

Williamson County, Texas

Popular Annual Financial Report –2010



Citizen's Report

Issued by:

David U. Flores

Williamson County Auditor

September 30, 2010



David U. Flores

Williamson County Auditor

David U. Flores has a BBA from Texas A&I University-Kingsville, Texas. He was a teacher and a merchant before becoming the County Auditor for Dimmit County. He served as the County Auditor for Dimmit County for 9 years from 1980 - 1988 and has since served as the County Auditor for Williamson County, having been sworn in during January of 1989. He has been a trustee for the Texas County and District Retirement System and is a past president for the Texas Association of County Auditors. Mr. Flores currently serves as the Chairman of the Investment Committee for the Texas Association of Counties.



Dear Citizens of Williamson County,

I am pleased to present the annual Williamson County Citizens' Financial Report, (also known as the Popular Annual Financial Report or "PAFR") for fiscal year ended September 30, 2010. This financial summary provides a less technical discussion of County finances. It also includes discussions of County initiatives and trends in the local economy. This important economic data presents a brief explanation of where county-wide resources come from and how they are spent; then, focusing only on the County's major funds and how they affect you, the citizen.

The Williamson County Auditor's Office has generated this Citizens' Report using financial information taken from the 2010 Comprehensive Annual Financial Report (CAFR) that was audited by Weaver and Tidwell, LLP, and received an unqualified opinion. Unlike the CAFR, this report is not presented in Generally Accepted Accounting Principles (GAAP) and reporting standards, meaning it's a financial report that is user-friendly.

This report is not intended to replace the CAFR; it is simply presented as a means of increasing public confidence in County government. For a complete set of County financials, please refer to the CAFR, which is available from the Williamson County Auditor's Office located in the historic Williamson County Courthouse at 710 Main St., Ste #301, Georgetown, TX 78626. In addition, both the CAFR and PAFR are on the County website at www.wilco.org. I invite you to share any questions, concerns, feedback or recommendations you may have by contacting us at jkiley@wilco.org or 512/943-1500.

Respectfully submitted,

A handwritten signature in black ink that reads "David U. Flores".

David U. Flores

AUDITOR FUNCTIONS

There are many reasons to have a County Auditor, but the main one is to maintain the integrity of financial administration in county government. Every two years, the state District judges in Williamson County appoint the County Auditor. Because the Auditor is neither appointed by nor under the hierarchical control of the Commissioners Court, the integrity of county finances is protected by a dual system of "checks and balances."

AUDITOR STAFF

The Office of the County Auditor currently consists of 25 employees acting as the "Stewards of Public Funds" in the areas of Internal Audit, Financial Accounting and Reporting, Accounts Payable and Payroll.

GOAL FOR THIS REPORT

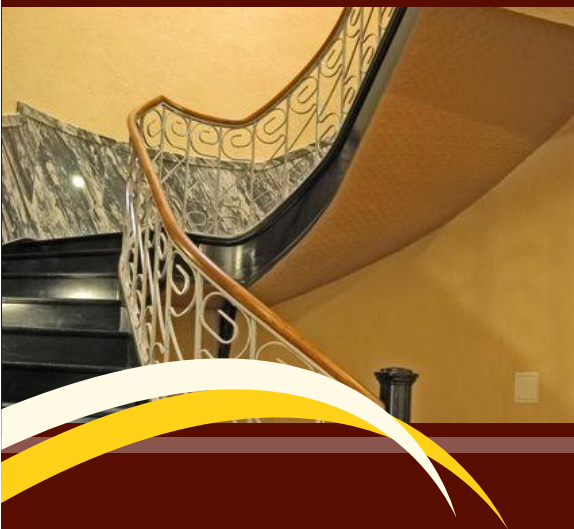
The purpose of this report is to present an easy to read financial position of Williamson County government. We hope to instill taxpayer confidence in their government and to highlight some of the services provided to our citizens and taxpayers. We hope you find this report helpful and informative about what County government does for you.

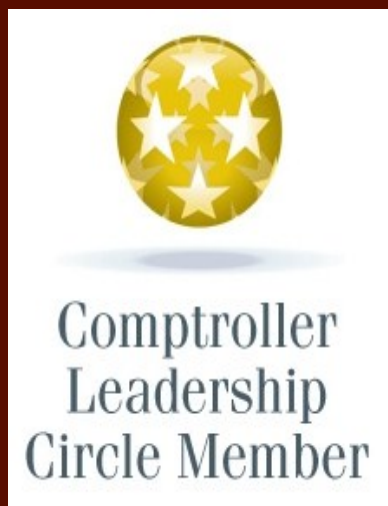
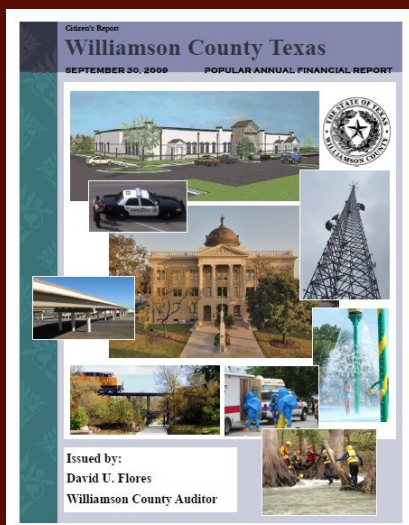


STEWARDS OF PUBLIC FUNDS

The Williamson County Auditor's Office is the supervisory body of County funds. Maintaining the integrity of financial administration in County government is essential and is provided by the Auditor's Office through an independent system of checks and balances. As the County's chief financial officer, it is the Auditor's responsibility to:

- Properly account for millions of dollars received by the County each year.
- Manage and account for County debt.
- By statute, audit all books and records of County officials.
- Oversight of all County Financial Records.
- Maintain Independence, Integrity and Enforce all Texas laws and regulations governing County finances.
- Act as advisor to Commissioner's Court concerning financial conditions and County policies.
- Approve and issue payments with authorized funds in conjunction with Commissioner's Court.
- Administer, report, and forecast revenues in the County budget as set by the Commissioner's Court.
- Issue payments for all County obligations through Accounts Payable, including administering the County payroll.
- Prepare the County's Comprehensive Annual Financial Report (CAFR) as required by law.
- Provide day to day financial information on the County web-site.
- Ensure Financial Transparency in government.





