

# **COLLIN COUNTY, TEXAS**

Comprehensive Annual Financial Report

For the fiscal year ended

September 30, 2006

Prepared by:

Office of the County Auditor  
Collin County

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# COLLIN COUNTY, TEXAS

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# COLLIN COUNTY

OFFICE OF COUNTY AUDITOR  
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McKinney, Texas 75069  
(972)548-4731  
Metro (972)424-1460  
Fax (972)548-4696

February 28, 2006

Honorable District Judges  
Honorable County Judge  
Honorable County Commissioners

The Comprehensive Annual Financial Report of Collin County, Texas, for the fiscal year ended September 30, 2006 is submitted herewith in accordance with Chapter 114.025 of the Local Government Code. The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed public accountants.

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

Pattillo, Brown, & Hill, L.L.P., a firm of licensed certified public accountants, has audited Collin County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2006, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. The independent auditor concluded based on the audit, that there was a reasonable basis for rendering an unqualified opinion that Collin County's financial statements for the fiscal year ended September 30, 2006 that they are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Honorable District Judges  
Honorable County Judge  
Honorable County Commissioners  
February 28, 2006  
Page Two

The independent audit of the financial statements of Collin County was a part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statement, but also on the governments internal controls and compliance with legal requirements. Specific emphases were placed on internal controls and compliance with laws and regulations involving the administration of federal awards. This Single Audit Report is available as a separate report from Collin County.

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

### **Profile of the Government**

Located in North Central Texas, Collin County was incorporated in 1846 and both the County and the County Seat were named after the pioneer, Collin McKinney. The County ranks as one of the top growth areas in the state and the country with a population of 690,500. This is up 39% over the 2000 census of 496,800 and 343% over the 1980 census of 155,950. The County has a land area of 836 square miles.

The County operated as specified under the Constitution of the State of Texas and Vernon's Texas Code Annotated, which provide for a Commissioner's Court consisting of the County Judge and four Commissioners, one for each of four geographical precincts. The County Judge is elected for a term of four years and the Commissioners for four year staggered terms.

Collin County provides a full range of services, including judicial, law enforcement, jail facilities, the construction and maintenance of roads, bridges, and other infrastructures, recreational activities and facilities, indigent health assistance and homeland security response teams.

The annual budget serves as the foundation for Collin County's financial planning and control. All departments of the County are required to submit requests for appropriation to the County Budget Officer by the first Monday in April. The Budget Officer uses these requests as the starting point for developing a proposed budget. The proposed budget and a recommended budget prepared by the Budget Officer are submitted to Commissioners' Court for their consideration. Commissioners' Court then holds budget work sessions to hear specific request that were not included in the Budget Officer's recommended budget. The Court is required to publish specific information, notices and hold public hearings as defined in state statute. Once and if all these requirements are met, the Court may adopt the budget and the tax rate by September 1 or as soon thereafter as is practical. The appropriated budget is adopted by fund by the primary activities of salaries and benefits, maintenance and operating, training and travel and capital expenditures. Budget to actual comparisons are provided in this report for the General Fund, special revenue funds with locally adopted budgets, and debt service funds.

### **Factors Affecting Financial Condition**

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

**Local economy.** Collin County has experienced the same economic concerns felt across Texas and the nation since 2001. Population growth has remained strong keeping the County near the top of the fastest growing counties in the state and in the nation. Major industries with headquarters or divisions located within the County include petroleum research, telecommunications, computer technology, electronics, retail, hotel, the food industry, and insurance institutions.

**Long-term financial planning.** The Commissioners' Court continues to be very active in infrastructure development to help insure economic growth. They are continuously studying transportation and facility needs so that Collin County will remain a viable option for both industry and its employees. In 2003, they proposed and received approval from the taxpayers of Collin County to issue bonds totaling \$229 million for roads, facilities and parks. Quality of life is also of primary concern to the Court. There are currently active projects where the County is a financial partner with other local governmental entities and nonprofit corporations to develop new and improve existing recreational facilities. The County recently finished a \$26 million dollar youth camp facility to give the youth of Collin County and surrounding counties a place to experience the beauty of the outdoors.

**Cash management policies and practices.** Cash temporarily idle during the year was invested in a strategic manner. Short term cash flow was met with investing in cash equivalent tools such as 2A-7 pools and short-term certificates of deposit to obtain the highest possible yield while still protecting the principal. Excess cash above short term flow requirements was identified and invested in certificates of deposit and U.S. Agency notes and bonds. Collin County operating fund investment maturities ranged from two months to three years. The General and Health Care Foundation funds can be invested out to five years. Longer investments were made only when step-ups were available that had short term yields equivalent to other short term investments with increased longer term yields to protect the County long term or in certificates of deposit where rates were competitive with step-up yields to maturity. The weighted average yield for these individual investments as of September 30, 2006 was 4.35%. Current individual investments had an unrealized loss of \$160 thousand or 0.0005%. Increases in fair value during the year, however, do not necessarily represent trends that will continue, nor will there be a realized loss since the County intends to hold to maturity.

**Risk management.** Collin County has a self insured program for liability claims, workers' compensation, and health and dental insurance. Third party coverage is currently maintained to protect against excess and/or catastrophic loss. Additional information on Collin County's risk management activities can be found in Note IV(a) of the notes to the financial statements.

**Pension and other post employment benefits.** The County provides retirement, disability, and death benefits for all of its full time employees through a nontraditional defined pension plan in the statewide Texas County and District Retirement System (TCDRS). Detail information on the retirement plan and other post employment benefits can be found in Note IV(c) and IV(e) of the notes to the financial statements.

Honorable District Judges  
Honorable County Judge  
Honorable County Commissioners  
February 28, 2006  
Page Four

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Collin County for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2005. This was the twenty-eight consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the County Auditor's Office. I would like to express my appreciation to each member of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Commissioners' Court and the Board of District Judges for their support for maintaining the highest standard of professionalism in the management of Collin County's finances.

Respectfully submitted,

Donald W. Cozad  
Collin County Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Collin County  
Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2005

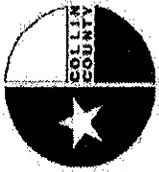
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



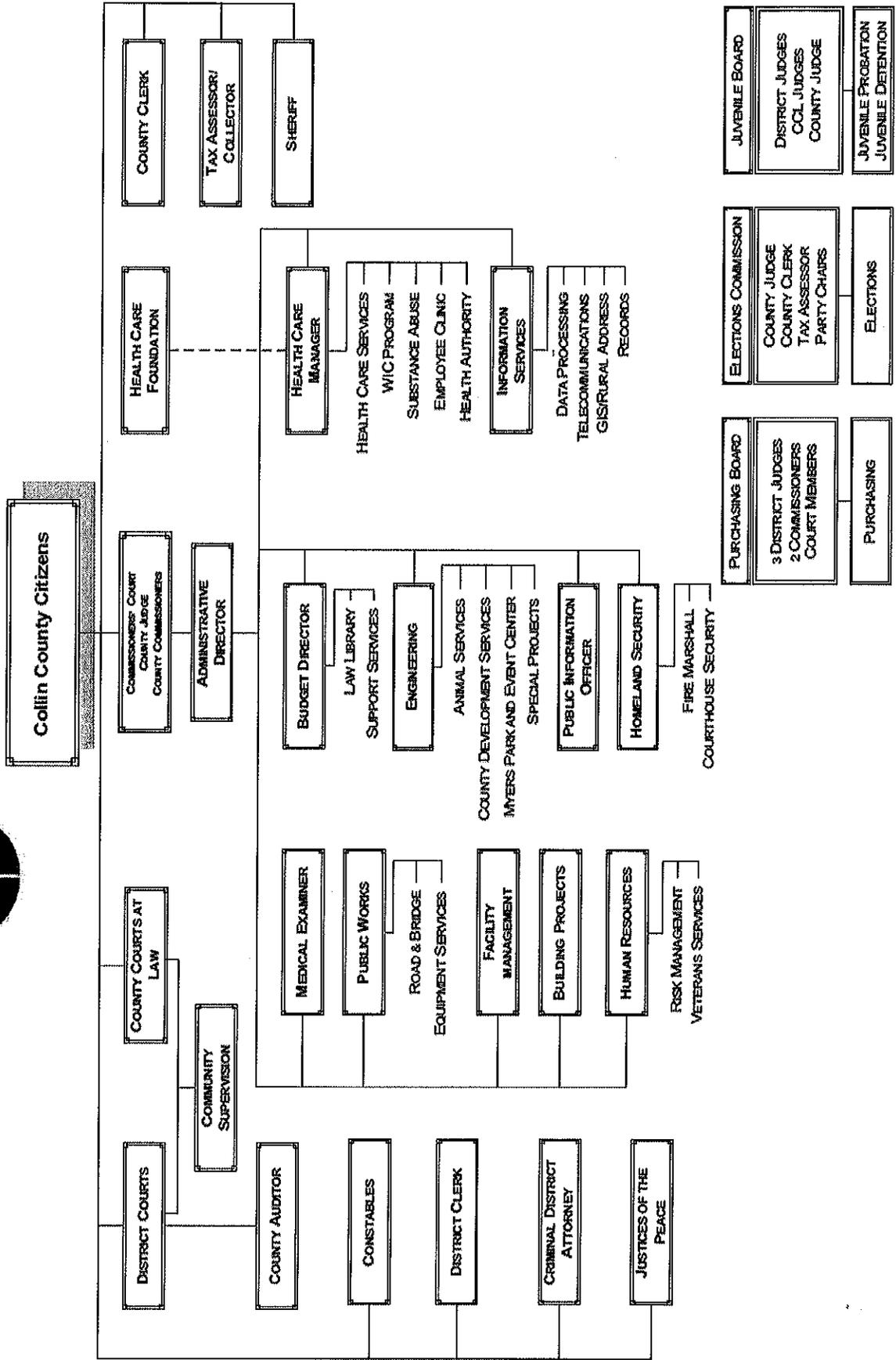
President

Executive Director

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# Collin County Organizational Chart



# COLLIN COUNTY, TEXAS

## DIRECTORY OF OFFICIALS

September 30, 2006

### District Officials

Robert T. Dry, Jr.	Judge, 199 <sup>th</sup> Judicial District
Curt Henderson	Judge, 219 <sup>th</sup> Judicial District
Betty A. Caton	Judge, 296 <sup>th</sup> Judicial District
Nathan E. White, Jr.	Judge, 366 <sup>th</sup> Judicial District
Charles F. Sandoval	Judge, 380 <sup>th</sup> Judicial District
Mark J. Rusch	Judge, 401 <sup>st</sup> Judicial District
Chris Oldner	Judge, 416 <sup>th</sup> Judicial District
Cynthia Wheless	Judge, 417 <sup>th</sup> Judicial District
John R. Roach	District Attorney
Gregory Davis	Assistant District Attorney
Hannah N. Kunkle	District Clerk

### Commissioners Court

Ronald L. Harris	County Judge
Phyllis A. Cole	Commissioner, Precinct I
Jerry Hoagland	Commissioner, Precinct II
Joe Jaynes	Commissioner, Precinct III
William J. Hatchell	Commissioner, Precinct IV

### County Officials (Elected)

Weldon S. Copeland	Judge, County Court at Law I
Jerry C. Lewis	Judge, County Court at Law II
John O. Barry, Jr.	Judge, County Court at Law III
Raymond G. Wheless	Judge, County Court at Law IV
Gregory T. Brewer	Judge, County Court at Law V
Gregory Willis	Judge, County Court at Law VI
Terry Box	Sheriff
Brenda Taylor	County Clerk
Kenneth Maun	Tax Assessor/Collector
Paul M. Raleeh	J.P., Precinct I
Terry L. Douglas	J.P., Precinct II
Johnny G. Lewis	J.P., Precinct III, Place 1
John E. Payton	J.P., Precinct III, Place 2
Warren M. Yarbrough II	J.P., Precinct IV
Gerald L. Kunkle	Constable, Precinct I
Joe Barton	Constable, Precinct II
Robert G. Bell	Constable, Precinct III
Johnny Todd	Constable, Precinct IV

### Other County Officials

Donald W. Cozad	County Auditor
Joe Scott	Director, Juvenile Services
John K. Cook	Veterans Service Officer
Carrie T. Brazeal	County Extension Agent (Home Economics)

(continued)

# **COLLIN COUNTY, TEXAS**

## **DIRECTORY OF OFFICIALS**

**(Continued)**

**September 30, 2006**

Jon Kleinheksel  
Bill Bilyeu  
Sharon Rowe  
Franklin Ybarbo  
Caren Skipworth  
Cynthia Jacobson  
William B. Rohr  
Rodney Rhoades

Director, Public Services & Operations  
Director, Administrative Services  
Elections Administrator  
Purchasing Agent  
Director, Information Services  
Director, Human Resources  
Medical Examiner  
Budget Director

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**PATTILLO, BROWN & HILL, L.L.P.**  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

## **INDEPENDENT AUDITOR'S REPORT**

To the Honorable County Judge and  
Commissioners' Court  
Collin County, Texas

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Collin County, Texas as of and for the year ended September 30, 2006, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Collin County, Texas' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Collin County, Texas, as of September 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2007, on our consideration of Collin County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison on pages 11 through 25 and pages 73 through 78 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Collin County, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

February 23, 2007

**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**

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## **Management's Discussion and Analysis**

This section of the Collin County, Texas (the County) Comprehensive Annual Financial Report (CAFR) presents our discussion and analysis of the County's financial performance during the fiscal year ended September 30, 2006. Readers should consider the information in this section when reading the overall report, including the transmittal letter, financial statements, and accompanying notes.

### **FINANCIAL HIGHLIGHTS**

#### **Highlights for Government-wide Financial Statements**

The government-wide financial statements report information about the County as a whole using the economic resources measurement focus and accrual basis of accounting.

- The County's assets exceeded liabilities by \$358.9 million on a government-wide basis at September 30, 2006, an increase of \$28.3 million from 2005.
- For the fiscal year, taxes and other revenues of the County's governmental activities amounted to \$206.9 million. The primary revenue sources for governmental activities were property (ad valorem) taxes (\$142.9 million), charges for services (\$36.2 million) and operating grants and contributions (\$18.4 million). These three revenue sources accounted for 69.1%, 17.5%, and 8.9%, respectively, or 95.5% of total governmental activities revenues.
- Total expenses were \$178.6 million; the largest functional expenses were public safety (\$48.5 million), public transportation (\$28.6 million), and general administration (\$23.4 million).
- Capital assets, net of depreciation, were \$388.0 million from governmental type activities. Net depreciation expense attributable to assets of governmental activities amounted to \$16.7 million for the year.

#### **Highlights for Fund Financial Statements**

The fund financial statements report detailed information about the County's most significant funds using the current financial resources measurement focus and modified accrual basis of accounting.

- The County's governmental funds reported an increase in fund balance of \$24.7 million for fiscal year 2006, as compared to \$32.8 million for fiscal year 2005.
- The County's General Fund reported a fund balance of \$107.6 million, an increase of \$16.8 million from September 30, 2005.

## **General Financial Highlights**

- In March 2006, the County issued \$64.7 million in bonds to finance the construction of a new courthouse/courts facility, construction of roads, and refunding of prior debt.
- The County, as part of its transportation plan, provides financing to its cities to assist in road construction to meet the continuing population growth. In fiscal year 2006, the County transferred to the cities more than \$15.9 million in roads constructed with County funds, but not in the unincorporated areas of the County. Although the County no longer maintains or owns those roads, it continues to be responsible for paying the debt incurred for construction.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

- Management's Discussion and Analysis is presented as an introduction to the County's basic financial statements. The basic financial statements include the government-wide financial statements, the fund financial statements, and the accompanying notes. Also included is supplementary information which is required in addition to the basic financial statements.

### **Government-wide Financial Statements**

- Government-wide financial statements are designed to provide a broad overview of the County's finances in a manner similar to a private-sector business, using full-accrual accounting for all transactions and activities.
- The statement of net assets provides information on all of the County's assets and liabilities; the difference between the two is reported as net assets. Over time, increases or decreases in net assets may serve as an indicator of whether the financial position of the County is improving or deteriorating.
- The statement of activities presents information showing how the net assets of the County changed during the fiscal year presented herein. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Under this presentation using full-accrual accounting, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused vacation and sick leave, etc.).
- The government-wide financial statements distinguish functions of the County that are principally supported by taxes. If appropriate, the statements would also present revenues from governmental activities that are most like a private enterprise. That is, the intent of the activity is to recover all or a significant portion of its costs of operations through the charging of user fees and activity charges. Governmental activities of the County supported primarily by taxes include general government, judicial, public safety, public works, health, welfare, culture and recreation, and

interest on long-term debt. Enterprise Fund activities might include operations of an airport or hospital. The County does not have any Enterprise Funds. In FY 2006, the County began operating an animal shelter that will work with the local cities and the unincorporated areas of the County to handle the disposition of unwanted animals. This operation will cover operating expenses by charging a pro rata share to each participating city, as well as to the County General Fund, of the costs of operations. The animal shelter is not considered an Enterprise Fund since it provides services to other governments and not to the general public.

- Government-wide financial statements include not only the activities of the County itself (known as the primary government), but also those of the legally separate component unit: Collin County Health Care Foundation, McKinney and Plano. The County Commissioners' act as the Board of Trustees for the component unit whose activities are blended with those of the primary government because they function as part of the County government.

### **Fund Financial Statements**

- A fund is a grouping of related accounts used to control and account for resources segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to both ensure and demonstrate compliance with legal requirements. All funds of the County can be divided into one of three categories: governmental funds, proprietary funds, and fiduciary funds.

#### **Governmental Funds**

- Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. The nature of such inflows and outflows may be useful in evaluating near-term financial requirements.
- Because the focus of governmental funds is more narrow than that of the government-wide financial statements, the reader may find it useful in comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, one may come to better understand the differences in the long-term financial activity of the County. Such comparison may also be used to distinguish the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances include reconciliations useful in comparing the governmental funds and government-wide activities.

- The County maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the:
  - General Fund
  - General Road and Bridge
  - Health Care Foundation
  - Permanent Improvement
  - Limited Tax Permanent Improvement Series 2006

Each of these funds is considered to be a major fund. Financial results from the other governmental funds are combined into a single, aggregated presentation and included in the total. Individual fund data for each of these nonmajor governmental funds are provided in the combining and individual fund statements and schedules.

- The County adopts an annual appropriated budget for most of its governmental funds. A budgetary comparison statement is provided for County governmental funds, where a budget is adopted, to demonstrate compliance with the approved budget. (The exception is the Capital Projects Funds). Budgetary comparison statements for major governmental funds are presented as required supplementary information in the basic financial statements. Budgetary comparison statements for all governmental funds are included in the fund financial statements accompanying information.

#### Proprietary Funds

- Currently, the County has only one type of proprietary fund – internal service. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County’s various functions. The services provided benefit the various government functions they support, which is why they have been included within governmental activities in the government-wide financial statements. The County uses Internal Service Funds to account for the following activities:
  - Liability Insurance
  - Workers’ Compensation Insurance
  - Insurance Claim
  - Unemployment Assessment
  - Flexible Benefits
  - Employee Benefits Paid
  - Animal Safety
- Proprietary funds provide the same type of information as the government-wide financial statements, but with more detail. Internal Service Funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the Internal Service Funds are provided in the combining and individual fund statements and schedules.

### Fiduciary Funds

- The County's fiduciary funds consist of several agency funds. Agency funds are the separate accounts and transactions related to money received that is collected for and remitted to another entity. For example, the County collects traffic fines; a portion of the fine belongs to the state. After collection, the monies owed to the other entities are remitted to those entities on a periodic basis.

