

2012

# Williamson County, Texas



## Popular Annual Financial Report September 30, 2012

Issued by:  
David U. Flores  
Williamson County Auditor

# County Auditor

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, 2012. 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 those dollars are spent; then, focusing only on the County's major funds, how those transactions affect you, the citizen.

The Williamson County Auditor's Office has generated this Citizens' Report using financial information taken from the 2012 Comprehensive Annual Financial Report (CAFR) that was audited by Weaver and Tidwell, LLP, and received an unqualified opinion. An unqualified 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. Unlike the CAFR, this report is not presented according to 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., Suite #301, Georgetown, TX 78626. In addition, both the CAFR and PAFR are on the County website at [www.wilco.org](http://www.wilco.org). I invite you to share any questions, concerns, feedback or recommendations you may have by contacting us at [jkiley@wilco.org](mailto:jkiley@wilco.org) or 512/943-1500.

Respectfully submitted,



David U. Flores

**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 served as the Chairman of the Investment Committee for the Texas Association of Counties from 2008 to 2012.



**Message from the County Auditor**

## 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.
- Oversee 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.



## VISION

**To be the Number One County in the State of Texas at Instilling Public Trust in All Fiscal Matters**

## 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 Commissioner's 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 26 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.



## 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:



Texas Comptroller  
Leadership Circle  
Gold Member

- 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. 2012 was the third year that Williamson County achieved Gold.*

Additional details concerning the program can be found at the state website [www.texasransparency.org](http://www.texasransparency.org)

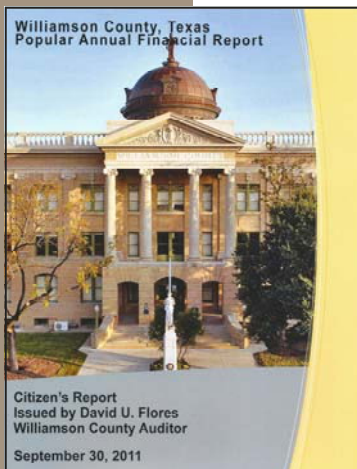
## Award for Outstanding Achievement in Popular Annual Financial Reporting

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, 2011. 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.

The 2011 report can also be found at [www.wilco.org/Financials](http://www.wilco.org/Financials)





On August 14th, 2012 the Williamson County Commissioner's Court recognized Dr. Fred Sellers for his 5 years of dedicated service to the citizens of Williamson County. Dr. Sellers was a founding citizen board member of the Williamson County Audit Committee, appointed in January 2007. The audit committee selects and monitors the independent audit firm which performs an annual audit of Williamson County's financial statements and reports any findings to the committee. Pictured above: Julie Kiley, First Assistant County Auditor; Commissioner Lisa Birkman; Commissioner Ron Morrison; Mrs. Sellers; Commissioner Valerie Covey; Judge Dan Gattis; Dr. Fred Sellers and David U. Flores, Williamson County Auditor.



Williamson County Emergency Communications recognized three employees for their performance under exceptional circumstances during the Commissioner's Court held on July 17th. Lacy Alexander was given the Phoenix Award for giving assistance over the phone for the resuscitation of another person. Rick Murphy and Jonathan Jones were given the New Life Award for giving assistance over the phone for delivering a baby.



## Williamson County—AAA/Stable

Williamson County received a 'AAA' bond rating from both Fitch Ratings and Standard & Poor's for series 2011 and 2012 limited-tax refunding bonds. At the same time, Standard & Poor's affirmed its 'AAA' long-term rating and underlying rating on the County's general obligation debt outstanding. The outlook on all ratings is stable. Williamson County's management practices are considered "strong" under Standard & Poor's financial management assessment (FMA) methodology. This indicates that practices are strong, well embedded, and likely sustainable.

Williamson County was able to take advantage of its excellent rating to refinance debt for a lower interest rate. The County sold \$36.565 million in November 2011 and \$140.640 million in March 2012. These refunding bonds were sold to pay off existing debt which is used to finance road construction and improvements. The combination of these two refunding issues saved the taxpayers \$13.116 million in future interest payments.

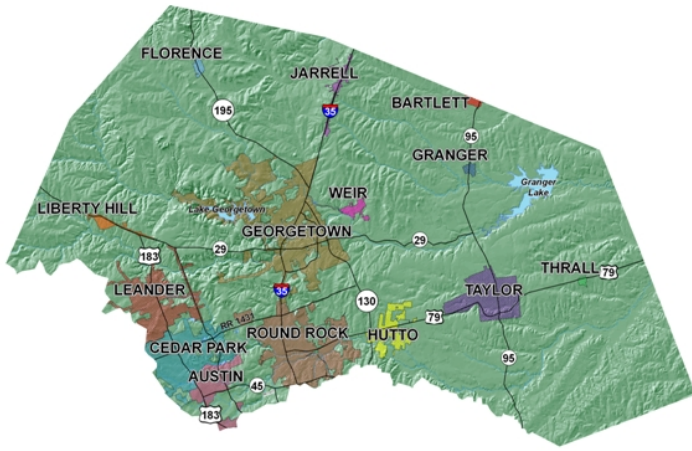
Fitch Ratings described Williamson County as having an exemplary financial profile "benefiting from conservative fiscal stewardship and budgeting practices." They also said the County has ample reserves in a variety of funds and has a stable regional economy. Standard & Poor's stated their ratings reflected the County's "successful management of growth-related pressures" and "consistently strong financial management and very strong financial performance."