Award for Outstanding Achievement in Popular Annual Financial Reporting

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, 2009. 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.

Texas Comptroller Leadership Circle

The Comptroller of Public Accounts launched the Texas Comptroller Leadership Circle program in December 2009 to recognize local governments across Texas that are striving to meet a high standard for financial transparency online. Spotlights are placed on those local governments that are:

- opening their books to the public
- providing clear, consistent pictures of spending
- sharing information in a user-friendly format that lets taxpayers easily drill down for more information.

“Gold” highlights those entities that are setting the bar with their transparency efforts.

Julie Kiley Receives State Award

Pictured:

From Left to Right:
Commissioners Ron Morrison, Lisa Birkman, Cynthia Long, County Auditor David Flores, Stacey Gomez, First Asst County Auditor Julie Kiley, Commissioner Valerie Covey and County Judge Dan A. Gattis.

Texas Association of County Auditors

The mission of the Texas Association of County Auditors is to support the membership by providing education and resources to assist in the performance of their official duties in an independent, professional, and innovative manner; therefore, enhancing efficient and effective county government.



Texas Association of County Auditors

Julie Kiley, Williamson County First Assistant County Auditor, received the Denise Linch Assistant County Auditor Award for 2009-2010 from the Texas Association of County Auditors. The award is given annually for “exceptional professionalism, courage, skill, perseverance, discipline, loyalty and dedication to service.” Of several thousand assistant county auditors in the state, only one award is given each year.

Kiley has been with the Williamson County Auditor’s office for 16 years. She started as a desk auditor and has served in the areas of internal audit, accounts payable, payroll and in the positions of Internal Audit Manager and Financial Manager. She was promoted to First Assistant County Auditor in the fall of 2003.

“Julie brings the combination of intellect and passion to what we do as Auditors,” stated County Auditor David Flores. “She is a true warrior for what is right, because she is committed to the highest principles of integrity. She does this courageously without blinking an eye because she believes and cares about our role as Auditors in county government. I appreciate the association for recognizing Julie because she is truly a deserving individual who makes a difference and continues to raise the bar on professionalism.”

Kiley is starting her third year of service on the TACA board. TACA President Edward Dion of El Paso County, presented the award to Kiley at a banquet held Oct. 14.

“I singled you out as this year’s recipient because I believe that your career exemplifies the level of sustained excellence that this award was created to recognize,” said Dion. “You are an individual that without a doubt exhibits an unending willingness to help others and shines through in everything that you do.”



Williamson County— AAA/Stable

Williamson County's bond rating has been raised to a AAA from AA+ on its ongoing general obligation debt and the County's series 2010 pass-through financing revenue and limited tax bonds by Standard & Poor's Ratings Services. Fitch Ratings also assigned an initial AAA rating to Williamson County's \$35.44 million pass-through financing revenue and limited tax bonds, series 2010. Both companies state the rating outlook is stable.

"A rating of AAA brings positive recognition of fiscal strength, and it also brings responsibility in what we must do financially for the long term in order to keep the highest rating," said Williamson County Auditor David Flores.

Standard & Poor's Ratings Services raised its long-term and underlying rating (SPUR) to AAA for Williamson County based on "our view of the county's consistent strong economic expansion and its proven ability to manage growth," said Standard & Poor's Credit Analyst Kate Choban. "Further supporting the rating is the county's maintenance of strong finances."

According to a press release by Fitch Ratings, the rationale behind the AAA rating was "despite growth pressures, financial performance has consistently been strong, benefiting from conservative fiscal stewardship and budgeting practices. The county maintains ample reserves in a number of funds, well in excess of stated policies."

Williamson County issued approximately \$35.4 million in voter approved bonds for the county's road bond program, specifically to complete state road projects that have been approved for the state's pass-through financing program. These roads include US 79, RM 2338, and US 183. AAA is the highest rating available for credit worthiness. The AAA rating means the county was able to get a lower interest rate that will save the county approximately \$600,000 in interest over the life of the debt.

Flores said the fundamentals that have earned the county its AAA rating are consistently building adequate reserves, investing in infrastructure to keep property values vibrant, maintaining good business practices, working smarter with technology, attracting and retaining a talented workforce, and keeping debt in proportion to maintenance and operation. He said when he began working for Williamson County in 1989, the County had no credit rating at all. Upgrading to the highest credit rating in the land shows the County's fiscal strength.

AAA / Stable Rating

- CONSERVATIVE FISCAL STEWARDSHIP
- STRONG ECONOMIC EXPANSION
- RESPONSIBLE FINANCIAL MAINTENANCE
- AMPLE RESERVES
- MANAGED GROWTH
- RESULTS IN SIGNIFICANT COST SAVINGS

ECONOMY

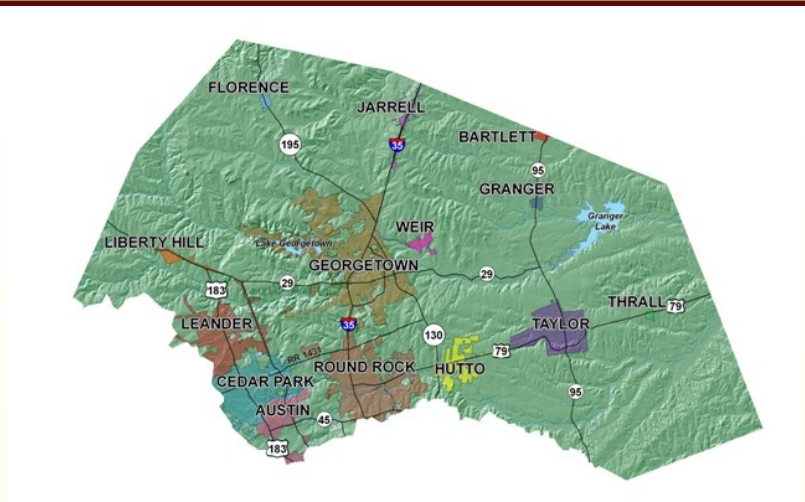
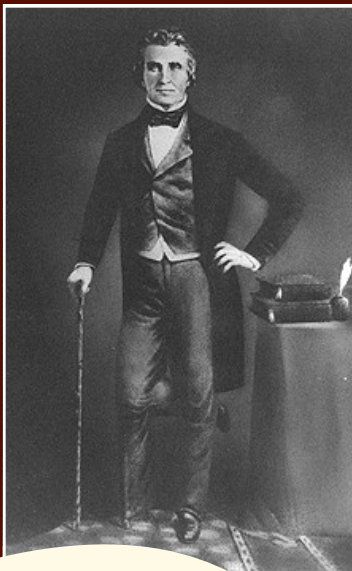
The Williamson County economy has remained resilient, compared to the rest of the nation, and is reported by economists to be one of the more stable during the recent economic downturn.

