>	\$ <u>3,891</u>

(continued)

WILLIAMSON COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS (Continued) FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<u>SHERIFF SPECIAL CASH BOND</u>				
Assets:				
Cash and investments	\$ <u>37,451</u>	\$ <u>1,931,890</u>	\$ <u>1,896,966</u>	\$ <u>72,375</u>
Liabilities:				
Due to others	\$ <u>37,451</u>	\$ <u>1,931,890</u>	\$ <u>1,896,966</u>	\$ <u>72,375</u>
<u>TAX ASSESSOR-COLLECTOR</u>				
Assets:				
Cash and investments	\$ <u>5,555,198</u>	\$ <u>632,508,631</u>	\$ <u>633,825,871</u>	\$ <u>4,237,958</u>
Liabilities:				
Due to others	\$ <u>5,555,198</u>	\$ <u>632,508,631</u>	\$ <u>633,825,871</u>	\$ <u>4,237,958</u>
<u>WILCO CARE PROGRAM</u>				
Assets:				
Cash and investments	\$ <u>100</u>	\$ <u>3,217,712</u>	\$ <u>3,215,412</u>	\$ <u>2,400</u>
Liabilities:				
Due to others	\$ <u>100</u>	\$ <u>3,217,712</u>	\$ <u>3,215,412</u>	\$ <u>2,400</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets:				
Cash and investments	\$ <u>11,246,353</u>	\$ <u>691,011,710</u>	\$ <u>691,602,352</u>	\$ <u>10,655,711</u>
Liabilities:				
Due to others	\$ <u>11,246,353</u>	\$ <u>691,011,710</u>	\$ <u>691,602,352</u>	\$ <u>10,655,711</u>

STATISTICAL SECTION
(Unaudited)

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STATISTICAL SECTION

(Unaudited)

This portion of Williamson County's comprehensive annual financial report presents multiple years of data to provide a historical perspective for understanding the information available in the financial statements, note disclosures, and required supplementary information and for assessing the County's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	100
Revenue Capacity These schedules contain trend information to help the reader assess the County's most significant local revenue resource.	109
Debt Capacity These schedules contain trend information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	118
Economic and Demographic Indicators These schedules contain economic and demographic information to help the reader understand the environment within which the County's financial activities take place.	123
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services and activities performed by the County.	125
Miscellaneous Information These pages contain additional data about the area, communities, colleges, medical facilities, and County government offices.	130

WILLIAMSON COUNTY, TEXAS

NET ASSETS BY COMPONENT

LAST SIX FISCAL YEARS (Full accrual basis of accounting)

	Fiscal Year		
	2008	2007	2006
Governmental activities:			
Invested in capital assets, net of related debt	\$ 140,117,628	\$ 184,660,300	\$ 128,908,310
Restricted	37,344,812	31,411,957	22,765,431
Unrestricted	<u>(160,037,655)</u>	<u>(183,152,945)</u>	<u>(168,996,351)</u>
Total governmental activities net assets	\$ <u>17,424,785</u>	\$ <u>32,919,312</u>	\$ <u>(17,322,610)</u>
Primary government:			
Invested in capital assets, net of related debt	\$ 140,117,628	\$ 184,660,300	\$ 128,908,310
Restricted	37,344,812	31,411,957	22,765,431
Unrestricted	<u>(160,037,655)</u>	<u>(183,152,945)</u>	<u>(168,996,351)</u>
Total primary government net assets	\$ <u>17,424,785</u>	\$ <u>32,919,312</u>	\$ <u>(17,322,610)</u>

Source: Comprehensive Annual Financial Report

Notes:

Financial data includes blended component unit (Avery Ranch Road District), but does not include discretely presented component unit (Conservation Foundation).

Accrual-basis financial information for the County as a whole is available back to 2003 only, the year GASB Statement 34 was implemented.

TABLE 1

Fiscal Year		
2005	2004	2003
\$ 35,332,710	\$(121,442,482)	\$(117,831,069)
20,486,235	21,843,704	19,208,104
<u>(117,641,631)</u>	<u>16,520,500</u>	<u>14,502,613</u>
<u>\$(61,822,686)</u>	<u>\$(83,078,278)</u>	<u>\$(84,120,352)</u>
\$ 35,332,710	\$(121,442,482)	\$(117,831,069)
20,486,235	21,843,704	19,208,104
<u>(117,641,631)</u>	<u>16,520,500</u>	<u>14,502,613</u>
<u>\$(61,822,686)</u>	<u>\$(83,078,278)</u>	<u>\$(84,120,352)</u>

WILLIAMSON COUNTY, TEXAS

CHANGES IN NET ASSETS

LAST SIX FISCAL YEARS

(Full accrual basis of accounting)

	Fiscal Year		
	2008	2007	2006
EXPENSES			
Governmental activities:			
General government	\$ 24,893,815	\$ 23,497,198	\$ 22,050,767
Public safety	61,670,538	90,897,137	65,719,879
Transportation support	70,415,173	20,028,127	39,753,817
Judicial	17,135,891	15,557,642	14,694,150
Community services	11,981,593	9,646,823	9,082,766
Interest on long-term debt	<u>34,786,909</u>	<u>25,108,101</u>	<u>23,506,255</u>
Total governmental activities expenses	<u>220,883,919</u>	<u>184,735,028</u>	<u>174,807,634</u>
 Total primary government expenses	 \$ <u>220,883,919</u>	 \$ <u>184,735,028</u>	 \$ <u>174,807,634</u>
 PROGRAM REVENUES			
Governmental activities:			
Charges for services:			
General government	\$ 8,159,720	\$ 8,016,465	\$ 8,270,015
Public safety	10,889,257	43,221,647	22,902,790
Transportation support	6,058,560	6,014,536	6,033,748
Judicial	7,666,021	7,809,982	6,984,849
Community services	1,379,501	723,092	635,594
Operating grants and contributions	7,373,406	11,570,786	10,809,892
Capital grants and contributions	<u>1,807,836</u>	<u>1,998,962</u>	<u>-</u>
Total governmental activities program revenues	<u>43,334,301</u>	<u>79,355,470</u>	<u>55,636,888</u>
 Total primary government program revenues	 \$ <u>43,334,301</u>	 \$ <u>79,355,470</u>	 \$ <u>55,636,888</u>
 NET (EXPENSE) REVENUES			
Governmental activities	<u>\$(177,549,618)</u>	<u>\$(105,379,558)</u>	<u>\$(119,170,746)</u>
Total primary government net expense	<u>(177,549,618)</u>	<u>(105,379,558)</u>	<u>(119,170,746)</u>

(continued)

TABLE 2

Fiscal Year		
2005	2004	2003
\$ 18,233,750	\$ 21,457,291	\$ 12,476,452
49,724,886	46,651,544	50,231,160
25,084,181	11,229,669	57,597,735
13,133,036	21,736,281	9,507,975
9,442,407	7,898,641	6,119,800
24,020,808	20,506,113	22,415,777
<u>139,639,068</u>	<u>129,479,539</u>	<u>158,348,899</u>
<u>\$ 139,639,068</u>	<u>\$ 129,479,539</u>	<u>\$ 158,348,899</u>
\$ 4,668,087	\$ 5,252,164	\$ 4,570,423
8,451,966	9,069,319	16,167,807
5,145,197	4,912,475	4,804,479
6,288,221	6,390,698	4,013,638
567,053	526,523	417,537
9,161,037	4,292,094	12,337,715
-	-	222,848
<u>34,281,561</u>	<u>30,443,273</u>	<u>42,534,447</u>
<u>\$ 34,281,561</u>	<u>\$ 30,443,273</u>	<u>\$ 42,534,447</u>
<u>\$(105,357,507)</u>	<u>\$(99,036,266)</u>	<u>\$(115,814,452)</u>
(105,357,507)	(99,036,266)	(115,814,452)

WILLIAMSON COUNTY, TEXAS

CHANGES IN NET ASSETS (Continued) LAST SIX FISCAL YEARS (Full accrual basis of accounting)

	Fiscal Year		
	2008	2007	2006
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS			
Governmental activities:			
Taxes:			
Property tax, levied for general purposes	\$ 81,973,085	\$ 72,536,843	\$ 68,689,297
Property tax, levied for farm to market	10,376,729	9,688,093	8,889,879
Property tax, levied for debt service	54,244,437	46,495,030	37,359,004
Other	558,929	493,372	417,525
Investment earnings	14,777,336	12,767,274	10,696,910
Miscellaneous	124,575	91,256	21,248
Total governmental activities	<u>162,055,091</u>	<u>142,071,868</u>	<u>126,073,863</u>
Total primary government	<u>162,055,091</u>	<u>142,071,868</u>	<u>126,073,863</u>
CHANGE IN NET ASSETS			
Governmental activities	<u>(15,494,527)</u>	<u>36,692,310</u>	<u>6,903,117</u>
Total primary government	<u>\$(15,494,527)</u>	<u>\$ 36,692,310</u>	<u>\$ 6,903,117</u>
Prior period adjustment	<u>\$ -</u>	<u>\$ 13,549,612</u>	<u>\$ 37,596,959</u>

Source: Comprehensive Annual Financial Report

Notes:

Financial data includes blended component units (Avery Ranch Road District), but does not include discretely presented component unit (Conservation Foundation).

Accrual-basis financial information for the County as a whole is available back to 2003 only, the year GASB Statement 34 was implemented.

TABLE 2

Fiscal Year		
2005	2004	2003
\$ 63,873,158	\$ 60,370,650	\$ 52,528,265
7,091,323	6,687,648	6,351,501
38,178,467	28,976,882	29,187,268
368,982	-	-
4,982,047	2,536,979	3,334,361
267,402	1,506,181	341,130
<u>114,761,379</u>	<u>100,078,340</u>	<u>91,742,525</u>
<u>114,761,379</u>	<u>100,078,340</u>	<u>91,742,525</u>
<u>9,403,872</u>	<u>1,042,074</u>	<u>(24,071,927)</u>
\$ <u>9,403,872</u>	\$ <u>1,042,074</u>	\$ <u>(24,071,927)</u>
\$ <u>11,851,720</u>	\$ <u>-</u>	\$ <u>-</u>

WILLIAMSON COUNTY, TEXAS

FUND BALANCES GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS *(Modified accrual basis of accounting)*

	Fiscal Year			
	2008	2007	2006	2005
General fund				
Reserved	\$ 1,580,512	\$ -	\$ -	\$ -
Unreserved	<u>47,756,679</u>	<u>40,663,714</u>	<u>33,979,722</u>	<u>27,147,720</u>
Total general fund	<u>\$ 49,337,191</u>	<u>\$ 40,663,714</u>	<u>\$ 33,979,722</u>	<u>\$ 27,147,720</u>
All other governmental funds				
Reserved for:				
Debt service	\$ -	\$ -	\$ -	\$ -
Capital projects fund	-	-	-	-
Designated for:				
Capital projects fund	113,753	50,000	-	-
Unreserved, reported in:				
Special revenue funds	28,023,654	24,283,185	21,637,161	17,399,178
Debt service funds	12,143,357	8,652,890	6,166,044	4,888,930
Capital projects fund	<u>216,052,596</u>	<u>288,560,531</u>	<u>174,019,834</u>	<u>82,870,693</u>
Total all other governmental funds	<u>\$ 256,333,360</u>	<u>\$ 321,546,606</u>	<u>\$ 201,823,039</u>	<u>\$ 105,158,801</u>

Source: Comprehensive Annual Financial Report

Note:

Financial data includes blended component unit (Avery Ranch Road District), but does not include discretely presented component unit (Conservation Foundation).