"There is a demand for quality grade investments," stated Mr. Flores. "We have that, so we were poised to be able to secure a lower interest rate that translates into savings for the taxpayer." Flores states the County's successful financial practices aren't specific to government organizations or businesses. They are the same practices any fiscally responsible household can utilize to give an individual a good credit rating. "You follow the ABC's of spending whether you are a family household or a government," says Flores.

"A is always live within your means. B is borrow money only for capital items, being something that has permanent value like a home. C is credit cards shouldn't be used to finance regular operations exceeding 30 days," says Flores. "These are the things I have taught my own children about finances, too. The tough part, for a family or organization, is sticking to it. Williamson County has been able to adhere to these practices. We have been growing our reserves since 1993, so that we now have cash to meet unforeseen expenses and to leverage in order to sell bonds for needed infrastructure."

The ratings reports are available on the County's website at [www.wilco.org](http://www.wilco.org).





## 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. The County currently occupies a land area of 1,135 square miles and serves a population of 463,150. 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 therefrom.

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.

## 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

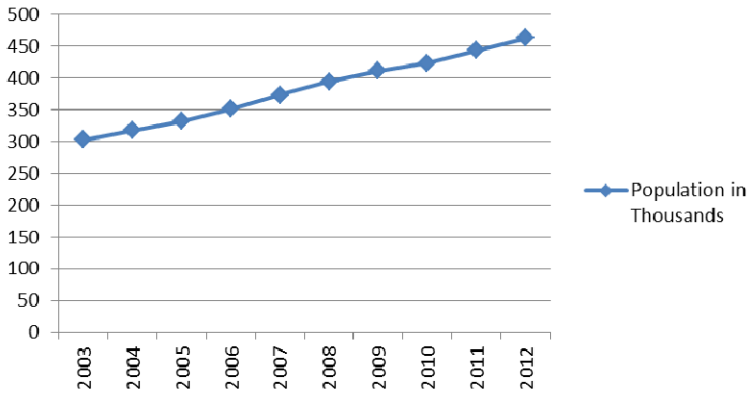
Williamson County’s population ranks it 12th among 254 counties in Texas and is one of the fastest growing counties in the United States.

## 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.”



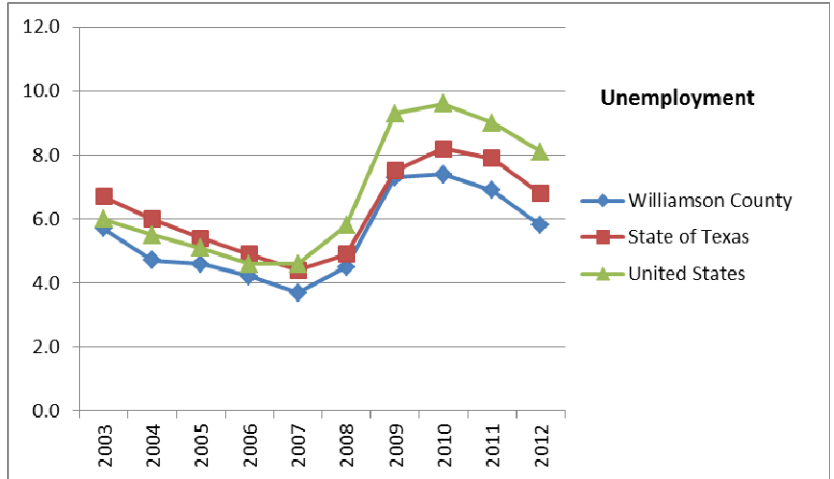
## 10 Year Population Growth



Williamson County continues to be one of the fastest growing counties in the state. Since 2000, the County's population has grown by 82 percent. It is the 12th most populous county in Texas. Williamson County's growth has been fueled by its location on the I-35 corridor and close access to Austin, Texas. The County's economic base has developed to be home to many major industries, including high tech, manufacturing, healthcare and higher education. Despite the current economy na-

tionwide, the regional economy remains relatively healthy. The County unemployment rate decreased from 7.1% in September 2011 to 5.5% in September of this year; the rate was significantly lower than the national rate for September which decreased from 8.8% in 2011 to 7.6% this year.

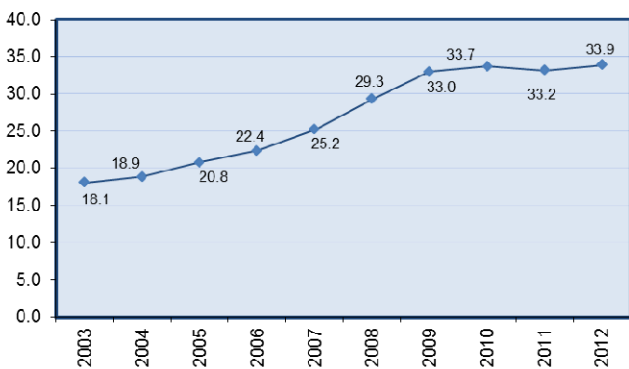
Williamson County has benefited from the population growth. The County has experienced major job growth and proliferation of business and residential development. In 2012 the County ranked third in the nation for job growth. Since 2000 the job growth for the County has increased 73.8 percent. Business incentives, a low tax rate and affordable housing are major factors that have contributed to the job growth.



