

Williamson County Public Annual Financial Report

For Fiscal Year End September 30, 2019



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2019



Popular Annual Financial Report

The Williamson County PAFR is an unaudited and user-friendly document produced with the intent to raise awareness and knowledge of the financial operations of the County. The PAFR does not include all the details of the CAFR (Comprehensive Annual Financial Report). If you need further financial information, please visit the County Auditor's website: <http://wilco.mygovcenter.com/financial-reports>.

Williamson County Commissioners Court

County Judge



Bill Gravell

Commissioner Pct 1



Terry Cook

Commissioner Pct 2



Cynthia Long

Commissioner Pct 3



Valerie Covey

Commissioner Pct 4



Russ Boles

Photo credits: Sheriff Chody, Dan Cohen, Pam Navarrette and Connie Odom.

County Auditor Message

Dear Citizens of Williamson County,

I am pleased to present the Popular Annual Financial Report (PAFR) for the fiscal year ended September 30, 2019. This financial summary provides a less technical discussion of the County finances. The document provides important financial data that presents a brief explanation on where the county-wide resources come from, how those dollars are spent and how those transactions affect the citizen.

The County has experienced major job growth and proliferation of business and residential development. Business incentives, a low tax rate and affordable housing are major factors that have contributed to the growth of the County. Williamson County's population is expected to grow to more than 1.6 million by 2050. To keep up with the growth, Williamson County voters recently approved a bond package for both roads and parks on November 5, 2019 in the amount of \$447 million. The amount approved for each is \$412 million in road bonds and \$35 million in park bonds. In January 2020, we reaffirmed a AAA credit rating that has been sustained since 2010. The AAA credit rating is provided to entities that have excellent financial performance, which provides further assurances that Williamson County will continue to be great stewards of our citizen's money.

The Williamson County Auditor's Office has generated this Citizen's Report using financial information taken from the 2019 Comprehensive Annual Financial Report (CAFR) that was audited by Weaver and Tidwell, LLP with an unmodified opinion. An unmodified opinion indicates that the financial statements are prepared according to Generally Accepted Accounting Principles (GAAP) and are free of material misstatement concerning the overall financial position of the County.

This report is not intended to replace the CAFR; the function of this report is to provide a readable and understandable format on the County's finances. Both the CAFR and PAFR are available on our website <http://wilco.mygovcenter.com/financial-reports>. I invite you to share any questions, concerns, feedback or recommendations you may have by emailing jljones@wilco.org.