TABLE 3

Fiscal Year					
<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
\$ - <u>19,525,709</u>	\$ - <u>14,529,616</u>	\$ - <u>10,214,313</u>	\$ - <u>9,294,482</u>	\$ - <u>8,704,135</u>	\$ - <u>9,247,293</u>
\$ <u>19,525,709</u>	\$ <u>14,529,616</u>	\$ <u>10,214,313</u>	\$ <u>9,294,482</u>	\$ <u>8,704,135</u>	\$ <u>9,247,293</u>
\$ - -	\$ - 356,548	\$ 2,744,581 196,689,468	\$ 2,529,650 -	\$ 2,308,068 -	\$ 1,878,226 -
-	-	-	-	-	-
15,553,328	14,272,110	13,335,056	11,269,176	9,424,329	8,042,097
4,255,339	3,091,531	-	-	-	-
<u>116,507,511</u>	<u>97,883,380</u>	<u>-</u>	<u>169,851,556</u>	<u>88,462,711</u>	<u>22,693,709</u>
\$ <u>136,316,178</u>	\$ <u>115,603,569</u>	\$ <u>212,769,105</u>	\$ <u>183,650,382</u>	\$ <u>100,195,108</u>	\$ <u>32,614,032</u>

WILLIAMSON COUNTY, TEXAS

CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS *(Modified accrual basis of accounting)*

	Fiscal Year			
	2008	2007	2006	2005
REVENUES				
Taxes	\$ 147,070,997	\$ 129,088,118	\$ 115,139,980	\$ 108,748,888
Fees of office	11,008,180	10,841,922	9,893,132	7,669,411
Fines and forfeitures	4,991,691	4,922,538	4,477,813	4,227,690
Assessments	86	1,331	176,320	-
Charges for services	9,645,113	8,374,733	6,675,991	7,023,855
Intergovernmental	10,380,199	46,530,656	27,604,602	10,933,595
Motor vehicle registration	5,613,275	5,489,139	5,537,941	5,140,934
Investment income	14,182,060	13,957,255	10,529,092	5,223,456
Miscellaneous	518,257	1,088,487	222,839	-
Total revenues	<u>203,409,858</u>	<u>220,294,179</u>	<u>180,257,710</u>	<u>148,967,829</u>
EXPENDITURES				
General government	22,609,264	23,462,700	18,386,365	16,756,444
Public safety	58,029,442	87,225,958	62,607,741	44,842,978
Transportation support	48,905,035	27,874,393	23,647,607	24,225,477
Judicial	16,200,005	14,730,003	12,954,769	11,492,104
Community services	10,770,909	9,934,119	8,429,775	8,953,255
Capital outlay	61,599,221	49,215,141	44,767,764	38,289,890
Debt service				
Principal	20,457,972	18,650,000	15,750,000	12,925,000
Interest	32,567,790	31,201,896	22,253,754	25,924,994
Total expenditures	<u>271,139,638</u>	<u>262,294,210</u>	<u>208,797,775</u>	<u>183,410,142</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(67,729,780)</u>	<u>(42,000,031)</u>	<u>(28,540,065)</u>	<u>(34,442,313)</u>

TABLE 4

Fiscal Year					
2004	2003	2002	2001	2000	1999
\$ 96,071,361	\$ 87,834,944	\$ 66,273,475	\$ 53,570,374	\$ 40,051,338	\$ 35,219,080
7,213,692	7,384,448	13,229,784	14,310,256	14,985,055	14,913,061
4,166,753	4,087,535	3,993,397	4,081,594	3,735,753	3,515,883
-	-	-	-	-	-
6,733,716	5,837,713	4,507,989	4,487,010	3,881,200	3,753,398
7,913,409	19,820,975	15,868,851	13,798,242	15,509,958	16,144,281
4,837,231	4,744,671	4,222,986	3,876,721	3,531,394	3,347,441
3,793,781	3,528,092	6,361,484	4,713,250	2,921,504	799,529
-	-	4,387	-	-	-
<u>130,729,943</u>	<u>133,238,378</u>	<u>114,462,353</u>	<u>98,837,447</u>	<u>84,616,202</u>	<u>77,692,673</u>
13,275,924	11,769,789	11,340,647	10,590,043	10,214,880	9,370,360
44,042,395	48,605,775	49,395,451	44,777,479	44,892,158	39,458,129
9,731,808	57,224,707	9,615,290	18,814,505	22,266,796	7,828,423
10,734,465	10,510,510	8,983,695	8,057,859	6,877,177	6,130,402
6,830,019	6,012,386	4,460,409	3,672,527	4,991,846	2,870,169
67,401,499	68,838,281	138,786,073	32,275,867	5,379,255	7,944,684
8,800,000	6,599,777	9,268,043	4,187,635	3,420,000	3,225,000
<u>21,754,497</u>	<u>23,059,841</u>	<u>17,146,280</u>	<u>11,114,901</u>	<u>2,223,459</u>	<u>2,368,128</u>
<u>182,570,607</u>	<u>232,621,066</u>	<u>248,995,888</u>	<u>133,490,816</u>	<u>100,265,571</u>	<u>79,195,295</u>
(51,840,664)	(99,382,688)	(134,533,535)	(34,653,369)	(15,649,369)	(1,502,622)

(continued)

WILLIAMSON COUNTY, TEXAS

CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

(Continued)

LAST TEN FISCAL YEARS

(Modified accrual basis of accounting)

	Fiscal Year			
	2008	2007	2006	2005
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 2,043,298	\$ 1,873,113	\$ 2,130,316	\$ 492,336
Transfers out	(2,043,298)	(1,873,113)	(2,130,316)	(492,336)
Proceeds from sale of capital assets	345,933	231,995	650,536	3,980,681
Issuance of capital lease	844,078	-	-	-
Payment to bond escrow agent	-	(115,236,116)	-	(90,928,483)
Discount on long-term debt	-	(614,069)	-	(27,818)
Premium on long-term debt	-	10,645,837	4,740,769	8,337,567
Issuance of bond	<u>10,000,000</u>	<u>273,379,942</u>	<u>126,645,000</u>	<u>89,545,000</u>
Total other financing sources (uses)	<u>11,190,011</u>	<u>168,407,589</u>	<u>132,036,305</u>	<u>10,906,947</u>
NET CHANGE IN FUND BALANCES	<u>\$ (56,539,769)</u>	<u>\$ 126,407,558</u>	<u>\$ 103,496,240</u>	<u>\$ (23,535,366)</u>
PRIOR PERIOD ADJUSTMENT	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DEBT SERVICES (PRINCIPAL AND INTEREST) AS PERCENTAGE OF NONCAPITAL EXPENDITURES	<u>19.6%</u>	<u>23.5%</u>	<u>23.5%</u>	<u>26.1%</u>

Source: Comprehensive Annual Financial Report

Note:

Financial data includes blended component unit (Avery Ranch Road District), but does not include discretely presented component unit (Conservation Foundation).

TABLE 4

Fiscal Year					
2004	2003	2002	2001	2000	1999
\$ 756,178	\$ 1,538,904	\$ 847,215	\$ 176,847	\$ 3,450,938	\$ 223,457
(705,485)	(238,904)	(849,798)	(176,847)	(3,450,801)	(223,457)
1,063,360	-	-	-	-	-
-	-	-	5,650,000	82,687,150	372,376
(83,135,418)	-	-	(1,703,225)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>159,570,731</u>	<u>4,620,000</u>	<u>164,574,672</u>	<u>114,700,000</u>	<u>-</u>	<u>-</u>
<u>77,549,366</u>	<u>5,920,000</u>	<u>164,572,089</u>	<u>118,646,775</u>	<u>82,687,287</u>	<u>372,376</u>
\$ <u>25,708,702</u>	\$ <u>(93,462,688)</u>	\$ <u>30,038,554</u>	\$ <u>83,993,406</u>	\$ <u>67,037,918</u>	\$ <u>(1,130,246)</u>
\$ <u>-</u>	\$ <u>612,455</u>	\$ <u>-</u>	\$ <u>52,215</u>	\$ <u>-</u>	\$ <u>-</u>
<u>26.5%</u>	<u>18.1%</u>	<u>24.0%</u>	<u>15.1%</u>	<u>5.9%</u>	<u>7.8%</u>

WILLIAMSON COUNTY, TEXAS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY^a.

LAST TEN FISCAL YEARS

General and Debt Service

Fiscal Year	Residential Property	Commercial Property	Other Property	Personal Property
2008 ^d	\$ 19,836,021,861	\$ 10,095,823,007	\$ 3,652,223,403	\$ 2,391,442,420
2007 ^d	16,949,243,233	8,648,223,231	3,062,299,235	2,124,454,124
2006 ^d	15,165,389,592	7,556,900,275	2,499,228,282	2,019,162,484
2005 ^d	14,166,369,708	6,927,265,502	2,321,320,146	1,974,071,130
2004 ^b	12,924,758,892	6,109,209,883	1,960,871,213	1,951,602,115
2003 ^b	12,031,852,821	5,878,790,255	1,867,652,538	1,970,790,122
2002 ^b	10,754,218,153	5,069,512,487	1,666,707,177	1,922,410,932
2001 ^b	N/A	N/A	N/A	N/A
2000 ^b	N/A	N/A	N/A	N/A
1999 ^b	N/A	N/A	N/A	N/A

Road and Bridge

Fiscal Year	Residential Property	Commercial Property	Other Property	Personal Property
2008 ^d	\$ 19,836,021,861	\$ 10,095,823,007	\$ 3,652,223,403	\$ 2,391,442,420
2007 ^d	16,949,243,233	8,648,223,231	3,062,299,235	2,124,454,124
2006 ^d	15,165,389,592	7,556,900,275	2,499,228,282	2,019,162,484
2005 ^d	14,166,369,708	6,927,265,502	2,321,320,146	1,974,071,130
2004 ^b	12,924,758,892	6,109,209,883	1,960,871,213	1,951,449,535
2003 ^b	12,031,852,821	5,878,790,255	1,867,652,538	1,970,781,390
2002 ^b	10,754,218,153	5,069,512,487	1,666,707,177	1,921,181,532
2001 ^b	N/A	N/A	N/A	N/A
2000 ^b	N/A	N/A	N/A	N/A
1999 ^b	N/A	N/A	N/A	N/A

Source: Williamson County Appraisal District

Note: Property is required to be reappraised at least once every three years according to Texas Tax Code Section 26.18(b).

N/A Not Available

- a - Property is assessed at actual value; therefore, the assessed values are equal to actual value.
- b - The assessed values represent the Appraisal Review Board's approved totals from original certified roll.
- c - Tax rates are per \$100 of assessed value.
- d - The assessed values represent the Appraisal Review Board's approved totals from the last supplement as the respective fiscal year-end.

TABLE 5

Less: Tax-exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate ^c
\$ 6,643,909,687	\$ 29,331,601,004	0.459100
5,575,552,434	25,208,667,389	0.467492
4,845,816,791	22,394,863,842	0.466157
4,546,056,922	20,842,969,564	0.478852
3,973,202,941	18,973,239,162	0.448229
3,674,651,950	18,074,433,786	0.425400
3,396,633,108	16,016,215,641	0.354290
N/A	13,808,829,899	0.347720
N/A	11,431,240,187	0.299500
N/A	9,226,958,113	0.299000

Less: Tax-exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate ^c
\$ 6,473,716,698	\$ 29,501,793,993	0.030000
5,429,196,627	25,355,023,196	0.032165
4,723,701,403	22,516,979,230	0.033500
4,448,331,180	20,940,695,306	0.033365
3,900,603,577	19,045,685,946	0.033581
3,704,748,962	18,044,328,042	0.032900
3,420,185,607	15,991,433,742	0.041000
N/A	13,791,481,446	0.047280
N/A	11,417,566,433	0.048100
N/A	9,212,524,760	0.047000

WILLIAMSON COUNTY, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATE (PER \$ 100 ASSESSED VALUE)

LAST TEN FISCAL YEARS

	Fiscal Year		
	2008	2007	2006
County direct rates			
General	0.275000	0.283355	0.300500
Debt Service	0.184100	0.184137	0.165657
Road & Bridge	0.030000	0.032165	0.033500
Total direct rate	0.489100	0.499657	0.499657
City and Town rates			
Austin	0.403400	0.412600	0.443000
Bartlett	0.631400	0.602700	0.602700
Cedar Park	0.508070	0.518070	0.518070
Florence	0.500000	0.500000	0.500000
Georgetown	0.356590	0.367280	0.346260
Granger	0.829595	0.829595	0.500000
Hutto	0.493520	0.493521	0.493521
Jarrell	0.137495	0.137495	0.045000
Leander	0.607591	0.598291	0.548291
Liberty Hill	0.271600	0.221600	0.200000
Round Rock	0.365220	0.371050	0.371050
Taylor	0.790000	0.795000	0.786500
Thrall	0.435906	0.435906	0.410000
Weir	0.260187	0.257702	0.166608
School District rates			
Bartlett	1.173360	1.459400	1.633700
Burnet Consolidated	1.275000	1.597800	1.740000
Coupland	1.040050	1.370000	1.500000
Florence	1.230000	1.560000	1.730000
Georgetown	1.290000	1.625000	1.755000
Granger	1.085000	1.417300	1.547500
Hutto	1.410000	1.705000	1.833300
Jarrell	1.270000	1.620000	1.690000
Leander	1.333400	1.643800	1.750000
Lexington	1.104000	1.419260	1.531700
Liberty Hill	1.250000	1.640000	1.665000
Round Rock	1.323805	1.640646	1.833411
Taylor	1.200000	1.540000	1.670000
Thorndale	1.315000	1.472000	1.580000
Thrall	1.180000	1.490000	1.620000