### Notes to Financial Statements

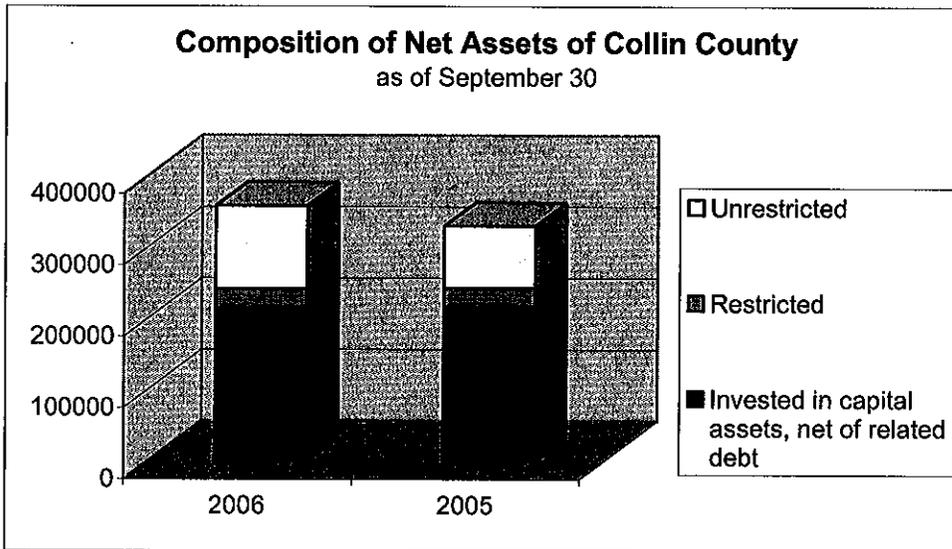
- The notes to the financial statements provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes disclose other pertinent information that, when taken in whole with the financial statements, provide a more detailed picture of the state of the finances of the County.

### Other Information

- In addition to the basic financial statements and accompanying notes to those financial statements, also presented in this report are certain required supplementary information schedules with additional information regarding the results of the County's financial activities.
- The combining statements and individual fund schedules are presented immediately following the required supplementary information.
- Unaudited statistical information is provided on a 10-year basis for trend and historical analysis.

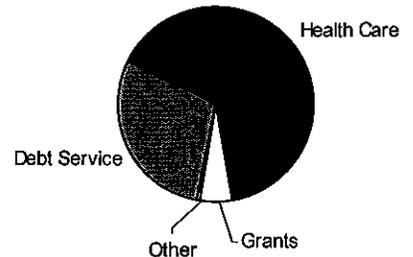
### Government-Wide Financial Analysis

- Net assets of the County as of September 30, 2006 and September 30, 2005, are summarized and analyzed below:



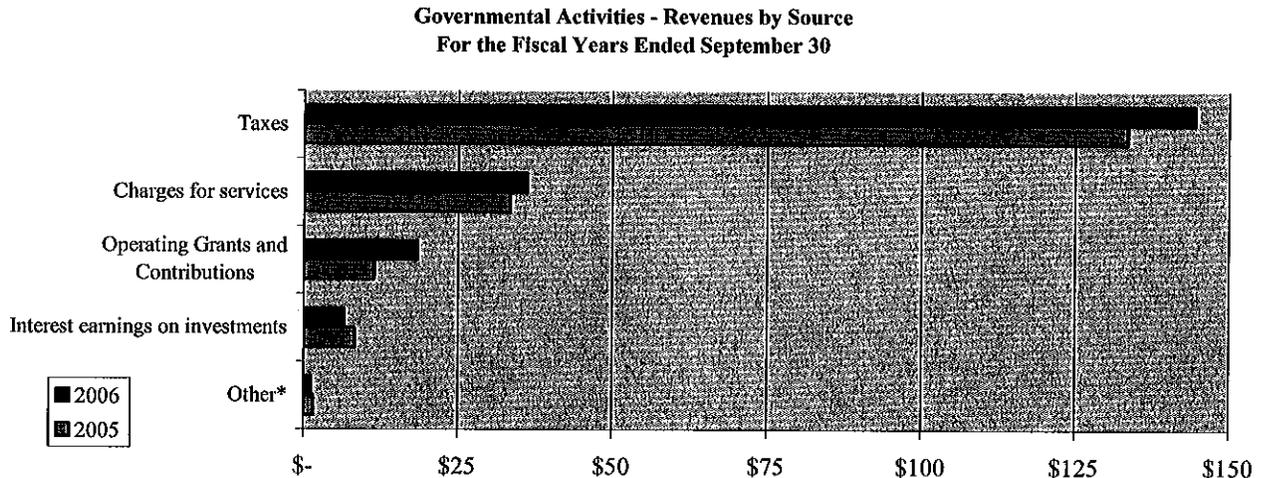
Statement of Net Assets As of September 30 (\$ in thousands)		
	2006	2005
<b>Assets:</b>		
Current and Other Assets	\$ 350,755	\$ 316,188
Capital Assets	<u>387,984</u>	<u>332,760</u>
<b>Total Assets</b>	<u>738,739</u>	<u>648,948</u>
<b>Liabilities:</b>		
Current Liabilities	22,089	16,872
Long-term Liabilities	<u>357,785</u>	<u>301,469</u>
<b>Total Liabilities</b>	<u>379,874</u>	<u>318,341</u>
<b>Net Assets:</b>		
Invested in capital assets, net of related debt	215,637	216,934
Restricted	26,606	26,830
Unrestricted	<u>116,622</u>	<u>86,843</u>
<b>Total Net Assets</b>	<u>\$ 358,865</u>	<u>\$ 330,607</u>

- Net assets serve as a useful indicator of financial position. Assets exceeded liabilities by \$358.9 million as of September 30, 2006, and by \$330.6 million as of September 30, 2005, a net increase of \$28.3 million.
- Investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment, etc., net of related debt used to acquire the assets), accounts for the largest category of net assets (60.10%). Capital assets are used to provide services to citizens. Although our investment in capital assets is reported net of related debt, the reader should note resources needed to repay this debt must be provided from other sources, since the assets cannot be used to liquidate the debt.
- Restricted net assets (7.4%) represent resources subject to external restrictions on their use. Of these restricted net assets, 29.3% of restricted net assets is to repay long-term debt, 64.9% (of restricted) is to use to provide health care services (as established upon sale of the County hospital), 5.4% (of restricted) is for grant programs, and the balance is for the County's Youth Park Foundation.
- The remaining portion of the County's net assets (32.5%) is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors.



- At September 30, 2006, the County had positive balances in all three categories of net assets.

Reflected below is a comparison of County revenues by source of revenue. Revenues increased in 2006 over 2005 by 9.9%. A summary of the amounts and a more detailed explanation is provided below the graph.



Summarized below are details of the governmental activities of the County for FY 2006 and 2005.

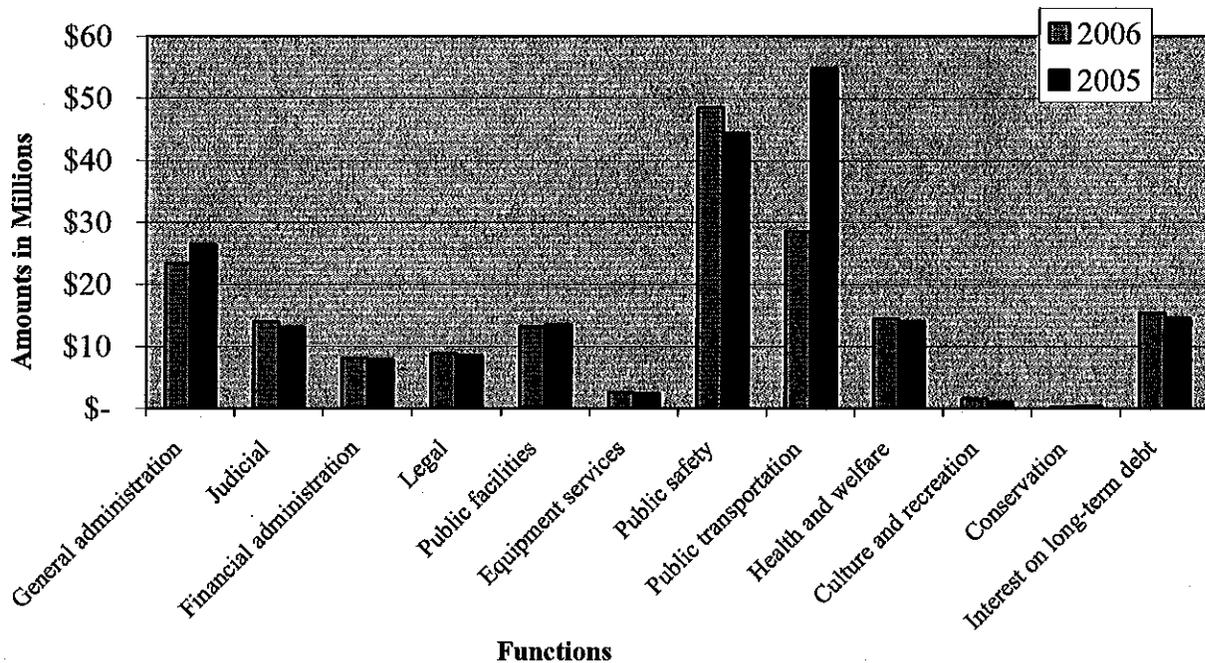
- Program revenues included charges for services, fines and forfeitures, certain licenses and permits, and special assessments, as well as both operating and capital grants and contributions. Program revenues from governmental activities increased by \$9.7 million or 17.4%; gains came from charges for services (up 8.3% over 2005) and operating grants and contributions (up 61.8%); capital grants and contributions were down slightly (7.8%).
- General revenues consist of taxes and interest not allocable to specific programs, as well as miscellaneous transactions that are not attributable to a specific program. For governmental activities, the largest of these revenues, taxes, increased by \$10.9 million or 8.2%. Overall interest revenue almost doubled for the county as a whole (from \$8.3 million to \$16.0 million), but in FY 2006, our new account structure permitted us to record interest revenue directly to a function or program; the function revenue is included in the operating grants and contributions column.
- Public safety expenses increased by \$4.1 million or 9.2%, reflecting the continuing growth in the County and the demands on law enforcement.
- Public transportation decreased by \$26.3 million or 47.9%, due primarily to opening the Highway 121 expansion and continuing improvement of roads related to the growth of the county population.

- Interest on Debt service also increased, from \$14.6 million to \$15.4 million (5.5%). This reflects the continuing use of bond funds to build roads and facilities to meet the demand of one of the fastest growing counties in the nation. Bonds approved by voters in 2006 included the Courthouse, road expansion, and open space and parks monies used to promote and enhance the quality of life for its residents in all areas of the County.

Summary of Changes in Net Assets For the Fiscal Years Ended September 30 (\$ in thousands)					
	2006		2005		
<b>Revenues</b>					
<i>Program Revenues:</i>					
Charges for services	\$	36,166		\$	33,400
Operating Grants and Contributions		18,430			11,390
Capital Grants and Contributions		<u>1,190</u>	\$ 55,786	<u>1,291</u>	\$ 46,081
<i>General Revenues:</i>					
Taxes	\$	144,453		\$	133,522
Interest earnings on investments		6,601			8,275
Gain (loss) on sale of assets		-			253
Miscellaneous		<u>54</u>	<u>151,108</u>	<u>90</u>	<u>142,140</u>
Total revenues		\$ 206,894		\$	188,221
<b>Expenses</b>					
General administration	\$	23,366		\$	26,432
Judicial		13,943			13,130
Financial administration		8,072			7,905
Legal		8,828			8,619
Public facilities		13,205			13,509
Equipment services		2,501			2,418
Public safety		48,524			44,463
Public transportation		28,558			54,856
Health and welfare		14,320			13,977
Culture and recreation		1,619			1,079
Conservation		264			393
Interest on long-term debt		<u>15,436</u>		<u>14,600</u>	
Total expenses – before transfers		<u>178,636</u>		<u>201,381</u>	
Change in Net Assets	\$	28,258		\$	(13,160)
Net assets as of October 1, 2006 and 2005 – restated					
for change in accounting principle		330,607			343,767
Net assets as of September 30	\$	<u>358,865</u>		\$	<u>330,607</u>

## Governmental Activities - Expenses by Function

For the Fiscal Years Ended September 30



Total Cost and Net Cost of Governmental Activities for Collin County				
For the Six Largest Functions by Expense				
For the Fiscal Years Ended September 30				
(\$ in thousands)				
Functions/Programs	Total		Net	
	Cost of Services		Cost of Services	
	2006	2005	2006	2005
Public safety	\$ 48,524	\$ 44,463	\$ 35,929	\$ 30,022
Public transportation	28,558	54,866	11,967	42,877
Judicial	13,943	13,130	10,732	8,372
General administration	23,366	26,432	12,386	18,596
Health and welfare	14,320	13,977	8,189	9,101
Debt service, interest and fiscal charges	15,436	14,600	14,510	14,600
Other	34,489	33,923	29,138	31,732
<b>Total</b>	<b>\$ 178,636</b>	<b>\$ 201,381</b>	<b>\$ 122,851</b>	<b>\$ 155,300</b>

## Financial Analysis of the County's Funds

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

### Governmental Funds

- The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. This data may be particularly useful in assessing the County's requirements for additional financing. Unreserved fund balance serves as an indicator of the County's net resources available for spending at the end of the fiscal year.
- As of the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$312.7 million, an increase of \$24.7 million (8.6%) from the prior year.
- Approximately 34.4% of fund balances (\$107.5 million) constitute unreserved, undesignated fund balance. A portion of the unreserved fund balance has been designated for budgetary purposes for specific future expenditures which may or may not be incurred in the near-term (\$10.7 million).
- The remainder of the combined fund balance is reserved to indicate that it is not available for new spending because it has already been committed to:
  - capital projects (new Courthouse and road construction) in progress at the end of the year (\$108.6 million),
  - to provide an allowance of the receivable for the sale of the existing courthouse (\$6.6 million),
  - liquidate contracts and purchase orders of the prior period (\$52.1 million),
  - debt service (\$7.8 million),
  - health care costs (\$17.3 million), and
  - other reasons (\$2.1 million).
- The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the unreserved, undesignated fund balance of the General Fund was \$93.7 million, an increase of \$19.1 million or 25.7% from the prior year. The total fund balance in the General Fund was \$107.6 million, an increase of \$16.8 million or 18.5% from the prior year. To present a more detailed picture of the liquidity of the General Fund, the reader may find it useful to compare both unreserved fund balance and total fund balance to total fund expenditures and transfers. Unreserved fund balance represents 93.9% and 65% of total General

Fund expenditures and transfers out for the fiscal years ended September 30, 2006, and 2005, respectively. Total fund balance represents 92.0% and 79% of that same amount for the stated periods, respectively.

- Key factors in the change in fund balance in the General Fund are as follows:
  - Tax revenues increased by \$7.7 million.
  - Federal and state funds received decreased by \$1.4 million, primarily due to lower capital funding of bioterrorism and homeland security.
  - Earnings on investments doubled, from \$2.9 million in 2005 to \$5.7 million in 2006.
  - Expenditures and transfers out increased by \$2.7 million.
- The General Road and Bridge Fund is the primary fund responsible for maintaining county roads. At the end of the current fiscal year, the unreserved, undesignated fund balance of the General Road and Bridge Fund was \$4.8 million, an increase of over FY 2005 of \$0.3 million, or 5.7% higher. Total fund balance of the General Road and Bridge Fund increased slightly from FY 2005 to FY 2006; the increase was \$0.1 million. The General Road and Bridge Fund is funded by fees and permits, property taxes, and fines and forfeitures. In FY 2005, Collin County began a program to convert all rock roads to asphalt to reduce dust and increase the useful life of the road. The program is geared to convert the roads at a rate of 50 miles per year. At the end of FY 2006, the County was ahead of schedule in its conversion and expects to finish the 10-year program ahead of schedule. Key factors in the change in fund balance in the General Road and Bridge Fund are as follows:
  - Fees and permits increased by \$0.7 million.
  - Fines and forfeitures increased by \$0.4 million.
  - Property taxes increased by \$2.3 million, an unusually high amount as the County had determined in FY 2005 to use fund balance to fund the amount usually paid by property taxes. The change from FY 2005 to FY 2006 reflects that no property taxes were allocated to the General Road and Bridge Fund in FY 2005.
  - Expenditures increased by \$3.3 million, primarily due to the dry weather in FY 2006 that permitted the conversion program to changeover rock to asphalt at almost 50% more miles than planned.
- The Health Care Foundation Fund was created after the sale of the hospital district in the early 1980's. The proceeds of the sale were used to create investment earnings that, together with the charges for services and federal and state funding, are used to provide indigent health care to county residents. A portion of the funds

from the sale have been used to purchase real property for rental to other county agencies, as well as to non-related third parties. The rental revenue is a fairly steady source of income that provided almost 30% of the funding for the Health Care Foundation Fund in FY 2006. Fund balance was lower by \$0.3 million in FY 2006; key factors in the change in fund balance in the Health Care Foundation Fund were:

- The county did not transfer money to the Health Care Foundation Fund in FY 2006 (the FY 2005 transfer was \$0.7 million.)
- Revenues increased by \$0.4 million in FY 2006; expenditures increased by \$0.3 million.
- Funding to cover the \$0.3 shortfall in revenues (\$4.1 million) needed to support expenditures (\$4.4 million) came from fund balance.

### **Budgetary Highlights**

- The General Fund's legal level of budgetary control is the level at which the budget is adopted; that is, the budget is adopted by department and in total according to four major categories:
  - Salaries and benefits;
  - Maintenance and operating;
  - Travel and education; and
  - Capital purchases.
- The General Fund final amended budget for expenditure and transfer appropriation was \$124.8 million, just slightly higher than the original approved budget of \$124.6 million. Actual expenditures were \$110.5 million; transfers out added another \$6.6 million; actual expenditures were less than budget by 12.9%.
- General Fund revenues exceeded the final budget by \$5.7 million. The largest contributor to the increase was interest, with an increase over budget of \$2.5 million (43.9% of the total increase). The second largest contributor was charges for services, with an increase of \$2.2 million (38.6%).
- The General Fund is the primary source for expenditures related to the overall operation and administration of the County. In fiscal year 2006, there were several functions that contributed to the lower than budgeted expenditures noted above. They include:
  - County Clerk: \$0.7 million due to delay in installation of new land and vitals imaging software.
  - Non-Departmental: \$1.2 million in unused personnel expenses budgeted as contingency and \$4.4 million in maintenance and operating costs not spent, primarily on software and hardware maintenance;
  - Elections: \$0.4 million in lower paper costs, supplies, maps and space rent due to the HAVA equipment purchased last fiscal year.
  - Telecommunications: \$0.7 million in lower costs due to VoIP project reduction in expenses for phone service, maintenance contracts, and phone system.

- Tax Assessor-Collection: \$0.6 million in lower costs, primarily lower salary and benefits by using temporary clerks for elections.
- Facilities: \$1.0 million in lower maintenance and operating costs as county elected not to spend money on the courthouse and related facilities due to its sale to the City of McKinney.
- Equipment Services: \$0.4 million in lower operating costs and delay in capital purchases.
- Public Safety: \$1.5 million in lower spending for Homeland Security, Jail Operations, and Administration.

## **Capital Assets and Debt Administration**

### **Capital Assets**

- The County's investment in capital assets, net of accumulated depreciation at September 30, 2006, was \$388.0 million, an increase of \$55.2 million or about 16.6% of the total investment. Detail by type of activity and asset is summarized in the table below.

Major additions for this year are:

- New Courts Facility and Courthouse \$31.7 million
- Jail and Detention \$16.8 million
- Energy Savings \$2.8 million
- Outdoor Camp \$4.3 million
- Roads/Bridges \$11.6 million
- Construction in Progress \$28.8 million

Major reductions for this year are:

- Sale of 1979 courthouse to City \$8.7 million

### **Long-term Debt**

- At September 30, 2006, the County had outstanding debt of \$333.3 million, an increase of \$43.5 million (15%).
- In FY 2006, the County had three bond issues - \$33.8 million for new courthouse and courts; \$15.9 million for road construction, and \$15 million for new judicial software.
- The County paid \$15.2 million on its existing debt during the year and \$14.9 million in interest.