Several new residential housing developments throughout the County have started construction. Some of these developments are in the planning stage and are expected to break ground in 2013. Teravista broke

ground in 2012 for a new section of the community. This could include 1,000 new homes. New sections are being planned to break ground in 2014. These sections are located in the Georgetown Extraterritorial jurisdiction (ETJ). KB homes plans to develop a master-planned community with 1019 home sites in Leander. In early 2012, Milestone Community Builders broke ground on a new luxury home community, The Reserve at Brushy Creek. The grand opening for this development was February 2013. Other developments are occurring throughout the County.

## Property Values - \$Billions





### Principal Property Taxpayers - FY 2012

| Taxpayer                            | Assessed Value \$Millions | Rank | % of Total County Assessed |
|-------------------------------------|---------------------------|------|----------------------------|
| Dell Computer Holdings, LP          | 155,289,931               | 1    | 0.46%                      |
| Oncor Electric Delivery Company     | 133,450,871               | 2    | 0.39%                      |
| CPG Round Rock, LP                  | 130,431,679               | 3    | 0.38%                      |
| Lakeline Developers                 | 98,931,917                | 4    | 0.29%                      |
| Baltgem Development Corp. Et, Al.   | 75,531,830                | 5    | 0.22%                      |
| HEB Grocery Company LP              | 68,775,554                | 6    | 0.20%                      |
| Columbia/St. David Healthcare       | 61,513,369                | 7    | 0.18%                      |
| Wal-Mart Real Estate Business Trust | 60,298,549                | 8    | 0.18%                      |
| 1890 Ranch Ltd.                     | 59,656,919                | 9    | 0.18%                      |
| Dell Computer Corp.                 | 57,801,317                | 10   | 0.17%                      |

Health care options continue to increase in the County. St. David's Round Rock Medical Center has been certified a Level II Trauma Center. This means specialized medical staff and 24 hours/seven days per week accessibility are available. The facility will provide acute critical care. In February 2013, Scott and White opened an emergency hospital in Cedar Park. This hospital is a new model for handling emergency medical and inpatient care.

Other business developments have happened in the County. Costco plans to open a new facility in Cedar Park. The project was approved by the city in late 2012. Costco will be the anchor for the Cedar Park Town Center. It is scheduled to open in 2014. Also in Cedar Park, Wal-Mart opened a new supercenter and HEB expanded and renovated several stores in Williamson County. HEB also announced a new store in Round Rock. This 120,000 square-foot store will be located on University Avenue and will create 300 jobs. Round Rock Auto is in the process of a large expansion. It is a multimillion-dollar renovation and expansion of the Toyota, Honda, and Hyundai facilities. Emerson Process Management completed their move from Austin to Round Rock in May 2012. It is now the third-largest employer in Round Rock.

This is the third year the County has been listed as one of the healthiest counties in Texas. In 2012, the Austin-Round Rock metro area ranked second in the Milken Institute's Best Cities Index. The Milken Institute ranks US metropolitan areas by how well they are creating and sustaining jobs and economic growth. Williamson County ranked 3rd in CNN Money's "where the jobs are".