TABLE 6

Fiscal Year						
2005	2004	2003	2002	2001	2000	1999
\$ 0.300545	\$ 0.301130	\$ 0.272700	\$ 0.250660	\$ 0.256190	\$ 0.250100	\$ 0.244000
0.178307	0.147099	0.152700	0.103630	0.091530	0.049400	0.055000
<u>0.033365</u>	<u>0.033581</u>	<u>0.032900</u>	<u>0.041000</u>	<u>0.047280</u>	<u>0.048100</u>	<u>0.047000</u>
0.512217	0.481810	0.458300	0.395290	0.395000	0.347600	0.346000
0.443000	0.492800	0.459700	0.459700	0.466300	0.503400	0.514200
0.386300	0.312900	0.273400	0.238500	0.229900	0.213400	0.200300
0.488070	0.468070	0.448240	0.448240	0.499600	0.483900	0.453000
0.500000	0.520000	0.500000	0.500000	0.500000	0.500000	0.550000
0.346260	0.321940	0.302610	0.307080	0.314090	0.340000	0.350000
0.500000	0.500000	0.489940	0.458890	0.481970	0.497500	0.445300
0.503521	0.503521	0.380000	0.385750	0.373570	0.300000	0.300000
N/A	N/A	N/A	N/A	N/A	N/A	N/A
0.556626	0.558450	0.558450	0.478990	0.483900	0.486360	0.421953
N/A	N/A	N/A	N/A	N/A	N/A	N/A
0.379720	0.357152	0.342200	0.322070	0.330310	0.362950	0.385000
0.740000	0.748762	0.748762	0.714520	0.483900	0.629200	0.627500
0.300000	0.250000	0.205330	0.205200	0.212980	0.210100	0.223500
0.154400	0.140860	0.140860	0.125430	0.126470	0.123900	0.125500
1.593900	1.550700	1.420300	1.402200	1.440700	1.385000	1.400000
1.750000	1.679000	1.581700	1.581700	1.490000	1.490000	1.550000
1.500000	1.500000	1.500000	1.500000	1.488400	1.488400	1.500000
1.730000	1.730000	1.730000	1.730000	1.730000	1.730000	1.680000
1.755000	1.765000	1.730000	1.685000	1.737000	1.625000	1.745000
1.547500	1.497931	1.484000	1.520000	1.550000	1.540000	1.180000
1.739000	1.739000	1.681682	1.700000	1.620000	1.558300	1.650000
1.560000	1.590000	1.619900	1.499900	1.370000	1.370000	1.370000
1.790000	1.830000	1.722000	1.650000	1.621070	1.631730	1.627000
1.547500	1.515700	1.446100	1.471200	1.576300	1.355400	1.283200
1.665000	1.665000	1.665000	1.600000	1.562500	1.580000	1.580000
1.857213	1.864261	1.792361	1.738653	1.708640	1.711140	1.757537
1.670000	1.650000	1.610000	1.580000	1.580000	1.536000	1.520000
1.570000	1.570000	1.570000	1.520000	1.500000	1.472000	1.450000
1.620000	1.620000	1.540000	1.540000	1.397880	1.377200	1.350000

(continued)

WILLIAMSON COUNTY, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATE (PER \$ 100 ASSESSED VALUE)

(Continued)

LAST TEN FISCAL YEARS

	Fiscal Year		
	2008	2007	2006
Municipal Utility Districts rates			
Anderson Mill	\$ 0.464000	\$ 0.464000	\$ 0.447312
Blockhouse	0.859900	0.862400	0.820000
Brushy Creek (BC)	0.500000	0.520000	0.580000
BC - Cornerstone Defined Area	0.360000	0.360000	0.360000
BC - Sendero Springs Defined Area	0.360000	0.360000	0.360000
Fern Bluff	0.509500	0.509500	0.515000
Meadows of Chandler Creek	0.540000	0.584000	0.622400
North Austin #1	0.418000	0.450000	0.450000
Paloma Lakes #1	0.950000	N/A	N/A
Paloma Lakes #2	0.950000	N/A	N/A
Ranch at Cypress Creek #1	0.628200	0.692700	0.692700
Sonterra	0.650000	N/A	N/A
Springwoods	0.509000	0.511900	0.516300
Stonewall Ranch	1.000000	N/A	N/A
Walsh Ranch	0.560000	0.490000	N/A
Williamson County #9	0.750800	0.812600	0.812600
Williamson County #10	0.900000	0.900000	0.900000
Williamson County #11	0.900000	0.900000	N/A
Williamson County #12	0.850000	0.850000	N/A
Williamson County #13	0.850000	0.850000	N/A
Williamson/Travis County #1	0.717000	0.734200	0.784200
Emergency Service Districts			
ESD #1	0.100000	0.100000	0.100000
ESD #2	0.100000	0.100000	0.098707
ESD #3	0.100000	0.100000	0.100000
ESD #4	0.100000	0.100000	0.100000
ESD #5	0.100000	0.100000	0.075000
ESD #6	0.100000	0.100000	0.097213
ESD #7	0.100000	0.100000	0.100000
ESD #8	0.098511	0.100000	N/A
ESD #9	0.100000	0.100000	N/A
ESD #10	0.100000	0.100000	N/A
Other Taxing District rates			
Austin Community College	0.095800	0.096500	0.099100
Avery Ranch Road District	0.171500	0.233490	0.275000
Georgetown Village			
Public Improvement District	0.200000	0.200000	0.200000
Donahoe Creek Watershed	0.020000	0.020000	0.020000
Upper Brushy Creek Water			
Control and Improvement District	0.020000	0.020000	0.020000
Williamson County Water, Sewer,			
Irrigation and Drainage District #3	0.773000	0.850000	0.850000
Sources: Williamson County Tax Assessor/Collector		Burnet County Appraisal District	
Williamson County Appraisal District		Lee County Appraisal District	
Bell County Appraisal District		Milam County Appraisal District	

Notes:

N/A - Not applicable

Texas Tax Code Section 26.07(a)

If the governing body of a taxing unit other than a school district adopts a tax rate that exceeds the rollback tax rate calculated..., the qualified voters of the taxing unit by petition may require that an election be held to determine whether or not to reduce the tax rate adopted for the current year to the rollback tax rate calculated.

TABLE 6

Fiscal Year						
2005	2004	2003	2002	2001	2000	1999
\$ 0.467520	\$ 0.467520	\$ 0.447520	\$ 0.467430	\$ 0.477430	\$ 0.500000	\$ 0.505471
0.820000	0.820000	0.770500	0.780500	0.830000	0.850000	0.900000
0.610000	0.610000	0.610000	0.610000	0.615700	0.630000	0.630000
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
0.520000	0.540000	0.565000	0.570000	0.588200	0.670000	0.715000
0.627400	0.647200	0.683800	0.743200	0.743200	0.791000	0.796000
0.500000	0.500000	0.510000	0.550000	0.580300	0.685000	0.710000
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
0.500800	0.661800	0.677000	0.690500	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
0.516300	0.516300	0.452500	0.380000	0.320000	0.250000	0.250000
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
0.812600	0.832400	0.832400	0.832400	0.832400	0.832400	0.832400
0.900000	0.900000	0.900000	0.900000	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
0.796500	0.776500	0.776500	0.835900	0.846340	0.892200	0.897400
0.100000	0.100000	0.100000	0.100000	0.100000	0.081400	0.081400
0.100000	0.096457	0.074000	0.064000	0.064000	0.064000	0.061500
0.082500	0.082500	0.087000	0.073760	0.070000	N/A	N/A
0.100000	0.100000	0.100000	0.100000	N/A	N/A	N/A
0.075000	0.075000	0.075000	N/A	N/A	N/A	N/A
0.098934	0.100000	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
0.090000	0.077100	0.050000	0.050000	0.050000	0.050000	0.050000
0.275000	0.275000	0.275000	N/A	N/A	N/A	N/A
0.200000	0.200000	0.200000	0.200000	0.200000	N/A	N/A
0.020000	0.020000	0.020000	0.020000	0.020000	0.020000	0.020000
0.020000	0.020000	0.020000	N/A	N/A	N/A	N/A
0.850000	0.850000	0.850000	0.850000	0.850000	N/A	N/A

WILLIAMSON COUNTY, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2008		
	Taxable Assessed Value ^a	Rank	Percentage of Total County Taxable Assessed Value
Dell Computer Holdings, LP	\$ 195,281,600	1	0.75%
TXU Electric Delivery Company	117,146,978	2	0.45%
CPG Round Rock, LP	108,535,031	3	0.42%
Lakeline Developers	99,985,973	4	0.38%
Baltgem Development Corp. Et, Al.	89,155,876	5	0.34%
Atlantic Financial Group, LTD	85,074,082	6	0.33%
Southwestern Bell Telephone	75,444,297	7	0.29%
Scott & White Memorial Hospital	72,486,282	8	0.28%
Amaravathi, LTD & Amaravathi Keerthi, LLC	72,386,459	9	0.28%
Toppan Photomasks	63,282,109	10	0.24%
Cypress Semiconductor	-		- %
Three M Company	-		- %
Lakeline Plaza Developers	-		- %
Abbott Laboratories	-		- %
Solectron	-		- %
Sulzer Orthopedics	-		- %
Tellabs Operations, Inc.	-		- %
Total	\$ <u>978,778,687</u>		<u>3.76%</u>
Total taxable assessed value	\$ <u>26,027,544,496</u>		<u>100.00%</u>

Sources:

Williamson County Tax Assessor/Collector
Williamson County Appraisal District

Note:

a - The assessed values represent the Appraisal Review Board's approved totals from the last supplement as the respective fiscal year-end.

TABLE 7

1999			
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
\$	110,875,104	2	1.20%
	55,689,882	7	0.60%
	-		- %
	-		- %
	-		- %
	-		- %
	77,556,977	4	0.84%
	-		- %
	-		- %
	-		- %
	141,622,900	1	1.53%
	110,840,665	3	1.20%
	71,658,072	5	0.78%
	56,948,588	6	0.62%
	54,009,840	8	0.59%
	48,054,836	9	0.52%
	<u>46,231,333</u>	10	<u>0.50%</u>
\$	<u>773,488,197</u>		
\$	<u>9,226,958,113</u>		<u>100.00%</u>

TABLE 8

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

General and Debt Service

Fiscal Year		Tax Levy as of Fiscal Year End (Original)	Adjustments	Adjusted Tax Levy	Collected within the Fiscal Year of the Levy		Subsequent Collections	Total Collections to Date	
					Amount	Percentage of Levy Original		Amount	Percentage of Levy Adjusted
2008	a/d	\$ 133,810,940	\$ -	\$ 133,810,940	\$ 132,745,977	99.20%	\$ - c	\$ 132,745,977	99.20%
2007	a/d	117,413,150	(50,819)	117,362,331	116,456,546	99.19%	637,960 c	117,094,506	99.77%
2006	a/d	104,326,750	(179,012)	104,147,738	103,213,742	98.93%	769,790 c	103,983,532	99.84%
2005	a/d	99,758,187	(102,320)	99,655,867	98,488,743	98.73%	1,032,134 c	99,520,877	99.86%
2004	a/d	88,023,206	(41,830)	87,981,376	86,705,850	98.50%	1,154,482 c	87,860,332	99.86%
2003	a/d	81,272,986	(245,519)	81,027,467	80,073,322	98.52%	869,488 c	80,942,810	99.90%
2002	a/d	59,243,394	(100,277)	59,143,117	58,452,760	98.67%	621,685 c	59,074,445	99.88%
2001	e	47,749,943	-	47,749,943	47,213,026	98.88%	452,410 b	47,665,436	99.82%
2000	e	34,451,180	-	34,451,180	34,071,276	98.90%	522,556 b	34,593,832	100.41%
1999	e	30,418,842	-	30,418,842	29,903,010	98.30%	530,208 b	30,433,218	100.05%

Road and Bridge

Fiscal Year		Tax Levy as of Fiscal Year End (Original)	Adjustments	Adjusted Tax Levy	Collected within the Fiscal Year of the Levy		Subsequent Collections	Total Collections to Date	
					Amount	Percentage of Levy Original		Amount	Percentage of Levy Adjusted
2008	a/d	\$ 8,829,899	\$ -	\$ 8,829,899	\$ 8,758,487	99.19%	\$ - c	\$ 8,758,487	99.19%
2007	a/d	8,133,742	(3,403)	8,130,340	8,066,568	99.17%	44,226 c	8,110,794	99.76%
2006	a/d	7,530,230	(12,286)	7,517,944	7,449,261	98.92%	56,080 c	7,505,341	99.83%
2005	a/d	6,983,096	(6,210)	6,976,886	6,893,749	98.72%	73,130 c	6,966,879	99.86%
2004	a/d	6,622,884	(2,811)	6,620,073	6,523,751	98.50%	86,892 c	6,610,643	99.86%
2003	a/d	6,285,036	(82,369)	6,202,667	6,192,284	98.52%	3,649 c	6,195,933	99.89%
2002	a/d	6,845,932	(11,788)	6,834,144	6,754,837	98.67%	71,101 c	6,825,938	99.88%
2001	e	6,485,113	-	6,485,113	6,411,858	98.87%	75,557 b	6,487,415	100.04%
2000	e	5,526,656	-	5,526,656	5,465,187	98.89%	91,018 b	5,556,205	100.53%
1999	e	4,773,907	-	4,773,907	4,694,682	98.34%	91,180 b	4,785,862	100.25%

Source: Williamson County Tax Assessor/Collector

Notes:

- a - Tax levies consider supplemental value changes during the initial fiscal year.
- b - Data represents the collection of prior year's taxes and Agriculture Rollbacks in the current fiscal year.
- c - Data represents subsequent collections of the respective fiscal year's tax in later fiscal years.
- d - Data for fiscal year does not include Agriculture Rollbacks.
- e - Levy adjustments were not available due to a change in software application.