POPULATION

Williamson County's population ranks it 12th among 254 counties in Texas and is one of the fastest growing counties in the United States.

ROBERT M. WILLIAMSON

The County was organized in 1848 and named for Robert M. Williamson, pioneer leader and veteran of the Battle of San Jacinto. He was a newspaper publisher, lawyer, judge and state legislator. Because of a childhood illness, one of his legs was bent back and he also had a wooden leg extending from the knee, giving him the nickname "Three-Legged Willie."



WILLIAMSON COUNTY, TEXAS

Williamson County is blessed with a mild climate offering more than 300 sunny days each year, affordable housing, a low cost of living, clean air, and beautiful scenic vistas. The County is well known for a very low crime rate and friendly, neighborly people. County taxes are among the lowest in the state for comparable counties, and, unlike most states, Texas has no state personal income tax. All these reasons make Williamson County one of the most desirable places to live and work in the United States.

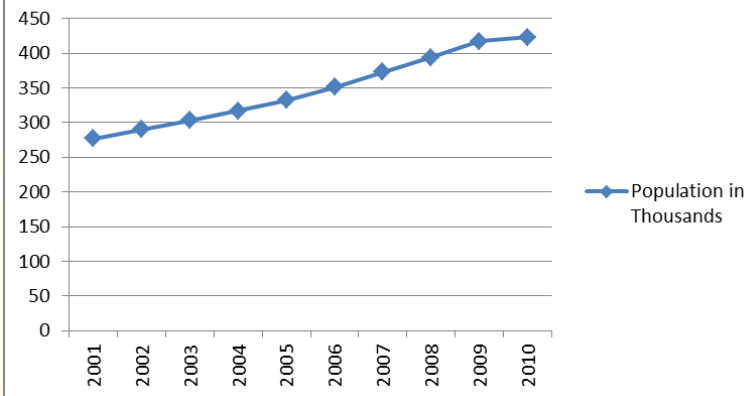
COUNTY STRUCTURE AND SERVICES

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 a population of 422,679. 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 Commissioner's Court of five members. The County Judge is the chairman of the court and the Commissioner from each of the four 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.

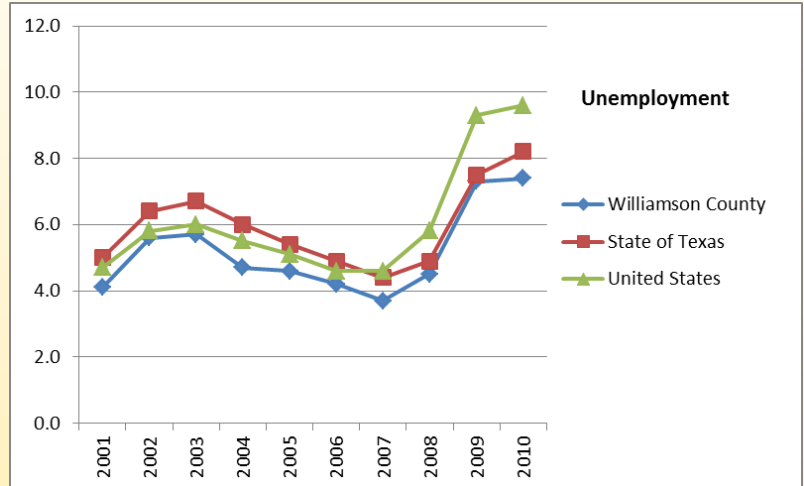
Williamson County provides many varied services for the public it serves. Among these services are judicial, detention facilities, public safety, county roads, emergency medical service, health and limited social services, public improvements and general administrative services.

10 Year Population Growth

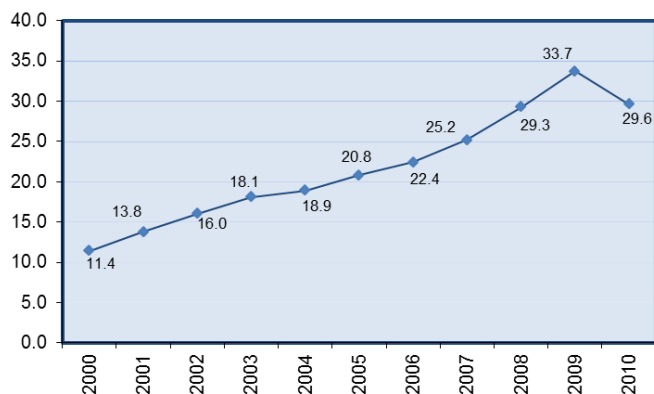


Williamson County's population for 2010 is 422,679 according to the US Census Bureau. This area's population has grown 69% in the last 10 years. Williamson County now ranks as the state's 12th most populous county. Williamson County continues to be home to many major industries, including high tech manufacturing, healthcare and higher education. In spite of a slight increase in the average unemployment rate, from 7.3% in 2009 to 7.4% this year (state and national rates continue to be much higher), 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 with the rest of the nation, and is expected by economists to be one of the more stable during the current economic downturn. Throughout the 2010 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



Property Values - \$Billions



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.

Principal Property Taxpayers - FY 2010

Taxpayer	Assessed Value \$Millions	Rank	% of Total County Assessed
Dell Computer Holdings, LP	155,998,254	1	0.46%
CPG Round Rock, LP	135,844,917	2	0.40%
Oncor Electric Delivery Company	111,702,568	3	0.33%
Lakeline Developers	103,394,181	4	0.31%
Baltgem Development Corp. Et, Al.	91,678,192	5	0.27%
Citicorp North America Inc.	83,072,237	6	0.25%
HEB Grocery Company LP	72,804,789	7	0.22%
SPG Wolf Ranch LP	63,115,450	8	0.19%
Columbia/St. David Healthcare	62,054,352	9	0.18%
Amaravathi Ltd. Partnership	60,767,488	10	0.18%

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, 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 completed the first building of its new campus. Austin Community College has opened new Round Rock campuses.