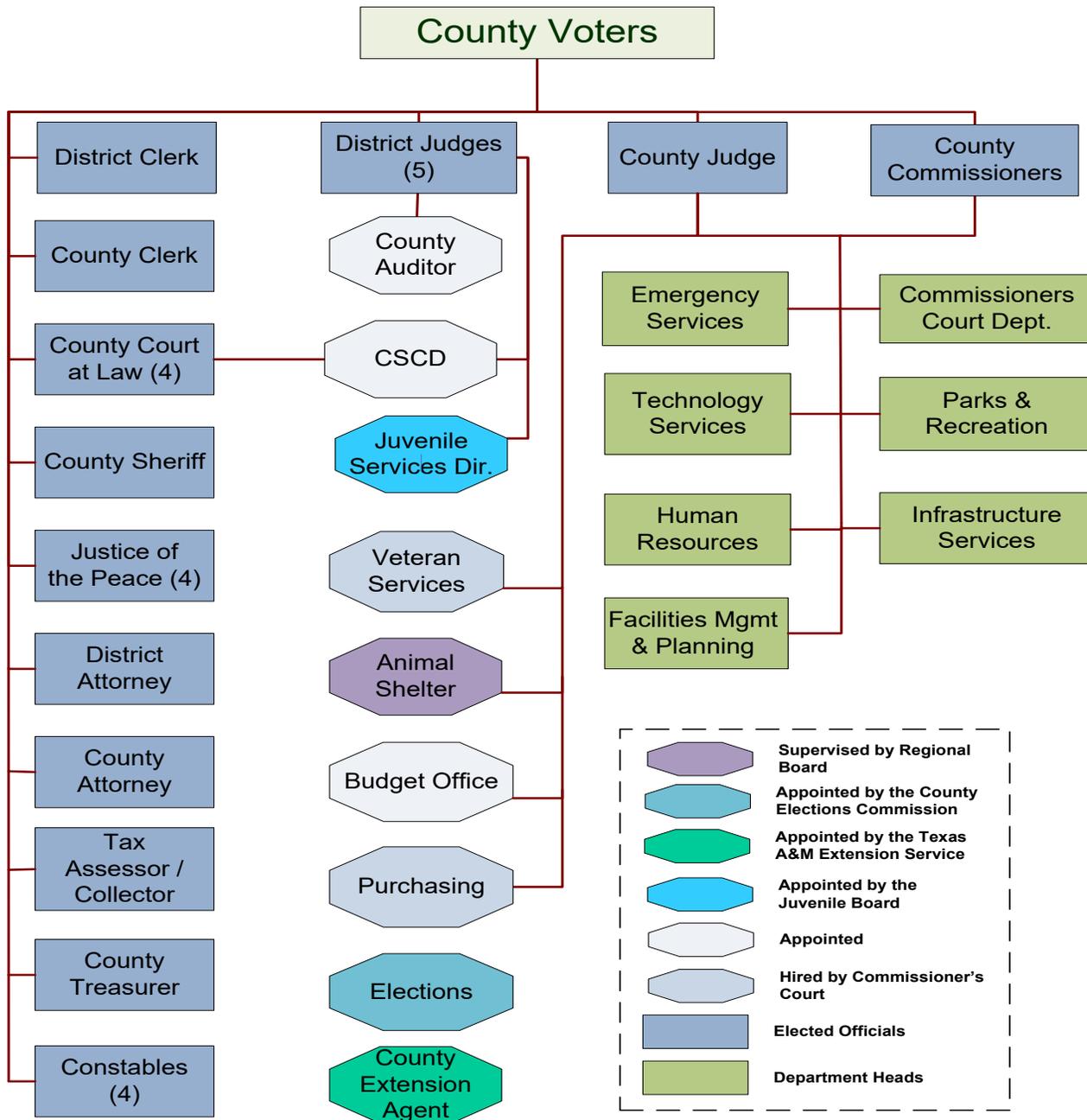
Respectfully submitted,



Jerri L. Jones
County Auditor



Organizational Chart



Effective: 03/08/2019

County Government

WILLIAMSON COUNTY ELECTED OFFICIALS*

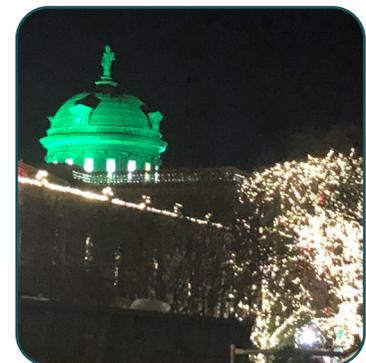
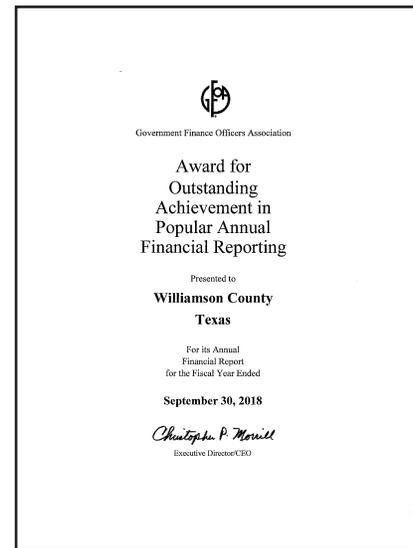
<i>Donna King</i>	Judge, 26th District Court
<i>Stacey Mathews</i>	Judge, 277th District Court
<i>Rick J. Kennon</i>	Judge, 368th District Court
<i>Ryan D. Larson</i>	Judge, 395th District Court
<i>Betsy Lambeth</i>	Judge, 425th District Court
<i>Bill Gravell, Jr.</i>	County Judge
<i>Terry Cook</i>	Commissioner, Precinct 1
<i>Cynthia Long</i>	Commissioner, Precinct 2
<i>Valerie Covey</i>	Commissioner, Precinct 3
<i>Russ Boles</i>	Commissioner, Precinct 4
<i>Vinnie Cherrone</i>	Constable, Precinct 1
<i>Richard Coffman</i>	Constable, Precinct 2
<i>Kevin Stoffle</i>	Constable, Precinct 3
<i>Marty Ruble</i>	Constable, Precinct 4
<i>Nancy Rister</i>	County Clerk
<i>Brandy Hallford</i>	Judge, Cty Court at Law 1
<i>Laura Barker</i>	Judge, Cty Court at Law 2
<i>Doug Arnold</i>	Judge, Cty Court at Law 3
<i>John B. McMaster</i>	Judge, Cty Court at Law 4
<i>Shawn Dick</i>	District Attorney
<i>Lisa David</i>	District Clerk
<i>KT Musselman</i>	Justice of Peace, Precinct 1
<i>Edna Staudt</i>	Justice of Peace, Precinct 2
<i>Evelyn McLean</i>	Justice of Peace, Precinct 3
<i>Stacy Hackenberg</i>	Justice of Peace, Precinct 4
<i>Dolye "Dee" Hobbs</i>	County Attorney
<i>Robert Chody</i>	County Sheriff
<i>Scott Heselmeyer</i>	County Treasurer
<i>Larry Gaddes</i>	Tax Assessor/Collector