TABLE 9

WILLIAMSON COUNTY, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities					Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Accumulated Accretion of Interest ^b	Certificates of Obligation	Tax Anticipation Notes	Total Primary Government		
2008	\$ 527,179,942	\$ 5,872,194	\$ 142,795,000	\$ 17,875,000	\$ 693,722,136	N/A	N/A
2007	537,214,942	5,612,871	148,890,000	12,125,000	703,842,813	6.89%	1,885.14
2006	383,865,000	-	153,790,000	16,170,000	553,825,000	4.68%	1,578.39
2005	337,105,000	-	85,810,000	20,015,000	442,930,000	4.21%	1,333.49
2004	336,285,000	-	90,710,000	23,675,000	450,670,000	4.93%	1,423.88
2003	270,200,000	-	93,800,000	23,925,000	387,925,000	4.60%	1,281.48
2002	267,510,000	-	98,200,000	23,925,000	389,635,000	4.88%	1,343.71
2001	133,315,000	-	99,200,000	-	232,515,000	2.84%	840.43
2000	20,850,000	-	101,400,000	835,000	123,085,000	1.53%	482.77
1999	22,780,000	-	19,600,000	1,625,000	44,005,000	0.61%	185.98

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

N/A - Not available

a - See Table 13 for personal income and population data.

b - Accumulated accretion of interest on capital appreciation bonds. The face amount of the capital appreciation bonds are included with the general obligation bonds.

TABLE 10

WILLIAMSON COUNTY, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

	General Bonded Debt Outstanding								
	General	Accumulated		Tax		Less:		Percentage of	
Fiscal	Obligation	Accretion of	Certificates	Anticipation		Amounts		Actual Taxable	
Year	Bonds	Interest ^c	of Obligation	Notes	Total	Available for	Total	Property	Per
						Debt Service		Value ^a	Capita ^b
2008	\$ 527,179,942	\$ 5,872,194	\$ 142,795,000	\$ 17,875,000	\$ 693,722,136	\$ 12,143,357	\$ 681,578,779	2.32%	N/A
2007	537,214,942	5,612,871	148,890,000	12,125,000	703,842,813	8,652,890	695,189,923	2.76%	1,861.97
2006	383,865,000	-	153,790,000	16,170,000	553,825,000	6,166,044	547,658,956	2.45%	1,560.82
2005	337,105,000	-	85,810,000	20,015,000	442,930,000	4,888,930	438,041,070	2.10%	1,318.77
2004	336,285,000	-	90,710,000	23,675,000	450,670,000	4,255,339	446,414,661	2.35%	1,410.44
2003	270,200,000	-	93,800,000	23,925,000	387,925,000	3,091,531	384,833,469	2.13%	1,271.27
2002	267,510,000	-	98,200,000	23,925,000	389,635,000	2,744,581	386,890,419	2.42%	1,334.25
2001	133,315,000	-	99,200,000	-	232,515,000	2,529,650	229,985,350	1.67%	831.29
2000	20,850,000	-	101,400,000	835,000	123,085,000	2,308,068	120,776,932	1.06%	473.71
1999	22,780,000	-	19,600,000	1,625,000	44,005,000	1,878,226	42,126,774	0.46%	178.04

Notes:

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

N/A - Not available

a - Used General and Debt Service's taxable assessed property value in calculation. See Table 5 for property value data.

b - See Table 13 for population data.

c - Accumulated accretion of interest on capital appreciation bonds. The face amount of the capital appreciation bonds are included with the general obligation bonds.

TABLE 11

WILLIAMSON COUNTY, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2008

<u>Governmental Unit</u>	<u>Debt Outstanding ¹</u>	<u>Estimated Percentage Applicable ^{1,a}</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
City and Town			
Austin	\$ 1,011,965,000	3.61%	\$ 36,531,937
Bartlett	2,208,000	65.38%	1,443,590
Cedar Park	151,835,000	98.05%	148,874,218
Georgetown	74,955,000	100.00%	74,955,000
Granger	2,185,000	100.00%	2,185,000
Hutto	32,130,000	100.00%	32,130,000
Jarrell	8,680,000	100.00%	8,680,000
Leander	76,920,000	100.00%	76,920,000
Round Rock	135,360,000	94.75%	128,253,600
Taylor	33,592,717	100.00%	33,592,717
School District			
Bartlett	1,655,000	26.71%	442,051
Burnet Consolidated	41,934,824	2.00%	838,696
Florence	9,524,998	78.47%	7,474,266
Georgetown	144,399,977	100.00%	144,399,977
Granger	1,110,000	100.00%	1,110,000
Hutto	170,756,696	100.00%	170,756,696
Jarrell	25,905,000	100.00%	25,905,000
Leander	946,879,326	51.96%	491,998,498
Lexington	3,064,133	0.35%	10,724
Liberty Hill	31,179,998	100.00%	31,179,998
Round Rock	502,241,975	54.11%	271,763,133
Taylor	17,374,279	100.00%	17,374,279
Thorndale	2,254,000	9.09%	204,889
Thrall	3,255,000	100.00%	3,255,000
Municipal Utility Districts			
Block House	20,506,001	100.00%	20,506,001
Brushy Creek (BC)	51,205,000	100.00%	51,205,000
Fern Bluff	11,910,000	100.00%	11,910,000
Meadows of Chandler Creek	7,210,000	100.00%	7,210,000
North Austin #1	5,645,000	90.57%	5,112,677
Ranch at Cypress Creek	8,930,000	69.69%	6,223,317
Springwoods	1,105,000	100.00%	1,105,000
Walsh Ranch	3,250,000	100.00%	3,250,000
Williamson County #9	9,540,000	100.00%	9,540,000
Williamson County #10	20,180,000	100.00%	20,180,000
Williamson County #11	5,590,000	100.00%	5,590,000
Williamson/Travis County #1	12,095,958	94.00%	11,370,201
Other			
Austin Community College	96,478,659	9.60%	9,261,951
Avery Ranch	15,215,000	100.00%	15,215,000
Williamson County Water, Sewer & Improvement District #	10,000,000	90.13%	9,013,000
Subtotal, overlapping debt			1,896,971,416
County direct debt ²			<u>693,722,136</u>
Total direct and overlapping debt			<u><u>\$ 2,590,693,552</u></u>

Sources: 1 - Municipal Advisory Council of Texas
2 - Williamson County Auditor's Office

Note: a The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the County's boundaries and dividing it by each unit's total taxable assessed value.

WILLIAMSON COUNTY, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year			
	2008	2007	2006	2005
Total taxable value	\$ 29,331,601,004	\$ 25,208,667,389	\$ 22,394,863,842	\$ 20,842,969,564
Assessed value of real property	26,940,158,584	23,084,213,265	20,375,701,358	18,868,898,434
Debt limit rate	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Debt limit	<u>6,735,039,646</u>	<u>5,771,053,316</u>	<u>5,093,925,340</u>	<u>4,717,224,609</u>
Debt applicable to limit:				
General obligation bonds	693,722,136	703,842,813	553,825,000	442,930,000
Less: amount set aside for repayment of general obligation debt	<u>12,143,357</u>	<u>8,652,890</u>	<u>6,166,044</u>	<u>4,888,930</u>
Total net debt applicable to limit	<u>681,578,779</u>	<u>695,189,923</u>	<u>547,658,956</u>	<u>438,041,070</u>
Legal debt margin	\$ <u>6,053,460,867</u>	\$ <u>5,075,863,393</u>	\$ <u>4,546,266,384</u>	\$ <u>4,279,183,539</u>
Total net debt applicable to the limit as a percentage of debt limit	10.12%	12.05%	10.75%	9.29%

Notes:

Texas Constitution Art. 3 Section 52(B)

Under Legislative provision, any county, any political subdivision of a county, any number of adjoining counties, or any political subdivision of the state, or any defined district now or hereafter to be described and defined within the State of Texas, and which may or may not include towns, villages, or municipal corporations, upon a vote of two-thirds majority of the resident property taxpayers voting thereon who are qualified electors of such district or territory to be affected thereby, in addition to all other debts, any issue bonds or otherwise lend its credit in any amount not to exceed one-fourth of the assessed valuation of the real property of such district or territory, except that the total bonded indebtedness of any city or town shall never exceed the limits imposed by other provisions of this Constitution, and levy and collect taxes to pay the interest thereon and provide a sinking fund for the redemption thereof.

TABLE 12

Fiscal Year					
2004	2003	2002	2001	2000	1999
\$ 18,973,239,162	\$ 18,074,433,786	\$ 16,016,215,641	\$ 13,808,829,899	\$ 11,431,240,187	\$ 9,226,958,113
17,021,637,047	16,103,643,664	14,093,804,709	12,120,114,181	8,486,338,013	8,020,639,980
<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
<u>4,255,409,262</u>	<u>4,025,910,916</u>	<u>3,523,451,177</u>	<u>3,030,028,545</u>	<u>2,121,584,503</u>	<u>2,005,159,995</u>
450,670,000	387,925,000	389,635,000	232,515,000	123,085,000	44,005,000
<u>4,255,339</u>	<u>3,091,531</u>	<u>2,744,581</u>	<u>2,529,650</u>	<u>2,308,068</u>	<u>1,878,226</u>
<u>446,414,661</u>	<u>384,833,469</u>	<u>386,890,419</u>	<u>229,985,350</u>	<u>120,776,932</u>	<u>42,126,774</u>
\$ <u><u>3,808,994,601</u></u>	\$ <u><u>3,641,077,447</u></u>	\$ <u><u>3,136,560,758</u></u>	\$ <u><u>2,800,043,195</u></u>	\$ <u><u>2,000,807,571</u></u>	\$ <u><u>1,963,033,221</u></u>
10.49%	9.56%	10.98%	7.59%	5.69%	2.10%

TABLE 13

WILLIAMSON COUNTY, TEXAS

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN CALENDAR YEARS

Calendar Year	Estimated Population ^a	County				State of Texas	United States
		Personal Income (thousands of dollars) ^a	Per Capita Personal Income ^a	School Enrollment ^b	Unemployment Rate ^c	Per Capita Personal Income ^a	Per Capita Personal Income ^a
2008	N/A	N/A	N/A	76,816	4.9%	N/A	N/A
2007	373,363	\$ 10,208,118	\$ 27,341	72,667	3.7%	\$ 23,938	\$ 26,688
2006	350,879	11,821,315	33,691	68,301	4.2%	35,166	36,714
2005	332,159	10,528,449	31,697	N/A	4.6%	33,253	34,757
2004	316,508	9,144,426	28,892	N/A	4.7%	30,948	33,123
2003	302,716	8,435,815	27,867	N/A	5.7%	29,404	31,504
2002	289,969	7,987,542	27,546	N/A	5.6%	28,835	30,821
2001	276,661	8,179,508	29,565	N/A	4.1%	29,036	30,574
2000	254,958	8,019,408	31,454	N/A	2.8%	28,314	29,845
1999	236,609	7,170,436	30,305	N/A	1.6%	26,250	27,939

Sources:

N/A - Not available

- a - Data from 1999 to 2006 is from U. S. Department of Labor (Bureau of Labor Statistics). 2007 estimates are from U. S. Census Bureau.
- b - School enrollment provided by the Independent School Districts within the County. Several school districts cross the County line. Data is based on best count for students living within the County or the school district's entire enrollment.
- c - The annual unemployment rate from 1999 to 2007 is from U. S. Department of Labor (Bureau of Labor Statistics). 2008 September unemployment rate is from Texas Workforce Commission. The method to calculate the unemployment rate changed in 2000.