### Principal Employers - FY 2012

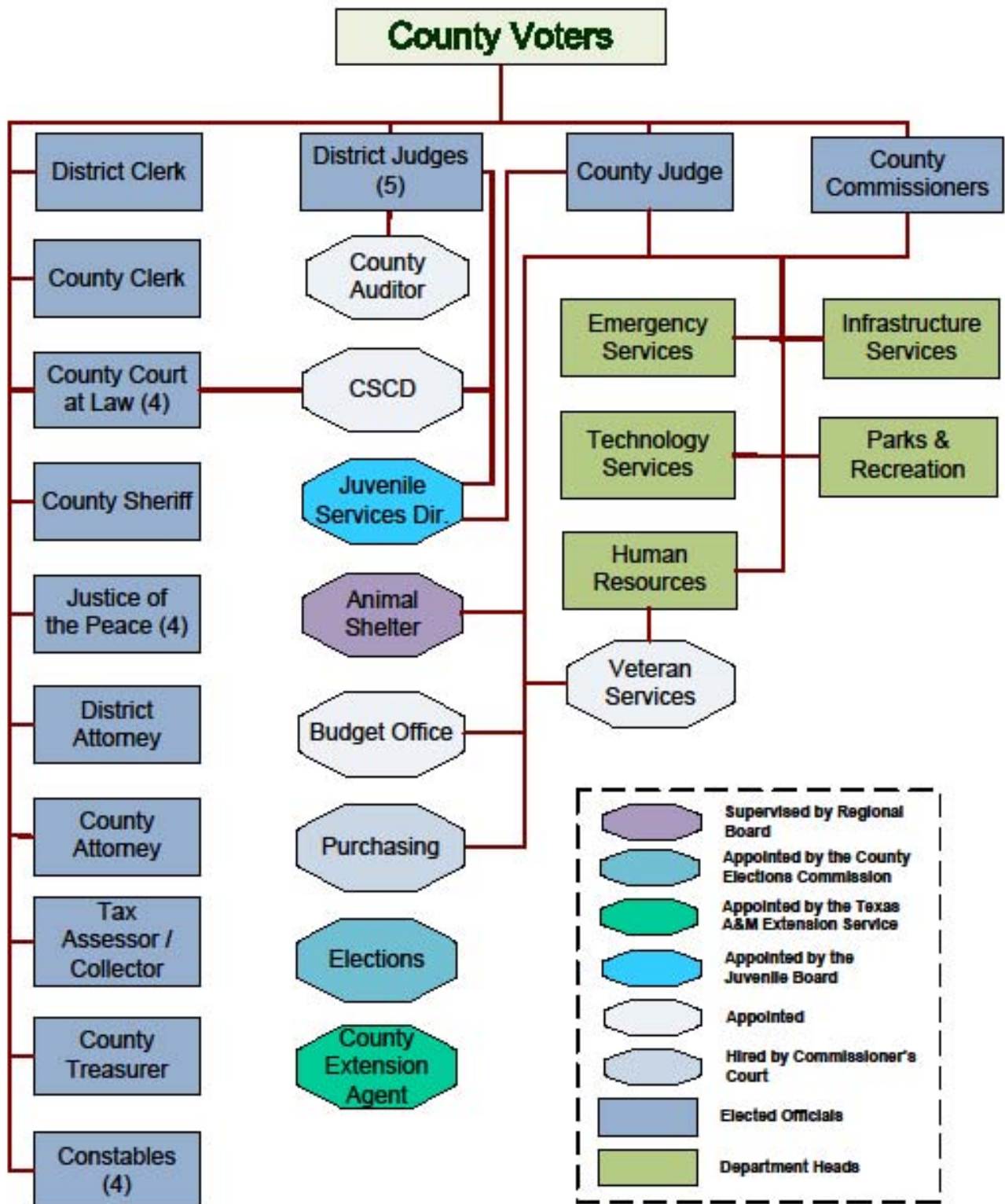
| Employer               | Number of Employees | Rank | % of Total County Employment |
|------------------------|---------------------|------|------------------------------|
| Dell Computer          | 15,368              | 1    | 6.95%                        |
| Round Rock ISD         | 5,996               | 2    | 2.97%                        |
| Leander ISD            | 5,113               | 3    | 2.53%                        |
| HEB Grocery            | 2,478               | 4    | 1.23%                        |
| Walmart and Sam's Club | 2,028               | 5    | 1.00%                        |
| Georgetown ISD         | 1,815               | 6    | 0.90%                        |
| Williamson County      | 1,516               | 7    | 0.75%                        |
| Sears (Teleserve)      | 1,361               | 8    | 0.67%                        |
| US Postal Service      | 1,292               | 9    | 0.64%                        |
| Scott & White          | 1,269               | 10   | 0.63%                        |

## Williamson County Elected Officials:

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



# Organizational Chart







Where the money to pay for County Services comes from

- PROPERTY TAXES
- FEES OF OFFICE / CHARGES FOR SERVICES
- FINES AND FORFEITURES
- PUBLIC AND PRIVATE GRANTING AGENCIES
- INTERGOVERNMENTAL REVENUES
- INVESTMENT EARNINGS

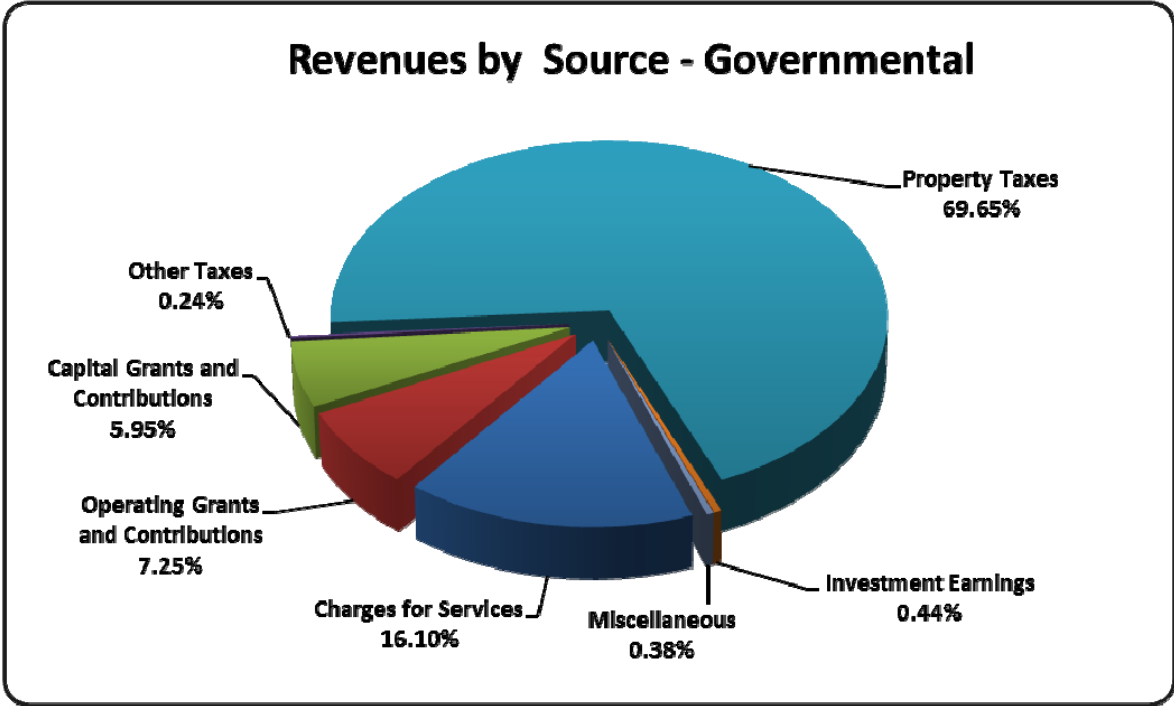


## GOVERNMENTAL REVENUES

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.