*As of January 1, 2020

GFOA Award

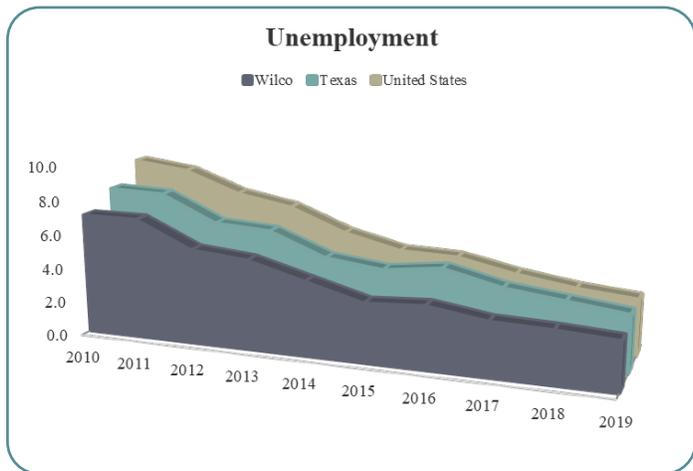
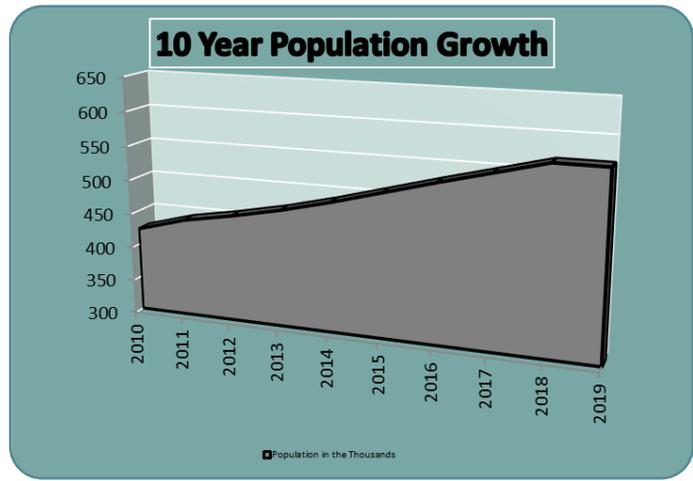
For fiscal year ended September 30, 2018, the Governmental Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Williamson County for the 14th consecutive year.

In order to receive an Award of Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a PAFR whose contents conform to program standards of creativity, presentation, understandability and reader appeal. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting the current year report to GFOA.



