



TRAVIS COUNTY, TEXAS

Comprehensive Annual Financial Report

For the Fiscal Year Ended

September 30, 2010

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**TRAVIS COUNTY,
TEXAS**

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2010

Prepared by the Travis County Auditor's Office

**Susan A. Spataro, CPA, CMA
County Auditor
314 W. 11th Street, Suite 200
Austin, Texas 78701**

**TRAVIS COUNTY, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 Fiscal Year Ended September 30, 2010**

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 (Unaudited)

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**TRAVIS COUNTY, TEXAS
INTRODUCTORY SECTION**

TRAVIS COUNTY
AUDITOR'S OFFICE



TRAVIS COUNTY
ADMINISTRATION BUILDING
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COUNTY AUDITOR

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February 18, 2011

Honorable District Judges of Travis County, Honorable Members of the Travis County Commissioners' Court, and the Citizens of Travis County (the "County"):

The County Auditor's Office proudly submits the Comprehensive Annual Financial Report ("CAFR") of Travis County, Texas for the fiscal year ended September 30, 2010. This report is submitted in compliance with Texas Local Government Code §114.025.

Responsibility for Financial Statements

This report was prepared by the County Auditor's Office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a reasonable understanding of the County's financial affairs have been included.

The County Auditor serves as the Chief Financial Officer for Travis County. By statute, the Auditor reports to the State District Judges. This provides for an independent review of County financial operations separate from the Commissioners' Court, the legislative and executive branch of county government. The County Auditor is responsible for accounting systems design, audit functions required by law, general control of finances, revenue estimation and certification, and ensuring that the County meets its fiduciary responsibilities to taxpayers with regard to County finances by strictly enforcing the statutes governing County finances as provided by the local government code. As an appointed official and a Certified Public Accountant, the County Auditor takes an oath to uphold the Constitution and the laws of the State of Texas.

Accounting System and Internal Controls

In developing and evaluating the accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the reliability of financial reporting; (2) the effectiveness and efficiency of operations; and (3) compliance with applicable laws and regulations. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Independent Audit

In compliance with Texas Local Government Code §115.045, the financial statements and notes contained in this report have been audited by the independent auditors of Atchley & Associates, LLP. The Independent Auditors' Report is included in the Financial Section of this report. This firm was also engaged to perform an audit of the County's federal and state awards that was designed to meet the requirements of the Federal Single Audit Act and related Office of Management and Budget Circular A-133. The audit reports on federal and state awards are issued separately.

Reporting Standards

When other accounting bases conflict with state law, Texas and its political subdivisions may follow the statutory provisions of Chapter 2266 (originally Chapter 2264 and renumbered effective September 1, 2009) of the Texas Government Code ("Chapter 2266"). Accordingly, in fiscal year 2010, the County followed the Statutory Basis of accounting, which is an other comprehensive basis of accounting provided, but not mandated, by this statute. For the County, the only difference between generally accepted accounting principles ("GAAP") and the Statutory Basis of accounting is in the reporting of other postemployment benefits ("OPEB").

The Statutory Basis differs from GAAP in that the County's presentation of OPEB on the financial statements uses the statutory modified accrual basis. This basis accurately and fairly sets forth the financial position of the County by (i) measuring the cost of benefits according to their adoption by the governing body of the County; and by (ii) providing an accurate assessment of OPEB liabilities and extent of their funding for the time period for which the benefits were adopted. Under GAAP, GASB Statement No. 45 ("GASB 45"), "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" defines an OPEB liability to include amounts the governing body has not authorized nor promised to employees, and for which there is no legally enforceable liability. The County has concluded that recognizing an OPEB liability as defined by GASB 45 would result in publishing financial statements that are materially misleading. It would also be inconsistent with State financial laws and misrepresent the nature, scope, and duration of the financial activities of the County. For additional information, please see the Healthcare Benefits for Retired Employees section of this letter.

Management's Discussion and Analysis

Management has provided a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis ("MD&A"). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found in the Financial Section of this report.

Financial Statement Format

This Comprehensive Annual Financial Report is presented according to the reporting model established by GASB Statement No. 34 and related statements. The report, including all funds of Travis County and its component units, is divided into four sections:

1. Introductory Section – This section includes the letter of transmittal, organizational chart, and list of principal officials.
2. Financial Section – The financial section includes the Independent Auditors' Report, Management's Discussion and Analysis, the Basic Financial Statements, and Required Supplementary Information.
 - a. Basic Financial Statements – This section includes government-wide and fund financial statements as well as the notes to the financial statements. The notes

are considered essential to the fair presentation and adequate disclosure for this financial report. They include the Summary of Significant Accounting Policies for the County and other necessary disclosures of important matters relating to the financial position of the County. The notes are treated as an integral part of the financial statements and should be read in conjunction with them.

- b. Required Supplementary Information (“RSI”) – This section is comprised of budgetary comparison schedules for the General Fund and any major special revenue fund with a legally adopted budget. As required, the County presents budgetary comparison schedules for its General Fund and Road and Bridge Fund. This section also includes the Schedule of Funding Progress for Retirement Plan as required by GASB Statement No. 50, “Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27”, which is also included in the notes to the financial statements.
3. Other Supplementary Information – This section includes a variety of schedules to assist users in analyzing the basic financial statements. This section may include, but is not limited to, combining statements, individual fund statements, and schedules focusing on major funds. The County includes combining statements for non-major funds, proprietary funds and fiduciary funds, as well as other budgetary comparison schedules.
4. Statistical Section – Although this section contains substantial financial information, these schedules differ from financial statements in that they present some nonaccounting data, cover more than the current fiscal year, and are designed to reflect demographic and economic data, operating information, financial trends, and the fiscal capacity of the County.

PROFILE OF TRAVIS COUNTY

Geographic Information

Travis County, a corporate body and a political subdivision of the State of Texas, was created from Bastrop County in 1840 and organized in 1843. Located in central Texas on the edge of the "Hill Country", the County is approximately 200 miles south of the Fort Worth/Dallas area, 160 miles west of Houston, and 80 miles northeast of San Antonio.

The County encompasses 1,022.1 square miles of which 989.3 square miles (96.8%) is land and 32.8 square miles (3.2%) is water area. The water area comes from the Colorado River, which runs northwest to southeast through the County, and Lake Austin and Lake Travis, parts of the Highland Lakes chain.

The mild climate reflects the County's fortunate location. The mean temperature is 68.6 degrees, with the days almost evenly divided among clear, partly cloudy, and cloudy. The growing season averages 270 days long, with the last freeze of the winter coming in early March and the first of the next autumn coming normally around Thanksgiving. Average rainfall is 31.9 inches.

The 2010 population of Travis County is estimated to be 1,033,553, an increase of 25,208 people (2.5%) over the 2009 estimated population. The principal city in the County is Austin, the County Seat and State Capital. The estimated 2010 population for Austin, including Full and Limited Purpose Areas, is 785,850 or 76.0% of the total for the County.

Governmental Structure

The governing body of the County is the Commissioners' Court, comprised of the County Judge (who is elected at-large and serves as the presiding officer) and four Commissioners, each of whom is elected for a four-year term (unless filling a predecessor's unexpired term) from one of the County's four precincts. The Commissioners' Court has powers expressly granted by the State Legislature. These powers are reflected in the following County functions:

General Government - This category includes budgets for the County Judge and County Commissioners, administrative, financial, and physical support for the County's "line" departments/offices, the Tax Office, Risk Management, the Employee Health Benefit Fund, Civil Service Commission, Election Administration, and certain recording duties of the County Clerk.

Justice System - Activities in this category are associated with the judicial responsibilities of the County. It includes the costs for the County's court systems (Civil Courts and Criminal Courts, which include legally mandated fees, Probate Court, Juvenile Court, and the Justice of the Peace Courts) and associated offices/departments or parts thereof: District Clerk, County Clerk, District Attorney, County Attorney, the Dispute Resolution Center, Criminal Justice Planning, which includes the Community Justice Center, and the Law Library.

Public Safety - Public Safety includes activities associated with the protection of persons and property within the County including direct enforcement of State statutes. Offices included in this category are the Constables (serve warrants and other court papers), the Medical Examiner, and divisions of the Sheriff's Office dedicated to law enforcement and public safety. Also included are Emergency Services, Fire Marshall, and Criminal Justice Planning, which provide services for the Combined Transportation, Emergency and Communications Center (911 Call Center).

Corrections and Rehabilitation - This category includes activities associated with confinement, probation, counseling, and other related programs available for adult offenders. The Sheriff is in charge of the County jail and County corrections center. Also under this classification are the Community Supervision and Corrections Department (adult probation), Pretrial Services, and the Counseling and Educational Services Department, which was created to counsel and correct the behavior of offenders.

Health and Human Services - Activities designed to provide healthcare related services to those in need and promote the conservation and improvement of public health are included in this category. The County provides public assistance (assistance with food, rent, and utility expenses) through its Health and Human Services Department to eligible indigents, including military veterans. This category also includes the Agriculture Extension Service and the Emergency Medical Services Department, which is comprised of air (StarFlight) and ground ambulance services.

Infrastructure and Environmental Services - Activities in this category are associated with the development and maintenance of the County's transportation systems, subdivision platting and review, conservation and development of natural resources, and activities associated with providing sanitation services within the County through the Transportation and Natural Resources Department.

Community and Economic Development - Included in this category are activities for providing economic development in the County and cultural, recreational, and educational activities for the benefit of County residents and visitors. Specifically, the County owns and operates the Travis County Exposition Center and, in conjunction with the State of Texas, operates the Travis County Historical Commission. In addition, the County operates 46 parks that are either owned

or maintained by the County. These parks, which vary from lakes and hills to rivers and prairies, provide facilities for picnics, hiking, camping, swimming, boating, soccer, baseball, and equestrian activities.

Blended Component Units

The Travis County Commissioners' Court serves as the governing body for the below-mentioned separate entities. Therefore, in accordance with GASB Statement No. 14, as amended by GASB Statement No. 39, these are presented as blended component units. For more information, refer to Note 1 of the Notes to the Financial Statements.

The Road Districts - Northwest Travis County Road District No. 3 ("NWTCRD No. 3") contains approximately 242 acres. NWTCRD No. 3 is ad valorem tax supported for repayment of debt. Southwest Travis County Road District No. 1 ("SWTCRD No. 1") contains approximately 7,015 acres. Except for \$10,000 of unredeemed coupon bonds from the original 1985 issuance, all debt of SWTCRD No. 1 has been defeased, redeemed or matured. Travis County Bee Cave Road District No. 1 ("TCBCRD No. 1") encompasses 141 acres in western Travis County, wholly within the corporate limits of the Village of Bee Cave, Texas. TCBCRD No. 1 is ad valorem tax supported for the repayment of debt. The road districts act as agents for property owners in collecting assessments, forwarding collections to the bondholders, and initiating foreclosure proceedings, if appropriate. The debt of the road districts is not a debt or obligation of the County, nor will the County be liable for payment thereof. The Travis County Commissioners' Court is the statutory governing body of the road districts.

The Corporations - The Capital Health Facilities Development Corporation, Travis County Housing Finance Corporation, Travis County Health Facilities Development Corporation, Capital Industrial Development Corporation, Travis County Development Authority, and Travis County Cultural Education Facilities Finance Corporation have been established by the County under provisions of the Development Corporation Act of 1979 of the State of Texas, the Health Facilities Development Act, the Texas Housing Finance Corporation Act, the Texas Transportation Code, and the Cultural Education Facilities Finance Corporation Act. Through these Corporations, eligible applicants are furnished financial assistance through the sale of tax-free bonds. Such debt is issued by the Corporations as "conduit or no-commitment debt" for the benefit of private third parties for purposes of public interest without the obligation of the Corporations or the County for repayment. The Travis County Commissioners' Court is the Board of Directors for each corporation.

Discretely Presented Component Unit

On May 15, 2004, Travis County voters approved the formation of the Travis County Hospital District to furnish medical aid and hospital care to indigent and needy persons residing in Travis County. In May 2006, the Commissioners' Court approved, after the appropriate State legislation was passed, a name change to the Travis County Healthcare District. In fiscal year 2010, after receiving the necessary approvals, the Travis County Healthcare District filed to do business as Central Health (hereinafter referred to as "Central Health") while leaving their legal name unchanged. Central Health has a nine member Board of Managers; four are appointed by Travis County, four by the City of Austin, and one is a joint appointee. Additionally, the Travis County Commissioners' Court approves Central Health's annual budget and tax rate each year. Because of this relationship, Central Health will be reported as a discretely presented component unit of Travis County for the year ended September 30, 2010. For more information, refer to Note 1 of the Notes to the Financial Statements.

Budget Process

The annual budget serves as the foundation for Travis County's financial planning and control. Activities of the General Fund, certain special revenue and capital projects funds, internal

service funds, and the General Purpose Debt Service Fund are included in the appropriated budget. The budget is prepared by fund, office/department and object/sub-object. The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is set by state statute and is at the office/department level. The County's elected/appointed officials, executive managers, and department heads may make transfers of appropriations within an office/department as specified in the Commissioners' Court-approved annual budget rules. Transfers between departments, as specified in the budget rules, require prior approval of the Commissioners' Court.

The County maintains an encumbrance accounting system as a method to accomplish budgetary control. The County Auditor monitors expenditures of the various offices/departments to prevent expenditures from exceeding budgeted appropriations and sends a monthly budget report to the Commissioners' Court. The County Auditor also monitors the revenues received for budget compliance. Purchase orders and contracts are not valid until the County Auditor certifies that money is available to make payment. During fiscal year 2010 there were no offices/departments or any individual funds for which the expenditures exceeded budgeted appropriations.

Year-end encumbrances are rolled into the following year's adopted budget. For all budgeted funds, appropriations that are not encumbered lapse at the end of the fiscal year. Budget to actual comparison schedules are provided in this report for all governmental funds for which the appropriated annual budget has been adopted. The General Fund and Road and Bridge Fund schedules are in the Required Supplementary Information section, while all other budgetary comparison schedules are included in the Other Supplementary Information section. A separate report is generated that demonstrates budgetary compliance at the office/department level and is available to the public.

ECONOMIC CONDITION AND OUTLOOK

Local Economy

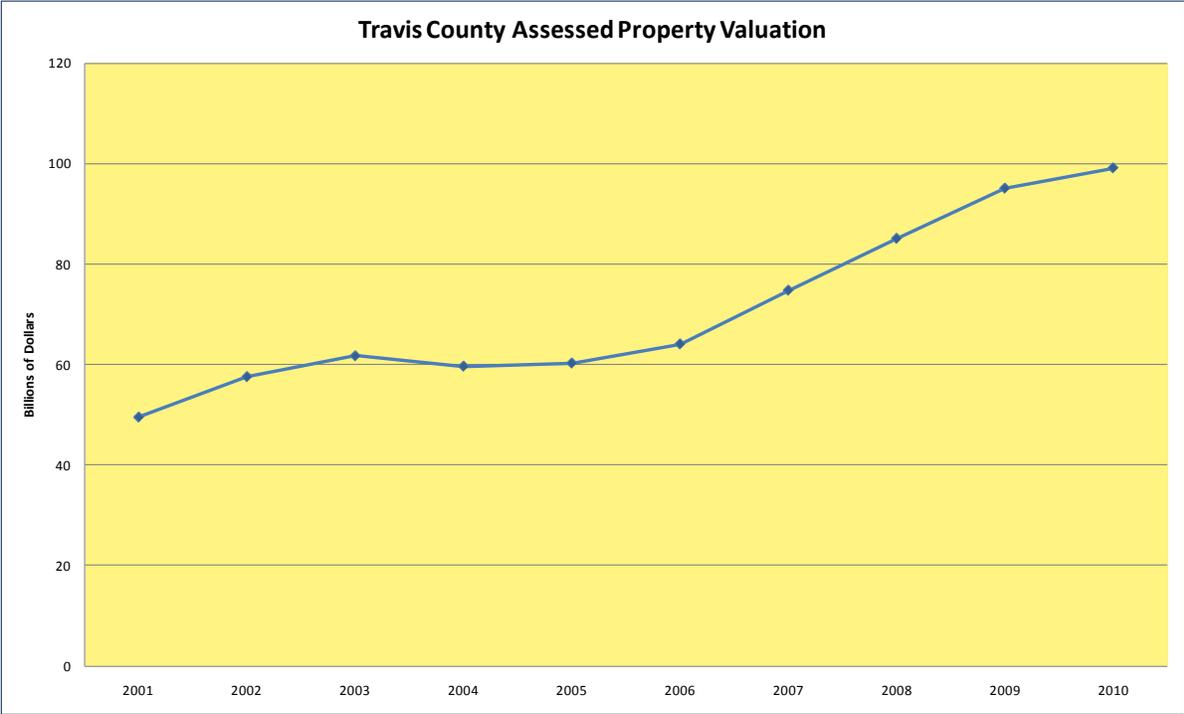
The Travis County business sector showed signs of a slight rebound in fiscal year 2010 after a sluggish fiscal year 2009. Employment for the County rose during the year to a September total of 530,454, and the County's unemployment rate fell from 7.0% at the end of fiscal year 2009 to 6.6% one year later. In 2010, Forbes ranked Austin tenth on its list of America's Most Affordable Cities and one of the hottest cities for high-tech jobs. Newsweek listed Austin as one of the top ten cities best situated for the economic recovery, and Kiplinger Magazine lists Austin number one on its list of Best Cities for the Next Decade.

For many years, Travis County was known largely for two things, state government and the University of Texas. Now, the high-tech industry has become a large part of the Travis County economic scene, and this diversification has made this area an attractive place to do business. Dell, IBM, Freescale Semiconductor, Advanced Micro Devices, Silicon Laboratories, Cirrus Logic, and Samsung are all major employers in the Travis County area.

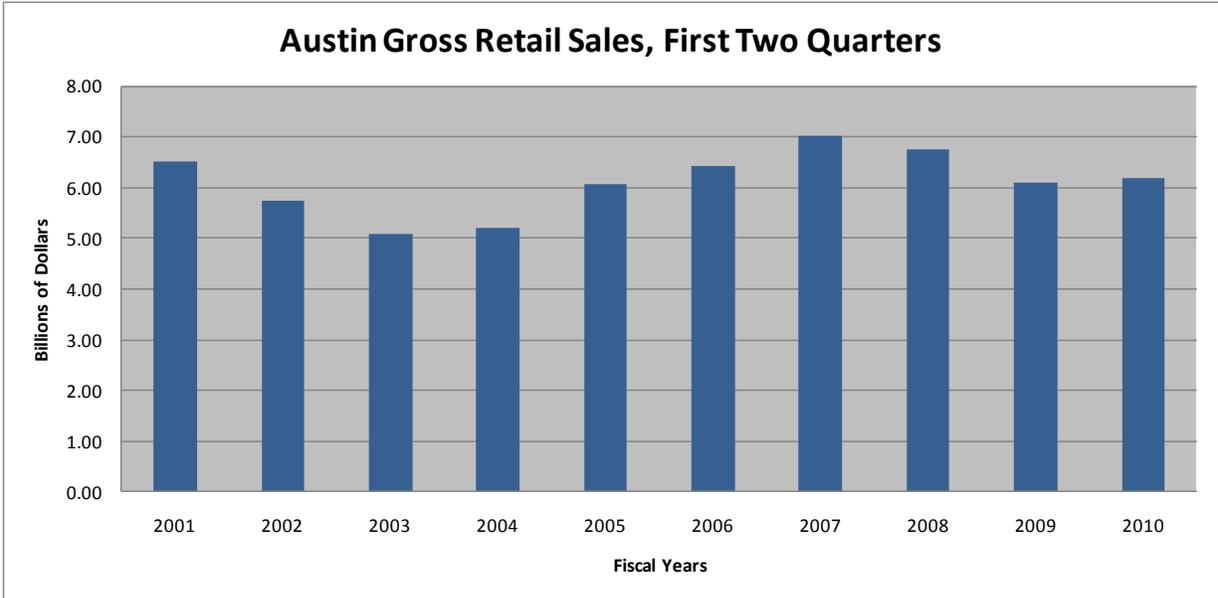
Austin has a lively and diverse leisure industry, which includes the Texas Stars, the top affiliate of the National Hockey League's Dallas Stars. Also here are University of Texas sports teams, the Austin Toros of the NBA Developmental League, and Triple-A baseball. The area in and around Travis County is home to 38 public golf courses. Austin has long been called the "Live Music Capital of the World" in part due to the South by Southwest Music Festival held annually in the spring and the Austin City Limits Festival held annually in the fall. In addition, Austin also boasts many live music clubs, a number of which are located in the famous downtown East Sixth Street Entertainment District.

In accordance with the small upswing in the economy, the Assessed Property Valuation (“AV”) grew slightly in fiscal year 2010 with a 4.2% increase compared to fiscal year 2009.

The chart below shows the changes in assessed property valuation over the last ten years.

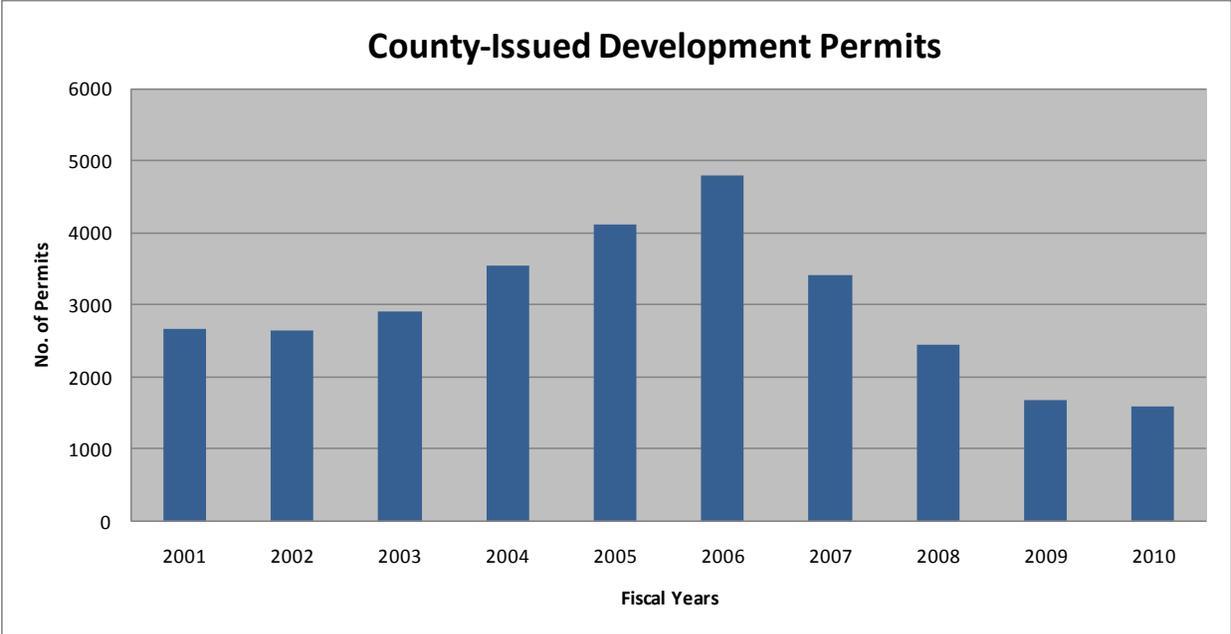


Sales tax receipts for the City of Austin for fiscal year 2010 totaled \$135.9 million, a 1.1% increase compared to the previous year. Austin’s gross retail sales for the first two quarters of fiscal year 2010 reached \$6.2 billion, a 1.6% increase over the same period in fiscal year 2009.



Housing sales rose slightly in fiscal year 2010, opposite to what is happening in the industry nationally. For the County’s fiscal year ended September 30, 2010, units sold totaled 20,784; that figure constitutes a 6.5% increase compared to fiscal year 2009. Accordingly, the average selling price increased 3.0% from September 2009 to September 2010. County-issued site development permits in fiscal year 2010 for building in the rural parts of Travis County decreased 4.5% from the previous year.

The graph below shows the changes in County-issued site development permits over the past ten years.



In fiscal year 2010, Travis County maintained its Reserve Ratio of 11%, and this level of reserve has been maintained without fail since fiscal year 1996.

The Commissioners’ Court set the property tax rate at \$0.4215, an increase of \$0.0146 above the effective tax rate, to provide funds for general operations and debt service for fiscal year 2010.

Significant budget initiatives in fiscal year 2010 included:

- Addition of nine new positions with associated costs in the Sheriff’s Office to complete the staffing at the new jail building at the Travis County Correctional Complex in Del Valle.
- Two new pilot programs to address jail populations, substance abuse, and workforce development.
- Increased emergency assistance for rent/mortgage, utilities, prescription/medical supplies, transportation, and food vouchers due to change in the County’s eligibility standards.
- Funding for after-school programs in various schools in Travis County.
- Additional support for the development and purchase of a new financial system.

The Commissioners' Court authorized four issuances of new debt in fiscal year 2010:

General Obligation Bonds:

| | |
|--|---------------|
| Unlimited Tax Road Bonds, Series 2010 (for local roads, drainage, bridges and right-of-way) | \$ 3,610,000 |
| Limited Tax Permanent Improvement Bonds, Series 2010 (for parks) | \$ 11,315,000 |
| Limited Tax Refunding Bonds, Series 2010 | \$ 27,090,000 |

Certificates of Obligation (Limited Tax, Series 2010):

In addition to the general obligation bonds, the County also issued \$114,610,000 in Limited Tax Certificates of Obligation, Series 2010, \$14,305,000 of which was a taxable series. The proceeds from the taxable certificates of obligation are to be used for property acquisition and renovation. The proceeds of the tax-exempt certificates of obligation, including the \$8,614,904 premium, less the \$10,880 original issue discount, are to be used for property acquisition, a new financial system, helicopter and ambulance replacement, building construction and renovation, various road and bridge construction and improvement projects, and other authorized capital project needs for the County. The taxable certificates of obligation, bearing an interest rate ranging from 0.74 percent to 4.15 percent, will mature in varying amounts in each of the years 2011 to 2018. The tax-exempt certificates of obligation bear an interest rate ranging from 2.00 percent to 5.00 percent and mature in varying amounts in each of the years 2011 to 2030.

Long-Term Financial Planning

It has been the long-standing intention of the Commissioners' Court to maintain a sound financial footing, preserve the 11% reserve ratio, and maintain the County's AAA bond rating. It was these accumulated resources that allowed the County to avoid massive disruptions in services during the years when the local economy took a downturn. In order to ensure that the fiscal year 2011 budget kept these goals in focus, the Commissioners' Court issued the FY11 Planning and Budget Manual in March 2010. In this document the Commissioners' Court called for offices and departments in Travis County to stress long-term initiatives in the areas of: reducing detention populations, substance abuse control, and workforce development (adult and youth training).

Budgeted revenues and available balances and budgeted expenditures and other financing uses for fiscal year 2011 are summarized as follows:

| Budgeted | General Fund | Debt Service Fund | Other Funds |
|--|----------------------|----------------------|----------------------|
| Revenues and Available Balances | \$ 498,317,582 | \$ 84,638,047 | \$ 140,183,981 |
| Less Expenditures and Other Financing Uses | <u>427,736,196</u> | <u>75,484,925</u> | <u>91,651,054</u> |
| Ending Fund Balance | <u>\$ 70,581,386</u> | <u>\$ 9,153,122</u> | <u>\$ 48,532,927</u> |

Capital Project Funds are budgeted based on Certificates of Obligation and General Obligation Bond indenture provisions. At the end of fiscal year 2010, actual fund balances were carried

over into the new year, and the Planning and Budget Office included a not-to-exceed number of \$225 million in its Recapitulation of the Fiscal Year 2011 Adopted Budget.

Included in these figures is \$17,225,446 in transfers among the funds, of which \$261,728 is a transfer to the General Fund from non-budgetary funds and \$9,589,540 is a transfer from the General Fund to the Balcones Canyonlands Preservation Fund. Other funds' budgeted expenditures (including transfers out) consisted of \$20,520,759 in the Road and Bridge Fund and \$71,130,295 in various other funds.

In addition, a portion of the ending fund balances is budgeted as Allocated Reserves, meaning that expenditure of these reserves is possible: \$21,985,630 in the General Fund, and \$48,512,927 in other funds, of which \$29,345,287 is in the Internal Service Funds.

For fiscal year 2011, the assessed taxable property value available at the time of budget approval was \$94.4 billion or 4.0% less than the certified value available for the fiscal year 2010 budget process.

RELEVANT FINANCIAL POLICIES

Long-Term Debt

Neither Travis County nor any road district has ever defaulted on the payment of principal or interest on its bonds or certificates of obligation. The County has a bond rating of "AAA" from Standard and Poor's and "Aaa" from Moody's Investor Service, Inc.

In compliance with requirements of each bond order, the General Purpose Debt Service Fund is maintained to provide available funds to meet all obligations during the year. A separate tax levy is set each year for this purpose.

Debt Policy

The purpose of this policy is to provide guidelines for the Commissioners' Court in deciding whether to issue additional debt and to attempt to keep the debt issuance of the County within established limits.

General Approach to Debt:

Travis County will maintain a prudent approach to the issuance of debt that includes the following:

- Travis County will ensure that necessary services are provided in this community in a timely and sufficient manner using current revenues.
- Travis County will ensure that necessary equipment and facilities are provided to County departments in a timely manner using the most frugal method of payment available for such expenditures.
- Routine purchases and replacement of capital equipment, such as computer equipment, furniture, and "down payments" on larger capital projects will be financed through the Capital Acquisition Resources account from current operating revenues. This account will be gradually adjusted as existing funds become available and as economic circumstances allow, to reduce or eliminate the need for issuing debt or entering into any other financing arrangement for recurring operating equipment purchases.

- Sale of bonds or certificates of obligation will follow general market conventions assuring the best interest rate deemed possible at the time, as determined by the Commissioners' Court, based upon advice from the County's financial advisors.

The Travis County Commissioners' Court will not issue long-term debt (with a repayment period in excess of five years) without the approval of such bond issue by the voters at an election, except under the following circumstances:

- The expenditure is legally required of the County, where penalties or fines could be imposed on the County if the expenditure is not made; or
- When a financial analysis demonstrates that during a stipulated term Travis County would spend significantly less; or
- The voters have previously approved the issuance of general obligation bonds but, for valid reasons, certificates of obligation must be substituted for such bonds in order to carry out the voters' authorization; or
- When the expense is for necessary planning services or acquiring options for a future capital project that will be submitted to the voters.

Capital expenditures, particularly those involving the issuance of debt, will be approved only in the context of multi-year planning by the County.

Process to Determine Needs:

- Expenditures for capital improvements and equipment will be requested, justified and approved, specifying the recommended method of finance for such expenditures as part of the annual County budget process, prior to budget adoption.
- Each year as part of the budget process, the Planning and Budget Office will prepare a debt report analyzing all recommended expenditures which are proposed to be financed with debt. The report will explain the impact the proposed new debt will have on the County's debt service tax rate and an analysis of such impact on the average county taxpayer, and the impact of the issuance of the proposed County debt in light of the general obligation debt of other taxing entities in Travis County (schools, cities, special districts).
- Building renovation or construction projects will be reviewed and assessed by Facilities Management prior to consideration by the Commissioners' Court.
- The Transportation and Natural Resources Department will review and assess any project which includes roads, drainage or parks prior to consideration by the Commissioners' Court.
- The Commissioners' Court will decide which projects will be undertaken, the timing of those projects, and the source of funding to be provided for accomplishment of those projects.

Debt Policies:

- A debt service reserve of at least 10% of total debt service requirements for the current fiscal year will be maintained to ensure availability of funds to meet the debt service payments in the event of tax revenue shortfalls.
- The term of any debt should not exceed 20 years, and should never exceed the useful life of the asset or the weighted average useful life of a group of assets when multiple assets are funded in a single issuance.
- Except in the case of revenue producing facilities, debt will not be issued for the purpose of making debt service interest payments. If interest capitalization becomes necessary, it will only be used for three years or the period of the construction phase, whichever is the shorter period.
- Delays in repayment of principal will be part of the debt structure only if in a particular circumstance such delay is seen to be in the County's best financial interest.
- Interest earnings on bonds and certificates of obligation that have been sold will be retained in the project until that project is completed unless the Commissioners' Court has instructed otherwise in a debt covenant or Official Statement. Funds unneeded for the project after its completion will be either transferred to the Interest and Sinking Fund in order to mitigate the need to increase the debt service tax rate or may be used for projects of a similar nature as allowed by law. Excess funds will not be allowed to increase the scope of the original project without additional justification and analysis.
- Optional debt redemption shall be provided for, based upon the advice of the County's financial advisor.
- Travis County will maintain a ratio of annual short-term (five years or less at time of issuance) debt service payments to total debt service of 25% or less, and short-term debt service payments to total General Fund expenditures of 5% or less.
- Guidelines in the form of industry-standard ratios will be reviewed in conjunction with each debt issuance in order to provide a framework within which to view overall Travis County debt.

Those guideline ratios include:

1. Net debt to taxable value should not exceed the range of 1.0%-1.5%.
2. Net debt to population should not exceed \$800 per capita.
3. Debt service to total expenditures (operating expenditures and debt service combined) shall be approximately 20% or less.
4. A total debt target of 5% of taxable value for all overlapping debt in Travis County (county, city, school district and other) will be established, in concert with cooperative efforts toward sharing this goal with the other debt-issuing entities.

The debt analysis below will also show the anticipated net debt per taxable value and the net debt per capita.

| | Debt Policy Guidelines | September 30, 2010 | September 30, 2009 |
|--|---------------------------|-----------------------|-----------------------|
| Debt service reserve percentage of total general purpose debt service requirements | 10% or > | 19.69% | 18.51% |
| Net debt to assessed valuation | 1.0% - 1.5% | 0.47% | 0.42% |
| Net debt per capita | \$800 or < | \$573.21 | \$506.03 |
| General purpose debt service expenditures to total general fund plus general purpose debt service expenditures | 20% or < | 15.24% | 15.56% |
| Short-term debt service expenditures ⁽¹⁾ to total general purpose debt service expenditures | 25% or < | 21.72% | 16.55% |
| Short-term debt service expenditures ⁽¹⁾ to total general fund expenditures | 5% or < | 3.91% | 3.05% |

Note: Excludes blended component units and discretely presented component unit

(1) Five years or less at time of issuance.

Other Relevant Financial Policies

GASB Interpretation No. 6 (“GASB I-6”), “Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements,” clarified the application of existing standards for distinguishing the respective portions of certain types of liabilities that should be reported as (a) governmental fund liabilities and expenditures and (b) general long-term liabilities of the government (GASB I-6, Intro par 4). The accrued liabilities that GASB specifically discussed in GASB I-6 are compensated absences, claims and judgments, special termination benefits, and landfill closure and postclosure care obligations. According to GASB, the intent of GASB I-6 was to develop an internally consistent interpretation of existing modified accrual standards that could be consistently and comparably applied, rather than to increase or decrease accruals, as such, in the governmental fund financial statements (GASB I-6, App B par 35). The impact, as we see it, is an overstatement of fund balance and an understatement of governmental fund liabilities. We believe this interpretation will result in the citizenry, investors, and creditors of the governmental entity being unable to ascertain from the governmental fund financial statements whether the government has been fiscally responsible in ensuring funds have been set aside for incurred liabilities that are expected to be liquidated with current expendable resources. In addition, users of the governmental fund financial statements that conduct analyses using conventional financial solvency measures such as the current ratio and acid-test ratio, which are indicators of the ability of an entity to meet current maturing obligations, could draw misleading conclusions since not all incurred expenditures that are expected to be liquidated with current expendable resources are reported as liabilities.

For the readers of Travis County’s fiscal year 2010 governmental funds financial statements, the County has not changed its conservative practice of appropriating funds for incurred liabilities in current expendable resources. As it relates to compensated absences leave, those benefits that are expected to be liquidated with current expendable resources have been reported, to the extent they have matured, as a liability and expenditure, with the remainder being reported as a

portion of the fund balance designated for disbursement of near-term compensated absence benefits in the respective governmental funds. The designated fund balance for near-term compensated absence benefits will be unavailable for general budgetary use. For the readers of the government-wide financial statements, all incurred liabilities, both the above-stated current portion and the non-current portion, have been reported as a liability and expense.

HEALTHCARE BENEFITS FOR RETIRED EMPLOYEES

Since 1991, the County has included communications both in information provided to employees and in previously issued annual financial statements which specifically state that the decision to provide a portion of the cost for OPEB is made on an annual basis by the Commissioners' Court. The Chapter 2266 presentation in the financial statements is consistent with prior County financial statements presented according to GAAP for those years audited. County financial statements have consistently acknowledged an annual OPEB plan in each year that the Commissioners' Court adopted a plan, which may vary from year to year.

Commitments by employers for OPEB for their employees are not a new concept. The County manages its comprehensive plan for OPEB in a manner that does not negatively affect its ability to fund similar competing programs and to pay debt service on the County's debt service obligations. The County has and will continue to provide information to the bond rating agencies regarding the County's OPEB obligations, including number of eligible retirees and annual costs. The County is aware that bond rating agencies will continue to look at this information as part of the County's overall cost structure and use this to evaluate the County's ability to meet its debt service obligations.

It is important to follow the State law and the statutory procedures for the constitutional creation of debt. Texas has strong constitutional protections on the creation of debt for governments because the taxpayers ultimately have to pay for the liabilities. Thus, the officials they elect decide when to create County debt or submit the decision for voter approval. Actuarial measurement and the accounting treatment need to distinguish between long-term benefits that are promised and/or legally binding and those that are not. GASB 45 does not recognize that distinction.

For additional information regarding Chapter 2266 and the County's healthcare plan for retired employees, please see Note 1 and Note 12 of the Notes to the Financial Statements.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the dedicated services of the staff of the County Auditor's Office. We express our appreciation to all the members of this office who contributed to its preparation. We want to express our appreciation and thanks to the members of the Commissioners' Court, their staff and all other County officials and employees who have given their support in planning and conducting the financial operations of Travis County in a responsible manner.

Respectfully submitted,



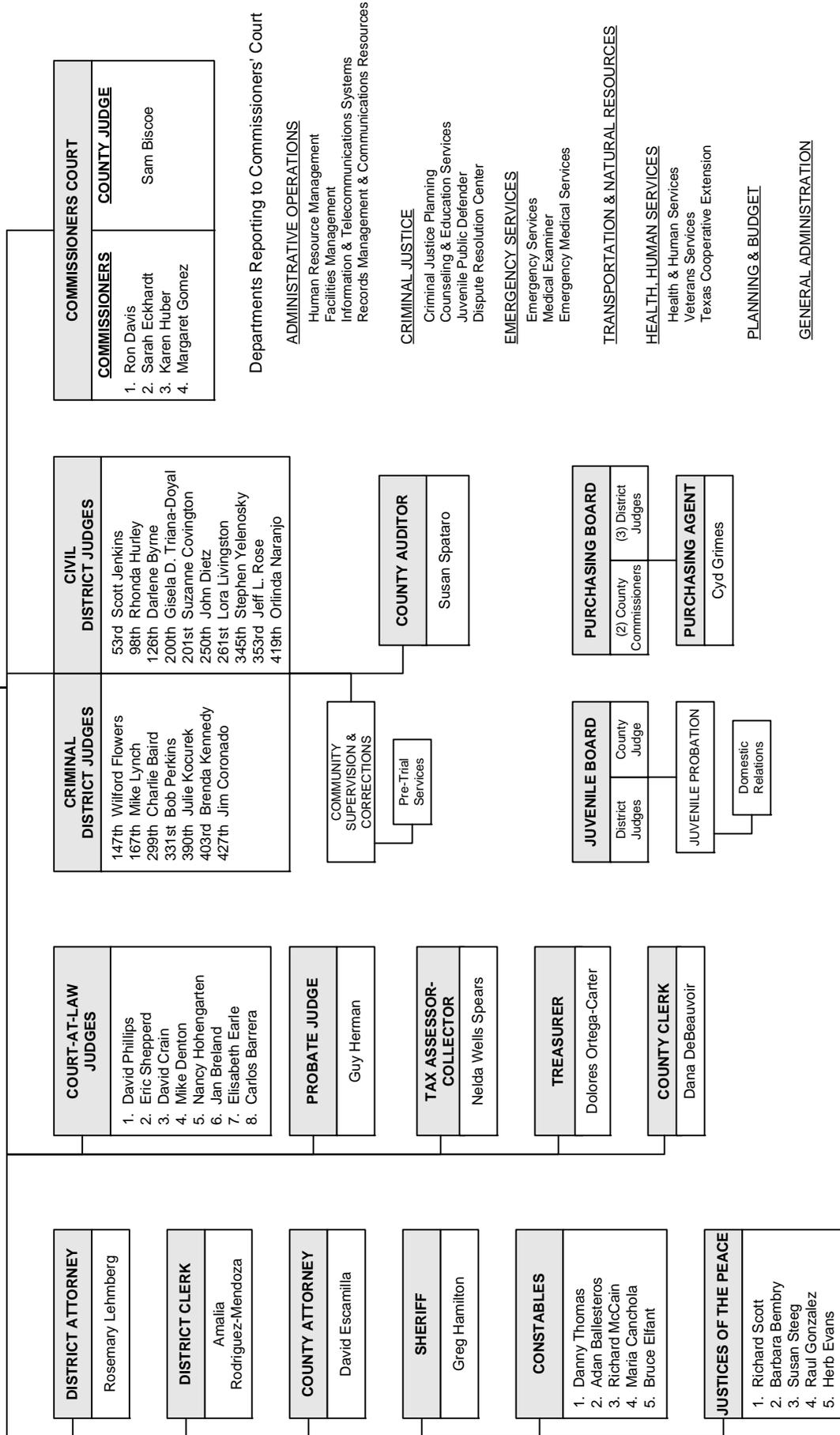
Susan A. Spataro, CPA, CMA
County Auditor



TRAVIS COUNTY

TRAVIS COUNTY VOTERS

September 30, 2010



Independently Elected/Appointed
Officials with statutory duties

TRAVIS COUNTY, TEXAS
PRINCIPAL OFFICIALS
September 30, 2010

GOVERNING BODY

Samuel T. Biscoe, County Judge

Ron Davis, Commissioner, Precinct 1

Sarah Eckhardt, Commissioner, Precinct 2

Karen Huber, Commissioner, Precinct 3

Margaret Gomez, Commissioner, Precinct 4

OTHER PRINCIPAL OFFICIALS

Nelda Wells Spears, Tax Assessor/Collector

Susan A. Spataro, County Auditor, CPA, CMA

David Escamilla, County Attorney

Rosemary Lehmberg, District Attorney

Greg Hamilton, County Sheriff

Dolores Ortega-Carter, County Treasurer

Amalia Rodriguez-Mendoza, District Clerk

Dana DeBeauvoir, County Clerk

**TRAVIS COUNTY, TEXAS
FINANCIAL SECTION**



INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and Commissioners' Court of
Travis County, Texas

We have audited the accompanying statutory basis financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Travis County, Texas (the County), as of and for the year ended September 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These statutory basis financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these statements based on our audit. We did not audit the financial statements of the Travis County Healthcare District, the discretely presented component unit of the County, for the year ended September 30, 2010; those financial statements prepared on the basis of accounting principles generally accepted in the United States of America were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Travis County Healthcare District, is based upon the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

As described more fully in Note 1, the County has prepared these financial statements using accounting practices prescribed or permitted by Government Code Section 2264.051, as adopted by the State of Texas House Bill 2365, which practices differ from accounting principles generally accepted in the United States of America. These statutory accounting practices recognize the cost of postemployment benefits, other than retirement benefits, on a statutory modified accrual basis. Accounting principles generally accepted in the United States of America (GAAP) require that annual required contributions related to postemployment benefits, other than retirement benefits, under a substantive plan as comprehended in generally accepted accounting principles be recorded as expenses, which, if not funded would increase the liabilities, reduce the net assets, and change the expenses of the government activities. The effects on the financial statements taken as a whole of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America are not reasonably determinable.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Travis County, Texas, as of September 30, 2010, or the changes in financial position, and where applicable, cash flows thereof for the year then ended.

In addition, in our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective statutory basis financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Travis County, Texas, as of September 30, 2010, and the respective changes in statutory basis financial position and, where applicable, cash flows for the year then ended in conformity with the statutory basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have issued our report dated February 18, 2011 on consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" and should be considered in assessing the results of our audit.

Management's Discussion and Analysis and the budgetary comparison information, as listed in the table of contents, are not required parts of the statutory basis financial statements, but constitute supplementary information required by the Government Accounting Standards Board and allowed by the statutory basis of accounting. This supplementary information is the responsibility of the County's management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the statutory basis financial statements that collectively comprise Travis County's basic financial statements. The statutory basis combining and individual fund financial statements and schedules listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Travis County. These statutory basis combining and individual fund financial statements and schedules are the responsibility of the County's management. Such additional information has been subjected to the auditing procedures applied in our audit of basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole. The introductory section and the statistical information listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Atchley & Associates, LLP

Austin, Texas
February 18, 2011

TRAVIS COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (Unaudited)
For The Year Ended September 30, 2010

The following is a narrative overview and analysis of the financial activities of Travis County (the "County") for the fiscal year ended September 30, 2010. Please consider the information presented here in conjunction with the transmittal letter, financial statements, and related footnotes.

FINANCIAL HIGHLIGHTS

Government-wide:

- The assets of the County exceeded its liabilities at the close of the fiscal year by \$934.0 million (reported as net assets), an increase of \$24.2 million or 2.7 percent from the prior year. Of the total net assets amount, \$828.6 million is invested in capital assets net of related debt, \$72.8 million is unrestricted, and \$32.6 million is restricted for specific future uses.

Fund Financial Statements:

- As of the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$361.5 million, an increase of \$72.7 million or 25.2 percent from the previous year. Approximately 33.3 percent of ending fund balances is unreserved and undesignated and may be used to meet ongoing obligations to citizens and creditors. This is an increase of 25.1 percent from the prior year.
- The fund balance of the General Fund, one of the major governmental funds, was \$113.8 million at September 30, 2010, a \$22.6 million increase over last year. The unreserved, undesignated portion of fund balance was \$94.1 million or 82.7 percent of total fund balance and 23.8 percent of total General Fund expenditures and other financing uses for fiscal year 2010.
- At September 30, 2010, net assets of the County's Internal Service Funds were \$33.0 million, a decrease of \$8.8 million or 21.2 percent from the prior year.

Long-term Debt:

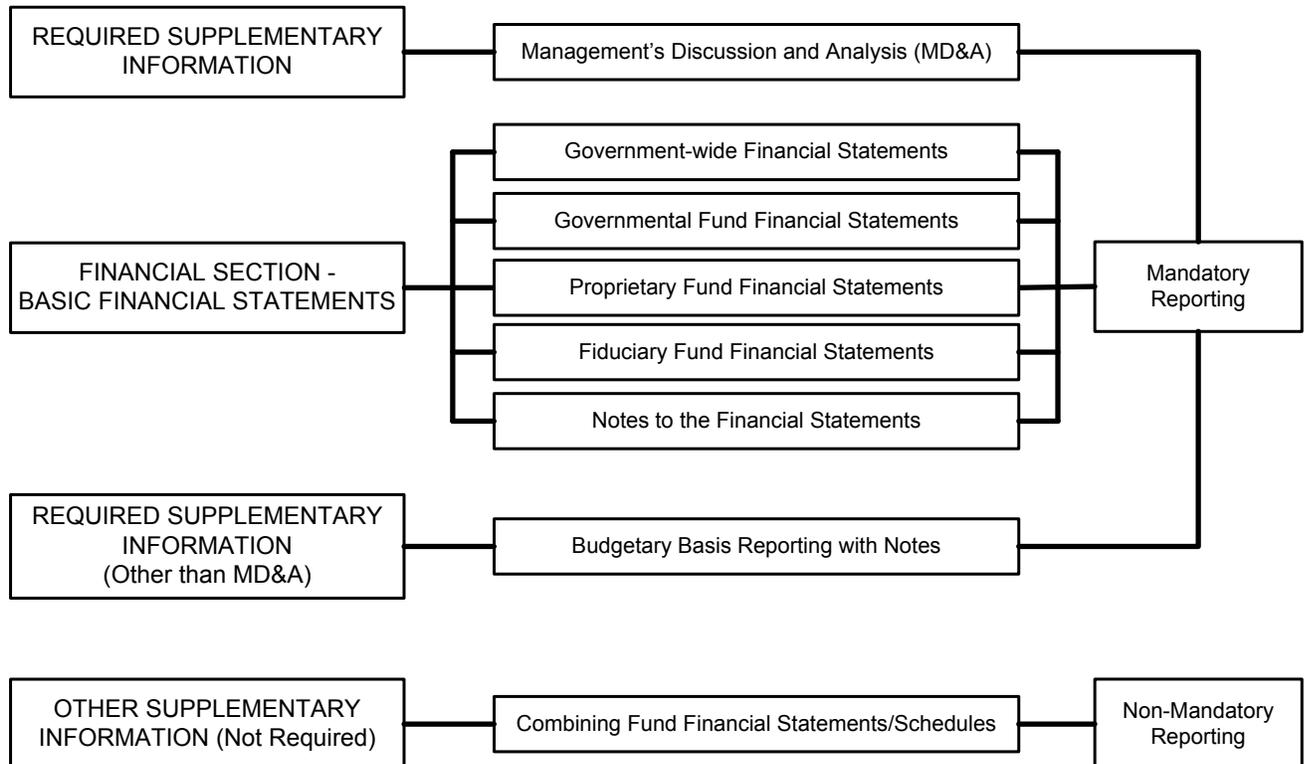
- The County's total bond and certificate debt increased by \$91.7 million or 16.8 percent during the fiscal year increasing total debt outstanding to \$636.0 million, net of deferred amounts.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements, which are comprised of three components (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains required and other supplementary information in addition to the financial statements themselves.

The financial statements presented herein include all of the activities of Travis County using the integrated approach as prescribed by Governmental Accounting Standards Board ("GASB") Statement No. 34 and all amendments thereafter.

The following illustration summarizes the sections and reporting requirements of this financial report.



Government-wide Financial Statements (Reporting the County as a Whole)

The *government-wide financial statements* are designed to provide readers with a broad overview of the financial position of the County. They include a *Statement of Net Assets* and a *Statement of Activities*. Both of these statements are presented using the economic resources measurement focus and the accrual basis of accounting with the exception of the reporting of other post-employment benefits (“OPEB”). Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. This accounting method produces a view of financial position similar to that presented by most private-sector companies.

In the government-wide financial statements, OPEB is presented using the current financial resources measurement focus and the statutory modified accrual basis of accounting. Under this basis of accounting, revenue is recognized when it is measurable and available to finance current expenditures and expenditures are recognized when they are normally expected to be liquidated with current financial resources regardless of when they mature. During the adoption of the County’s fiscal year 2011 budget, the Commissioners’ Court promised and approved funding for the annual retiree OPEB plan. Therefore, this legally enforceable one-year OPEB liability has been presented in the government-wide financial statements on an accrual basis of accounting in accordance with the County’s substantive plan consistent with State law.

The *Statement of Net Assets* (on page BFS-5) presents information on all County assets and liabilities, with the difference between the two reported as *net assets*. The analysis of net

assets over time may serve as a useful indicator of whether the County's overall financial position is improving or deteriorating. To assess the overall health of the County, however, other factors should be considered, such as changes in the County's property tax base and the condition of its roads and bridges (infrastructure).

The *Statement of Activities* (on page BFS-6) presents the County's revenues and expenses for the period, with the difference between the two resulting in the current year *change in net assets*. A change in net assets is reported when the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses reported in this statement may result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

In the Statement of Net Assets and the Statement of Activities, the County reports its basic services as *governmental activities*. These activities include general government, justice system, public safety, corrections and rehabilitation, health and human services, infrastructure and environmental services, and community and economic development. These services are predominantly financed through property taxes, fees, and intergovernmental grants. Included within the general government function are services provided by the internal service funds, as these services primarily benefit the County.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the following legally separate entities known as *component units*, which are blended into the County's financial statements: Northwest Travis County Road District No. 3; Southwest Travis County Road District No. 1; Travis County Bee Cave Road District No. 1; Capital Health Facilities Development Corporation; Travis County Housing Finance Corporation; Travis County Health Facilities Development Corporation; Capital Industrial Development Corporation; Travis County Development Authority; and Travis County Cultural Education Facilities Finance Corporation. In addition, Central Health is included as a discretely presented component unit, as there is some financial accountability by Central Health to the Travis County Commissioners' Court. Additional information regarding component units can be found in Note 1 of the Notes to the Financial Statements.

Fund Financial Statements (Reporting the County's Major Funds)

The *fund financial statements* focus on the County's most significant funds individually rather than on the County as a whole. A fund is a group of related accounts used to keep track of specific sources of funding and spending for a particular purpose. Funds are established for various purposes, and the fund financial statements allow the demonstration of resource inflows and outflows and/or related budgetary compliance for individual parts of the County government. All funds of the County are classified into one of three categories: governmental funds, proprietary funds, or fiduciary funds.

Governmental funds – The County's *governmental funds* are used to account for essentially the same basic services reported in the *governmental activities* category of the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

Also unlike the government-wide financial statements, governmental funds are reported using the *modified accrual* method of accounting, which measures cash and only those assets that can be readily converted to cash. Because governmental fund financial statements do not

encompass the additional long-term focus of the government-wide financial statements, additional information is provided that explains the relationship (or differences) between them.

Travis County maintains 59 individual governmental funds (including blended component units), of which seven are considered major funds and are included in the governmental fund Balance Sheet and governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances beginning on page BFS-10. The major funds are General, Road and Bridge, Grants, General Purpose Debt Service, Capital General Obligation Bonds, Capital Certificates of Obligation, and Capital Road Bonds and Certificates of Obligation. The remaining less significant funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements located in the Other Supplementary Information section of this report beginning on page OSI-6.

Proprietary funds – An *internal service fund*, a type of proprietary fund, reports activities that provide services to the County internally. The County uses an internal service fund to account for the activities of the County's self-insurance program for general liability, automobile liability, error and omissions claims and judgments, workers' compensation, and employee healthcare services provided to County employees, retirees, and their dependents. Because these services predominantly benefit governmental functions, they have been included within *governmental activities* in the government-wide financial statements. Proprietary fund financial statements begin on page BFS-18.

Fiduciary funds – *Fiduciary funds* are used to account for resources held for the benefit of parties other than the County itself. Because the resources from these funds are held for the benefit of others and not available to support the County's own programs, fiduciary funds are *not* reflected in the government-wide financial statements. The County's fiduciary financial information is reported in a separate Statement of Fiduciary Assets and Liabilities on page BFS-21.

Notes to the Financial Statements

The *notes to the financial statements* provide additional information that is essential to the understanding and fair presentation of the data provided in both the government-wide and fund financial statements. Notes to the financial statements begin on page NT-3 of this report.

Required Supplementary Information (Other than MD&A)

Required supplementary information (other than MD&A) includes information concerning the County's General Fund budget and the Road and Bridge special revenue fund budget. The County adopts an annual appropriation budget for its general fund and various special revenue funds, of which Road and Bridge is a major fund. Budgetary comparison schedules have been provided for the General and Road and Bridge funds to demonstrate compliance with these budgets. This section also includes the Schedule of Funding Progress for Retirement Plan as required by GASB Statement No. 50, "Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27". Required Supplementary Information begins on page RSI-3 of this report.

Other Supplementary Information

Other supplementary information includes combining and individual fund schedules and financial statements that provide actual and/or budgetary information for certain major funds, non-major governmental funds, internal service funds, and fiduciary funds. Other Supplementary Information begins on page OSI-1 of this report.

Basis of Accounting

Chapter 2266 (originally Chapter 2264 and renumbered effective September 1, 2009) of the Texas Government Code ("Chapter 2266") went into effect June 15, 2007 and affects the financial reporting and accounting for the State of Texas and its political subdivisions, including the County, and contains provisions directly affecting the reporting of OPEB. When other accounting bases conflict with State law, Texas and its political subdivisions may follow the statutory provisions of Chapter 2266. Beginning in fiscal year 2008, the County followed the Statutory Basis of accounting, which is an other comprehensive basis of accounting provided, but not mandated, by this statute. For the County, the only difference between GAAP and the Statutory Basis of accounting is in the reporting of OPEB. The Statutory Basis differs from GAAP in that the County's presentation of OPEB on the financial statements reflects the nature and duration of the plan as adopted by the governing body. For additional information see Note 1A and Note 12 of the Notes to the Financial Statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Reporting the County as a Whole)

The County is providing condensed financial information for fiscal year 2010 with comparative information for fiscal year 2009. The following schedule was derived from the Statement of Net Assets on page BFS-5 of this report and focuses on the net assets of the County.

Travis County, Texas
Condensed Statement of Net Assets - Statutory Basis
September 30, 2010
With Comparative Totals For September 30, 2009

| | Governmental Activities | |
|---|-------------------------|-----------------------|
| | 2010 | 2009 |
| Current and other assets | \$ 500,079,529 | \$ 438,746,004 |
| Capital assets, net of depreciation | 1,179,041,016 | 1,128,083,810 |
| Total assets | <u>1,679,120,545</u> | <u>1,566,829,814</u> |
| Current liabilities | 60,245,070 | 65,856,380 |
| Non-current liabilities | 684,885,102 | 591,176,831 |
| Total liabilities | <u>745,130,172</u> | <u>657,033,211</u> |
| Net Assets: | | |
| Invested in capital assets, net of related debt | 828,574,985 | 826,242,229 |
| Restricted | 32,618,002 | 34,033,639 |
| Unrestricted | 72,797,386 | 49,520,735 |
| Total net assets | <u>\$ 933,990,373</u> | <u>\$ 909,796,603</u> |

Travis County's assets exceeded liabilities by \$934.0 million at September 30, 2010. The largest portion of the County's net assets in the amount of \$828.6 million reflects its investment in capital assets such as land, buildings, equipment, and infrastructure (roads, bridges and other immovable assets) less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net assets in the amount of \$32.6 million represent County resources that are subject to external restrictions, constitutional provisions, or enabling legislation regarding how they may be used.

The individual components of net assets are analyzed below:

Travis County, Texas
 Components of Net Assets - Statutory Basis
 September 30, 2010
 With Comparative Totals For September 30, 2009

| | 2010 | 2009 |
|---|----------------|----------------|
| <i>Net Assets Invested in Capital Assets, Net of Related Debt</i> | | |
| Some County-owned assets have depreciable lives for financial reporting that are different from the period over which the related debt principal is being repaid. In addition, many assets may not have been funded with debt, or may be fully paid and have a net undepreciated balance. | \$ 828,574,985 | \$ 826,242,229 |
| <i>Restricted Net Assets</i> | | |
| Funds legally restricted for capital projects | 3,486,746 | 4,778,021 |
| Funds legally restricted for debt service | 6,889,467 | 7,840,883 |
| Funds legally restricted in the Permanent School Fund | 3,143,936 | 3,015,556 |
| Funds legally restricted for justice, corrections, and rehabilitative programs | 13,373,969 | 13,370,076 |
| Funds legally restricted for roads, parks, and preserves | 3,582,227 | 3,665,178 |
| Funds restricted to finance other specific activities | 2,141,657 | 1,363,925 |
| Total Restricted Net Assets | 32,618,002 | 34,033,639 |
| <i>Unrestricted Net Assets</i> | | |
| The County issued debt for the purpose of purchasing right-of-way land for joint road projects with the State of Texas. The State maintains the property; therefore, the capital asset is not recorded on the County's books. This is the debt outstanding for these non-County owned assets at year end. | (82,091,811) | (87,153,655) |
| Travis County Bee Cave Road District No. 1 issued debt to reimburse the developer for the cost of constructing various improvements to roads related to the Hill Country Galleria project. These roads are maintained by the Village of Bee Cave; therefore, the capital asset is not recorded on the County's books. This is the debt outstanding for these non-County owned assets at year end. | (14,025,000) | (14,375,000) |
| All other unrestricted non-capital assets exceed the total of the County's other liabilities by this amount. | 168,914,197 | 151,049,390 |
| Total Unrestricted Net Assets | 72,797,386 | 49,520,735 |
| Total Net Assets | \$ 933,990,373 | \$ 909,796,603 |

As shown in the schedule above, the County's total net assets increased \$24.2 million from \$909.8 million to \$934.0 million or 2.7 percent over the course of this fiscal year's operations.