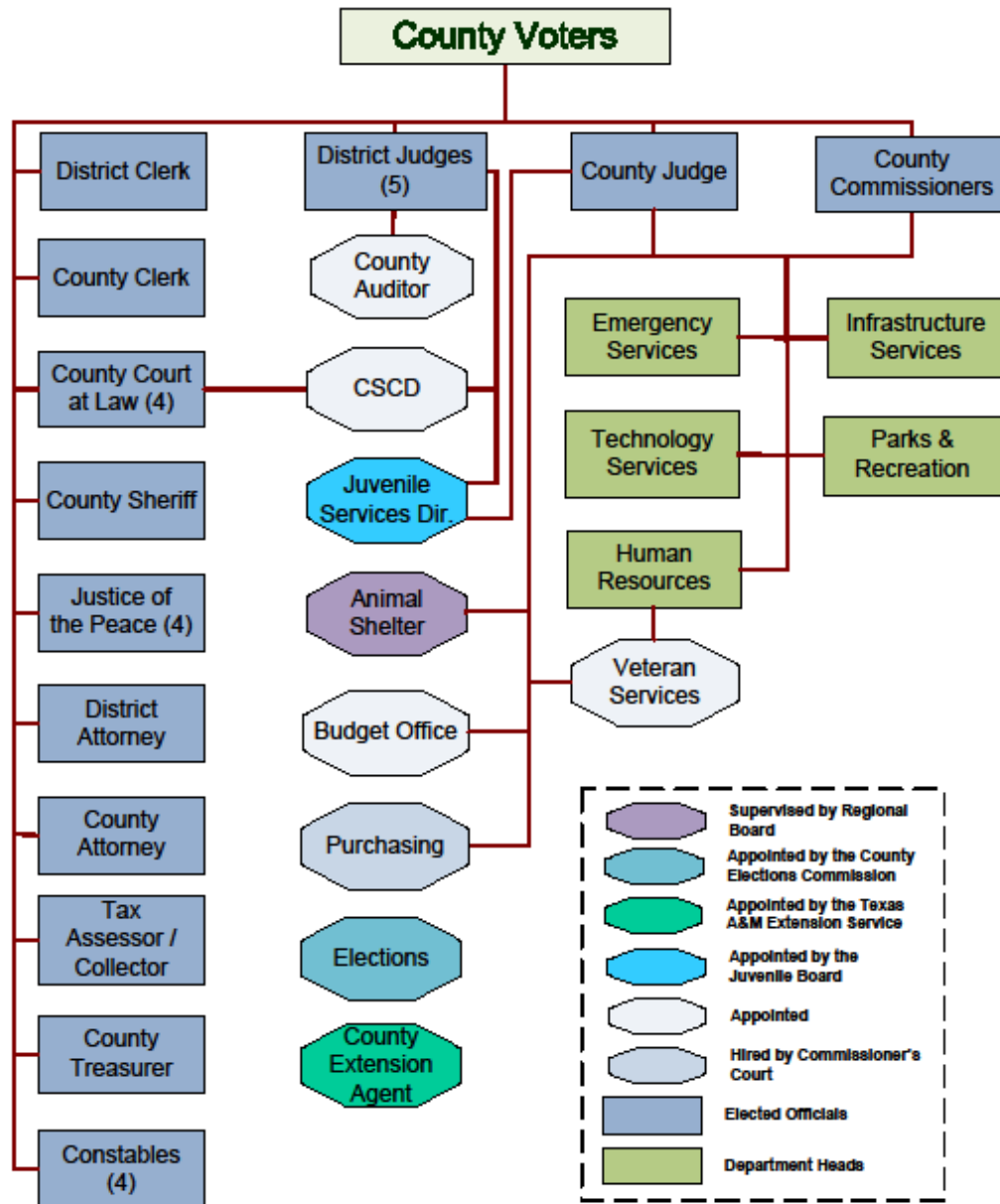
Principal Employers - FY 2010

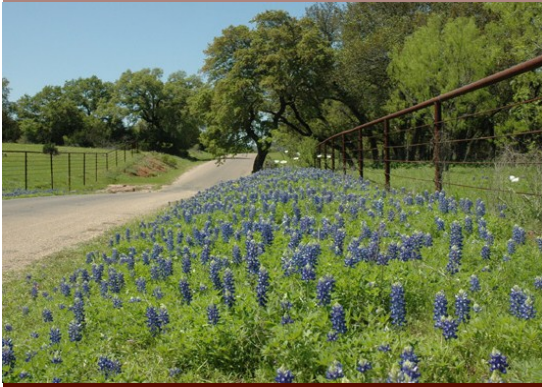
Employer	Number of Employees	Rank	% of Total County Employment
Dell Computer	11,000	1	9.00%
Round Rock ISD	5,928	2	4.85%
Leander ISD	4,375	3	3.58%
HEB Grocery	3,096	4	2.53%
St. David's Healthcare	2,198	5	1.80%
Walmart and Sam's Club	1,773	6	1.45%
Georgetown ISD	1,716	7	1.40%
Sears (Teleserve)	1,571	8	1.29%
Williamson County	1,500	9	1.23%
State Farm Mutual Auto Insurance Co.	1,322	10	1.08%