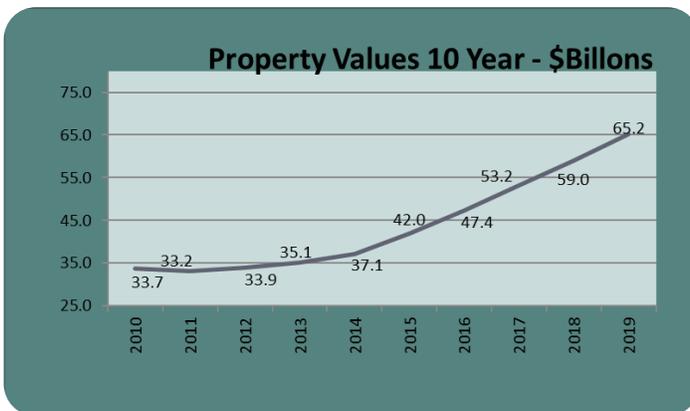
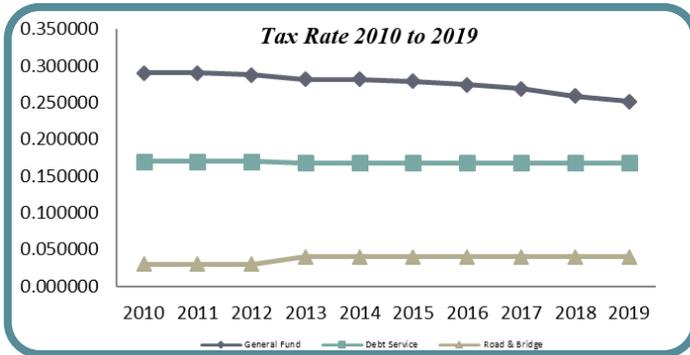
About Williamson County

Established in 1848, Williamson County is centrally located in the state of Texas adjacent to Travis County. Williamson County continues to be one of the top growing areas in the state of Texas and in the country. Williamson County occupies a land area of 1,135 square miles and provides services to an estimated population of 566,719. The current unemployment rate is 2.8% and employment opportunities are projected to grow steadily over time. Williamson County has a mild climate with affordable housing, a low cost of living, and beautiful scenic vistas. County taxes are among the lowest in the state to comparable counties; and unlike most states, Texas does not have a personal income tax. All these reasons make Williamson County one of the most desirable places to live and work in the United States.



Tax Rate and Trends

Williamson County sets tax rates in three areas: the General Fund, Debt Service, and Road & Bridge. The 2019 tax rate is \$0.459029 per \$100 value and broken down as follows: \$0.251529 for General Fund, \$0.1675 for Debt Service, and \$0.04 for Road and Bridge. The graph below reflects the changes in tax rates by each source since 2010. Property taxes support government activities. From last fiscal year, property tax revenue increased \$21.7 million. For 2019, tax rates decreased slightly. However, property values increased by 13%. Taxpayers can view the trend of increased growth in property values from 2010 to the current fiscal year in the second graph below.



Top 10 Taxpayers

- Dell Computer*
- BRI 1869 Parmer, LLC*
- Oncor Electric Delivery Co*
- CPG Round Rock LP & SPG Round Rock NS LP*
- Lakeline Developers*
- BRE RC 1890 Ranch TX LP*
- NW Austin Office Partners LLC*
- IVT Parke Cedar Park LLC*
- Atmos Energy/Mid-Tex Dist*
- HEB Grocery Company LP*

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and payment of, general long-term debt, principal, interest and issuance costs. For more detail on the debt service, go to the County Auditor's website. The table on the right provides the fund's revenue, expenditures, and ending fund balance over the past three years.

Debt Service Fund - \$M			
	2019	2018	2017
Revenue	\$107.3	\$97.2	\$87.4
Expenditures	\$111.1	\$104.2	\$82.6
Ttl other financing sources (uses)	(\$3.8)	(\$7.0)	\$4.8
Ending Fund Balance	\$6.9	\$6.8	\$7.5

Road & Bridge Fund

The Road & Bridge Fund is a special revenue fund used to account for money received from taxes, vehicle registration and rebates from the state of Texas. Expenditures in the fund are utilized for maintenance and construction of county roads and bridges. The table on the right provides the fund's revenue, expenditures, and ending fund balance over the past three years.