<b>Capital Assets</b>		
<b>As of September 30</b>		
<b>(\$ in thousands)</b>		
	<b>2006</b>	<b>2005</b>
Land	\$ 21,109	\$ 22,101
Buildings and system	118,712	114,992
Improvements other than buildings	4,313	4,654
Machinery and equipment	55,641	46,701
Infrastructure	222,804	210,135
Construction in progress	92,290	63,307
<b>Total capital assets</b>	<b>514,869</b>	<b>461,890</b>
Less: accumulated depreciation	129,672	( 129,330)
<b>Total capital assets</b>	<b>\$ 385,197</b>	<b>\$ 332,560</b>

<b>Outstanding Long-term Debt</b>		
<b>As of September 30</b>		
<b>(\$ in thousands)</b>		
	<b>2006</b>	<b>2005</b>
General obligation bonds and tax notes issued for:		
Roads	\$ 134,724	\$ 125,774
Jail facilities	111,075	113,805
Refunding prior debt	48,035	48,424
Permanent improvements	19,328	20,929
New courts facility/courthouse	63,699	35,183
Touch screen voting/web project	4,165	4,345
Outdoor youth camp	23,380	24,300
Software	23,879	10,475
	<b>\$ 333,235</b>	<b>\$ 283,235</b>

## **Economic Factors**

The following economic factors are reflected in the FY 2006 General Fund and other budgets:

- The percentage increase in real property assessed value for FY 2006 was 7.6% (FY 2005 increase was 6.3%).
- The average unemployment rate in Collin County for 2006 was 3.8% (4.7% in 2005).
- Property tax receipts for FY 2006 were \$142.7 million, which is 8.5% higher than FY 2005 tax receipts of \$131.5 million.

The County has experienced and met the challenges created in the past several years relative to the growth and expansion of the local economy:

- The County economy continues its recovery from the slowdown that affected most of the country following the dot.com bust in 2000-2001 and the effects of the terrorist activity that occurred on September 11, 2001. The recovery can be seen in the increases in property taxes assessed and received from the continuing growth of its cities. Expansion of the regional airport and the continuing use of the airport by corporate fleets also assisted in property tax growth.
- Collin County continues to maintain its tradition of quality living outside of the mainstream of traffic and other issues associated with the Dallas-Fort Worth metroplex. The County remains a very attractive place for people to relocate and find employment, both in the County and in the metroplex. During the fiscal year ended September 30, 2006, almost 2,600 people moved into the County each month; this is almost identical to the 2005 rate of growth per month in terms of number of people. Growth continues to create challenges in keeping up with roads and other infrastructure needs.
- The County participates with the North Central Texas Council of Governments in planning the regional needs of the area as well as its own needs. A Master Transportation Plan has been in place for a number of years and is updated annually to take into account the needs for both rural and urban roads. During the year, the County established a preferred route for planning and right of way purchase for an outer loop to connect Interstate 35 with Interstate 30 through construction of a major highway in the northern and eastern half of the County.

Budgeted revenues in FY 2007 are \$250.2 million, an increase of 9.6% over FY 2006 actual revenues of \$228.3 million. Property taxes account for the bulk of receipts, as 61.4% of the budgeted revenues are from property taxes.

Budgeted appropriations for FY 2007, which include expenditures and transfers out, total \$266.3 million. The General Fund appropriations total \$150.8 million, or 56.6% of the total. Debt service is \$33.9 million (12.7% of the total) and other funds, primarily capital project funds, total \$81.6 million, or 30.6% of the total.

There are several significant events that are expected to have an impact in FY 2007 and beyond:

- On-going construction of Highway 121 is a high priority of the County and the state. Construction of frontage roads and grade separations begun in 2005 were completed in 2006, with the new road opened in summer 2006. This has reduced significantly the congestion of a two-lane road that was the primary transportation route between McKinney (the County Seat) and DFW International Airport. The expansion provides six lanes of frontage roads and several overpasses over heavily-traveled north-south roadways. Recently Governor Rick Perry and the Texas Department of Transportation announced the sale of the rights to operate the highway as a toll road, with a significant amount of money to be paid to the County now and over the next fifty years. All of that money will stay in Collin County and be used for transportation and other projects. Innovative funding techniques for other state and federal highways in the county include the use of shadow tolling.
- Ever increasing health care costs for indigent residents of Collin County is a major economic burden to the County. Grants to community agencies in 2006 to provide preventative and minor medical care were expanded from the prior year. Reduced federal and state funding has contributed to the increasing demands on County resources to provide the same level of services offered in prior years. A study of health care provision and county resources was completed during the year by a citizens committee and will be used to help in making decisions regarding future availability of service and care.
- In spite of the demands on county services, both for infrastructure and for health care, the County enjoys a broad, healthy tax base that continues to provide adequate revenues to support basic services. The County conservatively manages its resources, using cost containment practices ranging from performance programs to position savings to offer ways to reduce or eliminate non-performing programs. As of September 30, 2006, the unreserved fund balance for the General Fund was \$93.7 million, or 80% of total General Fund expenditures and transfers out. The management of the County has placed it in sound financial position to mitigate most economic uncertainty. That does not mitigate the need for continuing close observation and examination of every expenditure to ensure the money spent is spent wisely and properly.
- The County expects to offer a new bond issue in Spring 2007 for facilities and open space. The total of the bond issue is yet to be determined. This is a continuation of the bond election successfully held in November 2003. Planning has begun for a new citizen's bond committee to identify needs over the next five years. Commissioners' Court would like to hold that election in November, 2007. There were three bond issues in May 2006, totaling \$64.7 million (new courts/courthouse - \$33.8 million; road construction - \$15.9 million; and new judicial software development - \$15.0 million).
- The County has discontinued its installation of its new integrated enterprise wide software and is in litigation regarding monies spent before cancellation. Human resource software upgrades have been approved by Commissioners' Court for a planned 2007 go-live date. Upgrades to the financial software were completed in FY 2006, including a complete rewrite of the Chart of Accounts to further expand the ability to report and plan on a functional basis to meet the demands of GASB 34 and subsequent statements. The upgrade included the installation of a Windows-style option.

- The Voice over Internet Protocol project was completed in 2006 and is already providing savings over prior phone and telecommunications hardware and expenditures.
- The County is continuing to implement its performance-based pay, performance measurement program for employees. Support for this project is fueled by the expectation of the long-term benefit of managing employees and managers in encouraging them to perform assigned duties and being compensated for their performance.

The tax rate for FY 2007 was reduced to \$0.245/\$100 after eight straight years of no change in the tax rate. Continuing pressure from rising health care costs, demand for constituent services and road construction to meet the growing population may eventually cause the County to have to adjust the rate upward, but for now the growth of the County and the increase in property values provides the majority of funding for expenditures.

### **Requests for Information**

This report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning the information provided in this report or requests for additional financial information should be addressed to Mr. Donald W. Cozad, County Auditor/Chief Financial Officer, at 200 South McDonald, Suite 300, McKinney, TX 75069.

**BASIC  
FINANCIAL STATEMENTS**

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**COLLIN COUNTY, TEXAS**

**Statement of Net Assets**

**September 30, 2006**

(Amounts expressed in thousands)

	<u>Primary Government</u>	<u>Component Unit</u>
<b>Assets:</b>		
Cash and cash equivalents	\$ 222,897	\$ 175
Investments	106,189	-
Receivables (net of allowance for uncollectibles)	17,827	20
Due from component unit	16	-
Inventories	1,963	-
Prepays	1,863	-
Capital assets (net of accumulated depreciation):		
Land	21,109	-
Buildings and system	81,990	-
Improvements other than buildings	3,095	-
Machinery and equipment	24,544	-
Infrastructure	164,956	-
Construction in progress	92,290	-
	<hr/>	<hr/>
Total assets	738,739	195
	<hr/>	<hr/>
<b>Liabilities:</b>		
Accounts payable and other current liabilities	21,391	113
Due to other governments	700	-
Due to primary government	-	16
Unearned Revenue	35	-
Noncurrent liabilities:		
Due within one year	25,811	-
Due in more than one year	331,937	-
	<hr/>	<hr/>
Total liabilities	379,874	129
	<hr/>	<hr/>
<b>Net assets:</b>		
Invested in capital assets, net of related debt	215,637	-
Restricted for:		
Debt service	7,802	-
Health Care Foundation	17,257	-
Meyers Park Foundation	112	-
Grant programs	1,435	-
Unrestricted	116,622	66
	<hr/>	<hr/>
Total net assets	\$ 358,865	\$ 66
	<hr/>	<hr/>

The notes to the financial statements are an integral part of this statement.

**COLLIN COUNTY, TEXAS**

**Statement of Activities**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

Functions/Programs	Program Revenues			Net (Expense) Revenue	
	Expenses	Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Primary government:					
Government activities:					
General administration	\$ 23,366	\$ 9,730	\$ 1,250	\$ -	\$ (12,386)
Judicial	13,943	2,512	699	-	(10,732)
Financial administration	8,072	2,512	-	-	(5,560)
Legal	8,828	239	73	-	(8,516)
Public facilities	13,205	9	2,217	-	(10,979)
Equipment services	2,501	-	1	-	(2,500)
Public safety	48,524	9,159	2,402	1,034	(35,929)
Public transportation	28,558	11,396	5,196	-	(11,966)
Health and welfare	14,320	609	5,366	156	(8,189)
Culture and recreation	1,619	-	284	-	(1,335)
Conservation	264	-	16	-	(248)
Debt service, interest and fiscal charges	15,436	-	926	-	(14,510)
Total primary government	\$ 178,636	\$ 36,166	\$ 18,430	\$ 1,190	\$ 122,850
Component unit:					
Health and welfare	144	-	130	-	(14)
Total component unit	\$ 144	\$ -	\$ 130	\$ -	\$ (14)

(continued)

**COLLIN COUNTY, TEXAS**

**Statement of Activities (Continued)**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Primary Government</u>	<u>Component Unit</u>
Change in net assets:		
Net (expense) revenue	\$ (122,850)	\$ (14)
General revenues:		
Property taxes	142,929	-
Mixed beverage tax	1,524	-
Unrestricted investment earnings	6,601	-
Miscellaneous	54	-
Total general revenues	<u>151,108</u>	<u>-</u>
Change in net assets	<u>28,258</u>	<u>(14)</u>
Net assets - beginning of year	<u>330,607</u>	<u>80</u>
Net assets - end of year	<u>\$ 358,865</u>	<u>\$ 66</u>

The notes to the financial statements are an integral part of this statement.

**COLLIN COUNTY, TEXAS**

**Balance Sheet**

**Governmental Funds**

**September 30, 2006**

(Amounts expressed in thousands)

<b>Assets</b>	<b>General Fund</b>	<b>General Road and Bridge</b>	<b>Health Care Foundation</b>
Cash and cash equivalents	\$ 26,078	\$ 7,013	\$ 3,573
Investments	84,493	2,132	13,580
Receivables:			
Taxes (net of allowance for uncollectibles)	2,853	33	-
Fines and fees	1,337	1,050	-
Due from other governments	859	14	268
Due from other funds	1,354	-	-
Due from component unit	16	-	-
Interest	658	-	71
Miscellaneous	631	327	215
Inventories	381	1,582	-
<b>Total assets</b>	<b>\$ 118,660</b>	<b>\$ 12,151</b>	<b>\$ 17,707</b>
<b>Liabilities</b>			
Accounts payable	\$ 1,320	\$ 400	\$ 223
Payroll related costs payable	5,316	364	84
Lease deposits payable	-	-	26
Due to other governments	700	-	-
Due to other funds	2	-	-
Deferred revenue	1,337	1,050	-
Deferred tax revenue	2,359	22	-
<b>Total liabilities</b>	<b>11,034</b>	<b>1,836</b>	<b>333</b>
<b>Fund balances</b>			
Reserved for:			
Debt service	-	-	-
Capital projects	-	-	-
Sale of Courthouse	-	-	-
Health Care Foundation	-	-	17,257
Meyers Park Foundation	-	-	-
Encumbrances	3,545	3,198	117
Inventories	381	1,582	-
Unreserved fund balance:			
Designated for capital assets	244	696	-
Designated for special projects	2,218	-	-
Designated for five year plan	6,977	-	-
Designated for administration	611	-	-
Unreserved / undesignated, reported in:			
General fund	93,650	-	-
Special revenue funds	-	4,839	-
<b>Total fund balances</b>	<b>107,626</b>	<b>10,315</b>	<b>17,374</b>
<b>Total liabilities and fund balances</b>	<b>\$ 118,660</b>	<b>\$ 12,151</b>	<b>\$ 17,707</b>

The notes to the financial statements are an integral part of this statement.

<b>Permanent Improvement</b>	<b>Limited Tax Permanent Improvement Series 2006</b>	<b>Other Governmental Funds</b>	<b>Total</b>
\$ 12,950	\$ 19,264	\$ 143,897	\$ 212,775
-	-	5,984	106,189
305	-	855	4,046
-	-	-	2,387
6,600	-	755	8,496
-	-	1,958	3,312
-	-	-	16
-	-	112	841
72	-	391	1,636
-	-	-	1,963
<u>\$ 19,927</u>	<u>\$ 19,264</u>	<u>\$ 153,952</u>	<u>\$ 341,661</u>
\$ 326	\$ 4,709	\$ 5,743	\$ 12,721
-	-	489	6,253
-	-	-	26
-	-	-	700
-	-	3,277	3,279
-	-	236	2,623
284	-	720	3,385
<u>610</u>	<u>4,709</u>	<u>10,465</u>	<u>28,987</u>
-	-	7,802	7,802
8,461	2,814	97,331	108,606
6,600	-	-	6,600
-	-	-	17,257
-	-	112	112
4,256	11,741	29,268	52,125
-	-	-	1,963
-	-	-	940
-	-	-	2,218
-	-	-	6,977
-	-	-	611
-	-	-	93,650
-	-	8,974	13,813
<u>19,317</u>	<u>14,555</u>	<u>143,487</u>	<u>312,674</u>
<u>\$ 19,927</u>	<u>\$ 19,264</u>	<u>\$ 153,952</u>	<u>\$ 341,661</u>

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**COLLIN COUNTY, TEXAS**

**Reconciliation of the Balance Sheet of the  
Governmental Funds to the Statement of Net Assets**

**September 30, 2006**

(Amounts expressed in thousands)

Total fund balances – governmental funds		\$	312,674
Amounts reported for governmental activities in the statement of net assets are different because:			
Bond issuance costs for the sale of bonds are expenditures in the funds but are amortized over the life of the bonds in government-wide statements.			1,863
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These capital assets (net of accumulated depreciation) consist of:			
Land	\$	21,109	
Buildings and systems		79,341	
Improvements other than buildings		3,095	
Machinery equipment		24,406	
Infrastructure		164,956	
Construction in progress		<u>92,290</u>	
Total capital assets			385,197
Some amounts deferred in the funds were recorded in a different fiscal year than the current year:			
Special assessment for road construction in the prior year that is deferred to a future period is included in the funds.	\$	201	
Fines and fees earned in the current fiscal year but are not available to provide for current financial resources, and therefore are deferred in the funds.			2,387
Property taxes earned in the current fiscal year but are not available to provide for current financial resources, and therefore are deferred in the funds.		<u>3,385</u>	
Total deferred revenues			5,973
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.			9,328
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:			
Interest payable		(2,218)	
Bonds and notes payable		(337,856)	
Compensated absences		(5,892)	
Unamortized bond premiums		<u>(10,204)</u>	
Total liabilities			<u>(356,170)</u>
Net assets of governmental activities		\$	<u><u>358,865</u></u>

The notes to the financial statements are an integral part of this statement.

**COLLIN COUNTY, TEXAS**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Governmental Funds**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

	<u>General</u>	<u>General Road and Bridge</u>	<u>Health Care Foundation</u>
Revenues:			
Taxes:			
Property	\$ 106,217	\$ 2,346	\$ -
Fees and permits	-	11,166	543
Federal and state funds	3,113	-	1,307
Charges for services	15,813	-	-
Fines and forfeitures	2,479	1,947	-
Rental revenues	-	-	1,165
Interest	5,734	431	741
Miscellaneous	455	278	333
Total revenues	<u>133,811</u>	<u>16,168</u>	<u>4,089</u>
Expenditures:			
Current:			
General administration	21,113	-	-
Judicial	12,550	-	-
Financial administration	8,319	-	-
Legal	8,806	-	-
Public facilities	8,441	-	320
Equipment services	2,534	-	-
Public safety	38,716	-	-
Public transportation	-	16,159	-
Health and welfare	9,343	-	4,035
Culture and recreation	425	-	-
Conservation	265	-	-
Capital projects – capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Bond issuance costs	-	-	-
Total expenditures	<u>110,512</u>	<u>16,159</u>	<u>4,355</u>
Excess (deficiency) of revenues over (under) expenditures	<u>23,299</u>	<u>9</u>	<u>(266)</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	(6,552)	-	-
Transfer out - Animal Shelter Fund	-	-	-
Sale of assets	61	133	-
Bond proceeds	-	-	-
Loan proceeds	-	-	-
Refund of escrow	-	-	-
Premium on sale of bonds	-	-	-
Total other financing sources (uses)	<u>(6,491)</u>	<u>133</u>	<u>-</u>
Net change in fund balances	16,808	142	(266)
Fund balances – beginning	<u>90,818</u>	<u>10,173</u>	<u>17,640</u>
Fund balances – ending	<u>\$ 107,626</u>	<u>\$ 10,315</u>	<u>\$ 17,374</u>

The notes to the financial statements are an integral part of this statement

<u>Permanent Improvement</u>	<u>Limited Tax Permanent Improvement Series 2006</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ 4,539	\$ -	\$ 29,288	\$ 142,390
-	-	711	12,420
-	-	4,053	8,473
5	-	3,427	19,245
-	-	92	4,518
-	-	-	1,165
560	614	7,498	15,578
69	-	151	1,286
<u>5,173</u>	<u>614</u>	<u>45,220</u>	<u>205,075</u>
-	-	1,329	22,442
-	-	1,820	14,370
-	-	-	8,319
-	-	92	8,898
-	-	-	8,761
-	-	-	2,534
-	-	10,214	48,930
-	-	21	16,180
-	-	907	14,285
-	-	673	1,098
-	-	-	265
6,934	19,859	52,631	79,424
-	-	15,230	15,230
-	-	14,953	14,953
-	-	263	263
<u>6,934</u>	<u>19,859</u>	<u>98,133</u>	<u>255,952</u>
<u>(1,761)</u>	<u>(19,245)</u>	<u>(52,913)</u>	<u>(50,877)</u>
-	-	6,600	6,600
-	-	(48)	(6,600)
(2,834)	-	-	(2,834)
8,000	-	318	8,512
-	33,800	30,920	64,720
4,096	-	-	4,096
-	-	696	696
-	-	404	404
<u>9,262</u>	<u>33,800</u>	<u>38,890</u>	<u>75,594</u>
7,501	14,555	(14,023)	24,717
11,816	-	157,510	287,957
<u>\$ 19,317</u>	<u>\$ 14,555</u>	<u>\$ 143,487</u>	<u>\$ 312,674</u>

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**COLLIN COUNTY, TEXAS**

**Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of the Governmental Funds to the  
Statement of Activities**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

Net change in fund balances -- governmental funds		\$	24,717
Amounts reported for governmental activities in the statement of activities are different because:			
Capital asset purchases are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated lives as depreciation expense. In the current period, these amounts are:			
Capital assets additions		\$	120,251
Capital assets decreases			(50,957)
Depreciation expense for all capital assets			<u>(16,657)</u>
Total change in capital assets activity			52,637
Bond proceeds provide current financial resources. However, in the statement of activities, some items do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:			
Debt issuance and refunding increases long-term debt in statement of net assets.		\$	(68,816)
Debt repayment is expenditure in governmental funds, but reduces long-term liabilities in the statement of net assets.			15,230
Bond issuance fees and bond premiums require the use of current financial resources but are amortized over the life of the bond in the statement of activities.			307
Interest accreted on capital appreciation debt is not reported as an expenditure in the government funds.			<u>(560)</u>
Total long-term debt			(53,839)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenues over expenditures of the internal service funds is reported with the governmental activities.			
			6,086
Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenues in the funds. The change in these revenues are as follows:			
Property taxes		\$	528
Fines and forfeitures			<u>(156)</u>
Total changes in revenues			372
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The change in these expenditures are as follows:			
Interest owed but not yet paid		\$	104
Arbitrage payable			(475)
Compensated absences			<u>(1,344)</u>
Total changes in long-term liabilities			<u>(1,715)</u>
Change in net assets of governmental activities		\$	<u>28,258</u>

The notes to the financial statements are an integral part of this statement.