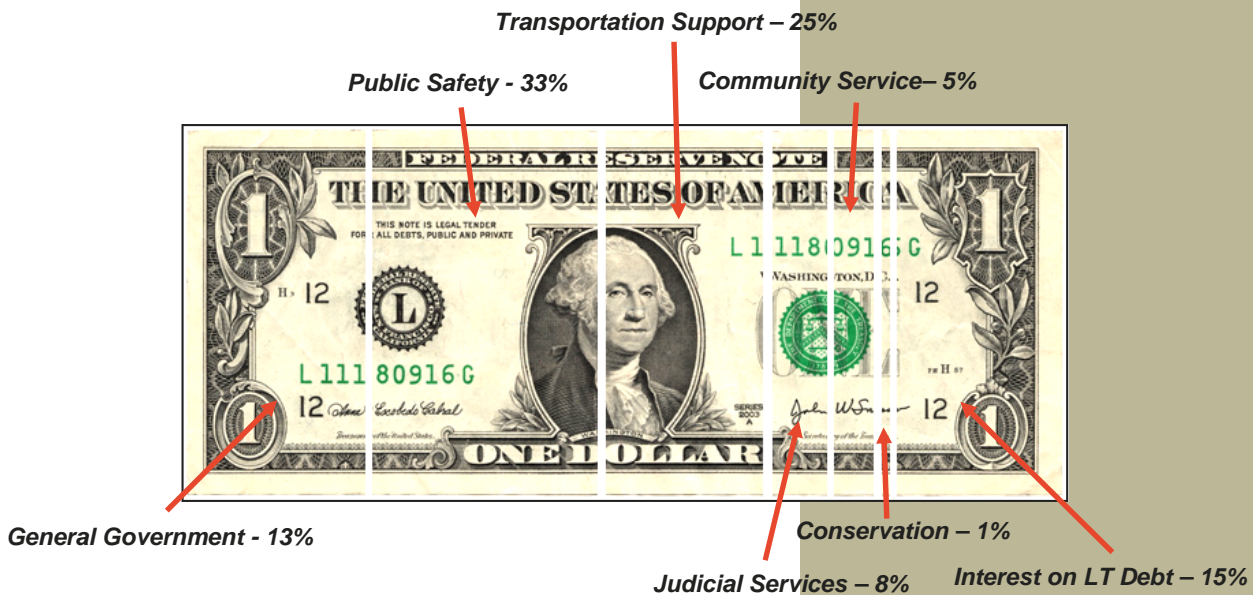
|                                    | 2012<br>\$M |
|------------------------------------|-------------|
| Property Taxes                     | \$ 166.43   |
| Charges for Services               | 38.47       |
| Operating Grants and Contributions | 17.33       |
| Capital Grants and Contributions   | 14.21       |
| Other Taxes                        | 0.56        |
| Investment Earnings                | 1.05        |
| Miscellaneous                      | 0.91        |
|                                    | \$ 238.96   |

A more detailed explanation of these revenues can be found in the Financial Section of this report and in the Government-Wide Statements in the Comprehensive Annual Financial Report.



## 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.



## GOVERNMENTAL EXPENSES

|                        | <b>2012</b>      |
|------------------------|------------------|
|                        | <b>\$M</b>       |
| General Government     | \$ 30.30         |
| Public Safety          | 79.17            |
| Transportation Support | 58.93            |
| Judicial Services      | 20.15            |
| Community Services     | 12.81            |
| Conservation           | 0.68             |
| Interest on L/T Debt   | 37.00            |
|                        | <b>\$ 239.04</b> |



## 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





## 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 (4 Precincts)
- COUNTY TAX ASSESSOR/COLLECTOR
- COUNTY TREASURER
- COUNTY AUDITOR
- FACILITY MAINTENANCE
- ELECTIONS
- HUMAN RESOURCES
- INFORMATION TECHNOLOGY
- PURCHASING





| Major Capital Projects Annual Expenditures FY 2012 |            |             |
|--|------------|-------------|
| <u>Project Name</u>                                | <u>\$M</u> | <u>Type</u> |
| Chandler 3A  | \$5.3      | Road        |
| Emergency Operation Service Center                 | \$7.8      | Building    |
| Hero Way   | \$2.2      | Road        |
| Kenney Fort Boulevard                              | \$5.1      | Road        |
| CR 185/ New Hope Road                              | \$3.6      | Road        |
| O'Connor Boulevard                                 | \$3.2      | Road        |
| Ronald Reagan Boulevard Phase III                  | \$4.5      | Road        |
| Ronald Reagan Boulevard Phase IV                   | \$2.6      | Road        |
| RM 620 Interim Improvements                        | \$6.1      | Road        |
| SH 29 Left Turn Lane @ Liberty Hill                | \$2.3      | Road        |
| US 79 2nd Street Phase II                          | \$4.7      | Road        |
| US 79 Section 3                                    | \$3.8      | Road        |
| US 183 San Gabriel to SH 29                        | \$4.3      | Road        |





## Pedestrian Bridge at 183A and Brushy Creek



Williamson County, the Central Texas Regional Mobility Authority and the Texas Department of Transportation (TxDOT) completed construction of a bicycle/pedestrian bridge over Brushy Creek at 183A. The bridge connects the Williamson County Brushy Creek Regional Trail to the 183A Shared-Use Path underneath the 183A South Brushy Creek Bridge.