This increase is primarily due to the following factors:

- Assets were donated to the County in the amount of \$16.3 million. Assets such as roads, sidewalks, and rights-of-way are donated by local developers for ongoing maintenance and have no directly related expenses.
- Fund Balance in the General Fund increased \$22.6 million mostly due to higher than anticipated tax collections. The overall downturn in the economy led by the housing and credit crisis, decreased consumer spending, and increased unemployment resulted in a more conservative approach when determining tax collections for the fiscal year 2010 budget. In addition, expenditures came in under budget, primarily due to delayed projects and temporary personnel cost savings as a result of unanticipated vacant positions.
- The Internal Service Funds net assets balance decreased (\$8.8) million. Based on a review of the Internal Service Funds prior to fiscal year 2007, it was determined that the net assets balance in both funds could be reduced over several years. In fiscal year 2010, the budgeted reduction was \$6.4 million to the Employee Health Benefit Fund and \$1.2 million to the Self-Insurance Fund.

The difference between total fund balance in the governmental fund Balance Sheet (fund financial statements) and total net assets in the Statement of Net Assets (government-wide) is \$572.5 million. This variance exists because of several items that are presented in the government-wide financial statements that are not presented in the governmental fund financial statements, including:

- Capital assets in the amount of \$1,178.6 million;
- Certain long-term assets in the amount of \$23.1 million;
- Adjustments to current liabilities of (\$1.7) million;
- Long-term liabilities of (\$660.5) million; and
- Net assets of \$33.0 million in the Internal Service Funds.

A detailed reconciliation can be found in Note 3 of the Notes to the Financial Statements.

The following condensed financial information was derived from the government-wide Statement of Activities on page BFS-6 of this report and reflects how the County's net assets changed during the fiscal year.

Travis County, Texas
Condensed Statement of Activities - Statutory Basis
For The Year Ended September 30, 2010
With Comparative Totals For September 30, 2009

| | Governmental Activities | |
|---|-------------------------|-----------------------|
| | 2010 | 2009 |
| Revenues: | | |
| Program revenues: | | |
| Fees, fines, and charges for services | \$ 99,861,477 | \$ 98,398,819 |
| Operating grants, contributions, shared revenues, and entitlements | 39,188,734 | 35,249,718 |
| Capital grants, contributions, and donated assets | 22,101,880 | 48,462,945 |
| General revenues: | | |
| Property taxes, ad valorem | 415,866,340 | 390,915,512 |
| Excise taxes from the State of Texas | 6,663,574 | 6,244,691 |
| Grants and contributions not restricted to specific programs | 2,934,300 | 1,882,050 |
| Investment earnings | 4,809,383 | 17,912,888 |
| Miscellaneous | 6,922,867 | 5,138,496 |
| Total revenues | <u>598,348,555</u> | <u>604,205,119</u> |
| Expenses: | | |
| General government* | 121,478,680 | 113,861,069 |
| Justice system | 118,066,369 | 115,824,734 |
| Public safety | 57,162,121 | 57,010,176 |
| Corrections and rehabilitation | 112,646,370 | 108,941,093 |
| Health and human services | 51,655,422 | 50,044,973 |
| Infrastructure and environmental services | 76,269,788 | 83,761,739 |
| Community and economic development | 9,981,277 | 10,095,501 |
| Interest on long-term debt | 26,894,758 | 24,707,401 |
| Total expenses | <u>574,154,785</u> | <u>564,246,686</u> |
| Change in net assets | 24,193,770 | 39,958,433 |
| Net assets - beginning of year | 909,796,603 | 869,838,170 |
| Net assets - end of year | <u>\$ 933,990,373</u> | <u>\$ 909,796,603</u> |

* Includes Internal Service Funds expenses of \$51,648,808 and \$44,511,514 for FY10 and FY09, respectively.

In fiscal year 2010, revenues decreased by \$5.9 million or 1.0 percent. This decrease is primarily attributed to the following:

- Capital grants, contributions, and donated assets decreased \$26.4 million primarily due to a decrease in donated assets by local developers, including roads, rights-of-way, and sidewalks of \$17.8 million. There was also an \$8.6 million decrease in grant reimbursement for the Balcones Canyonlands Conservation Plan ("BCCP"). In fiscal year 2010 the County purchased fewer tracts of land compared to fiscal year 2009. The County is reimbursed a portion of all land purchases for the BCCP program from the U.S. Department of Interior through Texas Parks and Wildlife.
- Investment earnings decreased \$13.1 million mainly due to higher yield securities that matured in fiscal year 2010 being replaced with lower yield securities due to lower interest rates, contributing to a decrease in the County's overall portfolio yield.

Offsetting the above decreases are the following increases:

- Property tax revenue increased \$25.0 million partially due to new construction of \$2.9 billion that was added to the tax roll. Additionally, Commissioners' Court approved a Maintenance and Operations ("M&O") tax rate that exceeded the effective M&O tax rate by \$0.0146 or 4.3 percent.

The Effective Tax Rate is the tax rate that will produce the same total revenue for the current tax year that was generated for the previous tax year from the same properties on the tax roll. Therefore, for any given fiscal year, if a tax rate is set at the Effective Tax Rate, then any additional revenue for that fiscal year must come from new properties added to the tax roll.

Funding public priorities and requirements while meeting the needs of the taxpayer is difficult and challenging at all levels of government. Counties find the demands of providing services particularly challenging because of the standards set by the State and Federal Government.

Services provided by counties are very basic services predominately focused on:

- a) Courts
- b) Jails
- c) Roads
- d) Public Safety

Three characteristics of these services are:

- 1) Mandated by State Law
- 2) Cannot control the demand
- 3) Demand for services increases in an economic decline

In fiscal year 2010, a tax rate increase was needed to fund several major initiatives/issues, which include the following:

- Several pilot programs focusing on 1) reducing adult jail and juvenile detention populations, with special attention toward inmates with mental illness, 2) substance abuse, 3) workforce development, 4) mobile crisis outreach team that provides emergency and urgent psychiatric care, 5) after school program, 6) workforce investment programs, and 7) early education and care program;
 - Increased emergency assistance for rent/mortgage, utilities, prescription/medical supplies, transportation, and food vouchers due to change in the County's eligibility standards;
 - Additional staffing for a new jail building at the Travis County Correctional Complex at Del Valle; and
 - Costs related to purchasing a new financial system.
- Operating grants, contributions, shared revenues, and entitlements increased \$3.9 million due to receiving new grants as well as increased funding on existing grants. Of this increase, \$2.7 million is attributable to an increase in funding for weatherization and utility assistance and \$2.2 million is for a new grant related to providing rehabilitation services for juvenile offenders.

- Miscellaneous revenue increased \$1.8 million primarily due to rental income from current tenants in the new administrative building and parking garage that the County purchased in June 2010.

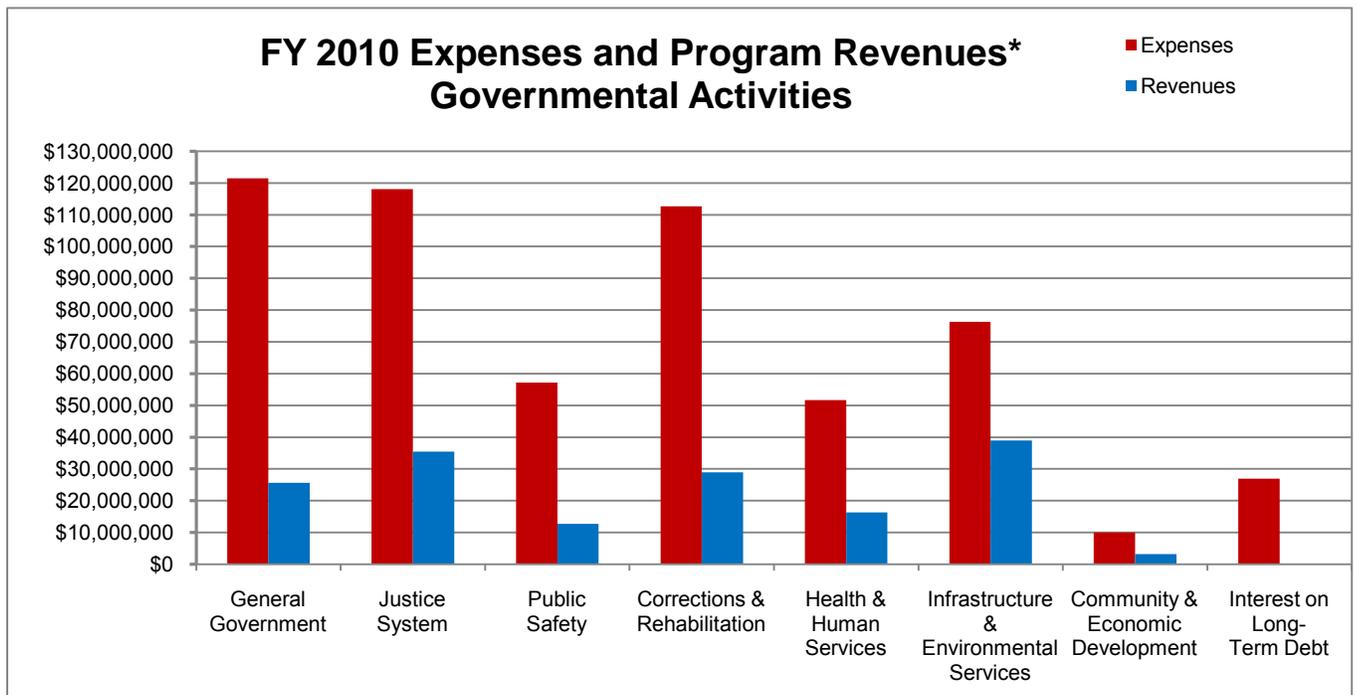
Expenses increased \$9.9 million or 1.8 percent largely due to an increase in healthcare claims paid from the Employee Health Benefit Fund mostly as a result of the addition of 315 participants. In addition, the average health claim cost per participant increased approximately 11.4 percent during fiscal year 2010 compared to fiscal year 2009.

The difference between the governmental funds net change in fund balance in the Statement of Revenues, Expenditures, and Changes in Fund Balances (fund financial statements) and the change in net assets in the Statement of Activities (government-wide) is (\$48.5) million. This variance exists partly because certain items are presented in the government-wide financial statements that are not presented in the County's fund financial statements. Conversely, there are certain items that are reported in the fund financial statements that are not presented in the government-wide financial statements. These variances include:

- Capital outlay expenditures in excess of depreciation expense of \$34.8 million;
- Revenues totaling \$18.2 million;
- Items associated with long-term debt in the amount of (\$92.3) million;
- Various expenses in the amount of (\$0.4) million; and
- The change in net assets of the Internal Service Funds of (\$8.8) million.

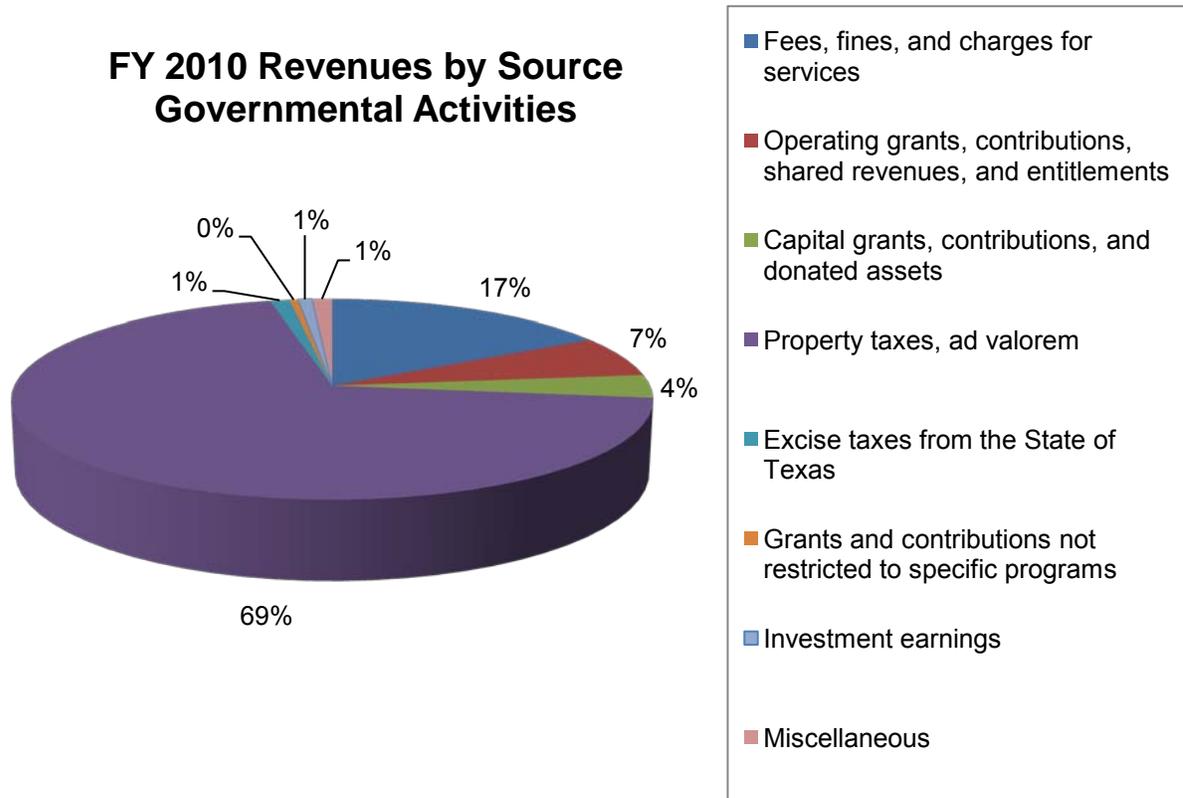
A detailed reconciliation can be found in Note 3 of the Notes to the Financial Statements section of this report.

The following chart depicts expenses and program revenues for fiscal year 2010 for governmental activities (government-wide):



*Program Revenues do not include property tax revenue, which is reported as general revenue. County government is largely dependent upon property taxes, as state law limits sources of revenue available to counties.

The following chart depicts total revenues of governmental activities (government-wide) for fiscal year 2010:



THE COUNTY'S FUNDS (Reporting the County's Major Funds)

Travis County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

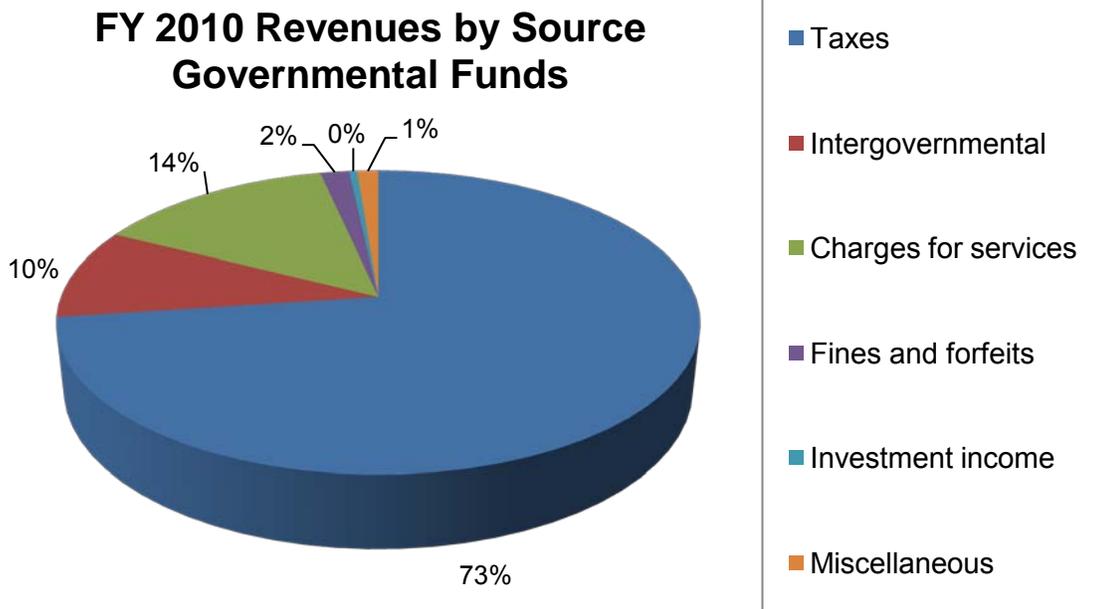
The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing the County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Unreserved fund balance is the amount that is available to meet the County's current and future needs of its citizens and creditors. The County's governmental functions are contained in the General, Special Revenue, Debt Service, Capital Projects, and Permanent funds.

At the end of the current fiscal year, the County's governmental funds reported a combined total *unreserved fund balance* of \$296.1 million. Of this amount, \$120.5 million is undesignated, which is a \$24.2 million or 25.1 percent increase over last year. Of the remaining unreserved fund balance, \$7.1 million is designated for compensated absences, \$14.1 million is designated for debt service, and \$154.4 million is designated for capital projects. Reserved fund balance in the amount of \$65.3 million is not available for new spending, as it has already been set aside for specific future purposes.

The following schedule summarizes and compares revenues by source of the County's governmental funds for fiscal years ended September 30, 2010 and September 30, 2009.

Travis County, Texas
Revenues Classified by Source - Statutory Basis
Governmental Funds

| Revenues by source: | <u>FY 2010</u> | <u>FY 2009</u> |
|----------------------|-----------------------|-----------------------|
| Taxes | \$ 416,067,723 | \$ 397,958,349 |
| Intergovernmental | 54,765,685 | 51,672,368 |
| Charges for services | 80,571,695 | 83,763,304 |
| Fines and forfeits | 9,693,572 | 8,427,539 |
| Investment income | 2,731,650 | 13,096,261 |
| Miscellaneous | 7,104,963 | 5,148,612 |
| | <u>\$ 570,935,288</u> | <u>\$ 560,066,433</u> |

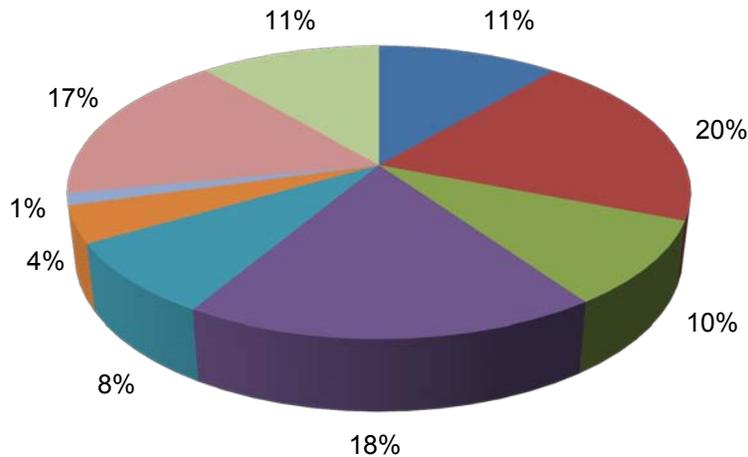


The schedule below summarizes and compares expenditures of the County's governmental funds by function for fiscal years ended September 30, 2010 and September 30, 2009.

Travis County, Texas
Expenditures by Function - Statutory Basis
Governmental Funds

| Current: | FY 2010 | FY 2009 |
|---|-----------------------|-----------------------|
| General government | \$ 71,937,393 | \$ 70,318,978 |
| Justice system | 125,475,054 | 122,710,476 |
| Public safety | 59,466,221 | 59,209,046 |
| Corrections and rehabilitation | 115,632,480 | 113,199,712 |
| Health and human services | 51,216,067 | 49,767,907 |
| Infrastructure and environmental services | 25,741,657 | 29,815,646 |
| Community and economic development | 8,248,670 | 8,534,894 |
| Capital outlay | 107,606,225 | 104,323,392 |
| Debt service | 71,392,571 | 72,064,291 |
| | <u>\$ 636,716,338</u> | <u>\$ 629,944,342</u> |

**FY 2010 Expenditures by Function
Governmental Funds**



| | |
|--------------------------------------|---|
| ■ General government | ■ Justice system |
| ■ Public safety | ■ Corrections and rehabilitation |
| ■ Health and human services | ■ Infrastructure and environmental services |
| ■ Community and economic development | ■ Capital outlay |
| ■ Debt service | |

General Fund. The *General Fund* is the County's chief operating fund. At the end of the current fiscal year, fund balance of the General Fund was \$113.8 million, of which \$94.1 million was unreserved and undesignated. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved, undesignated fund balance and total fund balance to total fund expenditures (including other financing uses). Unreserved, undesignated fund balance and total fund balance constitute 23.8 percent and 28.8 percent, respectively, of total General Fund expenditures and other financing uses combined.

There was an increase in the fund balance of the County's General Fund of \$22.6 million or 24.7 percent during the current fiscal year mostly due to higher than anticipated tax collections. The overall downturn in the economy led by the housing and credit crisis, decreased consumer spending, and increased unemployment resulted in a more conservative approach when determining tax collections for the fiscal year 2010 budget. In addition, expenditures came in under budget, primarily due to delayed projects and temporary personnel cost savings as the result of unanticipated vacant positions.

Road and Bridge Fund. The *Road and Bridge fund* is a special revenue fund used to account for funds set aside for operating and maintaining County-owned roads and bridges. At September 30, 2010, the Road and Bridge fund balance was \$7.5 million, a decrease of \$0.1 million or 1.2 percent from the previous fiscal year.

Grants Fund. The *Grants fund*, a type of special revenue fund, is used to account for grant contributions from other entities. These contributions are intended to be used or expended for specific purposes designated by the grantor. At the end of the current fiscal year, the Grants fund balance was \$2.7 million, a decrease of \$0.2 million or 7.4 percent from the previous year. Normally grant funds do not maintain a fund balance. However, the Basic Supervision program in the Community Supervision and Corrections Department ("CSCD") allows for a fund balance to carry over into the following year. Refunds to the grantor for unused contributions for other CSCD programs are distributed every biennium, which will be in fiscal year 2011.

Debt Service Fund. The *General Purpose Debt Service fund* is used to account for financial resources set aside for the payment of principal and interest on the County's long-term debt obligations. At the end of the current fiscal year, the General Purpose Debt Service fund balance was \$13.5 million, an increase of \$0.6 million or 4.5 percent from the prior fiscal year. As in the General Fund, mentioned above, property tax collections were higher than anticipated due to using a conservative approach when determining tax collections for the fiscal year 2010 budget based on the overall downturn in the economy.

Capital Projects Funds. The County's *Capital Projects funds* are used to account for financial resources set aside for the acquisition or construction of major capital endeavors. At the end of the current fiscal year, the total fund balance for the County's major Capital Projects funds was \$189.2 million, an increase of \$48.4 million or 34.4 percent from the prior year. This increase is essentially due to the issuance of general obligation bonds and certificates of obligations totaling \$129.5 million.

Proprietary Fund. The County is self-insured and uses an *internal service fund*, a type of proprietary fund, to account for general and automobile liabilities, error and omissions claims and judgments, and workers' compensation claims. The County also uses an internal service fund to self-insure its employee and retiree health and medical claims. Total net assets for the County's Proprietary Fund at the end of the fiscal year were \$33.0 million, a decrease of \$8.8 million or 21.2 percent from the prior year. This decrease is primarily due to a budgeted reduction in the Self-Insurance Fund and the Employee Health Benefit Fund.

BUDGETARY HIGHLIGHTS

The County's budget is prepared according to the budget rules adopted by the Commissioners' Court. The most significant budgeted fund is the General Fund.

General Fund. During the fiscal year 2010 budget process, the Travis County economy was mirroring the dreary national economy although not to the same extent. Though housing sales decreased and the unemployment rate increased, the average home sales price remained fairly stable and employment continued to rise. Once again the Commissioners' Court required that the budget maintain the 11.0 percent reserve goal for property tax-supported funds, which has been maintained since fiscal year 1996. It is these accumulated resources that have allowed the County to avoid disruptions in services during slow economic times.

The following table summarizes General Fund budgeted and actual amounts for fiscal year 2010.

| Travis County, Texas | | | |
|--|------------------------|---------------------|------------------|
| FY 2010 General Fund Budget vs. Actual Amounts - Statutory Basis | | | |
| (in thousands) | | | |
| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> |
| <u>Revenues and Transfers In</u> | | | |
| Taxes | \$ 326,915 | \$ 326,915 | \$ 345,655 |
| Intergovernmental | 8,480 | 9,596 | 10,531 |
| Charges for services | 49,522 | 49,522 | 48,288 |
| Other | 7,021 | 8,434 | 10,329 |
| Transfers in and sale of capital assets | 2,750 | 2,763 | 2,861 |
| Total | <u>394,688</u> | <u>397,230</u> | <u>417,664</u> |
| <u>Expenditures and Transfers Out</u> | | | |
| Expenditures | 398,685 | 405,132 | 382,110 |
| Transfers out | 13,532 | 13,635 | 12,992 |
| Total | <u>412,217</u> | <u>418,767</u> | <u>395,102</u> |
| Net change in fund balance | <u>\$ (17,529)</u> | <u>\$ (21,537)</u> | <u>\$ 22,562</u> |

The General Fund *final* budget as a whole did not change significantly from the *original* adopted budget for fiscal year 2010, with revenues and transfers in increasing only 0.6 percent and expenditures and transfers out increasing 1.6 percent.

Actual revenues and transfers in were 5.1 percent over the *final* budget mainly due to the following two factors:

- Property tax collections were higher than anticipated. The overall downturn in the economy led by the housing and credit crisis, decreased consumer spending, and increased unemployment resulted in a more conservative approach when determining tax collections for the fiscal year 2010 budget.
- A \$2.1 million environmental fine was received in the current year but was not budgeted, as the case was still pending during the budget process.

Actual expenditures and transfers out were 5.7 percent under the *final* budget. This is primarily due to the following items:

- Encumbered spending commitments set for disbursement in fiscal year 2011 were \$13.0 million in the General Fund at the end of this fiscal year, mostly due to multi-year projects and items ordered but not received. Of these encumbrances, \$9.3 million are related to operating costs and \$3.7 million are related to capital outlay. The majority of these encumbrances are in the General Government, Corrections and Rehabilitation, and Infrastructure and Environmental Services functions.
- Operating costs were \$9.0 million under budget, which included \$4.7 million in salaries and benefits, largely due to temporary personnel cost savings as the result of unanticipated vacant positions, primarily in the General Government and Justice System functions. The remaining \$4.3 million is mostly due to lower than anticipated operating costs and delayed projects.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The capital assets of the County are those assets that are used in the performance of the County's functions including infrastructure assets such as roads, bridges and other immovable assets. As of September 30, 2010, capital assets of the County's governmental activities totaled \$1,179.0 million, net of accumulated depreciation. The total increase in the County's investment in net capital assets for the current period is 4.5 percent as shown in the table below.

Travis County, Texas
Capital Assets - Statutory Basis
(net of accumulated depreciation)
September 30, 2010
With Comparative Totals For September 30, 2009

| | Governmental Activities | | Increase/ (Decrease) |
|-----------------------------------|----------------------------|-------------------------|-------------------------|
| | 2010 | 2009 | Percent of Change |
| Land and land improvements | \$ 174,616,736 | \$ 161,027,366 | 8.4% |
| Land infrastructure | 64,866,980 | 62,883,795 | 3.2% |
| Property, plant and equipment: | | | |
| Buildings | 343,719,362 | 223,273,881 | 53.9% |
| Improvements other than buildings | 45,091,981 | 46,030,101 | -2.0% |
| Machinery and equipment | 38,569,778 | 34,139,579 | 13.0% |
| Leasehold improvements | 293,547 | 31,848 | 821.7% |
| Infrastructure | 438,794,220 | 467,400,414 | -6.1% |
| Construction in progress | 73,088,412 | 133,296,826 | -45.2% |
| Total capital assets, net | <u>\$ 1,179,041,016</u> | <u>\$ 1,128,083,810</u> | <u>4.5%</u> |

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

- The County invested \$10.0 million for the purchase of additional acreage for the Balcones Canyonlands Conservation Plan. This land is set aside by the County to protect eight endangered species, including the Black-capped Vireo, Golden-cheeked

Warbler, Tooth Cave Pseudoscorpion, and the Bone Cave Harvestman, as well as 27 other species believed to be at risk.

- The County completed an expansion to the Travis County Correctional Complex in Del Valle this year totaling \$65.0 million, which was transferred out of construction in progress. This new addition will help the County comply with the Texas Commission on Jail Standards. The County also purchased a building in downtown Austin for \$62.6 million this year to serve as its future headquarters for the weekly Commissioners' Court voting sessions, as well as most of the County's general government functions.
- The County purchased a new helicopter for \$7.2 million for STAR Flight (Shock Trauma Air Rescue). STAR Flight is a unique public safety air rescue program that performs everything from the transport of critically ill patients and performing rescues in hazardous environments to fire fighting and law enforcement.
- Several major projects were completed this year totaling \$77.2 million, including \$65.0 million for the Travis County Correctional Complex and \$9.8 million related to Gattis School road and multiple roads within the Apache Shores subdivision. Several projects, such as Howard Lane, McKinney Falls Parkway, Ferguson Lane, and smaller road and building improvement projects totaling \$17.0 million were initiated or ongoing in fiscal year 2010 and were added to Construction in Progress.
- A total of \$16.3 million in capital assets was donated to the County in fiscal year 2010. These donations consist of roads, sidewalks, and rights-of-way that were built by developers when constructing new subdivisions and donated to the County for ongoing maintenance.
- Increases in assets were offset by depreciation expense of \$76.6 million.

Additional information on the County's capital assets can be found in Note 7 of the Notes to the Financial Statements.

Long-Term Debt. At the end of the current fiscal year, the County had total long-term debt outstanding, net of deferred amounts, of \$636.0 million, an increase of \$91.7 million or 16.8 percent from the previous year. The County's outstanding debt obligations are summarized below:

Travis County, Texas
Outstanding Debt - Statutory Basis
September 30, 2010
With Comparative Totals For September 30, 2009

| <u>Governmental Activities</u> | <u>2010</u> | <u>2009</u> | <u>Increase/ (Decrease)</u> |
|---|-----------------------|-----------------------|---------------------------------|
| General obligation bonds (voter approved) | \$ 409,335,905 | \$ 421,048,567 | \$ (11,712,662) |
| Certificates of obligation (Commissioners' Court approved) | 212,920,000 | 119,305,000 | 93,615,000 |
| Deferred amounts ¹ | <u>13,780,860</u> | <u>3,967,722</u> | <u>9,813,138</u> |
| Total | <u>\$ 636,036,765</u> | <u>\$ 544,321,289</u> | <u>\$ 91,715,476</u> |

Includes blended component units

(1) Deferred amounts include loss on refundings, unamortized discounts, and unamortized premiums.

During fiscal year 2010, the County issued general obligation bonds totaling \$42.0 million, which included limited tax refunding bonds in the amount of \$27.1 million used to pay off amounts outstanding on previously issued debt that carried higher interest costs. The remaining \$14.9 million will largely be utilized for road and bridge construction and park improvements. Certificates of Obligation were also issued for \$114.6 million, \$14.3 million of which was a taxable series. The majority of these proceeds will be used for property acquisition, with the remaining amount to be used for a new financial system, road projects, helicopter and ambulance replacement, building construction and renovation, and other authorized capital project needs for the County. During the year retirement of debt amounted to \$74.4 million, which included \$27.7 million in refunded debt.

During fiscal year 2010, the County maintained a triple-A rating from both Standard & Poor's ("S&P") and Moody's Investors Service, Inc. credit rating agencies. The County received its first triple-A rating from S&P in fiscal year 2000 and from Moody's in fiscal year 2001.

State statute limits the amount of debt the County can issue to 5.0 percent of the total property value assessed within the County. Additionally, Travis County is limited on the amount that may be levied to service general law bonds and provide funds for the general operations of the County to \$0.80 annually on the \$100 assessed valuation plus a levy of \$0.15 annually for the maintenance of public roads. The County's outstanding debt is significantly below its current limit of \$6.3 billion.

Other long-term debt of the County includes claims and judgments, compensated absences, and other long-term liabilities, which consist of arbitrage and the long-term cost of postclosure care for landfill remediation.

Additional information on the County's long-term debt can be found in Note 8 of the Notes to the Financial Statements.

ECONOMIC FACTORS AND OUTLOOK

The Travis County economy showed signs of a slight rebound in fiscal year 2010. Several indicators of this, such as an increase in employment, sales tax receipts, and home sales, are detailed below:

- ❖ Employment for the County increased and the unemployment rate fell from 7.0 percent at the end of fiscal year 2009 to 6.6 percent at September 30, 2010.
- ❖ Sales tax receipts for the City of Austin increased 1.1 percent from fiscal year 2009 to fiscal year 2010.
- ❖ Home sales increased in the current fiscal year 6.5 percent in addition to a 3.0 percent increase in the average selling price from September 2009 to September 2010.
- ❖ Assessed property values grew slightly with a 4.2 percent increase compared to fiscal year 2009.
- ❖ Property tax collection rate for the current fiscal year was 98.8 percent.

The County's annual budget for fiscal year 2011 was prepared with consideration of the above statistics. The Commissioners' Court approved an M&O tax rate for fiscal year 2011 of \$0.3858, which is \$0.0104 or 2.8 percent above the effective M&O tax rate. The reserve ratio for tax-supported funds remained at 11.0 percent.

REQUESTS FOR INFORMATION

The County's financial statements are designed to give a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to the *Travis County Auditor's Office, P.O. Box 1748, Austin, Texas 78767.*



TRAVIS COUNTY, TEXAS

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

Government-wide financial statements are used to provide readers with a broad overview of the County's overall financial position and include all funds except for the Fiduciary Funds.

Fund Financial Statements

Fund financial statements consist of governmental funds, which are used to account for revenues and expenditures of the main government of Travis County. Other funds are required to maintain certain information and are presented separately. The governmental funds included in the County's fund financial statements consist of the following:

General Fund – The General Fund is the principal fund of the County and is used to account for all financial resources except those required to be accounted for by another fund.

Road and Bridge Fund – This is a special revenue fund that accounts for monies received from auto registration fees and traffic fines, which are used for operating and maintaining County owned roads and bridges.

Grants Fund – This is a special revenue fund that consists of major federal, state and local grants.

General Purpose Debt Service Fund – This fund accounts for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on long-term general obligation bonds and certificates of obligation.

Capital General Obligation Bonds Fund – This fund accounts for bond proceeds used for land purchases and construction and improvement projects of County facilities and parks.

Capital Certificates of Obligation Fund – This fund accounts for proceeds from certificates of obligation designated for capital expenditures.

Capital Road Bonds and Certificates of Obligation Fund – This fund accounts for bond and certificates of obligation proceeds issued for the construction of roads.

Other Governmental Funds – These funds include non-major special revenue, debt service, capital projects, and permanent funds. The details of these funds are located in the Other Supplementary Information section of this report.

Fund financial statements also consist of the following funds:

Proprietary Fund – Travis County's proprietary fund consists of two internal service funds. Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the government on a cost reimbursement basis. The details of the County's internal service funds are located in the Other Supplementary Information section of this report.

Fiduciary Funds – Agency Funds, a type of fiduciary fund, are used to account for assets held by the County in a fiduciary capacity as custodian or agent for individuals and other governmental units. The details of the County's agency funds are located in the Other Supplementary Information section of this report.

TRAVIS COUNTY, TEXAS

GOVERNMENT-WIDE

FINANCIAL STATEMENTS



TRAVIS COUNTY, TEXAS
STATEMENT OF NET ASSETS - STATUTORY BASIS
September 30, 2010

| | <u>Primary Government</u> | <u>Component Unit</u> |
|---|------------------------------------|-----------------------|
| | <u>Governmental Activities</u> | <u>Central Health</u> |
| <u>ASSETS</u> | | |
| Cash and pooled cash | \$ 436,824,584 | \$ 7,807,904 |
| Investments | 16,919,249 | 96,535,032 |
| Interest receivable | 2,115,004 | - |
| Taxes receivable, net | 4,206,830 | 405,580 |
| Accounts receivable, net | 20,689,915 | 7,700,585 |
| Receivable from Central Health | 78,264 | - |
| Other receivables | 12,160,755 | 10,395,432 |
| Prepaid items | 359,507 | 226,239 |
| Cash - restricted | 52,810 | 2,872,067 |
| Other assets | 6,672,611 | 77,943 |
| Short-term investments restricted for capital acquisition | - | 18,309,942 |
| Capital assets: | | |
| Land and land improvements | 174,616,736 | 10,345,124 |
| Land infrastructure | 64,866,980 | - |
| Property, plant and equipment | 628,100,932 | 94,600,933 |
| Infrastructure (other than land) | 1,111,068,957 | - |
| Construction in progress | 73,088,412 | 2,593,602 |
| Less accumulated depreciation | (872,701,001) | (12,001,403) |
| Total assets | <u>1,679,120,545</u> | <u>239,868,980</u> |
| <u>LIABILITIES</u> | | |
| Accounts payable | 18,679,494 | 7,128,473 |
| Interest payable | 4,271,122 | - |
| Accrued liabilities | 16,619,748 | 3,836,090 |
| Other liabilities | 12,779,055 | - |
| Due to Travis County | - | 78,264 |
| Due to other governmental entities | 3,903 | - |
| Deferred revenue | 7,891,748 | - |
| Noncurrent liabilities: | | |
| Due within one year: | | |
| Long-term debt obligations | 49,355,000 | - |
| Other long-term liabilities | 200,895 | - |
| Claims and judgments | 12,549,454 | - |
| Compensated absences | 14,248,602 | - |
| Due in more than one year: | | |
| Long-term debt obligations | 586,681,765 | - |
| Other long-term liabilities | 2,471,607 | - |
| Claims and judgments | 4,601,002 | - |
| Compensated absences | 14,776,777 | - |
| Total liabilities | <u>745,130,172</u> | <u>11,042,827</u> |
| <u>NET ASSETS</u> | | |
| Invested in capital assets, net of related debt | 828,574,985 | 95,098,686 |
| Restricted for: | | |
| Capital projects | 3,486,746 | - |
| Debt service | 6,889,467 | - |
| Permanent funds - non-expendable | 3,143,936 | - |
| Justice, corrections, and rehabilitation programs | 13,373,969 | - |
| Roads, parks, and preserves | 3,582,227 | - |
| Other purposes | 2,141,657 | - |
| Unrestricted | 72,797,386 | 133,727,467 |
| Total net assets | <u>\$ 933,990,373</u> | <u>\$ 228,826,153</u> |

See accompanying notes to financial statements.

TRAVIS COUNTY, TEXAS
STATEMENT OF ACTIVITIES - STATUTORY BASIS
For The Year Ended September 30, 2010

| <u>Functions/Programs</u> | <u>Expenses</u> | <u>Program Revenues</u> |
|---|-----------------------|--|
| | | Fees, Fines, and Charges for Services |
| Primary government: | | |
| Governmental activities: | | |
| General government | \$ 121,478,680 | \$ 24,956,625 |
| Justice system | 118,066,369 | 20,566,715 |
| Public safety | 57,162,121 | 10,454,740 |
| Corrections and rehabilitation | 112,646,370 | 17,031,272 |
| Health and human services | 51,655,422 | 7,591,326 |
| Infrastructure and environmental services | 76,269,788 | 16,333,867 |
| Community and economic development | 9,981,277 | 2,926,932 |
| Interest on long-term debt | 26,894,758 | - |
| Total governmental activities | <u>\$ 574,154,785</u> | <u>\$ 99,861,477</u> |
| Component Unit: | | |
| Central Health | <u>\$ 144,074,894</u> | <u>\$ 46,945,595</u> |

See accompanying notes to financial statements.

| <u>Program Revenues</u> | | <u>Net (Expense) Revenue and Changes in Net Assets</u> | |
|---|--|--|--|
| <u>Operating Grants, Contributions, Shared Revenues, and Entitlements</u> | <u>Capital Grants, Contributions, and Donated Assets</u> | <u>Primary Government Governmental Activities</u> | <u>Component Unit Central Health</u> |
| \$ 656,213 | \$ - | \$ (95,865,842) | \$ - |
| 14,831,487 | - | (82,668,167) | - |
| 2,250,584 | - | (44,456,797) | - |
| 11,911,352 | - | (83,703,746) | - |
| 8,770,391 | - | (35,293,705) | - |
| 760,209 | 21,818,685 | (37,357,027) | - |
| 8,498 | 283,195 | (6,762,652) | - |
| - | - | (26,894,758) | - |
| <u>\$ 39,188,734</u> | <u>\$ 22,101,880</u> | <u>(413,002,694)</u> | <u>-</u> |
| | | | |
| <u>\$ 45,371,525</u> | <u>\$ -</u> | | <u>(51,757,774)</u> |

General revenues:

| | | |
|---|-----------------------|-----------------------|
| Property taxes, ad valorem | 415,866,340 | 66,843,210 |
| Excise taxes from the State of Texas | 6,663,574 | - |
| Grants and contributions not restricted to specific programs | 2,934,300 | - |
| Investment earnings | 4,809,383 | 695,580 |
| Miscellaneous | 6,922,867 | 1,495,112 |
| Total general revenues | <u>437,196,464</u> | <u>69,033,902</u> |
| Change in net assets | 24,193,770 | 17,276,128 |
| Net assets - beginning of year | <u>909,796,603</u> | <u>211,550,025</u> |
| Net assets - end of year | <u>\$ 933,990,373</u> | <u>\$ 228,826,153</u> |



TRAVIS COUNTY, TEXAS
FUND FINANCIAL STATEMENTS

**TRAVIS COUNTY, TEXAS
BALANCE SHEET - STATUTORY BASIS
GOVERNMENTAL FUNDS
September 30, 2010**

| Assets | General | Road and Bridge | Grants |
|--|----------------|----------------------------|---------------|
| Cash and pooled cash | \$ 147,049,864 | \$ 8,379,050 | \$ 11,066,588 |
| Investments | - | - | - |
| Interest receivable | 877,526 | 44,920 | 50,073 |
| Due from other funds | 4,152,759 | 134,511 | - |
| Accounts receivable | 3,701,115 | 48,321 | - |
| Receivable from Central Health | 78,264 | - | - |
| Intergovernmental and other receivables | - | - | 4,224,186 |
| Taxes receivable (net of allowances for estimated uncollectibles) | 1,266,966 | - | - |
| Prepaid items | 205,000 | - | - |
| Cash - restricted | - | - | - |
| Total assets | \$ 157,331,494 | \$ 8,606,802 | \$ 15,340,847 |
| Liabilities and Fund Balances | | | |
| Liabilities: | | | |
| Accounts payable | 10,089,927 | 510,395 | 2,397,490 |
| Interest payable | - | - | - |
| Accrued liabilities | 14,665,902 | 395,829 | 1,092,297 |
| Due to other funds | 200,856 | 21,526 | 2,348,398 |
| Other liabilities | 10,799,868 | - | - |
| Liability for compensated absences | 6,414,336 | 176,571 | 330,197 |
| Due to other governmental entities | - | - | 349 |
| Deferred revenue | 1,366,040 | - | 6,443,985 |
| Total liabilities | 43,536,929 | 1,104,321 | 12,612,716 |
| Fund balances: | | | |
| <i>Reserved for:</i> | | | |
| Encumbrances | 13,034,688 | 763,198 | 37,128 |
| Prepaid items | 205,000 | - | - |
| County schools | - | - | - |
| Juveniles | - | - | - |
| <i>Unreserved, designated for:</i> | | | |
| Compensated absences | 6,414,336 | 176,571 | 330,197 |
| Non-major special revenue funds - compensated absences | - | - | - |
| Debt service | - | - | - |
| Capital projects | - | - | - |
| <i>Unreserved, undesignated, reported in:</i> | | | |
| General fund | 94,140,541 | - | - |
| Special revenue funds | - | 6,562,712 | 2,360,806 |
| Total fund balances | 113,794,565 | 7,502,481 | 2,728,131 |
| Total liabilities and fund balances | \$ 157,331,494 | \$ 8,606,802 | \$ 15,340,847 |

See accompanying notes to financial statements.

| <u>General Purpose Debt Service</u> | <u>Capital General Obligation Bonds</u> | <u>Capital Certificates of Obligation</u> | <u>Capital Road Bonds and Certificates of Obligation</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|---|---|--|---|---|
| \$ 20,483 | \$ 31,547,103 | \$ 70,848,541 | \$ 84,235,206 | \$ 35,750,830 | \$ 388,897,665 |
| 15,063,162 | - | - | - | 1,856,087 | 16,919,249 |
| 9,819 | 115,868 | 264,888 | 304,050 | 173,544 | 1,840,688 |
| 50,577 | 78,979 | - | 18,356 | - | 4,435,182 |
| - | - | - | - | 434,743 | 4,184,179 |
| - | - | - | - | - | 78,264 |
| - | - | - | 5,207,432 | 2,584,546 | 12,016,164 |
| 733,033 | - | - | - | 6,831 | 2,006,830 |
| - | - | - | - | - | 205,000 |
| - | 52,810 | - | - | - | 52,810 |
| <u>\$ 15,877,074</u> | <u>\$ 31,794,760</u> | <u>\$ 71,113,429</u> | <u>\$ 89,765,044</u> | <u>\$ 40,806,581</u> | <u>\$ 430,636,031</u> |
| - | 464,719 | 1,276,526 | 1,718,406 | 1,984,777 | 18,442,240 |
| 552,141 | - | - | - | - | 552,141 |
| - | - | - | - | 244,351 | 16,398,379 |
| - | 2,735 | - | 47,842 | 1,891,889 | 4,513,246 |
| 1,065,990 | - | - | - | 913,197 | 12,779,055 |
| - | - | - | - | 165,116 | 7,086,220 |
| - | - | - | - | 3,554 | 3,903 |
| 733,033 | - | - | - | 843,043 | 9,386,101 |
| <u>2,351,164</u> | <u>467,454</u> | <u>1,276,526</u> | <u>1,766,248</u> | <u>6,045,927</u> | <u>69,161,285</u> |
| - | 4,467,807 | 20,255,010 | 12,544,177 | 10,860,604 | 61,962,612 |
| - | - | - | - | - | 205,000 |
| - | - | - | - | 3,143,936 | 3,143,936 |
| - | - | - | - | 3,293 | 3,293 |
| - | - | - | - | - | 6,921,104 |
| - | - | - | - | 165,116 | 165,116 |
| 13,525,910 | - | - | - | 614,341 | 14,140,251 |
| - | 26,859,499 | 49,581,893 | 75,454,619 | 2,544,964 | 154,440,975 |
| - | - | - | - | - | 94,140,541 |
| - | - | - | - | 17,428,400 | 26,351,918 |
| <u>13,525,910</u> | <u>31,327,306</u> | <u>69,836,903</u> | <u>87,998,796</u> | <u>34,760,654</u> | <u>361,474,746</u> |
| <u>\$ 15,877,074</u> | <u>\$ 31,794,760</u> | <u>\$ 71,113,429</u> | <u>\$ 89,765,044</u> | <u>\$ 40,806,581</u> | <u>\$ 430,636,031</u> |



TRAVIS COUNTY, TEXAS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS - STATUTORY BASIS
September 30, 2010

| | | |
|---|-----------|--------------------|
| Fund balance - total governmental funds | \$ | 361,474,746 |
| Amounts reported for governmental activities in the Statement of Net Assets are different due to the following: | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds (excluding Internal Service Funds). | | 1,178,616,051 |
| Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the fund financial statements. | | 23,139,629 |
| Difference due to liabilities for deferred revenue and interest payable (excluding Internal Service Funds). | | (1,715,328) |
| Non-current liabilities, including the portion due within one year, that have not matured would not be reported in the funds (excluding Internal Service Funds). | | (660,487,741) |
| Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the Statement of Net Assets. | | 32,963,016 |
| Net assets - governmental activities | <u>\$</u> | <u>933,990,373</u> |

See accompanying notes to financial statements.

TRAVIS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - STATUTORY BASIS
GOVERNMENTAL FUNDS
For The Year Ended September 30, 2010

| | <u>General</u> | <u>Road and Bridge</u> | <u>Grants</u> |
|--|-----------------------|----------------------------|---------------------|
| Revenues: | | | |
| Taxes | \$ 345,654,796 | \$ - | \$ - |
| Intergovernmental | 10,530,916 | 95,844 | 37,008,601 |
| Charges for services | 48,287,701 | 10,682,435 | 7,503,761 |
| Fines and forfeits | 3,139,035 | 5,823,642 | - |
| Investment income | 1,326,669 | 36,984 | 152,885 |
| Miscellaneous | 5,863,838 | 58,542 | 105,287 |
| Total revenues | <u>414,802,955</u> | <u>16,697,447</u> | <u>44,770,534</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 66,333,843 | - | 63,085 |
| Justice system | 106,261,634 | - | 15,376,373 |
| Public safety | 54,469,103 | - | 1,351,110 |
| Corrections and rehabilitation | 93,314,263 | - | 19,588,942 |
| Health and human services | 42,236,179 | - | 8,837,844 |
| Infrastructure and environmental services | 6,596,161 | 12,911,135 | 210,132 |
| Community and economic development | 8,024,199 | - | 8,498 |
| Capital outlay | 4,874,210 | 1,392,148 | 1,100,041 |
| Debt service: | | | |
| Refunding bond issuance costs | - | - | - |
| Debt issuance costs | - | - | - |
| Advance refunding escrow | - | - | - |
| Principal on general obligation debt | - | - | - |
| Interest and other charges | - | - | - |
| Total expenditures | <u>382,109,592</u> | <u>14,303,283</u> | <u>46,536,025</u> |
| Excess (deficiency) of revenues over expenditures | <u>32,693,363</u> | <u>2,394,164</u> | <u>(1,765,491)</u> |
| Other financing sources (uses): | | | |
| General obligation debt issued | - | - | - |
| Refunding debt issued | - | - | - |
| Debt premium | - | - | - |
| Payment to refunding bond agent | - | - | - |
| Original issue discount | - | - | - |
| Sale of capital assets | 81,600 | - | - |
| Transfers in | 2,779,178 | - | 1,557,878 |
| Transfers out | (12,992,250) | (2,483,051) | (9,617) |
| Total other financing sources (uses) | <u>(10,131,472)</u> | <u>(2,483,051)</u> | <u>1,548,261</u> |
| Net change in fund balances | 22,561,891 | (88,887) | (217,230) |
| Fund balances - beginning of year | 91,232,674 | 7,591,368 | 2,945,361 |
| Fund balances - end of year | <u>\$ 113,794,565</u> | <u>\$ 7,502,481</u> | <u>\$ 2,728,131</u> |

See accompanying notes to financial statements.

| General Purpose Debt Service | Capital General Obligation Bonds | Capital Certificates of Obligation | Capital Road Bonds and Certificates of Obligation | Other Governmental Funds | Total Governmental Funds |
|---------------------------------|---|---|--|--------------------------------|--------------------------------|
| \$ 68,717,328 | \$ - | \$ - | \$ - | \$ 1,695,599 | \$ 416,067,723 |
| - | - | - | - | 7,130,324 | 54,765,685 |
| - | - | - | - | 14,097,798 | 80,571,695 |
| - | - | - | - | 730,895 | 9,693,572 |
| 104,965 | 150,639 | 167,566 | 682,577 | 109,365 | 2,731,650 |
| - | - | - | - | 1,077,296 | 7,104,963 |
| <u>68,822,293</u> | <u>150,639</u> | <u>167,566</u> | <u>682,577</u> | <u>24,841,277</u> | <u>570,935,288</u> |
| 6,000 | 12,917 | 809,014 | 16,529 | 4,696,005 | 71,937,393 |
| - | - | 391,755 | - | 3,445,292 | 125,475,054 |
| - | - | 751,251 | - | 2,894,757 | 59,466,221 |
| - | 15 | 574,267 | - | 2,154,993 | 115,632,480 |
| - | - | 74,309 | - | 67,735 | 51,216,067 |
| - | 679 | 96,724 | 3,403 | 5,923,423 | 25,741,657 |
| - | 62,315 | 48,340 | - | 105,318 | 8,248,670 |
| - | 1,757,016 | 79,550,506 | 5,433,871 | 13,498,433 | 107,606,225 |
| 277,086 | - | - | - | - | 277,086 |
| - | 93,690 | 829,285 | 34,436 | - | 957,411 |
| 633,340 | - | - | - | - | 633,340 |
| 46,190,000 | - | - | - | 870,000 | 47,060,000 |
| 21,592,521 | - | - | - | 872,213 | 22,464,734 |
| <u>68,698,947</u> | <u>1,926,632</u> | <u>83,125,451</u> | <u>5,488,239</u> | <u>34,528,169</u> | <u>636,716,338</u> |
| 123,346 | (1,775,993) | (82,957,885) | (4,805,662) | (9,686,892) | (65,781,050) |
| - | 11,315,000 | 114,610,000 | 3,610,000 | - | 129,535,000 |
| 27,090,000 | - | - | - | - | 27,090,000 |
| 2,652,962 | 68,575 | 8,614,904 | 22,688 | - | 11,359,129 |
| (29,416,058) | - | - | - | - | (29,416,058) |
| (19,347) | (150,427) | (10,880) | (45,545) | - | (226,199) |
| - | 78,979 | - | - | - | 160,579 |
| 153,220 | - | - | - | 11,439,544 | 15,929,820 |
| - | (86,643) | (63,795) | (2,782) | (291,682) | (15,929,820) |
| <u>460,777</u> | <u>11,225,484</u> | <u>123,150,229</u> | <u>3,584,361</u> | <u>11,147,862</u> | <u>138,502,451</u> |
| 584,123 | 9,449,491 | 40,192,344 | (1,221,301) | 1,460,970 | 72,721,401 |
| 12,941,787 | 21,877,815 | 29,644,559 | 89,220,097 | 33,299,684 | 288,753,345 |
| <u>\$ 13,525,910</u> | <u>\$ 31,327,306</u> | <u>\$ 69,836,903</u> | <u>\$ 87,998,796</u> | <u>\$ 34,760,654</u> | <u>\$ 361,474,746</u> |



TRAVIS COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES - STATUTORY BASIS
For The Year Ended September 30, 2010

| | | |
|--|-----------|-------------------|
| Net change in fund balances - total governmental funds | \$ | 72,721,401 |
| Amounts reported for governmental activities in the Statement of Activities are different due to the following: | | |
| Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation and other capital related transactions in the current period (excluding Internal Service Funds). | | 34,832,163 |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. In addition, there are certain revenues in the governmental funds that are eliminated in consolidation (excluding Internal Service Funds). | | 18,171,420 |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, losses on refunding, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. Included is the accrual and accretion of interest on debt which does not require current resources. This amount is the net effect of these differences in the treatment of long-term debt and related items. | | (92,261,886) |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources or have not matured and therefore are not reported as expenditures in governmental funds (excluding Internal Service Funds). | | (414,931) |
| Internal Service Funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the Internal Service Funds is reported in governmental activities. | | (8,854,397) |
| Change in net assets of governmental activities | <u>\$</u> | <u>24,193,770</u> |

See accompanying notes to financial statements.

TRAVIS COUNTY, TEXAS
STATEMENT OF NET ASSETS - STATUTORY BASIS
PROPRIETARY FUND
September 30, 2010

| | | Governmental Activities |
|-------------------------------|----|------------------------------------|
| | | Internal Service Funds |
| Assets | | |
| Current assets: | | |
| Pooled cash | \$ | 47,926,919 |
| Interest receivable | | 274,316 |
| Due from other funds | | 78,161 |
| Other receivables | | 144,591 |
| Prepaid items | | 154,507 |
| Other assets | | 2,238,718 |
| Total current assets | | <u>50,817,212</u> |
| Noncurrent assets: | | |
| Capital assets: | | |
| Property, plant and equipment | | 534,165 |
| Less accumulated depreciation | | <u>(109,200)</u> |
| Total noncurrent assets | | <u>424,965</u> |
| Total assets | | <u>51,242,177</u> |
| Liabilities | | |
| Current liabilities: | | |
| Accounts payable | | 237,254 |
| Deferred revenue | | 509,300 |
| Due to other funds | | 97 |
| Accrued and other liabilities | | 221,369 |
| Claims and judgments | | 12,549,454 |
| Compensated absences | | 76,162 |
| Total current liabilities | | <u>13,593,636</u> |
| Noncurrent liabilities: | | |
| Claims and judgments | | 4,601,002 |
| Compensated absences | | 84,523 |
| Total noncurrent liabilities | | <u>4,685,525</u> |
| Total liabilities | | <u>18,279,161</u> |
| Net Assets | | |
| Invested in capital assets | | 424,965 |
| Unrestricted | | 32,538,051 |
| Total net assets | \$ | <u><u>32,963,016</u></u> |

See accompanying notes to financial statements.

TRAVIS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGE IN NET ASSETS - STATUTORY BASIS
PROPRIETARY FUND
For The Year Ended September 30, 2010

| | Governmental Activities |
|--------------------------------|------------------------------------|
| | Internal Service Funds |
| Operating revenues: | |
| Insurance premiums-county | \$ 34,931,283 |
| Insurance premiums-employee | 6,819,790 |
| Miscellaneous | 776,531 |
| Total operating revenues | 42,527,604 |
| Operating expenses: | |
| Incurred losses | 45,498,487 |
| Unemployment claims | 343,152 |
| Insurance expense | 3,362,644 |
| Professional services | 53,896 |
| Depreciation expense | 25,202 |
| Administration | 2,365,427 |
| Total operating expenses | 51,648,808 |
| Operating income (loss) | (9,121,204) |
| Nonoperating revenues: | |
| Investment income | 266,807 |
| Total nonoperating revenue | 266,807 |
| Change in net assets | (8,854,397) |
| Net assets - beginning of year | 41,817,413 |
| Net assets - end of year | \$ 32,963,016 |

See accompanying notes to financial statements.

TRAVIS COUNTY, TEXAS
STATEMENT OF CASH FLOWS - STATUTORY BASIS
PROPRIETARY FUND
For The Year Ended September 30, 2010

| | Governmental Activities |
|--|------------------------------------|
| | Internal Service Funds |
| Cash flows from operating activities | |
| Cash received from premium revenues | \$ 41,782,358 |
| Cash received from subrogation | 94,223 |
| Cash received from insurance proceeds, rebates, and other receipts | 776,531 |
| Cash paid for self-insured claims and loss adjustment expenses | (43,939,738) |
| Cash paid for other operating expenses | (4,705,290) |
| Cash paid for payroll | (2,055,049) |
| Net cash provided by (used for) operating activities | (8,046,965) |
| Cash flows from capital and related financing activities | |
| Purchase of capital assets | (185,529) |
| Net cash provided by (used for) capital and related financing activities | (185,529) |
| Cash flows from investing activities | |
| Interest received | 1,116,835 |
| Increase (decrease) in fair value of investments in pooled cash | (795,732) |
| Net cash provided by (used for) investing activities | 321,103 |
| Net increase (decrease) in pooled cash balance | (7,911,391) |
| Pooled cash balance - beginning of year | 55,838,310 |
| Pooled cash balance - end of year | \$ 47,926,919 |
| Reconciliation of operating income (loss) to net cash provided by (used for) operating activities | |
| Operating income (loss) | \$ (9,121,204) |
| Adjustments to reconcile operating income to net cash provided by (used for) operating activities | |
| Depreciation expense | 25,202 |
| (Increase) decrease in due from other funds | (5,779) |
| (Increase) decrease in other receivables | (874) |
| (Increase) decrease in prepaid items | 1,927 |
| Increase (decrease) in claims and judgments | 1,628,968 |
| Increase (decrease) in other liabilities | (575,205) |
| Net cash provided by (used for) operating activities | \$ (8,046,965) |

See accompanying notes to financial statements.

TRAVIS COUNTY, TEXAS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - STATUTORY BASIS
AGENCY FUNDS
September 30, 2010

| | Assets | <u>2010</u> |
|------------------------------------|---------------|-----------------------------|
| Cash and pooled cash | | \$ 26,309,363 |
| Certificates of deposit | | 20,086,674 |
| Investments | | 25,176,681 |
| Interest receivable | | 69,875 |
| Accounts receivable, net | | <u>2,530,253</u> |
| Total assets | | <u><u>\$ 74,172,846</u></u> |
| Liabilities | | |
| Due to third parties | | 49,823,242 |
| Civil and probate deposits | | 193,366 |
| Cash and surety bonds and deposits | | 13,755,303 |
| Due to other governmental entities | | <u>10,400,935</u> |
| Total liabilities | | <u><u>\$ 74,172,846</u></u> |

See accompanying notes to financial statements.



TRAVIS COUNTY, TEXAS

NOTES TO THE

FINANCIAL STATEMENTS

TRAVIS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2010
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TRAVIS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Overview – Basis of Accounting

Travis County (the “County”) is a corporate body and a political subdivision of the State of Texas (the “State”) governed by a Commissioners’ Court, which is made up of an elected county judge and four elected county precinct commissioners. As a requirement for holding public office, these elected officials take an oath to uphold the Constitution and the laws of the State.

The Governmental Accounting Standards Board (“GASB”) is the accepted primary standard-setting body for establishing governmental accounting and financial reporting principles, to the extent that its rules do not conflict with State financial laws and the State Constitution. The codification of GASB Statements and Interpretations and any amendments thereto define the Governmental Accounting and Financial Reporting Standards that constitute generally accepted accounting principles (“GAAP”) for governmental units. GASB recognizes that the establishment of accounting standards for states and local governments, which were created by states, is a power retained by the states.