Road & Bridge Special Revenue Fund - \$M			
	2019	2018	2017
Revenue	\$33.7	\$29.8	\$26.9
Expenditures	\$24.9	\$26.0	\$23.2
Ttl other financing sources (uses)	\$8.8	\$3.8	\$3.7
Ending Fund Balance	\$22.5	\$21.5	\$21.6

Financial Trend Summary

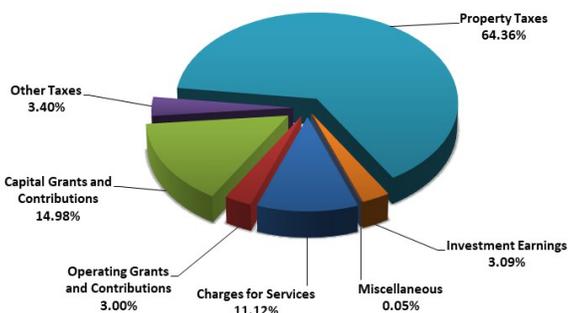
Where the Money Comes From:

REVENUES = \$456,779,487

The graph below breaks down the categories of where the County collects revenue.

- *Property Taxes:* The largest source of revenue available to fund programs in the County.
- *Fees of Office and Charges for Services:* Fees paid by individuals, businesses, or other governments who purchase, use or directly benefit from goods or services provided.
- *Intergovernmental:* Payments or donations from other governmental entities through contractual agreements.
- *Investment Earning:* Interest income and other income from investment activities.

Revenues by Source - Governmental



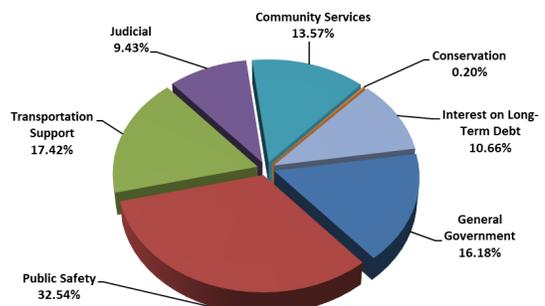
How Your Tax Dollars Are Spent:

EXPENDITURES = \$358,709,743

The graph below represents a breakdown of the categories for which the County spends taxpayers' dollars on public services.

- *Public Safety:* Welfare and protection of the general public. The largest expenditure for the County consist of Sheriff's Office, EMS, and Jail.
- *Transportation Support:* Improvement and maintenance of the County's road system.
- *General Government:* Administrative functions of county business such as the County Auditor, Budget Office, and Commissioners Court.
- *Community Service:* Offices consist of Veteran Services, Public Health, Parks, the Agriculture Extension Service and the Regional Animal Shelter
- *Long Term Debt* consists of expenditures in Debt Service to pay off the bonds issued for construction of major projects.
- *Judicial:* Expenditures are related to court cases processed through the various courts to include Magistrate, District Judges, County Court at Law, Justice of the Peace, District Attorney, and County Attorney Offices.

Expenses - Governmental Activities



Government Wide Statements

Government-wide statements are designed to provide readers with a broad overview of Williamson County's finances in a manner similar to a private sector business. Both the statement of activities and statement of net position are presented in the government-wide statements.

Statement of Activities

The Statement of Activities presents information demonstrating how the County's net position changed during the current fiscal year. All changes in net position are reported shortly after the underlying event occurs regardless of the timing of related cash flows. Property tax revenue increased by \$21.7 million in 2019 compared to 2018. The property tax rate slightly decreased; however, property values increased by 13%. Expenses increased in 2019 compared to 2018, primarily as a result of an increase in public safety and judicial expenses related to continued growth of the County.

Williamson County Financial Activity Statement			
General Revenue	2019	2018	2017
Property Taxes:			
Levied for general purposes	146,561,112	120,231,990	140,500,042
Levied for road & bridge	25,264,772	23,002,816	20,691,651
Levied for debt service	122,161,032	129,065,600	88,542,902
Other taxes	15,533,141	31,775,438	1,497,202
Charges for Services	50,782,646	48,552,835	47,140,860
Operating grants & contributions	13,699,587	17,125,735	7,389,422
Capital grants & contributions	68,415,425	48,139,969	54,957,868
Investment earnings	14,119,674	8,477,449	4,713,739
Miscellaneous	242,098	165,001	2,014,239
Total Revenue	456,779,487	426,536,833	367,447,925
Expenditures			
General Government	58,051,710	54,797,454	34,560,332
Public Safety	116,707,999	99,809,010	69,592,308
Transportation Support	62,487,644	72,329,109	55,114,815
Judicial	33,832,980	27,337,346	18,656,716
Community Services	48,664,236	32,584,267	15,685,849
Conservation	709,525	369,119	1,300,206
Interest on long-term debt	38,255,649	40,588,916	39,492,764
Total Expenditures	358,709,743	327,815,221	234,402,990
Monies Received over Services Rendered	98,069,744	98,721,612	133,044,935