TABLE 14

WILLIAMSON COUNTY, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TWO YEARS AGO

Employer ^a	2008			2006		
	Employees ^b		Percentage of Total County Employment	Employees ^b		Percentage of Total County Employment
Dell Computer	16,151	1	13.20%	11,599	1	10.94%
Round Rock ISD	6,831	2	5.58%	5,175	2	4.88%
Leander ISD	4,885	3	3.99%	3,297	3	3.11%
HEB Grocery	3,001	4	2.45%	2,491	4	2.35%
Wal-Mart	2,350	5	1.92%	1,123	5	1.06%
Georgetown ISD	1,738	6	1.42%	1,576	6	1.49%
Williamson County	1,453	7	1.19%	1,313	7	1.24%
Sears (Teleserve)	1,595	8	1.30%	1,192	8	1.12%
State Farm Mutual Auto Insurance Co.	2,630	9	2.15%	1,308	9	1.23%
City of Round Rock	750	10	0.61%	743	10	0.70%
Round Rock Hospital	750	10	0.61%	-		- %
Total	42,134		34.43%	29,817		28.13%
Total average employees per TWC's website (www.tracer2.com)	122,384			106,000		

Sources:

a - Texas Workforce Commission provided a listing of top employers within the County.

b - Individual employers provided employee count.

Note: Information for principal employers is not available for the previous nine years.

WILLIAMSON COUNTY, TEXAS
COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year			
	2008 ^a	2007 ^a	2006 ^a	2005
General government	209.0	197.0	185.0	180.0
Judicial	207.0	197.0	191.0	164.0
Public safety	871.0	849.0	794.0	826.0
Transportation	130.0	128.0	123.0	119.0
Community services	<u>36.0</u>	<u>31.0</u>	<u>20.0</u>	<u>95.0</u>
Total	<u>1,453.0</u>	<u>1,402.0</u>	<u>1,313.0</u>	<u>1,384.0</u>

Source: Williamson County Human Resource or Payroll Department

Note: a - Budgeted positions

TABLE 15

Fiscal Year					
2004	2003	2002	2001	2000	1999
151.0	146.0	173.0	128.0	269.0	270.0
144.0	155.0	138.0	133.0	131.0	144.0
688.0	588.0	518.0	486.0	374.0	367.0
131.0	125.0	127.0	123.0	116.0	106.0
92.0	97.0	171.0	158.0	180.0	177.0
<u>1,206.0</u>	<u>1,111.0</u>	<u>1,127.0</u>	<u>1,028.0</u>	<u>1,070.0</u>	<u>1,064.0</u>

WILLIAMSON COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year			
	2008	2007	2006	2005
General Government				
Number of A/P checks issued ¹	18,943	18,497	20,247	18,480
Number of outgoing A/P wires ¹	155	132	2	(b)
Number of invoices processed ¹	40,819	42,410	43,223	(b)
Number of Pcard charges ¹	5,280	4,217	3,186	(b)
Judicial				
Hot Check Cases				
Number of checks processed ²	7,784	7,559	10,581	9,866
Number of theft by check cases filed ²	1,097	1,323	1,667	1,246
Public Safety				
Number of 911 calls received ³	108,007	102,009	88,849	78,097
EMS 911 runs ⁴	22,145	20,995	18,327	17,311
EMS transfer runs ⁴	1,587	2,442	2,766	2,865
Number of total EMS runs ⁴	23,732	23,437	21,093	20,176
Average EMS response time in minutes ⁴	6:33	6:45	6:17	6:07
Average Jail daily population ^{c, 5}	542	614	636	663
Jail bookings ^{c, 5}	14,956	16,406	15,513	14,093
Jail releases ^{c, 5}	15,654	16,842	15,978	14,153
Jail inmates at September 30 ⁵	554	637	649	673
Violations reported by Sheriff office ^{c, 6}	62,831	54,836	45,084	46,748
Transportation				
Roadway resurfacing (miles) ⁷	90.35	99.72	144.22	132.15
Mowing along roadways (equipment miles) ⁷	9,729.86	8,536.12	9,180.11	6,831.27
Ditch and culvert cleaning (miles) ⁷	38.97	54.36	23.93	61.91
Community Services				
Participants using sport fields ⁸	108,362	103,244	97,472	96,320
Park and recreation reservations ⁸	437	311	172	217
Riders of the miniature train ⁸	17,606	13,818	16,531	15,872

Source:

- 1 - Williamson County Auditor's office
- 2 - Williamson County Attorney's office
- 3 - Williamson County 911 Communications Department
- 4 - Williamson County Emergency Medical Services (EMS)
- 5 - Williamson County Jail
- 6 - Williamson County Sheriff office
- 7 - Williamson County Unified Road System
- 8 - Williamson County Parks and Recreation Department

Notes:

- a - Not applicable
- b - Not available

TABLE 16

Fiscal Year					
2004	2003	2002	2001	2000	1999
(b)	(b)	(b)	(b)	(b)	(b)
(b)	(b)	(b)	(b)	(b)	(b)
(b)	(b)	(b)	(b)	(b)	(b)
(b)	(b)	(b)	(b)	(b)	(b)
7,789	10,808	11,061	11,272	10,772	11,742
1,138	1,726	1,550	1,726	1,809	1,517
75,062	74,022	71,022	72,289	64,642	61,499
(b)	(b)	(b)	(b)	(b)	(b)
(b)	(b)	(b)	(b)	(b)	(b)
(b)	(b)	(b)	(b)	(b)	(b)
(b)	(b)	(b)	(b)	(b)	(b)
681	647	608	531	497	464
12,131	10,950	9,855	10,940	(b)	(b)
12,108	10,899	9,490	10,585	(b)	(b)
673	678	628	540	491	473
41,763	43,401	34,134	(b)	(b)	(b)
140.39	136.74	124.66	76.80	84.35	106.28
6,636.80	6,652.80	6,312.24	4,710.39	3,817.02	3,640.54
39.24	54.96	87.03	37.21	49.61	20.43
64,000	(a)	(a)	(a)	(a)	(a)
(a)	(a)	(a)	(a)	(a)	(a)
(a)	(a)	(a)	(a)	(a)	(a)

TABLE 17

WILLIAMSON COUNTY, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST FIVE FISCAL YEARS

Function/Program	Fiscal Year					
	2008	2007	2006	2005	2004	2003
General Government						
Buildings/facilities - all functions ¹	48	45	45	45	41	39
Vehicles ¹	31	28	25	(b)	(b)	(b)
Judicial						
Vehicles ¹	10	10	8	(b)	(b)	(b)
Public Safety						
Vehicles ¹	350	331	311	(b)	(b)	(b)
Transportation						
Miles of roadway maintained ²	1,430	1,401	1,390	(b)	(b)	(b)
Bridges ²	171	171	171	171	171	170
Vehicles ¹	129	126	125	(b)	(b)	(b)
Community Services						
Parks acreage ³						
Developed	358	358	346	203	203	170
Total	2,841	1,337	1,243	1,243	1,318	1,150
Hike and bike trails (miles) ³	10.52	10.52	10.02	7.17	4.67	2.45
Fields ³						
Cricket	1	1	1	1	1	(a)
Soccer	11	11	11	11	11	11
Softball	2	2	2	2	2	2
Courts ³						
Basketball	6	6	6	6	6	6
Tennis	8	8	8	8	8	8
Miniature train ride ³	1	1	1	1	(a)	(a)
Disc golf holes ³	18	18	18	(a)	(a)	(a)
Picnic pavilions ³	6	5	3	3	2	2
Campsites ³	18	18	18	17	(a)	(a)
Vehicles ¹	7	7	6	(b)	(b)	(b)

Source:

1 - Williamson County Auditor's office

2 - Williamson County Unified Road System

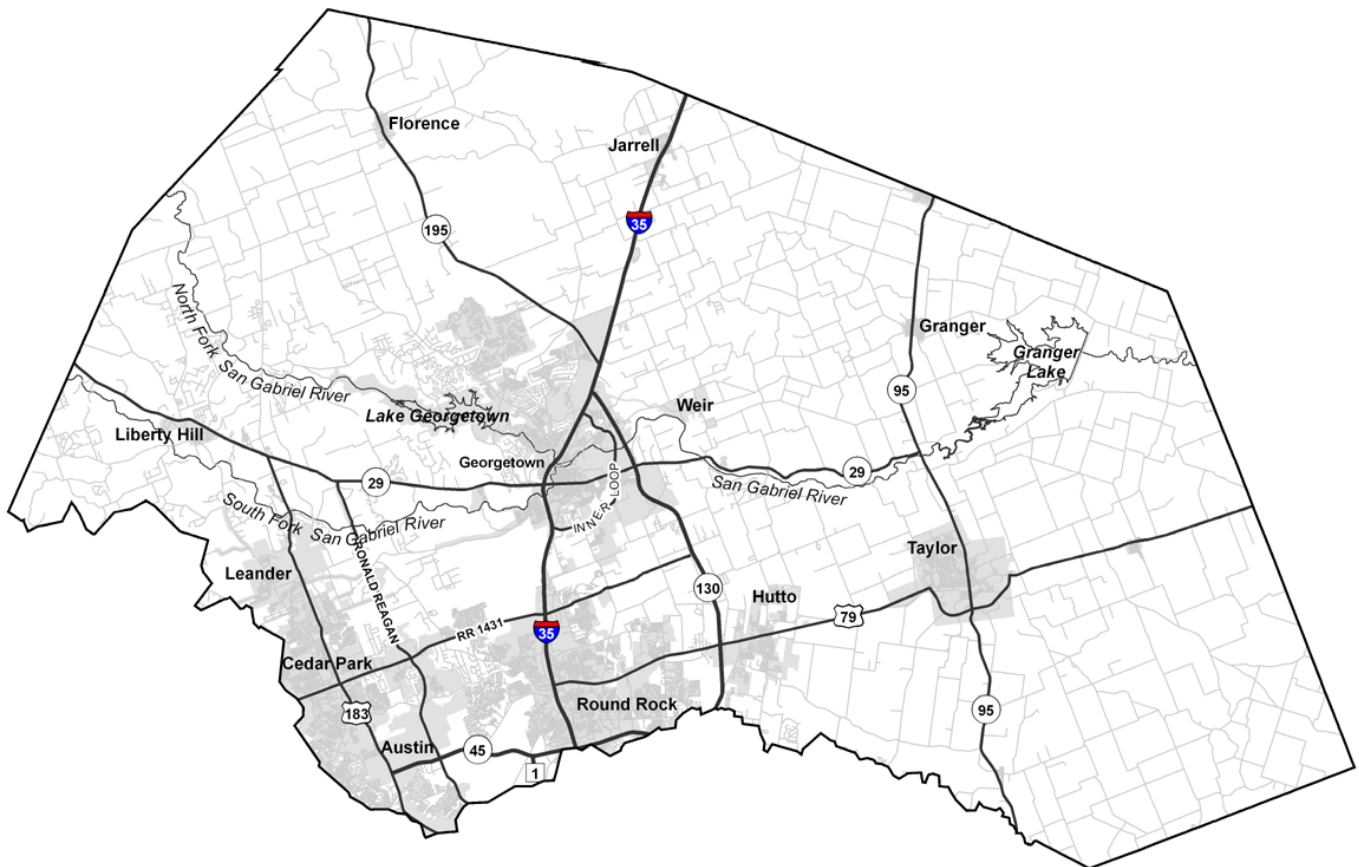
3 - Williamson county Parks and Recreation Department

Notes: Capital asset information prior to fiscal year 2003 is not available or not applicable.

a - Not applicable

b - Not available

WILLIAMSON COUNTY, TEXAS



MISCELLANEOUS INFORMATION

Organized in 1848

Form of Government: A political subdivision of the State of Texas

Area:¹ 1,135 square miles (1,123 sq. miles/land; 12 sq. miles/water)

Economic Resources:²

Business: High-tech industries, agricultural and agribusiness, manufacturing and assembly, construction, real estate, government and educational sectors are significant economic contributors. Williamson County is a member of the Austin MSA, one of the fastest growing areas in the country. The booming population paired with abundant available resources allows a range of business endeavors to flourish.