Prior to fiscal year 2008, the County prepared its financial statements in accordance with GAAP, because it did not conflict with State financial laws and the State Constitution. However, the County has concluded that complying with GASB Statement No. 45 (“GASB 45”), “Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions” (“OPEB”), would result in publishing financial statements that would be materially misleading. It would also be inconsistent with State financial laws and misrepresent the nature, scope, and duration of the financial activities of the County. This standard presumes that benefits are promised and continue throughout the retiree’s lifetime and does not require a determination of a legally enforceable liability.

Beginning with fiscal year 2008, the County began preparing its financial statements using the statutory basis of accounting provided by the State in Chapter 2266 (originally Chapter 2264 and renumbered effective September 1, 2009) of the Texas Government Code (“Chapter 2266”), Financial Accounting and Reporting (the “Statutory Basis”). This Statutory Basis is a comprehensive basis of accounting other than GAAP that is consistent with State financial laws and the State Constitution. The statutory accounting practices as prescribed in Chapter 2266 amend or supersede portions of GASB pronouncements.

Chapter 2266 affects the financial reporting and accounting for the State of Texas and its political subdivisions, including the County, and contains provisions directly affecting the reporting of OPEB. Under Chapter 2266, the system of accounting for and reporting of the financial activities of Texas and its political subdivisions may not misrepresent the nature, scope, or duration of the financial activities of the State or political subdivision; must be consistent with State financial laws; and may follow the statutory standards of Chapter 2266 when other accounting bases conflict with State law. While Chapter 2266 does not prescribe a particular basis of accounting for political subdivisions in Texas, it does require that the basis selected be an accurate representation of liabilities created

under State law by the governing bodies authorized to do so. When other accounting bases conflict with State law, Texas and its political subdivisions may elect, but are not mandated, to follow the Statutory Basis of accounting, which is an other comprehensive basis of accounting provided by Chapter 2266. Accordingly, with respect to the reporting of OPEB, the County has accounted for and reported using the Statutory Basis of accounting. This is because the Commissioners' Court, as the governing body of the County, approves OPEB on a year-to-year basis during the annual budget process and has not created a constitutionally valid obligation for OPEB beyond fiscal year 2011.

The accounting and reporting of OPEB in the County's financial statements is the only departure from GAAP as a result of applying the Statutory Basis of accounting. GASB 45 requires state and local governments to establish standards for the measurement, recognition, and display of other postemployment benefits expenses/expenditures, related liabilities, and note disclosures in the financial statements. The Statutory Basis differs from GAAP in that GAAP requires a government to report an OPEB liability even when the government has not promised or contracted to fund future benefits and when there is no legally enforceable liability. In other words, GASB 45 does not distinguish between a government that has a legally enforceable liability and a government that does not; nor does it distinguish between a government that has promised benefits and a government that has not. In addition, GASB stated in paragraph 77 of GASB 45, "... the Board affirmed its general presumptions, and that of other standards setters, that an employer that has established a *pattern of providing* postemployment benefits has accepted *responsibility to provide* those benefits." Such presumptions may result in materially misleading financial statements and may be contrary to State law and the actions of the government's governing body.

The Statutory Basis of accounting provides an accounting basis for the County to report any legally enforceable OPEB liability it may have incurred based on the County's "Substantive Plan." A Substantive Plan is defined in Chapter 2266 as a plan providing OPEB approved by the governing body of the plan provider according to the laws and Constitution of the State. The Statutory Basis is consistent with the definition and characteristics of a liability defined in GASB Concepts Statement No. 4, Elements of Financial Statements, as a "present obligation to sacrifice resources that the government has little or no discretion to avoid." No promises of continuing retirement healthcare benefits beyond fiscal year 2011 have been made to employees by the Commissioners' Court. The County has included communications both in information provided to employees and in the annual financial statements that specifically state that the decision to provide these benefits is made on an annual basis. Additionally, the County does not participate in any collective bargaining agreements which would impose obligations for postemployment healthcare benefits. The County commissioned and received a report in September 2006 from outside legal counsel concluding that, as of September 2006, based on the County's past actions with respect to OPEB, the County did not bind itself to pay for OPEB on a continuing, multi-year basis.

In summary, the County has assessed the legal and accounting implications of GASB 45 within the transparency requirements of Chapter 2266 to determine the actual nature, scope, and duration of any OPEB liabilities it has incurred. As a result of this assessment, the County has determined that implementation of the current reporting provisions of GASB 45 would not comply with Chapter 2266, as GASB 45 defines an OPEB liability to include amounts not authorized, promised, or legally incurred by the governing body. Therefore the County has elected to use the Statutory Basis of accounting provided by Chapter 2266. By using the Statutory Basis, the County's presentation of OPEB in the government-wide and Proprietary Fund (Employee Health Benefit Fund) Statements of Net Assets is in

compliance with State law, as it: (i) measures the cost of benefits according to their adoption by the governing body of the County; (ii) provides an accurate assessment of OPEB liabilities and the extent of their funding for the time period for which the benefits were adopted; and (iii) provides information useful in assessing potential demands on the County's future cash flows.

See Note 12 for details on the reporting of OPEB liabilities.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed by the County and Central Health, formerly known as the Travis County Healthcare District, in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB and Chapter 2266, which amends or supersedes portions of GASB pronouncements.

Other significant accounting policies followed by the County are described below.

B. Reporting Entity

In accordance with GASB Statement No. 14 as amended by GASB Statement No. 39, a financial reporting entity consists of the primary government and its component units. Further, GASB Statement No. 14 defines component units as "...legally separate organizations for which the elected officials of the primary government are financially accountable or other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete." Because of the closeness of the relationship to the primary government, some component units should be blended as though they are part of the primary government; however, most component units should be discretely presented. The discretely presented component unit is reported in a separate column and/or row on the Statement of Net Assets and Statement of Activities to emphasize that it is legally separate from the primary government. In determining the financial reporting entity for the County, management has considered all potential component units and their relationship to the County.

Blended Component Units

GASB Statement No. 14 in paragraph 53 states that if the component unit's governing body is substantially the same as the governing body of the primary government, the component unit should be included in the reporting entity's financial statements using the blended method. The Travis County Commissioners' Court serves as the governing body of each of the component units described below; therefore, the component units have been blended with the primary government.

Road Districts:

Northwest Travis County Road District No. 3 ("NWTCRD No. 3") – Created and established in August 1986, NWTCRD No. 3 contains approximately 242.1 acres consisting of ten separate tracts located in the County. In July 1989, NWTCRD No. 3 issued \$8.6 million in bonds which were refunded in 2005. The road district is ad valorem tax-supported for repayment of debt.

Southwest Travis County Road District No. 1 ("SWTCRD No. 1") – Created and established in November 1984, the district contains approximately 7,015 acres. In September 1994, SWTCRD No. 1 issued, delivered, and exchanged Special

Assessment Refunding bonds for its previously issued Unlimited Tax Refunding bonds, Series 1990. Except for \$10,000 of unredeemed coupon bonds from the original 1985 issuance, all debt of SWTCRD No. 1 has been defeased, redeemed or matured.

Travis County Bee Cave Road District No. 1 ("TCBCRD No. 1") – Approved by the Commissioners' Court in July 2006, this road district encompasses 141 acres in western Travis County, wholly within the corporate limits of the Village of Bee Cave, Texas. In August 2008, TCBCRD No. 1 issued \$14,725,000 in Unlimited Tax Road Bonds. The road district is ad valorem tax-supported for repayment of debt.

The County acts as paying agent for the debt of these road districts; however, the bonded debt of these road districts is not a debt or obligation of the County, nor will the County be liable for payment thereof. The road districts do not issue separate financial statements.

Corporations:

Capital Health Facilities Development Corporation – The Capital Health Facilities Development Corporation was incorporated on May 25, 1985, as a public nonprofit corporation in accordance with the Health Facilities Development Act, Texas Health and Safety Code Annotated, Chapter 221, as amended. Under that Act, the Capital Health Facilities Development Corporation was created to provide, expand and improve health facilities for residents of Travis County, Texas that the Corporation determines are needed to improve the adequacy, cost, and accessibility of health care, research, and education in the State. The Corporation is authorized to participate in the issuance of bonds for those purposes. The Corporation currently holds no assets or liabilities.

Travis County Housing Finance Corporation – The Travis County Housing Finance Corporation was incorporated on November 19, 1980, as a public nonprofit corporation in accordance with the Texas Housing Finance Corporations Act, Texas Local Government Code Annotated, Chapter 394, as amended. Under that Act, the Travis County Housing Finance Corporation was created to provide decent, safe, and sanitary housing at affordable prices for residents of Travis County, Texas and is authorized to participate in the issuance of bonds for the purpose, among others, of defraying the development cost of multifamily rental housing to be occupied substantially by persons of low and moderate income as determined by the Board of Directors, to provide funds to purchase mortgage loans made to persons of low and moderate income, and to refund bonds previously issued by the Corporation. The Corporation also administers grants to provide down-payment assistance to first-time homebuyers.

Travis County Health Facilities Development Corporation – The Travis County Health Facilities Development Corporation was incorporated on December 18, 1991, as a public nonprofit corporation in accordance with the Health Facilities Development Act, Texas Health and Safety Code Annotated, Chapter 221, as amended. Under that Act, the Travis County Health Facilities Development Corporation was created to provide, expand, and improve health facilities for residents of Travis County, Texas that the Corporation determines are needed to improve the adequacy, cost, and accessibility of health care, research, and education in the State. The Corporation is authorized to participate in the issuance of bonds for those purposes.

Capital Industrial Development Corporation – The Capital Industrial Development Corporation was incorporated on April 29, 1980, as a public nonprofit corporation in accordance with the Development Corporation Act of 1979, Article 5190.6, Vernon's Annotated Civil Statutes. Under that Act, the Capital Industrial Development Corporation

was created to provide for the promotion and development of industrial and manufacturing enterprises, to promote and encourage employment and the public welfare, and is authorized to participate in the issuance of bonds for those purposes.

Travis County Development Authority – The Travis County Development Authority was incorporated on December 17, 1999, as a public nonprofit corporation under the provisions of Subchapter D of Chapter 431, Texas Transportation Code and Chapter 394, Vernon’s Texas Codes Annotated for the purpose of promoting economic development of Travis County through the creation of new employment opportunities by entering into contracts, grant agreements, leases, and other business arrangements with other corporations, both public and private, for the research and development of technology. The Corporation currently holds no assets or liabilities.

Travis County Cultural Education Facilities Finance Corporation – The Travis County Cultural Education Facilities Finance Corporation was created on August 7, 2001 pursuant to the Cultural Education Facilities Finance Corporation Act, Article 1528m, Vernon’s Annotated Texas Civil Statutes for the purpose of promoting the health, education, and general welfare of citizens by providing and financing cultural, health and educational facilities as defined in the Act.

Through the Corporations, eligible applicants are furnished financial assistance through proceeds from the sale of tax-free bonds. Such debt is issued by the Corporations as “conduit or noncommitment debt” (see Note 9). Neither the Corporations nor the County are liable for the payment of the bonds. The Corporations do not publish separate financial statements.

Discretely Presented Component Unit

GASB Statement No. 14 requires that legally separate organizations for which the elected officials of the primary government are financially accountable should be presented as component units. Those that do not meet the definition of a blended component unit, as discussed above, should be presented in a separate column to allow users to distinguish between the primary government and its component unit. The relationship of the County’s discretely presented component unit is described below.

Central Health

On May 15, 2004, Travis County voters approved the formation of a Hospital District to furnish medical aid and hospital care to indigent and needy persons residing in Travis County. In May 2006, the Commissioners’ Court approved, after the appropriate state legislation was passed, a name change to the Travis County Healthcare District. In fiscal year 2010, the Travis County Healthcare District filed to do business as Central Health and is referred to as Central Health hereinafter. Central Health is a legally separate organization and imposes a separate ad valorem tax on the residents of Travis County, Texas. Central Health’s operations became effective October 1, 2004. Of Central Health’s nine member Board of Managers, four are appointed by Travis County, four by the City of Austin, and one is a joint appointee. Additionally, the Travis County Commissioners’ Court approves Central Health’s annual budget and tax rate each year. Because of this relationship, Central Health is reported as a discretely presented component unit of Travis County for the year ended September 30, 2010. Beginning in fiscal year 2009, Central Health added a component unit to its financial statements, Central Texas Community Health Centers, Inc. (d.b.a. CommUnityCare). However, Central Health did not include note disclosures for CommUnityCare. Therefore, the County’s notes do not include financial information for CommUnityCare.

Complete financial statements for Central Health may be obtained from:

Central Health
1111 East Cesar Chavez
Austin, TX 78702

C. Related and Jointly Governed Organizations

Related organizations and jointly governed organizations provide services within the County that are administered by separate boards or commissions, for which the County is not financially accountable. Such organizations are therefore not component units of the County, even though the Commissioners' Court may appoint the voting majority of an organization's board. Consequently, financial information for these organizations is not included within the scope of these financial statements.

Related Organizations – The Commissioners' Court appoints the members to the various Travis County Fire and EMS Districts which were created to implement emergency services to designated areas throughout Travis County. The County's accountability does not extend beyond the board appointment function.

Jointly Governed Organizations – The County is a participant in other jointly governed organizations of which the Commissioners' Court appoints a minority membership of the Board. The Commissioners' Court appoints a member or members of the Capital Metropolitan Transit Authority Board, Austin Travis County Integral Care (ATCIC), formerly known as the Austin Travis County Mental Health Mental Retardation Center, the Austin/San Antonio Commuter Rail District, Capital Area Rural Transportation System (CARTS), and Central Texas Regional Mobility Authority (CTRMA).

The County is also a participant in the Waller Creek Tax Increment Financing Zone ("TIF") with the City of Austin. This TIF was created to help fund a major drainage project and related facilities around Waller Creek, which runs through downtown Austin. It is anticipated that other complimentary development will follow. The Commissioners' Court appoints one board member as provided in the state statutes. The County disbursed \$292,907 this year to the Waller Creek TIF. The County's participation is contingent upon the City of Austin fulfilling several obligations per the TIF agreement.

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

Statutory Basis of Accounting

When other accounting bases conflict with State law, Texas and its political subdivisions may follow the statutory provisions of Chapter 2266. Accordingly, in fiscal year 2010, the County followed the Statutory Basis of accounting, which is an other comprehensive basis of accounting provided, but not mandated, by this statute. For the County, the only difference between GAAP and the Statutory Basis of accounting is in the reporting of OPEB. The Statutory Basis differs from GAAP in that the County's presentation of OPEB on the financial statements reflects the nature and duration of the plan as adopted by the governing body.

For additional information see Note 1A and Note 12.

Government-wide Financial Statements

The government-wide financial statements report on a consolidated level all the activities of the County and its component units, including the discretely presented component unit, except fiduciary activities. The effect of interfund activity within the primary government has been eliminated from these statements.

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting with the exception of the reporting of OPEB. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements are met.

In the government-wide financial statements, OPEB is presented using the current financial resources measurement focus and the statutory modified accrual basis of accounting. Under this basis of accounting, revenue is recognized when it is measurable and available to finance current expenditures and expenditures are recognized when they are normally expected to be liquidated with current financial resources regardless of when they mature. During the adoption of the County's fiscal year 2011 budget, the Commissioners' Court promised and approved funding for the annual retiree OPEB plan. Therefore, this legally enforceable one-year OPEB liability has been presented in the government-wide financial statements on an accrual basis of accounting in accordance with the County's Substantive Plan consistent with State law.

The Statement of Net Assets reports all current and non-current assets, including capital assets. It also reports all current and long-term liabilities of the County and Central Health. The Statement of Activities reports program revenues and expenses by function. Program revenues include fees, fines, and charges for services; operating grants, contributions, shared revenues, and entitlements; and capital grants, contributions, and donated assets. Internally dedicated resources are reported as general revenues and include such items as taxes, grants and contributions not restricted to specific programs, and investment earnings. Expenses include costs related to non-current assets, such as depreciation expense, and costs related to long-term debt activities.

In the government-wide financial statements, the Proprietary Fund is included in governmental activities, as its main purpose is to internally serve the County.

Operating revenues of Central Health consist of rental payments generated from various leases of properties held by Central Health. Non-operating revenues consist of those revenues that are related to financing and investing types of activities and result from non-exchange transactions or investment income.

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

Fund Financial Statements

The accounts of Travis County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/net assets, revenues, and expenditures/expenses.

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled, as described below. Accordingly, the fund financial statements are presented for governmental funds, proprietary funds, and fiduciary funds.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become both measurable and available. Revenues are considered measurable when the amount of the transaction can be determined, while revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Taxes, charges for services, fines and forfeits, and most governmental miscellaneous revenues, including investment earnings, are recorded as earned since they are measurable and available. The County defines the time period of availability to be generally 60 days after the fiscal year end. Expenditures are normally recognized in a governmental fund at the same time that a liability is incurred, except for certain long-term accrued liabilities that normally are not expected to be liquidated with expendable available financial resources. Expenditures for long-term indebtedness such as formal debt issuances, compensated absences, claims and judgments, special termination benefits, landfill closure and post-closure care costs, pollution remediation costs, and "other commitments that are not current liabilities", if any of the above costs occur, are recognized in governmental funds to the extent they have matured. Therefore, only current assets and current liabilities are included on the balance sheet of the governmental funds. Capital asset acquisitions are reported as expenditures of the current period. Operating statements of the governmental funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance.

Like the government-wide financial statements, proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting with the exception of the reporting of OPEB. OPEB is reported using the current financial resources measurement focus and the statutory modified accrual basis of accounting. Under this basis of accounting, revenue is recognized when it is measurable and available to finance current expenditures and expenditures are recognized when they are normally expected to be liquidated with current financial resources regardless of when they mature. During the adoption of the County's fiscal year 2011 budget, the Commissioners' Court promised and approved funding for the annual retiree OPEB plan. Therefore, this legally enforceable one-year OPEB liability has been presented in the Proprietary Fund financial statements on an accrual basis of accounting in accordance with the County's Substantive Plan consistent with State law.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from charging for and providing goods and services in connection with a proprietary fund's principal ongoing operations. The principal ongoing operating revenues of the Internal Service Funds are generated by charging premiums to County offices/departments. Operating expenses in the Internal Service Funds include the costs of reimbursements of specific claims for healthcare, general and automobile liability, error and omissions claims and judgments, workers' compensation, and other related insurance activities. Expenses also include insurance expense where the County is not self-insured for that type or amount of loss. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fiduciary fund financial statements are also reported using the accrual basis of accounting.

The County reports the following major governmental funds:

General Fund – primary general operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Road and Bridge Fund – fund used to account for monies received from auto registration fees and traffic related fines. These fees and fines are used for operating and maintaining County owned roads and bridges.

Grants Fund – consists of federal, state, and local grants used to account for monies received for specific programs and services for the community. Federal grants include those from the U.S. Department of Energy, U.S. Department of Health and Human Services, U.S. Department of Justice, U.S. Department of Transportation, and others. State grants include those sourced from the Texas Juvenile Probation Commission, Office of the Governor-Criminal Justice Division, Texas Department of Criminal Justice, and others. Local grants include various funds received from local entities and private sources to provide various services to the community.

General Purpose Debt Service Fund – used to accumulate resources for the payment of principal and interest on long-term general obligation bonds and certificates of obligation.

Capital - General Obligation Bonds Fund – used to account for voter approved financial resources specifically designated for the purpose of paying contractual obligations incurred in the construction of public works. Examples of public works include building a courthouse or jail, establishing facilities for serving needy or indigent persons, constructing bridges, and improving and maintaining roads and parks.

Capital - Certificates of Obligation Fund – used to account for Commissioners' Court-approved financial resources specifically designated for the purpose of paying contractual obligations incurred in the construction of public works; the purchase of materials, supplies, equipment, machinery, buildings, rights-of-way and real property; and for the payment of professional services. Examples of public works include construction and equipping of jails and connecting a bridge to a county road.

Capital - Road Bonds and Certificates of Obligation Fund – used to account for both voter approved bonds and Commissioners' Court-approved certificates of obligation as financial resources specifically designated for the purpose of paying contractual obligations incurred in the construction, purchase and maintenance of roads; the purchase of road-related materials, supplies, equipment, and real property; and for the payment of road-related professional services.

The County reports the following non-major governmental funds:

Special Revenue Funds – used to account for revenues derived from specific revenue sources that are legally restricted to finance specific activities.

Capital Projects Funds – used to account for financial resources specifically designated for capital expenditures.

Debt Service Funds – used to account for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on general long-term debt for road districts.

Permanent School Fund – used to account for the principal of a trust fund, in which oil royalties are deposited and cannot be expended.

The County reports the following Proprietary and Fiduciary Funds:

Internal Service Funds – used to account for the activities of the County's self-insurance program for general and automobile liability; error and omissions claims and judgments; workers' compensation; employee healthcare services provided to County employees, retirees, and their dependents; and other insurance related expenses. In the government-wide statements, the Internal Service Funds are included in governmental activities.

Agency Funds – used to account for assets held by the County as custodian or agent for individuals and other governmental units such as cash bonds, state revenue fees, Lower Colorado River Authority fees, officials' fee accounts, inmate trust funds, and other similar arrangements.

E. Budgets and Budgetary Accounting

The Commissioners' Court appoints a budget officer who is responsible for preparing a proposed budget. The fiscal year 2010 budget has been prepared according to the Statutory Basis of accounting which is the same accounting method used to prepare the financial statements presented in this report. Budgeted expenditures may not exceed total budgeted revenues as estimated by the County Auditor.

The proposed budget for each fiscal year includes estimated revenues and proposed expenditures (by fund, office/department and object/sub-object) for the General Fund, General Purpose Debt Service Fund, and all special revenue funds with the exception of Grants, CAPSO/DAPSO Fund, Law Enforcement Fund, Jail Commissary Fund, Abandoned Vehicles/Livestock Fund, LEOSE Elected Officials Fund, Unclaimed Property Fund, Gardner House Handicraft Fund, and the Corporations. The Corporations' and Road Districts' budgets are approved by their individual Board of Directors, which is solely comprised by members of the Commissioners' Court. Grants are budgeted based on the grant award and grant fiscal period. The other funds are not appropriated by the Commissioners' Court due to the source and nature of their revenues or the funds received which, by statute, may be spent solely at the discretion of the County Attorney, District Attorney, Sheriff, or Constables. Budgetary control for the major capital projects funds is achieved through the certificates of obligation and general obligation bond indenture provisions. Non-major capital projects funds, excluding grants and component units, are included in the proposed budget. The Permanent School Fund, CSCD Equipment Fund, and CSCD Fees Fund do not have an appropriated budget for fiscal year 2010.

Public hearings are conducted to obtain taxpayer comments during the budgetary process. The annual appropriations budget is legally adopted by the Commissioners' Court in the September/October timeframe. There is no difference between the appropriations budget and the Commissioners' Court-approved expenditure budget.

State law provides that the Commissioners' Court "may amend the budget to transfer an amount budgeted for one item to another budgeted item."

The legal level of budgetary control is at the office/department level. The County's elected/appointed officials, executive managers, and department heads may make transfers of appropriations within an office/department as specified in the Commissioners' Court-approved annual budget rules. Transfers of appropriations between offices/departments, as specified in the budget rules, require the specific pre-approval of the Commissioners' Court. A report is generated that demonstrates budgetary compliance at the office/department level and is available to the public.

The Commissioners' Court may adopt a supplemental budget for the limited purpose of spending money from grants or intergovernmental contracts for their intended purpose. During fiscal year 2010, there was \$2,542,194 in supplemental budgets adopted by the Commissioners' Court in the General Fund. No fund or office/department exceeded appropriations for fiscal year 2010. All annual appropriations lapse at fiscal year end.

F. Assets, Liabilities and Fund Balance or Net Assets

Deposits and Investments *(Cash, Pooled Cash, Certificates of Deposit, and Investments)*

In the County financial statements cash refers to amounts in demand deposit accounts. Pooled cash refers to the pooling of cash for investment purposes; therefore, pooled cash includes pooled investments. Central Health defines cash and cash equivalents as cash and investments that are highly liquid with less than three-month maturities when purchased.

State statutes regulate the types of investments the County and Central Health may purchase. Examples of authorized investments that the County and Central Health may purchase include the following: (1) U.S. Agencies, (2) U.S. Treasury securities, (3) obligations of the State of Texas or its agencies, (4) obligations that the State of Texas or the U.S. Treasury guarantee, (5) municipal bonds, and (6) commercial paper. Investments are stated at fair value, except for "2a7 like" external investment pools which are reported at amortized cost. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

For the purpose of cash flows, the Internal Service Funds consider pooled cash, certificates of deposit, and all other highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Both the County's and Central Health's investment policies require collateralization with a fair market value equal to at least 102 percent of the County's or Central Health's funds in excess of \$250,000 on deposit in the bank for interest bearing accounts. All non-interest bearing accounts are fully guaranteed by the FDIC.

More information on the County's and Central Health's deposits and investments can be found in Note 6.

Receivables and Payables

Outstanding balances of lending and borrowing type activities between funds are classified as "due from other funds" and "due to other funds," respectively, on the fund

financial statements. Interfund activity has been eliminated for the government-wide financial statements.

All accounts and taxes receivable are shown net of allowances for uncollectible amounts. Accounts receivable allowances are based on historical collection trends. Allowances for taxes receivable and tax-related receivables, such as enforcement fees and penalties and interest, are also based on historical trends by assessment year. The allowance amount is composed of two different calculations: 1) amounts not anticipated to be collected in a timely manner; and 2) amounts that are anticipated never to be collected.

Restricted Assets

Restricted assets are used to differentiate assets, the use of which is restricted by the donor or contractual agreement. The County’s restricted assets represent funds that are in escrow related to a pending land purchase.

Capital Assets

Travis County and Central Health define capital assets as assets with an initial, individual cost of at least \$5,000 and an estimated useful life of one year or more. All land and land improvements are capitalized, regardless of cost.

Capital assets are included only in the government-wide financial statements unless they are associated with proprietary or fiduciary funds. Purchased or constructed capital assets are recorded at historical or estimated historical value, while donated capital assets are recorded at estimated fair market value at date of donation. The cost of all purchased, constructed, or donated assets is depreciated over the estimated useful life of the specific asset group.

The County’s capital assets are depreciated by group using the straight-line method over the following estimated useful lives of these groups:

| <u>Asset Groups</u> | <u>Years</u> |
|---|--------------|
| Buildings* | 30 |
| Improvements other than buildings | 30 |
| Buildings under capital lease | 30 |
| Infrastructure** | 10 – 45 |
| Machinery, equipment and other assets** | 3 – 10 |
| Leasehold improvements | 5 |
| Equipment under capital lease | 5 |

* Certain major buildings are not included in group depreciation, but are depreciated individually over a thirty year original life.

** Denotes multiple groups.

Central Health records depreciation on the straight-line method over the estimated useful lives of the assets. Estimated useful lives for buildings and improvements are 20 to 50 years and for equipment and furniture are 2 to 20 years.

Maintenance or repair costs that do not add to the value or materially extend the useful life of an asset are expensed rather than capitalized. Major outlays for improvements and capital assets are capitalized during the construction phase.

In the fund financial statements, capital asset acquisitions are reported as expenditures of the current period.

Inventory and Prepaid Items

In most cases, inventories and prepaid items are recorded as expenditures at the time of purchase in the governmental fund financial statements. There are, however, cases where payments are recorded as prepaid items. The Internal Service Funds and General Fund have prepayments for insurance premiums and flexible spending claims. Such amounts are not significant at year end.

Long-term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond and certificate of obligation premiums and discounts, as well as issuance costs and gain/loss on refunding, are deferred and amortized over the life of the bonds/certificates using the effective interest method, which is a technique for calculating amortization based on the outstanding value of the debt. Long-term debt obligations are reported net of applicable bond/certificate premium or discount and deferred loss on refunding, while issuance costs are reported as other assets.

In the fund financial statements, governmental funds recognize bond and certificate of obligation premiums, discounts, and issuance costs in the current period. The face value of the debt issued and any premiums received on the debt issuance are reported as "other financing sources" while discounts on the debt issuance are reported as "other financing uses." All issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Note 8 gives detailed information regarding the County's long-term debt service and outstanding debt at September 30, 2010.

Deferred Revenues

In the fund financial statements, the County defers all uncollected property taxes (net of estimated uncollectible amounts), unearned grant revenue, and other advance payments. In the Internal Service Funds, premiums collected in advance from employees are deferred until earned.

Arbitrage

The Tax Recovery Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local government bonds and certificates of obligation. Issuing governments must calculate any arbitrage rebate due and remit the amount due at least every five years on each individual series from its respective issuance date.

As of September 30, 2010, the County has an estimated arbitrage rebate liability reported on the government-wide financial statements in other long-term debt in the amount of \$185,347. Travis County has elected to account for arbitrage liability as a reduction of revenue rather than a claim or judgment. There will be no recognition in the

governmental fund financial statements until rebatable amounts are actually due and payable to the federal government.

Compensated Absences

All full-time employees of the County accumulate vacation benefits in varying annual amounts up to a maximum allowable accumulation of 240 hours, with the exception of law enforcement employees who may accumulate unlimited vacation hours. Sick leave benefits are earned by all full-time employees at a rate of twelve days per year and may be accumulated without limit. In the event of termination, an employee is reimbursed for all accumulated vacation days up to a maximum of 20 days or 160 hours, and for one-half of all accrued sick leave up to a maximum of 30 days or 240 hours. These benefits were approved by the Commissioners' Court, which is the County's governing body, and clearly communicated and reported to employees each pay period on their payroll check/deposit slip and also through the County's intranet website.

All compensated absence benefits are accrued when incurred in the government-wide and proprietary fund financial statements.

For governmental funds, an accrued vacation and sick pay liability is recorded as an expenditure and liability in the respective funds to the extent it has matured. In addition to the liability, a portion of the fund balance in these funds has been designated for disbursement of near-term compensated absence benefits.

Central Health maintains a paid-time-off plan for absences from work for either illness or vacation. Under the plan, the cost of all compensated absences is accrued at the time the benefits are earned. At the time of termination, any unused paid-time-off benefits may be paid up to a maximum of 240 hours for administrative staff and 280 hours for provider staff.

Transactions Between Funds

Transactions between funds that would be accounted for as revenues, expenditures or expenses if they involved organizations external to the County are accounted for as revenues and expenditures in the funds involved. In the fund financial statements, transactions that constitute reimbursements of a fund for expenditures initially made from it, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and a reduction of the expenditure in the fund that is reimbursed. All legally authorized transfers are treated as transfers in the financial statements. Interfund activity within the primary government's governmental activities has been eliminated in the government-wide financial statements. Note 5 gives an analysis of the County's interfund transactions for fiscal year 2010.

Premium revenues generated by the Internal Service Funds and the corresponding expenses in those funds in the amount of \$34,931,283 have been eliminated in the government-wide financial statements.

Net Assets/Fund Balance (reserved, restricted, designated, etc.)

For the government-wide financial statements, restricted net assets represent assets that have externally imposed restrictions by creditors, grantors, contributors, or laws or regulations of other governments. Assets may also be restricted as imposed by law through constitutional provisions or enabling legislation. Invested in capital assets, net of related debt represents capital assets, net of accumulated depreciation and is

reduced by outstanding balances for bonds, certificates of obligation, and other debt that is attributed to the acquisition, construction, or improvement of those assets.

For the fund financial statements, reserved fund balances represent those portions of fund equity not available for appropriation or that are legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Generally, resources that are *reserved* in the fund financial statements are broader in scope than resources that are *restricted*. However, in some instances there may be some resources that would be considered restricted in the government-wide financial statements, but not considered reserved in the fund financial statements.

Pension Plans

It is the policy of the County to fund pension costs, which consist of normal cost and amortization of unfunded prior service cost, if any, from funds provided from current operations.

Tobacco Settlement Revenue – Central Health

Tobacco settlement revenue is the result of a settlement between various counties and hospital districts in Texas and the tobacco industry for tobacco-related health care cost. Central Health recognized \$1,390,461 associated with the settlement in the year ended September 30, 2010. Settlement revenues for fiscal year 2010 are based on the investment earnings of the tobacco settlement fund as administered by the Comptroller's Office of the State of Texas. Central Health is unable to estimate the continuance or level of future distributions.

During the year ended September 30, 2010, Central Health budgeted and recorded its tobacco settlement revenue net of amounts paid to the Daughters of Charity Health Services of Austin ("Seton") and to Travis County, which were \$628,190 and \$266,746 respectively. Such amounts represent their respective share of total local healthcare expenditures claimed for the year ended September 30, 2010.

G. New Reporting Standards

The County is currently reviewing the following GASB Statements and has not determined the impact these statements will have on its financial statements:

GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", was issued and is effective for the County beginning in fiscal year 2011. This statement creates new fund balance classifications that are based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources. This statement also modifies the definitions of various governmental fund types for clarity and consistency.

GASB Statement No. 59, "Financial Instruments Omnibus", was issued and is effective for the County beginning in fiscal year 2011. This Statement amends previous pronouncements that address certain financial instruments, including 2a7-like external investments pools, interest rate risk disclosures for debt investment pools, and others.

2. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at year-end in the government-wide financial statements, including the applicable allowances, are as follows (amounts in thousands):

| | Taxes | Accounts * | Interest | Other | Total |
|---|-----------------|------------------|-----------------|------------------|------------------|
| Governmental Activities: | | | | | |
| General | \$ 29,132 | \$ 42,032 | \$ 877 | \$ - | \$ 72,041 |
| Road and Bridge | - | 4,065 | 45 | - | 4,110 |
| Grants | - | - | 50 | 4,224 | 4,274 |
| General Purpose Debt Service | 3,476 | - | 10 | - | 3,486 |
| Capital: | | | | | |
| General Obligation Bonds | - | - | 116 | - | 116 |
| Certificates of Obligation | - | - | 265 | - | 265 |
| Road Bonds and Certificates of Obligation | - | - | 304 | 5,207 | 5,511 |
| Non-major Governmental Funds | 22 | 5,050 | 174 | 2,585 | 7,831 |
| Proprietary Fund | - | - | 274 | 145 | 419 |
| Total - governmental activities | <u>32,630</u> | <u>51,147</u> | <u>2,115</u> | <u>12,161</u> | <u>98,053</u> |
| Less: | | | | | |
| Allowance for uncollectibles | (10,467) | (21,691) | - | - | (32,158) |
| Allowance for long-term collections | (17,956) | (8,688) | - | - | (26,644) |
| Total - governmental activities, net | <u>\$ 4,207</u> | <u>\$ 20,768</u> | <u>\$ 2,115</u> | <u>\$ 12,161</u> | <u>\$ 39,251</u> |
| Amounts not scheduled for collection during the subsequent year | | | | | |
| | <u>\$ 7</u> | <u>\$ 18,414</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 18,421</u> |

* Includes Receivable from Central Health
 Note: Includes blended component units.

Central Health

Central Health's receivables, including the applicable allowances, are comprised of the following as of September 30, 2010:

| | Taxes | Due from CommUnityCare | Other | Total |
|---|-------------------|---------------------------|---------------------|----------------------|
| Total | \$ 1,675,925 | \$ 10,748,180 | \$ 9,349,464 | \$ 21,773,569 |
| Less: | | | | |
| Allowance for uncollectibles | (203,977) | - | - | (203,977) |
| Allowance for long-term collections | (1,066,368) | - | - | (1,066,368) |
| Total, net | <u>\$ 405,580</u> | <u>\$ 10,748,180</u> | <u>\$ 9,349,464</u> | <u>\$ 20,503,224</u> |
| Amounts not scheduled for collection during the subsequent year | | | | |
| | <u>\$ -</u> | <u>\$ 4,000,000</u> | <u>\$ -</u> | <u>\$ 4,000,000</u> |

At September 30, 2010, the due from CommUnityCare balance of \$10,748,180 is comprised of \$6,748,180 in current assets and \$4,000,000 in noncurrent assets. At September 30, 2010, the other receivables balance is comprised of \$489,123 of accrued interest on

investments, approximately \$6 million in receivables from Seton, and approximately \$2.8 million in intergovernmental transfer receivables.

3. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between the *governmental fund balance* on the fund financial statements and *total net assets of governmental activities* on the government-wide financial statements.

The following schedule gives the details of each of the reconciling items.

| | | |
|---|----------------------|-------------------------------------|
| Governmental fund balance | | \$ 361,474,746 |
| <u>Difference due to capital assets</u> | | |
| Capital assets (excluding Internal Service Funds) | 2,051,207,852 | |
| Accumulated depreciation (excluding Internal Service Funds) | <u>(872,591,801)</u> | 1,178,616,051 |
| <u>Difference due to receivables and other assets</u> | | |
| Taxes receivable (including penalties and interest) | 2,200,000 | |
| Accounts receivable, net of allowances | 16,505,736 | |
| Debt issuance costs | <u>4,433,893</u> | 23,139,629 |
| <u>Difference due to current liabilities</u> | | |
| Deferred revenue (excluding Internal Service Funds) | 2,003,653 | |
| Interest Payable | <u>(3,718,981)</u> | (1,715,328) |
| <u>Difference due to non-current liabilities</u> | | |
| Landfill remediation | (2,487,155) | |
| Compensated absences (excluding Internal Service Funds) | (21,778,474) | |
| Debt payable, including arbitrage* | <u>(636,222,112)</u> | (660,487,741) |
| <u>Difference due to Internal Service Funds</u> | | |
| Net asset balance of Self-Insurance Fund | 13,869,932 | |
| Net asset balance of Employee Health Benefit Fund | <u>19,093,084</u> | 32,963,016 |
| * Net of unamortized premiums, discounts, and loss on refundings. | | |
| Government-wide net assets | | <u><u>\$ 933,990,373</u></u> |

B. Explanation of differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between the *change in governmental fund balance* on the fund financial statements and *change in total net assets of governmental activities* on the government-wide financial statements.

The following schedule gives the details of each of the reconciling items.

| | | |
|---|--------------------|-----------------------------|
| Change in governmental fund balance | | \$ 72,721,401 |
| <u>Amount by which capital outlay exceeds depreciation expense and other capital related transactions</u> | | |
| Capital outlay ⁽¹⁾ (excludes Internal Service Funds) | 112,551,539 | |
| Depreciation expense (excludes Internal Service Funds) | (76,564,076) | |
| Land annexed by other governmental entity | <u>(1,155,300)</u> | 34,832,163 |
| <u>Revenues that do not provide current financial resources⁽²⁾</u> | | |
| Excess of capital asset donated revenue over disposal revenue | 15,964,717 | |
| Property tax and penalty and interest revenues that do not provide current financial resources and therefore are adjusted in the government-wide financial statements | (201,383) | |
| Revenue recognized for charges for services* | 2,776,420 | |
| Revenue recognized for miscellaneous revenue* (excludes Internal Service Funds) | (597,087) | |
| Increase in revenue related to arbitrage adjustment/payment | <u>228,753</u> | 18,171,420 |
| * net of allowances | | |
| <u>Long-term debt and related items</u> | | |
| Debt payments | 77,109,398 | |
| Debt issuances (includes premiums and discounts) | (167,757,930) | |
| Deferral of debt issuance costs (amortized over life of debt) | 1,234,497 | |
| Accrued interest expense | (3,756,538) | |
| Accretion of capital appreciation bond interest | (82,338) | |
| Amortization of debt premiums | 1,582,173 | |
| Amortization of debt discount | (10,734) | |
| Amortization of debt issuance costs | (391,576) | |
| Amortization of loss on refunding bonds | <u>(188,838)</u> | (92,261,886) |
| <u>Expenses that do not require the use of current financial resources⁽²⁾ or have not matured</u> | | |
| Landfill liability - non-current | 68,160 | |
| Compensated absence adjustment - non-current (excludes Internal Service Funds) | <u>(483,091)</u> | (414,931) |
| <u>Internal Service Funds change in net assets</u> | | |
| Self-Insurance Fund | (1,696,942) | |
| Employee Health Benefit Fund | <u>(7,157,455)</u> | (8,854,397) |
| Change in government-wide net assets | | <u>\$ 24,193,770</u> |

(1) The difference between capital outlay in the governmental funds of \$107,606,225 and capital outlay in the government-wide financial statements of \$112,551,539 is: A) an additional \$5,207,432 which was a refund from the State of Texas regarding prior joint road projects, and is reported as operating expense rather than capital outlay in the government-wide financial statements, as the State of Texas maintains the asset; B) an elimination of \$30,789 for fund financial statement presentation; and C) less \$292,907 expended for assets that are owned or maintained by other governmental agencies.

(2) Revenues that do not provide current financial resources do not include the elimination of \$153,632 for fund financial statement presentation. Expenses that do not require the use of current financial resources do not include the elimination of (\$153,632) for fund financial statement presentation. Also not included is an elimination of \$210,401 for an operating lease between the General Fund and a grant fund.

4. AD VALOREM (PROPERTY) TAXES

The County's property tax is levied each October 1 on the assessed value listed as of the prior January 1, the date a lien attaches, for all real and personal property located in the County. The assessment ratio is 100 percent of fair market value for the roll levied October 1. Taxes are due by January 31 following the October 1 statement date and become delinquent on February 1, at which time penalty and interest begin to accrue. Total value for County property on the 2009 tax roll was approximately \$99,056,261,383 (net of exemptions) and produced a total levy of \$417,556,102, excluding blended component units. Collections on this levy were recognized as revenue in fiscal year 2010 in the governmental fund financial statements.

The County is permitted by Article VIII, Section 9 of the State of Texas Constitution to levy taxes up to \$0.80 per \$100 of assessed valuation for general governmental services including payment of principal and interest on general obligation long-term debt and maintenance of roads and bridges. Title 6, Chapters 256.052 and 256.054 of Vernon's Texas Transportation Statutes permits the County to collect an additional \$0.15 per \$100 assessed valuation for road and bridge purposes and \$0.30 per \$100 assessed valuation for road and bridge and flood control purposes, respectively. However, for the October 2009 tax roll, all required taxes to be used for general government purposes were levied under Article VIII, Section 9.

At October 1, 2009 (tax levy for fiscal year 2010 revenues) the County tax rate was \$0.4215 per \$100 valuation, of which \$0.0698 was used for payment of long-term debt requirements. The County, therefore, has legal margins of \$0.3785, \$0.1500 and \$0.3000 and could raise up to \$374,927,949, \$148,584,392 and \$297,168,784, respectively, of additional taxes per year from the 2009 tax roll assessed valuation of \$99,056,261,383 before the limit is reached.

The appraisal of property within the County is the responsibility of the Travis Central Appraisal District, which is required under the Property Tax Code to assess all property within the appraisal district on the basis of 100 percent of its appraised value, and is prohibited from applying any assessment ratios. The value of property within the County must be reviewed every three years by the appraisal district unless the County, at its own expense, requires more frequent reviews. The County may challenge the appraised values through various appeals and, if necessary, legal action. Under this legislation, the County continues to set tax rates on county property.

Road Districts

Property tax for the road districts is to be levied each October 1 on the assessed value listed as of the prior January 1 for all property within each road district. The Commissioners' Court will levy and collect taxes within each road district, as required. Debt issued by the road districts is payable from the proceeds of this ad valorem tax to be levied without legal limitation as to rate or amount on all of the taxable property within the road districts. Article III, Section 52 of the State of Texas Constitution, as amended, permits each road district to issue bonds in any amount not to exceed 25 percent of the assessed valuation of the real property of the road district.

As of September 30, 2010, Northwest Travis County Road District No. 3 ("NWTCRD No. 3") is one of two active road districts that is ad valorem tax-supported for repayment of debt. The total value for NWTCRD No. 3 property on the 2009 tax roll was approximately \$465,714,448 and produced a total levy of \$582,143. At October 1, 2009 (tax levy for fiscal year 2010), the NWTCRD No. 3 tax rate was \$0.125 per \$100 valuation.

Travis County Bee Cave Road District No. 1 (“TCBCRD No. 1”) is the other active road district that is ad valorem tax-supported. TCBCRD No. 1 property on the 2009 tax roll was approximately \$159,346,895 and produced a total levy of \$1,112,879. At October 1, 2009 (tax levy for fiscal year 2010), the TCBCRD No. 1 tax rate was \$0.6984 per \$100 valuation.

Central Health

Property taxes are levied as of October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes and penalties and interest that are ultimately imposed. The assessed value at January 1, 2009, upon which the October 2009 levy was based, was \$100,381,064,310. Central Health levied taxes based on a tax rate of \$0.0674 per \$100 of assessed valuation.

5. INTERFUND TRANSACTIONS

Although all interfund activity within the County is eliminated in the government-wide financial statements, it remains intact in the fund financial statements.

Interfund transfers for the year ended September 30, 2010 were:

| | <u>Transfers in:</u> | | | | <u>Totals</u> |
|--|----------------------|---------------------|---|-------------------------------|----------------------|
| | <u>General</u> | <u>Grants</u> | <u>General Purpose Debt Service</u> | <u>Other Governmental</u> | |
| Transfers out: | | | | | |
| General | \$ - | \$ 1,552,861 | \$ - | \$ 11,439,389 | \$ 12,992,250 |
| Road and Bridge | 2,483,051 | - | - | - | 2,483,051 |
| Grants | 4,445 | 5,017 | - | 155 | 9,617 |
| Capital - General Obligation Bonds | - | - | 86,643 | - | 86,643 |
| Capital - Certificates of Obligation | - | - | 63,795 | - | 63,795 |
| Capital - Road Bonds and Certificates of Obligation | - | - | 2,782 | - | 2,782 |
| Other Governmental | 291,682 | - | - | - | 291,682 |
| Totals | <u>\$ 2,779,178</u> | <u>\$ 1,557,878</u> | <u>\$ 153,220</u> | <u>\$ 11,439,544</u> | <u>\$ 15,929,820</u> |

Transfers are used to (1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund receivables and payables at September 30, 2010 were:

| | Due From: | | | | | | Totals |
|---|---------------------|-------------------|------------------------------|------------------------------------|---|------------------|---------------------|
| | General | Road and Bridge | General Purpose Debt Service | Capital - General Obligation Bonds | Capital - Road Bonds and Certificates of Obligation | Internal Service | |
| Due To: | | | | | | | |
| General | \$ - | \$ 134,511 | \$ - | \$ - | \$ 547 | \$ 65,798 | \$ 200,856 |
| Road and Bridge | - | - | - | - | 15,822 | 5,704 | 21,526 |
| Grants | 2,345,596 | - | - | - | - | 2,802 | 2,348,398 |
| Capital - General Obligation Bonds | - | - | 2,735 | - | - | - | 2,735 |
| Capital - Road Bonds and Certificates Of Obligation | - | - | 47,842 | - | - | - | 47,842 |
| Other Governmental | 1,807,163 | - | - | 78,979 | 1,987 | 3,760 | 1,891,889 |
| Internal Service | - | - | - | - | - | 97 | 97 |
| Totals | \$ 4,152,759 | \$ 134,511 | \$ 50,577 | \$ 78,979 | \$ 18,356 | \$ 78,161 | \$ 4,513,343 |

These balances resulted from the time lag between the dates that interfund services are provided or reimbursable expenditures occur and payments between funds are made. Interfund balances are expected to be repaid within one year from the date of the financial statements and are routine in nature.

6. DEPOSITS AND INVESTMENTS

Deposits

The Commissioners’ Court has developed a formal investment policy for the County that is consistent with state statutes. Central Health has also developed a formal investment policy in the same manner. The County’s and Central Health’s policies state they will use the “prudent investor rule” in investment decisions. The objectives of the County and Central Health’s policies are to ensure the safety of the principal, maintain adequate liquidity, and yield the highest possible return subject to the first two principles.

While both the County’s and Central Health’s investment policies require collateralization with a fair market value equal to at least 102 percent of their funds in excess of \$250,000, the County’s depository agreement with JPMorgan Chase Bank requires collateralization with a fair market value equal to at least 105 percent of County funds in excess of \$250,000 on deposit in the bank for interest bearing accounts, and the total amount for non-interest bearing accounts. Central Health’s depository agreement with JPMorgan Chase Bank requires collateralization with a fair market value equal to at least 105 percent of Central Health funds in excess of \$250,000 on deposit in the bank for interest bearing accounts. All of the pledged collateral for the County’s and Central Health’s demand deposits and time deposits are U.S. Treasury securities or U.S. Government agency securities. The depository agreements state that collateral shall consist of one or more of the following: United States Treasury securities, Federal National Mortgage Association (“Fannie Mae”) securities, pools or REMIC CMO’s;

Federal Farm Credit Bank (“FFCB”) securities, Federal Home Loan Bank (“FHLB”) agencies, Federal Home Loan Mortgage Corporation (“Freddie Mac”) pools or REMIC CMO’s; and Government National Mortgage Association (“GNMA”) pools, obligations of states, agencies, counties, cities, and other political subdivisions of any state that are rated not less than “A” or its equivalent. The REMIC CMO’s must not have variable rates or original maturities longer than ten years.

This collateral is held by the Federal Reserve Bank of New York, which in the case of default by JPMorgan Chase will act as agent for Travis County and Central Health, in a fiduciary account held in the name of JPMorgan Chase and Travis County or Central Health and pledged to Travis County or Central Health, as appropriate. During fiscal year 2010, collateral coverage was more than the 102% of the County’s bank balances required by policy on all days during the year. However, there were two days, one in April 2010 and one in September 2010, where Central Health’s bank balances were not fully collateralized. As of September 30, 2010, the County’s and Central Health’s bank balances in excess of federal depository insurance were fully collateralized.

Deposits, including non-participating interest earning investment contracts, are stated at cost plus accrued interest, if any, and the carrying amounts are displayed on the balance sheet as “Cash”, “Certificates of Deposit”, or a component of “Pooled Cash”. For cash management, the County has pooled cash and certain investments. At year-end, an individual fund may have a negative balance in pooled cash, in which case the fund reports a “due to” the General Fund. Interest revenue from pooled cash is allocated to participating funds monthly on an average daily balance basis. Deposits of blended component units are stated at cost plus accrued interest, if any, and the carrying amounts are displayed on the balance sheet as “Cash and Pooled Cash”.

Investments

The County and Central Health are authorized to purchase, sell, and invest their funds and funds under their control in accordance with the Texas Public Funds Investment Act, Government Code Chapter 2256 and its subsequent amendments. During the fiscal period, the County’s investments consisted of U.S. government securities, U.S. government agency securities, certificates of deposit, participation in three local government investment pools (TexPool, TexasTERM, and TexSTAR), municipal bonds, and a mutual fund. The carrying amount of investments as of September 30, 2010, is displayed on the balance sheet as “Investments” or as a component of “Pooled Cash”. During the fiscal period, Central Health’s investments consisted of U.S. government agency securities and participation in three local government investment pools (TexPool, TexasTERM, and TexSTAR).

The County’s and Central Health’s adoption of GASB Statement No. 31 requires some investments be reported at fair value. TexPool operates in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure.

TexasTERM is organized in conformity with the Texas Public Funds Investment Act of the Texas Government Code. It provides for a fixed-rate, fixed-term investment for a period of 60 days to one year and includes TexasDAILY, a portfolio of the Local Government Pool, providing daily access to funds. An Advisory Board, composed of participants in TexasTERM and other parties who do not participate in the Pool, has responsibility for the overall management of the Pool, including formulation and implementation of its Investment and Operating Policies. PFM Asset Management LLC (“PFM”), a leading national financial and investment advisory firm, is the investment advisor to the pool. TexasTERM’s TexasDAILY portfolio maintains a Net Asset Value of approximately \$1 per share and is a Rule 2a7-like pool.

TexSTAR is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, of the Texas Government Code. TexSTAR is governed by a five-member board of directors composed of three participant members, one representative from J.P. Morgan Investment Management Inc. (“JPMIM”), and one representative from First Southwest Asset Management to provide for the joint investment of participants’ public funds. JPMIM serves as investment manager to TexSTAR while First Southwest Asset Management provides administrative services, participant support, and marketing services. TexSTAR, a Rule 2a7-like pool, reports its investments using amortized cost rather than market value. TexSTAR maintains a Net Asset Value of approximately \$1 per share.

TexPool, TexasTERM, and TexSTAR are rated AAAM by Standard & Poor’s. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor’s for review. TexPool is also required to send portfolio information to the office of the State Comptroller of Public Accounts.

As of September 30, 2010, the County had the following investments:

| <u>Investment at September 30, 2010</u> | <u>Fair Value</u> | <u>Weighted Average Maturity (Years)</u> |
|---|-----------------------|--|
| Certificates of Deposit | \$ 20,088,182 | N/A |
| Government Agencies | 216,717,860 | 1.23 |
| Government Treasuries | 82,577,461 | 0.89 |
| Mutual Funds | 41,225 | 0.00 |
| Municipal Bonds | 8,991,715 | 0.70 |
| Local Government Investment Pools | <u>181,542,383</u> | 0.00 |
| Total fair value | <u>\$ 509,958,826</u> | |
| Portfolio weighted average maturity | | 0.71 |

Note: Cash and pooled cash, investments, and certificates of deposit for County funds at September 30, 2010 total \$525,369,361. The total fair value amount of \$509,958,826 excludes cash of \$15,410,535.

As of September 30, 2010, Central Health had the following investments:

| <u>Investment at September 30, 2010</u> | <u>Fair Value</u> | <u>Weighted Average Maturity (Days)</u> |
|---|-----------------------|---|
| Local Government Investment Pools | \$ 39,073,348 | 1 |
| U.S. Government Agencies | 68,556,446 | 287 |
| U.S. Treasuries | <u>7,215,180</u> | 242 |
| Total fair value | <u>\$ 114,844,974</u> | |
| Portfolio weighted average maturity | | 211 |

Interest Rate Risk. In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 547 days or less. Central Health manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to one year or less. For the County, individual security types are limited as well, with the longest permitted maturity of seven years for government treasuries. For Central Health, individual security types are limited, with the longest permitted maturity of three years for government treasuries and government agencies.

Credit Risk. State law limits investment in municipal bonds to at least an A rating or its equivalent by a nationally recognized investment rating firm. However, the County and Central Health require Aa2 by Moody's or AA by Standard & Poor's. For commercial paper, state law limits investments to a rating not less than A-1 or P-1 by at least two nationally recognized credit rating agencies. The County's and Central Health's Investment Policies limit commercial paper to a rating not less than A-1 by Standard and Poor's and P-1 by Moody's Investors Service. The County and Central Health do not have credit limits on government agency securities. The County's and Central Health's investments in government agencies carry the implicit guarantee of the U.S. government. The County's and Central Health's Investment Policies require that certificates of deposit be either federally insured or collateralized.

| Travis County | |
|---|--------------------------|
| Investment at September 30, 2010 | Standard & Poor's Rating |
| Certificates of Deposit | N/A |
| Fannie Mae* | AAA |
| Freddie Mac | AAA |
| Federal Home Loan Bank | AAA |
| Federal Farm Credit Bureau | AAA |
| Vanguard Target Retirement 2020 Mutual Fund | AAA |
| Municipal Bonds** | AA - AAA |
| Local Government Investment Pools | AAAm |
| U.S. Treasuries | AAA |

*One security in the Fannie Mae portfolio is not rated by Standard & Poor's, but is rated Aaa by Moody's

**One security is not rated by Standard & Poor's, but is rated Aa2 by Moody's.

| Central Health | |
|-----------------------------------|--------------------------|
| Investment at September 30, 2010 | Standard & Poor's Rating |
| Fannie Mae | AAA |
| Freddie Mac* | AAA |
| Federal Home Loan Bank | AAA |
| Federal Farm Credit Bureau | AAA |
| Local Government Investment Pools | AAAm |
| U.S. Treasuries | AAA |

*One Freddie Mac security is not rated by Standard & Poor's, but is rated Aaa by Moody's

Concentration of Credit Risk. The concentration of credit risk is the risk of loss attributable to the magnitude of a government's investment in a single issuer. The County's Investment Policy limits the percentage of the combined portfolios for each type of eligible investment to reduce the risk of principal loss.

Travis County

| Investment at September 30, 2010 | % of Portfolio | Portfolio Limit |
|---|----------------|-----------------|
| Certificates of Deposit | 4% | 50% |
| Government Agencies | 43% | 75% |
| Government Treasuries | 16% | 100% |
| Mutual Funds | 0% | 20% |
| Municipal Bonds | 2% | 20% |
| TexPool | 16% | 50% |
| Other Local Government Investment Pools | 19% | 30% |

Information regarding investments in any one issuer that represents five percent or more of the County's total investments must be disclosed under GASB Statement No. 40, excluding investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds, and investments in external investment pools. At September 30, 2010, the County's investments which require disclosure are as follows:

Travis County

| Issuer | Fair Value | % of Portfolio |
|----------------------------|---------------|----------------|
| Fannie Mae | \$ 66,211,835 | 13% |
| Freddie Mac | 45,204,755 | 9% |
| Federal Home Loan Bank | 65,182,450 | 13% |
| Federal Farm Credit Bureau | 40,118,820 | 8% |

Central Health's Investment Policy limits the percentage of the combined portfolios for each type of eligible investment to reduce the risk of principal loss.

Central Health

| Investment at September 30, 2010 | % of Portfolio | Portfolio Limit |
|---|----------------|-----------------|
| TexPool | 27% | 60% |
| Other Local Government Investment Pools | 7% | 60% |
| U.S. Government Agencies | 60% | 75% |
| U.S. Treasuries | 6% | 100% |

Information regarding investments in any one issuer that represents five percent or more of Central Health's total investments must be disclosed under GASB Statement No. 40, excluding investments issued or explicitly guaranteed by the U.S. government. At September 30, 2010, Central Health's investments which require disclosure are as follows:

Central Health

| Issuer | Fair Value | % of Portfolio |
|----------------------------|---------------|----------------|
| Fannie Mae | \$ 13,101,890 | 11% |
| Freddie Mac | 20,031,780 | 18% |
| Federal Home Loan Bank | 28,407,446 | 25% |
| U.S. Treasuries | 7,215,180 | 6% |
| Federal Farm Credit Bureau | 7,015,330 | 6% |

7. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2010 is as follows:

| | Beginning Balance | Increases | Reclassifications and Adjustments | (Decreases) | Ending Balance |
|--|-------------------------|----------------------|--------------------------------------|-----------------------|-------------------------|
| <u>Governmental Activities</u> | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land and land improvements | \$ 161,027,366 | \$ 13,645,211 | \$ - | \$ (55,841) | \$ 174,616,736 |
| Land infrastructure | 62,883,795 | 1,110,362 | 2,028,144 | (1,155,321) | 64,866,980 |
| Construction in progress | 133,296,826 | 16,997,648 | (77,205,311) | (751) | 73,088,412 |
| Total capital assets not being depreciated | <u>357,207,987</u> | <u>31,753,221</u> | <u>(75,177,167)</u> | <u>(1,211,913)</u> | <u>312,572,128</u> |
| Capital assets being depreciated: | | | | | |
| Property, plant and equipment: | | | | | |
| Buildings | 325,010,130 | 65,773,489 | 65,399,420 | - | 456,183,039 |
| Improvements other than buildings | 57,906,432 | 616,103 | - | - | 58,522,535 |
| Machinery and equipment | 103,937,009 | 13,152,494 | - | (4,101,265) | 112,988,238 |
| Leasehold improvements | 127,096 | 280,024 | - | - | 407,120 |
| Infrastructure | <u>1,086,434,182</u> | <u>17,423,661</u> | <u>9,777,747</u> | <u>(2,566,633)</u> | <u>1,111,068,957</u> |
| Total capital assets being depreciated | <u>1,573,414,849</u> | <u>97,245,771</u> | <u>75,177,167</u> | <u>(6,667,898)</u> | <u>1,739,169,889</u> |
| Less accumulated depreciation: | | | | | |
| Property, plant and equipment: | | | | | |
| Buildings | (101,736,249) | (10,727,428) | - | - | (112,463,677) |
| Improvements other than buildings | (11,876,331) | (1,554,223) | - | - | (13,430,554) |
| Machinery and equipment | (69,797,430) | (8,480,951) | - | 3,859,921 | (74,418,460) |
| Leasehold improvements | (95,248) | (18,325) | - | - | (113,573) |
| Infrastructure | <u>(619,033,768)</u> | <u>(55,808,351)</u> | <u>-</u> | <u>2,567,382</u> | <u>(672,274,737)</u> |
| Total accumulated depreciation | <u>(802,539,026)</u> | <u>(76,589,278)</u> | <u>-</u> | <u>6,427,303</u> | <u>(872,701,001)</u> |
| Total capital assets being depreciated, net | <u>770,875,823</u> | <u>20,656,493</u> | <u>75,177,167</u> | <u>(240,595)</u> | <u>866,468,888</u> |
| Total capital assets, net | <u>\$ 1,128,083,810</u> | <u>\$ 52,409,714</u> | <u>\$ -</u> | <u>\$ (1,452,508)</u> | <u>\$ 1,179,041,016</u> |

Note: Decreases include retirements and other dispositions.