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**COLLIN COUNTY, TEXAS**

**Statement of Net Assets**

**Proprietary Funds**

**September 30, 2006**

(Amounts expressed in thousands)

	<b>Governmental Activities – Internal Service Funds</b>
<b>Assets:</b>	
<b>Current assets:</b>	
Cash and cash equivalents	\$ 10,123
<b>Receivables:</b>	
Due from other funds	69
Miscellaneous receivables	420
<b>Total current assets</b>	<u>10,612</u>
<b>Capital assets:</b>	
Buildings and systems	2,649
Machinery and equipment	138
<b>Total capital assets</b>	<u>2,787</u>
<b>Total assets</b>	<u>\$ 13,399</u>
<b>Liabilities:</b>	
<b>Current liabilities:</b>	
Accounts payable	\$ 2,009
Payroll payable	21
Claims payable	1,939
Due to other funds	102
<b>Total liabilities</b>	<u>4,071</u>
<b>Net assets:</b>	
Unrestricted	<u>9,328</u>
<b>Total net assets</b>	<u>\$ 9,328</u>

The notes to the financial statements are an integral part of this statement.

**COLLIN COUNTY, TEXAS**

**Statement of Revenues, Expenses, and Changes in Fund Net Assets**

**Proprietary Funds**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

	<b>Governmental Activities – Internal Service Funds</b>
Operating revenues:	
Premiums	\$ 21,517
Charges for services	3
Other	796
Total operating revenues	<u>22,316</u>
Operating expenses:	
Administration	1,390
Benefits	17,945
Total operating expenses	<u>19,335</u>
Operating income	2,981
Nonoperating revenues (expenses):	
Depreciation expense	(53)
Interest income	324
Total nonoperating revenues (expenses)	<u>271</u>
Income before contributions	3,252
Capital contributions	<u>2,834</u>
Change in net assets	6,086
Total net assets – beginning	<u>3,242</u>
Total net assets – ending	<u>\$ 9,328</u>

The notes to the financial statements are an integral part of this statement.

**COLLIN COUNTY, TEXAS**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	<b>Governmental Activities – Internal Service Funds</b>
Cash flows from operating activities:	
Receipts from customers and users	\$ 21,462
Insurance recovery	427
Administration costs	(1,390)
Benefits paid	(17,464)
Net cash provided by operating activities	3,035
Cash flows from capital financing activities:	
Capital expenditures	(2,598)
Capital contribution	2,834
Net cash provided by capital financing activities	236
Cash flows from investing activities:	
Interest Income	324
Net increase in cash and cash equivalents	3,595
Cash and cash equivalents – October 1, 2005	6,528
Cash and cash equivalents – September 30, 2006	\$ 10,123
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ 2,981
Adjustments to reconcile operating loss to net cash used by operating activities:	
Increase (decrease) in intergovernmental receivable	(359)
Increase (decrease) in due from other funds	(69)
Increase (decrease) in accounts payable	464
Increase (decrease) in payroll payable	18
Total adjustments	54
Net cash used in operating activities	\$ 3,035

The notes to the financial statements are an integral part of this statement.

**COLLIN COUNTY, TEXAS**

**Statement of Net Assets**

**Fiduciary Funds**

**September 30, 2006**

(Amounts expressed in thousands)

<b>Assets</b>	
Cash and cash equivalents	\$ 17,439
Investments	15,675
Assets held as security deposits	3,688
Receivables:	
Due from other agency funds	10
Miscellaneous receivables	107
Total assets	<u>\$ 36,919</u>
<b>Liabilities</b>	
Due to other governments	\$ 5,966
Due to other agency funds	10
Due to others/vouchers payable	24,346
Cash bonds outstanding	3,097
Cost deposits outstanding	57
Escrow deposits	3,443
Total liabilities	<u>\$ 36,919</u>

The notes to the financial statements are an integral part of this statement.

# COLLIN COUNTY, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2006

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the County reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*. The financial report has been prepared in accordance with GASB Statement No. 34, "*Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*," issued in June 1999 and implemented by the County in FY 2002. The most significant accounting and reporting policies of the County are described in the notes to the financial statements.

#### (a) Reporting Entity

##### Primary Government

Collin County (the County) is a public corporation and political subdivision of the State of Texas. The Commissioners' Court, comprised of the County Judge and four Commissioners, is the general governing body of the County in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: justice administration (courts, juries, constables, district attorney, clerks, investigators, sheriff, jail, fire marshal, and medical examiner), tax collection, road and bridge maintenance, juvenile services and assistance to indigents.

The accompanying basic financial statements present the government as defined according to criteria in GASB Statements No. 14 and 39, *The Financial Reporting Entity*. Blended component units, while legally separate entities, and are in substance a part of the government's operations.

##### Blended Component Units

For reporting purposes, the Collin County Housing Finance Corporation (HFC) and the Collin County Health Care Foundation (HCF) qualify as blended component units. The Commissioners' Court sits as the governing board of the HFC and HCF. The only activity of the HFC has been the issuance of single- and multiple-family revenue bonds that are disclosed as conduit debt in Footnote III (D). Otherwise, there are no other financial operations or balances for this entity. Required financial reporting to show compliance is provided by JPMorgan Chase Trust – Dallas who acts as trustee for the various issues and oversees legal compliance reporting. The HCF was organized under the Texas Nonprofit Corporation Act to assist the County by providing indigent health care. Financial activity is reported as a major special revenue fund within the governmental fund financial statements.

(continued)

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (a) Reporting Entity (Continued)

Discretely presented component unit. For reporting purposes, Child Protective Services has been presented as a discretely presented component unit. Child Protective Services is responsible for providing additional assistance to foster children in the care of the State. The Board is appointed by the Commissioners' Court and serves at their pleasure. The Board proposes a budget, however the Commissioners' Court approves the funding of the CPS budget as part of the County's operating budget.

Complete financial statements for the Health Care Foundation and Child Protective Services Board are available upon request at the County Auditor's Office. The Health Care Foundation is also included in these financial statements as a major fund.

### (b) Government-wide and Fund Financial Statements

The government-wide financial statements include the statement of net assets and the statement of activities. Government-wide statements report, except for County fiduciary activity, consolidated information on all of the activities of the County and its blended component units. The effect of inter-fund transfers has been removed from these statements but continues to be reflected on the fund statements. Primary support for Governmental Activities is derived from taxes and intergovernmental revenues.

The statement of activities exhibits the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. The General Fund, General Road and Bridge Special Revenue Fund, Health Care Foundation Special Revenue Fund, Limited Tax Permanent Improvement Series 2006 Capital Projects Fund, and the Permanent Improvement Capital Projects Fund meet the criteria or have been selected by management as *major governmental funds*. Each major fund is reported in separate columns in the fund financial statements. Nonmajor funds include other Special Revenue, Debt Service and Capital Projects funds. The combined amounts for these funds are reflected in a single column in the fund financial statements. Detailed statements for nonmajor funds are presented within Combining and Individual Fund Statements and Schedules.

### (c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Major revenue types, which have been accrued, are district clerk and county clerk fees, justice of the peace fees, revenue from the investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements are met.

(continued)

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### *(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)*

Governmental fund level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the end of the fiscal year. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue. Property taxes levied prior to September 30, 2005, which were due October 1, 2005, have been assessed to finance the budget of the fiscal year beginning October 1, 2005. In accordance with the modified accrual basis of accounting, the balances outstanding at September 30, 2006, beyond the 60 days after year-end, have been reflected as deferred revenue and taxes receivable in the fund financial statements. Property taxes and interest earned as of September 30, 2006 and received within 60 days of year-end are accrued as income in the current period. Expenditures generally are recorded when a liability is incurred; however, debt service, claims and judgments, and compensated absences are recorded only when payment is made.

The government reports the following major governmental funds:

**The General Fund** is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment interest income. Primary expenditures are for general administration, public safety, judicial, public welfare, health services and capital acquisition.

**General Road and Bridge Special Revenue Fund** is used to account for the activities affecting County-owned roads, including right-of-way acquisitions, construction, operations, and maintenance. Expenditures for shared cost road projects with the State are also included. This constitutional fund is financed by a designated part of the annual property tax levy.

**The Health Care Foundation Special Revenue Fund** is used to account for receipt of charges for services, rental revenues, investment earnings and authorized health care expenditures as administered by the Collin County Health Care Foundation.

**Permanent Improvement Fund** to account for the receipts of tax monies and the expenditures of those monies on approved capital projects. This constitutional fund is financed by a designated part of the annual property tax levy.

**Limited Tax Permanent Improvement Series 2006 Fund** is used to account for the bond proceeds issued (i) for the purpose of parks and county facilities; (ii) to refund a portion of the County's outstanding debt; and (iii) to pay for the cost of issuance associated with the sale of these bonds.

(continued)

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (c) *Measurement Focus, Basis of Accounting, and Financial Statement Presentation* (Continued)

Additionally, the government reports the following non-major funds:

**Special Revenue Funds** are used to account for specific revenue sources (other than for capital projects) that are legally restricted to expenditures for specified purposes. These legal restrictions can come from outside the County or from Commissioners' Court.

**Debt Service Funds** are used to account for the accumulation of resources for and the payment of long-term debt principal and interest. The use of debt service funds to service debt are not required unless legally mandated or if resources are accumulated for payments maturing in future years.

**Capital Project Funds** are used to account for financial resources to be used for the acquisition or construction of major capital assets and infrastructure.

**Internal Service Funds** are used to account for health care, workers' compensation coverage, liability insurance coverage, and optional payroll deductions for the County and employees of the County on a cost-reimbursement basis with allowances for catastrophic losses, and animal safety.

**Agency Funds** are used to account for situations where the County's role is strictly custodial in nature. Most of these funds are held for legal reasons. Those reasons vary from funds held in trust for minors to funds placed in escrow awaiting a decision and order by the presiding court. Additional funds were on hand at year end for tax collections for other governmental entities or the State or other governmental entities for fees collected on their behalf. As a result, all assets reported in an Agency Fund are offset by a liability to the party or entity on whose behalf the assets are held.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed 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 Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities, subject to this same limitation. The County applies all Financial Accounting Standards Board (FASB) pronouncements within the above limitations.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues of the County's Internal Service Funds are received from the County and County employees for insurance premiums and deductions for optional insurance coverage or from the county and other governmental entities for the operational cost of animal safety. Operational expenses for internal service funds include administrative and insurance benefit payments and expenditures to provide animal safety. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(continued)

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

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

**(d) Assets, Liabilities, and Net Assets or Equity**

**(1) Deposits and Investments**

The County's cash and cash equivalents are considered to be (i) cash on hand; (ii) demand deposits and short term investments (with an original maturity of three months or less from the date of acquisition) that become available as cash within 30 days of year end; and (iii) monies invested in 2a-7 pools.

State statutes and the County's adopted Investment Policy authorize the County to invest in obligations of the U. S. Treasury and Governmental Agencies, certificates of deposit, commercial paper, repurchase agreements, bankers' acceptances, money market mutual funds and direct obligations of the State of Texas.

The County and its component units report investments at fair value in accordance with provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. All investment income is recognized as revenue in the appropriate fund's statement of activity and/or statement of revenues, expenditures and changes in fund balance.

**(2) Receivables and Payables**

***Accounts Receivable***

Property taxes are recognized as revenues in the period for which the taxes are levied, regardless of the lien date. Property taxes for the County are levied based on taxable value on the lien date of January 1 prior to September 30 of the same year. They become due October 1 of that same year and delinquent after January 31 of the following year. Accordingly, receivables and revenues for prior-year levies delinquent at year-end are reflected on the government-wide statement based on the full accrual method of accounting and under the modified accrual method in the fund statements.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements have been met and reimbursable costs are incurred.

Reimbursements for services performed are recorded as receivables and revenues when they become eligible for accrual in the government-wide statements. Included are fines and costs assessed by court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as deferred revenue in the fund statements.

Receivables are shown net of an allowance for uncollectibles.

**(continued)**

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (d) *Assets, Liabilities, and Net Assets or Equity* (Continued)

#### (2) **Receivables and Payables** (Continued)

##### *Accounts Receivable* (Continued)

Lending or borrowing between funds is reflected as “due to” or “due from” (current portion) or “advances to/from other funds” (noncurrent). Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. Inter-fund activity reflected in “due to” or “due from” is eliminated on the government-wide statements.

#### (3) **Inventories and Prepaid Items**

Inventory is valued at average cost. Inventory in the General and Special Revenue Funds consists of expendable supplies held for consumption and the cost is recorded as expenditure at the time the inventory items are used. Reported inventories are offset by a reserve of fund balance, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets.

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

#### (4) **Restricted Net Assets**

Upon receipt, contributions, grants, and other revenues restricted by donors for specific purposes are added to restricted assets of the County. Each fund with restricted net assets has an administrator who is responsible for monitoring the revenues and expenses and for ensuring that the fund’s resources are being used for the purpose stated. The Health Care Foundation, a nonprofit corporation, is reported as restricted because of legal restrictions. Resources set aside for specific purposes such as required within the terms of bond agreements or self-insurance arrangements are reported as restricted.

#### (5) **Capital Assets – Primary Government**

Capital assets, which include land, buildings and improvements, equipment, and infrastructure, are reported in the government-wide financial statements. Capital assets such as equipment are defined as assets with a cost of \$5,000 or more. Infrastructure assets include County-owned roads, bridges, signs, and improvements to land. Infrastructure assets acquired prior to fiscal September 30, 1980, were not included based on the fact that Collin County was rural with mostly unimproved infrastructure prior to that time. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repair that do not add to the value of the asset or materially extend the asset’s life are expensed rather than capitalized.

(continued)

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) Assets, Liabilities, and Net Assets or Equity (Continued)**

**(5) Capital Assets – Primary Government (Continued)**

Capital assets and infrastructure are depreciated using the straight-line method over the following estimated useful lives:

<u>A s s e t s</u>	<u>Y e a r s</u>
B u i l d i n g s	3 0
B u i l d i n g i m p r o v e m e n t s	5 t o 3 0
F a c i l i t i e s a n d l a n d i m p r o v e m e n t s	1 0 t o 3 0
B r i d g e s	1 0 t o 5 0
I n f r a s t r u c t u r e a n d i m p r o v e m e n t s	2 0
F u r n i t u r e a n d e q u i p m e n t	1 t o 1 5
C o m p u t e r e q u i p m e n t	1 t o 8
M a c h i n e r y a n d e q u i p m e n t	1 t o 1 0
M e d i c a l a n d l a b e q u i p m e n t	1 t o 1 5
V o i c e c o m m u n i c a t i o n e q u i p m e n t	3
V e h i c l e s	5 t o 1 0

Collin County, in conjunction with other governmental entities has entered into inter-local agreements to construct commonly required infrastructure. As a result, certain construction in progress (CIP) will be turned over to be maintained by these entities at completion of the project. This has resulted in the write off of CIP assets from fiscal year 2005 to expenditures in fiscal year 2006. This also results in the County assuming general obligation bond debt without the asset as an offset.

**(6) Compensated Absences**

A liability for unused paid time off and compensatory time for all fulltime employees is calculated and reported in the government-wide financial statements. For financial reporting, the following criteria must be met to be considered as compensated absences: a) leave or compensation is attributable to services already rendered, and b) leave or compensation is not contingent on a specific event (such as illness).

GASB Interpretation 6 indicates that liabilities for compensated absences should only be recognized in the fund statements to the extent the liabilities have matured and are payable out of current available resources. Compensated absences are accrued in the government-wide statements.

The County's permanent, fulltime employees accrue 7.39 hours of paid time off per pay period (biweekly) from date of employment to four years of service; 8.31 hours per pay period from 5 years to 9 years of service; 9.23 hours per pay period from 10 to 19 years of service; and 10.15 hours per pay period for 20 plus years of continuous employment. The maximum accrual is 200, 240, 320 and 400 hours of paid time off for the respective accrual categories specified. Upon termination from the County, an employee is entitled to payment for the total accrued as long as they have completed at least one year of continuous service.

The County's permanent, fulltime employees also earn 24 hours of catastrophic time off (CTO) at the beginning of each calendar year. An employee can accrue a maximum of 160 hours which can be taken in hour increments for specific circumstances defined in the personnel policy. Employees are not paid for unused catastrophic time off at termination of employment.

**(continued)**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) Assets, Liabilities, and Net Assets or Equity (Continued)**

**(7) Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities. On new bond issues, bond premiums and discounts, as well as issuance costs and deferred gain or loss on refunding of debt, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

**(8) Unemployment and Workers' Compensation Benefits**

The County is a reimbursing employer for unemployment compensation benefits. Reimbursements are made on the basis of regular billings received from the Texas Employment Commission. The County also processes workers' compensation payments through a third-party administrator as the claims become due. These obligations are budgeted and paid from current resources (Note IV(a)).

**(9) Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Fund reservations include debt service, capital projects, health care, Myers Park foundation, encumbrances, and inventories.

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**(a) Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets**

The governmental fund balance sheet includes a reconciliation between fund balance for total governmental funds and net assets as reported in the government-wide statement of net assets. One element of that reconciliation explains, "Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this \$356,170 difference are as follows:

Bonds payable	\$ 337,856
Accrued interest payable	2,218
Compensated absences	5,892
Unamortized bond premiums	<u>10,204</u>

Net adjustment to reduce *fund balance* -  
*total government funds to arrive at net assets* -  
*governmental activities*

\$ 356,170

(continued)

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

**(a) Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets** (Continued)

Another element of that reconciliation explains, "Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds." These assets consist of:

Land	\$ 21,109
Buildings and systems	79,341
Improvements other than buildings	3,095
Machinery and equipment	24,406
Infrastructure	164,956
Construction in progress	<u>92,290</u>

Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u>\$ 385,197</u>
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Other miscellaneous elements of the reconciliation explain individual specific amounts reported differently in net assets – governmental activities in contrast to fund statements. These various elements are as follows:

Bond issuance costs and premiums on sale of bonds are expenditures and revenues in the funds but are amortized over the life of the bonds in government-wide	\$ 1,863
Fines and fees earned in the current fiscal year collected in the future	2,387
Road construction special assessment in prior year deferred to future period	201
Property taxes earned in the current fiscal year but not available to provide current financial resources, and therefore are deferred in the funds	3,385
Internal Service Funds used by management to charge cost 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.	<u>9,328</u>

Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u>\$ 17,164</u>
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(continued)

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

***(b) Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities***

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation indicates, “Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets are allocated over their estimated useful lives and reported as depreciation expense” on capital outlays for County- owned assets only. Some capital outlays are for roads not owned by the County. The details of this \$52,637 difference are as follows:

Capital projects - capital asset additions	\$ 120,251
Capital assets decreases	( 50,957)
Depreciation expense	<u>( 16,657)</u>
 Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	 <u>\$ 52,637</u>

Another element of that reconciliation states, “Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reflected as expenditures in governmental funds.” The details of the difference of (\$1,715) are as follows:

Interest owed but not yet paid	\$ 104
Arbitrage payable	( 475)
Compensated absences	<u>( 1,344)</u>
 Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	 <u>\$( 1,715)</u>

Various other elements of that reconciliation associated with the issuance of long-term debt (i.e. bonds, tax notes) provide 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 cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this (\$53,839) difference are as follows:

Issuance and refunding of general obligation bonds	\$( 68,816)
Principal payments:	
General obligation debt	15,230
Amortization of bond issuance cost and bond premiums	307
Accreted interest on capital appreciation debt	<u>( 560)</u>
 Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	 <u>\$( 53,839)</u>

(continued)

### III. DETAILED NOTES ON ALL FUNDS

#### *(a) Deposits and Investments*

Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) authorizes Collin County to invest its funds under a written investment policy (the "Investment Policy") that primarily emphasizes safety of principal and liquidity. It also addresses investment diversification, yield, and maturity along with quality and capability of investment personnel. The investment policy defines what constitutes the legal list of investments allowed under the policy, which excluded certain investment instruments allowed under Chapter 2256 of the Local Government Code.

The County's deposits and investments are invested pursuant to the Investment Policy, which is approved annually by Commissioners' Court. The Investment Policy includes a list of authorized investment instruments and a maximum allowable stated maturity of any individual investment by source of funds. In addition, it includes an "Investment Strategy Statement" that specifically addresses each fund's investment options and describes the priorities of preservation and safety of principal, liquidity, marketability, diversification, and yield.