The project was partially funded by a \$522,836 federal grant being passed through TxDOT to

Williamson County. The Brushy Creek Regional Trail is a 7.8 mile long trail that meanders along Brushy Creek from 1 mile east of Great Oaks to the YMCA on Hwy. 183 in Cedar Park. The Mobility Authority's 183A Shared Use Path runs alongside the 183A toll road and will eventually stretch from South Brushy Creek northward to the San Gabriel River, a distance of 10.3 miles. The first 2.2 mile section of the 10-foot wide concrete path between South Brushy Creek and RM 1431 opened in September 2011. A parking area and trailhead is located off the 183A frontage road south of Brushy Creek Road.



## Propane Fueling Stations

Williamson County received grants to fund the conversion of selected County vehicles and the construction of countywide propane fueling sites based on several benefits provided by the incorporation of propane. Williamson County converted 30 vehicles to propane and installed 6 propane stations throughout the County. Propane vehicles are EPA certified and produce significantly less CO<sub>2</sub>, NO<sub>x</sub>, hydrocarbons and greenhouse gas emissions than gasoline or diesel engines. According to the Southwest Research



Institute and the World Liquid Propane Gas Association, propane exhaust creates 60 to 70 percent less smog-producing hydrocarbons than gasoline. Compared to gasoline, propane yields 12 percent less carbon dioxide, about 20 percent less nitrous oxide, and as much as 60 percent less carbon monoxide. Propane cuts emissions of toxins and carcinogens like benzene and toluene by up to 96 percent compared to gasoline. By converting the vehicles over to propane this saved the County approximately \$73,158 in 2012 .



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 (\$.287687), taxes for road & bridge purposes (\$.03) and taxes for debt service (\$.17) to repay debt of the County. The total tax rate for 2012 was \$.487687 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 Services.

### **Variance Analysis and Trends**

Although revenues from taxes have remained constant over the last 3 years, revenues from Operating Grants, Capital Grants and Contributions as well as Investment Earnings have declined significantly. However, this decrease has been offset by reductions in costs for Transportation Support and Community Services. General Government and Public Safety costs have increased steadily over the last 3 years to account for the steady increase in population.

| <b>Williamson County Financial Activity Statement</b> |                      |                      |                      |
|---|----------------------|----------------------|----------------------|
| <b>Money Received</b>                                 | <b>2012</b>          | <b>2011</b>          | <b>2010</b>          |
| Property Taxes:                                       |                      |                      |                      |
| Levied for general purposes                           | \$97,647,471         | \$96,497,886         | \$97,632,658         |
| Levied for road & bridge                              | \$10,261,395         | \$10,063,148         | \$10,135,443         |
| Levied for debt service                               | \$58,518,962         | \$57,347,077         | \$57,980,103         |
| Other taxes   | \$561,950            | \$594,840            | \$577,272            |
| Charges for Services                                  | \$38,466,788         | \$37,087,120         | \$36,531,086         |
| Operating grants & contributions                      | \$17,329,641         | \$20,693,428         | \$24,856,142         |
| Capital grants & contributions                        | \$14,209,320         | \$35,698,166         | \$65,403,950         |
| Investment earnings                                   | \$1,048,743          | \$2,149,871          | \$5,704,603          |
| Miscellaneous   | 913,672              | 738,701              | 946,945              |
| <b>Total Money Received</b>                           | <b>\$238,957,942</b> | <b>\$260,870,237</b> | <b>\$299,768,202</b> |
| <b>Services Rendered</b>                              |                      |                      |                      |
| General Government                                    | \$30,302,088         | \$28,267,782         | \$26,637,924         |
| Public Safety   | \$79,174,507         | \$78,208,556         | \$75,872,505         |
| Transportation Support                                | \$58,930,917         | \$65,354,413         | \$67,938,312         |
| Judicial  | \$20,150,173         | \$19,997,874         | \$20,022,346         |
| Community Services                                    | \$12,808,543         | \$11,714,612         | \$17,361,323         |
| Conservation  | \$676,913            | \$247,844            | \$219,592            |
| Interest on long-term debt                            | 36,995,878           | 37,591,938           | 38,843,957           |
| <b>Total Services Rendered</b>                        | <b>\$239,039,019</b> | <b>\$241,383,019</b> | <b>\$246,895,959</b> |
| <b>Monies Received over Services Rendered</b>         | <b>-\$81,077</b>     | <b>\$19,487,218</b>  | <b>\$52,872,243</b>  |