Depreciation expense in fiscal year 2010 was charged to functions/programs of the primary government as follows:

| Governmental Activities | Depreciation Expense |
|---|-------------------------|
| General government | \$ 3,391,512 |
| Justice system | 2,632,959 |
| Public safety | 2,544,288 |
| Corrections and rehabilitation | 5,833,789 |
| Health and human services | 1,993,748 |
| Infrastructure and environmental services | 58,002,368 |
| Community and economic development | 2,190,614 |
| Total depreciation expense | <u>\$ 76,589,278</u> |

Construction in progress consists of the following at September 30, 2010:

| Description | Amount |
|--------------------------------|----------------------|
| New SMART Facility | \$ 113,973 |
| Buildings (various projects) | 198,410 |
| Precinct 1 building | 991,025 |
| Reimers Park | 1,393,798 |
| Land infrastructure | 7,981,578 |
| Infrastructure | 62,409,628 |
| Total construction in progress | <u>\$ 73,088,412</u> |

As of September 30, 2010, the County has \$61,962,612 in outstanding commitments, which are funded by grants of \$37,128, by debt proceeds of \$37,266,994, and by other sources of \$24,658,490.

Central Health

Central Health's capital assets are comprised of the following as of September 30, 2010:

| | Beginning Balance | Increases | (Decreases) | Ending Balance |
|---|----------------------|--------------------|-------------|----------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 10,345,124 | \$ - | \$ - | \$ 10,345,124 |
| Construction in progress | 398,329 | 2,195,273 | - | 2,593,602 |
| Total capital assets not being depreciated | <u>10,743,453</u> | <u>2,195,273</u> | <u>-</u> | <u>12,938,726</u> |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 91,177,877 | 108,513 | - | 91,286,390 |
| Equipment and furniture | 2,451,077 | 392,677 | - | 2,843,754 |
| Total capital assets being depreciated | <u>93,628,954</u> | <u>501,190</u> | <u>-</u> | <u>94,130,144</u> |
| Less accumulated depreciation: | | | | |
| Buildings and improvements | (9,160,654) | (1,890,455) | - | (11,051,109) |
| Equipment and furniture | (474,828) | (444,247) | - | (919,075) |
| Total accumulated depreciation | <u>(9,635,482)</u> | <u>(2,334,702)</u> | <u>-</u> | <u>(11,970,184)</u> |
| Total capital assets being depreciated, net | <u>83,993,472</u> | <u>(1,833,512)</u> | <u>-</u> | <u>82,159,960</u> |
| Total capital assets, net | <u>\$ 94,736,925</u> | <u>\$ 361,761</u> | <u>\$ -</u> | <u>\$ 95,098,686</u> |

With the creation of Central Health, the City of Austin conveyed ownership of assets associated with Brackenridge/Children's Hospital, the Austin Women's Hospital, and medical equipment used in the health care clinics to Central Health. Travis County conveyed medical equipment used in the health care clinics to Central Health. The City of Austin also donated an office building to Central Health. The conveyed and donated assets were recorded at fair market value at the date of receipt.

With the granting of the Federally Qualified Healthcare Center status to Central Health and CommUnityCare jointly on March 1, 2009, ownership of the remainder of the assets formerly owned by the City of Austin but not required to transfer under Texas law to Central Health were deeded from the City to Central Health in fiscal year 2009.

8. LONG-TERM DEBT

The following is a summary of long-term debt transactions of the County, including blended component units, for the year ended September 30, 2010.

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---------------------------------------|----------------------|----------------|------------------|-------------------|------------------------|
| <u>Governmental Activities</u> | | | | | |
| Debt payable: | | | | | |
| General obligation bonds ¹ | \$ 421,048,567 | \$ 42,097,338 | \$ (53,810,000) | \$ 409,335,905 | \$ 29,790,000 |
| Certificates of obligation | 119,305,000 | 114,610,000 | (20,995,000) | 212,920,000 | 19,565,000 |
| | 540,353,567 | 156,707,338 | (74,805,000) | 622,255,905 | 49,355,000 |
| Less deferred amounts: | | | | | |
| Loss on refundings | (5,760,952) | (1,680,867) | 1,932,514 | (5,509,305) | - |
| Add: | | | | | |
| Unamortized discounts | (151,906) | (226,199) | 10,734 | (367,371) | - |
| Unamortized premiums | 9,880,580 | 11,359,129 | (1,582,173) | 19,657,536 | - |
| Total debt payable | 544,321,289 | 166,159,401 | (74,443,925) | 636,036,765 | 49,355,000 |
| Claims and judgments | 15,521,488 | 45,568,706 | (43,939,738) | 17,150,456 | 12,549,454 |
| Compensated absences | 28,364,639 | 29,038,296 | (28,377,556) | 29,025,379 | 14,248,602 |
| Other long-term liabilities: | | | | | |
| Arbitrage | 414,100 | - | (228,753) | 185,347 | 23,739 |
| Landfill post-closure care | 2,555,315 | - | (68,160) | 2,487,155 | 177,156 |
| Total long-term liabilities | \$ 591,176,831 | \$ 240,766,403 | \$ (147,058,132) | \$ 684,885,102 | \$ 76,353,951 |

(1) Additions to General Obligation Bonds include debt issuance and \$82,338 for accretion of interest on capital appreciation bonds.

At September 30, 2010, \$14,140,251 was available in the debt service funds (including blended component units in the amount of \$614,341) to service the long-term debt requirements. The general obligation debt payable in the government-wide financial statements includes cumulative accretion of interest on capital appreciation bonds in the amount of \$290,918. The unaccreted interest on the capital appreciation bonds is \$672,796.

The Internal Service Funds predominantly serve the governmental funds. Accordingly, long-term liabilities, including claims and judgments and compensated absences, reported in those funds are included as part of the above totals for governmental activities. At year end, \$160,685 of the Internal Service Funds compensated absences was included in the above amounts. As they relate to the governmental funds, the liabilities for arbitrage and landfill post-closure care are typically liquidated by capital projects funds; and liabilities for compensated absences are typically liquidated by the General Fund and special revenue funds.

Long-Term Debt

Long-term debt of the County consists of various issues of general obligation bonds and certificates of obligation. General obligation bonds require voter approval at a public election before issuance, while certificates of obligation are issued upon the vote of the Commissioners'

Court. General obligation bonds and certificates of obligation are backed by the full faith and credit of the County. Debt service is primarily paid from ad valorem taxes.

| Issue | Original Balance | Interest Rate Range (%) | Maturity Dates | Outstanding Balance |
|---|-----------------------|----------------------------|-------------------|------------------------|
| General Obligation Bonds | | | | |
| <u>Unlimited Tax Road Bonds</u> | | | | |
| Series 2001 | \$ 5,630,000 | 4.63 - 5.00 | 2002 - 2021 | \$ 255,000 |
| Series 2002 | 14,000,000 | 4.70 - 5.50 | 2003 - 2022 | 1,315,000 |
| Series 2002-A | 100,000,000 | 2.25 - 5.25 | 2003 - 2022 | 9,105,000 |
| Series 2003 | 31,660,000 | 3.00 - 5.00 | 2004 - 2023 | 21,360,000 |
| Series 2004 | 7,830,000 | 3.38 - 4.38 | 2005 - 2024 | 6,340,000 |
| Series 2005 | 1,150,000 | 3.75 - 4.38 | 2006 - 2025 | 945,000 |
| Series 2006 | 16,110,000 | 4.00 - 5.00 | 2007 - 2026 | 14,350,000 |
| Series 2007 | 35,725,000 | 4.00 - 4.50 | 2008 - 2027 | 32,795,000 |
| Series 2008 | 23,230,000 | 3.50 - 4.50 | 2009 - 2028 | 22,250,000 |
| Series 2008 (TCBCRD No. 1) | 14,725,000 | 4.00 - 5.88 | 2009 - 2032 | 14,025,000 |
| Series 2009 | 6,980,000 | 3.00 - 4.00 | 2010 - 2029 | 6,845,000 |
| Series 2010 | 3,610,000 | 2.00 - 4.13 | 2011 - 2030 | 3,610,000 |
| <u>Limited Tax Permanent Improvement Bonds</u> | | | | |
| Series 2002 | 13,000,000 | 4.70 - 5.13 | 2003 - 2022 | 1,220,000 |
| Series 2003 | 4,335,000 | 2.70 - 4.70 | 2004 - 2023 | 2,635,000 |
| Series 2004 | 4,090,000 | 3.30 - 4.30 | 2005 - 2024 | 3,315,000 |
| Series 2005 | 3,940,000 | 3.25 - 4.25 | 2006 - 2025 | 3,240,000 |
| Series 2006 | 44,010,000 | 4.00 - 5.00 | 2007 - 2026 | 39,200,000 |
| Series 2007 | 21,005,000 | 4.00 - 5.00 | 2008 - 2027 | 19,285,000 |
| Series 2008 | 3,795,000 | 4.00 - 4.38 | 2009 - 2028 | 3,650,000 |
| Series 2009 | 6,705,000 | 3.00 - 4.00 | 2010 - 2029 | 6,575,000 |
| Series 2010 | 11,315,000 | 2.00 - 4.13 | 2011 - 2030 | 11,315,000 |
| <u>Limited Tax Refunding Bonds</u> | | | | |
| Series 2004 | 33,455,000 | 2.50 - 5.00 | 2005 - 2020 | 30,055,000 |
| Series 2005 | 30,745,000 | 3.50 - 5.50 | 2008 - 2016 | 23,595,000 |
| Series 2005-A | 9,155,000 | 3.50 - 5.00 | 2006 - 2011 | 2,160,000 |
| Series 2009 | 31,905,000 | 2.00 - 5.00 | 2010 - 2019 | 24,770,000 |
| Series 2010 | 27,090,000 | 2.00 - 5.00 | 2011 - 2022 | 27,090,000 |
| <u>Unlimited Tax Refunding Bonds</u> | | | | |
| Series 2005 | 53,670,000 | 3.50 - 5.50 | 2008 - 2022 | 52,600,000 |
| Series 2005 (NWTCD No. 3) | 4,765,000 | 3.00 - 4.00 | 2005 - 2014 | 2,260,000 |
| Series 2006 | 23,470,000 | 3.65 - 4.38 | 2007 - 2022 | 22,570,000 |
| <u>Capital Appreciation Bonds</u> | | | | |
| Principal | | 4.25* | 2016 - 2020 | \$ 314,987 |
| Accretion of Interest | | | | 290,918 |
| CAB Series Maturities | | | | 605,905 |
| | <u>\$ 587,100,000</u> | | | <u>\$ 409,335,905</u> |
| Certificates of Obligation | | | | |
| <u>Limited Tax</u> | | | | |
| Series 2001 | 27,300,000 | 4.00 - 4.90 | 2002 - 2021 | 275,000 |
| Series 2003 | 23,325,000 | 3.00 - 5.00 | 2004 - 2023 | 10,805,000 |
| Series 2006 | 23,925,000 | 4.00 - 4.40 | 2007 - 2026 | 13,650,000 |
| Series 2007 | 26,705,000 | 4.00 - 4.40 | 2008 - 2027 | 18,535,000 |
| Series 2007-A | 24,500,000 | 4.00 - 5.00 | 2009 - 2028 | 22,935,000 |
| Series 2008 | 23,175,000 | 3.25 - 4.25 | 2009 - 2028 | 17,665,000 |
| Series 2009 | 17,730,000 | 2.00 - 2.38 | 2010 - 2014 | 14,445,000 |
| Series 2010 Taxable | 14,305,000 | 0.74 - 4.15 | 2011 - 2018 | 14,305,000 |
| Series 2010 | 100,305,000 | 2.00 - 5.00 | 2011 - 2030 | 100,305,000 |
| | <u>\$ 281,270,000</u> | | | <u>\$ 212,920,000</u> |
| Total Bonds and Certificates of Obligation Payable | <u>\$ 868,370,000</u> | | | <u>\$ 622,255,905</u> |

* effective interest rate
 Note: This chart includes blended component units.

Debt Service Requirements:

The annual debt service requirements for all general obligation bonds and certificates of obligation outstanding at September 30, 2010, including blended component units, are as follows:

| Maturity | General Obligation Bonds | | Certificates of Obligation | | Total |
|-----------|--------------------------|-----------------------|----------------------------|----------------------|-----------------------|
| | Principal | Interest | Principal | Interest | |
| 2011 | \$ 29,790,000 | \$ 17,865,730 | \$ 19,565,000 | \$ 9,993,317 | \$ 77,214,047 |
| 2012 | 29,195,000 | 16,416,460 | 16,410,000 | 7,827,702 | 69,849,162 |
| 2013 | 28,665,000 | 15,131,146 | 13,960,000 | 7,384,882 | 65,141,028 |
| 2014 | 29,165,000 | 13,849,054 | 11,330,000 | 7,015,177 | 61,359,231 |
| 2015 | 29,345,000 | 12,494,432 | 7,870,000 | 6,707,493 | 56,416,925 |
| 2016-2020 | 141,480,905 | 44,142,725 | 43,480,000 | 28,846,567 | 257,950,197 |
| 2021-2025 | 88,225,000 | 16,005,089 | 51,665,000 | 18,017,153 | 173,912,242 |
| 2026-2030 | 31,420,000 | 3,048,787 | 48,640,000 | 5,568,621 | 88,677,408 |
| 2031-2032 | 2,050,000 | 182,125 | - | - | 2,232,125 |
| | <u>\$ 409,335,905</u> | <u>\$ 139,135,548</u> | <u>\$ 212,920,000</u> | <u>\$ 91,360,912</u> | <u>\$ 852,752,365</u> |

Defeased Debt:

In prior years, the County has issued refunding bonds to advance refund certain general obligation bonds and certificates of obligation. The proceeds of the refunding bonds were deposited in an irrevocable trust with an escrow agent. The funds were used to purchase government securities, which will provide for all future debt service requirements.

On September 30, 2010 defeased debt remaining unredeemed or unmatured from the 2005, 2006, and 2010 refunding issuances amounted to \$35,980,000, \$23,785,000, and \$27,745,000 respectively.

In September 1994, Southwest Travis County Road District No. 1 ("SWTCRD No. 1") issued, delivered, and exchanged Special Assessment Refunding bonds for its previously issued Unlimited Tax Refunding bonds, Series 1990. Except for \$10,000 of unredeemed coupon bonds from the original 1985 issuance, all debt of SWTCRD No. 1 has been defeased, redeemed, or matured.

Refunding Debt:

In August 2010, the County issued Limited Tax Refunding Bonds, Series 2010 in the amount of \$27,090,000. Proceeds from the sale were used to provide monies to advance refund previously issued Limited and Unlimited Tax debt. The County realized an economic gain of \$1,880,723 on a savings of \$2,164,622.

New Debt:

In June 2010, the County issued \$3,610,000 in Unlimited Tax Road Bonds, Series 2010. This issuance is part of the \$65.2 million authorization approved on November 8, 2005. These bonds carry interest rates ranging from 2.00 percent to 4.125 percent. The road bonds mature in varying amounts in each of the years 2011 to 2030.

The County also issued \$11,315,000 of Limited Tax Permanent Improvement Bonds, Series 2010. This issuance is part of the \$85.7 million authorization approved on November 8, 2005. These bonds carry interest rates ranging from 2.00 percent to 4.125 percent and mature in varying amounts in each of the years 2011 to 2030.

In addition to the bonds, the County also issued \$114,610,000 in Limited Tax Certificates of Obligation, Series 2010, \$14,305,000 of which was a taxable series. The proceeds from the taxable certificates of obligation are to be used for property acquisition and renovation. The proceeds of the tax-exempt certificates of obligation, including the \$8,614,904 premium, less the \$10,880 original issue discount, are to be used for property acquisition, a new financial system, helicopter and ambulance replacement, building construction and renovation, various road and bridge construction and improvement projects, and other authorized capital project needs for the County. The taxable certificates of obligation, bearing an interest rate ranging from .74 percent to 4.15 percent, will mature in varying amounts in each of the years 2011 to 2018. The tax-exempt certificates of obligation bear an interest rate ranging from 2.00 percent to 5.00 percent and mature in varying amounts in each of the years 2011 to 2030.

Future Borrowing:

In a county-wide bond election held on November 7, 2000 ("2000 Election"), the electorate authorized the County to issue an additional \$28,000,000 of unlimited tax road bonds. Of the total of the County's \$27,300,000 Certificates of Obligation, Series 2001 ("Series 2001 Certificates"), \$4,000,000 was issued for road building purposes in-lieu-of a like amount of road bonds authorized by the 2000 Election. The County agreed and covenanted that it would not issue a like amount of the voter authorized road bonds, thereby leaving \$24,000,000 of the road bonds authorized by the 2000 Election remaining to be issued in the future and unencumbered by such "in-lieu-of" covenants. In 2002, \$22,000,000 of unlimited tax road bonds was issued as part of Series 2002-A pursuant to the 2000 Election, thereby leaving \$2,000,000 of the road bonds authorized by the 2000 Election to be issued in the future.

In a county-wide bond election held on November 6, 2001 ("2001 Election"), the electorate authorized the County to issue an additional \$156,355,000 of unlimited tax road bonds of which \$89,330,000 was issued in 2002, \$31,660,000 in 2003, \$7,830,000 in 2004, \$1,150,000 in 2005, \$3,345,000 in 2006, \$19,900,000 in 2007, and \$950,000 in 2008, thereby leaving \$2,190,000 to be issued in the future. Also authorized by the electorate in the 2001 Election were \$28,600,000 limited tax permanent improvement bonds for County parks, of which \$13,000,000 was issued in 2002, \$4,335,000 in 2003, \$4,090,000 in 2004, \$3,940,000 in 2005, and \$3,035,000 in 2006, thereby leaving \$200,000 to be issued in the future.

In a county-wide bond election held on November 1, 2005 ("2005 Election"), the electorate authorized the County to issue an additional \$65,225,000 of unlimited tax road bonds of which \$12,765,000 was issued in 2006, \$15,825,000 in 2007, \$22,280,000 in 2008, \$6,980,000 in 2009, and \$3,610,000 in 2010, thereby leaving \$3,765,000 to be issued in the future. Also authorized by the electorate in the 2005 Election were \$85,650,000 limited tax permanent

improvement bonds for County parks and jail facilities, of which \$40,975,000 was issued in 2006, \$21,005,000 in 2007, \$3,795,000 in 2008, \$6,705,000 in 2009, and \$11,315,000 in 2010, thereby leaving \$1,855,000 to be issued in the future.

Other Debt

Landfill Remediation:

State and federal laws and regulations require the County to place final covers on its landfill sites when waste acceptance has stopped and to perform certain maintenance and monitoring functions after closure. All County landfills have reached 100 percent capacity and are no longer accepting waste. The County has estimated the current cost of post-closure care to be \$2,487,224. Of this amount, \$69 is recorded as a current liability in the agency funds, with the remainder in noncurrent liabilities in the government-wide financial statements. The nature of the cost estimates includes ground water monitoring, annual maintenance, and development of a permanent leachate treatment/disposal system. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. There are currently no assets restricted for payment of landfill costs. Future costs may be covered by the County's various general revenue sources, statutorily allowed debt issuances, or both.

9. CONDUIT DEBT OBLIGATIONS

From time to time the Corporations established by Travis County have issued conduit debt in the name of the Corporations to provide financial assistance to private sector entities for various purposes of public interest. The obligation for repayment of the debt rests with the private party benefiting from the proceeds of such debt. Neither the County nor the Corporations are obligated in any manner for repayment of the debt. Accordingly, the borrowings are not reported as liabilities in the accompanying financial statements. These obligations typically include private entities providing credit enhancements collateralized by underlying assets.

The estimated amount of conduit debt outstanding at September 30, 2010 is as follows:

| | |
|---|------------------------------|
| Travis County Housing Finance Corporation | \$ 191,190,786 |
| Travis County Health Facilities Development Corporation | 299,935,000 |
| Capital Industrial Development Corporation | <u>9,430,000</u> |
| Total | <u><u>\$ 500,555,786</u></u> |

10. OPERATING LEASES

Travis County is committed under various leases for buildings and office space. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended September 30, 2010 amounted to \$934,279. Future minimum lease payments for these leases are as follows:

| <u>Fiscal Year</u> | <u>Future Minimum Lease Payments</u> |
|--------------------|--|
| 2011 | \$ 878,497 |
| 2012 | 449,556 |
| 2013 | 306,292 |
| 2014 | 98,222 |
| 2015 | 35,950 |
| 2016-2020 | 152,251 |
| 2021-2025 | 152,241 |
| 2026-2030 | 152,241 |
| 2031-2035 | 152,241 |
| 2036-2040 | 30,448 |
| Total | <u>\$ 2,407,939</u> |

Central Health

Central Health leases a clinic facility and other equipment under noncancelable long-term leases that expire at various dates through January 2013. The clinic facility lease requires additional payments for common area maintenance and real estate taxes. Rent expense for the year ended September 30, 2010 was \$62,584. Future minimum rental payments as of September 30, 2010 are as follows:

| <u>Fiscal Year</u> | <u>Future Minimum Lease Payments</u> |
|--------------------|--|
| 2011 | \$ 51,426 |
| 2012 | 48,078 |
| 2013 | 16,026 |
| Total | <u>\$ 115,530</u> |

11. RETIREMENT PLAN

Plan Description

Travis County provides retirement, disability, and death benefits for all of its non-temporary employees through a nontraditional defined benefit pension plan in the Texas County and District Retirement System (“TCDRS”). The Board of Trustees of TCERS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 602 nontraditional defined benefit pension plans. TCERS issues an aggregated comprehensive annual financial report (“CAFR”) on a calendar year basis. The CAFR is available upon written request from the TCERS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034, and online at www.tcders.org.

The plan provisions are adopted by the governing body of each employer within the options available in the state statutes (“TCDRS Act”) governing TCDRS. Members can retire at age sixty and above with at least eight years of service; with 30 years of service regardless of age; or when the sum of their age and years of service equals seventy-five or more. Generally, members are vested after eight years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Additionally, members with prior service at certain qualifying organizations may also be able to use that service time to qualify for benefits. Members who withdraw their personal contributions upon termination forfeit pension benefits provided by their employer. Cost-of-living adjustments (“COLA”) are provided at the discretion of the Commissioners’ Court.

Benefit amounts are determined by the sum of the employee’s accumulated contributions with interest (personal account balance) and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the expected benefits can be adequately financed by the employer’s commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee’s personal account balance and the employer-financed monetary credits to a monthly annuity using the actuarial equivalent as prescribed by the TCDRS Act.

Funding Policy

The County has elected the annually determined contribution rate plan provisions of the TCDRS Act. Under the TCDRS Act, the County has the option of selecting the plan benefits to provide in the future, while at the same time considering the level of the employer contribution rate required to adequately finance the plan. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of those employees. The contribution rate of the employer is actuarially determined annually on a calendar year basis using the entry age actuarial cost method. The rate consists of a normal cost contribution rate plus the rate required to amortize the unfunded actuarial accrued liability (“UAAL”) over the plan’s amortization period. The UAAL is amortized over a 20-year closed amortization period; however, the period for amortizing increases or decreases in the UAAL due to elected plan changes effective after January 1, 2009 are amortized over a closed 15-year period. The actuarially determined contribution rates for calendar years 2010, 2009, and 2008 are 11.44%, 10.29% and 10.05%, respectively. However, for calendar years 2009 and 2008, as an alternative to adopting the actuarially determined contribution rate, the Commissioners’ Court elected to continue using the County’s calendar year 2007 contribution rate of 10.71%. The required contribution rate payable by the employee members for calendar year 2010 was 7.00% as adopted by the Commissioners’ Court. Both the employee contribution rate and the employer contribution rate may be changed by Commissioners’ Court within the options available in the TCDRS Act. The TCDRS Act states that the County’s contribution rate may not exceed 11 percent of payroll unless the Commissioners’ Court elects to waive this limitation.

Annual Pension Cost

For fiscal year 2010, the County’s annual pension cost for the TCDRS plan was equal to the actual contributions of \$28,153,397. Each annual required contribution was actuarially determined as a percentage of the covered payroll of the participating employees, and was in compliance with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employees*, parameters based on the actuarial valuations as of December 31, 2007 and December 31, 2008, the basis for determining the contribution rates for

calendar years 2009 and 2010. The December 31, 2009 actuarial valuation is the most recent valuation.

Actuarial Valuation Information

| | | | |
|----------------------------------|---|---|---|
| Actuarial valuation date | 12/31/2007 | 12/31/2008 | 12/31/2009 |
| Actuarial cost method | Entry age | Entry age | Entry age |
| Amortization method | Level percentage of payroll, closed | Level percentage of payroll, closed | Level percentage of payroll, closed |
| Amortization period ¹ | 11.1 | 20 | 20 |
| Asset valuation method | *SAF: 10-yr smoothed value **ESF: Fund value | *SAF: 10-yr smoothed value **ESF: Fund value | *SAF: 10-yr smoothed value **ESF: Fund value |
| Actuarial Assumptions: | | | |
| Investment return | 8.00% | 8.00% | 8.00% |
| Projected salary increases | 5.30% | 5.30% | 5.40% |
| Inflation | 3.50% | 3.50% | 3.50% |
| Cost-of-living adjustments | 0.00% | 0.00% | 0.00% |

* The Subdivision Accumulation Fund (SAF) contains an account for each participating employer to fund retirement benefits.

** The Employee Savings Fund (ESF) contains an account for each member employee.

(1) Effective with the December 31, 2006 evaluation, the TCDRS Board of Trustees adopted the change from a 20-year open amortization period to a 15-year closed amortization period. Asset losses were recognized over ten years, and the UAAL, including recognized asset losses, was amortized over 15 years.

Due to the extraordinary decrease in the market in 2008, the Board adopted to amortize the outstanding December 31, 2008 UAAL over a closed 20-year period. Yearly actuarial asset gains or losses have always been and will continue to be recognized over ten years, but the yearly actuarial gains or losses affecting the UAAL, including recognized asset gains or losses, will be amortized over a closed 20-year period. Any increase or decrease in the UAAL due to a change in benefits will continue to be amortized over a closed 15-year period.

**Trend Information
For the Retirement Plan for the Employees of Travis County**

| <u>Fiscal Year Ending</u> | <u>Annual Pension Cost (APC)</u> | <u>Percentage of APC Contributed</u> | <u>Net Pension Obligation</u> |
|-------------------------------|--|--|---------------------------------------|
| 9/30/2008 | \$ 24,454,831 | 100% | \$0 |
| 9/30/2009 | \$ 26,255,207 | 100% | \$0 |
| 9/30/2010 | \$ 28,153,397 | 100% | \$0 |

Schedule of Funding Progress for the Retirement Plan*

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded AAL (UAAL) (b - a) | Funded Ratio (a / b) | Annual Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b - a) / c) |
|--------------------------|-------------------------------|---|-----------------------------|----------------------|----------------------------|---|
| 12/31/2007 | 589,685,058 | 642,103,627 | 52,418,569 | 91.84% | 209,422,165 | 25.03% |
| 12/31/2008 | 603,485,099 | 709,057,461 | 105,572,362 | 85.11% ¹ | 233,223,491 | 45.27% |
| 12/31/2009 | 684,488,799 | 788,442,358 | 103,953,559 | 86.82% | 246,285,912 | 42.21% |

(1) Public pension funds across the U.S. and around the world were significantly affected by the extraordinary events in the worldwide financial markets that began in 2008. TCDRS was no exception, as its portfolio return and plan net assets value decreased significantly. As a result, member employers' asset values were negatively affected causing significant decreases in funded ratios.

* In accordance with GASB Statement No. 50, this schedule is also presented in the required supplementary information section.

12. POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description

Retired County employees and their dependents are eligible under certain conditions to elect continued coverage under the County's healthcare program upon retirement. The County currently contributes to the premium charged for such benefits for certain retirees. The County is self-insured for participating retirees and their dependents and claims are paid from current operating funds as incurred. Historically, the decision to provide health benefits, and the level of subsidy for employees and retirees, has been made annually consistent with Chapter 17 of the County Code, which provides that the Travis County Employee Health Benefit Fund may be altered from time to time or terminated by the County.

Funding Policy

The Commissioners' Court, as the governing body of the County, approves Other Postemployment Benefits ("OPEB") on a year-to-year basis during the annual budget process and has not created a constitutionally valid obligation for OPEB beyond fiscal year 2011. While retirees have statutory authority to purchase continuing healthcare on the County employee healthcare plan, the County is under no legal obligation to pay or otherwise subsidize retiree premiums. To be eligible for this benefit in years where the benefit is provided, one must be a County retiree or dependent of a County retiree. As of September 30, 2010, there are 1,122 retirees and their beneficiaries; however, based on the County's Substantive Plan, only 568 retirees qualified for the fiscal year 2010 Plan.

The County is self-insured for employee and retiree healthcare. During fiscal year 2010, the County incurred \$4,481,227 in retiree health insurance claims which includes actuarially

determined claims incurred but not yet reported (“IBNR”) but does not include the administrative expenses associated with those claims of approximately \$531,928. Retiree contributions for fiscal year 2010 totaled \$1,003,472, and the County paid the remaining amount of the claims, which are paid from current operating funds.

| | |
|---|---------------------|
| | <u>FY 2010</u> |
| Total claims cost | \$ 4,481,227 |
| Total claims administration cost | 531,928 |
| Less: retiree contribution to total claims cost | <u>(1,003,472)</u> |
| County contribution | <u>\$ 4,009,683</u> |

Annual OPEB Cost and Net OPEB Obligation

The projected cost for the OPEB plan adopted for retirees for fiscal year 2011 is \$5,345,603 and has been reported as a liability as of September 30, 2010 to reflect the decision made by Commissioners’ Court, which required an additional expense to be recognized over the prior year of \$385,603. This additional expense of \$385,603 is the cost associated with the County’s Substantive Plan for OPEB and is in addition to the County’s contribution of \$4,009,683. The following tables show the elements of the County’s annual OPEB cost in accordance with the County’s Substantive Plan:

| | |
|--|--------------------|
| | <u>FY 2010</u> |
| OPEB cost estimate - beginning of year | \$ 4,960,000 |
| Adjustment of OPEB expense | (950,317) |
| County contribution | (4,009,683) |
| Annual OPEB cost (expense) incurred | 5,345,603 |
| OPEB cost accrued | <u>(5,345,603)</u> |
| Net OPEB obligation - end of year | <u>\$ -</u> |

| <u>Year Ended</u> | <u>Annual OPEB Cost</u> | <u>Annual OPEB Cost Contributed</u> | <u>Net OPEB Obligation</u> |
|-------------------|-------------------------|-------------------------------------|----------------------------|
| 9/30/08 | \$ 4,860,000 | 100% | \$0 |
| 9/30/09 | \$ 4,960,000 | 100% | \$0 |
| 9/30/10 | \$ 5,345,603 | 100% | \$0 |

Methods and Assumptions

On June 15, 2007, Chapter 2266 became effective and affects the financial reporting and accounting for the State of Texas and its political subdivisions, including the County, and contains provisions directly affecting the reporting of OPEB. Projections of benefits for financial reporting purposes are based on the County's Substantive Plan as defined by Chapter 2266 and include the types of benefits that the Commissioners' Court has approved for the fiscal year. Travis County's Substantive Plan is the plan approved by the Commissioners' Court according to the laws and Constitution of the State of Texas.

Annual OPEB Plan

Since 1991, the County has included communications both in information provided to employees and in the previously issued annual financial statements which specifically state that the decision to provide funding, if any, for OPEB is made on an annual basis by the Commissioners' Court. The Chapter 2266 presentation is consistent with prior County financial statements presented according to generally accepted accounting principles for those years audited. County financial statements have consistently acknowledged an annual OPEB plan in each year that the Commissioners' Court adopted a plan, which may vary from year to year. Additionally, the County does not participate in any collective bargaining agreements which would impose obligations for postemployment healthcare benefits. The County has concluded that under Texas law, it has no legally enforceable obligation beyond the 2011 fiscal year.

Additional information on the County's Postemployment Benefits Other Than Pension Benefits including legislative changes can be found in Note 1 of the Notes to the Financial Statements.

13. SELF-INSURANCE

From October 1, 1994 to September 30, 2001, the County purchased insurance for employee accident and health claims. On October 1, 2001, the County began financing employee health through risk retention (self-insurance) for employee and retiree health care coverage, which is reported in an internal service fund, the Travis County Hospital and Insurance Fund-County Employees. On August 16, 2005 the Commissioners' Court dissolved the Travis County Hospital and Insurance Fund-County Employees and transferred all assets, liabilities, and claims to the newly formed Employee Health Benefit Fund effective October 1, 2005. The new fund operates under Texas Local Government Code Annotated, Chapter 157.101. The fund charges premiums to other funds for servicing and payment of claims. The fund also charges a premium to employees for their dependents and to retirees and their dependents who participate in the plan.

Risk management activities, other than employee health, are also reported in an internal service fund, the Travis County Self-Insurance Fund. The County has financed its risk of loss through risk retention (self-insurance) for general liability, automobile liability, error and omissions claims and judgments, and workers' compensation since January 1, 1989. The fund charges premiums to other funds for servicing and payment of claims.

The County purchases insurance coverage for aviation damage and liability, public dishonesty, professional liability, and property damage. Insurance coverage is purchased for excess workers' compensation, and the retention (deductible) is \$300,000 per

occurrence. Additionally, stop-loss insurance is carried on employee health, and the annual stop-loss retention is \$175,000. If an individual claim exceeds \$175,000 or if aggregate claims in a month exceed approximately \$4.0 million, the carrier pays the excess. There were 16 claims that exceeded the individual stop-loss retention of \$175,000 in fiscal year 2010. However, there was no month during the fiscal year in which settled claims exceeded the aggregate stop-loss retention of \$4.0 million. Settlements have not exceeded insurance coverage in any of the past three fiscal years in the Employee Health Benefit Fund or the Self-Insurance Fund. There have been no significant reductions in coverage from the prior year. The unrestricted portion of net assets for the Employee Health Benefit Fund and the Self-Insurance Fund at September 30, 2010 in the amount of \$32,538,051 has been designated by management for catastrophic losses.

A liability is accrued and reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims incurred but not yet reported. The process to estimate these liabilities is based on past claims experience and is actuarially determined. The estimated outstanding losses include unpaid losses only and do not include amounts for unallocated claim adjustment expenses.

Unpaid claims and judgments as of September 30, 2010 and September 30, 2009 are composed of the following categories:

| | September 30, 2010 | September 30, 2009 |
|-----------------------|-----------------------|-----------------------|
| Employee health* | \$ 9,214,894 | \$ 8,299,552 |
| General liability | 3,597,546 | 3,536,595 |
| Automobile liability | 1,195,632 | 930,979 |
| Workers' compensation | 2,847,949 | 2,507,761 |
| Property liability | 294,435 | 246,601 |
| Totals | <u>\$ 17,150,456</u> | <u>\$ 15,521,488</u> |

*The Commissioners' Court approves OPEB on a year-to-year basis during the annual budget process. During this annual budget process, Commissioners' Court approved the funding of OPEB for fiscal year 2010 and 2011 in the amounts of \$4,960,000 and \$5,345,603, respectively, and is included in this category.

Changes in the balances of unpaid claims and judgments during fiscal years 2009 and 2010 were as follows:

| | Beginning of Fiscal Year Liability | Claims and Changes in Estimates | Claims Payments | Balance at Fiscal Year End |
|------|--|---------------------------------------|--------------------|----------------------------------|
| 2009 | \$ 16,880,931 | \$ 39,197,957 | \$ (40,557,400) | \$ 15,521,488 |
| 2010 | \$ 15,521,488 | \$ 45,568,706 | \$ (43,939,738) | \$ 17,150,456 |

As of September 30, 2010, the Commissioners' Court has not created a constitutionally valid obligation for OPEB beyond fiscal year 2011. For additional information see Note 12 of the Notes to the Financial Statements.

14. CONTINGENT LIABILITIES

A number of claims against the County, as well as certain matters in litigation, are pending with respect to various matters arising in the normal course of the County's operations. The County's various legal counsel are of the opinion that the settlement of these claims and pending litigation will not have a material effect on the County's financial statements.

The County receives various grant monies which are subject to audit and adjustment by the grantor agencies. Any disallowed expenditures will become a liability of the County. The amount cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Central Health

Central Health is involved in litigation arising in the course of business. After consultation with legal counsel, management estimates the matters will be resolved without material adverse effect on Central Health's future financial position or results from operations.

15. PRIVATE UPPER PAYMENT LIMIT PROGRAM – CENTRAL HEALTH

The private Upper Payment Limit ("Private UPL") program was implemented in April 2007, with an effective date of June 11, 2005. The Private UPL program uses federal matching funds to raise the State Medicaid reimbursement rate to 100% of equivalent Medicare rates for certain private hospitals. Central Health funds the intergovernmental transfer ("IGT"), which the federal government matches. The entire amount (the IGT and the matching funds) is then paid to six private hospitals in Travis County. These hospitals agreed to use their best efforts to reduce uninsured care in Travis County by qualified eligible individuals for Medicaid coverage and services. Central Health records the amount it funds as an IGT as a healthcare delivery expense in the year in which the IGT is made. During the year ended September 30, 2010, Central Health paid \$33,887,724 for IGTs made under the Private UPL program, of which \$24,000,000 was expensed in fiscal year 2010 and the remainder was expensed in prior years under Central Health's former method of expensing these amounts. See Note 22 for a discussion of a restatement in fiscal year 2010 to Central Health's net assets related to the Private UPL program.

16. OPERATING LEASE WITH SETON – CENTRAL HEALTH

Effective October 1, 2004, Central Health assumed the rights and obligation from the City of Austin related to a long-term lease agreement with Seton. Under the terms of the lease, Seton will operate Brackenridge/Children's Hospital and will provide all necessary medical services for residents of Travis County regardless of their ability to pay. The lease term is for 60 years through September 2055 with an optional 30 year extension. The breach of contract penalty is \$50 million and Seton is required to spend a minimum of \$50 million for capital improvements at Brackenridge/Children's Hospital by 2023; of which \$30 million must be spent by 2013. In June 2007, Seton opened the new Dell Children's Medical Center of Central Texas which is not owned by Central Health.

The lease provides that Seton will pay Central Health base or minimum rent, which in fiscal year 2010 was \$1,096,656, and further provides that Seton will pay additional rent under certain conditions. If Seton receives what the lease defines as "Program Payments" during

a fiscal year, Seton is required to pay a portion of those payments to Central Health in that fiscal year.

Program Payments are payments under the Disproportionate Share III (“DSH”) program, which was created in fiscal year 1992 by the State of Texas to access additional federal matching funds. These funds are distributed to selected hospitals that provide services to low-income and uninsured patients. Program Payments also include payments under the Upper Payment Limit (“UPL”) program, which was created in May 2002 with an effective date of July 2001. The UPL program uses federal matching funds to raise state Medicaid reimbursement rates to 100% of equivalent Medicare rates for certain public hospital systems.

Central Health recognizes all additional rent received as operating revenue in the period of receipt. In fiscal year 2010, Central Health received \$39,577,913 in additional rent from the operating lease with Seton. At September 30, 2010, Central Health’s investment in Brackenridge consists of land valued at \$8,013,662 and buildings and improvements valued at \$85,786,338 less accumulated depreciation of \$10,294,361.

Pursuant to the revised terms of the lease effective in fiscal year 2006, Central Health will reimburse Seton for services provided through three programs. Under the Charity Care Program, Central Health will reimburse Seton a maximum of \$3,545,000 annually (the “Annual Ceiling,” as adjusted each year by the Consumer Price Index) for providing medical care to the medically indigent; provided however, that Seton must first provide charity care in the amount of 4 percent of net revenues as required by State law. Central Health paid Seton \$3,817,304 in fiscal year 2010 under the Charity Care Program.

Under the Home Health Services Program, Central Health paid Seton \$250,000 for the year ended September 30, 2010 for home health services for the medically indigent of Travis County.

Under the terms of the letter agreement effective November 2006 and revised on August 8, 2008, the lease agreement with Seton was amended and Central Health no longer has responsibility for funding certain programs included in the original lease. Instead Central Health paid \$33,887,724 in fiscal year 2010 for the private Upper Payment Limit program, of which \$24,000,000 was expensed in fiscal year 2010 and the remainder was expensed in prior years under Central Health’s former method of expensing these amounts (see Note 15).

The future minimum lease payments to be received from Seton are as follows:

| | |
|------------|----------------------|
| 2011 | \$ 1,096,656 |
| 2012 | 1,096,656 |
| 2013 | 1,096,656 |
| 2014 | 1,096,656 |
| 2015 | 1,096,656 |
| Thereafter | <u>11,266,560</u> |
| Total | <u>\$ 16,749,840</u> |

17. LEASE AGREEMENT WITH THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON (“UTMB”) – CENTRAL HEALTH

Effective October 1, 2004, Central Health assumed the rights and obligation from the City of Austin related to the lease agreement with UTMB. Under the terms of the agreement, UTMB will operate Austin Women’s Hospital for an initial term of five years through January 2009 with an option to renew. Central Health has exercised three one-year options to renew the lease, which now runs through January 2012. For the year ended September 30, 2010, lease revenue of \$58,740 was recognized under this lease. Pursuant to the terms of the lease, Central Health paid UTMB \$3,900,000 for the year ended September 30, 2010 for charity care provided at Austin Women’s Hospital.

At September 30, 2010, Central Health’s investment in Austin Women’s Hospital consists of buildings and improvements valued at \$3,400,000 less accumulated depreciation of \$408,000.

The future minimum lease payments to be received from UTMB are as follows:

| | | |
|-------|----|---------------|
| 2011 | \$ | 58,740 |
| 2012 | | <u>19,580</u> |
| Total | \$ | <u>78,320</u> |

18. INTERLOCAL AGREEMENT WITH THE CITY OF AUSTIN – CENTRAL HEALTH

Effective March 1, 2009, Central Health entered into an agreement with the City of Austin under which the City will provide certain close-out and post-transition services to Central Health. Central Health also entered into an interlocal agreement with the City under which Central Health will reimburse the City for emergency medical transport services provided to Central Health’s Medical Assistance Program enrollees.

Central Health also entered into several leases of mixed-use facilities from the City for primary care (clinic) sites that, pursuant to State law, did not transfer to Central Health. The mixed-use facility leases may remain in place until February 28, 2034 if not terminated earlier by either party. Rental expense to Central Health is comprised only of the operating and maintenance expense for each facility. In addition, Central Health entered into a lease of administrative space from the City that expires on February 28, 2014, under essentially the same terms and conditions as those of the mixed-use facilities.

19. DEFERRED COMPENSATION PLAN – CENTRAL HEALTH

Central Health offers its employees a deferred compensation plan established in accordance with Internal Revenue Code Section 457. Assets and income of Central Health’s plan are administered by a private corporation under contract with Central Health and are held for the exclusive benefit of the participants and their beneficiaries. Accordingly, the plan’s assets and liabilities are not recorded in Central Health’s basic financial

statements. Central Health contributed \$32,146 to the plan during the year ended September 30, 2010.

Central Health established a 401(a) retirement plan in October 2007. Central Health's contribution to the plan for its employees was \$200,536 for fiscal year 2010.

20. RISK MANAGEMENT – CENTRAL HEALTH

Central Health's risk management program includes coverage through third party insurance providers for general liability, property damage, officers' professional liability, workers compensation, and other types of insurance as appropriate. During the year ended September 30, 2010, there were no reductions in insurance coverage from coverage in the prior year and there have been no claims other than routine claims for workers compensation, none of which were significant.

21. INTERLOCAL AGREEMENTS WITH TRAVIS COUNTY – CENTRAL HEALTH

Central Health entered into an interlocal agreement with Travis County in which Travis County provides legal and other services for Central Health along with tax collections services. For the year ended September 30, 2010, \$423,258 is included in other purchased goods and services for the legal and other services. For the year ended September 30, 2010, \$392,901 is included in tax assessment and collection expense for the tax collections services. At September 30, 2010, \$78,264 is included in due to other governments related to this agreement.

During fiscal year 2006, Central Health entered into an interlocal agreement with Travis County in which Travis County provides supplemental dental, life, and disability insurance. For the year ended September 30, 2010, fees of \$47,187 were included in other purchased goods and services related to this agreement.

Central Health also entered into several leases of mixed-use facilities from the County for primary care (clinic) sites that, pursuant to State law, did not transfer to Central Health. The mixed-use facility leases may remain in place until February 28, 2019 if not terminated earlier by either party. Rental expense to Central Health is comprised only of the operating and maintenance expense for each facility.

22. RESTATEMENT OF NET ASSETS – CENTRAL HEALTH

As discussed in Note 15, Central Health participates in the Private UPL program, under which it funds IGTs that result in payments to participating hospitals in Travis County. In prior years, Central Health expensed amounts that were deposited in its program-related bank account and showed amounts in the account as restricted cash and a corresponding liability on its Statement of Net Assets.

In fiscal year 2010, Central Health determined that the funds deposited in its program-related bank account are not payable until requested as an IGT by the State Comptroller's Office. Furthermore, although Central Health intends to continue funding the private UPL IGT, it is not legally obligated to do so. For these reasons, Central Health no longer records an expense upon depositing funds into the account but rather waits until the IGT is made to

record the expense. As a result of this change, Central Health is restating its net assets to increase them by \$2,872,067, the amount in the program-related bank account at September 30, 2010. Net Assets at September 30, 2009, as previously reported, has been restated as follows:

| | |
|---|------------------------------|
| Beginning balance, as previously reported | \$ 208,430,495 |
| Effect of restatement of IGT expense | <u>2,872,067</u> |
| Beginning balance, as restated | <u><u>\$ 211,302,562</u></u> |

23. SUBSEQUENT EVENTS

Refunding Debt

In October 2010, the County issued \$22,460,000 in limited tax refunding bonds, with interest rates ranging from 2.00 percent to 5.00 percent. The refunding bonds mature in varying amounts in each of the years 2011 to 2023. The refunding bonds provide the funds to refund certain amounts of the County's outstanding limited and unlimited tax debt.

Central Health

On October 6, 2010, Central Health received a Notice of Grant Award from the Health Resources and Services Administration of the U.S. Department of Health and Human Services that it had been awarded a \$12 million grant for the construction of the North Central Community Health Center ("NCCHC"). This grant will finance a significant portion of the estimated \$18 million construction cost of the NCCHC.

Central Health's Statement of Net Assets as of September 30, 2010 has a balance in the noncurrent asset section of \$18,309,942 in "short-term investments restricted for capital acquisition," which includes the unspent portion of the estimated \$18 million construction cost of the NCCHC. Due to the award of this grant, Central Health will reduce its balance in restricted short-term investments by \$12 million and increase its balance in short-term investments correspondingly in the current asset section of the Statement of Net Assets, for reporting periods after September 30, 2010.



TRAVIS COUNTY, TEXAS
REQUIRED SUPPLEMENTARY
INFORMATION
(Unaudited)

TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - STATUTORY BASIS
BUDGET AND ACTUAL
GENERAL FUND
For The Year Ended September 30, 2010
(Unaudited)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> <u>Amounts</u> | <u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u> |
|--|-------------------------|----------------------|---------------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Taxes | \$ 326,914,990 | \$ 326,914,990 | \$ 345,654,796 | \$ 18,739,806 |
| Intergovernmental | 8,479,834 | 9,595,874 | 10,530,916 | 935,042 |
| Charges for services | 49,522,168 | 49,522,168 | 48,287,701 | (1,234,467) |
| Fines and forfeits | 852,468 | 852,468 | 3,139,035 | 2,286,567 |
| Investment income | 3,867,798 | 3,867,798 | 1,326,669 | (2,541,129) |
| Miscellaneous | 2,300,611 | 3,714,265 | 5,863,838 | 2,149,573 |
| Total revenues | <u>391,937,869</u> | <u>394,467,563</u> | <u>414,802,955</u> | <u>20,335,392</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 71,712,063 | 74,445,181 | 66,333,843 | 8,111,338 |
| Justice system | 107,648,277 | 109,828,662 | 106,261,634 | 3,567,028 |
| Public safety | 56,770,213 | 56,006,268 | 54,469,103 | 1,537,165 |
| Corrections and rehabilitation | 93,628,516 | 94,120,547 | 93,314,263 | 806,284 |
| Health and human services | 44,304,193 | 43,982,910 | 42,236,179 | 1,746,731 |
| Infrastructure and environmental services | 8,720,788 | 8,438,461 | 6,596,161 | 1,842,300 |
| Community and economic development | 8,578,950 | 8,686,563 | 8,024,199 | 662,364 |
| Capital outlay | 7,322,088 | 9,623,986 | 4,874,210 | 4,749,776 |
| Total expenditures | <u>398,685,088</u> | <u>405,132,578</u> | <u>382,109,592</u> | <u>23,022,986</u> |
| Excess (deficiency) of revenues over expenditures | <u>(6,747,219)</u> | <u>(10,665,015)</u> | <u>32,693,363</u> | <u>43,358,378</u> |
| Other financing sources (uses): | | | | |
| Sale of capital assets | - | - | 81,600 | 81,600 |
| Transfers in | 2,750,120 | 2,762,620 | 2,779,178 | 16,558 |
| Transfers out | (13,531,734) | (13,634,627) | (12,992,250) | 642,377 |
| Total other financing sources (uses) | <u>(10,781,614)</u> | <u>(10,872,007)</u> | <u>(10,131,472)</u> | <u>740,535</u> |
| Net change in fund balance | (17,528,833) | (21,537,022) | 22,561,891 | 44,098,913 |
| Fund balance - beginning of year | <u>91,232,674</u> | <u>91,232,674</u> | <u>91,232,674</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 73,703,841</u> | <u>\$ 69,695,652</u> | <u>\$ 113,794,565</u> | <u>\$ 44,098,913</u> |

Note: The budget is prepared on a Statutory Basis. See Note 1 of the financial statements.

TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - STATUTORY BASIS
BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
For The Year Ended September 30, 2010
(Unaudited)

| | Budgeted Amounts ⁽¹⁾ | | Actual Amounts | Variance with Final Budget |
|--|---------------------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| Revenues: | | | | |
| Intergovernmental | \$ 75,795 | \$ 75,795 | \$ 95,844 | \$ 20,049 |
| Charges for services | 10,378,000 | 10,378,000 | 10,682,435 | 304,435 |
| Fines and forfeits | 6,410,057 | 6,410,057 | 5,823,642 | (586,415) |
| Investment income | 91,557 | 91,557 | 36,984 | (54,573) |
| Miscellaneous | 65,000 | 65,000 | 58,542 | (6,458) |
| Total revenues | <u>17,020,409</u> | <u>17,020,409</u> | <u>16,697,447</u> | <u>(322,962)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Infrastructure and environmental services (TNR) | 17,058,679 | 17,223,615 | 12,911,135 | 4,312,480 |
| Capital outlay | <u>2,217,659</u> | <u>2,267,474</u> | <u>1,392,148</u> | <u>875,326</u> |
| Total expenditures | <u>19,276,338</u> | <u>19,491,089</u> | <u>14,303,283</u> | <u>5,187,806</u> |
| Excess (deficiency) of revenues over expenditures | <u>(2,255,929)</u> | <u>(2,470,680)</u> | <u>2,394,164</u> | <u>4,864,844</u> |
| Other financing sources (uses): | | | | |
| Transfers out | <u>(2,483,051)</u> | <u>(2,483,051)</u> | <u>(2,483,051)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>(2,483,051)</u> | <u>(2,483,051)</u> | <u>(2,483,051)</u> | <u>-</u> |
| Net change in fund balance | (4,738,980) | (4,953,731) | (88,887) | 4,864,844 |
| Fund balance - beginning of year | <u>7,591,368</u> | <u>7,591,368</u> | <u>7,591,368</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 2,852,388</u> | <u>\$ 2,637,637</u> | <u>\$ 7,502,481</u> | <u>\$ 4,864,844</u> |

Notes: The Road and Bridge Fund is the only major special revenue fund with a budget adopted by the Commissioners' Court. While the Grants Fund is considered a major special revenue fund, it does not have a budget adopted by the Commissioners' Court.

(1) The budget is prepared on a Statutory Basis. See Note 1 of the financial statements.

**TRAVIS COUNTY, TEXAS
SCHEDULE OF FUNDING PROGRESS FOR RETIREMENT PLAN**

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded AAL (UAAL) (b - a) | Funded Ratio (a / b) | Annual Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b - a) / c) |
|--------------------------------|--|---|--------------------------------------|----------------------------|-------------------------------------|---|
| 12/31/2007 | 589,685,058 | 642,103,627 | 52,418,569 | 91.84% | 209,422,165 | 25.03% |
| 12/31/2008 ¹ | 603,485,099 | 709,057,461 | 105,572,362 | 85.11% ² | 233,223,491 | 45.27% |
| 12/31/2009 | 684,488,799 | 788,442,358 | 103,953,559 | 86.82% | 246,285,912 | 42.21% |

(1) Effective with the December 31, 2006 valuation, the TCDRS Board of Trustees adopted the change from a 20-year open amortization period to a 15-year closed amortization period. Asset losses were recognized over ten years, and the UAAL, including recognized asset losses, was amortized over 15 years.

Due to the extraordinary decrease in the market in 2008, the Board adopted to amortize the outstanding December 31, 2008 UAAL over a closed 20-year period. Yearly actuarial asset gains or losses have always been and will continue to be recognized over ten years, but the yearly actuarial gains or losses affecting the UAAL, including recognized asset gains or losses, will be amortized over a closed 20-year period. Any increase or decrease in the UAAL due to a change in benefits will continue to be amortized over a closed 15-year period.

(2) Public pension funds across the U.S. and around the world were significantly affected by the extraordinary events in the worldwide financial markets in 2008. TCDRS was no exception, as its portfolio return and plan net assets value decreased significantly. As a result, member employers' asset values were negatively affected causing significant decreases in funded ratios.

Notes: The funded ratio in the above schedule is the most current information available from TCDRS as of the date of this report.
Travis County funded 100% of the annual required pension cost as defined by GAAP.



**TRAVIS COUNTY, TEXAS
OTHER SUPPLEMENTARY
INFORMATION**

TRAVIS COUNTY, TEXAS
NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds: These funds are used to account for revenues derived from fees, specific taxes, grant revenues and other revenue sources that are legally restricted to finance specific activities.

Law Library Fund - To account for the cost of operating and maintaining a law library for public use. Financing is provided through fees charged as part of court costs for civil cases processed through the District, County and Probate Courts.

County Attorney and District Attorney Processing Sight Orders (CAPSO-DAPSO) Fund - To account for fees assessed for the processing and collection of insufficient checks. These funds may be used for expenditures of the prosecutors' offices.

Law Enforcement Fund - To account for monies resulting from the sale of forfeited property confiscated in arrests and the allowable expenditures of these monies.

Dispute Resolution Center Fund - To account for monies resulting from a fee charged on each District, County, and Probate Court civil case filed and expenditures of the Alternative Dispute Resolution Center. The purpose of the Center is to resolve disputes that do not require formal court action.

Voter Registration Fund - To account for monies received from the State of Texas as reimbursement for expenditures related to voter registration.

Juvenile Fee Fund - To account for monies resulting from a court-ordered probation fee to be used to provide services for juvenile probationers.

County and District Clerk Records Management and Preservation Fund - To account for monies resulting from fees assessed for the recording of documents by the County and District Clerks' offices (real estate transactions, assumed names, etc.). Monies are to be used for the records management and preservation services performed by these offices.

Records Management and Preservation Fund - To account for monies resulting from fees assessed for County and District Court records, including civil, probate and criminal court actions. Monies are to be used for the records management and preservation services performed by the County.

Courthouse Security Fund - To account for monies resulting from fees charged as part of court costs for the purpose of providing security services for buildings housing a District, County or Justice Court.

LCRA Parks CIP Fund - To account for the 15% of LCRA park revenues that are designated for capital improvement projects (CIP).

Justice Court Building Security Fund - To account for monies resulting from fees charged as part of court costs for the purpose of providing security services for a justice court located in a building that is not the county courthouse.

Juvenile Justice Alternative Education Program - To account for monies collected for the state mandated program to provide alternative education for juveniles in Travis County or in other counties, under contractual agreement, who have been expelled from school under Texas Education Code Sec 37.007. The monies are being collected from the participating school districts and state agencies.

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TRAVIS COUNTY, TEXAS

Non-Major Governmental Funds, continued

Jail Commissary Fund - To account for revenues generated by the sale of personal items to jail inmates and the expenditure of those funds for the benefit of the inmates in accordance with rules adopted by the commission on jail standards.

Court Reporter Service Fund - To account for monies resulting from the court reporter service fee assessed in each civil case filed with the County or District Clerk to maintain a court reporter who is available for assignment in the court. The monies are to be used to assist in the payment of court-reporter-related services.

CSCD Equipment Acquisition Fund - To account for funds received by the Department of Information and Telecommunications for computer services provided to the Community Supervision and Corrections Department (CSCD). These funds are used to offset computer hardware and software costs incurred by the County in operating the CSCD.

Juvenile Deferred Prosecution Fund - To account for monies from a court-ordered deferred prosecution fee to be used for juvenile probation or community-based juvenile corrections services.

Balcones Canyonlands Preservation Fund - To account for monies received from participation certificate sales to be used for land acquisition and preserve system needs. Travis County and the City of Austin are joint permit holders of the preserve system land. Permits may be sold to the private sector and the funds will provide a funding mechanism for the management and additional purchase of preserve system land.

Abandoned Vehicles/Livestock Fund - To account for monies collected from the sale of abandoned motor vehicles and livestock. The proceeds shall be used for the reimbursement of expenditures incurred in the placement of vehicles/livestock into custody and any notice and publication costs incurred.

LEOSE Elected Officials Fund - To account for monies received from the State Comptroller's pro-rata distribution of funds designated for law enforcement officers' education. The monies in this fund are to be used for the continuing education of law enforcement personnel under the discretion of the County Attorney, District Attorney, Constables 1 through 5, and the Sheriff.

LEOSE Commissioners' Court Fund - To account for monies received from the State Comptroller's pro-rata distribution of funds designated for law enforcement officers' education.

Juvenile Delinquency Prevention Fund - To account for funds resulting from a fee charged per person convicted of a graffiti offense. These monies are used to repair damages, provide educational and intervention programs, and for public awards leading to the conviction of such offenders.

Unclaimed Property Fund - To account for funds resulting from unclaimed property held by the County that is presumed to be abandoned.

Professional Prosecutors Fund - To account for monies received from the State of Texas as salary supplement for the County prosecutor. Monies are to be used for expenses of the County prosecutor's office as per waiver under HB 804, 76th Legislature.

Mary Quinlan Park Fund - To account for monies collected for the purpose of maintaining and improving Mary Quinlan Park.

Probate Judiciary Fee Fund - To account for monies collected under HB 1220, 82nd Legislature relating to payments made to the County from the judicial fund for the support of the statutory probate court in the County.

TRAVIS COUNTY, TEXAS

Non-Major Governmental Funds, continued

Courts Technology Fund - To account for monies collected as fees from anyone convicted of a criminal offense to be used for technology improvements for all Court offices of the County; as well as the costs of training and education regarding technological improvements for the County, and District Court.

Travis County Housing Finance Corporation - The Travis County Housing Finance Corporation was created to provide decent, safe, and sanitary housing at affordable prices for residents of Travis County, Texas. It is authorized to issue bonds for the purpose, among others, of defraying the development cost of multi-family rental housing to be occupied substantially by persons of low and moderate income as determined by the Board of Directors; to provide funds to purchase mortgage loans made to persons of low and moderate income; and to refund bonds previously issued by the Corporation.

Travis County Health Facilities Development Corporation - The Travis County Health Facilities Development Corporation was created to provide, expand and improve health facilities for residents of Travis County, Texas that the Corporation determines are needed to improve the adequacy, cost, and accessibility of health care, research, and education in the state. The Corporation provides conduit financing for non-profit health facilities.

Capital Industrial Development Corporation - The Capital Industrial Development Corporation was created for the promotion and development of industrial and manufacturing enterprises to promote and encourage employment and the public welfare, and is authorized to issue bonds for those purposes.

Travis County Cultural Education Facilities Finance Corporation - The Travis County Cultural Education Facilities Finance Corporation was created for the purpose of promoting the health, education, and general welfare of citizens by providing and financing cultural, health and educational facilities.

Truancy Court Fund - To account for monies collected by the Juvenile Probation Department from the City of Austin and Austin Independent School District. Monies are used to provide supervision, referrals to community services, and regular reviews of student progress in an effort to reduce truancy.

County Clerk Archival Fund - To account for monies received when a public document is presented by a person, excluding a state agency, to the County Clerk for recording or filing. These monies are used for preservation and restoration services performed by the County Clerk in connection with maintaining their records archive.