District Judges:	<i>Billy Ray Stubblefield</i> <i>Ken Anderson</i> <i>Burt Carnes</i> <i>Michael Jergins</i> <i>Mark Silverstone</i>	Judge, 26th Judicial District Judge, 277th Judicial District Judge, 368th Judicial District Judge, 395th Judicial District Judge, 425 th Judicial District
County Court at Law:	<i>Suzanne Brooks</i> <i>Tim Wright</i> <i>Doug Arnold</i> <i>John McMaster</i>	Judge, County Court at Law #1 Judge, County Court at Law #2 Judge, County Court at Law #3 Judge, County Court at Law #4
Commissioner's Court:	<i>Dan A. Gattis</i> <i>Lisa Birkman</i> <i>Cynthia Long</i> <i>Valerie Covey</i> <i>Ron Morrison</i>	County Judge Commissioner, Precinct #1 Commissioner, Precinct #2 Commissioner, Precinct #3 Commissioner, Precinct #4
Justice of the Peace:	<i>Dain Johnson</i> <i>Edna Staudt</i> <i>Steve Benton</i> <i>Judy Hobbs</i>	Justice of the Peace, Pct #1 Justice of the Peace, Pct #2 Justice of the Peace, Pct #3 Justice of the Peace, Pct #4
Constables:	<i>Robert Chody</i> <i>Richard Coffman</i> <i>Bobby Gutierrez</i> <i>Marty Ruble</i>	Constable, Precinct #1 Constable, Precinct #2 Constable, Precinct #3 Constable, Precinct #4
County Offices:	<i>John Bradley</i> <i>Jana Duty</i> <i>Lisa David</i> <i>Nancy Rister</i> <i>James Wilson</i> <i>Vivian Wood</i> <i>Deborah Hunt</i>	District Attorney County Attorney District Clerk County Clerk County Sheriff County Treasurer Tax Assessor/Collector

Organizational Chart





Where the money to pay for County Services comes From

- PROPERTY TAXES
- FEES OF OFFICE
- FINES AND FORFEITURES
- CHARGES FOR SERVICES
- INTERGOVERNMENTAL REVENUES
- INVESTMENT EARNINGS



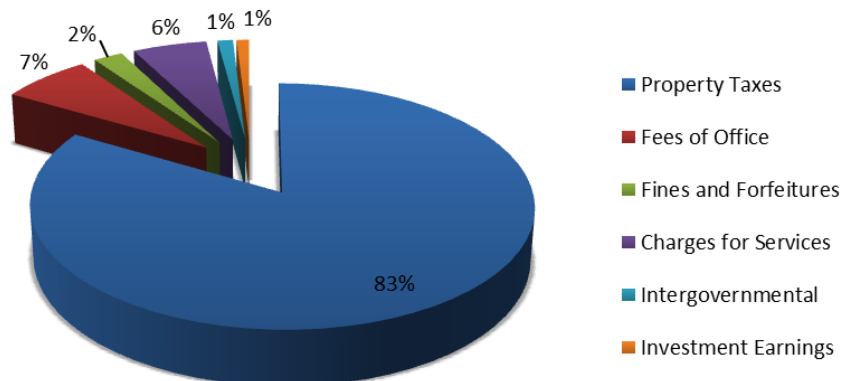
REVENUES

The County receives its funding from a variety of sources, of which the largest single source is property taxes. **Property Taxes** represent a tax on all real estate and improvements within the County. Property taxes are considered to be a general revenue source, meaning it is available to fund all programs of the County. **Fees of Office** and **Charges for Services** represent fees paid by individuals, businesses, or other governments who purchase, use, or directly benefit from the goods or services provided. **Intergovernmental** revenues include payments or donations from other governmental entities through contractual agreements under which many of the funds are restricted for use in a particular program. **Investment Earnings** consists of interest income and other income from investment activities.

	2010 \$M
Property Taxes	\$ 165.28
Fees of Office	13.40
Fines and Forfeitures	4.37
Charges for Services	11.00
Intergovernmental	2.30
Investment Earnings	1.86
	<u>\$ 198.21</u>

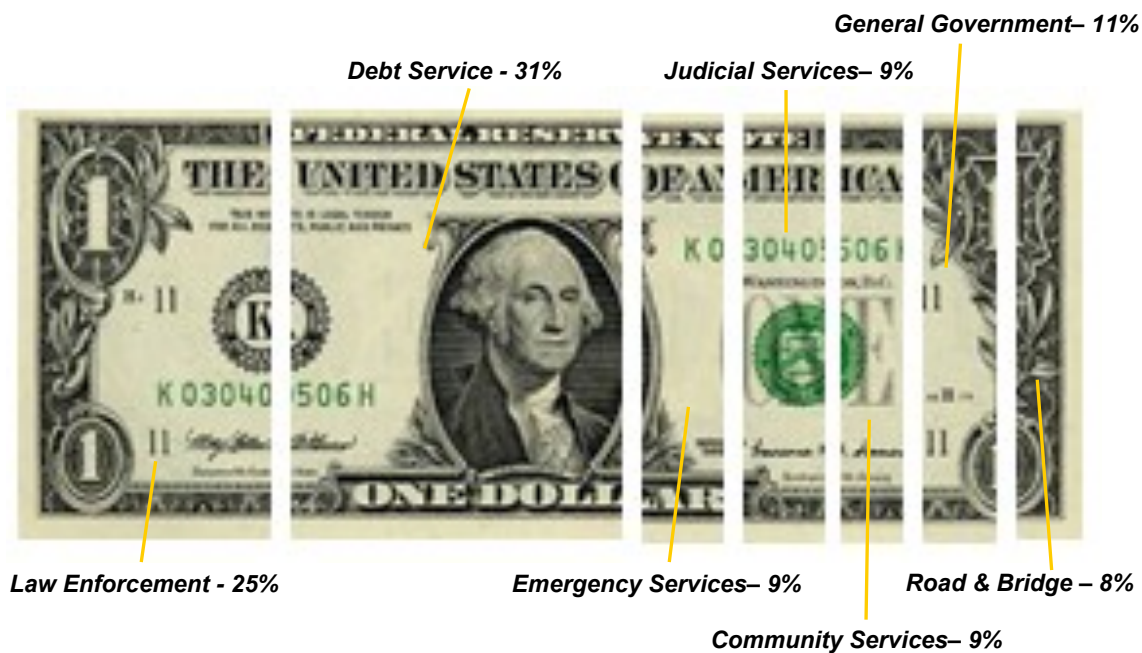
A more detailed explanation of these revenues can be found in the Financial Section of this report.

Revenue - Total Government



Where the Money Goes

General Government includes all administrative aspects of County business. Community Services consist of Veteran Services, Public Health, Parks, the Recycling Center, Agriculture Extension Service and the Regional Animal Shelter. Debt Service pays off the bonds issued for the construction of major projects.