## Williamson County Condensed Statement of Net Assets

| Assets   | 2012                   | 2011                   |
|--|------------------------|------------------------|
| Current Assets                                     | \$614,183,647          | \$648,025,112          |
| Capital Assets                                     | \$474,631,915          | \$454,850,142          |
| <b>Total Assets</b>                                | <b>\$1,088,815,562</b> | <b>\$1,102,875,254</b> |
| <b>Liabilities</b>                                 |                        |                        |
| Current Liabilities                                | \$27,416,252           | \$27,324,296           |
| Noncurrent Liabilities                             | \$854,827,707          | \$868,898,278          |
| <b>Total Liabilities</b>                           | <b>\$882,243,959</b>   | <b>\$896,222,574</b>   |
| <b>Net Assets</b>                                  |                        |                        |
| Invested in Capital Assets, net<br>of Related Debt | \$206,599,134          | \$210,678,161          |
| Restricted   | \$38,938,961           | \$45,121,020           |
| Unrestricted                                       | (\$38,966,492)         | (\$49,146,501)         |
| <b>Total Net Assets</b>                            | <b>\$206,571,603</b>   | <b>\$206,652,680</b>   |

### 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.

This statement includes all funds to provide an overall picture of County-wide finances. Net Assets refers to the purchase costs of County assets less the accumulated depreciation of those assets.



### Net Assets

*Invested in Capital Assets, Net of Related Debt* represents the value of assets less depreciation and the associated outstanding debt incurred to purchase that asset.

*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.



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).

**Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Fiscal Year Ended September 30, 2012**

|   |                      |
|---|----------------------|
| <b>Revenue</b>                              |                      |
| Taxes                                       | \$98,316,292         |
| Fees of Office                              | 10,218,500           |
| Fines & Forfeitures                         | 3,874,541            |
| Charges for Services                        | 12,536,107           |
| Intergovernmental                           | 2,311,209            |
| Investment Income & Other                   | 885,145              |
| <b>Total Revenue</b>                        | <b>\$128,141,794</b> |
| <b>Expenditures</b>                         |                      |
| Current:                                    |                      |
| General Government                          | \$23,748,324         |
| Public Safety                               | 67,775,405           |
| Judicial                                    | 17,831,456           |
| Community Services                          | 4,718,134            |
| Lease Principal and Interest                | 185,487              |
| Capital Outlay                              | 2,888,573            |
| <b>Total Expenditures</b>                   | <b>\$117,147,379</b> |
| Excess of Revenues over Expenditures        | \$10,994,415         |
| Other Financing Sources (Uses)              |                      |
| Transfers In                                | \$158,152            |
| Transfers Out                               | (6,193,300)          |
| Capital Lease Issued                        | 0                    |
| Proceeds from Sale of Capital Assets        | 170,926              |
| <b>Total Other Financing Sources (Uses)</b> | <b>-\$5,864,222</b>  |
| <b>Net Change in Fund Balances</b>          | <b>\$5,130,193</b>   |
| <b>Fund Balance, Beginning</b>              | <b>69,802,058</b>    |
| <b>Fund Balance, Ending</b>                 | <b>\$74,932,251</b>  |

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 76.7% in 2012. Citizens paid \$0.287687 per \$100 property value for General Fund purposes. The next largest source of funds was from charges for services and fees of office, totaling 17.8% of total revenue.

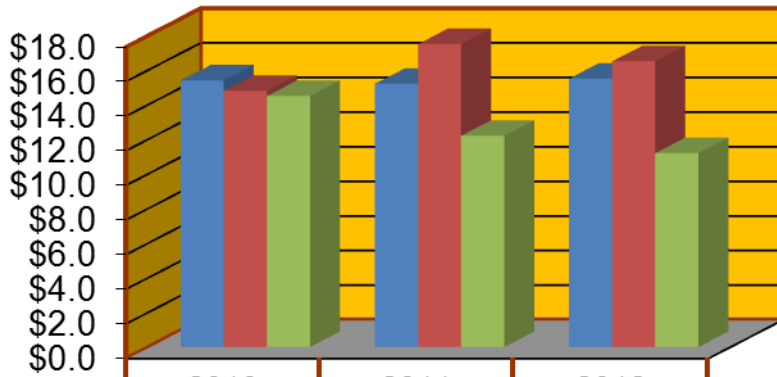
The largest portion of total expenditures was spent on public safety for our citizens, totaling 57.9% in 2012. The money was used for things such as emergency vehicles, juvenile services, and EMS. The next largest share of money spent was on general government, totaling 20.3%. The County affects each 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.

Other Financing Sources (Uses) are amounts transferred in or out of the General Fund from or to other Governmental Funds in order to facilitate

other County business or projects. In 2012, \$5.9 million was transferred out of the General Fund to pay for indigent health care, county-wide emergency radio communications and the Williamson County Regional Animal Shelter.

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 12 years by a total of \$66 million. The County's fiscal plan is to have 35% 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 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 determining the County's bond ratings. A high bond rating leads to lower costs, thus resulting in lower taxes.