Family Protection Fund - To account for monies collected as a fee at the time a suit for dissolution of a marriage is filed. These monies are to be used to fund a non-profit organization located in the County or an adjacent County that provides family violence prevention, intervention, mental health, counseling, legal, and marriage preservation services to families that have experienced, or are at risk of experiencing, family violence, child abuse or neglect.

Elections Contract Fund - To account for the reimbursement of election services provided by the County to other jurisdictions and the related expenditures.

Vital Statistic Preservation Fund - To account for monies collected as fees by the local registrar for the preservation of vital statistics records maintained by the registrar.

Fire Code Fund - To account for monies collected as fees for fire safety inspections on new or substantially renovated commercial property and multi-family housing. Expenditures are related to the enforcement of the fire code.

TRAVIS COUNTY, TEXAS

Non-Major Governmental Funds, continued

Child Abuse Prevention Fund - To account for monies collected as fees from child abuse related offenses to finance the study and development of child abuse prevention.

Juvenile Case Manager Fund - To account for monies collected as fees in fine-only misdemeanor offenses to finance the salary and benefits of a juvenile case manager.

Health Food Permits Fund - To account for monies collected as fees for issuing or renewing a permit related to the regulation of food service establishments. These monies are used for conducting inspections and issuing permits for food service establishments.

Drug Court Program Fund - To account for monies collected for offenders to attend an alternative rehabilitative drug program which includes drug testing and counseling.

Probate Guardianship Fund - To account for fees assessed on probate court actions to reimburse court-initiated guardianship fees for both attorneys and guardians.

Gardner House Handicraft Fund - To account for donated monies to be used for juveniles in the custody of Travis County at the Gardner Betts Juvenile Justice Center.

CAPCOG 911 Fees Fund - To account for 911 fees and surcharges per the interlocal agreement with Capital Area Council of Governments ("CAPCOG"), Commission on State Emergency Communications Rule 251.3. These monies are used to establish and operate 911 call centers and related operations within Travis County.

CSCD Fees Fund - To account for fees collected by the Community Service and Corrections Department ("CSCD") paid by probationers in lieu of community service hours. These monies are used to provide assistance throughout the local operations of CSCD.

Unclaimed Juvenile Restitution Fund - To account for funds resulting from unclaimed juvenile restitution payments held by the County. Monies are used for the same purposes for which the County may spend on juvenile state aid.

Debt Service Funds: These funds account for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on long-term general obligation bonds and certificates of obligation.

Northwest Travis County Road District No. 3 - To account for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on general long-term debt for Northwest Travis County Road District No. 3.

Travis County Bee Cave Road District No. 1 - To account for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on general long-term debt for Travis County Bee Cave Road District No. 1.

Capital Projects Funds: These funds are used to account for financial resources set aside for the acquisition or construction of major capital endeavors.

Joint Road Improvements Fund - To account for contractual agreements with other governmental entities for the construction, expansion, or improvement of roads.

Subdivision Parkland Fund - To account for monies received from developers for the acquisition or improvement of parks near new subdivision developments and the related expenditures.

TRAVIS COUNTY, TEXAS

Non-Major Governmental Funds, continued

Grants Fund - To account for capital grant monies received from other governmental entities and the expenditures of these monies for specific purposes designated by the grantor.

Travis County Bee Cave Road District No. 1 - To account for proceeds of bonds issued for the construction of roads within the district.

Permanent Funds: These funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for the benefit of the County or its citizens.

Permanent School Fund - To account for the principal of a trust fund, which cannot be expended. Oil royalties are deposited into this fund, which increase the principal.

TRAVIS COUNTY, TEXAS
COMBINING BALANCE SHEET - STATUTORY BASIS
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2010

| | Special Revenue | | | | |
|--|-----------------|----------------|--------------------|---------------------------------|-----------------------|
| | Law Library | CAPSO DAPSO | Law Enforcement | Dispute Resolution Center | Voter Registration |
| Assets | | | | | |
| Cash and pooled cash | \$ 165,831 | \$ 480,389 | \$ 817,779 | \$ 82,964 | \$ 114,523 |
| Investments | - | - | - | - | - |
| Interest receivable | 979 | - | - | 495 | - |
| Accounts receivable | 2,060 | 21,544 | 3,033 | 947 | - |
| Intergovernmental and other receivables | - | - | - | - | - |
| Taxes receivable (net of allowances for estimated uncollectibles) | - | - | - | - | - |
| Total assets | \$ 168,870 | \$ 501,933 | \$ 820,812 | \$ 84,406 | \$ 114,523 |
| Liabilities and Fund Balances | | | | | |
| Liabilities: | | | | | |
| Accounts payable | 22,574 | - | - | 32,435 | 23,273 |
| Accrued liabilities | 21,139 | - | - | - | - |
| Due to other funds | 38 | 16,646 | 4,015 | - | - |
| Other liabilities | - | - | 3,175 | - | - |
| Liability for compensated absences | 12,474 | - | - | - | - |
| Due to other governmental entities | - | - | 3,554 | - | - |
| Deferred revenue | - | - | - | - | - |
| Total liabilities | 56,225 | 16,646 | 10,744 | 32,435 | 23,273 |
| Fund balances: | | | | | |
| <i>Reserved for:</i> | | | | | |
| Encumbrances | - | - | - | - | 600 |
| County schools | - | - | - | - | - |
| Juveniles | - | - | - | - | - |
| <i>Unreserved, designated for:</i> | | | | | |
| Compensated absences | 12,474 | - | - | - | - |
| Debt service | - | - | - | - | - |
| Capital projects | - | - | - | - | - |
| <i>Unreserved, undesignated, reported in:</i> | | | | | |
| Special revenue funds | 100,171 | 485,287 | 810,068 | 51,971 | 90,650 |
| Total fund balances | 112,645 | 485,287 | 810,068 | 51,971 | 91,250 |
| Total liabilities and fund balances | \$ 168,870 | \$ 501,933 | \$ 820,812 | \$ 84,406 | \$ 114,523 |

Special Revenue

| Juvenile Fee | County and District Clerk Records Management & Preservation | Records Management & Preservation | Courthouse Security | LCRA Parks CIP | Justice Court Building Security |
|---------------------|--|--|----------------------------|-----------------------|--|
| \$ 374,710 | \$ 1,150,630 | \$ 221,215 | \$ 312,576 | \$ 3,066,103 | \$ 221,372 |
| - | - | - | - | - | - |
| 1,992 | 6,235 | 1,101 | 1,546 | 15,810 | 1,158 |
| - | 415 | 703 | 516 | - | 65 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 376,702</u> | <u>\$ 1,157,280</u> | <u>\$ 223,019</u> | <u>\$ 314,638</u> | <u>\$ 3,081,913</u> | <u>\$ 222,595</u> |
| - | 11,971 | - | - | - | - |
| - | 27,602 | 11,555 | 99,083 | - | - |
| - | 49 | 20 | 1,107 | - | - |
| - | - | - | - | - | - |
| - | 9,534 | 9,423 | 90,650 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 49,156 | 20,998 | 190,840 | - | - |
| - | 30,288 | - | - | 320,951 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 9,534 | 9,423 | 90,650 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 376,702 | 1,068,302 | 192,598 | 33,148 | 2,760,962 | 222,595 |
| <u>376,702</u> | <u>1,108,124</u> | <u>202,021</u> | <u>123,798</u> | <u>3,081,913</u> | <u>222,595</u> |
| <u>\$ 376,702</u> | <u>\$ 1,157,280</u> | <u>\$ 223,019</u> | <u>\$ 314,638</u> | <u>\$ 3,081,913</u> | <u>\$ 222,595</u> |

(continued)

TRAVIS COUNTY, TEXAS
 COMBINING BALANCE SHEET - STATUTORY BASIS, continued
 NON-MAJOR GOVERNMENTAL FUNDS
 September 30, 2010

| | Special Revenue | | | | |
|--|--|--------------------|------------------------------|----------------------------------|-------------------------------------|
| | Juvenile Justice Alternative Education Program | Jail Commissary | Court Reporter Service | CSCD Equipment Acquisition | Juvenile Deferred Prosecution |
| Assets | | | | | |
| Cash and pooled cash | \$ 1,594,879 | \$ 591,248 | \$ 115,236 | \$ 1,118 | \$ 67,424 |
| Investments | - | - | - | - | - |
| Interest receivable | 8,336 | - | 618 | - | 357 |
| Accounts receivable | - | - | 884 | - | - |
| Intergovernmental and other receivables | - | - | - | - | - |
| Taxes receivable (net of allowances for estimated uncollectibles) | - | - | - | - | - |
| Total assets | <u>\$ 1,603,215</u> | <u>\$ 591,248</u> | <u>\$ 116,738</u> | <u>\$ 1,118</u> | <u>\$ 67,781</u> |
| Liabilities and Fund Balances | | | | | |
| Liabilities: | | | | | |
| Accounts payable | 32,264 | 28,518 | - | - | - |
| Accrued liabilities | 6,683 | - | 15,802 | - | - |
| Due to other funds | 58 | 114,173 | 26 | - | - |
| Other liabilities | - | 5,415 | - | - | - |
| Liability for compensated absences | 4,626 | - | 9,565 | - | - |
| Due to other governmental entities | - | - | - | - | - |
| Deferred revenue | - | - | - | - | - |
| Total liabilities | <u>43,631</u> | <u>148,106</u> | <u>25,393</u> | <u>-</u> | <u>-</u> |
| Fund balances: | | | | | |
| <i>Reserved for:</i> | | | | | |
| Encumbrances | - | - | - | - | - |
| County schools | - | - | - | - | - |
| Juveniles | - | - | - | - | - |
| <i>Unreserved, designated for:</i> | | | | | |
| Compensated absences | 4,626 | - | 9,565 | - | - |
| Debt service | - | - | - | - | - |
| Capital projects | - | - | - | - | - |
| <i>Unreserved, undesignated, reported in:</i> | | | | | |
| Special revenue funds | 1,554,958 | 443,142 | 81,780 | 1,118 | 67,781 |
| Total fund balances | <u>1,559,584</u> | <u>443,142</u> | <u>91,345</u> | <u>1,118</u> | <u>67,781</u> |
| Total liabilities and fund balances | <u>\$ 1,603,215</u> | <u>\$ 591,248</u> | <u>\$ 116,738</u> | <u>\$ 1,118</u> | <u>\$ 67,781</u> |

Special Revenue

| Balcones Canyonlands Preservation | Abandoned Vehicles/ Livestock | LEOSE Elected Officials | LEOSE Commissioners' Court | Juvenile Delinquency Prevention | Unclaimed Property |
|--|--|--|---|--|-------------------------------|
| \$ 12,415,142 | \$ 81,049 | \$ 41,439 | \$ 2,738 | \$ 332 | \$ 5,900 |
| - | - | - | - | - | - |
| 75,199 | - | - | - | 2 | - |
| 43,286 | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 12,533,627</u> | <u>\$ 81,049</u> | <u>\$ 41,439</u> | <u>\$ 2,738</u> | <u>\$ 334</u> | <u>\$ 5,900</u> |
| 43,803 | 557 | - | - | - | - |
| 10,017 | - | - | - | - | - |
| 2,121 | - | - | - | - | - |
| - | 499 | 240 | - | - | 5,900 |
| 3,012 | - | - | - | - | - |
| - | - | - | - | - | - |
| 8,508 | - | - | - | - | - |
| <u>67,461</u> | <u>1,056</u> | <u>240</u> | <u>-</u> | <u>-</u> | <u>5,900</u> |
| 9,497,282 | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 3,012 | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 2,965,872 | 79,993 | 41,199 | 2,738 | 334 | - |
| <u>12,466,166</u> | <u>79,993</u> | <u>41,199</u> | <u>2,738</u> | <u>334</u> | <u>-</u> |
| <u>\$ 12,533,627</u> | <u>\$ 81,049</u> | <u>\$ 41,439</u> | <u>\$ 2,738</u> | <u>\$ 334</u> | <u>\$ 5,900</u> |

(continued)

TRAVIS COUNTY, TEXAS
COMBINING BALANCE SHEET - STATUTORY BASIS, continued
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2010

| | Special Revenue | | | | |
|--|-----------------------------|-------------------------|-----------------------------|----------------------|---|
| | Professional Prosecutors | Mary Quinlan Park | Probate Judiciary Fee | Courts Technology | Travis County Housing Finance Corporation |
| Assets | | | | | |
| Cash and pooled cash | \$ - | \$ 265,984 | \$ 158,796 | \$ 548,157 | \$ 132,941 |
| Investments | - | - | - | - | 520,506 |
| Interest receivable | - | - | 882 | 3,359 | - |
| Accounts receivable | - | - | 111,472 | 238 | 248,724 |
| Intergovernmental and other receivables | - | - | - | - | 141,741 |
| Taxes receivable (net of allowances for estimated uncollectibles) | - | - | - | - | - |
| Total assets | \$ - | \$ 265,984 | \$ 271,150 | \$ 551,754 | \$ 1,043,912 |
| Liabilities and Fund Balances | | | | | |
| Liabilities: | | | | | |
| Accounts payable | - | 655 | 1,596 | 3,738 | - |
| Accrued liabilities | - | - | 2,582 | 11,153 | - |
| Due to other funds | - | - | 4 | 18 | - |
| Other liabilities | - | - | - | - | 8,434 |
| Liability for compensated absences | - | - | 617 | 5,495 | - |
| Due to other governmental entities | - | - | - | - | - |
| Deferred revenue | - | - | - | - | - |
| Total liabilities | - | 655 | 4,799 | 20,404 | 8,434 |
| Fund balances: | | | | | |
| <i>Reserved for:</i> | | | | | |
| Encumbrances | - | 1,680 | - | 19,800 | - |
| County schools | - | - | - | - | - |
| Juveniles | - | - | - | - | - |
| <i>Unreserved, designated for:</i> | | | | | |
| Compensated absences | - | - | 617 | 5,495 | - |
| Debt service | - | - | - | - | - |
| Capital projects | - | - | - | - | - |
| <i>Unreserved, undesignated, reported in:</i> | | | | | |
| Special revenue funds | - | 263,649 | 265,734 | 506,055 | 1,035,478 |
| Total fund balances | - | 265,329 | 266,351 | 531,350 | 1,035,478 |
| Total liabilities and fund balances | \$ - | \$ 265,984 | \$ 271,150 | \$ 551,754 | \$ 1,043,912 |

Special Revenue

| Travis County Health Facilities Development Corporation | Capital Industrial Development Corporation | Travis County Cultural Education Facilities Finance Corp | Truancy Court | County Clerk Archival | Family Protection | Elections Contract |
|--|---|---|--------------------------|--------------------------------------|------------------------------|-------------------------------|
| \$ 12,355 | \$ 6,742 | \$ 16,043 | \$ 39,778 | \$ 275,606 | \$ 32,798 | \$ 349,900 |
| 723,023 | - | - | - | - | - | - |
| - | - | - | 272 | 1,151 | 188 | 1,804 |
| - | - | - | - | - | 278 | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>\$ 735,378</u> | <u>\$ 6,742</u> | <u>\$ 16,043</u> | <u>\$ 40,050</u> | <u>\$ 276,757</u> | <u>\$ 33,264</u> | <u>\$ 351,704</u> |
| - | - | - | 496 | 55,201 | - | 54,830 |
| - | - | - | 7,149 | 16,113 | - | - |
| - | - | - | 12 | 24 | - | - |
| - | - | - | - | - | - | - |
| - | - | - | 5,255 | 5,043 | - | 9,422 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | 12,912 | 76,381 | - | 64,252 |
| - | - | - | 250 | 1,040 | - | 1,613 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | 5,255 | 5,043 | - | 9,422 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 735,378 | 6,742 | 16,043 | 21,633 | 194,293 | 33,264 | 276,417 |
| <u>735,378</u> | <u>6,742</u> | <u>16,043</u> | <u>27,138</u> | <u>200,376</u> | <u>33,264</u> | <u>287,452</u> |
| <u>\$ 735,378</u> | <u>\$ 6,742</u> | <u>\$ 16,043</u> | <u>\$ 40,050</u> | <u>\$ 276,757</u> | <u>\$ 33,264</u> | <u>\$ 351,704</u> |

(continued)

TRAVIS COUNTY, TEXAS
COMBINING BALANCE SHEET - STATUTORY BASIS, continued
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2010

| | <u>Special Revenue</u> | | | | |
|--|---|----------------------|---------------------------------------|--------------------------------------|------------------------------------|
| | <u>Vital Statistic Preservation</u> | <u>Fire Code</u> | <u>Child Abuse Prevention</u> | <u>Juvenile Case Manager</u> | <u>Health Food Permits</u> |
| Assets | | | | | |
| Cash and pooled cash | \$ 32,416 | \$ 122,950 | \$ 2,538 | \$ 1,021,891 | \$ 96,288 |
| Investments | - | - | - | - | - |
| Interest receivable | 172 | 722 | 13 | 5,371 | - |
| Accounts receivable | 3 | - | 1 | 317 | - |
| Intergovernmental and other receivables | - | - | - | - | - |
| Taxes receivable (net of allowances for estimated uncollectibles) | - | - | - | - | - |
| Total assets | <u>\$ 32,591</u> | <u>\$ 123,672</u> | <u>\$ 2,552</u> | <u>\$ 1,027,579</u> | <u>\$ 96,288</u> |
| Liabilities and Fund Balances | | | | | |
| Liabilities: | | | | | |
| Accounts payable | - | - | - | 720 | - |
| Accrued liabilities | - | - | - | 3,280 | - |
| Due to other funds | - | - | - | 37 | - |
| Other liabilities | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Due to other governmental entities | - | - | - | - | - |
| Deferred revenue | - | - | - | - | - |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,037</u> | <u>-</u> |
| Fund balances: | | | | | |
| <i>Reserved for:</i> | | | | | |
| Encumbrances | - | - | - | - | 5,237 |
| County schools | - | - | - | - | - |
| Juveniles | - | - | - | - | - |
| <i>Unreserved, designated for:</i> | | | | | |
| Compensated absences | - | - | - | - | - |
| Debt service | - | - | - | - | - |
| Capital projects | - | - | - | - | - |
| <i>Unreserved, undesignated, reported in:</i> | | | | | |
| Special revenue funds | 32,591 | 123,672 | 2,552 | 1,023,542 | 91,051 |
| Total fund balances | <u>32,591</u> | <u>123,672</u> | <u>2,552</u> | <u>1,023,542</u> | <u>96,288</u> |
| Total liabilities and fund balances | <u>\$ 32,591</u> | <u>\$ 123,672</u> | <u>\$ 2,552</u> | <u>\$ 1,027,579</u> | <u>\$ 96,288</u> |

Special Revenue

| Drug Court Program | Probate Guardianship | Gardner House Handicraft | CAPCOG 911 Fees | CSCD Fees | Unclaimed Juvenile Restitution | Total |
|---------------------------|-----------------------------|---------------------------------|------------------------|-------------------|---------------------------------------|----------------------|
| \$ 129,558 | \$ 170,538 | \$ 3,276 | \$ 983,067 | \$ 128,852 | \$ 12,812 | \$ 26,467,883 |
| - | - | - | - | - | - | 1,243,529 |
| 700 | 891 | 17 | 5,235 | - | - | 134,605 |
| 9 | - | - | - | 248 | - | 434,743 |
| - | - | - | - | - | - | 141,741 |
| - | - | - | - | - | - | - |
| <u>\$ 130,267</u> | <u>\$ 171,429</u> | <u>\$ 3,293</u> | <u>\$ 988,302</u> | <u>\$ 129,100</u> | <u>\$ 12,812</u> | <u>\$ 28,422,501</u> |
| 8,188 | - | - | - | 2,511 | - | 323,330 |
| - | - | - | - | 12,193 | - | 244,351 |
| - | - | - | - | - | - | 138,348 |
| - | - | - | - | - | - | 23,663 |
| - | - | - | - | - | - | 165,116 |
| - | - | - | - | - | - | 3,554 |
| - | - | - | - | - | - | 8,508 |
| <u>8,188</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>14,704</u> | <u>-</u> | <u>906,870</u> |
| 164 | 39,917 | - | - | - | - | 9,918,822 |
| - | - | - | - | - | - | - |
| - | - | 3,293 | - | - | - | 3,293 |
| - | - | - | - | - | - | 165,116 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 121,915 | 131,512 | - | 988,302 | 114,396 | 12,812 | 17,428,400 |
| <u>122,079</u> | <u>171,429</u> | <u>3,293</u> | <u>988,302</u> | <u>114,396</u> | <u>12,812</u> | <u>27,515,631</u> |
| <u>\$ 130,267</u> | <u>\$ 171,429</u> | <u>\$ 3,293</u> | <u>\$ 988,302</u> | <u>\$ 129,100</u> | <u>\$ 12,812</u> | <u>\$ 28,422,501</u> |

(continued)

TRAVIS COUNTY, TEXAS
COMBINING BALANCE SHEET - STATUTORY BASIS, continued
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2010

| | Debt Service | | | Capital Projects |
|--|--|---|------------|-------------------------------|
| | Northwest Travis County Road District No. 3 | Travis County Bee Cave Road District No. 1 | Total | Joint Road Improvements |
| Assets | | | | |
| Cash and pooled cash | \$ 937 | \$ 846 | \$ 1,783 | \$ 4,500,228 |
| Investments | 228,162 | 384,396 | 612,558 | - |
| Interest receivable | - | - | - | 30,123 |
| Accounts receivable | - | - | - | - |
| Intergovernmental and other receivables | - | - | - | 83,000 |
| Taxes receivable (net of allowances for estimated uncollectibles) | 6,607 | 224 | 6,831 | - |
| Total assets | \$ 235,706 | \$ 385,466 | \$ 621,172 | \$ 4,613,351 |
| Liabilities and Fund Balances | | | | |
| Liabilities: | | | | |
| Accounts payable | - | - | - | 917,020 |
| Accrued liabilities | - | - | - | - |
| Due to other funds | - | - | - | 78,979 |
| Other liabilities | - | - | - | 786,489 |
| Liability for compensated absences | - | - | - | - |
| Due to other governmental entities | - | - | - | - |
| Deferred revenue | 6,607 | 224 | 6,831 | - |
| Total liabilities | 6,607 | 224 | 6,831 | 1,782,488 |
| Fund balances: | | | | |
| <i>Reserved for:</i> | | | | |
| Encumbrances | - | - | - | 873,913 |
| County schools | - | - | - | - |
| Juveniles | - | - | - | - |
| <i>Unreserved, designated for:</i> | | | | |
| Compensated absences | - | - | - | - |
| Debt service | 229,099 | 385,242 | 614,341 | - |
| Capital projects | - | - | - | 1,956,950 |
| <i>Unreserved, undesignated, reported in:</i> | | | | |
| Special revenue funds | - | - | - | - |
| Total fund balances | 229,099 | 385,242 | 614,341 | 2,830,863 |
| Total liabilities and fund balances | \$ 235,706 | \$ 385,466 | \$ 621,172 | \$ 4,613,351 |

| Capital Projects | | | | Permanent Fund | |
|-------------------------|---------------------|---|---------------------|--------------------------|---|
| Subdivision Parkland | Grants | Travis County Bee Cave Road District No. 1 | Total | Permanent School Fund | Total Non-Major Governmental Funds |
| \$ 754,815 | \$ 882,185 | \$ - | \$ 6,137,228 | \$ 3,143,936 | \$ 35,750,830 |
| - | - | - | - | - | 1,856,087 |
| 4,113 | 4,703 | - | 38,939 | - | 173,544 |
| - | - | - | - | - | 434,743 |
| - | 2,359,805 | - | 2,442,805 | - | 2,584,546 |
| - | - | - | - | - | 6,831 |
| <u>\$ 758,928</u> | <u>\$ 3,246,693</u> | <u>\$ -</u> | <u>\$ 8,618,972</u> | <u>\$ 3,143,936</u> | <u>\$ 40,806,581</u> |
| - | 744,427 | - | 1,661,447 | - | 1,984,777 |
| - | - | - | - | - | 244,351 |
| - | 1,674,562 | - | 1,753,541 | - | 1,891,889 |
| 103,045 | - | - | 889,534 | - | 913,197 |
| - | - | - | - | - | 165,116 |
| - | - | - | - | - | 3,554 |
| - | 827,704 | - | 827,704 | - | 843,043 |
| <u>103,045</u> | <u>3,246,693</u> | <u>-</u> | <u>5,132,226</u> | <u>-</u> | <u>6,045,927</u> |
| 67,869 | - | - | 941,782 | - | 10,860,604 |
| - | - | - | - | 3,143,936 | 3,143,936 |
| - | - | - | - | - | 3,293 |
| - | - | - | - | - | 165,116 |
| - | - | - | - | - | 614,341 |
| 588,014 | - | - | 2,544,964 | - | 2,544,964 |
| - | - | - | - | - | 17,428,400 |
| <u>655,883</u> | <u>-</u> | <u>-</u> | <u>3,486,746</u> | <u>3,143,936</u> | <u>34,760,654</u> |
| <u>\$ 758,928</u> | <u>\$ 3,246,693</u> | <u>\$ -</u> | <u>\$ 8,618,972</u> | <u>\$ 3,143,936</u> | <u>\$ 40,806,581</u> |

(concluded)

TRAVIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - STATUTORY BASIS
NON-MAJOR GOVERNMENTAL FUNDS
For The Year Ended September 30, 2010

| | <u>Special Revenue</u> | | | | |
|--|------------------------|-------------------|--------------------|-------------------|---------------------|
| | <u>Law</u> | <u>CAPSO</u> | <u>Law</u> | <u>Dispute</u> | <u>Voter</u> |
| | <u>Library</u> | <u>DAPSO</u> | <u>Enforcement</u> | <u>Resolution</u> | <u>Registration</u> |
| | <u>Center</u> | | | | |
| Revenues: | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | 34,450 | 4,262 | - | 113,921 |
| Charges for services | 903,702 | 183,502 | - | 386,469 | - |
| Fines and forfeits | - | - | 269,804 | - | - |
| Investment income | 1,402 | - | 2,041 | 235 | - |
| Miscellaneous | - | - | - | 3,469 | - |
| Total revenues | <u>905,104</u> | <u>217,952</u> | <u>276,107</u> | <u>390,173</u> | <u>113,921</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | 128,112 |
| Justice system | 1,047,643 | 100,947 | 87,752 | 389,217 | - |
| Public safety | - | - | 50,017 | - | - |
| Corrections and rehabilitation | - | - | - | - | - |
| Health and human services | - | - | - | - | - |
| Infrastructure and environmental services | - | - | - | - | - |
| Community and economic development | - | - | - | - | - |
| Capital outlay | 495 | - | 46,327 | - | 6,554 |
| Debt service: | | | | | |
| Principal on general obligation debt | - | - | - | - | - |
| Interest and other charges | - | - | - | - | - |
| Total expenditures | <u>1,048,138</u> | <u>100,947</u> | <u>184,096</u> | <u>389,217</u> | <u>134,666</u> |
| Excess (deficiency) of revenues over expenditures | <u>(143,034)</u> | <u>117,005</u> | <u>92,011</u> | <u>956</u> | <u>(20,745)</u> |
| Other financing sources (uses): | | | | | |
| Transfers in | - | - | - | 41,665 | - |
| Transfers out | - | (30,000) | (12,113) | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>(30,000)</u> | <u>(12,113)</u> | <u>41,665</u> | <u>-</u> |
| Net change in fund balances | (143,034) | 87,005 | 79,898 | 42,621 | (20,745) |
| Fund balances - beginning of year | 255,679 | 398,282 | 730,170 | 9,350 | 111,995 |
| Fund balances - end of year | <u>\$ 112,645</u> | <u>\$ 485,287</u> | <u>\$ 810,068</u> | <u>\$ 51,971</u> | <u>\$ 91,250</u> |

Special Revenue

| Juvenile Fee | County and District Clerk Records Management & Preservation | Records Management & Preservation | Courthouse Security | LCRA Parks CIP | Justice Court Building Security |
|---------------------|--|--|----------------------------|-----------------------|--|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| 9,135 | 1,096,498 | 499,366 | 488,523 | 244,557 | 44,947 |
| - | - | - | - | - | - |
| 1,747 | 5,641 | 547 | 1,666 | 13,866 | 784 |
| - | - | - | - | - | - |
| <u>10,882</u> | <u>1,102,139</u> | <u>499,913</u> | <u>490,189</u> | <u>258,423</u> | <u>45,731</u> |
| - | 813,997 | 415,176 | - | - | - |
| - | 157,156 | - | - | - | - |
| - | - | - | 2,635,794 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 55,000 | - | - | 243,055 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>-</u> | <u>1,026,153</u> | <u>415,176</u> | <u>2,635,794</u> | <u>243,055</u> | <u>-</u> |
| <u>10,882</u> | <u>75,986</u> | <u>84,737</u> | <u>(2,145,605)</u> | <u>15,368</u> | <u>45,731</u> |
| - | - | - | 2,170,266 | - | - |
| - | - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>2,170,266</u> | <u>-</u> | <u>-</u> |
| 10,882 | 75,986 | 84,737 | 24,661 | 15,368 | 45,731 |
| 365,820 | 1,032,138 | 117,284 | 99,137 | 3,066,545 | 176,864 |
| <u>\$ 376,702</u> | <u>\$ 1,108,124</u> | <u>\$ 202,021</u> | <u>\$ 123,798</u> | <u>\$ 3,081,913</u> | <u>\$ 222,595</u> |

(continued)

TRAVIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - STATUTORY BASIS, continued
NON-MAJOR GOVERNMENTAL FUNDS
For The Year Ended September 30, 2010

| | Special Revenue | | | | |
|--|---|----------------------------|---------------------------------------|---|--|
| | Juvenile Justice Alternative Education Program | Jail Commissary | Court Reporter Service | CSCD Equipment Acquisition | Juvenile Deferred Prosecution |
| Revenues: | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 45,992 | - | - | - | - |
| Charges for services | - | 1,831,487 | 378,023 | - | 7,105 |
| Fines and forfeits | - | - | - | - | - |
| Investment income | 7,948 | 574 | 630 | - | 283 |
| Miscellaneous | - | - | - | - | - |
| Total revenues | <u>53,940</u> | <u>1,832,061</u> | <u>378,653</u> | <u>-</u> | <u>7,388</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | - |
| Justice system | 443,703 | - | 403,393 | - | - |
| Public safety | - | - | - | - | - |
| Corrections and rehabilitation | - | 1,821,110 | - | - | - |
| Health and human services | - | - | - | - | - |
| Infrastructure and environmental services | - | - | - | - | - |
| Community and economic development | - | - | - | - | - |
| Capital outlay | - | 23,046 | - | - | - |
| Debt service: | | | | | |
| Principal on general obligation debt | - | - | - | - | - |
| Interest and other charges | - | - | - | - | - |
| Total expenditures | <u>443,703</u> | <u>1,844,156</u> | <u>403,393</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | <u>(389,763)</u> | <u>(12,095)</u> | <u>(24,740)</u> | <u>-</u> | <u>7,388</u> |
| Other financing sources (uses): | | | | | |
| Transfers in | 189,313 | - | - | - | - |
| Transfers out | - | - | - | - | - |
| Total other financing sources (uses) | <u>189,313</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | (200,450) | (12,095) | (24,740) | - | 7,388 |
| Fund balances - beginning of year | 1,760,034 | 455,237 | 116,085 | 1,118 | 60,393 |
| Fund balances - end of year | <u>\$ 1,559,584</u> | <u>\$ 443,142</u> | <u>\$ 91,345</u> | <u>\$ 1,118</u> | <u>\$ 67,781</u> |

Special Revenue

| Balcones Canyonlands Preservation | Abandoned Vehicles/ Livestock | LEOSE Elected Officials | LEOSE Commissioners' Court | Juvenile Delinquency Prevention | Unclaimed Property |
|--|--|--|---|--|-------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | 87,454 | 1,047 | - | - |
| 42,824 | - | - | - | 63 | - |
| - | - | - | - | - | - |
| 40,980 | 84 | 82 | - | 8 | - |
| <u>284,142</u> | <u>22,076</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>367,946</u> | <u>22,160</u> | <u>87,536</u> | <u>1,047</u> | <u>71</u> | <u>-</u> |
| - | - | - | - | - | - |
| - | - | 2,263 | - | - | - |
| - | 16,520 | 100,672 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 433,985 | - | - | - | - | - |
| - | - | - | - | - | - |
| 6,891,960 | - | 6,601 | - | - | - |
| - | - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>7,325,945</u> | <u>16,520</u> | <u>109,536</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>(6,957,999)</u> | <u>5,640</u> | <u>(22,000)</u> | <u>1,047</u> | <u>71</u> | <u>-</u> |
| 8,919,442 | - | - | - | - | - |
| - | (12,500) | - | - | - | - |
| <u>8,919,442</u> | <u>(12,500)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 1,961,443 | (6,860) | (22,000) | 1,047 | 71 | - |
| <u>10,504,723</u> | <u>86,853</u> | <u>63,199</u> | <u>1,691</u> | <u>263</u> | <u>-</u> |
| <u>\$ 12,466,166</u> | <u>\$ 79,993</u> | <u>\$ 41,199</u> | <u>\$ 2,738</u> | <u>\$ 334</u> | <u>\$ -</u> |

(continued)

TRAVIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - STATUTORY BASIS, continued
NON-MAJOR GOVERNMENTAL FUNDS
For The Year Ended September 30, 2010

| | Special Revenue | | | | |
|--|-------------------------------------|----------------------------------|--------------------------------------|------------------------------|--|
| | Professional Prosecutors | Mary Quinlan Park | Probate Judiciary Fee | Courts Technology | Travis County Housing Finance Corporation |
| Revenues: | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | 273,412 |
| Charges for services | - | - | 152,620 | 195,427 | 145,540 |
| Fines and forfeits | - | - | - | - | - |
| Investment income | - | - | 1,443 | 4,452 | 1,582 |
| Miscellaneous | - | - | - | - | 75 |
| Total revenues | <u>-</u> | <u>-</u> | <u>154,063</u> | <u>199,879</u> | <u>420,609</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | - | - | - | 354,322 | 317,548 |
| Justice system | 62,505 | - | 131,727 | 126,260 | - |
| Public safety | - | - | - | - | - |
| Corrections and rehabilitation | - | - | - | - | - |
| Health and human services | - | - | - | - | - |
| Infrastructure and environmental services | - | - | - | - | - |
| Community and economic development | - | 3,520 | - | - | - |
| Capital outlay | - | 5,912 | - | - | - |
| Debt service: | | | | | |
| Principal on general obligation debt | - | - | - | - | - |
| Interest and other charges | - | - | - | - | - |
| Total expenditures | <u>62,505</u> | <u>9,432</u> | <u>131,727</u> | <u>480,582</u> | <u>317,548</u> |
| Excess (deficiency) of revenues over expenditures | <u>(62,505)</u> | <u>(9,432)</u> | <u>22,336</u> | <u>(280,703)</u> | <u>103,061</u> |
| Other financing sources (uses): | | | | | |
| Transfers in | 62,500 | - | - | - | - |
| Transfers out | - | - | - | - | (176,515) |
| Total other financing sources (uses) | <u>62,500</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(176,515)</u> |
| Net change in fund balances | (5) | (9,432) | 22,336 | (280,703) | (73,454) |
| Fund balances - beginning of year | 5 | 274,761 | 244,015 | 812,053 | 1,108,932 |
| Fund balances - end of year | <u>\$ -</u> | <u>\$ 265,329</u> | <u>\$ 266,351</u> | <u>\$ 531,350</u> | <u>\$ 1,035,478</u> |

Special Revenue

| Travis County Health Facilities Development Corporation | Capital Industrial Development Corporation | Travis County Cultural Education Facilities Finance Corp | Truancy Court | County Clerk Archival | Family Protection | Elections Contract |
|--|---|---|--------------------------|--------------------------------------|------------------------------|-------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - |
| 318,404 | - | 3,000 | 133,332 | 973,649 | 54,767 | 1,006,052 |
| - | - | - | - | - | - | - |
| 1,555 | 10 | 14 | (133) | 970 | 450 | 2,546 |
| - | - | - | - | - | - | - |
| <u>319,959</u> | <u>10</u> | <u>3,014</u> | <u>133,199</u> | <u>974,619</u> | <u>55,217</u> | <u>1,008,598</u> |
| 233,730 | 24 | 47 | - | 1,422,535 | - | 1,000,150 |
| - | - | - | 182,045 | - | 100,000 | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | 15,336 | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>233,730</u> | <u>24</u> | <u>47</u> | <u>182,045</u> | <u>1,437,871</u> | <u>100,000</u> | <u>1,000,150</u> |
| <u>86,229</u> | <u>(14)</u> | <u>2,967</u> | <u>(48,846)</u> | <u>(463,252)</u> | <u>(44,783)</u> | <u>8,448</u> |
| - | - | - | 56,203 | - | - | - |
| <u>(51,285)</u> | <u>(534)</u> | <u>(1,033)</u> | <u>-</u> | <u>(7,702)</u> | <u>-</u> | <u>-</u> |
| <u>(51,285)</u> | <u>(534)</u> | <u>(1,033)</u> | <u>56,203</u> | <u>(7,702)</u> | <u>-</u> | <u>-</u> |
| 34,944 | (548) | 1,934 | 7,357 | (470,954) | (44,783) | 8,448 |
| <u>700,434</u> | <u>7,290</u> | <u>14,109</u> | <u>19,781</u> | <u>671,330</u> | <u>78,047</u> | <u>279,004</u> |
| <u>\$ 735,378</u> | <u>\$ 6,742</u> | <u>\$ 16,043</u> | <u>\$ 27,138</u> | <u>\$ 200,376</u> | <u>\$ 33,264</u> | <u>\$ 287,452</u> |

(continued)

TRAVIS COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - STATUTORY BASIS, continued
 NON-MAJOR GOVERNMENTAL FUNDS
 For The Year Ended September 30, 2010

| | <u>Special Revenue</u> | | | | |
|--|---|----------------------|---------------------------------------|--------------------------------------|------------------------------------|
| | <u>Vital Statistic Preservation</u> | <u>Fire Code</u> | <u>Child Abuse Prevention</u> | <u>Juvenile Case Manager</u> | <u>Health Food Permits</u> |
| Revenues: | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - |
| Charges for services | 3,886 | 160,857 | 1,172 | 215,849 | 78,641 |
| Fines and forfeits | - | - | - | - | - |
| Investment income | 133 | 457 | 3 | 4,205 | - |
| Miscellaneous | - | - | - | - | - |
| Total revenues | <u>4,019</u> | <u>161,314</u> | <u>1,175</u> | <u>220,054</u> | <u>78,641</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | - |
| Justice system | - | - | - | 72,935 | - |
| Public safety | - | 91,754 | - | - | - |
| Corrections and rehabilitation | - | - | - | - | - |
| Health and human services | - | - | - | - | 67,735 |
| Infrastructure and environmental services | - | - | - | - | - |
| Community and economic development | - | - | - | - | - |
| Capital outlay | - | - | - | - | - |
| Debt service: | | | | | |
| Principal on general obligation debt | - | - | - | - | - |
| Interest and other charges | - | - | - | - | - |
| Total expenditures | <u>-</u> | <u>91,754</u> | <u>-</u> | <u>72,935</u> | <u>67,735</u> |
| Excess (deficiency) of revenues over expenditures | <u>4,019</u> | <u>69,560</u> | <u>1,175</u> | <u>147,119</u> | <u>10,906</u> |
| Other financing sources (uses): | | | | | |
| Transfers in | - | - | - | - | - |
| Transfers out | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 4,019 | 69,560 | 1,175 | 147,119 | 10,906 |
| Fund balances - beginning of year | 28,572 | 54,112 | 1,377 | 876,423 | 85,382 |
| Fund balances - end of year | <u>\$ 32,591</u> | <u>\$ 123,672</u> | <u>\$ 2,552</u> | <u>\$ 1,023,542</u> | <u>\$ 96,288</u> |

Special Revenue

| Drug Court Program | Probate Guardianship | Gardner House Handicraft | CAPCOG 911 Fees | CSCD Fees | Unclaimed Juvenile Restitution | Total |
|---------------------------|-----------------------------|---------------------------------|------------------------|-------------------|---------------------------------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | 985,555 | - | - | 1,546,093 |
| 183,382 | 79,355 | - | - | - | - | 9,822,134 |
| - | - | - | - | 448,279 | 12,812 | 730,895 |
| 186 | 269 | 12 | 2,747 | - | - | 99,419 |
| - | - | 250 | - | - | - | 310,012 |
| <u>183,568</u> | <u>79,624</u> | <u>262</u> | <u>988,302</u> | <u>448,279</u> | <u>12,812</u> | <u>12,508,553</u> |
| - | - | - | - | - | - | 4,685,641 |
| 127,458 | 10,288 | - | - | - | - | 3,445,292 |
| - | - | - | - | - | - | 2,894,757 |
| - | - | - | - | 333,883 | - | 2,154,993 |
| - | - | - | - | - | - | 67,735 |
| - | - | - | - | - | - | 433,985 |
| - | - | - | - | - | - | 3,520 |
| - | - | - | - | - | - | 7,294,286 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>127,458</u> | <u>10,288</u> | <u>-</u> | <u>-</u> | <u>333,883</u> | <u>-</u> | <u>20,980,209</u> |
| <u>56,110</u> | <u>69,336</u> | <u>262</u> | <u>988,302</u> | <u>114,396</u> | <u>12,812</u> | <u>(8,471,656)</u> |
| - | - | - | - | - | - | 11,439,389 |
| - | - | - | - | - | - | (291,682) |
| - | - | - | - | - | - | 11,147,707 |
| 56,110 | 69,336 | 262 | 988,302 | 114,396 | 12,812 | 2,676,051 |
| 65,969 | 102,093 | 3,031 | - | - | - | 24,839,580 |
| <u>\$ 122,079</u> | <u>\$ 171,429</u> | <u>\$ 3,293</u> | <u>\$ 988,302</u> | <u>\$ 114,396</u> | <u>\$ 12,812</u> | <u>\$ 27,515,631</u> |

(continued)

TRAVIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - STATUTORY BASIS, continued
NON-MAJOR GOVERNMENTAL FUNDS
For The Year Ended September 30, 2010

| | Debt Service | | Capital Projects | |
|--|--|---|------------------|-------------------------------|
| | Northwest Travis County Road District No. 3 | Travis County Bee Cave Road District No. 1 | Total | Joint Road Improvements |
| Revenues: | | | | |
| Taxes | \$ 582,478 | \$ 1,113,121 | \$ 1,695,599 | \$ - |
| Intergovernmental | - | - | - | - |
| Charges for services | - | - | - | 4,137,225 |
| Fines and forfeits | - | - | - | - |
| Investment income | 1,230 | 1,710 | 2,940 | - |
| Miscellaneous | - | - | - | 638,904 |
| Total revenues | 583,708 | 1,114,831 | 1,698,539 | 4,776,129 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 2,945 | 5,567 | 8,512 | - |
| Justice system | - | - | - | - |
| Public safety | - | - | - | - |
| Corrections and rehabilitation | - | - | - | - |
| Health and human services | - | - | - | - |
| Infrastructure and environmental services | - | - | - | 5,489,438 |
| Community and economic development | - | - | - | - |
| Capital outlay | - | - | - | 576,166 |
| Debt service: | | | | |
| Principal on general obligation debt | 520,000 | 350,000 | 870,000 | - |
| Interest and other charges | 106,881 | 765,332 | 872,213 | - |
| Total expenditures | 629,826 | 1,120,899 | 1,750,725 | 6,065,604 |
| Excess (deficiency) of revenues over expenditures | (46,118) | (6,068) | (52,186) | (1,289,475) |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | (46,118) | (6,068) | (52,186) | (1,289,475) |
| Fund balances - beginning of year | 275,217 | 391,310 | 666,527 | 4,120,338 |
| Fund balances - end of year | \$ 229,099 | \$ 385,242 | \$ 614,341 | \$ 2,830,863 |

| Capital Projects | | | | Permanent Fund | |
|-------------------------|------------------|----------------------|---------------------|-----------------------|----------------------|
| Subdivision | | Travis County | | Permanent | Total |
| Parkland | Grants | Bee Cave | Total | School Fund | Non-Major |
| | | Road District | | | Governmental |
| | | No. 1 | | | Funds |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,695,599 |
| - | 5,584,231 | - | 5,584,231 | - | 7,130,324 |
| 138,439 | - | - | 4,275,664 | - | 14,097,798 |
| - | - | - | - | - | 730,895 |
| - | 7,006 | - | 7,006 | - | 109,365 |
| - | - | - | 638,904 | 128,380 | 1,077,296 |
| <u>138,439</u> | <u>5,591,237</u> | <u>-</u> | <u>10,505,805</u> | <u>128,380</u> | <u>24,841,277</u> |
| - | - | 1,852 | 1,852 | - | 4,696,005 |
| - | - | - | - | - | 3,445,292 |
| - | - | - | - | - | 2,894,757 |
| - | - | - | - | - | 2,154,993 |
| - | - | - | - | - | 67,735 |
| - | - | - | 5,489,438 | - | 5,923,423 |
| 101,798 | - | - | 101,798 | - | 105,318 |
| 36,589 | 5,591,392 | - | 6,204,147 | - | 13,498,433 |
| - | - | - | - | - | 870,000 |
| - | - | - | - | - | 872,213 |
| <u>138,387</u> | <u>5,591,392</u> | <u>1,852</u> | <u>11,797,235</u> | <u>-</u> | <u>34,528,169</u> |
| <u>52</u> | <u>(155)</u> | <u>(1,852)</u> | <u>(1,291,430)</u> | <u>128,380</u> | <u>(9,686,892)</u> |
| - | 155 | - | 155 | - | 11,439,544 |
| - | - | - | - | - | (291,682) |
| - | 155 | - | 155 | - | 11,147,862 |
| 52 | - | (1,852) | (1,291,275) | 128,380 | 1,460,970 |
| 655,831 | - | 1,852 | 4,778,021 | 3,015,556 | 33,299,684 |
| <u>\$ 655,883</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,486,746</u> | <u>\$ 3,143,936</u> | <u>\$ 34,760,654</u> |

(concluded)



TRAVIS COUNTY, TEXAS
BUDGETARY COMPARISON
SCHEDULES

TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - STATUTORY BASIS
BUDGET AND ACTUAL
GENERAL PURPOSE DEBT SERVICE FUND
For The Year Ended September 30, 2010

| | Budgeted Amounts Final | Actual Amounts | Variance With Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| Revenues: | | | |
| Taxes | \$ 64,931,874 | \$ 68,717,328 | \$ 3,785,454 |
| Investment income | 163,248 | 104,965 | (58,283) |
| Total revenues | <u>65,095,122</u> | <u>68,822,293</u> | <u>3,727,171</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 6,000 | 6,000 | - |
| Debt service: | | | |
| Refunding bond issuance cost | 307,557 | 277,086 | 30,471 |
| Advance refunding escrow | 633,340 | 633,340 | - |
| Principal on general obligation debt | 46,190,000 | 46,190,000 | - |
| Interest and other charges | 21,807,372 | 21,592,521 | 214,851 |
| Total expenditures | <u>68,944,269</u> | <u>68,698,947</u> | <u>245,322</u> |
| Excess (deficiency) of revenues over expenditures | <u>(3,849,147)</u> | <u>123,346</u> | <u>3,972,493</u> |
| Other financing sources (uses): | | | |
| Refunding debt issued | 27,090,000 | 27,090,000 | - |
| Refunding premium | 2,652,962 | 2,652,962 | - |
| Payment to refunding bond agent | (29,416,058) | (29,416,058) | - |
| Original issue discount | (19,347) | (19,347) | - |
| Transfers in | 200,000 | 153,220 | (46,780) |
| Total other financing sources (uses) | <u>507,557</u> | <u>460,777</u> | <u>(46,780)</u> |
| Net change in fund balance | (3,341,590) | 584,123 | 3,925,713 |
| Fund balance - beginning of year | <u>12,941,787</u> | <u>12,941,787</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 9,600,197</u> | <u>\$ 13,525,910</u> | <u>\$ 3,925,713</u> |

TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - STATUTORY BASIS
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
For The Year Ended September 30, 2010

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Law Library</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 833,000 | \$ 903,702 | \$ 70,702 |
| Investment income | 14,267 | 1,402 | (12,865) |
| Total revenues | <u>847,267</u> | <u>905,104</u> | <u>57,837</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | 1,066,248 | 1,047,643 | 18,605 |
| Capital outlay | 495 | 495 | - |
| Total expenditures | <u>1,066,743</u> | <u>1,048,138</u> | <u>18,605</u> |
| Excess (deficiency) of revenues over expenditures | <u>(219,476)</u> | <u>(143,034)</u> | <u>76,442</u> |
| Net change in fund balance | (219,476) | (143,034) | 76,442 |
| Fund balance - beginning of year | <u>255,679</u> | <u>255,679</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 36,203</u> | <u>\$ 112,645</u> | <u>\$ 76,442</u> |
| <u>Dispute Resolution Center</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 340,630 | \$ 386,469 | \$ 45,839 |
| Investment income | 1,834 | 235 | (1,599) |
| Miscellaneous | 3,531 | 3,469 | (62) |
| Total revenues | <u>345,995</u> | <u>390,173</u> | <u>44,178</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | 389,217 | 389,217 | - |
| Total expenditures | <u>389,217</u> | <u>389,217</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | <u>(43,222)</u> | <u>956</u> | <u>44,178</u> |
| Other financing sources (uses): | | | |
| Transfers in | 41,665 | 41,665 | - |
| Total other financing sources (uses) | <u>41,665</u> | <u>41,665</u> | <u>-</u> |
| Net change in fund balance | (1,557) | 42,621 | 44,178 |
| Fund balance - beginning of year | <u>9,350</u> | <u>9,350</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 7,793</u> | <u>\$ 51,971</u> | <u>\$ 44,178</u> |

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Voter Registration</u> | | | |
| Revenues: | | | |
| Intergovernmental | \$ 175,021 | \$ 113,921 | \$ (61,100) |
| Total revenues | <u>175,021</u> | <u>113,921</u> | <u>(61,100)</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 175,743 | 128,112 | 47,631 |
| Capital outlay | <u>7,256</u> | <u>6,554</u> | <u>702</u> |
| Total expenditures | <u>182,999</u> | <u>134,666</u> | <u>48,333</u> |
| Excess (deficiency) of revenues over expenditures | <u>(7,978)</u> | <u>(20,745)</u> | <u>(12,767)</u> |
| Net change in fund balance | (7,978) | (20,745) | (12,767) |
| Fund balance - beginning of year | <u>111,995</u> | <u>111,995</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 104,017</u> | <u>\$ 91,250</u> | <u>\$ (12,767)</u> |
| <u>Juvenile Fee</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 12,000 | \$ 9,135 | \$ (2,865) |
| Investment income | <u>6,606</u> | <u>1,747</u> | <u>(4,859)</u> |
| Total revenues | <u>18,606</u> | <u>10,882</u> | <u>(7,724)</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | <u>383,703</u> | <u>-</u> | <u>383,703</u> |
| Total expenditures | <u>383,703</u> | <u>-</u> | <u>383,703</u> |
| Excess (deficiency) of revenues over expenditures | <u>(365,097)</u> | <u>10,882</u> | <u>375,979</u> |
| Net change in fund balance | (365,097) | 10,882 | 375,979 |
| Fund balance - beginning of year | <u>365,820</u> | <u>365,820</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 723</u> | <u>\$ 376,702</u> | <u>\$ 375,979</u> |

(continued)

TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - STATUTORY BASIS
BUDGET AND ACTUAL, continued
NON-MAJOR SPECIAL REVENUE FUNDS
For The Year Ended September 30, 2010

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| County and District Clerk | | | |
| <u>Records Management & Preservation</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 1,091,000 | \$ 1,096,498 | \$ 5,498 |
| Investment income | 19,646 | 5,641 | (14,005) |
| Total revenues | <u>1,110,646</u> | <u>1,102,139</u> | <u>(8,507)</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 963,665 | 813,997 | 149,668 |
| Justice system | 160,214 | 157,156 | 3,058 |
| Capital outlay | 55,000 | 55,000 | - |
| Total expenditures | <u>1,178,879</u> | <u>1,026,153</u> | <u>152,726</u> |
| Excess (deficiency) of revenues over expenditures | <u>(68,233)</u> | <u>75,986</u> | <u>144,219</u> |
| Net change in fund balance | (68,233) | 75,986 | 144,219 |
| Fund balance - beginning of year | <u>1,032,138</u> | <u>1,032,138</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 963,905</u> | <u>\$ 1,108,124</u> | <u>\$ 144,219</u> |
| <u>Records Management & Preservation</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 531,500 | \$ 499,366 | \$ (32,134) |
| Investment income | 4,664 | 547 | (4,117) |
| Total revenues | <u>536,164</u> | <u>499,913</u> | <u>(36,251)</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 482,690 | 415,176 | 67,514 |
| Justice system | 14,000 | - | 14,000 |
| Total expenditures | <u>496,690</u> | <u>415,176</u> | <u>81,514</u> |
| Excess (deficiency) of revenues over expenditures | <u>39,474</u> | <u>84,737</u> | <u>45,263</u> |
| Net change in fund balance | 39,474 | 84,737 | 45,263 |
| Fund balance - beginning of year | <u>117,284</u> | <u>117,284</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 156,758</u> | <u>\$ 202,021</u> | <u>\$ 45,263</u> |

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Courthouse Security</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 487,454 | \$ 488,523 | \$ 1,069 |
| Investment income | 6,584 | 1,666 | (4,918) |
| Total revenues | <u>494,038</u> | <u>490,189</u> | <u>(3,849)</u> |
| Expenditures: | | | |
| Current: | | | |
| Public safety | <u>2,664,304</u> | <u>2,635,794</u> | <u>28,510</u> |
| Total expenditures | <u>2,664,304</u> | <u>2,635,794</u> | <u>28,510</u> |
| Excess (deficiency) of revenues over expenditures | <u>(2,170,266)</u> | <u>(2,145,605)</u> | <u>24,661</u> |
| Other financing sources (uses): | | | |
| Transfers in | <u>2,170,266</u> | <u>2,170,266</u> | <u>-</u> |
| Total other financing sources (uses) | <u>2,170,266</u> | <u>2,170,266</u> | <u>-</u> |
| Net change in fund balance | - | 24,661 | 24,661 |
| Fund balance - beginning of year | <u>99,137</u> | <u>99,137</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 99,137</u> | <u>\$ 123,798</u> | <u>\$ 24,661</u> |
| <u>LCRA Parks CIP</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 221,463 | \$ 244,557 | \$ 23,094 |
| Investment income | 56,494 | 13,866 | (42,628) |
| Total revenues | <u>277,957</u> | <u>258,423</u> | <u>(19,534)</u> |
| Expenditures: | | | |
| Current: | | | |
| Community and economic development | 1,280 | - | 1,280 |
| Capital outlay | <u>834,044</u> | <u>243,055</u> | <u>590,989</u> |
| Total expenditures | <u>835,324</u> | <u>243,055</u> | <u>592,269</u> |
| Excess (deficiency) of revenues over expenditures | <u>(557,367)</u> | <u>15,368</u> | <u>572,735</u> |
| Net change in fund balance | (557,367) | 15,368 | 572,735 |
| Fund balance - beginning of year | <u>3,066,545</u> | <u>3,066,545</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 2,509,178</u> | <u>\$ 3,081,913</u> | <u>\$ 572,735</u> |

(continued)

TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - STATUTORY BASIS
BUDGET AND ACTUAL, continued
NON-MAJOR SPECIAL REVENUE FUNDS
For The Year Ended September 30, 2010

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Justice Court Building Security</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 39,468 | \$ 44,947 | \$ 5,479 |
| Investment income | 966 | 784 | (182) |
| Total revenues | <u>40,434</u> | <u>45,731</u> | <u>5,297</u> |
| Expenditures: | | | |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | <u>40,434</u> | <u>45,731</u> | <u>5,297</u> |
| Net change in fund balance | 40,434 | 45,731 | 5,297 |
| Fund balance - beginning of year | <u>176,864</u> | <u>176,864</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 217,298</u> | <u>\$ 222,595</u> | <u>\$ 5,297</u> |
| <u>Juvenile Justice Alternative Education Program</u> | | | |
| Revenues: | | | |
| Intergovernmental | \$ 103,000 | \$ 45,992 | \$ (57,008) |
| Investment income | <u>38,953</u> | <u>7,948</u> | <u>(31,005)</u> |
| Total revenues | <u>141,953</u> | <u>53,940</u> | <u>(88,013)</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | <u>1,983,447</u> | <u>443,703</u> | <u>1,539,744</u> |
| Total expenditures | <u>1,983,447</u> | <u>443,703</u> | <u>1,539,744</u> |
| Excess (deficiency) of revenues over expenditures | <u>(1,841,494)</u> | <u>(389,763)</u> | <u>1,451,731</u> |
| Other financing sources (uses): | | | |
| Transfers in | <u>189,313</u> | <u>189,313</u> | <u>-</u> |
| Total other financing sources (uses) | <u>189,313</u> | <u>189,313</u> | <u>-</u> |
| Net change in fund balance | (1,652,181) | (200,450) | 1,451,731 |
| Fund balance - beginning of year | <u>1,760,034</u> | <u>1,760,034</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 107,853</u> | <u>\$ 1,559,584</u> | <u>\$ 1,451,731</u> |

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Court Reporter Service</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 348,000 | \$ 378,023 | \$ 30,023 |
| Investment income | 4,176 | 630 | (3,546) |
| Total revenues | <u>352,176</u> | <u>378,653</u> | <u>26,477</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | <u>419,775</u> | <u>403,393</u> | <u>16,382</u> |
| Total expenditures | <u>419,775</u> | <u>403,393</u> | <u>16,382</u> |
| Excess (deficiency) of revenues over expenditures | <u>(67,599)</u> | <u>(24,740)</u> | <u>42,859</u> |
| Net change in fund balance | (67,599) | (24,740) | 42,859 |
| Fund balance - beginning of year | <u>116,085</u> | <u>116,085</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 48,486</u> | <u>\$ 91,345</u> | <u>\$ 42,859</u> |
| <u>Juvenile Deferred Prosecution</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 5,000 | \$ 7,105 | \$ 2,105 |
| Investment income | 831 | 283 | (548) |
| Total revenues | <u>5,831</u> | <u>7,388</u> | <u>1,557</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | <u>65,876</u> | <u>-</u> | <u>65,876</u> |
| Total expenditures | <u>65,876</u> | <u>-</u> | <u>65,876</u> |
| Excess (deficiency) of revenues over expenditures | <u>(60,045)</u> | <u>7,388</u> | <u>67,433</u> |
| Net change in fund balance | (60,045) | 7,388 | 67,433 |
| Fund balance - beginning of year | <u>60,393</u> | <u>60,393</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 348</u> | <u>\$ 67,781</u> | <u>\$ 67,433</u> |

(continued)

TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - STATUTORY BASIS
BUDGET AND ACTUAL, continued
NON-MAJOR SPECIAL REVENUE FUNDS
For The Year Ended September 30, 2010

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Balcones Canyonlands Preservation</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 324,800 | \$ 42,824 | \$ (281,976) |
| Investment income | 78,647 | 40,980 | (37,667) |
| Miscellaneous | 123,109 | 284,142 | 161,033 |
| Total revenues | <u>526,556</u> | <u>367,946</u> | <u>(158,610)</u> |
| Expenditures: | | | |
| Current: | | | |
| Infrastructure and environmental services | 549,175 | 433,985 | 115,190 |
| Capital outlay | 16,315,566 | 6,891,960 | 9,423,606 |
| Total expenditures | <u>16,864,741</u> | <u>7,325,945</u> | <u>9,538,796</u> |
| Excess (deficiency) of revenues over expenditures | <u>(16,338,185)</u> | <u>(6,957,999)</u> | <u>9,380,186</u> |
| Other financing sources (uses): | | | |
| Transfers in | 8,919,442 | 8,919,442 | - |
| Total other financing sources (uses) | <u>8,919,442</u> | <u>8,919,442</u> | <u>-</u> |
| Net change in fund balance | (7,418,743) | 1,961,443 | 9,380,186 |
| Fund balance - beginning of year | 10,504,723 | 10,504,723 | - |
| Fund balance - end of year | <u>\$ 3,085,980</u> | <u>\$ 12,466,166</u> | <u>\$ 9,380,186</u> |
| <u>LEOSE Commissioners' Court</u> | | | |
| Revenues: | | | |
| Intergovernmental | \$ 1,000 | \$ 1,047 | \$ 47 |
| Total revenues | <u>1,000</u> | <u>1,047</u> | <u>47</u> |
| Expenditures: | | | |
| Current: | | | |
| Public safety | 2,690 | - | 2,690 |
| Total expenditures | <u>2,690</u> | <u>-</u> | <u>2,690</u> |
| Excess (deficiency) of revenues over expenditures | <u>(1,690)</u> | <u>1,047</u> | <u>2,737</u> |
| Net change in fund balance | (1,690) | 1,047 | 2,737 |
| Fund balance - beginning of year | 1,691 | 1,691 | - |
| Fund balance - end of year | <u>\$ 1</u> | <u>\$ 2,738</u> | <u>\$ 2,737</u> |