Recreation:

Athletics: Round Rock Express (AAA Minor League Baseball team), community athletic leagues including softball, tennis, kickball, baseball, basketball, and aquatics; recreational/fitness centers; golf courses; and numerous running and cycling activities, both competitive and recreational, hosted by Williamson County cities.

Parks

& Outdoors: Fishing, camping, water sports and wading on Lake Georgetown and Lake Granger; five County parks and numerous city parks (including biking and running trails, sport fields, disc golf course, and playgrounds); hunting on lands near Lake Granger; Cedar Rock Railroad miniature train in the Southwest Regional Park.

Family &

Educational: Williamson County Historic Courthouse tours conducted by the Williamson Museum in Georgetown. Other museums include the Dan Moody Museum in Taylor and Palm House Museum in Round Rock. Family fun is available on the Hill Country Flyer steam train in Cedar Park and Inner Space Caverns in Georgetown.

Community

Events: Williamson County Sheriff Posse Rodeo, Georgetown Red Poppy Festival, Round Rock Daffodil Days, Cedar Park's 4th of July Celebration at Milburn Park, Taylor International Barbecue Cook-off, and other annual community festivals.

Minerals: Building stone, sand, gravel and oil

Agriculture³: The area consists primarily of rolling prairie, however mixed hardwood timber and brush is prevalent in many areas. The major field crops of the area are corn, cotton, and grain sorghum.

In 2008, Williamson County had 53,524 acres of corn which averaged 77 bu/ac, 10,546 acres of grain sorghum which averaged 5000 lbs/ac, 13,049 acres of cotton which averaged 550 lbs/ac, 11,529 acres of wheat which averaged 40 bu/ac, and 39,000 acres of native grassland. Livestock include cattle, hogs, poultry, sheep, goats, deer leases and cedar post lumber.

Average yearly agricultural income is greater than \$79 million.

Sources:

1. U. S. Census Bureau
2. Economic Development and Parks and Recreation Departments for the Cities of: Georgetown, Round Rock, Cedar Park, Leander, Taylor & Hutto
3. Williamson County Agricultural Extension Office

Students Enrolled in Colleges and Universities Located Near or Within the County:^a

<u>University</u>	<u>Fall 2008 Enrollment</u>
Austin Community College	35,798
Concordia Lutheran University	2,269
Huston-Tillotson University	785
St. Edward's University	5,348
Southwestern University	1,270
University of Texas	49,984

Health Care Facilities Located Near or Within the County:^b

Hospitals:

Cedar Park Regional Medical Center	St. David's Round Rock Medical Center
Johns Community Hospital, Taylor	Scott & White University Medical Campus
Reliant Rehabilitation Hospital Central Texas	Seton Medical Center Williamson, Round Rock
St. David's Georgetown Hospital	

Clinic facilities:

Apple Urgent Care – Round Rock	Northwest Diagnostic Clinic Cedar Park
Austin Diagnostic Clinic –	Physician Associates of Georgetown
Cedar Park, Round Rock	Physician's Center, P.A., Georgetown
Austin Regional Clinic –	Pro-Med Minor Emergency Center, N. Hwy 183
Cedar Park, Hutto, Round Rock	Rapid Care Clinic – Leander, Round Rock
Brushy Creek Family Medical Associates	Redi Clinic – Cedar Park, Round Rock
Cedar Park Family Practice	Scott & White Clinic – Cedar Park, Georgetown,
Central Texas Diagnostic Clinic	Johns (Taylor), University (Round Rock)
EasyCare Round Rock	Seton Cedar Park
Family Medical Center of Cedar Park	Town Center Family Medicine of Cedar Park
Family Medical Center of Georgetown	T&K Physician Associates, Georgetown
Family Medicine Associates of Round Rock	Urgent and Family Care, Parmer Lane
Family Medicine Clinic of Georgetown	Urgent Care Plus, FM 620
First Care, N. Hwy 183	Lone Star Circle of Care Federally Qualified Health Ctr.
Georgetown Medical Center	Georgetown Community Clinic
The Health Center at Johns Community Hospital	Georgetown Community Clinic Dental Center
Hill Country Family Health Specialists	Georgetown Community Clinic Pediatric Center
Leander Healthcare Center	Granger Medical Center
Minute Clinic –	Round Rock – Community Clinic, Dental Clinic
Cedar Park, Georgetown, Round Rock	Health Clinic, Medical Clinic

Williamson County and Cities Health District
Public Health Clinics – Cedar Park, Georgetown, Round Rock, Taylor

Volunteer clinic facilities:

Samaritan Health Ministries

Note: This is not an exhaustive list. Not included are individual practitioners, specialty care practices, or pediatric practices. New facilities are opening on an ongoing basis.

Sources:

a – Respective college or university

b – Williamson County and Cities Health District

WILLIAMSON COUNTY, TEXAS

GOVERNMENT OFFICE INFORMATION

The government of Williamson County, Texas is subdivided into several different offices; each with its own legally constituted duties as prescribed by the constitution and/or legislative act. The heads of some offices are elected officials; others are appointed by the Commissioners' Court or the District Judges of Williamson County as provided by law.

Constitutional Offices

Williamson County is a political body. The general governing body of the County is the Commissioners' Court, which has none of the functions of a court, but has powers and duties clearly set forth and defined in the constitution and statutes. The Commissioners' Court is comprised of four commissioners, each of whom is elected by the qualified voters of one of four precincts in the County, and a County Judge, who is elected Countywide as presiding officer. Commissioners' Court was created to carry out a policy common to the whole state, whereas, it was not mainly created to advance the interest of the particular locality in which it is located. The election of the various County officials ensures, in most instances, the application of state laws and regulations, in the light of local conditions and statutes, and to establish a courthouse and jail, appoint numerous officials, fill vacancies in certain County offices, let contracts in the name of the County, build roads and bridges, administer the County's public welfare services, perform numerous duties in regard to elections, set the County tax rate, issue bonds and adopt the County budget.

District Courts

There are five District Courts in Williamson County, each of which is a court of general jurisdiction and may try both civil and criminal cases. The judge of each of the respective courts is elected Countywide. The District Courts have original jurisdiction in all criminal cases of the grade of felony, all suits on behalf of the state to recover penalties, forfeitures and escheat. The District Courts preside over all cases of divorce, misdemeanors involving official misconduct, suits to recover damages, slander or defamation of character, suits for title of land and for enforcement of liens thereon, suits for the right of property levied upon by virtue of any writ of execution, sequestration, or attachment when the property levied on is valued at an amount of \$500 (exclusive of interest) and all suits concerning contested elections.

These courts and the judges thereof have power to issue writs of habeas corpus, mandamus, injunction, certiorari and all writs necessary to enforce their jurisdictions. The District Courts also have appellate jurisdiction and general supervisory control over the County Commissioners' Court. They have general original jurisdiction over all causes of action which a remedy or jurisdiction is not provided by law or the Constitution. The District Court, concurrently with County Court, has the general jurisdiction of a probate court and may do all things associated with the duties of a probate court enumerated under County Court. In addition, the District Courts share concurrent jurisdiction with the County Courts at Law when the matter in controversy exceeds \$500, but is less than \$10,000. Along with these constitutional and statutory responsibilities, the District Judges have the statutory responsibility of appointing the County Auditor, and Court Reporters for each of the respective District Courts. The District Judges, along with the County Court-at-Law Judges, appoint the Community Supervision and Corrections Department Director. The County Juvenile Board comprised of the District Judges and the County Judge appoints the Chief Juvenile Probation Officer.

Constables

In general, the duties of the Constable are to perform a service or act, execute and return, as provided by law, all civil and criminal processes, writs, citations, subpoenas, summons, warrants, and precepts, directed and delivered by a lawful official, anywhere in the constable's County, or in a County contiguous to the constable's County, and in other locations as provided by law. The Constable may seize and sell real estate and personal property upon order of the court, take eviction action and attend justice court proceedings. The Constable may enforce all state laws and arrest offenders with or without warrant for felonies or misdemeanor offenses committed against the peace and dignity of the state.

County Attorney

The Countywide electorate elects the County Attorney. Duties include representation of the State of Texas in all criminal proceedings under investigation or pending before the County Courts at Law and Justice Courts of the County, examination and prosecution of all cases pending before the Juvenile Courts, and representation of the State in all cases appealed to or from any of these courts. The County Attorney also processes felony and misdemeanor hot checks, obtains protective orders for victims of domestic violence, represents the Department of Protective and Regulatory Services in cases involving abuse or neglect of children or helpless adults, and obtains commitment orders for mental illness and substance abuse. The County Attorney attends Commissioners' Court as the civil lawyer for the County and provides a full range of legal services in that capacity. Also provided by the County Attorney is legal advice to all County officials and employees. Where applicable, the County Attorney oversees the representation of officials and employees who are involved in litigation.

County Clerk

The Countywide electorate elects the County Clerk and the duties and fees of the office are prescribed by the legislature. The County Clerk is the clerk of the County and of Commissioners' Court and is the official recorder of County business. By legislation in Williamson County, the County Clerk functions as the clerk of the court for each of the County Courts at Law. In addition, the County Clerk acts as recorder of deeds and other instruments, records and issues death and birth certificates, issues marriage licenses, registers cattle brands, records and retains all plats, and maintains records of mental health commitments. The County Clerk serves as clerk of the Probate and Civil Court and keeps all records, books, paper, and proceedings of the probate court as well as the County Courts at Law criminal dockets. Additional responsibilities include keeping all records properly indexed, arranged and preserved.

District Attorney

The legislature may create the Office of the District Attorney in any judicial district in the state and prescribe the duties of that office. Such an office in Williamson County has been created and the District Attorney is a constitutional officer. The Countywide electorate elects the District Attorney. The duties of the office in general are to represent the State of Texas on all criminal matters before the District Courts of Williamson County. These matters include grand jury proceedings along with bond and asset forfeitures. The District Attorney also handles all appeals from any such matters that are taken to the Court of Appeals, Texas Court of Criminal Appeals, the Texas Supreme Court and the United States Supreme Court.

District Clerk

The Countywide electorate elects the District Clerk. In general, the functions of this office are to serve in an administrative capacity for the District Courts, to perform judicial or quasi-judicial duties in connection therewith, to act as custodian of the court records, to receive money in the clerk's official capacity, and to perform general assessed duties as are enjoined by statute or imposed by the lawful authority of the court. The District Clerk of Williamson County also maintains the files for all criminal, civil, family, and tax cases handled by these courts.

Justice of the Peace Courts

There are four Justice of the Peace Courts in Williamson County. Each Justice of the Peace is elected by the voters living within their respective precinct. Justices of the Peace have jurisdiction in all Class C misdemeanor criminal matters where such fines are established by statute. Also, the Justices of the Peace have jurisdiction in civil matters either in Small Claims Court or Justice Court where the amount in controversy is \$10,000 or less (exclusive of interest) of which exclusive original jurisdiction is not given to the County or District Courts. Appeals to the County Court shall be allowed in all cases decided in Justice Court, however, in civil cases, only when the judgment is for more than \$20 (exclusive of costs). The Small Claims Court exercise concurrent jurisdiction with the Justice Courts in all actions for recovery of money by any person, association of persons, corporations or by any attorney for such parties or other legal entity where the amount involved, exclusive of cost, does not exceed the sum of \$10,000. Small Claims Courts may only recover money. All decisions of Small Claims Court and Justice Courts, provided that the amount in controversy, exclusive of costs, exceeds the sum of \$20 may, upon rendition of final judgment by the Judge of the Court, be appealed to the County Court or County Courts at Law. Other duties of the Justices of the Peace in Williamson County include death inquests, mental probable cause hearings, criminal prisoner admonishments, peace bond hearings, school truancy cases, juvenile magistrate statements, animal cruelty hearings, and other administrative duties per code.