Williamson County Employees
1,752



Fund Accounting

Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund			
	2019	2018	2017
Revenue			
Taxes	162,188,959	151,590,175	142,188,824
Fees of Office	14,634,754	13,616,230	13,676,884
Fines & Forfeitures	2,507,416	2,835,062	3,174,688
Intergovernmental	3,315,576	2,299,065	2,633,387
Charges for Services	13,824,013	13,337,778	12,564,387
Investment Income & Other	5,617,671	2,766,087	1,410,920
Miscellaneous	805,469	728,055	497,731
Total Revenue	202,893,858	187,172,452	176,146,821
Expenditures			
Current:			
General Government	37,339,690	35,099,090	31,575,802
Public Safety	90,851,679	85,759,211	83,043,877
Judicial	27,836,770	25,038,527	23,316,667
Community Services	14,147,352	11,563,579	13,480,388
Debt Service:			
Principal	1,062,796	293,211	209,735
Interest and other charges	116,065	25,658	24,876
Capital Outlay	11,323,425	8,335,721	5,805,143
Total Expenditures	182,677,777	166,114,997	157,456,488
Excess of Revenues over Expenditures	20,216,081	21,057,455	18,690,333
Other Financing Sources (Uses)			
Transfers In	400,479	1,111,443	23,814
Transfers Out	(14,272,822)	(11,511,893)	(7,908,107)
Proceeds from Capital Lease	0	2,156,875	1,214,557
Proceeds from Sale of Capital Assets	211,783	1,561,168	227,972
Total Other Financing Sources (Uses)	(13,660,560)	(6,682,407)	(6,441,764)
Net Change in Fund Balances	6,555,521	14,375,048	12,248,569
Fund Balance, Beginning	113,601,523	99,226,475	86,977,906
Fund Balance, Ending	120,157,044	113,601,523	99,226,475

Fund Accounting groups revenue received by resources (i.e. property taxes) into related accounts to maintain control over resources that have been segregated for specific activities. The County, like other state and local governments, uses fund accounting to ensure compliance with finance-related requirements. All funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Williamson County maintains 52 individual governmental funds. *Governmental funds* are used to account for essentially the same functions as government-wide. However, the main function for governmental funds is to focus on near-term inflows and outflows of available resources as well as unencumbered balances at the end of the fiscal year. The *proprietary fund* is an accounting tool used to accumulate and allocate costs internally among the County's various functions. The only type of proprietary fund maintained by the County is Internal Service Funds which includes the Fleet Maintenance Fund and the Benefits Fund. Fiduciary funds are used to account for resources held for the benefit of parties outside the County.

General Fund

The General Fund is the main operating fund of the County. At the end of the current fiscal year, total fund balance of the General Fund was \$120.2 million with a \$722 thousand nonspendable fund balance for investment in capital leases and prepaid expenses. In 2013, the county established a plan to reduce excess reserves to fund various county capital projects.



Statement of Net Position

The *Statement of Net Position* presents information on all of the County's assets and liabilities. The difference between the assets and liabilities are reported as the net position. Capital assets represent the value of assets less depreciation and the associated outstanding debt incurred to purchase an asset. Restricted assets include Debt Service, Road and Bridge, Conservation Foundation, Tobacco Fund, and other purposes that limit the use of certain assets. Unrestricted Net Assets are items that do not have to be held for specific reasons. Deferred outflows of resources are the consumption of net assets applied to a future reporting period. Deferred inflows of resources are the purchase of net assets by government that is applied to a future reporting period. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of Williamson County is improving or deteriorating. Total net position increased by approximately \$98.1 million compared to 2018. Capital assets increased by \$91.9 million as a result of ongoing county road improvements, county buildings and equipment. Noncurrent liabilities decreased by \$23.9 million. In addition, the County's net pension liability increased to \$86 million. This is primarily a result of plan changes effective in 2019 for a 1% cost of living adjustment (COLA).