EXPENDITURES

	2010 \$M
Debt Service	\$ 59.35
Law Enforcement	47.45
Emergency Services	17.82
Judicial Services	17.32
Community Services	13.50
General Government	21.72
Road & Bridge	15.08
	<u>\$192.24</u>

Law Enforcement

- COUNTY SHERIFF
- COUNTY JAIL
- COUNTY CONSTABLES (4 Precincts)
- JUVENILE SERVICES
- VICTIM ASSISTANCE
- CRISIS INTERVENTION TEAM

Emergency Services

- EMERGENCY MEDICAL SERVICES
- HAZ-MAT
- OFFICE OF EMERGENCY MANAGEMENT
- 911 COMMUNICATIONS
- RADIO COMMUNICATIONS
- MOBILE OUTREACH

Judicial Branch

- 5 DISTRICT COURTS
- 4 COUNTY COURTS
- 4 JUSTICE COURTS
- DISTRICT ATTORNEY
- COUNTY ATTORNEY
- DISTRICT CLERK
- COUNTY CLERK



Judge Burt Carnes,
368th Judicial District Court



Community Services

- VETERAN SERVICES
- PUBLIC HEALTH AND WELFARE
- PARKS AND RECREATION
- WILLIAMSON MUSEUM
- RECYCLING CENTER
- AGRICULTURE EXTENSION SERVICE
- REGIONAL ANIMAL SHELTER



General Government

- COUNTY JUDGE
- COUNTY COMMISSIONERS
- COUNTY TAX ASSESSOR/COLLECTOR
- COUNTY TREASURER
- COUNTY AUDITOR
- FACILITY MAINTENANCE
- ELECTIONS
- HUMAN RESOURCES
- INFORMATION TECHNOLOGY





Major Capital Projects Annual Expenditures FY 2010		
<u>Project Name</u>	<u>\$M</u>	<u>Type</u>
Pond Springs Road Phase II	\$3.2	Road
Williams Drive	\$8.1	Road
CR 111/Westinghouse Road	\$1.6	Road
Chandler Road 3B	\$5.6	Road
Business 79 Drainage @ Taylor	\$2.2	Road
Public Safety Technology (PTSP)	\$2.1	Other
Round Rock Annex	\$3.8	Building
US 79 Section 5A	\$9.8	Road
US 79 Section 5B	\$7.5	Road
US 79 Section 3	\$1.2	Road
US 183 San Gabriel to SH 29	\$39.3	Road
FM 2338 FM 3405 Reagan Blvd	\$4.5	Road



Road construction to improve drainage to Business 79 in Taylor, Pct 4.

Two bridge replacements on CR104 (South of SH29 to SH130), Pct 3.

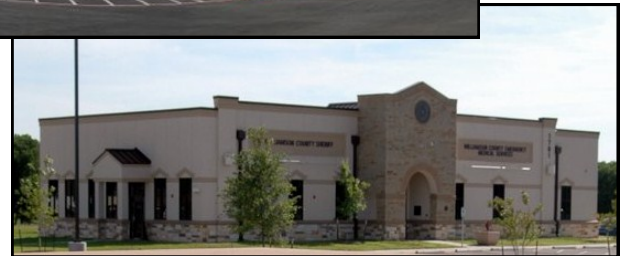
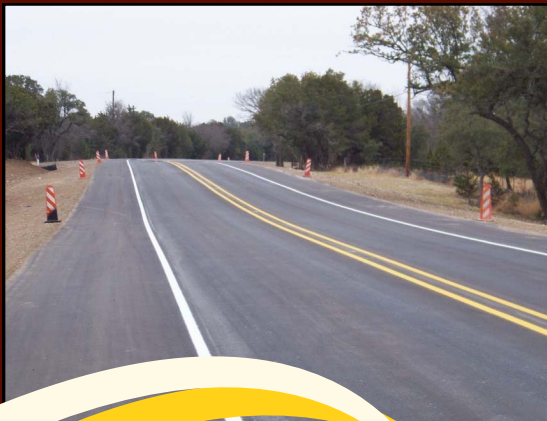




Construction In Progress: The Williamson County Southwest Regional Park in Leander will soon have a new splash park which will include bubbling geysers, water jets and water falls and is scheduled to open in time for the Summer of 2011. This project is part of a bond election that voters approved in 2006.



CR 214 Phase 2A (Rolling Hills to San Gabriel Ranch Road), Pct. 2



The J.B. & Hallie Jester Williamson County Annex complex was opened in 2010 providing new facilities for the Commissioner, Justice of the Peace and the Constable all serving the citizens of Pct. 1. There are also substations for the County Sheriff, EMS and the Round Rock office for the Tax Assessor/Collector.

The **Statement of Activities** provides readers with an overview of money received and spent during the year in the County **as a whole**, in an approach similar to a private-sector business. Explanations of these accounts are provided as a tool to understanding these activities.

Money Received

Property taxes come from three different sources: taxes for general purposes (\$.289999), taxes for road & bridge purposes (\$.03) and taxes for debt service (\$.17) to repay debt of the County. The total tax rate for 2010 was \$.489999 per \$100 value and was composed by the total of these three purposes.

Charges for Services are monies received from the public when the County performs a service to the citizens, such as, Emergency Medical Services. Operating Grants & Contributions is money the County receives from other governmental agencies, corporations, and private contributors. Investment Earnings is interest earned on County investments. Miscellaneous is money received that does not fit in the above-mentioned accounts but are still classified as revenue.

Services Rendered

This is money spent to provide services to citizens.

See pages 11 - 13 of this report for a detailed explanation of what services are included in each of the categories: General Government, Public Safety, Transportation Support, Judicial Services and Community Service.

Increases in Tax Revenues is due to increased tax rate based on the Effective Tax Rate calculation which keeps the total tax levy constant from year-to-year.

Operating Grants & Contributions increased significantly due to reimbursements received from TxDOT and other various state agencies for roads being built under cost sharing arrangements.

The increase of Transportation Support is due to a significant increase in bond-related construction activities throughout the county.