Sheriff

The qualified voters of the County elect the Sheriff to office. The duties of the Sheriff are prescribed by the legislature. The Sheriff may employ guards for the safekeeping of prisoners in the jail and, subject to regulations of Commissioners' Court, has charge and control of the courthouse. In addition, the Sheriff shall execute all processes and precepts directed by legal authority and make return thereof to the proper court. The Sheriff is the Chief Law Enforcement Officer for the County and custodian of the County jail. In addition to apprehending criminals and serving writs and other legal papers for the Civil, County, and District Courts, the Sheriff is also charged with keeping order in the courtrooms. The Sheriff also administers proactive programs aimed at crime prevention and substance abuse control such as the Drug Abuse Resistance Education (DARE) program.

Tax Assessor-Collector

The Tax Assessor-Collector is elected by the Countywide electorate and performs all of the duties with respect to assessing property for the purpose of taxation and collection of taxes as may be prescribed by the legislature. The duties of the office consist of assessing and collecting County property taxes. The officer may serve in a similar capacity for any incorporated city, town, village, school districts--independent or otherwise, drainage district, and water control in the County. The Assessor-Collector of Williamson County, in addition to assessing and collecting for taxable real and personal property within the County, collects the taxes for many independent cities and districts. Other duties include collecting state and County license fees, occupation fees, beer and liquor taxes and state automobile transaction taxes.

County Treasurer

The Countywide electorate elects the County Treasurer. The duties of the County Treasurer are to receive County funds and disburse them, subject to the County Auditor's countersignature. The function of this office is an essential part of internal control in financial matters in that all monies due to the County must be placed in the treasurer's custody. Monies are forwarded to the County Treasury and can be withdrawn upon the signature of the County Treasurer and countersignature of the County Auditor. Additional responsibilities of the County Treasurer include signatory authority for all payroll related payments with the countersignature of the County Auditor. Also, the County Treasurer is responsible for the reconciliation of all bank accounts upon which the Treasurer acts as signatory. The County Treasurer prepares and submits all required reports and payments to the State of Texas and serves as Treasurer to the Bail Bond Board. In addition, the County Treasurer serves as the Certified Investment Officer for the County relative to all requirements of the Public Funds Investment Act.

OFFICES CREATED BY LEGISLATIVE LAW

County Court-at-Law

There are four County Courts-at-Law in Williamson County, each created by the legislature. The Countywide electorate elects each of the County Court-at-Law judges. These courts have jurisdiction in all misdemeanor cases, probate, and mental illness and chemical dependency matters. The County Courts-at-Law have concurrent jurisdiction with the District Courts in family law cases, including divorces, child custody cases and in civil matters where the amount in controversy does not exceed \$100,000 (exclusive of punitive or exemplary damages, costs, and interest). The County Courts-at-Law have appellate jurisdiction in all appeals in criminal and civil cases from Justice Courts and Municipal Courts. Along with these duties, the County Court-at-Law Judges and the District Judges appoint the Community Supervision and Corrections Department Director.

County Auditor

The County Auditor is appointed by the District Judges and serves as the Chief Accounting Officer of the County. The County Auditor has general oversight of all County records and is the Budget Officer for the County. The County Auditor must sign all checks written for the County. It is the responsibility of the County Auditor's office to audit each department of the County at least once each quarter. Financial reporting is also performed by the County Auditor's office. The creation of the Comprehensive Annual Financial Report (CAFR) and the Popular Annual Financial Report (PAFR), that is submitted each year to the Government Finance Officers Association for review, is the responsibility of the County Auditor. In addition, the County Auditor oversees the payroll function for the entire County. Other responsibilities include managing fixed assets and administering and reporting all grant funds received from the state and federal government and other entities. The County Auditor also serves as the fiscal officer for the Community Services and Corrections Department and Chief Fiscal Officer for Juvenile Services.

Chief Juvenile Probation Officer

The County Juvenile Board, comprised of five District Judges and the County Judge, appoints the Chief Juvenile Probation Officer. The general duties of this office are to properly investigate, process, and handle all cases referred to them by the courts, law enforcement agencies, parents, and other agencies. The Juvenile Probation Department compiles and prepares a detailed social history on all referred offenders and recommends corrective action to the Juvenile Court. The department provides professional casework services and supervision to delinquent children who are placed on probation by the Juvenile Court. Juvenile detention and intensive residential care is also provided by and through the Juvenile Service Department. Each of these units provides care 365 days a year. Several specialized programs are operated through Juvenile Services to include Community Services and Restitution, Gang Intervention, and Juvenile Drug and Delinquency Prevention. One specialized sex offender caseload officer is also provided through Juvenile Services.

Maintenance Supervisor

The County Judge, with the advice and consent of the Commissioners' Court, appoints the Maintenance Supervisor of Williamson County. The maintenance supervisor's duty is to ensure the quality and completion of maintenance and repair for all County-owned buildings and grounds. Maintenance includes all major and minor repairs to County facilities, supervision of all cleaning and grounds maintenance contractors, and overseeing payment of all suppliers, contractors, and utilities.

County Emergency Medical Services Director

The County Judge with the advice and consent of Commissioners' Court appoints the Executive Director of Emergency Services of Williamson County. It is the Director's duty to control and direct the areas of Emergency Management, HazMat, MOT (Mobile Outreach Team), Dispatch, Wireless Communications, and EMS (Emergency Medical Services). It is the responsibility of the director to serve as a liaison with other municipal districts, state, County, regional, federal and other emergency management organizations. Emergency Management includes the coordination of disasters local, regional and state and the counties response in such areas. The area of HazMat is responsible for responding to Hazardous Material spills within the county and the region. MOT responds to mental health crisis calls in the county in coordination with the various law enforcement agencies within the county. Dispatch handles all 911 communications between the general public and County, City and Special District Agencies tasked with rapid response. Wireless Communications manages the radio system between the various Public Safety Agencies within the County. EMS responds to all emergency medical calls and handles transport of patients within the County.

Information Systems/Telecommunications Director

The County Judge, with the advice and consent of the Commissioners' Court, appoints the Information Systems/Telecommunications Director of Williamson County. The Director's duty is to control, maintain and direct all information processing functions of the County. More specifically, duties include installing new systems, protecting computer stored records, maintaining control of daily EDP functions, and troubleshooting within County offices as computer related problems arise. In addition, this position oversees the Countywide telecommunications function.

County Extension Service Agent

The Williamson County Office of the Texas Agricultural Extension Service is a unique partnership between the County Commissioners' Court and the Texas A & M University System. County Extension Agents provide outreach education to the citizens of Williamson County in the areas of Agriculture, Family and Consumer Sciences, 4-H, and Youth Development, and Horticulture. Agents utilize research-based information to conduct workshops, clinics, tours, meetings and programs, as well as preparing news releases and web-based education. The Extension Service values and promotes principles of citizen and community involvement, research-based education, lifelong learning, and volunteerism.

Elections Administrator

The Elections Administrator is the County Elections Official and is appointed by the Williamson County Elections Commission. The duties of the Elections Administrator include all voter registration activities for over 210,000 registered voters in 99 precincts and the conduct of election activities for more than 43 county, city and school governments, as well as 45 municipal and special utility districts. Duties also include the preparation and maintenance of appropriate political jurisdiction maps. The Administrator prepares elections contracts and conducts elections for federal and state elections, and for local elections when requested. Duties include the selection and coordination of poll sites, selection and training of poll workers, and preparation of ballot materials. The Elections Administrator coordinates the use of grant funds from the Help America Vote Act (HAVA) with the County Judge and the Auditor and maintains all electronic voting equipment and peripherals. The Administrator serves as the repository for local officials' campaign and expenditure reports. The Elections Administrator provides information to the public regarding voter registration and elections and serves as a liaison to the Secretary of State regarding elections issues.

Human Resource Director

The Human Resource (HR) Director for Williamson County is appointed by the County Benefits Committee and the Commissioners' Court. The Director must ensure the County is in compliance with state and federal hiring laws, that applicants meet the qualifications of a particular job opening and that the public is notified when a job opening becomes available within the County. The HR Director is responsible for the management of the Self-Funded Benefits Plan and various other medical and dental benefit plans offered by the County as well as life and long-term disability insurance, workers' compensation insurance, the wellness program and the employee assistance program. The HR Director also monitors the claims disbursement made under the Self-Funded Benefits Plan and must ensure the various benefits plans are administered in compliance with federal laws and regulation. The HR Director must ensure the County complies with the Drug-Free Workplace Policy, the Family and Medical Leave Act (FMLA) and the Americans with Disabilities Act (ADA).

CSCD Director

The Community Supervision and Corrections Department (also known as Adult Probation Department) Director is appointed by the District and County Court-at-Law Judges with criminal jurisdiction. The department is responsible for supervising misdemeanor and adult offenders placed on community supervision (adult probation), offenders placed under pre-trial supervision, and offenders placed in the department's 90-bed intensive inpatient substance abuse program, the Central Texas Treatment Center. The department's mission is to protect the community and rehabilitate offenders. The department operates a number of rehabilitation programs for the supervision of offenders and specialized caseloads for sex offenders, special needs offenders, offenders required to be monitored on electronic monitoring or surveillance, and offenders required to have ignition interlock devices that monitor alcohol use in their vehicles. The department receives most of its funding from state funds and offender fees. The Texas Department of Criminal Justice-Community Justice Assistance Division provides grant and operational funds, and standards oversight to the department.

Purchasing Agent

The Purchasing Agent is appointed by the Commissioners' Court. The Purchasing Agent is responsible for carrying out the functions prescribed by law for a purchasing agent and administers the procedures prescribed by law for notice and public bidding for County purchases and contracts. The County Purchasing Agent purchases all supplies, materials, and equipment required or used by the County, and contracts for all repairs to purchased equipment, as needed.

Fleet Services Director

The County Judge appoints the Fleet Services Director under the advisement and consent of the Commissioners' Court. The Fleet Services Director oversees the operation of an internal service fund that manages and maintains Williamson County's Fleet of vehicles and equipment. Funding is acquired through the sale of Fuel, Parts, and Labor to its different departments. A software system is utilized to track all vehicles and equipment through their life cycles. The Fleet Services Director makes recommendation during the Budget process of equipment replacement needs for County departments as well as assisting in defining what types of equipment should be purchased.

Addressing Coordinator

The County Judge appoints the Addressing Coordinator under the advisement and consent of the Commissioners' Court. Williamson County Addressing Coordinator handles all of the addressing for the rural areas of the County including the small towns, maintains the 9-1-1 system for the entire County, reviews and addresses all of the subdivision plats in the County. In order for anyone to obtain an address for telephone service, utility hook ups, etc., they have to contact the Addressing Department.

Unified Road System Superintendent

The County Judge appoints the Unified Road System Superintendent under the advisement and consent of the Commissioners' Court. The Unified Road Department of Williamson County has the responsibility for engineering, planning, construction, maintenance and repair of all County roads, bridges, drainage structures and ditches pertaining to the road system in Williamson County. Duties include planning, engineering and performing work as needed for the safe, economical and productive operation of the County's transportation system.

The Superintendent of the Unified Road System has the responsibility of the administration of the budget approved annually by the Commissioners' Court. As superintendent, he is in charge of, with the help of staff, overseeing the activities of all Road System personnel, the prompt response to all work orders and the distribution of resources in the most effective manner.

Parks and Recreation Director

The County Judge appoints the Parks and Recreation Director with the advice and consent of the Commissioners' Court. The Director is responsible for the development, operation, and maintenance of County parks, trails and preserves. The Director also provides for safe and secure facilities and coordinates park related development/activities with cities in the County.

Veterans Services

Veterans Services staff assists veterans and their families with information on programs and services that are available for individuals that have served in the armed forces. They also help them file for and receive their entitled benefits from the Department of Veterans Affairs. Programs and services available include educational benefits, vocational benefits, disability retirement, obtaining lost military records and more.

Animal Shelter Director

The mission of the animal shelter is to provide humane care to unwanted or abandoned pets, to assist the participating entities in enforcing state law and local ordinances, and to otherwise serve the citizens in a cost-effective manner. The Shelter Director is responsible for animal shelter operations and staff through development and enforcement of policy and procedures ensuring compliance with local, state and federal law. Priorities include development and maintenance of budgetary and financial goals, communication and relationships with regulatory agencies, Commissioners' Court, Shelter Board and officials from all city/county entities. The director also monitors and reports trends which may be used to facilitate planning of programs consistent with the success of overall shelter goals. The Shelter Director is hired by the County utilizing input from the Regional Animal Shelter's Board of Directors.