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Juvenile Delinquency Prevention</u> | | | |
| Revenues: | | | |
| Charges for services | \$ - | \$ 63 | \$ 63 |
| Investment income | 2 | 8 | 6 |
| Total revenues | <u>2</u> | <u>71</u> | <u>69</u> |
| Expenditures: | | | |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | <u>2</u> | <u>71</u> | <u>69</u> |
| Net change in fund balance | 2 | 71 | 69 |
| Fund balance - beginning of year | <u>263</u> | <u>263</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 265</u> | <u>\$ 334</u> | <u>\$ 69</u> |
| <u>Professional Prosecutors</u> | | | |
| Revenues: | | | |
| Total revenues | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | <u>65,416</u> | <u>62,505</u> | <u>2,911</u> |
| Total expenditures | <u>65,416</u> | <u>62,505</u> | <u>2,911</u> |
| Excess (deficiency) of revenues over expenditures | <u>(65,416)</u> | <u>(62,505)</u> | <u>2,911</u> |
| Other financing sources (uses): | | | |
| Transfers in | <u>65,412</u> | <u>62,500</u> | <u>(2,912)</u> |
| Total other financing sources (uses) | <u>65,412</u> | <u>62,500</u> | <u>(2,912)</u> |
| Net change in fund balance | (4) | (5) | (1) |
| Fund balance - beginning of year | <u>5</u> | <u>5</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 1</u> | <u>\$ -</u> | <u>\$ (1)</u> |

(continued)

**TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - STATUTORY BASIS
BUDGET AND ACTUAL, continued
NON-MAJOR SPECIAL REVENUE FUNDS
For The Year Ended September 30, 2010**

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Mary Quinlan Park</u> | | | |
| Revenues: | | | |
| Miscellaneous | \$ 5,000 | \$ - | \$ (5,000) |
| Total revenues | <u>5,000</u> | <u>-</u> | <u>(5,000)</u> |
| Expenditures: | | | |
| Current: | | | |
| Community and economic development | 5,200 | 3,520 | 1,680 |
| Capital outlay | 6,373 | 5,912 | 461 |
| Total expenditures | <u>11,573</u> | <u>9,432</u> | <u>2,141</u> |
| Excess (deficiency) of revenues over expenditures | <u>(6,573)</u> | <u>(9,432)</u> | <u>(2,859)</u> |
| Net change in fund balance | (6,573) | (9,432) | (2,859) |
| Fund balance - beginning of year | <u>274,761</u> | <u>274,761</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 268,188</u> | <u>\$ 265,329</u> | <u>\$ (2,859)</u> |
| <u>Probate Judiciary Fee</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 87,000 | \$ 152,620 | \$ 65,620 |
| Investment income | 5,712 | 1,443 | (4,269) |
| Total revenues | <u>92,712</u> | <u>154,063</u> | <u>61,351</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | 137,375 | 131,727 | 5,648 |
| Total expenditures | <u>137,375</u> | <u>131,727</u> | <u>5,648</u> |
| Excess (deficiency) of revenues over expenditures | <u>(44,663)</u> | <u>22,336</u> | <u>66,999</u> |
| Net change in fund balance | (44,663) | 22,336 | 66,999 |
| Fund balance - beginning of year | <u>244,015</u> | <u>244,015</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 199,352</u> | <u>\$ 266,351</u> | <u>\$ 66,999</u> |

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Courts Technology</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 217,049 | \$ 195,427 | \$ (21,622) |
| Investment income | 15,352 | 4,452 | (10,900) |
| Total revenues | <u>232,401</u> | <u>199,879</u> | <u>(32,522)</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 444,401 | 354,322 | 90,079 |
| Justice system | <u>136,479</u> | <u>126,260</u> | <u>10,219</u> |
| Total expenditures | <u>580,880</u> | <u>480,582</u> | <u>100,298</u> |
| Excess (deficiency) of revenues over expenditures | <u>(348,479)</u> | <u>(280,703)</u> | <u>67,776</u> |
| Net change in fund balance | (348,479) | (280,703) | 67,776 |
| Fund balance - beginning of year | <u>812,053</u> | <u>812,053</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 463,574</u> | <u>\$ 531,350</u> | <u>\$ 67,776</u> |
| <u>Truancy Court</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 136,239 | \$ 133,332 | \$ (2,907) |
| Investment income | 708 | (133) | (841) |
| Total revenues | <u>136,947</u> | <u>133,199</u> | <u>(3,748)</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | <u>187,606</u> | <u>182,045</u> | <u>5,561</u> |
| Total expenditures | <u>187,606</u> | <u>182,045</u> | <u>5,561</u> |
| Excess (deficiency) of revenues over expenditures | <u>(50,659)</u> | <u>(48,846)</u> | <u>1,813</u> |
| Other financing sources (uses): | | | |
| Transfers in | <u>56,203</u> | <u>56,203</u> | <u>-</u> |
| Total other financing sources (uses) | <u>56,203</u> | <u>56,203</u> | <u>-</u> |
| Net change in fund balance | 5,544 | 7,357 | 1,813 |
| Fund balance - beginning of year | <u>19,781</u> | <u>19,781</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 25,325</u> | <u>\$ 27,138</u> | <u>\$ 1,813</u> |

(continued)

TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - STATUTORY BASIS
BUDGET AND ACTUAL, continued
NON-MAJOR SPECIAL REVENUE FUNDS
For The Year Ended September 30, 2010

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>County Clerk Archival</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 990,000 | \$ 973,649 | \$ (16,351) |
| Investment income | 14,098 | 970 | (13,128) |
| Total revenues | <u>1,004,098</u> | <u>974,619</u> | <u>(29,479)</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 1,519,793 | 1,422,535 | 97,258 |
| Capital outlay | <u>15,337</u> | <u>15,336</u> | <u>1</u> |
| Total expenditures | <u>1,535,130</u> | <u>1,437,871</u> | <u>97,259</u> |
| Excess (deficiency) of revenues over expenditures | <u>(531,032)</u> | <u>(463,252)</u> | <u>67,780</u> |
| Other financing sources (uses): | | | |
| Transfers out | <u>(7,702)</u> | <u>(7,702)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>(7,702)</u> | <u>(7,702)</u> | <u>-</u> |
| Net change in fund balance | (538,734) | (470,954) | 67,780 |
| Fund balance - beginning of year | <u>671,330</u> | <u>671,330</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 132,596</u> | <u>\$ 200,376</u> | <u>\$ 67,780</u> |
| <u>Family Protection</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 50,000 | \$ 54,767 | \$ 4,767 |
| Investment income | <u>1,640</u> | <u>450</u> | <u>(1,190)</u> |
| Total revenues | <u>51,640</u> | <u>55,217</u> | <u>3,577</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | <u>129,686</u> | <u>100,000</u> | <u>29,686</u> |
| Total expenditures | <u>129,686</u> | <u>100,000</u> | <u>29,686</u> |
| Excess (deficiency) of revenues over expenditures | <u>(78,046)</u> | <u>(44,783)</u> | <u>33,263</u> |
| Net change in fund balance | (78,046) | (44,783) | 33,263 |
| Fund balance - beginning of year | <u>78,047</u> | <u>78,047</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 1</u> | <u>\$ 33,264</u> | <u>\$ 33,263</u> |

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Elections Contract</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 1,117,926 | \$ 1,006,052 | \$ (111,874) |
| Investment income | 12,070 | 2,546 | (9,524) |
| Total revenues | <u>1,129,996</u> | <u>1,008,598</u> | <u>(121,398)</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 1,266,275 | 1,000,150 | 266,125 |
| Total expenditures | <u>1,266,275</u> | <u>1,000,150</u> | <u>266,125</u> |
| Excess (deficiency) of revenues over expenditures | <u>(136,279)</u> | <u>8,448</u> | <u>144,727</u> |
| Net change in fund balance | (136,279) | 8,448 | 144,727 |
| Fund balance - beginning of year | <u>279,004</u> | <u>279,004</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 142,725</u> | <u>\$ 287,452</u> | <u>\$ 144,727</u> |

Vital Statistic Preservation

| | | | |
|--|------------------|------------------|----------------|
| Revenues: | | | |
| Charges for services | \$ 6,379 | \$ 3,886 | \$ (2,493) |
| Investment income | 338 | 133 | (205) |
| Total revenues | <u>6,717</u> | <u>4,019</u> | <u>(2,698)</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | 3,000 | - | 3,000 |
| Total expenditures | <u>3,000</u> | <u>-</u> | <u>3,000</u> |
| Excess (deficiency) of revenues over expenditures | <u>3,717</u> | <u>4,019</u> | <u>302</u> |
| Net change in fund balance | 3,717 | 4,019 | 302 |
| Fund balance - beginning of year | <u>28,572</u> | <u>28,572</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 32,289</u> | <u>\$ 32,591</u> | <u>\$ 302</u> |

(continued)

TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - STATUTORY BASIS
BUDGET AND ACTUAL, continued
NON-MAJOR SPECIAL REVENUE FUNDS
For The Year Ended September 30, 2010

| Fire Code | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| Revenues: | | | |
| Charges for services | \$ 125,000 | \$ 160,857 | \$ 35,857 |
| Investment income | 2,553 | 457 | (2,096) |
| Total revenues | <u>127,553</u> | <u>161,314</u> | <u>33,761</u> |
| Expenditures: | | | |
| Current: | | | |
| Public safety | 160,423 | 91,754 | 68,669 |
| Total expenditures | <u>160,423</u> | <u>91,754</u> | <u>68,669</u> |
| Excess (deficiency) of revenues over expenditures | <u>(32,870)</u> | <u>69,560</u> | <u>102,430</u> |
| Net change in fund balance | (32,870) | 69,560 | 102,430 |
| Fund balance - beginning of year | <u>54,112</u> | <u>54,112</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 21,242</u> | <u>\$ 123,672</u> | <u>\$ 102,430</u> |

Child Abuse Prevention

| | | | |
|--|----------------|-----------------|-----------------|
| Revenues: | | | |
| Charges for services | \$ 500 | \$ 1,172 | \$ 672 |
| Investment income | 5 | 3 | (2) |
| Total revenues | <u>505</u> | <u>1,175</u> | <u>670</u> |
| Expenditures: | | | |
| Current: | | | |
| Health and human services | 1,864 | - | 1,864 |
| Total expenditures | <u>1,864</u> | <u>-</u> | <u>1,864</u> |
| Excess (deficiency) of revenues over expenditures | <u>(1,359)</u> | <u>1,175</u> | <u>2,534</u> |
| Net change in fund balance | (1,359) | 1,175 | 2,534 |
| Fund balance - beginning of year | <u>1,377</u> | <u>1,377</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 18</u> | <u>\$ 2,552</u> | <u>\$ 2,534</u> |

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Juvenile Case Manager</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 193,500 | \$ 215,849 | \$ 22,349 |
| Investment income | 4,770 | 4,205 | (565) |
| Total revenues | <u>198,270</u> | <u>220,054</u> | <u>21,784</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | <u>107,475</u> | <u>72,935</u> | <u>34,540</u> |
| Total expenditures | <u>107,475</u> | <u>72,935</u> | <u>34,540</u> |
| Excess (deficiency) of revenues over expenditures | <u>90,795</u> | <u>147,119</u> | <u>56,324</u> |
| Net change in fund balance | 90,795 | 147,119 | 56,324 |
| Fund balance - beginning of year | <u>876,423</u> | <u>876,423</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 967,218</u> | <u>\$ 1,023,542</u> | <u>\$ 56,324</u> |

Health Food Permits

| | | | |
|--|-----------------|------------------|------------------|
| Revenues: | | | |
| Charges for services | \$ 82,260 | \$ 78,641 | \$ (3,619) |
| Total revenues | <u>82,260</u> | <u>78,641</u> | <u>(3,619)</u> |
| Health and human services | <u>167,610</u> | <u>67,735</u> | <u>99,875</u> |
| Total expenditures | <u>167,610</u> | <u>67,735</u> | <u>99,875</u> |
| Excess (deficiency) of revenues over expenditures | <u>(85,350)</u> | <u>10,906</u> | <u>96,256</u> |
| Net change in fund balance | (85,350) | 10,906 | 96,256 |
| Fund balance - beginning of year | <u>85,382</u> | <u>85,382</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 32</u> | <u>\$ 96,288</u> | <u>\$ 96,256</u> |

(continued)

**TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - STATUTORY BASIS
BUDGET AND ACTUAL, continued
NON-MAJOR SPECIAL REVENUE FUNDS
For The Year Ended September 30, 2010**

| | <u>Budgeted Amounts Final</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|---------------------------------------|---------------------------|---|
| <u>Drug Court Program</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 159,000 | \$ 183,382 | \$ 24,382 |
| Investment income | 773 | 186 | (587) |
| Total revenues | <u>159,773</u> | <u>183,568</u> | <u>23,795</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | 145,501 | 127,458 | 18,043 |
| Total expenditures | <u>145,501</u> | <u>127,458</u> | <u>18,043</u> |
| Excess (deficiency) of revenues over expenditures | <u>14,272</u> | <u>56,110</u> | <u>41,838</u> |
| Net change in fund balance | 14,272 | 56,110 | 41,838 |
| Fund balance - beginning of year | <u>65,969</u> | <u>65,969</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 80,241</u> | <u>\$ 122,079</u> | <u>\$ 41,838</u> |
| <u>Probate Guardianship</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 74,000 | \$ 79,355 | \$ 5,355 |
| Investment income | 607 | 269 | (338) |
| Total revenues | <u>74,607</u> | <u>79,624</u> | <u>5,017</u> |
| Expenditures: | | | |
| Current: | | | |
| Justice system | 50,205 | 10,288 | 39,917 |
| Total expenditures | <u>50,205</u> | <u>10,288</u> | <u>39,917</u> |
| Excess (deficiency) of revenues over expenditures | <u>24,402</u> | <u>69,336</u> | <u>44,934</u> |
| Net change in fund balance | 24,402 | 69,336 | 44,934 |
| Fund balance - beginning of year | <u>102,093</u> | <u>102,093</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 126,495</u> | <u>\$ 171,429</u> | <u>\$ 44,934</u> |

| | Budgeted Amounts Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>CAPCOG 911 Fees</u> | | | |
| Revenues: | | | |
| Intergovernmental | \$ 985,555 | \$ 985,555 | \$ - |
| Investment income | - | 2,747 | 2,747 |
| Total revenues | <u>985,555</u> | <u>988,302</u> | <u>2,747</u> |
| Expenditures: | | | |
| Current: | | | |
| Public safety | 985,555 | - | 985,555 |
| Total expenditures | <u>985,555</u> | <u>-</u> | <u>985,555</u> |
| Excess (deficiency) of revenues over expenditures | <u>-</u> | <u>988,302</u> | <u>988,302</u> |
| Net change in fund balance | - | 988,302 | 988,302 |
| Fund balance - beginning of year | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ -</u> | <u>\$ 988,302</u> | <u>\$ 988,302</u> (concluded) |

TRAVIS COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - STATUTORY BASIS
BUDGET AND ACTUAL
NON-MAJOR CAPITAL PROJECTS FUNDS
For The Year Ended September 30, 2010

| | Budgeted Amounts Final | Actual Amounts | Variance With Final Budget Positive (Negative) |
|--|---------------------------------------|---------------------------|---|
| <u>Joint Road Improvements</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 4,165,596 | \$ 4,137,225 | \$ (28,371) |
| Miscellaneous | 652,883 | 638,904 | (13,979) |
| Total revenues | <u>4,818,479</u> | <u>4,776,129</u> | <u>(42,350)</u> |
| Expenditures: | | | |
| Current: | | | |
| Infrastructure and environmental services | 7,305,909 | 5,489,438 | 1,816,471 |
| Capital outlay | <u>1,632,908</u> | <u>576,166</u> | <u>1,056,742</u> |
| Total expenditures | <u>8,938,817</u> | <u>6,065,604</u> | <u>2,873,213</u> |
| Excess (deficiency) of revenues over expenditures | <u>(4,120,338)</u> | <u>(1,289,475)</u> | <u>2,830,863</u> |
| Net change in fund balance | (4,120,338) | (1,289,475) | 2,830,863 |
| Fund balance - beginning of year | <u>4,120,338</u> | <u>4,120,338</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ -</u> | <u>\$ 2,830,863</u> | <u>\$ 2,830,863</u> |
| <u>Subdivision Parkland</u> | | | |
| Revenues: | | | |
| Charges for services | \$ 215,069 | \$ 138,439 | \$ (76,630) |
| Total revenues | <u>215,069</u> | <u>138,439</u> | <u>(76,630)</u> |
| Expenditures: | | | |
| Current: | | | |
| Community and economic development | 196,271 | 101,798 | 94,473 |
| Capital outlay | <u>674,629</u> | <u>36,589</u> | <u>638,040</u> |
| Total expenditures | <u>870,900</u> | <u>138,387</u> | <u>732,513</u> |
| Excess (deficiency) of revenues over expenditures | <u>(655,831)</u> | <u>52</u> | <u>655,883</u> |
| Net change in fund balance | (655,831) | 52 | 655,883 |
| Fund balance - beginning of year | <u>655,831</u> | <u>655,831</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ -</u> | <u>\$ 655,883</u> | <u>\$ 655,883</u> |

TRAVIS COUNTY, TEXAS
PROPRIETARY FUND

Internal service funds, a type of proprietary fund, are used to account for the financing of goods or services provided by one department to other departments of the government on a cost reimbursement basis. The County's proprietary fund consists of the following:

Self-Insurance Fund - This fund is used to account for the activities of the County's self-insurance program for general, property and automobile liabilities, error and omissions claims and judgments, workers' compensation claims, and loss from theft and crime.

Employee Health Benefit Fund - This fund is used to account for the activities of the County's self-insurance program for paying health claims for county employees, retirees, and their dependents who are eligible members of the plan.

TRAVIS COUNTY, TEXAS
COMBINING STATEMENT OF NET ASSETS - STATUTORY BASIS
INTERNAL SERVICE FUNDS
September 30, 2010

| | <u>Self-Insurance</u> | <u>Employee Health Benefit</u> | <u>Total</u> |
|-------------------------------|-----------------------|------------------------------------|----------------------|
| Assets | | | |
| Current assets: | | | |
| Pooled cash | \$ 21,416,945 | \$ 26,509,974 | \$ 47,926,919 |
| Interest receivable | 114,352 | 159,964 | 274,316 |
| Due from other funds | 78,161 | - | 78,161 |
| Other receivables | 144,591 | - | 144,591 |
| Prepaid items | 150,095 | 4,412 | 154,507 |
| Other assets | 300,000 | 1,938,718 | 2,238,718 |
| Total current assets | <u>22,204,144</u> | <u>28,613,068</u> | <u>50,817,212</u> |
| Noncurrent assets: | | | |
| Capital assets: | | | |
| Property, plant and equipment | 50,000 | 484,165 | 534,165 |
| Less accumulated depreciation | <u>(50,000)</u> | <u>(59,200)</u> | <u>(109,200)</u> |
| Total noncurrent assets | <u>-</u> | <u>424,965</u> | <u>424,965</u> |
| Total assets | <u>22,204,144</u> | <u>29,038,033</u> | <u>51,242,177</u> |
| Liabilities | | | |
| Current liabilities: | | | |
| Accounts payable | 165,105 | 72,149 | 237,254 |
| Deferred revenue | - | 509,300 | 509,300 |
| Due to other funds | - | 97 | 97 |
| Accrued and other liabilities | 165,850 | 55,519 | 221,369 |
| Claims and judgments | 3,334,560 | 9,214,894 | 12,549,454 |
| Compensated absences | 29,919 | 46,243 | 76,162 |
| Total current liabilities | <u>3,695,434</u> | <u>9,898,202</u> | <u>13,593,636</u> |
| Noncurrent liabilities: | | | |
| Claims and judgments | 4,601,002 | - | 4,601,002 |
| Compensated absences | <u>37,776</u> | <u>46,747</u> | <u>84,523</u> |
| Total noncurrent liabilities | <u>4,638,778</u> | <u>46,747</u> | <u>4,685,525</u> |
| Total liabilities | <u>8,334,212</u> | <u>9,944,949</u> | <u>18,279,161</u> |
| Net Assets | | | |
| Invested in capital assets | - | 424,965 | 424,965 |
| Unrestricted | <u>13,869,932</u> | <u>18,668,119</u> | <u>32,538,051</u> |
| Total net assets | <u>\$ 13,869,932</u> | <u>\$ 19,093,084</u> | <u>\$ 32,963,016</u> |

TRAVIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - STATUTORY BASIS
INTERNAL SERVICE FUNDS
For The Year Ended September 30, 2010

| | <u>Self-Insurance</u> | <u>Employee Health Benefit</u> | <u>Total</u> |
|--------------------------------|-----------------------|------------------------------------|----------------------|
| Operating revenues: | | | |
| Insurance premiums-county | \$ 3,731,958 | \$ 31,199,325 | \$ 34,931,283 |
| Insurance premiums-employee | - | 6,819,790 | 6,819,790 |
| Miscellaneous | 114 | 776,417 | 776,531 |
| Total operating revenues | <u>3,732,072</u> | <u>38,795,532</u> | <u>42,527,604</u> |
| Operating expenses: | | | |
| Incurred losses | 3,447,924 | 42,050,563 | 45,498,487 |
| Unemployment claims | 343,152 | - | 343,152 |
| Insurance expense | 881,687 | 2,480,957 | 3,362,644 |
| Professional services | 6,733 | 47,163 | 53,896 |
| Depreciation expense | - | 25,202 | 25,202 |
| Administration | 832,577 | 1,532,850 | 2,365,427 |
| Total operating expenses | <u>5,512,073</u> | <u>46,136,735</u> | <u>51,648,808</u> |
| Operating income (loss) | <u>(1,780,001)</u> | <u>(7,341,203)</u> | <u>(9,121,204)</u> |
| Nonoperating revenues: | | | |
| Investment income | 83,059 | 183,748 | 266,807 |
| Total nonoperating revenue | <u>83,059</u> | <u>183,748</u> | <u>266,807</u> |
| Change in net assets | (1,696,942) | (7,157,455) | (8,854,397) |
| Net assets - beginning of year | 15,566,874 | 26,250,539 | 41,817,413 |
| Net assets - end of year | <u>\$ 13,869,932</u> | <u>\$ 19,093,084</u> | <u>\$ 32,963,016</u> |

TRAVIS COUNTY, TEXAS
COMBINING STATEMENT OF CASH FLOWS - STATUTORY BASIS
INTERNAL SERVICE FUNDS
For The Year Ended September 30, 2010

| | <u>Self-Insurance</u> | <u>Employee Health Benefit</u> | <u>Total</u> |
|--|-----------------------|------------------------------------|-----------------------|
| Cash flows from operating activities | | | |
| Cash received from premium revenues | \$ 3,726,179 | \$ 38,056,179 | \$ 41,782,358 |
| Cash received from subrogation | 94,223 | - | 94,223 |
| Cash received from insurance proceeds, rebates, and other receipts | 114 | 776,417 | 776,531 |
| Cash paid for self-insured claims and loss adjustment expenses | (2,804,517) | (41,135,221) | (43,939,738) |
| Cash paid for other operating expenses | (1,270,611) | (3,434,679) | (4,705,290) |
| Cash paid for payroll | (740,407) | (1,314,642) | (2,055,049) |
| Net cash provided by (used for) operating activities | <u>(995,019)</u> | <u>(7,051,946)</u> | <u>(8,046,965)</u> |
| Cash flows from capital and related financing activities | | | |
| Purchases of capital assets | - | (185,529) | (185,529) |
| Net cash provided by (used for) capital and related financing activities | <u>-</u> | <u>(185,529)</u> | <u>(185,529)</u> |
| Cash flows from investing activities | | | |
| Interest received | 430,497 | 686,338 | 1,116,835 |
| Increase (decrease) in fair value of investments in pooled cash | (334,358) | (461,374) | (795,732) |
| Net cash provided by (used for) investing activities | <u>96,139</u> | <u>224,964</u> | <u>321,103</u> |
| Net increase (decrease) in pooled cash balance | (898,880) | (7,012,511) | (7,911,391) |
| Pooled cash balance - beginning of year | <u>22,315,825</u> | <u>33,522,485</u> | <u>55,838,310</u> |
| Pooled cash balance - end of year | <u>\$ 21,416,945</u> | <u>\$ 26,509,974</u> | <u>\$ 47,926,919</u> |
| Reconciliation of operating income (loss) to net cash provided by (used for) operating activities | | | |
| Operating income (loss) | \$ (1,780,001) | \$ (7,341,203) | \$ (9,121,204) |
| Adjustments to reconcile operating income to net cash provided by (used for) operating activities | | | |
| Depreciation expense | - | 25,202 | 25,202 |
| (Increase) decrease in due from other funds | (5,779) | - | (5,779) |
| (Increase) decrease in other receivables | (874) | - | (874) |
| (Increase) decrease in prepaid items | (1,175) | 3,102 | 1,927 |
| Increase (decrease) in claims and judgments | 713,626 | 915,342 | 1,628,968 |
| Increase (decrease) in other liabilities | 79,184 | (654,389) | (575,205) |
| Net cash provided by (used for) operating activities | <u>\$ (995,019)</u> | <u>\$ (7,051,946)</u> | <u>\$ (8,046,965)</u> |



TRAVIS COUNTY, TEXAS
FIDUCIARY FUNDS

Agency funds, a type of fiduciary fund, are used to account for assets held by the County in a fiduciary capacity as custodian or agent for individuals and other governmental units.

Agency Funds

County Officials' Escrow Fund - To account for cash bail bonds deposited prior to January 1, 1984 for which there have been no requests for refunds.

Cash Bonds Fund - To account for cash bail bonds deposited after January 1, 1984.

Surety Bail Bond Deposits Fund - To account for collateral deposits required of surety bail bond individuals.

State Revenue Fund - To account for fees collected on various court cases and jury contributions, which are remitted to the State of Texas. For some of the fees collected, the County receives a 10% commission, which is deposited into the General Fund.

LCRA Escrow Fund - To account for fees collected at LCRA parks operated by the County that are transferred to the General Fund as park fee revenue upon the approval of the Commissioners' Court. Fees are also transferred to LCRA – Parks CIP Fund.

Officials' Fee Account Fund - To account for monies held in elected and appointed officials' bank accounts, as well as accounts for DRO and CSCD. County officials each have a bank account into which they deposit their collections. From these accounts they disburse monies to the County, State, other governmental entities, and individuals.

District and County Clerk Invested Trust Fund - To provide a compilation of all invested trust funds for reporting purposes.

Road District Indemnification Fees Fund - To account for deposits required of road districts to ensure contract compliance.

TNR Escrow Fund - To account for deposits required of road contractors to ensure contract compliance.

District and County Attorney Forfeited Property Fund - To account for funds seized related to criminal cases awaiting adjudication. Based on the decision in the case, the funds are either returned to the defendant or distributed to the applicable justice system organizations.

Travis County Refunded Bonds Fund - To account for monies received from escrow agent and disbursed for payment of principal and interest on refunded bonds.

Road Districts Refunded Bonds Fund - Southwest Travis County Road District No. 1 has advance refunded bonds. The monies were placed in an escrow account to be disbursed for payment of the principal and interest for the bonds refunded. The County acts as the paying agent for these bonds.

Inmate Trust Fund - Funds belonging to jail inmates are accounted for in this fund until such time as they are expended on behalf of or returned to the inmates upon discharge.

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TRAVIS COUNTY, TEXAS
Agency Funds, continued

DNA Testing Fund - To account for court costs for convictions of offenses requiring DNA testing.

Available School Fund - To account for funds, other than oil royalties, from land owned by Travis County, and to account for the annual distribution of these monies to school districts.

CAPEC Participation Fund – To account for funds received from participating entities and to account for the disbursement of these monies to procure services and products on behalf of the Capital Area Pavement Engineering Council's efforts to significantly improve transportation infrastructure and advance public safety.



TRAVIS COUNTY, TEXAS
COMBINING STATEMENT OF ASSETS AND LIABILITIES - STATUTORY BASIS
AGENCY FUNDS
September 30, 2010

| | <u>County Officials' Escrow</u> | <u>Cash Bonds</u> | <u>Surety Bail Bond Deposits</u> | <u>State Revenue</u> |
|------------------------------------|---|-----------------------|--|--------------------------|
| Assets | | | | |
| Cash and pooled cash | \$ 20,366 | \$ 832,571 | \$ 13,188 | \$ 1,555,380 |
| Certificates of deposit | - | - | 997,740 | - |
| Investments | - | - | - | - |
| Interest receivable | - | - | - | - |
| Accounts receivable, net | - | - | - | 1,659,430 |
| Total assets | <u>\$ 20,366</u> | <u>\$ 832,571</u> | <u>\$ 1,010,928</u> | <u>\$ 3,214,810</u> |
| Liabilities | | | | |
| Due to third parties | 5,798 | - | - | - |
| Civil and probate deposits | - | - | - | - |
| Cash and surety bonds and deposits | 14,568 | 832,571 | 1,010,928 | - |
| Due to other governmental entities | - | - | - | 3,214,810 |
| Total liabilities | <u>\$ 20,366</u> | <u>\$ 832,571</u> | <u>\$ 1,010,928</u> | <u>\$ 3,214,810</u> |

| LCRA Escrow | Officials' Fee Account | District and County Clerk Invested Trust Fund | Road District Indemnification Fees | TNR Escrow |
|------------------------|---------------------------------------|--|---|-----------------------|
| \$ 14,604 | \$ 18,596,855 | \$ 149,786 | \$ 171,462 | \$ 3,609,899 |
| - | - | 17,953,061 | - | - |
| - | 15,608,575 | 9,568,106 | - | - |
| 3,172 | - | 28,772 | 868 | 19,235 |
| - | 870,758 | - | - | - |
| <u>\$ 17,776</u> | <u>\$ 35,076,188</u> | <u>\$ 27,699,725</u> | <u>\$ 172,330</u> | <u>\$ 3,629,134</u> |

| | | | | |
|------------------|----------------------|----------------------|-------------------|---------------------|
| 17,776 | 15,990,826 | 27,699,725 | 172,330 | 3,629,134 |
| - | 193,366 | - | - | - |
| - | 11,897,236 | - | - | - |
| - | 6,994,760 | - | - | - |
| <u>\$ 17,776</u> | <u>\$ 35,076,188</u> | <u>\$ 27,699,725</u> | <u>\$ 172,330</u> | <u>\$ 3,629,134</u> |

(continued)

TRAVIS COUNTY, TEXAS
COMBINING STATEMENT OF ASSETS AND LIABILITIES - STATUTORY BASIS, continued
AGENCY FUNDS
September 30, 2010

| | <u>District and County Attorney Forfeited Property</u> | <u>Travis County Refunded Bonds</u> | <u>Road Districts Refunded Bonds</u> |
|------------------------------------|--|---|--|
| Assets | | | |
| Cash and pooled cash | \$ 315,261 | \$ 5,316 | \$ 680,540 |
| Certificates of deposit | 1,135,873 | - | - |
| Investments | - | - | - |
| Interest receivable | - | - | - |
| Accounts receivable, net | - | - | - |
| Total assets | <u>\$ 1,451,134</u> | <u>\$ 5,316</u> | <u>\$ 680,540</u> |
| Liabilities | | | |
| Due to third parties | 1,451,134 | 5,316 | 680,540 |
| Civil and probate deposits | - | - | - |
| Cash and surety bonds and deposits | - | - | - |
| Due to other governmental entities | - | - | - |
| Total liabilities | <u>\$ 1,451,134</u> | <u>\$ 5,316</u> | <u>\$ 680,540</u> |

| Inmate Trust Fund | DNA Testing | Available School Fund | CAPEC Participation Fund | Total Agency Funds |
|----------------------------------|------------------------|--------------------------------------|---|-----------------------------------|
| \$ 130,858 | \$ 2,238 | \$ 171,505 | \$ 39,534 | \$ 26,309,363 |
| - | - | - | - | 20,086,674 |
| - | - | - | - | 25,176,681 |
| - | - | 17,616 | 212 | 69,875 |
| 65 | - | - | - | 2,530,253 |
| <u>\$ 130,923</u> | <u>\$ 2,238</u> | <u>\$ 189,121</u> | <u>\$ 39,746</u> | <u>\$ 74,172,846</u> |
| 130,917 | - | - | 39,746 | 49,823,242 |
| - | - | - | - | 193,366 |
| - | - | - | - | 13,755,303 |
| 6 | 2,238 | 189,121 | - | 10,400,935 |
| <u>\$ 130,923</u> | <u>\$ 2,238</u> | <u>\$ 189,121</u> | <u>\$ 39,746</u> | <u>\$ 74,172,846</u> |

(concluded)

TRAVIS COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - STATUTORY BASIS
AGENCY FUNDS
For the Year Ended September 30, 2010

| | Balance October 1, 2009 | Additions | Deletions | Balance September 30, 2010 |
|---|----------------------------|----------------------|----------------------|-------------------------------|
| <u>County Officials' Escrow</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 246,163 | \$ - | \$ 225,797 | \$ 20,366 |
| Total assets | <u>246,163</u> | <u>-</u> | <u>225,797</u> | <u>20,366</u> |
| Liabilities: | | | | |
| Due to third parties | 7,365 | 85,300 | 86,867 | 5,798 |
| Cash and surety bonds and deposits | 238,798 | - | 224,230 | 14,568 |
| Total liabilities | <u>\$ 246,163</u> | <u>\$ 85,300</u> | <u>\$ 311,097</u> | <u>\$ 20,366</u> |
| | | | | |
| <u>Cash Bonds</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 863,750 | \$ - | \$ 31,179 | \$ 832,571 |
| Total assets | <u>863,750</u> | <u>-</u> | <u>31,179</u> | <u>832,571</u> |
| Liabilities: | | | | |
| Cash and surety bonds and deposits | 863,750 | 70,772 | 101,951 | 832,571 |
| Total liabilities | <u>\$ 863,750</u> | <u>\$ 70,772</u> | <u>\$ 101,951</u> | <u>\$ 832,571</u> |
| | | | | |
| <u>Surety Bail Bond Deposits</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 13,188 | \$ 50,000 | \$ 50,000 | \$ 13,188 |
| Certificates of deposit | 1,097,298 | 100,442 | 200,000 | 997,740 |
| Total assets | <u>1,110,486</u> | <u>150,442</u> | <u>250,000</u> | <u>1,010,928</u> |
| Liabilities: | | | | |
| Cash and surety bonds and deposits | 1,110,486 | 100,442 | 200,000 | 1,010,928 |
| Total liabilities | <u>\$ 1,110,486</u> | <u>\$ 100,442</u> | <u>\$ 200,000</u> | <u>\$ 1,010,928</u> |
| | | | | |
| <u>State Revenue</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 1,476,163 | \$ 7,864,895 | \$ 7,785,678 | \$ 1,555,380 |
| Accounts receivable, net | 1,549,079 | 39,708,029 | 39,597,678 | 1,659,430 |
| Total assets | <u>3,025,242</u> | <u>47,572,924</u> | <u>47,383,356</u> | <u>3,214,810</u> |
| Liabilities: | | | | |
| Due to third parties | - | 199,774 | 199,774 | - |
| Due to other governmental entities | 3,025,242 | 46,606,308 | 46,416,740 | 3,214,810 |
| Total liabilities | <u>\$ 3,025,242</u> | <u>\$ 46,806,082</u> | <u>\$ 46,616,514</u> | <u>\$ 3,214,810</u> |

| | <u>Balance</u> <u>October 1, 2009</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>September 30, 2010</u> |
|---|--|-------------------------|-------------------------|---|
| <u>LCRA Escrow</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 31,018 | \$ 1,998,172 | \$ 2,014,586 | \$ 14,604 |
| Interest receivable | 1,922 | 3,184 | 1,934 | 3,172 |
| Total assets | <u>32,940</u> | <u>2,001,356</u> | <u>2,016,520</u> | <u>17,776</u> |
| Liabilities: | | | | |
| Due to third parties | 32,940 | 2,030,791 | 2,045,955 | 17,776 |
| Total liabilities | <u>\$ 32,940</u> | <u>\$ 2,030,791</u> | <u>\$ 2,045,955</u> | <u>\$ 17,776</u> |
| <u>Officials' Fee Account</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 18,472,355 | \$ 3,668,452,795 | \$ 3,668,328,295 | \$ 18,596,855 |
| Investments | 14,983,903 | 922,945,819 | 922,321,147 | 15,608,575 |
| Accounts receivable, net | 929,660 | 11,797,671 | 11,856,573 | 870,758 |
| Total assets | <u>34,385,918</u> | <u>4,603,196,285</u> | <u>4,602,506,015</u> | <u>35,076,188</u> |
| Liabilities: | | | | |
| Due to third parties | 19,842,278 | 2,013,494,527 | 2,017,345,979 | 15,990,826 |
| Civil and probate deposits | 188,152 | 4,021,073 | 4,015,859 | 193,366 |
| Cash and surety bonds and deposits | 8,017,754 | 21,523,208 | 17,643,726 | 11,897,236 |
| Due to other governmental entities | 6,337,734 | 164,436,264 | 163,779,238 | 6,994,760 |
| Total liabilities | <u>\$ 34,385,918</u> | <u>\$ 2,203,475,072</u> | <u>\$ 2,202,784,802</u> | <u>\$ 35,076,188</u> |
| <u>District and County Clerk Invested Trust Fund</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 150,493 | \$ 3,202,606 | \$ 3,203,313 | \$ 149,786 |
| Certificates of deposit | 19,574,682 | 5,058,127 | 6,679,748 | 17,953,061 |
| Investments | 9,493,659 | 212,758 | 138,311 | 9,568,106 |
| Interest receivable | 206,120 | 20,915 | 198,263 | 28,772 |
| Total assets | <u>29,424,954</u> | <u>8,494,406</u> | <u>10,219,635</u> | <u>27,699,725</u> |
| Liabilities: | | | | |
| Due to third parties | 29,424,954 | 8,494,406 | 10,219,635 | 27,699,725 |
| Total liabilities | <u>\$ 29,424,954</u> | <u>\$ 8,494,406</u> | <u>\$ 10,219,635</u> | <u>\$ 27,699,725</u> |
| <u>Road District Indemnification Fees</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 154,761 | \$ 34,660 | \$ 17,959 | \$ 171,462 |
| Interest receivable | 880 | 871 | 883 | 868 |
| Total assets | <u>155,641</u> | <u>35,531</u> | <u>18,842</u> | <u>172,330</u> |
| Liabilities: | | | | |
| Due to third parties | 155,641 | 33,777 | 17,088 | 172,330 |
| Total liabilities | <u>\$ 155,641</u> | <u>\$ 33,777</u> | <u>\$ 17,088</u> | <u>\$ 172,330</u> |

(continued)

TRAVIS COUNTY, TEXAS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - STATUTORY BASIS, continued
 AGENCY FUNDS
 For the Year Ended September 30, 2010

| | Balance October 1, 2009 | Additions | Deletions | Balance September 30, 2010 |
|---|----------------------------|----------------------|----------------------|-------------------------------|
| <u>TNR Escrow</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 3,908,299 | \$ 710,961 | \$ 1,009,361 | \$ 3,609,899 |
| Interest receivable | 22,862 | 19,307 | 22,934 | 19,235 |
| Total assets | <u>3,931,161</u> | <u>730,268</u> | <u>1,032,295</u> | <u>3,629,134</u> |
| Liabilities: | | | | |
| Due to third parties | 3,931,161 | 1,638,519 | 1,940,546 | 3,629,134 |
| Total liabilities | <u>\$ 3,931,161</u> | <u>\$ 1,638,519</u> | <u>\$ 1,940,546</u> | <u>\$ 3,629,134</u> |
| | | | | |
| <u>District and County Attorney Forfeited Property</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 1,508,363 | \$ 754,481 | \$ 1,947,583 | \$ 315,261 |
| Certificates of deposit | - | 1,245,549 | 109,676 | 1,135,873 |
| Total assets | <u>1,508,363</u> | <u>2,000,030</u> | <u>2,057,259</u> | <u>1,451,134</u> |
| Liabilities: | | | | |
| Due to third parties | 1,507,228 | 648,676 | 704,770 | 1,451,134 |
| Due to other governmental entities | 1,135 | 158,127 | 159,262 | - |
| Total liabilities | <u>\$ 1,508,363</u> | <u>\$ 806,803</u> | <u>\$ 864,032</u> | <u>\$ 1,451,134</u> |
| | | | | |
| <u>Travis County Refunded Bonds</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 5,316 | \$ 18,335,701 | \$ 18,335,701 | \$ 5,316 |
| Total assets | <u>5,316</u> | <u>18,335,701</u> | <u>18,335,701</u> | <u>5,316</u> |
| Liabilities: | | | | |
| Due to third parties | 5,316 | 36,671,402 | 36,671,402 | 5,316 |
| Total liabilities | <u>\$ 5,316</u> | <u>\$ 36,671,402</u> | <u>\$ 36,671,402</u> | <u>\$ 5,316</u> |
| | | | | |
| <u>Road Districts Refunded Bonds</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 680,033 | \$ 30,507 | \$ 30,000 | \$ 680,540 |
| Total assets | <u>680,033</u> | <u>30,507</u> | <u>30,000</u> | <u>680,540</u> |
| Liabilities: | | | | |
| Due to third parties | 680,033 | 30,507 | 30,000 | 680,540 |
| Total liabilities | <u>\$ 680,033</u> | <u>\$ 30,507</u> | <u>\$ 30,000</u> | <u>\$ 680,540</u> |

| | <u>Balance</u> <u>October 1, 2009</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>September 30, 2010</u> |
|--|--|---------------------|---------------------|---|
| <u>Inmate Trust Fund</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 131,174 | \$ 5,944,760 | \$ 5,945,076 | \$ 130,858 |
| Accounts receivable, net | - | 208 | 143 | 65 |
| Total assets | <u>131,174</u> | <u>5,944,968</u> | <u>5,945,219</u> | <u>130,923</u> |
| Liabilities: | | | | |
| Due to third parties | 131,174 | 2,970,237 | 2,970,494 | 130,917 |
| Due to other governmental entities | - | 233 | 227 | 6 |
| Total liabilities | <u>\$ 131,174</u> | <u>\$ 2,970,470</u> | <u>\$ 2,970,721</u> | <u>\$ 130,923</u> |
| <u>DNA Testing</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 1,748 | \$ 7,890 | \$ 7,400 | \$ 2,238 |
| Accounts receivable, net | - | 61,619 | 61,619 | - |
| Total assets | <u>1,748</u> | <u>69,509</u> | <u>69,019</u> | <u>2,238</u> |
| Liabilities: | | | | |
| Due to other governmental entities | 1,748 | 69,509 | 69,019 | 2,238 |
| Total liabilities | <u>\$ 1,748</u> | <u>\$ 69,509</u> | <u>\$ 69,019</u> | <u>\$ 2,238</u> |
| <u>Available School Fund</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 266,711 | \$ 531,447 | \$ 626,653 | \$ 171,505 |
| Interest receivable | 18,610 | 17,682 | 18,676 | 17,616 |
| Total assets | <u>285,321</u> | <u>549,129</u> | <u>645,329</u> | <u>189,121</u> |
| Liabilities: | | | | |
| Due to third parties | - | 247,565 | 247,565 | - |
| Due to other governmental entities | 285,321 | 512,771 | 608,971 | 189,121 |
| Total liabilities | <u>\$ 285,321</u> | <u>\$ 760,336</u> | <u>\$ 856,536</u> | <u>\$ 189,121</u> |
| <u>CAPEC Participation Fund</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ - | \$ 40,725 | \$ 1,191 | \$ 39,534 |
| Interest receivable | - | 213 | 1 | 212 |
| Total assets | <u>-</u> | <u>40,938</u> | <u>1,192</u> | <u>39,746</u> |
| Liabilities: | | | | |
| Due to third parties | - | 40,724 | 978 | 39,746 |
| Total liabilities | <u>\$ -</u> | <u>\$ 40,724</u> | <u>\$ 978</u> | <u>\$ 39,746</u> |

(continued)

TRAVIS COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - STATUTORY BASIS, continued
AGENCY FUNDS
For the Year Ended September 30, 2010

| | <u>Balance</u> <u>October 1, 2009</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>September 30, 2010</u> |
|--|--|-------------------------|-------------------------|---|
| <u>Total - All Agency Funds</u> | | | | |
| Assets: | | | | |
| Cash and pooled cash | \$ 27,909,535 | \$ 3,707,959,600 | \$ 3,709,559,772 | \$ 26,309,363 |
| Certificates of deposit | 20,671,980 | 6,404,118 | 6,989,424 | 20,086,674 |
| Investments | 24,477,562 | 923,158,577 | 922,459,458 | 25,176,681 |
| Interest receivable | 250,394 | 62,172 | 242,691 | 69,875 |
| Accounts receivable, net | 2,478,739 | 51,567,527 | 51,516,013 | 2,530,253 |
| Total assets | <u>75,788,210</u> | <u>4,689,151,994</u> | <u>4,690,767,358</u> | <u>74,172,846</u> |
| Liabilities: | | | | |
| Due to third parties | 55,718,090 | 2,066,586,205 | 2,072,481,053 | 49,823,242 |
| Civil and probate deposits | 188,152 | 4,021,073 | 4,015,859 | 193,366 |
| Cash and surety bonds and deposits | 10,230,788 | 21,694,422 | 18,169,907 | 13,755,303 |
| Due to other governmental entities | 9,651,180 | 211,783,212 | 211,033,457 | 10,400,935 |
| Total liabilities | <u>\$ 75,788,210</u> | <u>\$ 2,304,084,912</u> | <u>\$ 2,305,700,276</u> | <u>\$ 74,172,846</u> |
| | | | | (concluded) |

GENERAL FUND
EXPENDITURES BUDGET
AND ACTUAL DETAIL

TRAVIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES BY FUNCTION, SUB-FUNCTION AND OFFICE/DEPARTMENT - STATUTORY BASIS
BUDGET AND ACTUAL
GENERAL FUND

For The Year Ended September 30, 2010

| | Budgeted Amounts ^{1, 2, 3} | | Actual Amounts ³ | Variance with Final Budget |
|---|-------------------------------------|-------------------|--------------------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| General Government: | | | | |
| General Administration | | | | |
| County Judge | \$ 413,133 | \$ 413,081 | \$ 385,855 | \$ 27,226 |
| County Commissioner Precinct No. 1 | 339,312 | 338,701 | 333,167 | 5,534 |
| County Commissioner Precinct No. 2 | 326,180 | 326,180 | 310,396 | 15,784 |
| County Commissioner Precinct No. 3 | 333,440 | 333,405 | 326,547 | 6,858 |
| County Commissioner Precinct No. 4 | 333,426 | 333,426 | 280,329 | 53,097 |
| Commissioners' Court General Administration | 2,941,845 | 3,577,539 | 2,895,118 | 682,421 |
| Human Resource Management | 3,739,236 | 3,734,046 | 3,441,468 | 292,578 |
| Information Systems and Telecommunications | 22,064,467 | 22,357,239 | 17,955,435 | 4,401,804 |
| County Clerk - Recording | 2,430,624 | 2,840,847 | 2,570,687 | 270,160 |
| Civil Service Commission | 91,377 | 91,377 | 79,569 | 11,808 |
| Records Management and Communication | 4,626,709 | 4,755,417 | 4,675,544 | 79,873 |
| Hospitalization Contra | (121,373) | (121,373) | - | (121,373) |
| Centralized Computer Systems and Services (ITS) | 516,803 | 508,931 | 333,766 | 175,165 |
| Centralized Rent and Utilities (Facilities) | 820,859 | 605,759 | 583,290 | 22,469 |
| Centralized Fleet Services (TNR) | 249,052 | 249,276 | 229,414 | 19,862 |
| Total General Administration | 39,105,090 | 40,343,851 | 34,400,585 | 5,943,266 |
| Financial Administration | | | | |
| County Auditor | 9,236,145 | 9,236,145 | 8,008,335 | 1,227,810 |
| County Treasurer | 544,095 | 543,331 | 535,808 | 7,523 |
| Planning and Budget | 3,160,974 | 3,191,483 | 2,537,262 | 654,221 |
| Purchasing and Inventory Management | 2,905,009 | 2,928,988 | 2,686,834 | 242,154 |
| Hospitalization Contra | (123,193) | (123,193) | - | (123,193) |
| Centralized Rent and Utilities (Facilities) | 115,614 | 130,614 | 118,936 | 11,678 |
| Centralized Fleet Services (TNR) | 1,658 | 1,700 | 1,651 | 49 |
| Total Financial Administration | 15,840,302 | 15,909,068 | 13,888,826 | 2,020,242 |
| Tax Administration | | | | |
| Tax Collector | 6,852,610 | 6,818,391 | 6,584,837 | 233,554 |
| Hospitalization Contra | (90,073) | (90,073) | - | (90,073) |
| Centralized Rent and Utilities (Facilities) | 52,500 | 72,500 | 70,026 | 2,474 |
| Total Tax Administration | 6,815,037 | 6,800,818 | 6,654,863 | 145,955 |
| Facilities Management | | | | |
| Facilities Management | 9,962,722 | 11,031,212 | 9,260,858 | 1,770,354 |
| Property Development (TNR) | 119,346 | 119,321 | 6,288 | 113,033 |
| Hospitalization Contra | (88,124) | (88,124) | - | (88,124) |
| Centralized Computer Systems and Services (ITS) | - | - | (30) | 30 |
| Centralized Rent and Utilities (Facilities) | 49,250 | 74,250 | 67,023 | 7,227 |
| Centralized Fleet Services (TNR) | 80,010 | 81,739 | 79,479 | 2,260 |
| Total Facilities Management | 10,123,204 | 11,218,398 | 9,413,618 | 1,804,780 |
| Election Administration | | | | |
| County Clerk - Election Administration | 3,014,565 | 3,385,074 | 3,203,208 | 181,866 |
| Hospitalization Contra | (8,341) | (8,341) | - | (8,341) |
| Centralized Computer Systems and Services (ITS) | 9,403 | 9,258 | 8,983 | 275 |
| Centralized Rent and Utilities (Facilities) | 41,825 | 54,325 | 51,443 | 2,882 |
| Total Election Administration | 3,057,452 | 3,440,316 | 3,263,634 | 176,682 |
| Total General Government | 74,941,085 | 77,712,451 | 67,621,526 | 10,090,925 |

(continued)

¹ Healthcare premium costs are budgeted in each County office/department. Hospitalization Contra is the estimated savings for declined healthcare coverage and vacant employee positions and is budgeted by subfunction.

² The budget is prepared on a Statutory Basis. See Note 1 of the financial statements.

³ Departmental expenditures include capital outlay.

TRAVIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES BY FUNCTION, SUB-FUNCTION AND OFFICE/DEPARTMENT - STATUTORY BASIS
BUDGET AND ACTUAL, continued
GENERAL FUND
For The Year Ended September 30, 2010

| | Budgeted Amounts^{1, 2, 3} | | Actual Amounts³ | Variance with Final Budget Positive (Negative) |
|---|---|--------------------|---------------------------------------|---|
| | Original | Final | | |
| Justice System: | | | | |
| Criminal Justice | | | | |
| Central Collections (Tax Collector) | 724,727 | 734,741 | 702,982 | 31,759 |
| County Attorney | 7,129,684 | 7,161,974 | 6,833,016 | 328,958 |
| County Clerk | 2,136,794 | 1,989,806 | 1,957,294 | 32,512 |
| District Clerk | 2,164,622 | 2,128,131 | 2,108,291 | 19,840 |
| District Attorney | 13,028,369 | 13,008,465 | 12,550,454 | 458,011 |
| Criminal Courts | 6,733,365 | 6,710,757 | 6,413,404 | 297,353 |
| Justice of the Peace No. 1 | 576,153 | 588,763 | 545,826 | 42,937 |
| Justice of the Peace No. 2 | 1,381,397 | 1,307,638 | 1,232,121 | 75,517 |
| Justice of the Peace No. 3 | 948,971 | 958,285 | 934,954 | 23,331 |
| Justice of the Peace No. 4 | 668,953 | 674,511 | 665,951 | 8,560 |
| Justice of the Peace No. 5 | 623,982 | 597,518 | 504,161 | 93,357 |
| Criminal Justice Planning | 1,265,147 | 1,322,109 | 1,197,284 | 124,825 |
| Hospitalization Contra | (425,637) | (425,637) | - | (425,637) |
| Program Specific Facilities Projects | 676,154 | 621,171 | 602,788 | 18,383 |
| Centralized Computer Systems and Services (ITS) | 3,386 | 2,819 | - | 2,819 |
| Centralized Rent and Utilities (Facilities) | 803,640 | 873,640 | 808,840 | 64,800 |
| Centralized Fleet Services (TNR) | 8,991 | 9,207 | 8,995 | 212 |
| Legally Mandated Fees (Criminal Courts) | 7,914,683 | 7,946,082 | 7,519,894 | 426,188 |
| Total Criminal Justice | 46,363,381 | 46,209,980 | 44,586,255 | 1,623,725 |
| Civil Justice | | | | |
| County Attorney | 7,513,893 | 8,170,074 | 7,752,509 | 417,565 |
| County Clerk | 1,450,851 | 1,359,883 | 1,333,528 | 26,355 |
| District Clerk | 4,710,557 | 4,753,452 | 4,616,868 | 136,584 |
| Civil Courts | 5,743,094 | 5,631,129 | 5,426,722 | 204,407 |
| District Attorney | 2,953,718 | 2,961,524 | 2,730,630 | 230,894 |
| Probate Court | 1,622,386 | 1,622,340 | 1,594,263 | 28,077 |
| Justice of the Peace No. 1 | 376,898 | 364,250 | 340,540 | 23,710 |
| Justice of the Peace No. 2 | 473,207 | 546,589 | 518,200 | 28,389 |
| Justice of the Peace No. 3 | 364,620 | 364,836 | 353,105 | 11,731 |
| Justice of the Peace No. 4 | 322,506 | 316,810 | 270,553 | 46,257 |
| Justice of the Peace No. 5 | 402,863 | 429,327 | 412,203 | 17,124 |
| Hospitalization Contra | (374,440) | (374,440) | - | (374,440) |
| Records Management and Communication | - | 336 | 322 | 14 |
| Centralized Computer Systems and Services (ITS) | 5,104 | 5,104 | 5,104 | - |
| Centralized Rent and Utilities (Facilities) | 270,000 | 312,500 | 278,418 | 34,082 |
| Centralized Fleet Services (TNR) | 36,483 | 36,214 | 33,011 | 3,203 |
| Legally Mandated Fees (Civil Courts) | 1,063,947 | 2,517,412 | 2,489,211 | 28,201 |
| Total Civil Justice | 26,935,687 | 29,017,340 | 28,155,187 | 862,153 |
| Juvenile Services | | | | |
| County Judge | 5,726 | 5,726 | 5,709 | 17 |
| Juvenile Public Defender | 1,306,762 | 1,305,454 | 1,286,377 | 19,077 |
| Juvenile Court | 31,718,007 | 31,535,282 | 30,280,217 | 1,255,065 |
| Child Protective Services (HHS) | 728,622 | 673,455 | 625,562 | 47,893 |
| Program Specific Facilities Projects | - | 642,000 | 582,952 | 59,048 |
| Hospitalization Contra | (320,420) | (320,420) | - | (320,420) |
| Centralized Computer Systems and Services (ITS) | 1,706 | 1,700 | 1,369 | 331 |
| Centralized Rent and Utilities (Facilities) | 911,615 | 811,615 | 733,097 | 78,518 |
| Centralized Fleet Services (TNR) | 33,441 | 34,122 | 33,154 | 968 |
| Total Juvenile Services | 34,385,459 | 34,688,934 | 33,548,437 | 1,140,497 |
| Total Justice System | 107,684,527 | 109,916,254 | 106,289,879 | 3,626,375 |

| | Budgeted Amounts ^{1, 2, 3} | | Actual Amounts ³ | Variance with Final Budget |
|---|-------------------------------------|-------------------|--------------------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| Public Safety: | | | | |
| Law Enforcement | | | | |
| Constable No. 1 | 1,578,037 | 1,575,163 | 1,550,006 | 25,157 |
| Constable No. 2 | 2,286,320 | 2,289,682 | 2,254,760 | 34,922 |
| Constable No. 3 | 2,132,678 | 2,116,773 | 1,970,404 | 146,369 |
| Constable No. 4 | 1,273,548 | 1,272,605 | 1,121,005 | 151,600 |
| Constable No. 5 | 3,941,910 | 3,934,778 | 3,715,869 | 218,909 |
| Sheriff | 35,033,519 | 34,554,448 | 34,273,478 | 280,970 |
| Medical Examiner | 3,858,205 | 3,836,937 | 3,760,469 | 76,468 |
| Hospitalization Contra | (319,263) | (319,263) | - | (319,263) |
| Program Specific Facilities Projects | 32,451 | 19,092 | 18,795 | 297 |
| Centralized Computer Systems and Services (ITS) | 55,264 | 55,027 | 31,324 | 23,703 |
| Centralized Rent and Utilities (Facilities) | 233,550 | 269,350 | 264,145 | 5,205 |
| Centralized Fleet Services (TNR) | 2,009,787 | 2,016,660 | 1,933,207 | 83,453 |
| Total Law Enforcement | 52,116,006 | 51,621,252 | 50,893,462 | 727,790 |
| Emergency Management Services | | | | |
| Emergency Management Services | 4,736,327 | 4,492,285 | 3,649,073 | 843,212 |
| Hospitalization Contra | (15,138) | (15,138) | - | (15,138) |
| Centralized Computer Systems and Services (ITS) | - | - | (770) | 770 |
| Centralized Fleet Services (TNR) | 33,538 | 34,329 | 33,571 | 758 |
| Total Emergency Management Services | 4,754,727 | 4,511,476 | 3,681,874 | 829,602 |
| Total Public Safety | 56,870,733 | 56,132,728 | 54,575,336 | 1,557,392 |
| Corrections and Rehabilitation: | | | | |
| Housing and Booking | | | | |
| Sheriff | 88,150,206 | 89,617,589 | 86,532,783 | 3,084,806 |
| Pretrial Services | 1,412,491 | 1,377,047 | 1,322,472 | 54,575 |
| Hospitalization Contra | (916,015) | (916,015) | - | (916,015) |
| Centralized Computer Systems and Services (ITS) | 4 | 1 | (622) | 623 |
| Centralized Rent and Utilities (Facilities) | 525,815 | 550,815 | 501,373 | 49,442 |
| Centralized Fleet Services (TNR) | 78,357 | 77,048 | 68,561 | 8,487 |
| Total Housing and Booking | 89,250,858 | 90,706,485 | 88,424,567 | 2,281,918 |
| Supervision | | | | |
| Community Supervision and Corrections | 552,196 | 562,863 | 561,085 | 1,778 |
| Travis County Counseling Center/SACA | 3,350,561 | 3,353,590 | 3,242,262 | 111,328 |
| Pretrial Services | 2,188,284 | 2,220,191 | 2,180,084 | 40,107 |
| Hospitalization Contra | (76,658) | (76,658) | - | (76,658) |
| Centralized Computer Systems and Services (ITS) | 34,139 | 34,137 | 31,865 | 2,272 |
| Centralized Rent and Utilities (Facilities) | 341,678 | 391,678 | 380,936 | 10,742 |
| Centralized Fleet Services (TNR) | 3,954 | 3,766 | 3,348 | 418 |
| Total Supervision | 6,394,154 | 6,489,567 | 6,399,580 | 89,987 |
| Total Corrections and Rehabilitation | 95,645,012 | 97,196,052 | 94,824,147 | 2,371,905 |
| Health and Human Services: | | | | |
| Healthcare | | | | |
| Health Services (HHS) | 836,233 | 829,229 | 749,931 | 79,298 |
| Emergency Medical Services | 15,780,716 | 15,830,299 | 15,250,965 | 579,334 |
| Hospitalization Contra | (48,721) | (48,721) | - | (48,721) |
| Centralized Rent and Utilities (Facilities) | 175,247 | 208,247 | 200,663 | 7,584 |
| Centralized Fleet Services (TNR) | 13,255 | 13,482 | 13,121 | 361 |
| Total Healthcare | 16,756,730 | 16,832,536 | 16,214,680 | 617,856 |

(continued)

TRAVIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES BY FUNCTION, SUB-FUNCTION AND OFFICE/DEPARTMENT - STATUTORY BASIS
BUDGET AND ACTUAL, continued
GENERAL FUND
For The Year Ended September 30, 2010

| | Budgeted Amounts^{1, 2, 3} | | Actual Amounts³ | Variance with Final Budget Positive (Negative) |
|--|---|-------------------|---------------------------------------|---|
| | Original | Final | | |
| Public Health | | | | |
| Program Specific Facilities Projects | 57,172 | 54,395 | 54,394 | 1 |
| Centralized Rent and Utilities (Facilities) | 18,265 | 23,265 | 22,044 | 1,221 |
| Centralized Fleet Services (TNR) | 38 | 37 | 35 | 2 |
| Total Public Health | 75,475 | 77,697 | 76,473 | 1,224 |
| Human Services | | | | |
| Veteran Services | 315,086 | 307,853 | 285,084 | 22,769 |
| County Cooperative (Agricultural) Extension Service | 1,000,154 | 809,290 | 707,911 | 101,379 |
| Human Services (HHS) | 26,263,247 | 26,064,583 | 24,845,820 | 1,218,763 |
| Hospitalization Contra | (145,245) | (145,245) | - | (145,245) |
| Centralized Computer Systems and Services (ITS) | - | - | (1,200) | 1,200 |
| Centralized Rent and Utilities (Facilities) | 74,565 | 111,742 | 100,198 | 11,544 |
| Centralized Fleet Services (TNR) | 25,675 | 26,204 | 25,334 | 870 |
| Total Human Services | 27,533,482 | 27,174,427 | 25,963,147 | 1,211,280 |
| Total Health and Human Services | 44,365,687 | 44,084,660 | 42,254,300 | 1,830,360 |
| <u>Infrastructure and Environmental Services:</u> | | | | |
| Roads and Bridges | | | | |
| Transportation and Roads | 5,465,595 | 6,363,929 | 4,428,863 | 1,935,066 |
| Hospitalization Contra | (35,058) | (35,058) | - | (35,058) |
| Centralized Computer Systems and Services (ITS) | 9,243 | 9,243 | 8,897 | 346 |
| Centralized Rent and Utilities (Facilities) | 70,900 | 70,900 | 46,066 | 24,834 |
| Centralized Fleet Services (TNR) | 29,861 | 146,607 | 141,348 | 5,259 |
| Total Roads and Bridges | 5,540,541 | 6,555,621 | 4,625,174 | 1,930,447 |
| Drainage | | | | |
| Transportation and Roads - Stormwater Management | 706,404 | 628,686 | 482,204 | 146,482 |
| Hospitalization Contra | (17,161) | (17,161) | - | (17,161) |
| Centralized Rent and Utilities (Facilities) | 32,335 | 31,335 | 7,218 | 24,117 |
| Centralized Fleet Services (TNR) | 4,211 | 4,290 | 4,186 | 104 |
| Total Drainage | 725,789 | 647,150 | 493,608 | 153,542 |
| Development and Regulation | | | | |
| Centralized Rent and Utilities (Facilities) | 32,335 | 32,335 | 7,219 | 25,116 |
| Total Development and Regulation | 32,335 | 32,335 | 7,219 | 25,116 |
| Conservation and Natural Resources | | | | |
| Transportation and Roads | 2,839,563 | 2,678,291 | 2,340,473 | 337,818 |
| Hospitalization Contra | (26,030) | (26,030) | - | (26,030) |
| Centralized Rent and Utilities (Facilities) | 30,345 | 27,845 | 15,542 | 12,303 |
| Centralized Fleet Services (TNR) | 28,191 | 28,497 | 27,179 | 1,318 |
| Total Conservation and Natural Resources | 2,872,069 | 2,708,603 | 2,383,194 | 325,409 |
| Sanitation | | | | |
| Transportation and Roads - Onsite Sewage Facility | 663,427 | 633,573 | 559,268 | 74,305 |
| Hospitalization Contra | (1,248) | (1,248) | - | (1,248) |
| Centralized Rent and Utilities (Facilities) | 27,300 | 27,300 | 7,218 | 20,082 |
| Centralized Fleet Services (TNR) | 14,695 | 14,965 | 14,614 | 351 |
| Total Sanitation | 704,174 | 674,590 | 581,100 | 93,490 |
| Total Infrastructure and Environmental Services | 9,874,908 | 10,618,299 | 8,090,295 | 2,528,004 |

| | Budgeted Amounts^{1, 2, 3} | | Actual Amounts³ | Variance with Final Budget Positive (Negative) |
|---|---|-----------------------|---------------------------------------|---|
| | Original | Final | | |
| <u>Community and Economic Development:</u> | | | | |
| Economic Development | | | | |
| Waller Creek TIF (Gen Admin) | 250,000 | 292,907 | 292,907 | - |
| Travis County Exposition Center | 1,025,576 | 1,173,700 | 914,298 | 259,402 |
| Centralized Rent and Utilities (Facilities) | 6,155 | 11,655 | 8,698 | 2,957 |
| Centralized Fleet Services (TNR) | 10,535 | 10,029 | 8,656 | 1,373 |
| Total Economic Development | 1,292,266 | 1,488,291 | 1,224,559 | 263,732 |
| Parks and Recreation | | | | |
| Parks (TNR) | 7,802,887 | 7,794,741 | 6,976,791 | 817,950 |
| Hospitalization Contra | (73,483) | (73,483) | - | (73,483) |
| Centralized Rent and Utilities (Facilities) | 52,265 | 3,265 | 2,299 | 966 |
| Centralized Fleet Services (TNR) | 226,044 | 256,163 | 249,285 | 6,878 |
| Total Parks and Recreation | 8,007,713 | 7,980,686 | 7,228,375 | 752,311 |
| Culture and Education | | | | |
| Historical Commission | 1,942 | 1,942 | 374 | 1,568 |
| Centralized Rent and Utilities (Facilities) | 1,215 | 1,215 | 801 | 414 |
| Total Culture and Education | 3,157 | 3,157 | 1,175 | 1,982 |
| Total Community and Economic Development | 9,303,136 | 9,472,134 | 8,454,109 | 1,018,025 |
| Total | \$ 398,685,088 | \$ 405,132,578 | \$ 382,109,592 | \$ 23,022,986 |

(concluded)



**TRAVIS COUNTY, TEXAS
STATISTICAL SECTION**

**TRAVIS COUNTY, TEXAS
STATISTICAL SECTION
September 30, 2010**

This part of Travis County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

| <u>Contents</u> | <u>Page</u> |
|---|--------------------|
| Financial Trends | ST-3 |
| <p>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. The first two schedules relate to government-wide; the remaining schedules relate to fund information.</p> | |
| Revenue Capacity | ST-17 |
| <p>These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property taxes.</p> | |
| Debt Capacity | ST-39 |
| <p>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</p> | |
| Demographic and Economic Information | ST-53 |
| <p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.</p> | |
| Operating Information | ST-61 |
| <p>These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.</p> | |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

Note: The County implemented GASB Statement No. 34 in 2002; schedules presenting government-wide information include information beginning with that year.