The County Auditor submits an investment report monthly to Commissioners' Court as part of the monthly interim statement. The County Investment Officers jointly submit an investment report as specified by Chapter 2256 of the Texas Government Code each quarter to Commissioners' Court. The report details the investment position of the County and the compliance of the investment portfolio as it relates to both the adopted investment policy and Texas State Statute.

The County's demand deposits, including certificates of deposit, are fully covered by collateral held by the County's agents, Federal Reserve Bank of New York, or the Federal Home Loan Bank of Dallas, in the County's name. The investments are comprised of Federal National Mortgage Association issues; Federal Farm Credit Bank issues; Federal Home Loan Bank issues; and Federal Home Loan Mortgage Corporation issues with a rating of A or better; and Federal Deposit Insurance Corporation (FDIC) insurance. The County's collateral agreements require the market value of securities held by its agents to exceed the total amount of cash and investments held by Bank One (depository bank), American National Bank, and View Point Bank at all times. All other deposits are held in trust and are limited to individual accounts fully insured by federal deposit insurance.

#### **Investments**

The County's investment policy and depository contract are in accordance with the laws of the State of Texas. The policy and depository contract identify authorized investments and investment terms, collateral requirements, and safekeeping requirements for collateral. All the County's investments are insured, registered, or the County's agent holds the securities in the County's name.

The Investment Officers are authorized jointly to invest in the following investment instruments provided the investments meet the guidelines of the investment policy:

1. Obligations including letters of credit of the United States or its agencies and instrumentalities;
2. Direct obligations of this state or its agencies and instrumentalities;
3. Other obligations, the principle and interest on which an unconditional guarantee or are insured by or backed by the full faith and credit of this state or the United States or their respective agencies and instrumentalities;

**(continued)**

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### (a) *Deposits and Investment* (Continued)

4. Certificates of deposit issued by the state or national bank and savings and loan or state or federal credit unions domiciled in this state and are:
  - a) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor.
  - b) governed by the depository agreement, as described in 5.d of this section, that complies with federal and state regulations for properly securing a pledged security interest; and
  - c) solicited by bid orally, in writing, electronically, or any combination of these methods.
5. Fully collateralized repurchase agreements, as defined in the Public Funds Investment Act, Chapter 2256.011 (a) (1-4), (b), (c), and (d), Government Code, if they:
  - a) have a defined termination date;
  - b) are secured by obligations described by section 2256.009(a)(1) of the Public Funds Investment Act; and
  - c) requires the securities being purchased by the County to be pledged to the County, held in the County's name, and deposited at the time the investment is made with the County or with a third party selected and approved by the County; and
  - d) is placed through a primary governments securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state;
  - e) may not exceed 90 days after the date the reverse security repurchase agreement is delivered.
  - f) must mature not later than the expiration date stated in the reverse security repurchase agreement.
6. Money market mutual funds regulated by the Securities and Exchange Commission with a dollar weighted average portfolio maturity of 90 days or less; that fully invest dollar for dollar all County funds without sales commissions or loads and whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. The County may not invest funds under its control in an amount that exceeds 10% of the total assets of any individual money market mutual funds, excluding bond proceeds and reserves and other funds held for debt service in money market mutual funds.
7. Eligible investment pools, as discussed in Chapter 2256016-.019, if the Commissioners' Court, by order, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the Public Investment Act. A County, by contract, may delegate to an investment pool the authority to hold legal title as custodian of the investments purchased with its local funds.
8. The County does not invest in reverse repurchase agreements.

The County participates in two Local Government Investment Pools: TexPool and TexSTAR. The State Comptroller oversees TexPool, with a third party managing the daily operations of the pool under contract. Although there is no regulatory oversight over TexSTAR, a Board, consisting of three directors representing participants, one from a management service providing investment services and one from a company providing Participant service and marketing to the Board, maintains oversight responsibility.

(continued)

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### (a) Deposits and Investment (Continued)

The County invests in TexPool and TexSTAR to provide its liquidity needs. Both are local government investment pools established in conformity with the Inter-local Cooperation Act, Chapter 791 of the Texas Government Code and the Public Investment Act, Chapter 2256 of the Code. TexPool and TexSTAR are 2(a)7 like funds, meaning that they are structured similar to a money market mutual fund. Such funds allow shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are adjusted daily and the fund seeks to maintain a constant net asset value of \$1.00, although this cannot be guaranteed. TexPool and TexSTAR are rated AAAM and must maintain a weighted average maturity not to exceed 60 days. At September 30, 2006 TexPool and TexSTAR had a weighted average maturity of 34 and 28 days respectively. The County considers the holdings in these funds to have a one day weighted average maturity. This is due to the fact that the share position can usually be redeemed each day at the discretion of the shareholder, short of a significant change in value.

The following table includes the portfolio balances of all non-pooled and pooled investment types of the County at September 30, 2006 (in thousands)

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Non-pooled investments			
Local Governmental Investment Pools	\$ 208,589	\$ 9,573	\$ 218,162
US Agency Bonds	41,264	-	41,264
US Agency Step Bonds	3,993	-	3,993
US Agency Float Bonds	1,494	-	1,494
US Agency Notes	3,471	-	3,471
Disc Notes	4,983	-	4,983
US Agency Step Notes	995	-	995
Certificates of Deposit	52,669	6,925	59,594
Mutual Funds	-	6	6
Tomorrow Fund	-	15	15
Savings	-	26	26
Money Market	-	399	399
Total Non-pooled Investments	<u>317,458</u>	<u>16,944</u>	<u>334,402</u>
Pooled investments:			
Certificates of Deposit	<u>5,406</u>	-	<u>5,406</u>
Total Pooled Investments	<u>5,406</u>	-	<u>5,406</u>
Total Investments	<u>\$ 322,864</u>	<u>\$ 16,944</u>	<u>\$ 339,808</u>

(continued)

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### *(b) Investment Categories*

The risk exposures for governmental individual major funds, non-major funds in the aggregate, internal funds, and fiduciary fund types of the County are not significantly greater than the deposit and investment risk of the primary government. The Investment Policy segregates the portfolios into strategic categories including:

1. General Operating Funds;
2. Debt Service Funds;
3. Capital Project Bond Funds;
4. Special Revenue Funds;
5. Internal Service Funds;

The County's Investment Policy seeks to control credit risk. Such risk shall be controlled by investing in compliance with the County's Investment Policy, qualifying the brokers and financial institutions with whom the County transacts, sufficient collateralization, portfolio diversification, and limiting maturities.

#### **General Operating Fund**

As of September 30, 2006 the County's General Operating Fund had the following investments:

<b>Investment Type</b>	<b><u>Fair Value (in thousands)</u></b>	
	<b><u>Governmental</u></b>	<b><u>Weighted Average</u></b>
	<b><u>Activities</u></b>	<b><u>Maturity (days)</u></b>
Local Government Invest Pools	\$ 19,280	30
US Agency Bonds	35,284	405
US Agency Notes	3,471	92
US Agency Discount Notes	4,983	33
Certificates of Deposit	<u>44,741</u>	<u>160</u>
	<u>\$ 107,759</u>	<u>209</u>

#### **Credit Risk**

As of September 30, 2006 the local government pools TexPool and TexStar (approximately 18% of the portfolio) were rated AAAM by Standard and Poor's. The US Agency Bonds (approximately 33% of the portfolio) and the US Agency Notes (approximately 8% of the portfolio) were each rated AAA by Standard and Poor's. The Certificates of Deposit (approximately 41% of the portfolio) were fully collateralized by View Point Bank in Collin County's name at the Federal Home Loan Bank of Dallas.

#### **Interest Rate Risk**

As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy requires that investment maturities not exceed two years for all investment types except General Fund and Health Care Trust. They are limited to five years. The dollar weighted average maturity for all securities was 209 days, which is well below the allowed five years. This is due to the conservative approach taken in a market of rising interest rates.

(continued)

**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**(b) Investment Categories (Continued)**

**Debt Service Funds**

As of September 30, 2006, Collin County debt service funds had the following investments:

	<b><u>Fair Value (in thousands)</u></b>	<b><u>Weighted Average</u></b>
General Obligation Debt Service	<b><u>Governmental</u></b>	<b><u>Maturity (days)</u></b>
	<b><u>Activities</u></b>	
<b>Investment Type</b>		
Local Government Invest Pools	\$ 8,004	28

**Credit Risk**

As of September 30, 2006, TexPool and TexStar were rated AAAM by Standard and Poor's.

**Interest Rate Risk**

Investment strategies for debt service funds have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligations.

**Capital Project Bond Funds**

As of September 30, 2006, Collin County's Capital Project Bond Funds had the following investments:

	<b><u>Fair Value (in thousands)</u></b>	<b><u>Weighted Average</u></b>
Investment Types	<b><u>Governmental</u></b>	<b><u>Maturity (days)</u></b>
	<b><u>Activities</u></b>	
Local Governmental Invest Pools	\$ 154,288	27
US Agency Bonds	5,980	160
US Agency Step Bonds	-	-
US Agency Notes	-	-
Certificates of Deposit	1,821	13
	<u>\$ 162,089</u>	<u>32</u>

**Credit Risk**

As of September 30, 2006, the local government pools TexPool and TexStar (approximately 95% of the portfolio) were rated AAAM by Standard and Poor's. The US Agency Bonds (approximately 4% of the portfolio) were rated AAA by Standard and Poor's. The Certificates of Deposit (approximately 1% of the portfolio) were fully collateralized by View Point Bank in Collin County's name at the Federal Home Loan Bank of Dallas.

**Interest Rate Risk**

Investment strategies for capital project funds have as the primary objective the assurance of investment liquidity adequate to cover the capital construction obligations on the required date.

(continued)

**III. DETAILED NOTES ON ALL FUNDS (Continued)**

*(b) Investment Categories (Continued)*

**Special Revenue Funds**

As of September 30, 2006, Collin County's Special Revenue Funds had the following investments:

<b>Investment Types</b>	<b><u>Fair Value (in thousands)</u></b>	<b><u>Weighted Average Maturity (days)</u></b>
	<b><u>Governmental Activities</u></b>	
Local Government Invest Pools	\$ 18,706	31
US Agency Bonds	-	-
US Agency Step Bonds	3,993	788
US Agency Float Bonds	1,494	866
US Agency Notes	-	-
US Agency Step Notes	995	453
Certificates of Deposit	<u>11,513</u>	<u>437</u>
	<u>\$ 36,701</u>	<u>286</u>

**Credit Risk**

As of September 30, 2006, the local government pools (approximately 52% of the portfolio) were each rated AAAM. The US Agency Bonds (approximately 12% of the portfolio), Step Bonds (approximately 14% of the portfolio) and Float Bonds (approximately 4% of the portfolio) were each rated AAA by Standard and Poor's. The Certificates of Deposit (approximately 32% of the portfolio) were fully collateralized by View Point Bank in the name of Collin County at the Federal Home Loan Bank of Dallas.

**Interest Rate Risk**

As a means to minimize risk of loss due to interest rate fluctuations, the investment policy requires that investment maturities in this category not exceed two years and meet cash flow requirements of these funds. The overall dollar weighted average maturity of 286 days reflects a conservative approach in a rising interest market environment.

**Internal Service Funds**

As of September 30, 2006, Collin County Internal Service Funds had the following investments:

<b>Investment Type</b>	<b><u>Fair Value (in thousands)</u></b>	<b><u>Weighted Average Maturity (days)</u></b>
	<b><u>Governmental Activities</u></b>	
Local Government Invest Pools	\$ 8,311	33

**Credit Risk**

As of September 30, 2006, the local government pools TexPool and TexStar were rated AAAM by Standard and Poor's.

(continued)

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### *(b) Investment Categories (Continued)*

##### **Interest Rate Risk**

As a means to minimize risk of loss due to interest rate fluctuations, the Investment Policy requires that investment maturities in this category not exceed two years and meet cash flow requirements.

Investments and deposits as of September 30, 2006 were as follows (in thousands).

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Non-pooled investments and deposits	\$ 317,458	\$ 33,114	\$ 350,602
Pooled investments and deposits	10,972	-	10,972
Total investments and deposits	<u>\$ 328,430</u>	<u>\$ 33,114</u>	<u>\$ 361,574</u>
Restricted deposits	\$ -	\$ 17,439	\$ 17,439
Restricted investments	-	15,675	15,675
Pooled deposits	5,566	-	5,566
Investments	<u>322,864</u>	<u>-</u>	<u>322,864</u>
Total investments and deposits	<u>\$ 328,430</u>	<u>\$ 33,114</u>	<u>\$ 361,544</u>

##### **Deposits**

The September 30, 2006 carrying amount of deposits were as follows (in thousands):

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash held by sub-trustee			
Restricted	\$ -	\$ 17,439	\$ 17,439
Pooled Cash	<u>5,566</u>	<u>-</u>	<u>5,566</u>
Total Deposits	<u>\$ 5,566</u>	<u>\$ 17,439</u>	<u>\$ 23,005</u>

All bank accounts were either insured or collateralized with securities held by the Federal Home Loan Bank or the Federal Reserve Bank of New York in the name of Collin County at September 30, 2006.

#### *(c) Property Taxes and Other Receivables*

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied prior to September 30, become due on October 1 and are delinquent after January 31. The County bills and collects its own property taxes as well as those for the:

1. Cities of Allen, Anna, Blue Ridge, Celina, Farmersville, Frisco, Josephine, Lavon, Lowry Crossing, Lucas, McKinney, Melissa, Murphy, Nevada, New Hope, Parker, Plano, Princeton, Prosper, Sachse, St. Paul, Weston, Wylie and the Town of Fairview;

(continued)

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### *(c) Property Taxes and Other Receivables (Continued)*

2. Independent School Districts of Allen, Anna, Blue Ridge, Community, Farmersville, Lovejoy, McKinney, Melissa, Plano, Princeton, Prosper, and Wylie;
3. Frisco MUD #1; and
4. Collin County Community College.

The County is the only taxing entity controlled by the Commissioners' Court and the County Tax Assessor/Collector acts only as an intermediary in the collection and distribution of property taxes to the other entities.

Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the Tax Assessor/Collector's Agency Fund. Tax collections are recorded net of the entities' related collection commission paid to the County in this Agency Fund according to the levy year for which the taxes are collected. Tax collections deposited for the County are distributed on a varying basis to the General Fund, Permanent Improvement Capital Projects Fund, General Road and Bridge Fund, Jury Special Revenue Fund, and Debt Service Funds of the County. This distribution is based upon the tax rate established for each fund by order of the Commissioners' Court for the tax year for which the collections are made.

The County participates in several Tax Increment Finance (TIF) Districts. When a TIF District is created with the approval of all participating governmental entities, the property included in the District has its assessed valuation frozen at that time for the duration of the District. As projects are developed, increasing the assessed valuation of the property, the agreed percentage of incremental increases is returned to the entity which initially financed the improvements.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Grant receivables are monies received from Texas Juvenile Probation Commission to pay for the next quarter's budgeted expenditures. The grants are usually received 2-3 days before the start of the next period.

(continued)

**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**(c) Property Taxes and Other Receivables (Continued)**

At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>
Delinquent Property Taxes Receivable	
General Fund	\$ 2,359
General Road and Bridge Fund	22
Permanent Improvement Fund	284
Nonmajor special revenue funds	21
Nonmajor debt service fund	<u>699</u>
	3,385
Fines and fees receivable	
General Fund	1,337
General Road and Bridge Fund	<u>1,050</u>
	2,387
Miscellaneous Receivables	
Grants	35
Unlimited Tax Road Bond 1995 Fund	<u>201</u>
	<u>236</u>
Total deferred and unearned	<u>\$ 6,008</u>

The County is authorized by the tax laws of the State of Texas to levy taxes up to \$0.80 per \$100 of assessed valuation for general governmental services and the payment of principal and interest on certain permanent improvement long-term debt. Taxes may be levied in unlimited amounts for the payment of principal and interest on road bond long-term debt issued under Article 3, Section 52 of the Texas Constitution.

(continued)

**III.DETAILED NOTES ON ALL FUNDS (Continued)**

**(c) Property Taxes and Other Receivables (Continued)**

**Receivables**

Receivables as of year end for the government's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, as required by GASB 34 are as follows:

	General Fund	General Road and Bridge Special Revenue Fund	Health Care Foundation Special Revenue Fund	Permanent Improvement Special Revenue Fund	Nonmajor & Other Funds
Receivables:					
Taxes	\$ 2,936	\$ 35	\$ -	\$ 309	\$ 879
Fines and fees	1,337	1,050	-	-	-
Due from other governments	859	14	268	6,600	755
Due from other funds	1,354	-	-	-	1,958
Due from component unit	16	-	-	-	-
Interest	658	-	71	72	112
Miscellaneous	631	327	215	-	391
	<u>7,791</u>	<u>1,426</u>	<u>554</u>	<u>6,981</u>	<u>4,095</u>
Gross Receivables	7,791	1,426	554	6,981	4,095
Less allowance for uncollectible	<u>83</u>	<u>2</u>	<u>-</u>	<u>4</u>	<u>24</u>
	<u>7,708</u>	<u>1,424</u>	<u>554</u>	<u>6,977</u>	<u>4,071</u>
Net	\$ 7,708	\$ 1,424	\$ 554	\$ 6,977	\$ 4,071

**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**(d) Capital Assets**

Capital assets are recorded at cost or, if donated, at fair value at the date of receipt. In accordance with GASB 34, depreciation policies were adopted to include useful lives and classification by function. Infrastructure assets are valued in two ways: either actual historical cost where the amount can be determined from existing records or using current cost deflated to the year of construction. Once the historical cost is determined, regardless of how it is determined, the asset is then depreciated over its useful life.