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FEDERAL AND STATE AWARD PROGRAMS

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

To the Honorable County Judge
And Commissioners' Court
Williamson County, Texas

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Williamson County, Texas (the "County") as of and for the year ended September 30, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 9, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, others within the County, and appropriate federal and state 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 9, 2009

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND
THE STATE OF TEXAS UNIFORM GRANT MANAGEMENT STANDARDS**

To the Honorable County Judge
And Commissioners' Court
Williamson County, Texas

Compliance

We have audited the compliance of Williamson County, Texas, (the "County") 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 and state programs for the year ended September 30, 2008. The County's major federal and state 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 and state programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's 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; Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations* and the *State of Texas Uniform Grant Management Standards* ("UGMS"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above could have a direct and material effect on a major federal or state program occurred. An audit includes examining on a test basis, evidence about the County's 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 the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended September 30, 2008.

Internal Control Over Compliance

The management of Williamson County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, others within the County, and appropriate federal and state 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 9, 2009

WILLIAMSON COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED SEPTEMBER 30, 2008

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Program or Award Amount	Expenditures
<u>U. S. Department of Agriculture</u>				
Passed through Texas Health and Human Services Commission:				
National School Lunch Program	10.555	75M1002/TX-246-2007	N/A	\$ 48,645
National School Lunch Program	10.555	75M1002/TX-246-2008	N/A	4,433
Total Passed through Texas Health and Human Services Commission				53,078
Total U. S. Department of Agriculture				53,078
<u>U. S. Department of Housing and Urban Development</u>				
Direct program:				
Community Development Block Grant	14.218	B-05-UC-48-0502	1,169,802	(21,868)
Community Development Block Grant	14.218	B-06-UC-48-0502	1,070,432	278,810
Community Development Block Grant	14.218	B-07-UC-48-0502	851,180	385,947
2004 EDI - Special Project - Training/Community Center	14.246	B-04-SP-TX-0759	99,410	1,324
Total U. S. Department of Housing and Urban Development				644,213
<u>U. S. Department of Interior</u>				
Passed through Texas Parks and Wildlife Department:				
Regional Habitat Conservation Plan	15.615	E-49-H	1,205,000	199,748
Total Passed through Texas Parks and Wildlife Department				199,748
Total U. S. Department of Interior				199,748
<u>U. S. Department of Justice</u>				
Passed through Texas Office of the Governor - Criminal Justice Division:				
Substance Abuse Treatment	16.523	JB-05-J20-13308-08	25,492	(13)
Substance Abuse Treatment	16.523	JB-06-J20-13308-09	24,189	21,111
Williamson County DWI/Drug Court	16.738	DJ-08-A10-15695-02	112,000	96,110
Total Passed through Texas Office of the Governor - Criminal Justice Division				117,208

(continued)

WILLIAMSON COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
YEAR ENDED SEPTEMBER 30, 2008

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Program or Award Amount	Expenditures
<u>U. S. Department of Justice</u> (Continued)				
Passed through Texas Office of the Governor - Criminal Justice Division:				
In-Home Family Services Program	16.523	JA-07-J120-17999-03	\$ 42,000	\$ <u>35,312</u>
Total Passed through Texas Office of the Governor - Criminal Justice Division				<u>35,312</u>
Passed through the Office of Justice:				
State Alien Assistance Program (SCAAP)	16.572	2008-F2612-TX-AP	146,743	<u>146,743</u>
Total Passed through the Office of Justice				<u>146,743</u>
Total U. S. Department of Justice				<u>299,263</u>
<u>U. S. Department of Transportation</u>				
Passed through Texas Department of Transportation				
Pass through Toll Financing:				
IH35/SH29 Turnaround	20.205	PT2005-001-01-0015-08-122	8,240,000	3,896,380
US 79 East Hutto to CR 402	20.205	PT2005-001-01-0204-02-027	28,621,000	3,796,111
US 79 East of Taylor to Thrall	20.205	PT2005-001-01-0204-04-040	34,269,500	2,936,673
US 79 Thrall to Milam County Line	20.205	PT2005-001-01-0204-04-042	34,269,500	2,353,788
US 183 San Gabriel to SH 29	20.205	PT2005-001-01-0273-04-026	26,863,000	3,769,466
FM 1660 CR 134 to CR 101	20.205	PT2005-001-01-1566-01-009	30,278,000	719,456
FM 2338 FM 3405 to Reagan Blvd	20.205	PT2005-001-01-0211-01-023	11,500,000	<u>452,588</u>
Total Passed through Texas Department of Transportation				<u>17,924,462</u>
Total U. S. Department of Transportation				<u>17,924,462</u>

(continued)

WILLIAMSON COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
YEAR ENDED SEPTEMBER 30, 2008

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Program or Award Amount	Expenditures
<u>Federal Emergency Management Agency</u>				
Passed through Texas Office of the Governor - Division of Emergency Management:				
Emergency Management Performance	97.042	08TX-EMPG-1418	\$ 60,137	\$ <u>60,137</u>
Total Passed through Texas Office of the Governor - Division of Emergency Management				<u>60,137</u>
Total Federal Emergency Management Agency				<u>60,137</u>
<u>U. S. Elections Assistance Commission</u>				
Passed through the Texas Secretary of State:				
Help America Vote Act	90.401	78976	1,472,762	<u>345,100</u>
Total Passed through the Texas Secretary of State				<u>345,100</u>
Total Elections Assistance Commission				<u>345,100</u>
<u>U. S. Department of Health and Human Services</u>				
Passed through the State of Texas Juvenile Probation Commission:				
Title IV E Contract (Admin)	93.658	TJPC-E-2007-246	N/A	119,385
Title IV E Contract (Admin)	93.658	TJPC-E-2008-246	N/A	<u>206,852</u>
Total Passed through State of Texas Juvenile Probation Commission				<u>326,237</u>

(continued)

WILLIAMSON COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

(Continued)

YEAR ENDED SEPTEMBER 30, 2008

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Program or Award Amount	Expenditures
<u>U. S. Department of Health and Human Services (Continued)</u>				
Passed through Texas Department of Family and Protective Services:				
Title IV-E Contract (Legal)	93.658	23361158	N/A	\$ 18,528
Title IV-E Contract (Legal)	93.658	23380014	N/A	<u>94,165</u>
Total Passed through Texas Office of the Governor - Division of Emergency Management				<u>112,693</u>
Total U. S. Department of Health and Human Services				<u>438,930</u>
<u>U. S. Department of Homeland Security</u>				
Passed through the Texas Office of the Governor - Division of Emergency Management:				
Severe Storms, Tornados and Flooding	97.036	Florence Fire	9,595	9,595
Severe Storms, Tornados and Flooding	97.036	Hurricane Dolly	36,920	33,908
Severe Storms, Tornados and Flooding	97.036	Hurricane Gustav	42,034	42,034
Severe Storms, Tornados and Flooding	97.036	Hurricane Ike	275,000	275,000
Homeland Security	97.073	2006 GE-T6-0068	264,000	203,499
Homeland Security	97.074	2005 HSGP - 48491	241,815	40,332
Homeland Security	97.074	2007 GE-T6-0024	276,629	<u>67,301</u>
Total Passed through the Texas Office of the Governor - Division of Emergency Management				<u>671,669</u>
Passed through the Texas Forest Service				
Severe Storms, Tornados and Flooding	97.036	Hurricane Dolly	3,012	<u>3,012</u>
Total Passed through the Texas Forest Service				<u>3,012</u>
Total U. S. Department of Homeland Security				<u>674,681</u>
Total Federal Awards				<u>20,639,612</u>

(continued)

WILLIAMSON COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued) YEAR ENDED SEPTEMBER 30, 2008

State Grantor/Pass-through Grantor/ Program Title	Pass-through Grantor's Number	Program or Award Amount	Expenditures
<u>Texas Historical Commission:</u>			
Passed through the Texas Historical Preservation Program:			
Courthouse Restoration	Williamson-04-2004	\$ 3,755,000	\$ 203,393
Total Passed through the Texas Historical Preservation Program			<u>203,393</u>
Total Texas Historical Commission			<u>203,393</u>
<u>Commission on State Emergency Communications</u>			
Passed through the Capital Area Council of Governments			
911 Addressing Maintenance - 2008	N/A	151,540	139,008
911 Addressing Maintenance - 2009	N/A	151,540	<u>11,788</u>
Total Passed through the Capital Area Council of Governments			<u>150,796</u>
Total Commission on State Emergency Communications			<u>150,796</u>
<u>Office of the Attorney General</u>			
Direct Program:			
2009 Texas VINE Program	09-08855	30,108	<u>30,108</u>
Total Office of the Attorney General			<u>30,108</u>
<u>Texas Parks and Wildlife Department</u>			
Direct Program:			
True North Project: The Go! Program	52-000420	25,235	18,970
Brushy Creek Phase II	53-00010	517,213	517,213
RISD Land Acquisition	E-61-HL / 145955	1,353,750	<u>1,500</u>
Total Direct Program			<u>537,683</u>
Passed through the Texas Commission on Environmental Quality:			
Air Check Texas	582-2-55082-15	296,129	8,448
Air Check Texas - 2008	582-2-55082-15	1,365,516	<u>769,694</u>
Total Passed through the Texas Commission on Environmental Quality			<u>778,142</u>
Total Texas Parks and Wildlife Department			<u>1,315,825</u>

(continued)

WILLIAMSON COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
YEAR ENDED SEPTEMBER 30, 2008

State Grantor/Pass-through Grantor/ Program Title	Pass-through Grantor's Number	Program or Award Amount	Expenditures
<u>Texas Department of State Health Services</u>			
Passed through Bluebonnet MHMR			
BLUEBONNET MHMR	N/A	\$ 79,680	\$ 59,278
BLUEBONNET MHMR - 2009	N/A	64,324	<u>318</u>
Total passed through Bluebonnet MHMR			<u>59,596</u>
Passed through Texas Health Institute			
THI MENTAL HEALTH GRANT	N/A	75,000	<u>32,590</u>
Total Passed through Texas Health Institute			
Total Texas Department of State Health Services			<u>92,186</u>
<u>Capital Metropolitan Transportation Authority</u>			
Direct Program:			
BGA 2002 - PRECINCT #1	N/A	118,893	1,481
BGA 2005 - PRECINCT #1	N/A	139,057	10,781
BGA 2006 - PRECINCT #1	N/A	139,057	131,452
BGA 2005 - PRECINCT #2	N/A	139,057	85,222
BGA 2008 - PRECINCT #1	N/A	139,057	<u>8,970</u>
Total Capital Metropolitan Transportation Authority			<u>237,906</u>
<u>Texas Task Force on Indigent Defense</u>			
Indigent Defense Formula Grant	212-08-246	164,419	<u>177,747</u>
Total Texas Task Force on Indigent Defense			<u>177,747</u>
Total State Awards			<u>2,207,961</u>
Total Federal and State Awards			<u>\$ 22,847,573</u>

WILLIAMSON COUNTY, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

SEPTEMBER 30, 2008

1. GENERAL

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

2. BASIS OF ACCOUNTING

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

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local governments, and Nonprofit Organizations* and *the State of Texas Uniform Grant Management Standards*. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

3. NEGATIVE AMOUNTS

Due to a revision in the allocation of certain costs, the funding agent has retroactively allocated certain grant expenditures. As a result of this, the effected grants reflect a negative balance on the current Schedule of Expenditures of Federal and State Awards.

WILLIAMSON COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2008

Summary of Auditors' Results

Type of report on financial statements	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Noncompliance which is material to the basic financial statements	None
Type of report on compliance with major programs	Unqualified
Findings and questioned costs for federal and state awards as defined in Section 501(a), OMB Circular A-133 and the State of Texas Uniform Grant Management Standards	None
Dollar threshold considered between Type A and Type B federal and state programs	\$619,188 - Federal \$300,000 - State
Low risk auditee statement	The County was classified as a low-risk auditee in the context of OMB Circular A-133 and State of Texas Uniform Grant Management Standards.
Major federal programs	Homeland Security, CFDA #97.073 and 97.074 Severe Storms, Tornadoes, and Flooding, CFDA #97.036 Help America Vote Act, CFDA #90.401 Transportation - Pass-through Toll Financing, CFDA #20.205
Major state program	Brushy Creek Phase II AirCheck Texas

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

None

Findings and Questioned Costs for Federal and State Awards

None

WILLIAMSON COUNTY, TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

None

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