Williamson County Condensed Statement of Net Position			
	2019	2018	2017
Assets			
Current Assets	530,009,076	564,857,988	534,259,737
Capital Assets	940,622,105	848,701,165	767,764,230
Total Assets	1,470,631,181	1,413,559,153	1,302,023,967
Deferred Outflows of Resources	73,678,993	65,429,502	78,324,150
Total Deferred Outflows of Resources	73,678,993	65,429,502	78,324,150
Liabilities			
Current Liabilities	41,107,742	35,232,051	38,419,629
Noncurrent Liabilities	1,048,429,626	1,072,408,807	1,088,780,082
Total Liabilities	1,089,537,368	1,107,640,858	1,127,199,711
Deferred Inflows of Resources	7,004,043	21,648,778	2,170,999
Total Deferred Inflows of Resources	7,004,043	21,648,778	2,170,999
Net Position			
Invested in Capital Assets, net of Related Debt	637,304,132	576,802,803	412,098,469
Restricted	60,512,370	76,157,795	61,342,122
Unrestricted	(250,047,739)	(303,261,579)	(222,463,184)
Total Net Position	447,768,763	349,699,019	250,977,407

Top 10 Employers

Dell Computer
Round Rock ISD
Leander ISD
HEB Grocery
Georgetown ISD
Williamson County
City of Round Rock
City of Cedar Park
Emerson Process Management
Round Rock Premium Outlets



Williamson County - 2019 Debt and Bond Activity

Pass-Through Toll Revenue and Limited Tax Bonds:

This program represents 14% of the County's outstanding bonds payable. Debt payments for this type of bond are backed by a revenue source other than tax revenues. Tax revenues will only be used should the primary revenue source default on payments. Currently, Williamson County has two Pass-Through agreements with the Texas Department of Transportation (TxDOT). In 2006, TxDOT and Williamson County signed an agreement for the County to build US 183A, US 79 (3 Sections), IH-35 Turnaround Bridges (Georgetown), RM 2338 and FM 1660. A maximum of \$151,942,000 will be reimbursed to Williamson County from TxDOT. The reimbursement is paid semi-annually based on \$0.10 per vehicle mile traveled to allow no more than \$15,194,200 annually compensated on the projects. The traffic counts are taken before each reimbursement in March and September. In 2011, Williamson County signed a second Pass-Through agreement with TxDOT for the construction of northbound frontage roads and ramps on IH-35 in Georgetown. TxDOT will reimburse a maximum of \$12,096,700. The reimbursement from TxDOT to Williamson County is based on a calculation of \$0.07 per vehicle mile traveled to allow no more than \$1,099,700 compensated annually on the completed project. All projects under the Pass-Through agreements are open and are being billed to TxDOT.

Voter Approved Bonds:

On Tuesday, November 5, 2019, Williams County voters approved \$412 million in road bonds and \$35 million in park bonds. In January 2020, the County sold road bonds as well as park and refunding bonds for \$300,000,000 and \$45,725,0000 respectively. The refunding portion consisted of \$11.6 million which resulted in a savings of \$917,203.00. Over the course of the bond program since 2004, refinancing debt has saved more than \$78 million and the county has defeased \$38 million.

On Tuesday, November 5, 2013, Williamson County voters approved \$275 million in road bonds and \$40 million in park bonds. In December 2017, the remaining balance of \$75,000,000 of the approved road bonds were issued. As of September 30, 2019, our total outstanding bonds payable debt is \$801,709,941 of which \$101,245,550 is reimbursable Pass-Through revenue bonds. As of September 30, 2019, \$90,361,215 has been reimbursed from TxDOT.

**Wilco Credit Rating
AAA bond Rating**

Since 2010, Williamson County has maintained and most recently reaffirmed a bond rating of AAA in January 2020 from Fitch and Standard & Poor's.