(continued)

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### (d) Capital Assets (Continued)

The decreases in capital assets shown in the following table relate to the sale of the courthouse, write-off of equipment and machinery disposed of during the year, along with the reclassification of the prior years' construction in progress. A summary of changes in capital assets follows:

#### Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 22,101	\$ 513	\$( 1,505)	\$ 21,109
Construction in progress	63,307	65,322	( 36,339)	92,290
Historical treasures	82	-	-	82
Total capital assets not being depreciated	<u>85,490</u>	<u>65,835</u>	<u>( 37,844)</u>	<u>113,481</u>
Capital assets being depreciated:				
Buildings	114,992	19,757	( 16,119)	118,630
Improvements other than buildings	4,654	5,349	( 5,690)	4,313
Machinery and equipment	46,619	11,062	( 2,040)	55,641
Infrastructure	210,135	18,248	( 5,579)	222,804
Total capital assets being depreciated	<u>376,400</u>	<u>54,416</u>	<u>( 29,428)</u>	<u>401,388</u>
Less accumulated depreciation:				
Buildings	( 47,810)	( 4,179)	12,699	( 39,290)
Improvements other than buildings	( 2,574)	( 639)	1,995	( 1,218)
Machinery and equipment	( 26,362)	( 6,575)	1,621	( 31,316)
Infrastructure	( 52,584)	( 5,264)	-	( 57,848)
Total accumulated depreciation	<u>( 129,330)</u>	<u>( 16,657)</u>	<u>16,315</u>	<u>129,672</u>
Total capital assets being depreciated, net	<u>247,070</u>	<u>37,759</u>	<u>( 13,113)</u>	<u>271,716</u>
Governmental activities capital assets, net	<u>\$ 332,560</u>	<u>\$ 103,594</u>	<u>\$( 50,957)</u>	<u>\$ 385,197</u>
<b>Business-type Activities:</b>				
Capital assets, not being depreciated:				
Construction in progress	\$ 166	\$ -	\$( 166)	\$ -
Total assets not being depreciated	<u>166</u>	<u>-</u>	<u>( 166)</u>	<u>-</u>
Capital assets being depreciated:				
Buildings	-	2,684	-	2,684
Machinery and equipment	34	122	-	156
Total capital assets being depreciated	<u>34</u>	<u>2,806</u>	<u>-</u>	<u>2,840</u>
Less accumulated depreciation:				
Buildings	-	( 34)	-	( 34)
Machinery and equipment	-	( 19)	-	( 19)
Total accumulated depreciation	<u>-</u>	<u>( 53)</u>	<u>-</u>	<u>( 53)</u>
Total capital assets being depreciated, net	<u>34</u>	<u>2,753</u>	<u>-</u>	<u>2,787</u>
Business-type activities capital assets, net	<u>\$ 200</u>	<u>\$ 2,753</u>	<u>\$( 166)</u>	<u>\$ 2,787</u>

(continued)

**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**(d) Capital Assets (Continued)**

Depreciation expenses for FY 2006 were charged to functions/programs of the primary government as follows:

Governmental activities:	
General administration	\$ 3,586
Judicial	80
Financial administration	59
Legal	23
Public facilities	4,709
Equipment services	49
Public safety	1,182
Public transportation	6,208
Health and welfare	195
Culture and recreation	562
Infrastructure	3
Conservation	<u>1</u>
 Total depreciation expense - governmental activities	 \$ <u>16,657</u>

**Construction Commitments**

Collin County has active construction projects as of September 30, 2006. The projects include road and bridge construction and new facility construction. At year-end the County's outstanding commitments with contractors are as follows:

<u>Project Type</u>	<u>Remaining Commitment</u>
Public transportation	\$ 11,103
Public facilities	21,292
Public parks	<u>3,054</u>
 Total	 \$ <u>35,449</u>

**(e) Long-term Debt**

Collin County issues general obligation bonds and tax notes to finance major capital projects. The original amount of general obligations and tax notes issued in prior years (with outstanding balances) was \$333,285. During the year there were \$33,800 in Limited Tax Permanent Improvement, Refunding Bonds, \$15,920 in Unlimited Tax Road Bonds and \$15,000 in Tax Notes issued. The following are general obligation bonds and tax notes outstanding at September 30, 2006, and are for governmental activities only:

**(continued)**

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### (e) Long-term Debt (Continued)

Description	Interest rates (%)	Date of issue	Date of maturity	Bonds outstanding
Criminal Justice Limited Tax				
Refunding Bonds 1998	3.85 to 5.0%	1998	2013	11,075
Unlimited Tax Refunding				
Bonds, 2001	4.0 to 5.0 %	2001	2015	10,015
1995 Unlimited Road				
Bonds, 1997	4.0 to 5.625%	1997	2017	1,220
1999 Unlimited Tax Road				
Bonds, 1999	4.4 to 5.25%	1999	2019	23,970
1999 Limited Tax Permanent				
Imp. Bonds	4.5 to 5.0%	1999	2019	6,185
1999A Unlimited Tax Road Bonds	5.0 to 6.0%	1999	2019	1,540
1999A Limited Tax Permanent				
Imp. Bonds	5.0% to 6.0%	1999	2019	2,580
1999 Unlimited Tax Road				
Bonds, 2000	5.25 to 5.5%	2000	2020	4,680
1999 Limited Tax Perm. Imp.				
Bonds, 2000	4.95 to 5.5%	2000	2020	345
1999 Unlimited Tax Road				
Bonds, 2001	4.0 to 5.0%	2001	2021	13,050
Limited Tax Perm. Imp.				
Bonds, 2001	4.0 to 5.0%	2001	2021	4,165
Limited Tax Perm. Imp.				
Notes, 2002	4.15 to 5.625%	2002	2022	23,380
Unlimited Tax Roads &				
Refunding Series 2004	2.00 to 5.00%	2004	2024	48,170
Limited Tax Improvement &				
Refunding Bonds, Series 2004	2.25 to 4.50%	2004	2024	12,905
Tax Notes, Series 2004	2.25 to 3.25%	2004	2024	8,880
Limited Tax Improvement &				
Refunding Series 2005	3.0 to 5.0%	2005	2025	53,430
Unlimited Tax Roads &				
Refunding Series 2005	3.0 to 5.0%	2005	2025	42,975
Limited Tax Refunding &				
Improvement Bonds Series 2006	4.0 to 5.0%	2006	2026	33,800
Unlimited Tax Road &				
Refunding Bonds Series 2006	4.0 to 5.0%	2006	2026	15,920
Tax Notes Series 2006	4.0 to 5.0%	2006	2013	15,000
Total general obligation debt				\$ 333,285

(continued)

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### *(e) Long-term Debt* (Continued)

Criminal Justice Limited Tax Refunding General Obligation Bonds, Series 1998, in the amount of \$33,395 were issued to “repay in full the County’s rental payment obligations (the Rental Payments) to the Collin County, Texas, Jail Facilities Financing Corporation, a Texas nonprofit corporation under the Lease/Purchase Agreement, dated September 1, 1989, between the County and the Corporation, to lower the overall debt service requirements of the County, and to pay costs associated with the issuance of the Bonds. The Corporation will use the proceeds from the prepayment of the Rental Payments to redeem its Jail Facility Revenue Bonds, Series 1989, Series 1992 and Series 1993 (the Prior Bonds) outstanding in the principal amount of \$32,625.” Annual installments range from \$755 to \$3,725 through March 1, 2013. Interest rates range from 3.85% to 5.0%. This bond issue is subject to rebatable arbitrage, which is calculated each year and recalculated every fifth year, with 90% of any existing liability reported and paid on the five-year anniversary dates.

\$24,400 1995 Unlimited Tax Road Bonds, Series 1997, were issued to provide funding for the construction and maintenance of roads, bridges, and highways. Installments are level at \$1,220 and interest rates vary from 4.0% to 5.625%. The final installment is due on February 15, 2009. This bond issue is subject to rebatable arbitrage, which is calculated each year and is recalculated every fifth year and 90% of any existing liability is paid on the five-year anniversary dates.

\$25,670 1999 Unlimited Tax Road Bonds were issued to finance the construction and maintenance of roads, bridges, and highways. Principal installments are due annually ranging from \$340 to \$2,545 through February 15, 2019, and interest ranges from 4.4% to 5.25%. This bond issue is subject to rebatable arbitrage, which is calculated every year and recalculated every fifth year and 90% of any existing liability is paid on the five-year anniversary dates.

\$12,330 1999 Limited Tax Permanent Improvement Bonds were issued to acquire, construct, improve and renovate criminal justice and related facilities, including courts and detention facilities, and acquiring related land. \$1,000 of the issue was to be used specifically to renovate, remodel and restore the old courthouse. Principal installments range from \$160 to \$1,225 through February 15, 2019 and interest range from 4.5% to 5.0%. This bond issue is subject to rebatable arbitrage, which is calculated every year and recalculated every fifth year and 90% of any existing liability is paid on the five-year anniversary dates.

\$11,580 in 1999A Unlimited Tax Road General Obligation Bonds were issued to finance the construction and maintenance of roads, bridges, and highways. Installments of principal are due annually and vary from \$325 to \$910 through February 15, 2019. Interest ranges from 5.0% to 6.0%. The bond issue is subject to rebatable arbitrage, which is calculated every year and recalculated every fifth year and 90% of any existing liability is paid on the five-year anniversary dates.

\$19,420 in 1999A Limited Tax Permanent Improvement Bonds was issued to acquire, construct, improve and renovate criminal justice and related facilities, including courts and detention facilities, and acquire land. Annual principal payments range from \$580 to \$1,520. Interest rates range from 5.0 to 6.0% and final maturity of principal and interest falls on February 15, 2019. This bond issue is subject to rebatable arbitrage, which is calculated every year and recalculated every fifth year and 90% of any existing liability is paid on the five-year anniversary dates.

(continued)

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### (e) Long-term Debt (Continued)

\$28,435 in 1999 Unlimited Tax Road General Obligation Bonds, Series 2000 were issued to construct and maintain roads, bridges, and highways. Principal installments vary from \$815 to \$2,200 through February 15, 2020, and interest ranges from 5.25% to 5.5%. This bond issue is subject to rebatable arbitrage, which is calculated every year and recalculated every fifth year and 90% of any existing liability is paid on the five-year anniversary dates.

\$2,000 in 1999 Limited Tax Permanent Improvement Bonds, Series 2000 were issued to acquire, construct, improve, and renovate criminal justice and related facilities, including courts and detention facilities, and acquiring related land. Installments range from \$50 to \$160 through February 15, 2020, with interest rates varying from 4.95% to 5.5%. This bond issue is subject to rebatable arbitrage, which is calculated every year and recalculated every fifth year and 90% of any existing liability is paid on the five-year anniversary dates.

\$15,590 1999 Unlimited Tax Road Bonds, Series 2001 were issued to construct and maintain roads, bridges, and highways. Installments vary from \$460 to \$1,215 through February 15, 2021. Interest rates range from 4.0% to 5.0%. This bond issue is subject to rebatable arbitrage, which is calculated every year and recalculated every fifth year and 90% of any existing liability is paid on the five-year anniversary dates.

\$4,975 in Limited Tax Permanent Improvement Bonds, Series 2001 were issued for the cost of criminal justice facilities, renovating the old courthouse, land for parks and open space. Installments range from \$145 to \$390 through February 15, 2021, with interest rates from 4.0% to 5.0%. This bond issue is subject to rebatable arbitrage, which is calculated every year and recalculated every fifth year and 90% of any existing liability is paid on the five-year anniversary dates.

\$11,100 Unlimited Tax Refunding Bonds, Series 2001 were issued to provide for the advance refunding for a portion of its outstanding bonds. Installments range from \$90 to \$1,160 with interest rates from 4.0% to 5.0%. Final maturity occurs on February 15, 2015. This bond issue is not subject to arbitrage rebate because it is a refunding issue with no transferred proceeds. This bond issue is placed here just after the issue that was the beneficiary of the refunding.

\$26,000 in Limited Tax Permanent Improvement Bonds, Series 2002, were issued for the purpose of acquiring, constructing, developing, and equipping youth camping and related outdoor recreation and education facilities, acquiring land and interest in land, and paying for the cost of issuance associated with the sale of the Bonds. Principal maturities will occur annually commencing on February 15, 2003, with installments ranging from \$830 to \$2,090. Interest payments on February 15 and August 15 range from a low of 4.15% to a high of 5.625%. The final principal and interest payment is due on February 15, 2022. This bond issue will be subject to rebatable arbitrage. The liability will be calculated every year starting in 2003 and recalculated every fifth year and 90% of any existing liability will be paid on the five-year anniversary dates.

\$54,910 Unlimited Tax Road & Refunding, Series 2004 were issued for the purpose of road and highway construction; to refund a portion of the County' outstanding debt; and to pay costs of issuance associated with the sale of the Unlimited Tax Bonds. Principal maturities will occur annually beginning February 15, 2005, with installments ranging from \$1,440 to \$4,050. Interest payments fall on February 15<sup>th</sup> and August 15<sup>th</sup> of each year and range from 2.00% to 5.00%. The final principal and interest payment is due on February 15, 2024. This bond issue is subject to rebatable arbitrage and is reviewed annually with 90% of any rebatable liability being paid on the five-year anniversary dates.

(continued)

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### (e) *Long-term Debt* (Continued)

\$14,165 Limited Tax Permanent Improvement and Refunding Bonds, Series 2004 were issued for the purpose of parks and county facilities; to refund a portion of the county's outstanding debt; and to pay the cost of issuance associated with the sale of the Limited Tax Bonds. Principal maturities will occur annually beginning February 15, 2005, with installments ranging from \$555 to \$825. Interest payments occur annually on February 15<sup>th</sup> and August 15<sup>th</sup> and range from 2.25% to 4.50%. The final principal and interest payment is due on February 15, 2024. This bond issue is subject to rebatable arbitrage and is reviewed annually. 90% of any rebatable liability will be paid on the five-year anniversary dates.

\$12,000 Tax Notes, Series 2004 were issued for the purpose of (1) acquiring software, hardware, and computer related equipment, (ii) pay professional services related to the Project, and (iii) pay costs of issuance associated with the sale of the notes. Principal maturities will occur annually beginning February 15, 2005, with installments ranging from \$1,525 to \$1,900. Interest payments occur annually on February 15<sup>th</sup> and August 15<sup>th</sup> ranging from 2.25% to 3.25%. The final principal and interest payment is due on February 15, 2011. This bond issue is subject to rebatable arbitrage and is reviewed annually. 90% of any rebatable liability will be paid on the five year anniversary dates.

\$43,175 Unlimited Tax Road and Refunding Bonds, Series 2005 were issued for the purpose of (i) constructing roads and highways throughout the County and (ii) refund a portion of the County's outstanding debt for debt savings and (iii) to pay costs of issuance associated with the sale of Unlimited Tax Road Bonds. Principal maturities will occur annually beginning February, 2006 with installments ranging from \$200 to \$3,850. Interest payments occur annually on February 15<sup>th</sup> and August 15<sup>th</sup> ranging from 3.0 to 5.0%. The final principal and interest payment is due on February 15, 2025. This bond issue is subject to rebate arbitrage and is reviewed annually. 90% of any rebate liability will be paid on the five year anniversary dates.

\$53,865 Limited Tax Permanent Improvement and Refunding Bonds, Series 2005 were issued for park purposes and County facilities, to (i) acquire and improve land for park and open space purposes; (ii) acquire, construct, improve, renovate, and equip juvenile and adult detention facilities, including courts facilities; (iii) refund a portion of the County's outstanding debt for debt savings; and (iv) pay cost of issuance associated with the sale of the Limited Tax Bonds. Principal maturities will occur annually beginning on February 15<sup>th</sup>, 2006 with installments ranging from \$435 to \$4,000. Interest payments occur annually on February 15<sup>th</sup> and August 15<sup>th</sup> ranging from 3.0 to 5.0%. The final principal and interest payment is due on February 15, 2025. This Bond issue is subject to rebate arbitrage and is reviewed annually. 90% of any rebate liability will be paid on the five year anniversary dates.

\$15,000 Tax Notes, Series 2006 were issued for the purpose of (1) acquiring software, hardware, and computer related equipment (ii) the acquisition, construction, improvement, and equipping of buildings for various county departments, (iii) pay professional services related to the Project, and (iv) pay costs of issuance associated with the sale of the Notes. Principal maturities will occur annually beginning February 15, 2007, with installments ranging from \$1,945 to \$2,449. Interest payments occur annually on February 15<sup>th</sup> and August 15<sup>th</sup> ranging at 4.0 %. The final principal and interest payment is due on February 15, 2013. This bond issue is subject to rebatable arbitrage and is reviewed annually. 90% of any rebatable liability will be paid on the five year anniversary dates.

(continued)

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### (e) Long-term Debt (Continued)

\$15,920 Unlimited Tax Road, Series 2006 were issued for the purpose of (i) constructing roads and highways throughout the County and (ii) to pay costs of issuance associated with the sale of Unlimited Tax Road Bonds. Principal maturities will occur annually beginning February, 2007 with installments ranging from \$320 to \$1,195. Interest payments occur annually on February 15<sup>th</sup> and August 15<sup>th</sup> ranging from 4.0 to 5.0%. The final principal and interest payment is due on February 15, 2026. This bond issue is subject to rebate arbitrage and is reviewed annually. 90% of any rebate liability will be paid on the five year anniversary dates.

\$33,800 Limited Tax Permanent Improvement, Series 2006 were issued for park purposes and County facilities, to (i) acquire and improve land for park and open space purposes; (ii) acquire, construct, improve, renovate, and equip juvenile and adult detention facilities, including courts facilities and (iii) pay cost of issuance associated with the sale of the Limited Tax Bonds. Principal maturities will occur annually beginning on February 15, 2006 with installments ranging from \$680 to \$2,535. Interest payments occur annually on February 15<sup>th</sup> and August 15<sup>th</sup> ranging from 4.0 to 5.0%. The final principal and interest payment is due on February 15, 2026. This Bond issue is subject to rebate arbitrage and is reviewed annually. 90% of any rebate liability will be paid on the five year anniversary dates.

#### *Prior Year Defeasance of Debt*

In prior years the County defeased certain general obligation bonds by placing the proceeds of new bonds into irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. As of September 30, 2005, \$56,515 of bonds are considered defeased.

#### *Arbitrage Rebate Liabilities*

The Tax Recovery Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local governmental bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due on an annual basis and remit the amount due at least every five years. The County's individual rebate amounts are recorded as a liability in governmental activities on the government-wide financial statements for bonds issued since 1985 and subject to arbitrage, is \$475 at September 30, 2006.

#### *Changes in Noncurrent Liabilities*

Noncurrent liabilities for the fiscal year ended September 30, 2006, were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental activities:					
General obligation	\$ 283,235	\$ 65,280	\$ 15,230	333,285	\$ 17,755
Compensated absences	4,551	7,202	5,861	5,892	4,500
Claims and Judgements	3,326	10,985	10,529	3,782	2,975
Unamortized Bond Prem.	10,357	404	557	10,204	567
Arbitrage	-	475	-	475	-
Loans Payable	-	4,096	-	4,096	-
Lease Payable	-	28	14	14	14
Total governmental activity	<u>\$ 301,469</u>	<u>\$ 88,470</u>	<u>\$ 32,191</u>	<u>\$ 357,748</u>	<u>\$ 25,811</u>

(continued)

### III. DETAILED NOTES ON ALL FUNDS (Continued)

#### (e) Long-term Debt (Continued)

Compensated absences are liquidated in the funds that have employees (i.e., General Fund, General Road and Bridge Fund, Health Care Foundation Fund, etc.). Arbitrage liabilities are liquidated with Debt Service Funds. Additions to General Obligation debt include \$64,720 in new debt and \$560 in accreted interest reclassified from interest to principal.

#### *Contractual Maturities*

The annual debt service for general obligation bonds is as follows:

Years ending September 30:	Governmental Activities	
	Principal	Interest
2007	\$ 17,755	\$ 16,110
2008	21,160	14,138
2009	21,780	13,227
2010	20,490	12,332
2011	21,225	11,448
2012 – 2016	97,095	43,316
2017 – 2021	87,865	20,371
2022 – 2026	45,915	4,311
	<u>\$ 333,285</u>	<u>\$ 135,253</u>

The Debt Service Funds have \$7,802 available to service the general long-term bond retirement. There are a number of limitations and restrictions contained in the various bond indentures. The County is in compliance with all significant limitations and restrictions.

#### *Conduit Debt*

The Housing Finance Corporation issues single-family revenue bonds to provide financial assistance to qualified homeowners. As of September 30, 2006, there were 5 series of single-family and 7 series in multi-family revenue bonds outstanding, with an aggregate principal amount payable of \$59,875. This debt is not the obligation of the County. The HFC's liability to pay off debt is limited to revenues received on the loans made from the funds and the balance on the original funding held in trust.

(continued)

**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**(f) Inter-fund Receivables, Payable Balances and Transfers**

Activity between funds that represent the current portion of lending/borrowing and inter-fund charges for goods and services arrangements outstanding at fiscal year-end are referred to as "Due to/from other funds." The composition of inter-fund balances as of September 30, 2006, is as follows:

	<u>Due from</u>	<u>Due to</u>
Due to/from other funds:		
General Fund	\$ 1,354	\$ 2
Nonmajor Funds	1,958	3,277
Internal Service Funds	<u>69</u>	<u>102</u>
Total	<u>\$ 3,381</u>	<u>\$ 3,381</u>

Activity between the General Fund and other funds represent additional funding for special activities, local matching of grants, or joint participation with the state to provide services. The \$1,354 in transfers from the General Fund into the Grant fund and Internal Service funds represent advances that will be repaid from external sources. Of the balance of \$2,027, \$1,958 represents reallocation of expenses between capital project funds and \$69 represents advances between internal service funds and grants.