TRAVIS COUNTY, TEXAS

FINANCIAL TRENDS



Schedule 1

**Travis County, Texas
Net Assets by Component
Governmental Activities
Last Nine Fiscal Years
(unaudited)**

| | Fiscal Year Ended September 30 | | | |
|--|---------------------------------------|-----------------------|-----------------------|-----------------------|
| | 2002 | 2003 | 2004 | 2005 |
| Net Assets | | | | |
| Invested in capital assets, net of related debt | \$ 689,248,357 | \$ 687,132,617 | \$ 698,238,526 | \$ 725,154,875 |
| Restricted | 16,535,075 | 23,875,614 | 28,644,316 | 28,381,876 |
| Unrestricted ⁽¹⁾ | <u>(37,336,451)</u> | <u>(29,735,349)</u> | <u>(22,634,867)</u> | <u>(15,021,161)</u> |
| Total net assets | <u>\$ 668,446,981</u> | <u>\$ 681,272,882</u> | <u>\$ 704,247,975</u> | <u>\$ 738,515,590</u> |

Notes: Travis County began to report net asset information when it implemented GASB Statement No. 34 in fiscal year 2002.

The classification of net assets in fiscal year 2005 reflects the effects of the implementation of GASB Statement No. 46 - "Net Assets Restricted by Enabling Legislation."

Beginning with fiscal year 2008, the County followed the Statutory Basis of Accounting. Prior years are prepared in accordance with GAAP.

This schedule includes blended component units.

⁽¹⁾ The deficit in unrestricted net assets is a result of payments made to the State of Texas for right-of-way land purchased for joint road projects for which the County reports the debt, but does not report the asset.

Fiscal Year Ended September 30

| 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 731,245,017 | \$ 746,649,334 | \$ 778,735,287 | \$ 826,242,229 | \$ 828,574,985 |
| 27,804,954 | 34,216,858 | 40,318,478 | 34,033,639 | 32,618,002 |
| 22,701,561 | 59,589,364 | 50,784,405 | 49,520,735 | 72,797,386 |
| <u>\$ 781,751,532</u> | <u>\$ 840,455,556</u> | <u>\$ 869,838,170</u> | <u>\$ 909,796,603</u> | <u>\$ 933,990,373</u> |

Schedule 2

Travis County, Texas
Changes in Net Assets
Governmental Activities
Last Nine Fiscal Years
(unaudited)

| | Fiscal Year | | |
|--|-------------------------|-------------------------|-------------------------|
| | 2002 | 2003 | 2004 |
| Expenses | | | |
| General government | \$ 66,568,720 | \$ 75,800,673 | \$ 77,881,031 |
| Justice system | 78,332,558 | 80,832,680 | 78,445,879 |
| Public safety | 32,512,054 | 37,934,509 | 38,719,649 |
| Corrections and rehabilitation | 83,293,576 | 83,092,671 | 80,464,846 |
| Health and human services | 35,826,633 | 38,286,362 | 39,343,976 |
| Infrastructure and environmental services ⁽¹⁾ | 169,129,446 | 64,712,177 | 77,209,480 |
| Community and economic development | 4,610,862 | 5,657,458 | 5,992,029 |
| Interest on long-term debt | 21,629,201 | 25,358,230 | 22,721,482 |
| Total expenses | <u>\$ 491,903,050</u> | <u>\$ 411,674,760</u> | <u>\$ 420,778,372</u> |
| Program Revenues | | | |
| Fees, fines, and charges for services: | | | |
| General government | 13,810,080 | 15,997,385 | 19,740,593 |
| Justice system | 13,157,675 | 16,838,299 | 15,327,949 |
| Public safety | 7,875,056 | 8,182,191 | 8,623,813 |
| Corrections and rehabilitation | 11,289,598 | 13,701,180 | 14,422,038 |
| Health and human services | 1,119,364 | 1,584,429 | 1,817,582 |
| Infrastructure and environmental services | 14,356,757 | 14,527,968 | 16,367,385 |
| Community and economic development | 1,956,104 | 2,301,304 | 2,129,646 |
| Operating grants, contributions, shared revenues, and entitlements: | | | |
| General government | 1,704,647 | 1,685,529 | 154,557 |
| Justice system | 8,670,685 | 9,084,295 | 9,540,413 |
| Public safety | 2,456,118 | 1,819,311 | 1,390,995 |
| Corrections and rehabilitation | 11,208,101 | 10,594,860 | 10,326,513 |
| Health and human services | 2,423,059 | 2,538,123 | 2,748,569 |
| Infrastructure and environmental services | 667,033 | - | - |
| Community and economic development | - | - | - |
| Capital grants, contributions, and donated assets: | | | |
| General government ⁽²⁾ | - | - | - |
| Infrastructure and environmental services | 26,135,438 | 21,095,360 | 29,664,319 |
| Community and economic development | 63,249 | 77,660 | 109,606 |
| Total program revenues | <u>\$ 116,892,964</u> | <u>\$ 120,027,894</u> | <u>\$ 132,363,978</u> |
| Net (Expense)/Revenue | <u>\$ (375,010,086)</u> | <u>\$ (291,646,866)</u> | <u>\$ (288,414,394)</u> |
| General Revenues | | | |
| Property taxes, ad valorem | 255,247,618 | 289,545,907 | 296,050,880 |
| Excise taxes from the State of Texas | 3,963,302 | 4,068,052 | 4,376,878 |
| Unrestricted grants and contributions | 2,775,535 | 1,778,784 | 2,130,837 |
| Investment earnings | 9,009,612 | 4,990,529 | 4,669,265 |
| Miscellaneous | 3,196,594 | 4,089,495 | 4,161,627 |
| Special item - gain from sale of land | - | - | - |
| Total general revenues and special items | <u>\$ 274,192,661</u> | <u>\$ 304,472,767</u> | <u>\$ 311,389,487</u> |
| Change in Net Assets | <u>\$ (100,817,425)</u> | <u>\$ 12,825,901</u> | <u>\$ 22,975,093</u> |

Notes: Travis County began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2002.

For comparative purposes, certain prior years have been revised to conform to the current year's presentation.

Beginning with fiscal year 2008, the County followed the Statutory Basis of Accounting. Prior years are prepared in accordance with GAAP.

This schedule includes blended component units.

(1) Travis County contributed \$105.6 million and \$10.5 million in fiscal years 2002 and 2004, respectively, to the State of Texas for joint road projects from debt proceeds.

(2) Travis County received \$4.1 million in federal aid in fiscal year 2005 related to the Help America Vote Act (HAVA) grant.

Fiscal Year

| <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| \$ 80,842,627 | \$ 83,695,932 | \$ 94,632,906 | \$ 106,253,737 | \$ 113,861,069 | \$ 121,478,680 |
| 83,914,875 | 89,223,427 | 96,855,914 | 108,115,964 | 115,824,734 | 118,066,369 |
| 41,136,886 | 45,638,186 | 48,569,296 | 54,936,023 | 57,010,176 | 57,162,121 |
| 87,272,090 | 95,254,826 | 97,913,001 | 107,202,072 | 108,941,093 | 112,646,370 |
| 34,812,146 | 35,419,641 | 39,246,181 | 44,465,983 | 50,044,973 | 51,655,422 |
| 68,946,441 | 65,733,063 | 68,917,914 | 90,031,020 | 83,761,739 | 76,269,788 |
| 6,735,409 | 7,299,040 | 7,821,417 | 8,576,884 | 10,095,501 | 9,981,277 |
| 21,632,040 | 21,828,103 | 24,044,409 | 25,471,681 | 24,707,401 | 26,894,758 |
| <u>\$ 425,292,514</u> | <u>\$ 444,092,218</u> | <u>\$ 478,001,038</u> | <u>\$ 545,053,364</u> | <u>\$ 564,246,686</u> | <u>\$ 574,154,785</u> |
| 20,806,930 | 23,820,299 | 24,240,885 | 24,899,983 | 24,642,565 | 24,956,625 |
| 16,285,653 | 17,868,607 | 19,393,065 | 16,979,972 | 19,616,347 | 20,566,715 |
| 9,985,491 | 10,762,529 | 10,614,565 | 11,130,775 | 10,367,723 | 10,454,740 |
| 14,161,117 | 15,926,055 | 16,387,894 | 16,729,409 | 16,798,043 | 17,031,272 |
| 3,880,421 | 5,382,199 | 6,513,604 | 6,297,117 | 7,537,315 | 7,591,326 |
| 15,600,245 | 15,961,633 | 20,337,407 | 19,094,706 | 17,013,426 | 16,333,867 |
| 2,548,111 | 2,498,757 | 2,206,645 | 2,931,424 | 2,423,400 | 2,926,932 |
| 237,140 | 147,520 | 330,363 | 342,528 | 464,350 | 656,213 |
| 9,658,941 | 9,698,991 | 10,970,200 | 12,497,150 | 14,179,763 | 14,831,487 |
| 1,151,008 | 1,994,959 | 1,345,879 | 1,034,596 | 1,223,271 | 2,250,584 |
| 8,981,133 | 9,796,562 | 9,888,297 | 11,796,920 | 11,943,090 | 11,911,352 |
| 2,129,141 | 2,593,112 | 2,929,081 | 4,600,998 | 7,408,313 | 8,770,391 |
| 67,432 | 19,393 | 50,812 | 4,951 | 30,931 | 760,209 |
| - | - | - | - | - | 8,498 |
| 4,084,379 | - | - | - | - | - |
| 30,468,263 | 17,271,386 | 30,000,117 | 44,167,832 | 47,957,484 | 21,818,685 |
| 422,231 | 44,487 | 9,793 | 227,004 | 505,461 | 283,195 |
| <u>\$ 140,467,636</u> | <u>\$ 133,786,489</u> | <u>\$ 155,218,607</u> | <u>\$ 172,735,365</u> | <u>\$ 182,111,482</u> | <u>\$ 161,152,091</u> |
| <u>\$ (284,824,878)</u> | <u>\$ (310,305,729)</u> | <u>\$ (322,782,431)</u> | <u>\$ (372,317,999)</u> | <u>\$ (382,135,204)</u> | <u>\$ (413,002,694)</u> |
| 297,540,102 | 322,901,024 | 337,534,219 | 360,850,200 | 390,915,512 | 415,866,340 |
| 4,686,760 | 5,093,749 | 5,663,239 | 6,155,316 | 6,244,691 | 6,663,574 |
| 1,537,938 | 2,111,177 | 2,323,500 | 4,096,582 | 1,882,050 | 2,934,300 |
| 9,647,663 | 18,026,783 | 26,663,045 | 23,238,045 | 17,912,888 | 4,809,383 |
| 5,680,030 | 5,408,938 | 7,659,944 | 7,360,470 | 5,138,496 | 6,922,867 |
| - | - | 1,642,508 | - | - | - |
| <u>\$ 319,092,493</u> | <u>\$ 353,541,671</u> | <u>\$ 381,486,455</u> | <u>\$ 401,700,613</u> | <u>\$ 422,093,637</u> | <u>\$ 437,196,464</u> |
| <u>\$ 34,267,615</u> | <u>\$ 43,235,942</u> | <u>\$ 58,704,024</u> | <u>\$ 29,382,614</u> | <u>\$ 39,958,433</u> | <u>\$ 24,193,770</u> |

Schedule 3

**Travis County, Texas
Fund Balances
Governmental Funds
Last Ten Fiscal Years
(unaudited)**

| | Fiscal Year Ended September 30 | | | |
|--|--------------------------------|-----------------------|-----------------------|-----------------------|
| | 2001 | 2002 | 2003 | 2004 |
| General Fund | | | | |
| Reserved | \$ 6,158,067 | \$ 9,108,226 | \$ 6,714,543 | \$ 7,989,636 |
| Unreserved, designated for: | | | | |
| Compensated absences ⁽²⁾ | - | - | 4,287,105 | 4,427,676 |
| Unreserved, undesignated | 50,738,430 | 38,272,519 | 47,776,942 | 55,050,141 |
| Total general fund | <u>\$ 56,896,497</u> | <u>\$ 47,380,745</u> | <u>\$ 58,778,590</u> | <u>\$ 67,467,453</u> |
| All Other Governmental Funds ⁽¹⁾ | | | | |
| Reserved | \$ 13,742,269 | \$ 21,036,303 | \$ 41,747,932 | \$ 31,589,784 |
| Unreserved, designated for: | | | | |
| Special revenue funds - compensated absences ⁽²⁾ | - | - | 469,361 | 536,163 |
| Debt service | 10,576,761 | 11,355,913 | 11,700,278 | 7,157,714 |
| Capital projects | 51,257,595 | 58,448,920 | 53,056,187 | 50,872,574 |
| Unreserved, undesignated reported in: | | | | |
| Special revenue funds | 18,026,574 | 19,578,657 | 25,970,322 | 25,702,246 |
| Total all other governmental funds | <u>\$ 93,603,199</u> | <u>\$ 110,419,793</u> | <u>\$ 132,944,080</u> | <u>\$ 115,858,481</u> |

Notes: Beginning with fiscal year 2008, the County followed the Statutory Basis of Accounting. Prior years are prepared in accordance with GAAP.

This schedule includes blended component units.

(1) The County implemented GASB Statement No. 34 in fiscal year 2002. Previous fiscal years have not been restated. All Other Governmental Funds includes all governmental funds except General Fund. It also includes permanent funds (formerly non-expendable trust funds) beginning in fiscal year 2002 in accordance with GASB Statement No. 34.

(2) The County adopted GASB Interpretation No. 6 in fiscal year 2003. Details regarding this Interpretation and the County's recognition of compensated absences can be found in the Letter of Transmittal.

Fiscal Year Ended September 30

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 9,122,387 | \$ 10,390,156 | \$ 14,242,234 | \$ 18,694,360 | \$ 13,577,327 | \$ 13,239,688 |
| 4,639,999 | 4,890,239 | 5,224,477 | 5,887,093 | 6,280,220 | 6,414,336 |
| <u>55,219,702</u> | <u>67,926,235</u> | <u>75,699,112</u> | <u>62,146,514</u> | <u>71,375,127</u> | <u>94,140,541</u> |
| <u>\$ 68,982,088</u> | <u>\$ 83,206,630</u> | <u>\$ 95,165,823</u> | <u>\$ 86,727,967</u> | <u>\$ 91,232,674</u> | <u>\$ 113,794,565</u> |
| | | | | | |
| \$ 30,014,676 | \$ 27,306,616 | \$ 65,171,416 | \$ 104,378,747 | \$ 45,891,103 | \$ 52,075,153 |
| 506,199 | 529,716 | 573,555 | 638,005 | 659,484 | 671,884 |
| 7,197,456 | 8,795,401 | 11,300,206 | 13,872,599 | 13,608,314 | 14,140,251 |
| 57,229,849 | 86,038,870 | 125,696,103 | 98,165,632 | 112,447,494 | 154,440,975 |
| <u>25,817,301</u> | <u>32,006,001</u> | <u>38,738,844</u> | <u>22,762,168</u> | <u>24,914,276</u> | <u>26,351,918</u> |
| <u>\$ 120,765,481</u> | <u>\$ 154,676,604</u> | <u>\$ 241,480,124</u> | <u>\$ 239,817,151</u> | <u>\$ 197,520,671</u> | <u>\$ 247,680,181</u> |

Schedule 4

**Travis County, Texas
Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years
(unaudited)**

| | Fiscal Year | | | |
|---|----------------------|----------------------|----------------------|-----------------------|
| | 2001 | 2002 | 2003 | 2004 |
| Revenues | | | | |
| Taxes | \$ 237,522,409 | \$ 259,810,920 | \$ 292,813,959 | \$ 299,227,758 |
| Intergovernmental | 55,072,200 | 38,986,488 | 30,491,351 | 45,194,797 |
| Charges for services | 34,950,230 | 54,356,255 | 61,320,127 | 66,224,790 |
| Fines and forfeits | 4,091,952 | 5,707,576 | 6,387,910 | 6,321,816 |
| Investment income | 17,008,846 | 10,666,630 | 3,798,997 | 3,663,515 |
| Miscellaneous | 6,751,249 | 3,423,808 | 4,186,505 | 4,171,895 |
| Total revenues | <u>355,396,886</u> | <u>372,951,677</u> | <u>398,998,849</u> | <u>424,804,571</u> |
| Expenditures⁽¹⁾ | | | | |
| Current | 271,995,461 | 304,712,656 | 312,792,370 | 326,362,031 |
| Capital outlay ⁽²⁾ | 47,106,717 | 153,705,260 | 46,908,816 | 57,008,391 |
| Debt service ⁽³⁾ | 50,336,450 | 54,665,733 | 64,750,860 | 64,553,185 |
| Total expenditures | <u>369,438,628</u> | <u>513,083,649</u> | <u>424,452,046</u> | <u>447,923,607</u> |
| Excess (deficiency) of revenues over expenditures | (14,041,742) | (140,131,972) | (25,453,197) | (23,119,036) |
| Other Financing Sources (Uses) | | | | |
| General obligation debt issued ⁽²⁾ | 32,930,000 | 146,235,000 | 59,320,000 | 13,720,000 |
| General obligation debt premium | - | 1,100,534 | 117,038 | 6,300 |
| Original issue discount | - | - | - | - |
| Refunding bonds issued | - | 11,460,000 | 38,540,000 | - |
| Refunding bonds premium | - | 177,565 | 2,006,703 | - |
| Payment to refunding bond agent | - | (11,540,285) | (40,232,968) | - |
| Original issue discount - refunding | - | - | - | - |
| Sale of capital assets | - | - | 650,000 | - |
| Transfers in | 6,216,493 | 5,123,092 | 6,053,003 | 7,980,136 |
| Transfers out | (6,216,493) | (5,123,092) | (7,078,447) | (6,984,136) |
| Total other financing sources (uses) | <u>32,930,000</u> | <u>147,432,814</u> | <u>59,375,329</u> | <u>14,722,300</u> |
| Special Items | | | | |
| Proceeds from sale of real estate | - | - | - | - |
| Net change in fund balances | <u>\$ 18,888,258</u> | <u>\$ 7,300,842</u> | <u>\$ 33,922,132</u> | <u>\$ (8,396,736)</u> |
| Debt service as a percentage of noncapital expenditures | 18.5% | 13.3% ⁽⁴⁾ | 20.7% | 19.2% ⁽⁴⁾ |

Notes: The County implemented GASB Statement No. 34 in fiscal year 2002. Previous fiscal years have not been restated.
 In compliance with GASB Statement No. 34, Permanent Funds (formerly non-expendable trust funds) are included as governmental funds beginning in fiscal period 2002.
 Beginning with fiscal year 2008, the County followed the Statutory Basis of Accounting. Prior years are prepared in accordance with GAAP.
 This schedule includes blended component units.

- (1) Expenditures are shown in detail in Schedule 5.
- (2) Travis County contributed \$105.6 million and \$10.5 million in fiscal years 2002 and 2004, respectively, to the State of Texas for joint road projects from debt proceeds. In addition, in 2008 Travis County contributed \$12.7 million to developers in the Village of Bee Cave for the cost of various road improvements.
- (3) Debt issuance costs were included in General Government current expenditures in all years prior to 2002.
- (4) The debt service as a percentage of noncapital expenditures calculation was adjusted in 2002 and 2004 to reflect Travis County's contribution to the State of Texas for joint road projects from debt proceeds. For the purposes of this calculation these amounts are included as current expenditures versus capital outlay.
- (5) The debt service as a percentage of noncapital expenditures calculation was adjusted in 2008 for contributions paid to developers for the cost of constructing various improvements to roads which serve the Hill Country Galleria project and are owned by the Village of Bee Cave. For the purposes of this calculation these amounts are included as current expenditures versus capital outlay.

| Fiscal Year | | | | | | |
|---------------------|----------------------|----------------------|------------------------|------------------------|----------------------|--|
| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | |
| \$ 302,205,859 | \$ 328,098,773 | \$ 342,807,949 | \$ 367,405,669 | \$ 397,958,349 | \$ 416,067,723 | |
| 34,510,489 | 28,162,319 | 28,210,834 | 37,025,115 | 51,672,368 | 54,765,685 | |
| 69,742,078 | 77,651,363 | 81,905,656 | 83,797,371 | 83,763,304 | 80,571,695 | |
| 6,829,689 | 8,029,767 | 8,444,507 | 8,415,094 | 8,427,539 | 9,693,572 | |
| 7,461,294 | 14,983,807 | 23,230,344 | 18,797,800 | 13,096,261 | 2,731,650 | |
| 5,702,595 | 5,138,032 | 6,904,960 | 6,496,564 | 5,148,612 | 7,104,963 | |
| <u>426,452,004</u> | <u>462,064,061</u> | <u>491,504,250</u> | <u>521,937,613</u> | <u>560,066,433</u> | <u>570,935,288</u> | |
| 337,687,465 | 361,113,294 | 381,829,343 | 427,677,179 | 453,556,659 | 457,717,542 | |
| 36,706,409 | 72,630,959 | 56,082,201 | 98,964,822 | 104,323,392 | 107,606,225 | |
| 64,402,803 | 64,571,657 | 65,423,524 | 70,382,608 | 72,064,291 | 71,392,571 | |
| <u>438,796,677</u> | <u>498,315,910</u> | <u>503,335,068</u> | <u>597,024,609</u> | <u>629,944,342</u> | <u>636,716,338</u> | |
| (12,344,673) | (36,251,849) | (11,830,818) | (75,086,996) | (69,877,909) | (65,781,050) | |
| 17,490,000 | 84,045,000 | 107,935,000 | 64,925,000 | 31,415,000 | 129,535,000 | |
| 64,793 | 214,216 | 252,319 | 235,065 | 382,668 | 8,706,167 | |
| - | - | - | (173,898) | - | (206,852) | |
| 122,635,000 | 9,155,000 | 23,784,987 | - | 31,905,000 | 27,090,000 | |
| 10,854,350 | 130,991 | 1,431,592 | - | 2,153,924 | 2,652,962 | |
| (132,277,835) | (9,157,693) | (24,920,762) | - | (33,770,456) | (29,416,058) | |
| - | - | - | - | - | (19,347) | |
| - | - | - | - | - | 160,579 | |
| 8,062,028 | 10,295,664 | 10,691,891 | 13,659,025 | 15,152,907 | 15,929,820 | |
| (8,062,028) | (10,295,664) | (10,691,891) | (13,659,025) | (15,152,907) | (15,929,820) | |
| <u>18,766,308</u> | <u>84,387,514</u> | <u>108,483,136</u> | <u>64,986,167</u> | <u>32,086,136</u> | <u>138,502,451</u> | |
| - | - | 2,110,395 | - | - | - | |
| <u>\$ 6,421,635</u> | <u>\$ 48,135,665</u> | <u>\$ 98,762,713</u> | <u>\$ (10,100,829)</u> | <u>\$ (37,791,773)</u> | <u>\$ 72,721,401</u> | |
| 19.1% | 17.9% | 17.1% | 16.0% ⁽⁵⁾ | 15.9% | 15.6% | |

Schedule 5

**Travis County, Texas
Expenditures by Function
Governmental Funds
Last Ten Fiscal Years
(unaudited)**

| | Fiscal Year | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2001 | 2002 ⁽¹⁾ | 2003 ⁽¹⁾ | 2004 |
| Expenditures | | | | |
| Current: | | | | |
| Functions used prior to fiscal year 2003: | | | | |
| General government | \$ 50,558,051 | - | - | - |
| Justice system | 42,305,295 | - | - | - |
| Law enforcement | 33,367,455 | - | - | - |
| Corrections and rehabilitation | 69,085,011 | - | - | - |
| Juvenile services | 22,041,988 | - | - | - |
| Public health | 16,421,075 | - | - | - |
| Human services | 18,398,206 | - | - | - |
| Transportation and roads | 16,681,336 | - | - | - |
| Parks and recreation | 3,137,044 | - | - | - |
| Functions used from fiscal year 2003 forward: | | | | |
| General government | - | \$ 46,896,192 | \$ 49,666,600 | \$ 54,077,332 |
| Justice system | - | 80,522,967 | 82,373,306 | 82,691,555 |
| Public safety | - | 32,813,028 | 37,310,891 | 40,149,412 |
| Corrections and rehabilitation | - | 86,745,965 | 83,621,026 | 85,324,250 |
| Health and human services | - | 35,415,060 | 37,817,648 | 39,380,193 |
| Infrastructure and environmental services | - | 18,311,502 | 17,507,044 | 19,731,737 |
| Community and economic development | - | 4,007,942 | 4,495,855 | 5,007,552 |
| Capital outlay ⁽²⁾ | 47,106,717 | 153,705,260 | 46,908,816 | 57,008,391 |
| Debt service: | | | | |
| Refunding bond issuance costs | - | 90,210 | 303,815 | - |
| Debt issuance costs ⁽³⁾ | - | 1,003,469 | 154,204 | 87,380 |
| Advance / current refunding escrow | - | - | - | - |
| Capital lease principal | 79,495 | 85,647 | 92,275 | 100,719 |
| Principal on general obligation debt | 30,661,833 | 33,653,381 | 39,253,523 | 38,236,450 |
| Interest and other charges | 17,472,112 | 19,833,026 | 24,947,043 | 26,128,636 |
| Capitalized interest ⁽⁴⁾ | 2,123,010 | - | - | - |
| Total expenditures | \$ 369,438,628 | \$ 513,083,649 | \$ 424,452,046 | \$ 447,923,607 |

Notes: The County implemented GASB Statement No. 34 in fiscal year 2002. Previous fiscal years have not been restated. In compliance with GASB Statement No. 34, Permanent Funds (formerly non-expendable trust funds) are included as governmental funds beginning in fiscal year 2002.

The Uniform Chart of Accounts for Texas Counties was adopted in fiscal year 2003.

Beginning with fiscal year 2008, the County followed the Statutory Basis of Accounting. Prior years are prepared in accordance with GAAP.

This schedule includes blended component units.

- (1) The County has reclassified certain functional expenditures to be consistent with the Uniform Chart of Accounts for Texas Counties adopted in fiscal year 2003.
- (2) Travis County contributed \$105.6 million and \$10.5 million in fiscal years 2002 and 2004, respectively, to the State of Texas for joint road projects from debt proceeds.
- (3) Debt issuance costs were included in General Government current expenditures in all years prior to 2002.
- (4) The requirement to capitalize construction period interest was eliminated in fiscal year 2002 by GASB Statement No. 37.



TRAVIS COUNTY, TEXAS

REVENUE CAPACITY

Schedule 6

Travis County, Texas
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(unaudited)

This schedule has been prepared in the format required by GASB Statement No. 44 ("GASB 44"). Per the GASB, the intent of the schedule is "to present comparative rate data for other governmental bodies that extend rates against the reporting government's revenue base, so that some sense of the "overall" burden on the government's taxpayers is communicated." (1) We believe the citizenry, investors and creditors of Travis County will not be able to achieve this objective based solely on this information.

GASB Statement No. 44 has established a **direct tax rate**, which is a new calculation defined by the GASB based on the percentage applied to a tax base. This is not necessarily the rate established by that government for that year's rate structure. When the government's tax base, in our case the total taxable assessed value, encompasses the entire rate base, then the direct tax rate and the actual tax rate are the same. If the government includes a unit that does not encompass the entire rate base, then the direct rate is calculated to produce a result as if the rate were applied to the entire county's tax base. In reality, no taxpayer would pay this rate, and those taxpayers who are subject to the rate would pay a much higher rate.

The following are Travis County and its component units fiscal year 2010 actual adopted tax rates:

| | Travis County | Northwest Travis County Road District No. 3 | Travis County Bee Cave Road District No. 1 | Central Health |
|-------------------------------------|----------------------|--|---|-----------------------|
| Total Taxable Assessed Value | \$99,056,261,383 | \$465,714,448 | \$159,346,895 | \$100,381,064,310 |
| Actual Tax Rate | 0.4215 | 0.1250 | 0.6984 | 0.0674 |

The Direct Tax Rate for Northwest Travis County Road District No. 3 ("NWTCRD No. 3") is Calculated as follows:

$$\begin{array}{r}
 \text{NWTCRD No. 3 Taxable} \\
 \text{Assessed Value} \\
 \hline
 \text{Travis County Taxable} \\
 \text{Assessed Value} \\
 \hline
 \end{array}
 \times
 \begin{array}{r}
 \text{NWTCRD No. 3 Actual} \\
 \text{Tax Rate} \\
 \hline
 \end{array}
 =
 \begin{array}{r}
 \text{NWTCRD No. 3} \\
 \text{Direct Tax Rate} \\
 \hline
 \end{array}$$

$$\begin{array}{r}
 \$465,714,448 \\
 \hline
 \$99,056,261,383 \\
 \hline
 \end{array}
 \times
 \begin{array}{r}
 0.1250 \\
 \hline
 \end{array}
 =
 \begin{array}{r}
 0.0006 \\
 \hline
 \end{array}$$

The Direct Tax Rate for Travis County Bee Cave Road District No.1 ("TCBCRD No. 1") is Calculated as follows:

$$\begin{array}{r}
 \text{TCBCRD No. 1 Taxable} \\
 \text{Assessed Value} \\
 \hline
 \text{Travis County Taxable} \\
 \text{Assessed Value} \\
 \hline
 \end{array}
 \times
 \begin{array}{r}
 \text{TCBCRD No. 1 Actual} \\
 \text{Tax Rate} \\
 \hline
 \end{array}
 =
 \begin{array}{r}
 \text{TCBCRD No. 1} \\
 \text{Direct Tax Rate} \\
 \hline
 \end{array}$$

$$\begin{array}{r}
 \$159,346,895 \\
 \hline
 \$99,056,261,383 \\
 \hline
 \end{array}
 \times
 \begin{array}{r}
 0.6984 \\
 \hline
 \end{array}
 =
 \begin{array}{r}
 0.0011 \\
 \hline
 \end{array}$$

(1) GASB Statement No. 44, Paragraph 84.

Schedule 6 (continued)

Travis County, Texas
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(unaudited)

| Real Property | | | | | |
|-----------------------------------|---|--|--|--|--|
| Fiscal Year Ended Sept. 30 | Residential Property⁽²⁾ | Commercial Property⁽²⁾ | Industrial Property⁽²⁾ | Total Real Property⁽²⁾ | Personal Property⁽²⁾ |
| 2001 | \$ | \$ | \$ | \$ 52,592,954,516 | \$ 7,680,551,549 |
| 2002 | | | | 62,248,832,537 | 9,376,657,196 |
| 2003 | Data not available | Data not available | Data not available | 66,863,306,587 | 8,279,432,312 |
| 2004 | | | | 63,566,576,847 | 7,821,535,589 |
| 2005 | | | | 69,852,496,817 | 8,032,312,159 |
| 2006 | 57,470,303,212 | 15,816,551,007 | 1,009,551,001 | 74,296,405,220 | 8,261,223,086 |
| 2007 | 66,826,686,341 | 19,549,061,937 | 1,009,476,420 | 87,385,224,698 | 8,853,968,337 |
| 2008 | 75,592,582,680 | 22,684,319,129 | 1,041,727,326 | 99,318,629,135 | 9,915,257,758 |
| 2009 | 85,292,646,320 | 25,014,981,286 | 1,162,060,004 | 111,469,687,610 | 10,677,839,358 |
| 2010 | 90,285,702,337 | 24,217,215,999 | 1,302,658,972 | 115,805,577,308 | 10,393,976,398 |

Source: Travis Central Appraisal District

Notes: Taxes are levied on 100% of the taxable assessed value, net of exemptions.

(1) GASB Statement No. 44 requires that the total direct rate be the weighted average of all individual direct rates applied by a government to a particular revenue base. Therefore, tax rates shown in this schedule do not reflect the actual tax rates for NWTCRD No. 3 and TCBCRD No. 1.

See Page 1 of Schedule 6 for more information.

(2) Excludes applicable exemptions.

(3) Net of applicable exemptions.

| | | | Direct Tax Rate | | | | | |
|--|---------------------------------|--|------------------|---|-------------------|---|-----------------------------|--|
| Total Taxable Assessed Value ⁽²⁾ | Less: Tax-Exempt Property | Total Net Taxable Assessed Value ⁽³⁾ | Travis County | Northwest Travis County Road District No. 3 ⁽¹⁾ | Central Health | Travis County Bee Cave Road District No. 1 ⁽¹⁾ | Total Direct Tax Rate | |
| \$ 60,273,506,065 | \$ 10,731,301,629 | \$ 49,542,204,436 | \$ 0.4670 | \$ 0.0012 | \$ - | \$ - | \$ 0.4682 | |
| 71,625,489,733 | 14,053,521,710 | 57,571,968,023 | 0.4460 | 0.0011 | - | - | 0.4471 | |
| 75,142,738,899 | 13,430,261,437 | 61,712,477,462 | 0.4660 | 0.0010 | - | - | 0.4670 | |
| 71,388,112,436 | 11,729,409,978 | 59,658,702,458 | 0.4918 | 0.0010 | - | - | 0.4928 | |
| 77,884,808,976 | 17,606,061,860 | 60,278,747,116 | 0.4872 | 0.0010 | 0.0779 | - | 0.5661 | |
| 82,557,628,306 | 18,482,810,448 | 64,074,817,858 | 0.4993 | 0.0010 | 0.0779 | - | 0.5782 | |
| 96,239,193,035 | 21,494,274,966 | 74,744,918,069 | 0.4499 | 0.0008 | 0.0734 | - | 0.5241 | |
| 109,233,886,893 | 24,188,636,452 | 85,045,250,441 | 0.4216 | 0.0006 | 0.0693 | - | 0.4915 | |
| 122,147,526,968 | 27,121,746,769 | 95,025,780,199 | 0.4122 | 0.0006 | 0.0679 | 0.0009 | 0.4816 | |
| 126,199,553,706 | 27,143,292,323 | 99,056,261,383 | 0.4215 | 0.0006 | 0.0674 | 0.0011 | 0.4906 | |



Schedule 7

Travis County, Texas
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)
(unaudited)

This schedule has been prepared in the format required by GASB Statement No. 44 (“GASB 44”). An objective of GASB 44 is to provide the citizenry, investors and creditors of Travis County a means to compare the tax amount charged by each taxing jurisdiction to the taxpayer.

We do not believe that this objective can be achieved by comparing only the tax rates due to the fact that tax exemptions for homestead, over 65, and disability provided by some taxing jurisdictions are not reflected in the tax rates. By comparing only tax rates, the reader could draw a misleading conclusion.

For example, Travis County provides a 20% homestead tax exemption and the City of Austin provides no homestead tax exemption. If the reader looked only at the 2010 tax rate of Travis County \$0.4215 and City of Austin \$0.4209, the conclusion may be that the tax burden to the taxpayer by the City of Austin would be less. As you can see from the following table, the City of Austin tax burden is higher than Travis County.

| Taxing Jurisdiction | Assessed Value | Homestead Tax Exemption | Net Taxable Value | FY10 Tax Rate | Taxes Due | % of Taxes Due |
|----------------------------|-----------------------|--------------------------------|--------------------------|----------------------|------------------|-----------------------|
| City of Austin | \$ 200,000 | \$ - | \$ 200,000 | 0.4209 | \$ 842 | 56 % |
| Travis County | \$ 200,000 | \$ 40,000 | \$ 160,000 | 0.4215 | \$ 674 | 44 % |

Total 2010 Property Taxes Owed **\$ 1,516** **100 %**

Please see Schedule 8 for the fiscal year 2010 tax exemptions provided by the various taxing jurisdictions, as these tax exemptions should be considered when analyzing property taxes.

For discussion of Direct Tax Rates see Schedule 6 for further information.

Schedule 7 (continued)

Travis County, Texas
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)
(unaudited)

| | Year Taxes Are Payable | | | |
|--|------------------------|-----------|-----------|-----------|
| | 2001 | 2002 | 2003 | 2004 |
| County Direct Rates | | | | |
| Travis County | \$ 0.4670 | \$ 0.4460 | \$ 0.4660 | \$ 0.4918 |
| Northwest Travis County Road District No. 3 ⁽¹⁾ | 0.0012 | 0.0011 | 0.0010 | 0.0010 |
| Central Health | - | - | - | - |
| Travis County Bee Cave Road District No. 1 ⁽¹⁾ | - | - | - | - |
| Total direct rate | 0.4682 | 0.4471 | 0.4670 | 0.4928 |
| Special District Rates | | | | |
| Bastrop-Travis County ESD | \$ - | \$ - | \$ - | \$ - |
| Bella Vista MUD | 1.0000 | 0.9500 | 0.9300 | 0.9105 |
| Belvedere MUD | - | - | - | - |
| Cottonwood Creek MUD No. 1 | - | 0.9500 | 0.9500 | 0.9500 |
| Hurst Creek MUD | 0.5535 | 0.5000 | 0.4600 | 0.4500 |
| Kelly Lane WCID No. 1 | - | - | - | - |
| Kelly Lane WCID No. 2 | - | - | - | - |
| Lakeside MUD No. 3 | - | - | - | - |
| Lakeside WCID No. 1 | 0.8700 | 0.8700 | 0.8700 | 0.8700 |
| Lakeside WCID No. 2-A | - | - | - | - |
| Lakeside WCID No. 2-B | - | - | 0.8700 | 0.8700 |
| Lakeside WCID No. 2-C | - | - | - | - |
| Lakeside WCID No. 2-D | - | - | - | - |
| Lakeway MUD | 0.2535 | 0.2507 | 0.2615 | 0.2802 |
| Lost Creek MUD | 0.0975 | 0.0933 | 0.0933 | 0.1161 |
| Moore's Crossing MUD | 0.7300 | 0.7300 | 0.7300 | 0.7300 |
| Northtown MUD | 0.6400 | 0.6500 | 0.6500 | 0.7500 |
| N.E. Travis County MUD | - | - | - | 0.9300 |
| N.W. Austin MUD No. 1 | 0.3620 | 0.3577 | 0.3150 | 0.2632 |
| Presidential Glen MUD | - | - | - | - |
| River Place MUD | 0.6000 | 0.5500 | 0.5000 | 0.5000 |
| Senna Hills MUD | 0.6650 | 0.6650 | 0.6650 | 0.6650 |
| Shady Hollow MUD | 0.2454 | 0.2454 | 0.2202 | 0.1732 |
| Sunfield MUD No. 1 | - | - | - | - |
| Sunfield MUD No. 2 | - | - | - | - |
| Sunfield MUD No. 3 | - | - | - | - |
| Tanglewood Forest Limited Dist | 0.3150 | 0.3200 | 0.3100 | 0.3300 |
| Travis Co. Emergency Svcs. Dist. No. 1 | 0.0975 | 0.0970 | 0.0980 | 0.0999 |
| Travis Co. Emergency Svcs. Dist. No. 2 | 0.0975 | 0.1000 | 0.1000 | 0.1000 |
| Travis Co. Emergency Svcs. Dist. No. 3 | 0.1000 | 0.1000 | 0.1000 | 0.1000 |
| Travis Co. Emergency Svcs. Dist. No. 4 | 0.1000 | 0.0988 | 0.1000 | 0.1000 |
| Travis Co. Emergency Svcs. Dist. No. 5 | 0.0757 | 0.0710 | 0.0708 | 0.0708 |
| Travis Co. Emergency Svcs. Dist. No. 6 | 0.1000 | 0.1000 | 0.1000 | 0.1000 |
| Travis Co. Emergency Svcs. Dist. No. 7 | 0.1000 | 0.1000 | 0.1000 | 0.1000 |
| Travis Co. Emergency Svcs. Dist. No. 8 | 0.0700 | 0.0700 | 0.0687 | 0.0800 |
| Travis Co. Emergency Svcs. Dist. No. 9 | 0.0532 | 0.0680 | 0.0710 | 0.0710 |
| Travis Co. Emergency Svcs. Dist. No. 10 | 0.1000 | 0.0981 | 0.0987 | 0.1000 |
| Travis Co. Emergency Svcs. Dist. No. 11 | 0.0600 | 0.0800 | 0.0800 | 0.0800 |
| Travis Co. Emergency Svcs. Dist. No. 12 | 0.0939 | 0.0959 | 0.0992 | 0.1000 |
| Travis Co. Emergency Svcs. Dist. No. 13 | - | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 14 | 0.0700 | 0.0600 | 0.0700 | 0.0700 |

Year Taxes Are Payable

| 2005 | | 2006 | | 2007 | | 2008 | | 2009 | | 2010 | |
|-------------|-----------------------|-------------|--------|-------------|--------|-------------|--------|-------------|--------|-------------|--------|
| \$ | 0.4872 ⁽²⁾ | \$ | 0.4993 | \$ | 0.4499 | \$ | 0.4216 | \$ | 0.4122 | \$ | 0.4215 |
| | 0.0010 | | 0.0010 | | 0.0008 | | 0.0006 | | 0.0006 | | 0.0006 |
| | 0.0779 ⁽²⁾ | | 0.0779 | | 0.0734 | | 0.0693 | | 0.0679 | | 0.0674 |
| | - | | - | | - | | - | | 0.0009 | | 0.0011 |
| | 0.5661 | | 0.5782 | | 0.5241 | | 0.4915 | | 0.4816 | | 0.4906 |
| \$ | - | \$ | - | \$ | - | \$ | - | \$ | 0.1000 | \$ | 0.9720 |
| | 0.9105 | | 0.8200 | | 0.7979 | | 0.7681 | | 0.6056 | | 0.5000 |
| | - | | - | | 0.4500 | | 0.4500 | | 0.4500 | | 0.4500 |
| | 0.9500 | | 0.9500 | | 0.8968 | | 0.8968 | | 0.8968 | | 0.8968 |
| | 0.4420 | | 0.4770 | | 0.4821 | | 0.4821 | | 0.4320 | | 0.4200 |
| | - | | - | | 0.9500 | | 0.9500 | | 0.9500 | | 0.9500 |
| | - | | - | | - | | - | | 0.9500 | | 0.9500 |
| | - | | - | | 0.9000 | | 0.9000 | | 0.9000 | | 0.9000 |
| | 0.8700 | | 0.8700 | | 0.8700 | | 0.8500 | | 0.8500 | | 0.8500 |
| | - | | - | | - | | - | | 0.9700 | | 0.9700 |
| | 0.8700 | | 0.8700 | | 0.8700 | | 0.9700 | | 0.9700 | | 0.9700 |
| | 0.8700 | | 0.8700 | | 0.8200 | | 0.9000 | | 0.9000 | | 0.9400 |
| | - | | - | | 0.8700 | | 0.9700 | | 0.9700 | | 0.9700 |
| | 0.2818 | | 0.2818 | | 0.2305 | | 0.2122 | | 0.1922 | | 0.1967 |
| | 0.1229 | | 0.1132 | | 0.1164 | | 0.1716 | | 0.1647 | | 0.1711 |
| | 0.7300 | | 0.7300 | | 0.7300 | | 0.7595 | | 0.7595 | | 0.7595 |
| | 0.7500 | | 0.7500 | | 0.7500 | | 0.7500 | | 0.7500 | | 0.7500 |
| | 0.9300 | | 0.9300 | | 0.9300 | | 0.8993 | | 0.8993 | | 0.8993 |
| | 0.2600 | | 0.3000 | | 0.2900 | | 0.2750 | | 0.2525 | | 0.2427 |
| | - | | - | | 0.5019 | | 0.5019 | | 0.5019 | | 0.5019 |
| | 0.5000 | | 0.4500 | | 0.4000 | | 0.3500 | | 0.3500 | | 0.3350 |
| | 0.6650 | | 0.6650 | | 0.6075 | | 0.5600 | | 0.5400 | | 0.5774 |
| | 0.1700 | | 0.1500 | | 0.1500 | | 0.1491 | | 0.1469 | | 0.0500 |
| | - | | - | | - | | 0.9000 | | 0.9000 | | 0.9000 |
| | - | | - | | - | | 0.9000 | | 0.9000 | | 0.9000 |
| | - | | - | | - | | 0.9000 | | 0.9000 | | 0.9000 |
| | 0.3525 | | 0.3525 | | 0.3675 | | 0.2200 | | 0.2100 | | 0.2100 |
| | 0.0989 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 |
| | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.0997 |
| | 0.1000 | | 0.0994 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 |
| | 0.1000 | | 0.0982 | | 0.0905 | | 0.1000 | | 0.0986 | | 0.1000 |
| | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 |
| | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 |
| | 0.1000 | | - | | - | | - | | - | | - |
| | 0.0790 | | 0.0900 | | 0.0900 | | 0.1000 | | 0.1000 | | 0.1000 |
| | 0.0710 | | 0.0800 | | 0.0800 | | 0.0800 | | 0.0800 | | 0.0850 |
| | 0.0988 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 |
| | 0.0800 | | 0.0900 | | 0.0900 | | 0.0900 | | 0.1000 | | 0.1000 |
| | 0.0991 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 |
| | - | | - | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 |
| | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 | | 0.1000 |

(continued)

Schedule 7 (continued)

Travis County, Texas

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per \$100 of assessed value)

(unaudited)

| | Year Taxes Are Payable | | | |
|---|------------------------|------------|------------|------------|
| | 2001 | 2002 | 2003 | 2004 |
| Special District Rates, cont. | | | | |
| Travis County MUD No. 2 | \$ 0.4300 | \$ 0.9500 | \$ 0.9500 | \$ 0.9500 |
| Travis County MUD No. 3 | 0.6321 | 0.6241 | 0.6100 | 0.5950 |
| Travis County MUD No. 4 | 0.8589 | 0.8589 | 0.7500 | 0.7316 |
| Travis County MUD No. 5 | 0.9089 | 0.9089 | 0.9089 | 0.9089 |
| Travis County MUD No. 6 | 0.8870 | 0.8870 | 0.6500 | 0.6555 |
| Travis County MUD No. 7 | 0.9089 | 0.9089 | 0.9089 | 0.9089 |
| Travis County MUD No. 8 | 0.9089 | 0.9089 | 0.9089 | 0.9089 |
| Travis County MUD No. 9 | 0.9089 | 0.9089 | 0.9089 | 0.9089 |
| Travis County MUD No. 10 | 0.9500 | 0.9500 | 0.9500 | 0.9500 |
| Travis County MUD No. 11 | - | - | - | - |
| Travis County MUD No. 14 | - | - | - | 0.8800 |
| Travis County MUD No. 15 | - | - | 0.6500 | 0.6500 |
| Travis County MUD No. 16 | - | - | - | - |
| Travis County WCID No. 10 | 0.0474 | 0.0475 | 0.0475 | 0.0499 |
| Travis County WCID No. 17 | 0.0635 | 0.0590 | 0.0590 | 0.0590 |
| Travis County WCID No. 17 - Comanche Trail Defined Area | 0.2467 | 0.2270 | 0.1916 | 0.1802 |
| Travis County WCID No. 17 - Flintrock Ranch Defined Area | - | - | - | 0.1419 |
| Travis County WCID No. 17 - Steiner Ranch Defined Area | 0.6152 | 0.6150 | 0.6150 | 0.6150 |
| Travis County WCID No. 18 | 0.3890 | 0.3600 | 0.2845 | 0.2845 |
| Travis County WCID No. 19 | 0.2800 | 0.2500 | 0.2300 | 0.2300 |
| Travis County WCID No. 20 | 0.4300 | 0.3700 | 0.3700 | 0.3700 |
| Travis County WCID - Point Venture | 0.6738 | 0.5807 | 0.5550 | 0.5469 |
| Wells Branch MUD | 0.4905 | 0.5200 | 0.5050 | 0.5000 |
| W. Travis County MUD No. 3 | 0.3320 | 0.2700 | 0.2400 | 0.2400 |
| W. Travis County MUD No. 5 | 0.3800 | 0.3700 | 0.3700 | 0.4050 |
| W. Travis County MUD No. 6 | - | - | - | - |
| W. Travis County MUD No. 8 | - | - | - | - |
| Wilbarger Creek MUD No. 1 | - | - | - | 0.9500 |
| Wilbarger Creek MUD No. 2 | - | - | - | 0.9500 |
| Williamson County WSID No. 3 | - | - | - | - |
| Williamson-Travis County WCID No. 1-D | 0.9500 | 0.9000 | 0.9000 | 0.9000 |
| Williamson-Travis County WCID No. 1-G | - | 1.0000 | 1.0000 | 0.9500 |
| County Line Special District Rates | | | | |
| Anderson Mill MUD | \$ 0.47743 | \$ 0.46743 | \$ 0.44752 | \$ 0.46752 |
| Cypress Ranch WCID No. 1 | - | - | - | - |
| North Austin MUD No. 1 | 0.5803 | 0.5500 | 0.5100 | 0.5000 |
| Ranch at Cypress Creek MUD No. 1 | 0.7710 | 0.6905 | 0.6770 | 0.6618 |
| Williamson-Travis County MUD No. 1 | 0.8463 | 0.8359 | 0.7765 | 0.7765 |
| Williamson-Travis County WCID No. 1-F | - | - | - | - |
| City, Village, and Town Rates | | | | |
| Austin | \$ 0.4663 | \$ 0.4597 | \$ 0.4597 | \$ 0.4928 |
| Bee Cave | 0.1600 | 0.1600 | 0.0800 | 0.0800 |
| Briarcliff, Village of | 0.0575 | 0.0575 | 0.0542 | 0.0562 |
| Cedar Park | 0.4996 | 0.4482 | 0.44824 | 0.46807 |

Year Taxes Are Payable

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|----|-----------------------|-------------|-------------|-------------|-------------|-------------|
| \$ | 0.9500 | \$ 0.9500 | \$ 0.9000 | \$ 0.9000 | \$ 0.8800 | \$ 0.8800 |
| | 0.5792 | 0.5692 | 0.5425 | 0.5232 | 0.4950 | 0.4950 |
| | 0.6796 | 0.7264 | 0.6927 | 0.6927 | 0.6715 | 0.7296 |
| | 0.9089 | 0.9089 | 0.9089 | 0.9089 | 0.9089 | 0.8571 |
| | 0.6316 | 0.5861 | 0.5182 | 0.4831 | 0.4531 | 0.4665 |
| | 0.9089 | 0.9089 | 0.9089 | 0.9089 | 0.9089 | 0.9089 |
| | 0.9089 | 0.8489 | 0.7796 | 0.7213 | 0.7213 | 0.7213 |
| | 0.9089 | 0.9089 | 0.8920 | 0.8756 | 0.8756 | 0.8756 |
| | 0.8000 | 0.8000 | 0.7914 | 0.7500 | 0.7470 | 0.7470 |
| | - | 0.7725 | 0.7725 | 0.7725 | 0.7725 | 0.7725 |
| | 0.8800 | 0.8800 | 0.8800 | 0.7909 | 0.7909 | 0.8500 |
| | 0.4940 | 0.2300 | 0.2500 | 0.2500 | 0.2925 | 0.3325 |
| | - | - | - | - | 0.9000 | 0.9000 |
| | 0.0506 | 0.0513 | 0.0463 | 0.0436 | 0.0402 | 0.0390 |
| | 0.0600 | 0.0600 | 0.0599 | 0.0575 | 0.0575 | 0.0575 |
| | 0.1573 | 0.1536 | 0.1036 | - | - | - |
| | 0.1238 | 0.4381 | 0.4205 | 0.4382 | 0.3982 | 0.4000 |
| | 0.6150 | 0.6300 | 0.5915 | 0.6150 | 0.5494 | 0.5249 |
| | 0.2780 | 0.2729 | 0.2521 | 0.2295 | 0.2136 | 0.2081 |
| | 0.2300 | 0.2300 | 0.2250 | 0.2250 | 0.2250 | 0.2250 |
| | 0.3637 | 0.3637 | 0.3537 | 0.3500 | 0.3250 | 0.3200 |
| | 0.5311 | 0.4982 | 0.4982 | 0.4652 | 0.3913 | 0.3613 |
| | 0.4800 | 0.4800 | 0.4800 | 0.4800 | 0.4700 | 0.4700 |
| | 0.2500 | 0.2300 | 0.0900 | 0.1000 | 0.1200 | 0.1750 |
| | 0.4050 | 0.4050 | 0.3200 | 0.3050 | 0.3000 | 0.3000 |
| | 0.4500 | 0.4500 | 0.4500 | 0.4500 | 0.4500 | 0.4500 |
| | - | 0.3500 | 0.5500 | 0.6000 | 0.6000 | 0.8000 |
| | 0.9500 | 0.9500 | 0.9500 | 0.9500 | 0.9500 | 0.9500 |
| | 0.9500 | 0.9500 | 0.9500 | 0.9500 | 0.9500 | 0.9500 |
| | - | - | - | - | 0.7730 | 0.7999 |
| | 0.8750 | 0.8250 | 0.7800 | 0.7426 | 0.5412 | 0.4210 |
| | 0.9400 | 0.8430 | 0.6816 | 0.6074 | 0.5761 | 0.5620 |
| \$ | 0.46752 | \$ 0.44731 | \$ 0.46400 | \$ 0.4640 | \$ 0.4000 | \$ 0.1300 |
| | 0.6400 | 0.6900 | 0.7200 | 0.7800 | 0.8150 | 0.9000 |
| | 0.5000 | 0.4500 | 0.4500 | 0.4180 | 0.4050 | 0.3801 |
| | 0.6900 | 0.6927 | 0.6400 | 0.6282 | 0.6102 | 0.6304 |
| | 0.7965 | 0.7842 | 0.7342 | 0.7170 | 0.7225 | 0.7140 |
| | 0.9500 | 0.9500 | 0.9500 | 0.9500 | 0.9000 | 0.9000 |
| \$ | 0.4430 ⁽²⁾ | \$ 0.4430 | \$ 0.4126 | \$ 0.4034 | \$ 0.4012 | \$ 0.4209 |
| | 0.0800 | 0.0200 | 0.0200 | 0.0200 | 0.0200 | 0.0200 |
| | 0.0562 | 0.0962 | 0.0962 | 0.0962 | 0.0962 | 0.0962 |
| | 0.48807 | 0.51807 | 0.51807 | 0.50807 | 0.489001 | 0.489001 |

(continued)

Schedule 7 (continued)**Travis County, Texas****Direct and Overlapping Property Tax Rates****Last Ten Fiscal Years**

(rate per \$100 of assessed value)

(unaudited)

| | Year Taxes Are Payable | | | |
|--|------------------------|-----------|-----------|-----------|
| | 2001 | 2002 | 2003 | 2004 |
| City, Village, and Town Rates, cont. | | | | |
| Creedmoor, Village of | \$ 0.2799 | \$ 0.2799 | \$ 0.2799 | \$ 0.2799 |
| Elgin | 0.7041 | 0.7272 | 0.6903 | 0.6941 |
| Jonestown | 0.6827 | 0.6827 | 0.6827 | 0.6395 |
| Lago Vista | 0.7677 | 0.7300 | 0.6990 | 0.6990 |
| Lakeway | 0.2350 | 0.2208 | 0.2200 | 0.2200 |
| Leander | 0.4839 | 0.47899 | 0.558450 | 0.558450 |
| Manor | 0.3750 | 0.6010 | 0.6648 | 0.4953 |
| Mustang Ridge | 0.1094 | 0.2188 | 0.2461 | 0.2379 |
| Pflugerville | 0.6424 | 0.6299 | 0.6299 | 0.6417 |
| Point Venture, Village of | - | 0.0400 | 0.0400 | 0.0400 |
| Rollingwood | 0.1150 | 0.1138 | 0.1127 | 0.1127 |
| Round Rock | 0.33031 | 0.32207 | 0.3422 | 0.357152 |
| San Leanna, Village of | 0.2498 | 0.2498 | 0.2498 | 0.2498 |
| The Hills, Village of | - | 0.0400 | 0.0400 | 0.0400 |
| Volente, Village of | - | - | - | 0.1330 |
| Webberville, Village of | - | - | - | - |
| Westlake Hills | 0.0610 | 0.0580 | 0.0580 | 0.0609 |
| School District Rates | | | | |
| Austin ISD | \$ 1.5486 | \$ 1.5486 | \$ 1.5964 | \$ 1.6137 |
| Del Valle ISD | 1.6040 | 1.6949 | 1.7785 | 1.7968 |
| Eanes ISD | 1.6964 | 1.7485 | 1.7312 | 1.7778 |
| Lago Vista ISD | 1.6645 | 1.7860 | 1.7400 | 1.7300 |
| Lake Travis ISD | 1.7795 | 1.8302 | 1.7856 | 1.7883 |
| Manor ISD | 1.4770 | 1.6954 | 1.7141 | 1.7291 |
| Pflugerville ISD | 1.3875 | 1.4700 | 1.6900 | 1.8500 |
| County Line School and Community College District Rates | | | | |
| Austin Community College | \$ 0.0500 | \$ 0.0500 | \$ 0.0500 | \$ 0.0771 |
| Coupland ISD | 1.4884 | 1.5000 | 1.5000 | 1.5000 |
| Dripping Springs ISD | 1.8330 | 1.6099 | 1.7410 | 1.7554 |
| Elgin ISD | 1.5000 | 1.5891 | 1.5891 | 1.7300 |
| Hays Cons ISD | 1.5154 | 1.5963 | 1.6800 | 1.7295 |
| Johnson City ISD | 1.2845 | 1.3416 | 1.3416 | 1.3420 |
| Leander ISD | 1.62107 | 1.6500 | 1.7220 | 1.8300 |
| Marble Falls ISD | 1.6800 | 1.6447 | 1.6422 | 1.6420 |
| Round Rock ISD | 1.708635 | 1.738653 | 1.792361 | 1.864261 |

Source: Travis Central Appraisal District and various other governmental entities.