Major Capital Projects Annual Expenditures FY 2019		
Project Name	\$M	Type
North Mays Extension	\$6.10	Road
SH 29 Bypass/Inner Loop Ph. 1	\$5.80	Road
River Ranch Phase I	\$5.20	Park
Georgetown Annex Building	\$4.50	Building
Park Land Acquisition	\$4.30	Park
Animal Shelter Expansion	\$3.70	Building
CR 110 Middle (Limmer Loop-CR 107)	\$3.40	Road
CR 119/Ed Schmidt Blvd Extension	\$3.10	Road
CR 200 Phase I	\$2.60	Road
North Campus Facilities	\$2.60	Building



Median Age
37 Years Old

Median Household Income
\$83,679

Per Capita Income
\$35,825

Median Home Market Price
\$245,100

Wilco Services Stats

	2019	2018	2017
County Employees	1,752	1,694	1,628
Judicial			
Hot Check Cases			
Number of checks processed	478	441	650
Number of theft by check cases filed	81	101	104
Public Safety			
Number of 911 Calls Received	95,578	83,136	63,589
Number of EMS runs	25,465	24,114	23,664
Average EMS Response Time in minutes	7:51	8:04	7:54
Violations Report by Sheriff's Office	22,198	17,246	21,022
Jail Bookings	13,055	12,997	13,805
Jail Releases	13,076	12,711	13,964
Jail inmates at 9/30	558	590	641
Average Jail Daily Population	572	561	694
Transportation			
Roadway resurfacing (CL miles)	88	91	94
Asphalt Patches Applied (Tons)	18,100	14,880	14,995
Culvert Replacement & Maintenance	135	177	303
Mowing/Vegetation Control (Miles)	5,563	4,772	5,901
Signage Replacement (each)	2,562	2,588	2,071
Community			
Participants Sports Field usage	113,008	144,897	147,680
Parks Dept Reservations	4,526	4,445	5,492
Rides of Miniature Train	26,178	34,957	35,838

Williamson County, TX
Communities

Austin
Andice
Barlett
Cedar Park
Coupland
Florence
Georgetown
Granger
Hutto
Jarrell
Leander
Liberty Hill
Round Rock
Schwertner
Taylor
Thorndale
Walburg
Weir



Accounting Terminology

Assets: What the County owns (cash, investments, property, equipment, vehicles, etc.).

Bonds: A debt security in which the issuer is obligated to repay the principal and interest at a later date (maturity date).

Capital Assets: Long-term assets that are held or used such as land, road, buildings, vehicles, and improvements net of depreciation.

Capital Outlay: Funds spent to purchase or construct buildings, machinery, vehicles, etc.

Debt Service: Cash required to repay interest and principal on issued debt of a bond to be paid back over a period of time.

Deferred Inflow of Resources: An acquisition of net assets by the County that is applicable to a future reporting period.

Deferred Outflow of Resources: A consumption of net assets by the County that is applicable to a future reporting period.

Expenditures: Acquisition of goods and services intended to create future benefits, such as infrastructure improvement.

Fund: Grouping of revenue received by resources into related accounts to maintain control over resources that have been segregated for specific activities and objectives.

Fund Balance: Fund equity for governmental funds which reflects the accumulated excess of revenues and other financing sources over expenditures and other financing uses.

General Fund: The chief operating fund of the County.

Liabilities: Future spending of revenue as a result of past transaction and other past events.

Net Position: The difference between assets and liabilities distinguishing the net worth of the County.

Revenue: Money received by the government through collection of property taxes, fees of office, charges for services, payments from other governmental entities, donations, and investment earnings.



County Auditor's Office

Jerri L. Jones, County Auditor
Julie Kiley, First Assistant County Auditor
Jalyn Morris, Internal Audit Director
Melanie Denny, Financial Director

Financial Accounting:

Pam Navarrette (Assistant Financial Director), ***Jody Cook***, ***Emmeline Hawkins***, ***Cortney Husband***, ***Tomika Lynce***, ***Anabel Macias***, ***Hillary McCoy***, and ***Kelsey Rollins***

Accounts Payable/Payroll:

Nathan Zinsmeyer (Manager), ***Karen Knightstep*** (Lead), ***Heather Alberts***, ***Nicole Alderete***, ***Leticia Gomez***, ***Angella Faris***, ***Aracelia Kent***, ***Diane Ostolaza***, ***SanJ Ramos***, ***Este Riley***, ***Miranda Stubbs***

Internal Audit:

Jolene Crist (Assistant Internal Audit Director), ***Shari Champion***, ***Sara Greer***, ***Michael Hansen***, ***Kira Sidatt***, and ***Sandy Surratt***





**Williamson County, Texas
Office of the County Auditor
Popular Annual Financial Report
September 30, 2019**

<http://wilco.mygovcenter.com/financial-reports>

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