All transfers are reported under Other Financial Sources (Uses). The accumulated total of inter-fund transfers for the fiscal year ending September 30, 2006, are as follows:

	<u>Transfer In</u>	<u>Transfer Out</u>
Transfers:		
General Fund	\$ -	\$ 6,552
Nonmajor Funds	<u>6,600</u>	<u>48</u>
Total	<u>\$ 6,600</u>	<u>\$ 6,600</u>

(continued)

**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**(g) Leases**

As lessor, HCF has a number of noncancelable operating leases with minimum future rentals in aggregate of \$3,921. The buildings are carried at a cost of \$3,752 with accumulated depreciation of \$2,030. Future minimum rental payments applicable to the operating leases are as follows:

	<u>Rental Payments</u>
Fiscal year:	
2007	\$ 1,105
2008	1,053
2009	954
2010	809
2011	<u>-</u>
Total	<u>\$ 3,921</u>

Collin County leases office space under operating leases that expire over periods of up to four years. Most of the leases are noncancelable and renewal options are available. Total costs of these leases were approximately \$319 for the year ended September 30, 2006. At September 30, 2006, future minimum rental payments applicable to the operating leases are as follows:

	<u>Future Rental Payments</u>
Fiscal year:	
2007	\$ 1,339
2008	1,125
2009	990
2010	975
2011	<u>-</u>
Total	<u>\$ 4,429</u>

**(a) Risk Management**

The County has elected to provide a limited risk self-funded group health insurance program to eligible employees and dependents. The County is partially self-insured against risks arising from tort claims, workers' compensation benefits due employees who are injured while on duty, losses of funds by theft or mysterious disappearances in all fee offices of the County and any and all other claims asserted by employees and/or third parties against the County arising out of the normal conduct of County business. The County has also chosen to be a reimbursing employer under the unemployment compensation program administered by the Texas Employment Commission.

**(continued)**

**IV. OTHER INFORMATION (Continued)**

**(a) Risk Management (Continued)**

The Health Insurance Claims Fund was established to account for the County's group health and dental insurance. A third-party administrator, United Healthcare, administers the County plan. During the year ended September 30, 2006, the County budgeted and paid five hundred seventy dollars per month for medical and twenty dollars per month for dental benefits per budgeted position to the plan. Employees, at their option, authorized payroll deductions to pay premiums for dependents. In accordance with state law, the County was protected against catastrophic individual loss by stop-loss coverage carried through United Healthcare. Individual stop-loss deductible is \$100 per person.

Collin County has continued to experience a growth in health insurance cost. For this reason, an additional employer funding of \$4,000 was required to pay additional costs. Additional funding has been provided in the fiscal 2007 budget to help continue the improved condition in fund balance and provide stability going forward. Management will monitor the claims in fiscal year 2007.

The County's Workers' Compensation Fund self-insurance program provides medical and indemnity payments as required by law for on-the-job related injuries up to a stop loss of \$275. The third-party administrator for the program, Cambridge Integrated Services, monitors the filing of claims, verifies the legitimacy of those claims, and processes payments to the injured employees. The County is protected against catastrophic individual or aggregate loss by stop-loss coverage carried through McGriff, Seibels & Williams of Texas.

Losses as a result of theft, mysterious disappearance, and damage or destruction of assets are accounted for in the Liability Claims Internal Service Fund. The County carries insurance through various commercial insurance companies to limit losses to reasonable deductible levels. The County did not experience any identified material violations of financial-related legal or contractual provisions.

Premiums are paid into each individual internal service fund by all other funds. Contracted insurance providers receive disbursements from each fund based on monthly enrollment and premium calculations or actual cost plus an administrative fee. All of each fund's resources are available to pay the particular type of claims, claim reserves and administrative costs of that specific program. Liabilities of each fund are reported when it is probable that a loss or claim has occurred and the amount of the loss or claim is known or can be reasonably estimated.

Liabilities include an amount for claims or judgments that have been incurred but not reported. The estimate of the claims and judgments liability also includes amounts to guard against catastrophic loss. No settlements in the past three years have exceeded insurance coverage. Changes in the medical, workers' compensation, and claims liability amounts in fiscal years 2005 and 2006 follow:

	<u>Beginning Liability</u>	<u>Changes in Estimates</u>	<u>Claims Payments</u>	<u>Ending Liability</u>
2006 Medical	\$ 2,193	\$ 15,582	\$ 15,129	\$ 2,646
2005 Medical	2,978	13,307	14,092	2,193
2006 Workers' Comp.	676	514	509	681
2005 Workers' Comp.	662	343	329	676
2006 Claims Liability	457	742	744	455
2005 Claims Liability	458	658	659	457

(continued)

#### **IV. OTHER INFORMATION (Continued)**

##### ***(b) Commitments and Contingencies***

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. A contingent liability was not established because potential reimbursements are considered immaterial.

The County is named as a defendant in various lawsuits related to alleged violations of constitutional and employment rights. In all of these cases, the County is denying the allegations and is vigorously defending against them. County officials estimate that the potential claims against the County will not materially adversely affect the financial position of the County.

##### ***(c) Post-Retirement Health Benefits***

The County provides post-retirement health benefits to its employees. All retirees are given the opportunity to purchase health benefits through the County at cost.

##### ***(d) Longevity Pay***

Longevity pay for the County's employees is calculated and paid annually if approved by the Commissioners' Court. The formula for its calculation has been adopted as policy by the Court. The liability of \$3,141 for the 2006 budget year has been recorded in the Government Fund Statements as a current expenditure since the liability was paid within 60 days out of resources that existed on September 30, 2006.

##### ***(e) Retirement Commitments***

###### **(1) Plan Description**

The County provides retirement, disability and death benefits for all of its fulltime employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (the TCDRS). The Board of Trustees is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 575 agent multiple-employer defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the board of trustees at P. O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the state statutes governing the TCDRS (TCDRS Act). Members employed by Collin County can retire at age 60 and above with eight or more years of service, with 30 years of service, regardless of age, or when the sum of their age and years of service equal 75 or more. Members are vested after eight years of employment but must leave their accumulated contributions in the plan to receive any employer-financed benefit.

**(continued)**

#### **IV. OTHER INFORMATION (Continued)**

##### ***(e) Retirement Commitments (Continued)***

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

##### **(2) Funding Policy**

The County has elected the annually determined contribution rate (variable rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. The County contributed using the actuarially determined rate of 12% for the months of the accounting year in 2005 and 2006. The contribution rate payable by the employee members for the calendar years of 2005 and 2006 is 7% as adopted by the governing body of the County. The employee contribution rate and the County's contribution rate may be changed by the governing body of the County within the options available in the TCDRS Act. If a plan has had adverse experience, the TCDRS Act has provisions that allow the employer to contribute a fixed supplemental contribution rate determined by the System's actuary above the regular rate for 25 years or to reduce benefits earned in the future.

##### **(3) Annual Pension Cost**

For the employer's accounting year ended September 30, 2006, the annual pension cost for the TCDRS plan for its employees was \$13,190 and the actual contributions were \$13,190. The actual contributions was actuarially determined as a percentage of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27 parameters based on the actual actuarial valuations as of December 31, of 2003, 2004 and 2005, the basis for assessing the adequacy of the financing arrangement beginning with the contribution rates for calendar years 2004 and ending with 2005. The December 31, 2005 actuarial valuation is the most recent valuation.

**(continued)**

**IV. OTHER INFORMATION (Continued)**

**(e) Retirement Commitments (Continued)**

**(3) Annual Pension Cost (Continued)**

<b>Actuarial Valuation Information</b>			
Actuarial valuation date	12/31/2003	12/31/2004	12/31/2005
Actuarial cost method	Entry age	Entry age	Entry age
Amortization cost method	Level percentage of payroll, open	Level percentage of payroll, open	Level percentage of payroll, open
Amortization period	13.1	14.1	19.9
Asset valuation method	Long-term appreciation with adjustments	Long-term appreciation with adjustments	Long-term appreciation with adjustments
Actuarial assumptions:			
Investment return	8.0%	8.0%	8.0%
Projected salary increases	5.5%	5.5%	5.3%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

<b>Annual Pension Cost</b>			
<u>Accounting Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 2004	\$ 11,705	100%	—
September 30, 2005	12,388	100%	—
September 30, 2006	13,190	100%	—

**IV. OTHER INFORMATION**

**(f) Subsequent Events**

On March 20, 2007, the County will issue \$63,375 in Unlimited Tax Refunding & Road Bonds and \$2,200 in Limited Tax Improvement Bonds. The Unlimited Tax advance refunding is for \$24,556 with a net present value savings projected at \$736.

On January 1, 2007, the Human Resources department of Collin County implemented the Peoplesoft Human Resources and Payroll system. It is intended to provide that department with additional tools to manage the personnel of Collin County more efficiently.

The Texas Department of Transportation awarded a contract for the private construction of Highway 121 as a tollroad on February 27, 2007. The agreement will potentially result in excess revenues of \$641,000 to be distributed back to Collin County for additional road projects.

**COLLIN COUNTY, TEXAS**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance – Budget (GAAP Basis) and Actual**  
**General Fund**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property	\$ 105,856	\$ 105,856	\$ 106,217	\$ 361
Federal and state funds	2,420	2,562	3,113	551
Charges for services	13,566	13,571	15,813	2,242
Fines and forfeitures	2,484	2,484	2,479	(5)
Interest	3,331	3,201	5,734	2,533
Miscellaneous	434	434	455	21
Total revenues	<u>128,091</u>	<u>128,108</u>	<u>133,811</u>	<u>5,703</u>
Expenditures:				
General administration	34,204	29,978	21,113	8,865
Judicial	13,459	13,860	12,550	1,310
Financial administration	8,651	9,138	8,319	819
Legal	8,889	8,890	8,806	84
Public facilities	9,147	9,393	8,441	952
Equipment services	2,860	2,916	2,534	382
Public safety	37,541	40,217	38,716	1,501
Health and welfare	9,000	9,541	9,343	198
Culture and recreation	534	557	425	132
Conservation	318	317	265	52
Total expenditures	<u>124,603</u>	<u>124,807</u>	<u>110,512</u>	<u>14,295</u>
Excess of revenues over expenditures	<u>3,488</u>	<u>3,301</u>	<u>23,299</u>	<u>19,998</u>
Other financing sources (uses):				
Transfers out	(10,450)	(10,550)	(6,552)	3,998
Sale of assets	40	-	61	61
Total other financing sources (uses)	<u>(10,410)</u>	<u>(10,550)</u>	<u>(6,491)</u>	<u>4,059</u>
Net change in fund balance	<u>(6,922)</u>	<u>(7,249)</u>	<u>16,808</u>	<u>24,057</u>
Fund balance -- beginning	<u>90,818</u>	<u>90,818</u>	<u>90,818</u>	<u>-</u>
Fund balance -- ending	<u>\$ 83,896</u>	<u>\$ 83,569</u>	<u>\$ 107,626</u>	<u>\$ 24,057</u>

**COLLIN COUNTY, TEXAS**

**Required Supplementary Information**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance – Budget (GAAP Basis) and Actual**

**General Road and Bridge Special Revenue Fund**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
<b>Revenues:</b>				
<b>Taxes:</b>				
Property	\$ 2,326	\$ 2,326	\$ 2,346	\$ 20
<b>Fees &amp; permits:</b>				
Sales tax / road mileage fees	4,791	4,791	5,070	279
Title fees	622	622	697	75
Special license plate registration	-	-	1	1
Road & bridge fees	5,049	5,066	5,390	324
Culvert permit	3	-	8	8
Total fees and permits	10,465	10,479	11,166	687
<b>Fines and forfeitures:</b>				
County courts	1,038	1,038	1,403	365
District courts	314	314	544	230
Total fines and forfeitures	1,352	1,352	1,947	595
Interest	185	185	431	246
<b>Miscellaneous:</b>				
Sale of road and bridge materials	150	150	238	88
Other and grants	58	18	40	22
Total miscellaneous	208	168	278	110
Total revenues	14,536	14,510	16,168	1,658
<b>Expenditures:</b>				
<b>Public transportation:</b>				
<b>Road and bridge maintenance:</b>				
Salaries and benefits	4,957	5,133	5,133	-
Maintenance and operating	11,215	11,215	8,221	2,994
Training and travel	21	22	13	9
Capital expenditures	2,111	2,111	1,696	415
Total Road and Bridge Maintenance	18,304	18,481	15,063	3,418
<b>Engineering:</b>				
Salaries and benefits	320	333	333	-
Maintenance and operating	94	94	7	87
Training and travel	12	12	8	4
Total Engineering	426	439	348	91

**COLLIN COUNTY, TEXAS**

**Required Supplementary Information**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance – Budget (GAAP Basis) and Actual**

**General Road and Bridge Special Revenue Fund, continued**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

	<b>Budget</b>		<b>Actual</b>	<b>Variance with Final Budget positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
Services and Operations:				
Salaries and benefits	\$ 401	\$ 401	\$ 400	\$ 1
Maintenance and operating	5	5	1	4
Training and travel	22	22	13	9
Total Services and Operations	<u>428</u>	<u>428</u>	<u>414</u>	<u>14</u>
Soil Conservation:				
Maintenance and operating	<u>223</u>	<u>226</u>	<u>31</u>	<u>195</u>
Special Projects:				
Salaries and benefits	238	242	242	-
Maintenance and operating	4	4	2	2
Training and travel	3	3	1	2
Total Special Projects	<u>245</u>	<u>249</u>	<u>245</u>	<u>4</u>
Non-departmental:				
Maintenance and operating	<u>479</u>	<u>284</u>	<u>54</u>	<u>230</u>
Capital Replacement:				
Maintenance and operating	9	-	-	-
Capital expenditures	70	79	4	75
Total Capital Replacement	<u>79</u>	<u>79</u>	<u>4</u>	<u>75</u>
Total expenditures	<u>20,184</u>	<u>20,186</u>	<u>16,159</u>	<u>4,027</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,648)</u>	<u>(5,676)</u>	<u>9</u>	<u>5,685</u>
Other financing sources (uses):				
Sale of assets	<u>40</u>	<u>40</u>	<u>133</u>	<u>93</u>
Total other financing sources (uses)	<u>40</u>	<u>40</u>	<u>133</u>	<u>93</u>
Net change in fund balance	<u>(5,608)</u>	<u>(5,636)</u>	<u>142</u>	<u>5,778</u>
Fund balance at beginning of year	<u>10,173</u>	<u>10,173</u>	<u>10,173</u>	<u>-</u>
Fund balance at end of year	<u>\$ 4,565</u>	<u>\$ 4,537</u>	<u>\$ 10,315</u>	<u>\$ 5,778</u>

**COLLIN COUNTY, TEXAS**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance – Budget (GAAP Basis) and Actual**  
**Health Care Foundation Special Revenue Fund**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Federal and state funds	\$ 1,112	\$ 1,190	\$ 1,307	\$ 117
Fees and permits	453	453	543	90
Rental revenues	1,138	1,138	1,165	27
Interest	603	603	741	138
Miscellaneous	51	272	333	61
Total revenues	<u>3,357</u>	<u>3,656</u>	<u>4,089</u>	<u>433</u>
<b>Expenditures:</b>				
<b>Health and welfare:</b>				
Salaries and benefits	2,158	2,523	2,068	455
Maintenance and operating	2,880	2,977	1,906	1,071
Training and travel	37	37	24	13
Capital expenditures	1	67	37	30
Total health and welfare	<u>5,076</u>	<u>5,604</u>	<u>4,035</u>	<u>1,569</u>
<b>Public facilities:</b>				
Maintenance and operating	451	451	320	131
Total public facilities	<u>451</u>	<u>451</u>	<u>320</u>	<u>131</u>
Total expenditures	<u>5,527</u>	<u>6,055</u>	<u>4,355</u>	<u>1,700</u>
Net change in fund balance	(2,170)	(2,399)	(266)	2,133
Fund balance – beginning	17,640	17,640	17,640	-
Fund balance – ending	<u>\$ 15,470</u>	<u>\$ 15,241</u>	<u>\$ 17,374</u>	<u>\$ 2,133</u>

**COLLIN COUNTY, TEXAS**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance – Budget (GAAP Basis) and Actual**  
**Permanent Improvement Capital Projects Fund**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 4,526	\$ 4,526	\$ 4,539	\$ 13
Charges for services	-	-	5	5
Interest	200	200	560	360
Miscellaneous	-	-	69	69
Total revenues	<u>4,726</u>	<u>4,726</u>	<u>5,173</u>	<u>447</u>
Expenditures:				
Capital projects:				
Public facilities:				
Maintenance and operating	753	847	482	365
Capital expenditures	<u>8,588</u>	<u>10,368</u>	<u>6,452</u>	<u>3,916</u>
Total expenditures	<u>9,341</u>	<u>11,215</u>	<u>6,934</u>	<u>4,281</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,615)</u>	<u>(6,489)</u>	<u>(1,761)</u>	<u>4,728</u>
Other financing sources (uses):				
Transfer out - Animal Shelter Fund	-	(2,834)	(2,834)	-
Sale of assets	-	-	8,000	8,000
Loan proceeds	-	-	4,096	4,096
Total other financing sources (uses)	<u>-</u>	<u>(2,834)</u>	<u>9,262</u>	<u>12,096</u>
Net change in fund balance	(4,615)	(9,323)	7,501	16,824
Fund balance – beginning	<u>11,816</u>	<u>11,816</u>	<u>11,816</u>	<u>-</u>
Fund balance – ending	<u>\$ 7,201</u>	<u>\$ 2,493</u>	<u>\$ 19,317</u>	<u>\$ 16,824</u>

**COLLIN COUNTY, TEXAS**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

**SEPTEMBER 30, 2006**

**STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

Annual budgets are adopted for all governmental funds except Farm Museum Memorial, District Attorney Service Fee, Myers Park Foundation, Tax Assessor/Collector Motor Vehicle Tax, Justice Court Technology, Dangerous Wild Animal, Economic Development Special Revenue Funds, and all bond funds. No appropriations were approved out of the individual funds listed. The budget for each bond issue is adopted at the time the bonds are issued and rolled from year to year until the funding is exhausted. Juvenile Probation/Alternative Education Funds budget is not adopted as part of the County's budget, but is ministerially adopted after the Juvenile Probation Board formally approves it. All grant fund budgets are adopted at the state and federal level and ministerially adopted by Commissioners' Court. All governmental fund annual appropriations lapse at fiscal year end.

On or before the last day of May of each year, all departments of the County submit requests for appropriations to the Budget Officer. The initial budget request and the Budget Officer's recommendations are provided to the Court beginning early July. Commissioner's Court holds budget hearings to allow departments to justify requests not included in the Budget Officer's proposed budget. They hold public hearings and publish notices starting in August on the timetable required by state statute. By September 1 or as soon as possible the budget and tax rate are adopted with tax notices mailed on or after October 1.

The appropriated budget is adopted annually by fund, department, and activity at the legal level of budgetary control. The categories of salary and benefits, maintenance and operating, training and travel, and capital assets are the legal levels used. Effective September 1, 2005, the Court amended this policy to allow the Budget Officer/Finance Director to amend the budget as needed for appropriation line items with a "For Your Information Notification" to the Court for all amendments over \$5,000. This change required the County Auditor to spend additional audit time and resulted in the reallocation of expenditures to comply with GAAP for proper asset classification and reporting purposes.