(1) GASB Statement No. 44 requires that the total direct rate be the weighted average of all individual direct rates applied by a government to a particular revenue base. Therefore, these tax rates do not reflect the actual tax rates. See Page 1 of Schedule 6 for more information.

(2) As a result of the voter-approved formation of the Travis County Healthcare District d/b/a Central Health effective October 1, 2005, healthcare expenditures and the related taxing authority were transferred to Central Health from Travis County and the City of Austin. Therefore, the ad valorem tax rates for Travis County and the City of Austin were reduced by \$0.0144 and \$0.0635, respectively, and correspondingly Central Health established a rate of \$0.0779.

Year Taxes Are Payable

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$ 0.2799 | \$ 0.2799 | \$ 0.2799 | \$ 0.2799 | \$ 0.2799 | \$ 0.2799 |
| 0.6866 | 0.7148 | 0.7300 | 0.7580 | 0.7588 | 0.7588 |
| 0.6255 | 0.6255 | 0.5625 | 0.5425 | 0.5425 | 0.5350 |
| 0.6990 | 0.6754 | 0.5969 | 0.5800 | 0.5700 | 0.5700 |
| 0.2275 | 0.2275 | 0.2200 | 0.2139 | 0.1827 | 0.1929 |
| 0.556626 | 0.548291 | 0.598291 | 0.607591 | 0.60259 | 0.60042 |
| 0.4684 | 0.4908 | 0.3981 | 0.6135 | 0.6582 | 0.6734 |
| 0.2518 | 0.2511 | 0.2423 | 0.2493 | 0.2707 | 0.3065 |
| 0.6400 | 0.6350 | 0.6240 | 0.6190 | 0.6140 | 0.6090 |
| 0.0400 | 0.0400 | 0.0400 | 0.0600 | 0.0600 | 0.0900 |
| 0.1256 | 0.1273 | 0.1200 | 0.1159 | 0.1142 | 0.1116 |
| 0.37972 | 0.37105 | 0.37105 | 0.36522 | 0.36522 | 0.39661 |
| 0.2498 | 0.2498 | 0.2498 | 0.2498 | 0.2498 | 0.2498 |
| 0.0400 | 0.0400 | 0.0400 | 0.0400 | 0.0400 | 0.0400 |
| 0.1200 | 0.1210 | 0.1256 | 0.1230 | 0.1286 | 0.1286 |
| 0.2500 | 0.2500 | 0.2750 | 0.2750 | 0.3025 | 0.3025 |
| 0.0638 | 0.0604 | 0.0534 | 0.0534 | 0.0534 | 0.0534 |
| \$ 1.6230 | \$ 1.6230 | \$ 1.4930 | \$ 1.1630 | \$ 1.2020 | \$ 1.2020 |
| 1.8063 | 1.8700 | 1.7277 | 1.4800 | 1.4800 | 1.4800 |
| 1.6705 | 1.6610 | 1.5625 | 1.2025 | 1.2025 | 1.2025 |
| 1.7150 | 1.7150 | 1.5650 | 1.2000 | 1.1800 | 1.1800 |
| 1.8025 | 1.8005 | 1.6186 | 1.3585 | 1.3159 | 1.3159 |
| 1.8262 | 1.8000 | 1.7680 | 1.5150 | 1.5350 | 1.5150 |
| 1.8300 | 1.8500 | 1.6800 | 1.4700 | 1.4600 | 1.4600 |
| \$ 0.0900 | \$ 0.0991 | \$ 0.0965 | \$ 0.0958 | \$ 0.0954 | \$ 0.0946 |
| 1.5000 | 1.5000 | 1.3700 | 1.04005 | 1.04005 | 1.04005 |
| 1.7465 | 1.8260 | 1.6801 | 1.4153 | 1.4900 | 1.4900 |
| 1.8200 | 1.8500 | 1.6500 | 1.4400 | 1.4800 | 1.4500 |
| 1.7945 | 1.8763 | 1.7780 | 1.4613 | 1.4613 | 1.4613 |
| 1.4932 | 1.6127 | 1.4325 | 1.1780 | 1.1915 | 1.1860 |
| 1.7900 | 1.7500 | 1.6438 | 1.3334 | 1.37924 | 1.42234 |
| 1.6550 | 1.6400 | 1.4716 | 1.2350 | 1.2550 | 1.2850 |
| 1.857213 | 1.833411 | 1.640646 | 1.323805 | 1.332426 | 1.3800 |

(concluded)

Schedule 8

Travis County, Texas
Tax Exemptions Offered by Direct and Overlapping Taxing Entities
Fiscal Year 2010
(unaudited)

| | Type of Exemption | | |
|--|-------------------|-----------|------------|
| | Homestead | Over 65 | Disability |
| County Direct Exemptions | | | |
| Travis County | 20% | \$ 65,000 | \$ 65,000 |
| N.W. Travis County RD No. 3 | - | - | - |
| Central Health | 20% | 65,000 | 65,000 |
| Travis County Bee Cave Road District No. 1 | - | - | - |
| Special District Exemptions | | | |
| Bastrop-Travis County ESD | - | - | - |
| Bella Vista MUD | - | - | - |
| Belvedere MUD | - | - | - |
| Cottonwood Creek MUD No. 1 | - | 5,000 | 5,000 |
| Hurst Creek MUD | 20% | 10,000 | 10,000 |
| Kelly Lane WCID No. 1 | - | - | - |
| Kelly Lane WCID No. 2 | - | - | - |
| Lakeside MUD No. 3 | - | - | - |
| Lakeside WCID No. 1 | - | - | - |
| Lakeside WCID No. 2-A | - | - | - |
| Lakeside WCID No. 2-B | - | - | - |
| Lakeside WCID No. 2-C | - | - | - |
| Lakeside WCID No. 2-D | - | - | - |
| Lakeway MUD | - | 5,000 | - |
| Lost Creek MUD | - | 4,000 | - |
| Moore's Crossing MUD | - | - | - |
| Northtown MUD | - | - | - |
| N.E. Travis County MUD | - | - | - |
| N.W. Austin MUD No. 1 | - | - | - |
| Presidential Glen MUD | - | - | - |
| River Place MUD | 10% | 25,000 | - |
| Senna Hills MUD | - | - | - |
| Shady Hollow MUD | - | - | - |
| Sunfield MUD No. 1 | - | - | - |
| Sunfield MUD No. 2 | - | - | - |
| Sunfield MUD No. 3 | - | - | - |
| Tanglewood Forest Limited Dist | - | 50,000 | - |
| Travis Co. Emergency Svcs. Dist. No. 1 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 2 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 3 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 4 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 5 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 6 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 7 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 8 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 9 | - | 4,000 | - |
| Travis Co. Emergency Svcs. Dist. No. 10 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 11 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 12 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 13 | - | - | - |
| Travis Co. Emergency Svcs. Dist. No. 14 | - | - | - |
| Travis County MUD No. 2 | - | 5,000 | 5,000 |
| Travis County MUD No. 3 | - | - | - |
| Travis County MUD No. 4 | - | - | - |
| Travis County MUD No. 5 | - | - | - |
| Travis County MUD No. 6 | - | - | - |

| | Type of Exemption | | |
|---|-------------------|---------|------------|
| | Homestead | Over 65 | Disability |
| Special District Exemptions, cont. | | | |
| Travis County MUD No. 7 | - | \$ - | \$ - |
| Travis County MUD No. 8 | - | - | - |
| Travis County MUD No. 9 | - | - | - |
| Travis County MUD No. 10 | - | 10,000 | 10,000 |
| Travis County MUD No. 11 | - | - | - |
| Travis County MUD No. 14 | - | - | - |
| Travis County MUD No. 15 | - | 10,000 | 10,000 |
| Travis County MUD No. 16 | - | - | - |
| Travis County WCID No. 10 | - | 4,000 | - |
| Travis County WCID No. 17 | 10% | 15,000 | 15,000 |
| Travis County WCID No. 17 - Commanche Trail Defined Area | - | - | - |
| Travis County WCID No. 17 - Flintrock Ranch Defined Area | - | - | - |
| Travis County WCID No. 17 - Steiner Ranch Defined Area | - | - | - |
| Travis County WCID No. 18 | - | 30,000 | - |
| Travis County WCID No. 19 | - | - | - |
| Travis County WCID No. 20 | - | - | - |
| Travis County WCID - Point Venture | - | - | - |
| Wells Branch MUD | 20% | - | - |
| W. Travis County MUD No. 3 | - | - | - |
| W. Travis County MUD No. 5 | - | - | - |
| W. Travis County MUD No. 6 | - | - | - |
| W. Travis County MUD No. 8 | - | - | - |
| Wilbarger Creek MUD No. 1 | - | - | - |
| Wilbarger Creek MUD No. 2 | - | - | - |
| Williamson County WSID No. 3 | - | - | - |
| Williamson-Travis County WCID No. 1-D | - | - | - |
| Williamson-Travis County WCID No. 1-G | - | - | - |
| County Line Special District Exemptions | | | |
| Anderson Mill MUD | 20% | 10,000 | 10,000 |
| Cypress Ranch WCID No. 1 | - | - | - |
| North Austin MUD No. 1 | - | - | - |
| Ranch at Cypress Creek MUD No. 1 | - | 15,000 | 15,000 |
| Williamson-Travis County MUD No. 1 | - | - | - |
| Williamson-Travis County WCID No. 1-F | - | - | - |
| City, Village, and Town Exemptions | | | |
| Austin | - | 51,000 | 51,000 |
| Bee Cave | 20% | 65,000 | 65,000 |
| Briarcliff, Village of | - | - | - |
| Cedar Park | - | 30,000 | 20,000 |
| Creedmoor | - | - | - |
| Elgin | - | 10,000 | - |
| Jonestown | 10% | 8,000 | 8,000 |
| Lago Vista | 20% | - | - |
| Lakeway | - | 5,000 | - |
| Leander | - | 10,000 | 10,000 |
| Manor | - | 10,000 | - |
| Mustang Ridge | - | 5,000 | - |
| Pflugerville | - | 35,000 | 35,000 |

(continued)

Schedule 8 (continued)

**Travis County, Texas
Tax Exemptions Offered by Direct and Overlapping Taxing Entities
Fiscal Year 2010
(unaudited)**

| | Type of Exemption | | |
|---|-------------------|---------|------------|
| | Homestead | Over 65 | Disability |
| City, Village, and Town Exemptions, cont. | | | |
| Point Venture, Village of | - | \$ - | \$ - |
| Rollingwood | - | 3,000 | - |
| Round Rock | - | 22,000 | 3,000 |
| San Leanna, Village of | - | 25,000 | - |
| The Hills, Village of | 20% | 10,000 | 10,000 |
| Volente, Village of | - | 45,000 | 45,000 |
| Webberville, Village of | 5% | - | - |
| Westlake Hills | - | 4,000 | - |
| School District Exemptions | | | |
| Austin ISD | - | 25,000 | 15,000 |
| Del Valle ISD | - | - | - |
| Eanes ISD | - | 20,000 | 20,000 |
| Lago Vista ISD | 20% | - | - |
| Lake Travis ISD | 20% | - | - |
| Manor ISD | - | 25,000 | 15,000 |
| Pflugerville ISD | - | 9,100 | - |
| County Line School and Community College District Exemptions | | | |
| Austin Community College | 1% | 105,000 | 105,000 |
| Coupland ISD | - | - | - |
| Dripping Springs ISD | - | - | - |
| Elgin ISD | - | - | - |
| Hays Cons ISD | - | - | - |
| Johnson City ISD | - | - | - |
| Leander ISD | - | - | - |
| Marble Falls ISD | - | 3,000 | - |
| Round Rock ISD | - | - | 3,000 |

(concluded)

Sources: Travis Central Appraisal District and various other governmental entities.

Notes: An exemption is a release from the obligation to pay all or a portion of the taxes assessed on a parcel of property.

The amount of an optional percentage exemption cannot be less than \$5,000.

A disabled veterans exemption is also offered by all jurisdictions in the State of Texas and is based on the veteran's disability rating from the branch of the armed service.

The State of Texas also offers the following standard exemptions:

Homestead - \$15,000

Over 65 - \$10,000

Disability - \$10,000



Schedule 9

**Travis County, Texas
Principal Property Tax Payers
Current Year and Nine Years Ago
(unaudited)**

| Taxpayer | Type of Business | 2010 | | |
|-------------------------------------|------------------------------|-------------------------------|-------------|--|
| | | Taxable Assessed Value | Rank | Percentage of Total County Net Taxable Assessed Value⁽¹⁾ |
| Samsung Austin Semiconductor | Electronics | \$ 1,000,506,530 | 1 | 1.01% |
| Thomas Property Group, Inc. | Property Management | 616,874,688 | 2 | 0.62% |
| Columbia / St. David's Healthcare | Health Care | 343,502,896 | 3 | 0.35% |
| Freescale Semiconductor, Inc. | Electronics | 298,892,746 | 4 | 0.30% |
| Dell, Inc. | Electronics | 276,684,836 | 5 | 0.28% |
| Southwestern Bell Telephone Co. | Telephone Utility | 260,716,060 | 6 | 0.26% |
| Advanced Micro Devices | Electronics | 253,322,134 | 7 | 0.26% |
| IBM Corporation | Electronics | 232,068,893 | 8 | 0.23% |
| Shopping Center at Gateway, LP | Property Management | 202,485,879 | 9 | 0.20% |
| Brandywine Acquisition Partners, LP | Property Management | 200,674,288 | 10 | 0.20% |
| Motorola, Inc. | Electronics | - | - | - |
| Applied Materials | Electronics | - | - | - |
| Crescent Real Estate Equities | Real Estate Investment Trust | - | - | - |
| Solectron | Electronics | - | - | - |
| 3M Corporation | Electronics | - | - | - |
| Blue Star Austin Investments | Real Estate Investment Trust | - | - | - |
| | | <u>\$ 3,685,728,950</u> | | <u>3.71%</u> |

Source: Travis Central Appraisal District

(1) Based on Net Taxable Value of \$99,056,261,383 from the Travis Central Appraisal District's certified property values as of October 5, 2010.

(2) Based on Net Taxable Value of \$49,542,204,436 from the Travis Central Appraisal District's certified property values as of September 22, 2001. These percentages have been revised, as previously the calculation was based on *Total Taxable Value* rather than *Net Taxable Value*, which is net of exemptions.

2001

| <u>Taxable Assessed Value</u> | <u>Rank</u> | <u>Percentage of Total County Net Taxable Assessed Value⁽²⁾</u> |
|---------------------------------------|-------------|--|
| \$ 368,339,488 | 6 | 0.74% |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| 409,397,424 | 5 | 0.83% |
| 579,717,895 | 3 | 1.17% |
| 311,784,640 | 7 | 0.63% |
| - | | - |
| - | | - |
| 1,055,495,494 | 1 | 2.13% |
| 690,251,802 | 2 | 1.39% |
| 271,272,332 | 8 | 0.55% |
| 435,953,506 | 4 | 0.88% |
| 179,417,567 | 9 | 0.36% |
| 154,271,800 | 10 | 0.31% |
| <u>\$ 4,455,901,948</u> | | <u>8.99%</u> |

Schedule 10

**Travis County, Texas
Property Tax Levies and Collections
Last Ten Fiscal Years
(unaudited)**

| Fiscal Year Ended Sept. 30 | Taxes Levied for the Fiscal Year | | | Collected within the Fiscal Year of the Levy | |
|----------------------------------|--|----------------------------|------------------------|---|-----------------------------------|
| | (Original Levy) ⁽¹⁾ | Adjustments ⁽¹⁾ | Total Adjusted Levy | Amount | Percentage of Original Levy |
| 2001 | \$ 232,005,313 | \$ (845,814) | \$ 231,159,499 | \$ 229,049,768 | 98.73% |
| 2002 | 257,364,467 | (996,508) | 256,367,959 | 253,590,379 | 98.53% |
| 2003 | 288,103,626 | (2,365,165) | 285,738,461 | 283,948,239 | 98.56% |
| 2004 | 293,956,556 | (508,281) | 293,448,275 | 290,349,643 | 98.77% |
| 2005 | 294,373,746 | (208,504) | 294,165,242 | 291,230,051 | 98.93% |
| 2006 | 320,641,731 | (525,343) | 320,116,388 | 317,429,565 | 99.00% |
| 2007 | 337,068,278 | (1,076,467) | 335,991,811 | 333,633,387 | 98.98% |
| 2008 | 359,169,811 | (1,240,362) | 357,929,449 | 355,631,271 | 99.01% |
| 2009 | 393,142,145 | (512,880) | 392,629,265 | 388,857,503 | 98.91% |
| 2010 | 419,251,124 | - | 419,251,124 | 414,392,697 | 98.84% |

Source: Travis County Tax Office

Notes: The information in this schedule relates to the County's own property tax levies and does not include those it collects on behalf of other governments.

This schedule includes blended component units.

(1) The original levy is the levy at September 30th of each fiscal year. The adjustments column represents adjustments made to the levy in subsequent years.

| Collections in Subsequent Years | Total Collections to Date | | Outstanding Delinquent Taxes | | |
|---------------------------------------|---------------------------|-----------------------------------|------------------------------|-----------------------------------|-----------------------------------|
| | Amount | Percentage of Adjusted Levy | Ending Balance | Percentage of Adjusted Levy | Ending Balance (all levies) |
| \$ 1,701,637 | \$ 230,751,405 | 99.82% | \$ 408,094 | 0.18% | \$ 10,259,363 |
| 2,140,637 | 255,731,016 | 99.75% | 636,943 | 0.25% | 11,885,526 |
| 1,145,842 | 285,094,081 | 99.77% | 644,380 | 0.23% | 13,166,365 |
| 2,324,207 | 292,673,850 | 99.74% | 774,425 | 0.26% | 12,703,662 |
| 2,345,073 | 293,575,124 | 99.80% | 590,118 | 0.20% | 12,491,032 |
| 1,908,782 | 319,338,347 | 99.76% | 778,041 | 0.24% | 14,298,385 |
| 1,495,480 | 335,128,867 | 99.74% | 862,944 | 0.26% | 13,617,948 |
| 1,175,354 | 356,806,625 | 99.69% | 1,122,824 | 0.31% | 14,352,254 |
| 1,723,497 | 390,581,000 | 99.48% | 2,048,265 | 0.52% | 15,348,765 |
| - | 414,392,697 | 98.84% | 4,858,427 | 1.16% | 17,098,278 |

Schedule 11

**Travis County, Texas
Property Tax Rates and Levies
Last Ten Fiscal Years
(unaudited)**

Tax Rates Per \$100 Assessed Valuation

| <u>Fiscal Period</u> | <u>Maintenance & Operation</u> | <u>Interest & Sinking Fund</u> | <u>Total County</u> |
|-----------------------------|---|---|----------------------------|
| 2001 | 0.3760 | 0.0910 | 0.4670 |
| 2002 | 0.3546 | 0.0914 | 0.4460 |
| 2003 | 0.3627 | 0.1033 | 0.4660 |
| 2004 | 0.3926 | 0.0992 | 0.4918 |
| 2005 | 0.3850 | 0.1022 | 0.4872 |
| 2006 | 0.3994 | 0.0999 | 0.4993 |
| 2007 | 0.3623 | 0.0876 | 0.4499 |
| 2008 | 0.3405 | 0.0811 | 0.4216 |
| 2009 | 0.3394 | 0.0728 | 0.4122 |
| 2010 | 0.3517 | 0.0698 | 0.4215 |

Tax Levies

| <u>Fiscal Period</u> | <u>Maintenance & Operation</u> | <u>Interest & Sinking Fund</u> | <u>Total County</u> |
|-----------------------------|---|---|----------------------------|
| 2001 | 186,321,493 | 45,093,765 | 231,415,258 |
| 2002 | 204,101,911 | 52,608,332 | 256,710,243 |
| 2003 | 223,751,693 | 63,726,358 | 287,478,051 |
| 2004 | 234,175,136 | 59,170,080 | 293,345,216 |
| 2005 | 232,132,291 | 61,620,572 | 293,752,863 |
| 2006 | 255,990,372 | 64,029,640 | 320,020,012 |
| 2007 | 270,954,385 | 65,513,674 | 336,468,059 |
| 2008 | 289,656,646 | 68,990,173 | 358,646,819 |
| 2009 | 322,588,666 | 69,194,033 | 391,782,699 |
| 2010 | 348,409,208 | 69,146,894 | 417,556,102 |

Constitutional Funds

General

Limitation

\$0.80

Statutory Funds

Road & Bridge

0.15

Farm to Market Road

0.30

Taxes due by - January 31

Taxes delinquent - February 1

Penalty 12%, Interest 12% per annum

Percentage of assessment - 100% of market value

Note: This schedule excludes blended component units.

TRAVIS COUNTY, TEXAS

DEBT CAPACITY



Schedule 12

Travis County, Texas
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(unaudited)

| Fiscal Year | General Obligation Bonds | Certificates of Obligation | Capital Leases | Deferred Amounts ⁽¹⁾ | Total |
|---------------------|---|---|---------------------------|--|----------------|
| 2001 | \$ 249,567,494 | \$ 105,620,000 | \$ 1,405,918 | \$ Not available | \$ 356,593,412 |
| 2002 ⁽²⁾ | 359,424,037 | 107,720,000 | 1,320,271 | 260,922 | 468,725,230 |
| 2003 | 373,426,970 | 111,305,000 | 1,227,996 | 742,700 | 486,702,666 |
| 2004 | 359,348,518 | 98,420,000 | 1,192,392 | 414,786 | 459,375,696 |
| 2005 | 361,486,881 | 68,830,000 | 1,070,327 | 2,613,054 | 434,000,262 |
| 2006 | 393,780,004 | 76,470,000 | 941,385 | 1,968,924 | 473,160,313 |
| 2007 | 421,809,525 | 113,760,000 | 793,486 | 1,593,198 | 537,956,209 |
| 2008 | 432,840,286 | 124,215,000 | 648,945 | 2,724,851 | 560,429,082 |
| 2009 | 421,048,567 | 119,305,000 | - | 3,967,722 | 544,321,289 |
| 2010 | 409,335,905 | 212,920,000 | - | 13,780,860 | 636,036,765 |

Notes: Details regarding the County's outstanding debt can be found in the Notes to the Financial Statements.
This schedule includes blended component units.
Prior years may have been updated by the source.

Sources: (a) Bureau of Economic Analysis, Department of Commerce
(b) Travis Central Appraisal District
(c) City of Austin Demographer

- (1) Amounts include unamortized premiums, discounts, and losses on refunding bonds. As a result of the implementation of GASB Statement No. 34 in fiscal year 2002, prior year deferred amounts are unavailable.
- (2) In fiscal year 2002, the County issued \$138.5 million in General Obligation Bonds, of which \$105.6 million was sent to the State of Texas for joint road projects.

| Personal Income^(a) (in thousands) | Percentage of Personal Income | Net Taxable Assessed Property Value^(b) | Percentage of Net Taxable Assessed Property Value | Population^(c) | Per Capita |
|---|--------------------------------------|--|--|---------------------------------|-------------------|
| \$ 29,669,663 | 1.20% | \$ 49,542,204,436 | 0.72% | 830,150 | \$ 429.55 |
| 29,354,941 | 1.60% | 57,571,968,023 | 0.81% | 844,263 | 555.19 |
| 29,824,808 | 1.63% | 61,712,477,462 | 0.79% | 856,927 | 567.96 |
| 31,803,592 | 1.44% | 59,658,702,458 | 0.77% | 874,065 | 525.56 |
| 34,485,762 | 1.26% | 60,278,747,116 | 0.72% | 893,295 | 485.84 |
| 37,724,984 | 1.25% | 64,074,817,858 | 0.74% | 920,544 | 514.00 |
| 39,271,517 | 1.37% | 74,744,918,069 | 0.72% | 948,160 | 567.37 |
| 40,085,585 | 1.40% | 85,045,250,441 | 0.66% | 978,976 | 572.46 |
| Not available | | 95,025,780,199 | 0.57% | 1,008,345 | 539.82 |
| Not available | | 99,056,261,383 | 0.64% | 1,033,553 | 615.39 |

Schedule 13

Travis County, Texas
Ratio of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(unaudited)

Net General Bonded Debt Outstanding

| Fiscal Year | General Obligation Bonds | Certificates of Obligation | Deferred Amounts ⁽¹⁾ | Total | Less: Amounts Restricted for Repaying Principal | Net General Bonded Debt |
|---------------------|--------------------------|----------------------------|---------------------------------|----------------|---|-------------------------|
| 2001 | \$ 249,567,494 | \$ 105,620,000 | \$ Not available | \$ 355,187,494 | \$ (10,576,761) | \$ 344,610,733 |
| 2002 ⁽²⁾ | 359,424,037 | 107,720,000 | 260,922 | 467,404,959 | (11,355,913) | 456,049,046 |
| 2003 | 373,426,970 | 111,305,000 | 742,700 | 485,474,670 | (11,700,278) | 473,774,392 |
| 2004 | 359,348,518 | 98,420,000 | 414,786 | 458,183,304 | (7,157,714) | 451,025,590 |
| 2005 | 361,486,881 | 68,830,000 | 2,613,054 | 432,929,935 | (7,197,456) | 425,732,479 |
| 2006 | 393,780,004 | 76,470,000 | 1,968,924 | 472,218,928 | (8,795,401) | 463,423,527 |
| 2007 | 421,809,525 | 113,760,000 | 1,593,198 | 537,162,723 | (11,300,206) | 525,862,517 |
| 2008 | 432,840,286 | 124,215,000 | 2,724,851 | 559,780,137 | (13,872,599) | 545,907,538 |
| 2009 | 421,048,567 | 119,305,000 | 3,967,722 | 544,321,289 | (13,608,314) | 530,712,975 |
| 2010 | 409,335,905 | 212,920,000 | 13,780,860 | 636,036,765 | (14,140,251) | 621,896,514 |

Notes: Details regarding the County's outstanding debt can be found in the Notes to the Financial Statements.
This schedule includes blended component units.
Prior years have been updated by the source.

Sources (a) Bureau of Economic Analysis, Department of Commerce
(b) Travis Central Appraisal District
(c) City of Austin Demographer

(1) Amounts include unamortized premiums, discounts, and losses on refunding bonds. As a result of the implementation of GASB Statement No. 34 in fiscal year 2002, prior year deferred amounts are unavailable.

(2) In fiscal year 2002, the County issued \$138.5 million in General Obligation Bonds, of which \$105.6 million was sent to the State of Texas for joint road projects.

| Personal Income^(a) (in thousands) | Percentage of Personal Income | Net Taxable Assessed Property Value^(b) | Percentage of Net Taxable Assessed Property Value | Population^(c) | Per Capita |
|---|--|--|--|---------------------------------|-----------------------|
| \$ 29,669,663 | 1.16% | \$ 49,542,204,436 | 0.70% | 830,150 | \$ 415.12 |
| 29,354,941 | 1.55% | 57,571,968,023 | 0.79% | 844,263 | 540.17 |
| 29,824,808 | 1.59% | 61,712,477,462 | 0.77% | 856,927 | 552.88 |
| 31,803,592 | 1.42% | 59,658,702,458 | 0.76% | 874,065 | 516.01 |
| 34,485,762 | 1.23% | 60,278,747,116 | 0.71% | 893,295 | 476.59 |
| 37,724,984 | 1.23% | 64,074,817,858 | 0.72% | 920,544 | 503.42 |
| 39,271,517 | 1.34% | 74,744,918,069 | 0.70% | 948,160 | 554.61 |
| 40,085,585 | 1.36% | 85,045,250,441 | 0.64% | 978,976 | 557.63 |
| Not available | | 95,025,780,199 | 0.56% | 1,008,345 | 526.32 |
| Not available | | 99,056,261,383 | 0.63% | 1,033,553 | 601.71 |

Schedule 14

Travis County, Texas
Schedule of Direct and Estimated Overlapping Debt
September 30, 2010
(unaudited)

| | Estimated Direct Gross Debt ⁽¹⁾ | Percentage Applicable to Travis County⁽²⁾ | Amount Applicable to Travis County |
|---|---|---|---|
| Governmental Subdivision: | | | |
| Travis County | \$ 605,970,905 | 100.00 % | \$ 605,970,905 |
| Northwest Travis County Road District No. 3 | 2,260,000 | 100.00 | 2,260,000 |
| Travis County Bee Cave Road District No. 1 | 14,025,000 | 100.00 | 14,025,000 |
| Total Travis County, including component units | <u>622,255,905</u> | | <u>622,255,905</u> |
| Special Districts: | | | |
| Bella Vista MUD | 6,070,000 | 100.00 | 6,070,000 |
| Belvedere MUD | 2,350,000 | 100.00 | 2,350,000 |
| Cottonwood Creek MUD | 2,320,000 | 100.00 | 2,320,000 |
| Cypress Ranch WCID No.1 | 3,000,000 | 100.00 | 3,000,000 |
| Hurst Creek MUD | 6,010,000 | 100.00 | 6,010,000 |
| Kelly Lane WCID No. 1 | 4,140,000 | 100.00 | 4,140,000 |
| Lakeside WCID No. 1 | 5,765,000 | 100.00 | 5,765,000 |
| Lakeside WCID No. 2-B | 6,560,000 | 100.00 | 6,560,000 |
| Lakeside WCID No. 2-C | 4,390,000 | 100.00 | 4,390,000 |
| Lakeside WCID No. 2-D | 2,715,000 | 100.00 | 2,715,000 |
| Lakeway MUD | 15,333,100 | 100.00 | 15,333,100 |
| Moore's Crossing MUD | 4,760,000 | 100.00 | 4,760,000 |
| Northeast Travis Co. Utility District | 16,505,000 | 100.00 | 16,505,000 |
| Northtown MUD | 24,590,000 | 100.00 | 24,590,000 |
| River Place MUD | 7,000,000 | 100.00 | 7,000,000 |
| Senna Hills MUD | 11,430,000 | 100.00 | 11,430,000 |
| Travis Co. Emergency Svcs. Dist. No. 1 | 1,890,000 | 100.00 | 1,890,000 |
| Travis Co. Emergency Svcs. Dist. No. 2 | 2,110,000 | 100.00 | 2,110,000 |
| Travis Co. Emergency Svcs. Dist. No. 3 | 3,770,000 | 100.00 | 3,770,000 |
| Travis Co. Emergency Svcs. Dist. No. 6 | 6,095,000 | 100.00 | 6,095,000 |
| Travis Co. Emergency Svcs. Dist. No. 9 | 1,425,000 | 100.00 | 1,425,000 |
| Travis County MUD No. 2 | 8,285,000 | 100.00 | 8,285,000 |
| Travis County MUD No. 3 | 8,725,000 | 100.00 | 8,725,000 |
| Travis County MUD No. 4 | 1,530,000 | 100.00 | 1,530,000 |
| Travis County MUD No. 5 | 4,510,000 | 100.00 | 4,510,000 |
| Travis County MUD No. 6 | 1,430,000 | 100.00 | 1,430,000 |
| Travis County MUD No. 8 | 880,000 | 100.00 | 880,000 |
| Travis County MUD No. 10 | 5,255,000 | 100.00 | 5,255,000 |
| Travis County MUD No. 11 | 9,960,000 | 100.00 | 9,960,000 |
| Travis County MUD No. 14 | 7,600,000 | 100.00 | 7,600,000 |
| Travis County MUD No. 15 | 5,570,000 | 100.00 | 5,570,000 |
| Travis County WCID No. 17 - Steiner Ranch Defined Area | 92,334,989 | 100.00 | 92,334,989 |
| Travis County WCID No. 17 - Flintrock Ranch Defined Area | 19,660,000 | 100.00 | 19,660,000 |
| Travis County WCID No. 18 | 2,010,000 | 100.00 | 2,010,000 |
| Travis County WCID No. 20 | 550,000 | 100.00 | 550,000 |
| Travis County WCID - Point Venture | 1,585,000 | 100.00 | 1,585,000 |
| W. Travis County MUD No. 3 | 1,370,000 | 100.00 | 1,370,000 |
| W. Travis County MUD No. 5 | 2,040,000 | 100.00 | 2,040,000 |
| W. Travis County MUD No. 6 | 8,675,000 | 100.00 | 8,675,000 |
| W. Travis County MUD No. 8 | 7,195,000 | 100.00 | 7,195,000 |
| Wilbarger Creek MUD No. 2 | 10,500,000 | 100.00 | 10,500,000 |
| Williamson-Travis WCID No. 1-D | 14,400,000 | 100.00 | 14,400,000 |
| Williamson-Travis WCID No. 1-G | 16,495,000 | 100.00 | 16,495,000 |
| Subtotal Special Districts | <u>368,788,089</u> | | <u>368,788,089</u> |

| | <u>Estimated Direct Gross Debt ⁽¹⁾</u> | <u>Percentage Applicable to Travis County⁽²⁾</u> | <u>Amount Applicable to Travis County</u> |
|--|---|---|---|
| County Line Special Districts: | | | |
| Lakeside MUD No. 3 | 3,000,000 | 97.85 | 2,935,500 |
| North Austin MUD No. 1 | 4,165,000 | 10.03 | 417,750 |
| Ranch at Cypress Creek MUD No. 1 | 7,770,000 | 30.79 | 2,392,383 |
| Wells Branch MUD | 1,885,000 | 98.58 | 1,858,233 |
| Williamson Co. WSI&DD | 20,400,000 | 30.31 | 6,183,240 |
| Williamson-Travis County MUD No. 1 | <u>9,255,000</u> | 24.06 | <u>2,226,753</u> |
| Subtotal County Line Special Districts | <u>46,475,000</u> | | <u>16,013,859</u> |
| Cities: | | | |
| Austin | 1,129,932,994 | 95.56 | 1,079,763,969 |
| Bee Cave | 4,030,000 | 100.00 | 4,030,000 |
| Briarcliff, Village of | 2,715,000 | 100.00 | 2,715,000 |
| Cedar Park | 157,205,000 | 1.74 | 2,735,367 |
| Creedmoor | 380,000 | 100.00 | 380,000 |
| Elgin | 15,479,000 | 15.59 | 2,413,176 |
| Jonestown | 1,741,000 | 100.00 | 1,741,000 |
| Lago Vista | 25,810,000 | 100.00 | 25,810,000 |
| Lakeway | 6,335,000 | 100.00 | 6,335,000 |
| Leander | 73,805,000 | 10.10 | 7,454,305 |
| Manor | 10,940,000 | 100.00 | 10,940,000 |
| Pflugerville | 156,040,000 | 99.61 | 155,431,444 |
| Round Rock | <u>143,410,000</u> | 3.28 | <u>4,703,848</u> |
| Subtotal Cities | <u>1,727,822,994</u> | | <u>1,304,453,109</u> |
| School Districts: | | | |
| Austin ISD | 779,898,680 | 100.00 | 779,898,680 |
| Del Valle ISD | 173,905,000 | 100.00 | 173,905,000 |
| Eanes ISD | 115,945,000 | 100.00 | 115,945,000 |
| Lago Vista ISD | 14,491,396 | 100.00 | 14,491,396 |
| Lake Travis ISD | 176,316,269 | 100.00 | 176,316,269 |
| Manor ISD | <u>190,775,000</u> | 100.00 | <u>190,775,000</u> |
| Subtotal School Districts | <u>1,451,331,345</u> | | <u>1,451,331,345</u> |
| County Line School and Community College Districts: | | | |
| Austin Community College | 94,518,659 | 79.33 | 74,981,652 |
| Dripping Springs ISD | 143,114,999 | 1.05 | 1,502,707 |
| Elgin ISD | 78,437,694 | 25.46 | 19,970,237 |
| Hays Cons ISD | 305,207,309 | 0.63 | 1,922,806 |
| Johnson City ISD | 8,950,411 | 1.24 | 110,985 |
| Leander ISD | 984,739,806 | 42.78 | 421,271,689 |
| Marble Falls ISD | 77,664,098 | 18.75 | 14,562,018 |
| Pflugerville ISD | 358,634,973 | 99.90 | 358,276,338 |
| Round Rock ISD | <u>666,449,535</u> | 25.48 | <u>169,811,342</u> |
| Subtotal County Line School and Community College Districts | <u>2,717,717,484</u> | | <u>1,062,409,774</u> |
| Total (Estimated \$4,668.61 per capita) | <u>\$ 6,934,390,817</u> | | <u>\$ 4,825,252,081</u> |

Source: Texas Municipal Advisory Council

(1) Does not include unamortized premiums, discounts, and losses on refunding bonds.

(2) This percentage is determined by dividing the portion of market value the overlapping government shares with Travis County by the total market value of the overlapping government.

Schedule 15

**Travis County, Texas
Legal Debt Margin Information
Bonds Issued Under Article 3, Section 52
of the Texas Constitution
Last Ten Fiscal Years
(unaudited)**

| | Fiscal Year Ended September 30 | | | |
|--|---------------------------------------|--------------------------|--------------------------|--------------------------|
| | 2001 | 2002 | 2003 | 2004 |
| Assessed value of <i>real</i> property | \$ 52,592,954,516 | \$ 62,248,832,537 | \$ 66,863,306,587 | \$ 63,566,576,847 |
| Debt limit rate | x 25 % | x 25 % | x 25 % | x 25 % |
| Amount of debt limit | 13,148,238,629 | 15,562,208,134 | 16,715,826,647 | 15,891,644,212 |
| Unlimited Tax Bonds | 74,542,941 | 178,098,099 | 198,093,479 | 197,033,445 |
| Legal debt margin | <u>\$ 13,073,695,688</u> | <u>\$ 15,384,110,035</u> | <u>\$ 16,517,733,168</u> | <u>\$ 15,694,610,767</u> |
| Total debt applicable to the limit as a percentage of debt limit | 0.57% | 1.14% | 1.19% | 1.24% |

Article 3, Section 52 of the Texas Constitution allows counties to issue bonds upon a vote of two-thirds majority of the voting qualified voters affected by the issuance so long as the amount does not exceed one-fourth of the assessed valuation of the real property, and levy and collect taxes to pay the interest and provide a sinking fund for the redemption.

Section 52 bonds may be issued for 1) improvement of rivers, creeks, and streams to prevent overflows, to permit navigation and irrigation and in aid of such purposes, 2) construction and maintenance of pools, lakes, reservoirs, dams, canals, and waterways for the purposes of irrigation, drainage, or navigation or in aid of such purposes, and 3) construction, maintenance, and operation of macadamized, graveled, or paved roads and turnpikes, or in aid of such purposes. For those bonds levied for roads and turnpikes, the County may levy and collect taxes to pay the interest on the bonds as it becomes due and to provide a sinking fund for redemption of the bonds.

Notes: Excludes applicable exemptions.
This schedule includes blended component units.

Fiscal Year Ended September 30

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| \$ 69,852,496,817 | \$ 74,296,405,220 | \$ 87,385,224,698 | \$ 99,318,629,135 | \$ 111,469,687,610 | \$ 115,805,577,308 |
| x 25 % |
| 17,463,124,204 | 18,574,101,305 | 21,846,306,175 | 24,829,657,284 | 27,867,421,903 | 28,951,394,327 |
| 186,960,893 | 193,822,299 | 219,375,445 | 246,505,212 | 235,218,567 | 211,230,905 |
| <u>\$ 17,276,163,311</u> | <u>\$ 18,380,279,006</u> | <u>\$ 21,626,930,730</u> | <u>\$ 24,583,152,072</u> | <u>\$ 27,632,203,336</u> | <u>\$ 28,740,163,422</u> |
| 1.07% | 1.04% | 1.00% | 0.99% | 0.84% | 0.73% |

Schedule 16

Travis County, Texas
Legal Debt Margin Information
Bonds and Certificates of Obligation Issued Under Texas General Laws
Last Ten Fiscal Years
(unaudited)

| | Fiscal Year Ended September 30 | | | |
|---|---------------------------------------|-------------------------|-------------------------|-------------------------|
| | 2001 | 2002 | 2003 | 2004 |
| Assessed value of all taxable property | \$ 60,273,506,065 | \$ 71,625,489,733 | \$ 75,142,738,899 | \$ 71,388,112,436 |
| Debt limit rate | x 5 % | x 5 % | x 5 % | x 5 % |
| Amount of debt limit | <u>3,013,675,303</u> | <u>3,581,274,487</u> | <u>3,757,136,945</u> | <u>3,569,405,622</u> |
| Amount of debt applicable to debt limit: | | | | |
| Gross bonded debt ⁽¹⁾ | 355,187,494 | 467,144,037 | 484,731,970 | 457,768,518 |
| Less: Amounts set aside to repay general debt | <u>10,576,761</u> | <u>11,355,913</u> | <u>11,700,278</u> | <u>7,157,714</u> |
| Total amount of net debt applicable to debt limit | <u>344,610,733</u> | <u>455,788,124</u> | <u>473,031,692</u> | <u>450,610,804</u> |
| Legal debt margin | <u>\$ 2,669,064,570</u> | <u>\$ 3,125,486,363</u> | <u>\$ 3,284,105,253</u> | <u>\$ 3,118,794,818</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 11.43% | 12.73% | 12.59% | 12.62% |

Bonds issued under the Texas General Laws have, in addition to the debt limit of 5 percent of assessed value of all taxable property, a constitutional limit on the tax rate which may be levied to service general law bonds and provide funds for the general operations of the County. This limit for Travis County is \$.80 annually on the \$100 assessed valuation plus a levy of \$.15 annually for the maintenance of public roads.

Article VIII, Section 9 of the Texas Constitution, as amended, specified that the Commissioners' Court "shall levy whatever tax rate may be needed for the four (4) constitutional purposes; namely, general fund, permanent improvement fund, road and bridge fund and jury fund so long as the Court does not impair any outstanding bonds or other obligations and so long as the total of the foregoing tax levies does not exceed Eighty Cents (\$.80) on the One Hundred Dollars (\$100) valuation in any one (1) year."

Notes: Excludes applicable exemptions.
This schedule includes blended component units.
Prior years have been revised.

(1) Includes General Obligation Bonds and Certificates of Obligation

Fiscal Year Ended September 30

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| \$ 77,884,808,976 | \$ 82,557,628,306 | \$ 96,239,193,035 | \$ 109,233,886,893 | \$ 122,147,526,968 | \$ 126,199,553,706 |
| x 5 % | x 5 % | x 5 % | x 5 % | x 5 % | x 5 % |
| <u>3,894,240,449</u> | <u>4,127,881,415</u> | <u>4,811,959,652</u> | <u>5,461,694,345</u> | <u>6,107,376,348</u> | <u>6,309,977,685</u> |
| 430,316,881 | 470,250,004 | 535,569,525 | 557,055,286 | 540,353,567 | 622,255,905 |
| <u>7,197,456</u> | <u>8,795,401</u> | <u>11,300,206</u> | <u>13,872,599</u> | <u>13,608,314</u> | <u>14,140,251</u> |
| <u>423,119,425</u> | <u>461,454,603</u> | <u>524,269,319</u> | <u>543,182,687</u> | <u>526,745,253</u> | <u>608,115,654</u> |
| <u>\$ 3,471,121,024</u> | <u>\$ 3,666,426,812</u> | <u>\$ 4,287,690,333</u> | <u>\$ 4,918,511,658</u> | <u>\$ 5,580,631,095</u> | <u>\$ 5,701,862,031</u> |
| 10.87% | 11.18% | 10.90% | 9.95% | 8.62% | 9.64% |

Schedule 17

Travis County, Texas
Ratio of Annual Debt Service
For General Bonded Debt to Total General Expenditures
Last Ten Fiscal Periods
(unaudited)

| Fiscal Period | Debt Principal | Interest ⁽¹⁾ | Debt Service⁽²⁾ | Expenditures All Funds | Percentage of Debt Service to Total Expenditures |
|----------------------|-----------------------|--------------------------------|-----------------------------------|-------------------------------|---|
| 2001 | \$ 30,661,833 | \$ 17,363,735 | \$ 48,025,568 | \$ 369,438,628 | 13.00 % |
| 2002 | 33,653,381 | 19,730,801 | 53,384,182 | 513,083,649 | 10.40 |
| 2003 | 39,253,523 | 24,851,446 | 64,104,969 | 424,452,046 | 15.10 |
| 2004 | 38,236,450 | 26,041,761 | 64,278,211 | 447,923,607 | 14.35 |
| 2005 | 38,656,775 | 23,433,962 | 62,090,737 | 438,796,677 | 14.15 |
| 2006 | 41,117,340 | 22,914,855 | 64,032,195 | 498,315,910 | 12.85 |
| 2007 | 39,132,204 | 25,466,999 | 64,599,203 | 503,335,068 | 12.83 |
| 2008 | 39,754,555 | 29,109,929 | 68,864,484 | 597,024,609 | 11.53 |
| 2009 | 41,947,901 | 28,260,345 | 70,208,246 | 629,944,342 | 11.15 |
| 2010 | 47,060,000 | 22,464,734 | 69,524,734 | 636,716,338 | 10.92 |

Note: This schedule includes blended component units.

(1) The following additional interest was capitalized and included in cost of new construction in years prior to fiscal year 2002. For fiscal years after 2001, capitalization of construction period interest was eliminated by GASB Statement No. 37.

2001 \$ 2,123,010

(2) Excludes assets acquired through other debt or capital lease.

TRAVIS COUNTY, TEXAS
DEMOGRAPHIC AND ECONOMIC
INFORMATION



Schedule 18

**Travis County, Texas
Demographic and Economic Statistics
Last Ten Fiscal Years
(unaudited)**

| Year | Population^(a) | Personal Income^(b) (in thousands) | Per Capita Personal Income | Estimated Gross Retail Sales in Austin^(c) (in billions) |
|-------------|---------------------------------|---|---|---|
| 2001 | 830,150 | \$ 29,669,663 | \$ 35,740 | \$ 12.64 |
| 2002 | 844,263 | 29,354,941 | 34,770 | 10.70 |
| 2003 | 856,927 | 29,824,808 | 34,804 | 9.94 |
| 2004 | 874,065 | 31,803,592 | 36,386 | 11.03 |
| 2005 | 893,295 | 34,485,762 | 38,605 | 12.30 ⁽²⁾ |
| 2006 | 920,544 | 37,724,984 | 40,981 | 12.97 |
| 2007 | 948,160 | 39,271,517 | 41,419 | 13.72 |
| 2008 | 978,976 | 40,085,585 | 40,946 | 13.04 |
| 2009 | 1,008,345 | Not available | | 11.94 |
| 2010 | 1,033,553 | Not available | | 9.26 ⁽¹⁾ |

Note: This schedule includes blended component units.
Prior years may have been updated by the source.

Sources: (a) City of Austin Demographer
(b) Bureau of Economic Analysis, Department of Commerce
(c) State Comptroller of Public Accounts
(d) Texas A&M University, Real Estate Research Center
(e) Travis County, Transportation and Natural Resources Department
(f) Texas Workforce Commission

(1) Estimated retail sales through third quarter of fiscal year 2010.

(2) State Comptroller began using Census Bureau's North American Industry Classification System.

| Single Family Home Sales in the Austin Area^(d) | Average Home Price in the Austin Area^(d) | Site Development Permits Issued^(e) | Unemployment Rate^(f) |
|--|--|--|--|
| \$ 18,278 | \$ 194,988 | 2,665 | 5.0% |
| 18,645 | 196,633 | 2,638 | 5.8% |
| 19,381 | 195,608 | 2,900 | 6.0% |
| 21,935 | 199,788 | 3,555 | 4.9% |
| 26,009 | 206,293 | 4,121 | 4.5% |
| 29,509 | 226,953 | 4,787 | 3.9% |
| 29,263 | 243,112 | 3,415 | 3.8% |
| 23,973 | 245,068 | 2,446 | 4.6% |
| 19,511 | 237,314 | 1,673 | 7.0% |
| 20,784 | 244,343 | 1,597 | 6.6% |

Schedule 19

**Travis County, Texas
Principal Employers
Current Year and Nine Years Ago
(unaudited)**

| Employer⁽¹⁾ | Product or Service | 2010 | | |
|--|---------------------------|------------------|-------------|--|
| | | Employees | Rank | Percentage of Total County Employment^(a) |
| State of Texas, MSA total ⁽²⁾ | Government | 49,730 | 1 | 9.37% |
| The University of Texas/Austin ⁽³⁾ | Education, Research | 24,070 | 2 | 4.54% |
| Dell, Inc. | Electronics | 16,000 | 3 | 3.02% |
| City of Austin ⁽³⁾ | Government | 13,162 | 4 | 2.48% |
| Austin Independent School Dist. ⁽³⁾ | Education | 12,232 | 5 | 2.31% |
| HEB Grocery Co. | Retail | 10,904 | 6 | 2.06% |
| Federal Government, MSA total ⁽⁴⁾ | Government | 10,700 | 7 | 2.02% |
| Seton Family of Hospitals | Health Services | 9,793 | 8 | 1.85% |
| Wal-Mart Stores | Retail | 6,900 | 9 | 1.30% |
| IBM Corporation | Electronics | 6,200 | 10 | 1.17% |
| Motorola, Inc. | Electronics | - | | - |
| | | <u>159,691</u> | | <u>30.12%</u> |

Sources: (1) Unless noted, data is from Austin Business Journal, *2010 Book of Lists, "Corporate Employers"*

(2) Texas Workforce Commission MSA total, excluding the University of Texas

(3) Human Resources Department for governmental entity

(4) Texas Workforce Commission

(a) Based on total Travis County employment of 530,454, Texas Workforce Commission

(b) Based on total Travis County employment of 468,898, Texas Workforce Commission

2001

| <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total County Employment^(b)</u> |
|-----------------------|-------------|--|
| 45,086 | 1 | 9.62% |
| 22,214 | 2 | 4.74% |
| 17,900 | 3 | 3.82% |
| 10,000 | 4 | 2.13% |
| 10,000 | 5 | 2.13% |
| 5,326 | 10 | 1.14% |
| 9,800 | 6 | 2.09% |
| 6,800 | 8 | 1.45% |
| - | | - |
| 6,500 | 9 | 1.39% |
| <u>9,000</u> | 7 | <u>1.92%</u> |
| <u><u>142,626</u></u> | | <u><u>30.43%</u></u> |



TRAVIS COUNTY, TEXAS
OPERATING INFORMATION



Schedule 20

Travis County, Texas
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years
(unaudited)

| <u>Function/Program</u> | <u>Full-time Equivalent Employees as of September 30</u> | | | |
|---|--|--------------|--------------|--------------|
| | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> |
| Functions used prior to fiscal year 2003: | | | | |
| General government | 480 | 509 | - | - |
| Justice system | 615 | 657 | - | - |
| Law enforcement | 532 | 473 | - | - |
| Corrections and rehabilitation | 1,116 | 1,324 | - | - |
| Juvenile services | 343 | 401 | - | - |
| Public health | 29 | 29 | - | - |
| Human services | 132 | 136 | - | - |
| Transportation and roads | 254 | 261 | - | - |
| Parks and recreation | 53 | 56 | - | - |
| Functions used in fiscal year 2003 and forward: | | | | |
| General government | - | - | 530 | 514 |
| Justice system | - | - | 1,094 | 1,117 |
| Public safety | - | - | 497 | 521 |
| Corrections and rehabilitation | - | - | 1,335 | 1,276 |
| Health and human services | - | - | 172 | 176 |
| Infrastructure and environmental services | - | - | 260 | 268 |
| Community and economic development | - | - | 59 | 73 |
| Total | <u>3,554</u> | <u>3,846</u> | <u>3,947</u> | <u>3,945</u> |

Source: County's payroll system

Notes: A full-time employee is equivalent to approximately 2,080 hours per year.
This schedule excludes vacant positions.
The Uniform Chart of Accounts for Texas Counties was adopted in fiscal year 2003.
This schedule includes blended component units.

Full-time Equivalent Employees as of September 30

| <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> |
|--------------|--------------|--------------|--------------|--------------|--------------|
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 527 | 534 | 569 | 587 | 622 | 641 |
| 1,142 | 1,192 | 1,296 | 1,327 | 1,395 | 1,423 |
| 533 | 556 | 592 | 614 | 627 | 640 |
| 1,279 | 1,336 | 1,383 | 1,405 | 1,435 | 1,451 |
| 173 | 176 | 188 | 192 | 217 | 219 |
| 269 | 268 | 277 | 282 | 303 | 284 |
| 79 | 84 | 114 | 121 | 125 | 123 |
| <u>4,002</u> | <u>4,146</u> | <u>4,419</u> | <u>4,528</u> | <u>4,724</u> | <u>4,781</u> |

Schedule 21

Travis County, Texas
Operating Indicators by Function/Program
Last Ten Fiscal Years
(unaudited)

| Function/Program | Fiscal Year | | |
|--|--------------------|-------------|-------------|
| | 2001 | 2002 | 2003 |
| General Government | | | |
| Registered voters | 526,962 | 510,767 | 518,676 |
| New motor vehicle registrations | 821,193 | 675,934 | 610,729 |
| Justice System | | | |
| Civil cases filed - District Clerk | 19,532 | 20,004 | 22,646 |
| Civil cases filed - County Clerk | 5,797 | 6,761 | 7,720 |
| Criminal cases filed - District Clerk | 10,577 | 11,800 | 11,224 |
| Criminal cases filed - County Clerk | 22,293 | 25,474 | 24,948 |
| Public Safety | | | |
| Jail bookings | 53,708 | 53,228 | 53,789 |
| Autopsies performed | 595 | 585 | 517 |
| 911 calls | 77,490 | 82,445 | 82,389 |
| Corrections and Rehabilitation | | | |
| Average daily inmate population | 2,645 | 2,721 | 2,263 |
| Health and Human Services | | | |
| Starflight patient transports | 891 | 695 | 585 |
| Infrastructure and Environmental Services | | | |
| Balcones Canyonlands acres managed | 2,451 | 3,111 | 3,146 |
| Community and Economic Development | | | |
| Park visitors in fee collecting parks | 664,479 | 660,387 | 631,718 |

Source: Travis County Adopted Budget and various other Travis County and City of Austin Offices/Departments

Notes: This schedule includes blended component units.

Prior year data is revised to reflect actual versus estimate.

Current year data is generally an estimate and will be updated to actual in the subsequent year.

| Fiscal Year | | | | | | |
|-------------|---------|---------|---------|---------|---------|---------|
| 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| 586,612 | 534,892 | 558,374 | 536,216 | 581,908 | 580,768 | 594,000 |
| 698,794 | 708,413 | 845,099 | 797,185 | 810,105 | 937,455 | 933,908 |
| 20,240 | 22,557 | 21,550 | 23,291 | 18,439 | 19,386 | 19,600 |
| 7,164 | 7,995 | 8,284 | 8,079 | 8,163 | 8,824 | 8,800 |
| 13,004 | 14,123 | 14,039 | 16,068 | 16,561 | 14,919 | 15,217 |
| 26,447 | 27,352 | 28,945 | 36,170 | 32,699 | 32,568 | 33,800 |
| 56,289 | 58,262 | 59,992 | 61,385 | 60,403 | 62,104 | 57,715 |
| 542 | 558 | 594 | 694 | 777 | 739 | 725 |
| 92,529 | 103,561 | 111,214 | 125,604 | 125,723 | 128,222 | 133,000 |
| 2,333 | 2,535 | 2,583 | 2,646 | 2,511 | 2,363 | 2,420 |
| 578 | 652 | 675 | 878 | 872 | 776 | 775 |
| 4,573 | 4,885 | 4,789 | 5,093 | 5,122 | 5,446 | 7,041 |
| 510,199 | 595,653 | 578,237 | 443,564 | 605,649 | 538,100 | 605,000 |

Schedule 22

Travis County, Texas
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(unaudited)

| Function/Program | Fiscal Year | | | |
|--|---------------|-------|-------|-------|
| | 2001 | 2002 | 2003 | 2004 |
| Justice System | | | | |
| Courthouse | 2 | 2 | 2 | 2 |
| Juvenile detention center | 1 | 1 | 1 | 1 |
| Public Safety | | | | |
| Law enforcement vehicles | Not available | | | |
| 911 call center | 1 | 1 | 1 | 1 |
| Corrections and Rehabilitation | | | | |
| Correctional facilities | 2 | 2 | 2 | 2 |
| Correctional facility capacities | 2,821 | 2,749 | 2,749 | 2,749 |
| Health and Human Services | | | | |
| Ambulances | 8 | 11 | 11 | 11 |
| Starflight helicopters/Eurocopters | 2 | 2 | 2 | 2 |
| Infrastructure and Environmental Services | | | | |
| Bridges ⁽¹⁾ | 142 | 142 | 142 | 142 |
| Community and Economic Development | | | | |
| Number of developed County parks | 22 | 23 | 23 | 23 |
| Developed park acreage | 1,666 | 1,927 | 1,996 | 2,008 |
| Boat ramps | 9 | 9 | 9 | 9 |

Source: Capital Asset System in Auditor's Office
Transportation and Natural Resources Department

Note: This schedule includes blended component units.

(1) Beginning in fiscal year 2010, this category includes drainage structures.

| Fiscal Year | | | | | |
|-------------|-------|-------|-------|-------|-------|
| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| N/A | 435 | 482 | 438 | 509 | 500 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 2,958 | 2,958 | 3,080 | 3,121 | 3,008 | 3,094 |
| 14 | 14 | 17 | 19 | 17 | 20 |
| 2 | 2 | 2 | 2 | 2 | 3 |
| 142 | 143 | 144 | 144 | 144 | 194 |
| 24 | 24 | 24 | 24 | 24 | 24 |
| 2,522 | 2,522 | 2,522 | 2,522 | 2,556 | 2,556 |
| 9 | 9 | 9 | 9 | 9 | 9 |