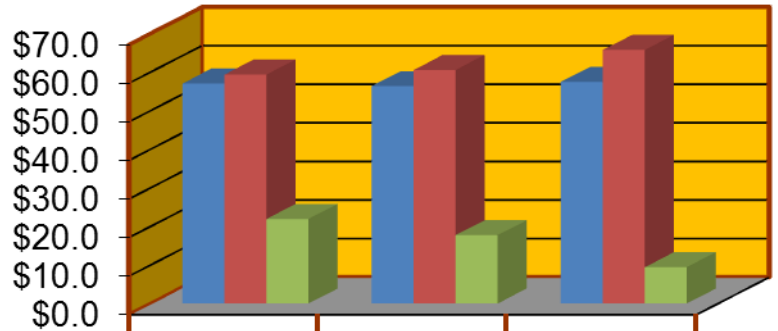


|                     | 2010   | 2011   | 2012   |
|---------------------|--------|--------|--------|
| Revenue             | \$15.4 | \$15.2 | \$15.5 |
| Expenditures        | \$14.8 | \$17.5 | \$16.5 |
| Ending Fund Balance | \$14.5 | \$12.2 | \$11.2 |

**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 on the left illustrates the fund's revenue, expenditures, 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. Existing debt was also refinanced saving taxpayers in future interest costs. The chart shown on the right compares revenues, expenditures and fund balance over the last three years.

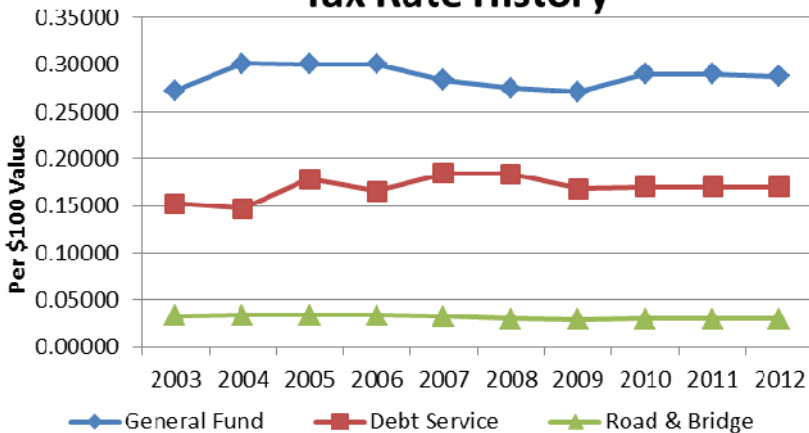


|                     | 2010   | 2011   | 2012   |
|---------------------|--------|--------|--------|
| Revenue             | \$57.0 | \$56.3 | \$57.4 |
| Expenditures        | \$59.3 | \$60.5 | \$65.7 |
| Ending Fund Balance | \$21.9 | \$17.7 | \$9.4  |

**Tax Rate Stability**

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 2012 tax rate was \$0.487687 per \$100 value and was separated as follows: \$0.287687 for General Fund, \$0.17 for Debt Service, and \$0.03 for Road and Bridge. The graph shown here reflects the changes in tax rates by each source since 2003. The \$350 million voter-authorized debt for road improvements and parks in 2000 and 2006 is reflected in the Debt Service rates. The 2011 Tax Rate was adopted for Fiscal Year 2012.

**Tax Rate History**



## *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% in the last decade to 426,645 making it 12th among the state’s 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:



The screenshot shows the Williamson County website. At the top, there is a navigation bar with 'Login Register' on the left and a 'Search' box on the right. Below this are three columns: 'Places' (Parks and Recreation, The Williamson Museum, Courthouse Tours), 'Services' (Wilco Historical Commission, Maps/GIS, Wilco Regional Animal Shelter), and 'Precincts' (Precinct 1, Precinct 2, Precinct 3, Precinct 4). A secondary navigation bar includes 'Home', 'Online', 'Explore', 'Government', 'Justice', 'Environment', 'Transparency', and 'Ask'. The main content area is titled 'AUDITOR' and features a large heading 'Financial Transparency is Job One!'. It introduces the 'Williamson County Auditor - David U. Flores' and lists his responsibilities under Texas law, including oversight of county records, enforcement of laws, and preparation of annual financial reports. A photo of David U. Flores is shown on the right. The page also includes links for 'County Business', 'Auditor's Office', and a photo of the 'Williamson County Courthouse'.

## **County Auditor's Office:**

**David U. Flores**, County Auditor

**Julie Kiley**, First Assistant County Auditor

**Melanie Denny**, Financial Director

Financial Accounting-

**David Dukes** (Assistant Financial Director), **Samantha Cameron**,  
**Lisa Moore**, **Pam Navarrette**, **Castella Pullon**, **Kelsey Rollins** and  
**Jody Taber**

Accounts Payable / Payroll-

**Donna Baker** (Manager), **Tammy Alexander**, **Nicole Alderete**,  
**DeForrest Allen**, **Kristen Barnett**, **Debbie Frazier**, **Joyce Gadison**,  
**Karen Knightstep** and **Jeannie Shutey**

**Kathy Wierzowiecki**, Internal Audit Director

**Jolene Crist**, **Michael Hansen**, **Jalyn Morris**, **Robert Morris**,  
**Ardis Rike** and **Nathan Zinsmeyer**

**Phone: 512/943-1500**

**Email: [jkiley@wilco.org](mailto:jkiley@wilco.org)**





## WILLIAMSON COUNTY, TEXAS

### OFFICE OF THE COUNTY AUDITOR

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