Williamson County Financial Activity Statement		
Money Received	2010	2009
Property Taxes:		
Levied for general purposes	\$97,632,658	\$89,753,407
Levied for road & bridge	10,135,443	10,894,429
Levied for debt service	57,980,103	55,094,237
Other taxes	577,272	542,286
Charges for Services	36,531,086	33,144,768
Operating grants & contributions	24,856,142	7,218,056
Capital grants & contributions	65,403,950	62,746,368
Investment earnings	5,704,603	9,017,001
Miscellaneous	946,945	30,187
Total Money Received	\$299,768,202	\$268,440,739
Services Rendered		
General Government	\$26,637,924	\$27,928,481
Public Safety	75,872,505	72,323,851
Transportation Support	67,938,312	31,965,828
Judicial	20,022,346	18,790,314
Community Services	17,361,323	15,523,563
Conservation	219,592	187,912
Interest on long-term debt	38,843,957	34,418,384
Total Services Rendered	\$246,895,959	\$201,138,333
Monies Received over Services Rendered	\$52,872,243	\$67,302,406

Williamson County Condensed Statement of Net Assets

Assets	2010	2009
Current Assets	\$584,814,729	\$472,162,290
Capital Assets	\$438,355,061	\$431,736,280
Total Assets	\$1,023,169,790	\$903,898,570
Liabilities		
Current Liabilities	\$26,002,461	\$27,752,483
Noncurrent Liabilities	\$810,001,867	\$791,418,896
Total Liabilities	\$836,004,328	\$819,171,379
Net Assets		
Invested in Capital Assets, net of Related Debt	\$176,951,689	\$199,531,984
Restricted	\$154,293,857	\$49,826,237
Unrestricted	(\$144,080,084)	(\$164,631,030)
Total Net Assets	\$187,165,462	\$84,727,191

Financial Position Statement shown does not conform to generally accepted accounting principles (GAAP). The purpose of this presentation is to provide the citizen with a summarized version of the information contained in the County's Comprehensive Annual Financial Report (CAFR).

The Condensed Statement of Net Assets includes all funds to provide an overall picture of County-wide finances.

Benefits

Current Assets include:

- Cash on-hand to pay obligations
- Accounts Receivable
- Prepaid items / Inventory

Capital Assets include:

- Land / Buildings
- Infrastructure
- Equipment
- Construction in Progress

Obligations

Current Liabilities include:

- Accounts Payable
- Accrued Liabilities
- Unearned Revenue
- Accrued Interest Payable

Non-current Liabilities are items that are due in more than one year.

Net Assets

Restricted Assets include:

- Debt Service
- Road & Bridge
- Conservation Foundation
- Tobacco Fund
- Other purposes that limit the use of certain assets

Unrestricted Net Assets are items that do not have to be held for specific reasons.

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance Fiscal Year Ended September 30, 2010	
Revenue	
Taxes	\$98,380,330
Fees of Office	8,487,029
Fines & Forfeitures	4,367,886
Charges for Services	11,047,051
Intergovernmental	2,162,896
Investment Income & Other	833,489
Total Revenue	\$125,278,681
Expenditures	
Current:	
General Government	\$21,059,292
Public Safety	63,280,248
Judicial	17,316,847
Community Services	12,406,745
Lease Principal and Interest	185,487
Capital Outlay	2,053,078
Total Expenditures	\$116,301,697
Excess of Revenues over Expenditures	\$8,976,984
Other Financing Sources (Uses)	
Transfers In	\$235,328
Transfers Out	(1,515,711)
Capital Lease Issued	0
Proceeds from Sale of Capital Assets	115,853
Total Other Financing Sources (Uses)	-\$1,164,530
Net Change in Fund Balances	\$7,812,454
Fund Balance, Beginning	52,505,436
Fund Balance, Ending	\$60,317,890

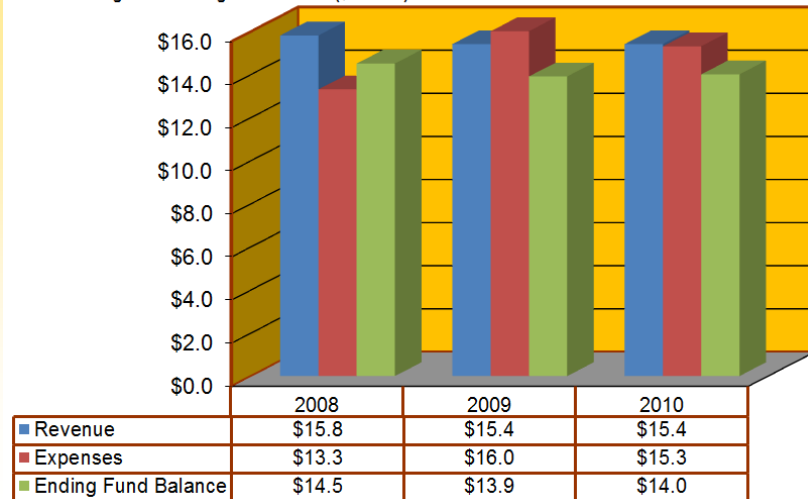
The General Fund is the main operating fund of the County, which includes services to citizens such as protection of life (law enforcement and 911 communications) and community services (parks and public welfare). Collection of taxes is the largest source of funds for Williamson County, totaling 78.5% in 2010. Citizens paid \$.289999 per \$100 property value for General Fund purposes. The next largest source of funds was from charges for services and fees of office, totaling 15.6% of total revenue.

The largest share of expenditures was spent on public safety for our citizens, totaling 54.4% in 2010. The money was used for things such as emergency vehicles, juvenile services, and EMS. The next largest share of money spent was on general government, totaling 18.1%. The County affects each and every citizen from birth certificates, to public records, to vehicle registration, to voter registration, collection of taxes, marriage licenses, and all the way through to death certificates.

A positive General Fund Balance is an indicator of a healthy operating environment. Due to sound fiscal management, Williamson County's General Fund Balance has continuously increased over the last 10 years by a total of \$51 million. The County's fiscal plan is to have 30% of total annual operating expenditures (approximately 4 months) in the fund balance at any given time. Any excess fund balance over this goal should be limited to the use of one-time extraordinary items, thus reinforcing the fiscal discipline of funding annual costs from

annual revenues. Some examples of extraordinary items include but are not limited to tax rate stabilization, capital improvement needs and reduction of debt. Fund balance is a vital component used by financial institutions in analyzing and determining the County's bond ratings. A high bond rating leads to lower costs, thus resulting in lower taxes for citizens.

Road and Bridge Fund Ending Fund Balance (\$Millions)



Road and 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 this fund are for maintenance and construction of County roads and bridges.

The chart provided illustrates the fund's revenue, expenses, and ending fund balance over the past three years.

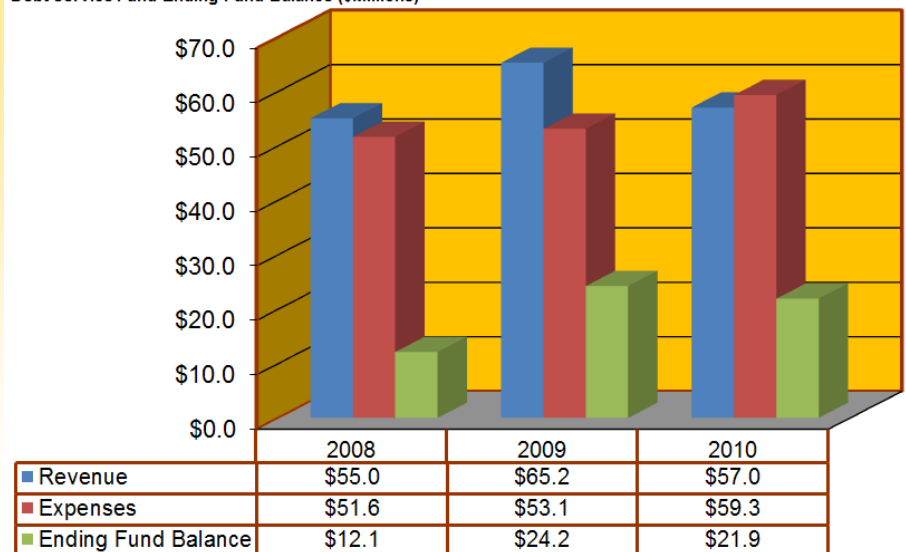
Debt Service Fund

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

In order to fulfill the demands of a growing economy, the County is in need of new infrastructure that required new issuance of debt this year.

The chart shown here compares revenues, expenditures and fund balance over the last three years.

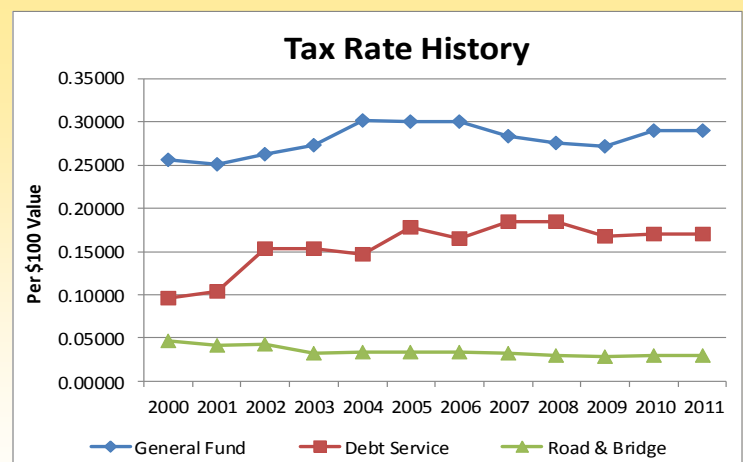
Debt Service Fund Ending Fund Balance (\$Millions)



Tax Rate

Williamson County determines tax rates in three areas: the General Fund, Debt Service, and Road & Bridge. Therefore, existing debt is a factor in the County's tax rate. The 2010 tax rate was \$.489999 per \$100 value and was separated as follows: \$.289999 for General Fund, \$.17 for Debt Service, and \$.03 for Road and Bridge.

The graph shown here reflects the increases in taxes by each source since 2000 when the total tax rate was \$.4000. The majority of this \$.0899 increase in the last 11 years is from the \$350 million voter-authorized debt for road improvements and parks in 2000 and 2007. The 2010 Tax Rate was adopted for Fiscal Year 2011.



Looking Forward

“We are still looking at growth even though the rest of the country is in a recession,” said David Flores, County Auditor. County Judge Dan A. Gattis also cited Williamson County’s robust economy as an alluring quality. “We’re very fortunate we still have growth. The previous court and this court have been pretty prudent in maintaining cash-ending, or savings, that we can use to stabilize our budget. We’re going to come through this recent economic downturn looking very good,” Judge Gattis said.

Another indication that the County’s economy has been comparatively healthy was the U.S. Bureau of the Census report that Williamson County grew in population by 69.1% in the last decade to 422,679 moving it up from 16th to 12th among the states most populous counties. It is the fastest growing of the state’s top 20 counties.

Per Judge Gattis, “Williamson County government’s past commitment to provide quality services and infrastructure has promoted and enabled the exploding growth seen in recent years. Our continued pledge to maintain these programs and develop new ones as needed will hopefully increase property values, decrease taxes, further improve services and provide an excellent place to live for all of our citizens.”

- 
- **Growing Population**
 - **Increasing Property Values**
 - **Outstanding Credit**
 - **Award-Winning Technologies**
 - **Outstanding Infrastructure Development**
 - **Beautiful, Well-Maintained Parks**
 - **Adequate Cash Reserves**
 - **Stable Tax Rates**
 - **Long Term Planning**
 - **Financial Sustainability**
 - **Quality Public Services**
 - **Strong Concern for the Environment**
 - **Responsible Animal Control**
 - **Lower Average Unemployment**
 - **Excellent Quality of Life!**

Visit us on the web at:
www.wilco.org
and click:



County Auditor's Office:

David U. Flores, County Auditor

Julie Kiley, First Assistant County Auditor

Assistant County Auditors:

Accounts Payable / Payroll-

Donna Baker (Manager), ***Nicole Alderete***, ***DeForrest Allen***,
Karen Brazier, ***Debbie Frazier***, ***Joyce Gadison***, ***Jeannie Shutey***,
Kim Strmiska and ***Kathleen Wolt***

Financial Accounting-

Melanie Denny (Director), ***David Dukes***, ***Karen Knightstep***,
Stephanie McCandless, ***Michelle McMinn***, ***Lisa Moore***,
Pam Navarrette and ***Kurt Showalter***

Internal Audit-

Kathy Wierzowiecki (Director), ***Jim Gilger***, ***Diane Gray***,
Melissa Jones, ***Jalyn Morris***, ***Dani Richardson*** and ***Ardis Rike***

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Popular Annual Financial Report—September 30, 2010

WILLIAMSON COUNTY, TEXAS

OFFICE OF THE COUNTY AUDITOR

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