Encumbrance accounting is utilized by governmental entities. Encumbrances (i.e. purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

**Employees Retirement System Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	(Unfunded) Assets in Excess of AAL (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
December 31, 2003	\$107,399	\$130,848	(23,449)	82.08%	59,376	39.49%
December 31, 2004	121,621	148,635	(27,014)	81.83%	63,013	42.87%
December 31, 2005	138,518	165,101	(26,583)	83.90%	66,202	40.15%

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

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**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>General Administration:</b>				
County Judge:				
Salaries and benefits	\$ 251	\$ 251	\$ 244	\$ 7
Maintenance and operating	5	5	1	4
Training and travel	23	23	18	5
Total County Judge	<u>279</u>	<u>279</u>	<u>263</u>	<u>16</u>
Commissioners' Court:				
Salaries and benefits	539	539	506	33
Maintenance and operating	10	10	6	4
Training and travel	96	111	24	87
Total Commissioners' Court	<u>645</u>	<u>660</u>	<u>536</u>	<u>124</u>
County Clerk:				
Salaries and benefits	2,063	2,063	1,834	229
Maintenance and operating	529	529	37	492
Training and travel	21	21	10	11
Total County Clerk	<u>2,613</u>	<u>2,613</u>	<u>1,881</u>	<u>732</u>
Support Services:				
Salaries and benefits	125	129	129	-
Maintenance and operating	969	969	960	9
Training and travel	3	3	-	3
Capital expenditures	77	77	77	-
Total Support Services	<u>1,174</u>	<u>1,178</u>	<u>1,166</u>	<u>12</u>
Human Resources:				
Salaries and benefits	1,102	1,102	1,052	50
Maintenance and operating	84	87	44	43
Training and travel	52	52	22	30
Capital expenditures	17	14	10	4
Total Human Resources	<u>1,255</u>	<u>1,255</u>	<u>1,128</u>	<u>127</u>

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
Veterans' Service Officer:				
Salaries and benefits	\$ 183	\$ 186	\$ 186	\$ -
Maintenance and operating	2	2	2	-
Training and travel	3	3	2	1
Total Veterans' Service Officer	<u>188</u>	<u>191</u>	<u>190</u>	<u>1</u>
ERP:				
Salaries and benefits	534	534	295	239
Maintenance and operating	16	16	1	15
Training and travel	14	14	12	2
Total ERP	<u>564</u>	<u>564</u>	<u>308</u>	<u>256</u>
Non-Departmental:				
Salaries and benefits	1,247	1,247	12	1,235
Maintenance and operating	13,664	9,258	4,887	4,371
Training and travel	73	70	6	64
Capital expenditures	984	1,094	1,000	94
Total Non- Departmental	<u>15,968</u>	<u>11,669</u>	<u>5,905</u>	<u>5,764</u>
Non-Departmental Capital Replacement:				
Maintenance and operating	91	35	4	31
Capital expenditures	104	160	116	44
Total Non-Departmental Capital Replacement	<u>195</u>	<u>195</u>	<u>120</u>	<u>75</u>
Administrative Services:				
Salaries and benefits	628	628	573	55
Maintenance and operating	13	13	4	9
Training and travel	23	23	8	15
Total Administrative Services	<u>664</u>	<u>664</u>	<u>585</u>	<u>79</u>
Risk Management:				
Salaries and benefits	78	78	78	-
Maintenance and operating	1,482	1,482	1,451	31
Training and travel	7	7	-	7
Total Risk Management	<u>1,567</u>	<u>1,567</u>	<u>1,529</u>	<u>38</u>

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
<b>Data Processing:</b>				
Salaries and benefits	\$ 2,367	\$ 2,390	\$ 2,369	\$ 21
Maintenance and operating	251	189	105	84
Training and travel	91	91	69	22
Capital expenditures	981	1,054	809	245
Total Data Processing	<u>3,690</u>	<u>3,724</u>	<u>3,352</u>	<u>372</u>
<b>Elections:</b>				
Salaries and benefits	1,029	1,029	925	104
Maintenance and operating	642	642	299	343
Training and travel	8	8	7	1
Total Elections	<u>1,679</u>	<u>1,679</u>	<u>1,231</u>	<u>448</u>
<b>Records:</b>				
Salaries and benefits	393	402	402	-
Maintenance and operating	102	102	46	56
Training and travel	7	7	4	3
Capital expenditures	3	3	2	1
Total Records	<u>505</u>	<u>514</u>	<u>454</u>	<u>60</u>
<b>Telecommunications:</b>				
Salaries and benefits	456	456	448	8
Maintenance and operating	1,867	1,868	1,447	421
Training and travel	21	21	18	3
Capital expenditures	814	821	552	269
Total Telecommunications	<u>3,158</u>	<u>3,166</u>	<u>2,465</u>	<u>701</u>
<b>Housing Finance Corporation -</b>				
Interest and fiscal charges	60	60	-	60
Total General Administration	<u>34,204</u>	<u>29,978</u>	<u>21,113</u>	<u>8,865</u>
<b>Judicial:</b>				
<b>County Court - Mental:</b>				
Salaries and benefits	114	119	119	-
Maintenance and operating	751	751	178	573
Training and travel	2	2	-	2
Total County Court - Mental	<u>867</u>	<u>872</u>	<u>297</u>	<u>575</u>
<b>County Court Probate:</b>				
Salaries and benefits	371	387	387	-
Maintenance and operating	4	4	3	1
Training and travel	9	9	9	-
Total County Court Probate	<u>384</u>	<u>400</u>	<u>399</u>	<u>1</u>

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
County Courts-at-Law:				
County Courts-at-Law combined:				
Maintenance and operating	\$ 230	\$ 230	\$ 87	\$ 143
County Court-at-Law I:				
Salaries and benefits	409	426	426	-
Maintenance and operating	6	7	6	1
Training and travel	7	6	2	4
Capital expenditures	-	1	1	-
Total County Court-at-Law I	422	440	435	5
County Court-at-Law II:				
Salaries and benefits	431	446	446	-
Maintenance and operating	3	3	1	2
Training and travel	7	7	5	2
Total County Court-at-Law II	441	456	452	4
County Court-at-Law III:				
Salaries and benefits	417	434	434	-
Maintenance and operating	4	4	3	1
Training and travel	7	7	2	5
Total County Court-at-Law III	428	445	439	6
County Court-at-Law No. IV:				
Salaries and benefits	412	425	425	-
Maintenance and operating	6	6	4	2
Training and travel	7	7	6	1
Total County Court-at-Law IV	425	438	435	3
County Court-at-Law V:				
Salaries and benefits	394	410	410	-
Maintenance and operating	6	6	2	4
Training and travel	6	6	4	2
Total County Court-at-Law V	406	422	416	6

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
County Court-at-Law VI:				
Salaries and benefits	\$ 380	\$ 380	\$ 379	\$ 1
Maintenance and operating	19	10	4	6
Training and travel	6	6	3	3
Total County Court-at-Law VI	405	405	392	13
Total County Courts-at-Law	2,757	2,836	2,656	180
County Court-at-Law Clerks:				
Salaries and benefits	1,337	1,337	1,270	67
Maintenance and operating	13	13	9	4
Training and travel	14	13	3	10
Capital expenditures	-	1	1	-
Total County Court- at-Law Clerks	1,364	1,364	1,283	81
District Courts:				
District Courts Combined:				
Salaries and benefits	182	182	182	-
Maintenance and operating	597	595	302	293
Training and travel	1	3	3	-
Total District Courts Combined	780	780	487	293
199th District Court:				
Salaries and benefits	278	289	289	-
Maintenance and operating	7	7	3	4
Training and travel	8	8	6	2
Total 199th District Court	293	304	298	6
219th District Court:				
Salaries and benefits	269	275	275	-
Maintenance and operating	5	5	4	1
Training and travel	8	8	7	1
Total 219th District Court	282	288	286	2

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
296th District Court:				
Salaries and benefits	\$ 278	\$ 293	\$ 293	\$ -
Maintenance and operating	5	5	2	3
Training and travel	7	7	4	3
Total 296th District Court	290	305	299	6
366th District Court:				
Salaries and benefits	295	310	310	-
Maintenance and operating	6	6	6	-
Training and travel	9	8	7	1
Total 366th District Court	310	324	323	1
380th District Court:				
Salaries and benefits	274	285	285	-
Maintenance and operating	6	7	7	-
Training and travel	7	7	7	-
Total 380th District Court	287	299	299	-
401st District Court:				
Salaries and benefits	277	289	289	-
Maintenance and operating	7	7	2	5
Training and travel	8	8	5	3
Total 401st District Court	292	304	296	8
416th District Court:				
Salaries and benefits	286	300	300	-
Maintenance and operating	6	6	3	3
Training and travel	7	7	7	-
Total 416th District Court	299	313	310	3
417th District Court:				
Salaries and benefits	263	263	221	42
Maintenance and operating	6	7	7	-
Training and travel	7	8	8	-
Total 417th District Court	276	278	236	42
Total District Courts	3,109	3,195	2,834	361

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
<b>District Clerk:</b>				
Salaries and benefits	\$ 2,941	\$ 3,099	\$ 3,099	\$ -
Maintenance and operating	99	96	79	17
Training and travel	18	18	13	5
Capital expenditures	4	20	20	-
Total District Clerk	3,062	3,233	3,211	22
<b>Justices of the Peace:</b>				
<b>Justice of the Peace Combined:</b>				
Maintenance and operating	68	68	4	64
Total Justice of the Peace, Combined	68	68	4	64
<b>Justice of the Peace, Precinct 1:</b>				
Salaries and benefits	431	440	440	-
Maintenance and operating	7	6	5	1
Training and travel	11	12	11	1
Total Justice of the Peace, Precinct 1	449	458	456	2
<b>Justice of the Peace, Precinct 2:</b>				
Salaries and benefits	266	266	265	1
Maintenance and operating	7	8	8	-
Training and travel	10	10	10	-
Total Justice of the Peace, Precinct 2	283	284	283	1
<b>Justice of the Peace, Precinct 3-1:</b>				
Salaries and benefits	246	246	238	8
Maintenance and operating	3	4	3	1
Training and travel	4	4	3	1
Capital expenditures	1	1	1	-
Total Justice of the Peace, Precinct 3-1	254	255	245	10
<b>Justice of the Peace, Precinct 3-2:</b>				
Salaries and benefits	376	382	382	-
Maintenance and operating	6	6	5	1
Training and travel	5	5	4	1
Total Justice of the Peace, Precinct 3-2	387	393	391	2

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	<b>Budget</b>		<b>Actual</b>	<b>Variance with Final Budget positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
Justice of the Peace, Precinct 4:				
Salaries and benefits	\$ 450	\$ 477	\$ 477	\$ -
Maintenance and operating	18	18	12	6
Training and travel	7	7	2	5
Total Justice of the Peace, Precinct 4	<u>475</u>	<u>502</u>	<u>491</u>	<u>11</u>
Total Justices of the Peace	<u>1,916</u>	<u>1,960</u>	<u>1,870</u>	<u>90</u>
Total Judicial	<u>13,459</u>	<u>13,860</u>	<u>12,550</u>	<u>1,310</u>
Financial Administration:				
County Auditor:				
Salaries and benefits	1,951	1,991	1,991	-
Maintenance and operating	41	41	22	19
Training and travel	43	43	35	8
Capital expenditures	1	1	1	-
Total County Auditor	<u>2,036</u>	<u>2,076</u>	<u>2,049</u>	<u>27</u>
Budget Director:				
Salaries and benefits	421	478	443	35
Maintenance and operating	6	5	4	1
Training and travel	19	23	21	2
Capital expenditures	-	120	2	118
Total Budget Director	<u>446</u>	<u>626</u>	<u>470</u>	<u>156</u>
Tax Assessor-Collector:				
Salaries and benefits	4,038	4,239	3,698	541
Maintenance and operating	210	211	125	86
Training and travel	20	20	18	2
Capital expenditures	-	37	37	-
Total Tax Assessor- Collector	<u>4,268</u>	<u>4,507</u>	<u>3,878</u>	<u>629</u>
Treasury:				
Salaries and benefits	125	127	127	-
Maintenance and operating	5	5	4	1
Training and travel	3	3	-	3
Total Treasury	<u>133</u>	<u>135</u>	<u>131</u>	<u>4</u>
Tax Appraiser:				
Maintenance and operating	705	705	703	2

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	<b>Budget</b>		<b>Actual</b>	<b>Variance with Final Budget positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Purchasing Department:</b>				
Salaries and benefits	\$ 1,031	\$ 1,057	\$ 1,057	\$ -
Maintenance and operating	16	15	15	-
Training and travel	16	17	16	1
Total Purchasing				
Department	1,063	1,089	1,088	1
Total Financial				
Administration	8,651	9,138	8,319	819
<b>Legal:</b>				
<b>District Attorney:</b>				
Salaries and benefits	8,578	8,578	8,502	76
Maintenance and operating	233	222	221	1
Training and travel	68	78	78	-
Capital expenditures	3	5	5	-
Total District Attorney	8,882	8,883	8,806	77
<b>Court-Appointed Prosecutor:</b>				
Maintenance and operating	7	7	-	7
Total Legal	8,889	8,890	8,806	84
<b>Public Facilities:</b>				
<b>Park Hill Prairie:</b>				
Maintenance and operating	3	3	-	3
<b>Tax Office:</b>				
Maintenance and operating	3	3	1	2
<b>Justice Center:</b>				
Maintenance and operating	1,754	1,833	1,833	-
<b>Medical Examiner Facility:</b>				
Maintenance and operating	56	56	40	16
<b>Old Post Office:</b>				
Maintenance and operating	1	1	-	1
<b>Courthouse Annex:</b>				
Maintenance and operating	58	58	40	18
<b>Juvenile Detention Center:</b>				
Maintenance and operating	81	81	55	26
<b>County Courthouse:</b>				
Salaries and benefits	3	3	-	3
Maintenance and operating	697	697	559	138
Total County				
Courthouse	700	700	559	141

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
University Drive Courts Facility: Maintenance and operating	\$ 720	\$ 718	\$ 668	\$ 50
Courthouse Annex A: Maintenance and operating	470	477	364	113
Outlying Justice of the Peace Offices: Maintenance and operating	64	64	46	18
Park Plaza Sub-Courthouse: Maintenance and operating	109	109	71	38
Minimum Security Facility: Maintenance and operating	119	119	75	44
Service Center Facility: Maintenance and operating	165	171	171	-
Facilities Management: Salaries and benefits	433	433	241	192
Maintenance and operating	1,507	1,507	1,313	194
Training and travel	8	8	1	7
Total Facilities Management	<u>1,948</u>	<u>1,948</u>	<u>1,555</u>	<u>393</u>
Building Superintendent: Salaries and benefits	2,642	2,798	2,798	-
Maintenance and operating	177	177	102	75
Training and travel	24	24	15	9
Capital expenditures	16	16	14	2
Total Building Superintendent	<u>2,859</u>	<u>3,015</u>	<u>2,929</u>	<u>86</u>
Election Office/Warehouse: Maintenance and operating	37	37	34	3
Total Public Facilities	<u>9,147</u>	<u>9,393</u>	<u>8,441</u>	<u>952</u>
Equipment Services: Service Center: Salaries and benefits	968	1,021	1,021	-
Maintenance and operating	1,085	1,093	1,000	93
Training and travel	21	15	15	-
Capital expenditures	786	787	498	289
Total Equipment Services	<u>2,860</u>	<u>2,916</u>	<u>2,534</u>	<u>382</u>

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
Public safety:				
Ambulance:				
Maintenance and operating	\$ 809	\$ 832	\$ 774	\$ 58
Fire Marshal:				
Salaries and benefits	217	240	240	-
Maintenance and operating	415	415	407	8
Training and travel	8	8	4	4
Total Fire Marshal	640	663	651	12
Fire Prevention and Safety Grant:				
Capital expenditures	12	12	12	-
Total Fire Prevention and Safety Grant	12	12	12	-
Breathalyzer Program:				
Maintenance and operating	25	28	28	-
Total Breathalyzer Program	25	28	28	-
Constables:				
Constable, Precinct 1:				
Salaries and benefits	857	901	901	-
Maintenance and operating	7	7	6	1
Training and travel	3	3	2	1
Capital expenditures	7	7	5	2
Total Constable, Precinct 1	874	918	914	4
Constable, Precinct 2:				
Salaries and benefits	239	247	247	-
Maintenance and operating	3	3	1	2
Training and travel	2	2	-	2
Total Constable, Precinct 2	244	252	248	4

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
Constable, Precinct 3:				
Salaries and benefits	\$ 995	\$ 1,054	\$ 1,019	\$ 35
Maintenance and operating	14	14	7	7
Training and travel	4	4	2	2
Capital expenditures	-	3	2	1
Total Constable, Precinct 3	<u>1,013</u>	<u>1,075</u>	<u>1,030</u>	<u>45</u>
Constable, Precinct 4:				
Salaries and benefits	715	785	785	-
Maintenance and operating	14	14	11	3
Training and travel	7	7	2	5
Capital expenditures	2	3	2	1
Total Constable, Precinct 4	<u>738</u>	<u>809</u>	<u>800</u>	<u>9</u>
Total Constables	<u>2,869</u>	<u>3,054</u>	<u>2,992</u>	<u>62</u>
Sheriff:				
Salaries and benefits	9,611	10,364	10,364	-
Maintenance and operating	375	401	314	87
Training and travel	63	62	48	14
Capital expenditures	36	51	50	1
Total Sheriff	<u>10,085</u>	<u>10,878</u>	<u>10,776</u>	<u>102</u>
Jail Operations:				
Salaries and benefits	13,731	14,680	14,680	-
Maintenance and operating	1,452	1,445	1,057	388
Training and travel	22	22	15	7
Capital expenditures	33	40	28	12
Total Jail Operations	<u>15,238</u>	<u>16,187</u>	<u>15,780</u>	<u>407</u>
Minimum Security Operations:				
Salaries and benefits	2,295	2,465	2,465	-
Maintenance and operating	276	276	184	92
Training and travel	1	1	-	1
Capital expenditures	1	1	-	1
Total Minimum Security Operations	<u>2,573</u>	<u>2,743</u>	<u>2,649</u>	<u>94</u>
TXDOT Grant:				
Salaries and benefits	-	28	14	14
Total TXDOT Grant	<u>-</u>	<u>28</u>	<u>14</u>	<u>14</u>

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
Medical Examiner:				
Salaries and benefits	\$ 602	\$ 642	\$ 642	\$ -
Maintenance and operating	209	209	190	19
Training and travel	15	15	8	7
Capital expenditures	3	4	4	-
Total Medical Examiner	<u>829</u>	<u>870</u>	<u>844</u>	<u>26</u>
Civil Defense:				
Maintenance and operating	11	11	6	5
Training and travel	1	1	-	1
Total Civil Defense	<u>12</u>	<u>12</u>	<u>6</u>	<u>6</u>
Highway Patrol:				
Salaries and benefits	106	112	112	-
Maintenance and operating	1	1	1	-
Total Highway Patrol	<u>107</u>	<u>113</u>	<u>113</u>	<u>-</u>
Juvenile Board:				
Maintenance and operating	250	430	430	-
Community Supervision:				
Maintenance and operating	60	60	60	-
County Corrections Center:				
Salaries and benefits	170	184	184	-
Maintenance and operating	3	3	2	1
Total County Corrections Center	<u>173</u>	<u>187</u>	<u>186</u>	<u>1</u>
Child Abuse Task Force:				
Salaries and benefits	86	92	92	-
Training and travel	4	4	3	1
Total Child Abuse Task Force	<u>90</u>	<u>96</u>	<u>95</u>	<u>1</u>
911 Addressing:				
Salaries and benefits	415	420	420	-
Maintenance and operating	56	56	38	18
Training and travel	17	17	9	8
Total 911 Addressing	<u>488</u>	<u>493</u>	<u>467</u>	<u>26</u>
Jail Cafeteria:				
Maintenance and operating	55	55	35	20
Holding Facility:				
Salaries and benefits	1,538	1,857	1,857	-
Maintenance and operating	19	19	16	3
Training and travel	3	3	1	2
Capital expenditures	1	1	-	1
Total Holding Facility	<u>1,561</u>	<u>1,880</u>	<u>1,874</u>	<u>6</u>

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
<b>Homeland Security:</b>				
Salaries and benefits	\$ 1,632	\$ 1,399	\$ 758	\$ 641
Maintenance and operating	4	133	114	19
Training and travel	29	22	20	2
Capital expenditures	-	42	38	4
Total Homeland Security	<u>1,665</u>	<u>1,596</u>	<u>930</u>	<u>666</u>
Total Public Safety	<u>37,541</u>	<u>40,217</u>	<u>38,716</u>	<u>1,501</u>
<b>Health and welfare:</b>				
<b>Mental Health and Retardation:</b>				
Maintenance and operating	<u>985</u>	<u>985</u>	<u>985</u>	<u>-</u>
<b>Child Protective Board:</b>				
Maintenance and operating	<u>47</u>	<u>63</u>	<u>63</u>	<u>-</u>
<b>Inmate Health:</b>				
Maintenance and operating	<u>3,126</u>	<u>3,626</u>	<u>3,554</u>	<u>72</u>
<b>Pauper Care and Charity:</b>				
Maintenance and operating	<u>6</u>	<u>6</u>	<u>1</u>	<u>5</u>
<b>Substance Abuse:</b>				
Salaries and benefits	215	222	222	-
Maintenance and operating	19	19	4	15
Training and travel	3	3	2	1
Total Substance Abuse	<u>237</u>	<u>244</u>	<u>228</u>	<u>16</u>
<b>Indigent Defense Coordinator:</b>				
Salaries and benefits	113	61	61	-
Maintenance and operating	3	16	13	3
Training and travel	1	2	-	2
Capital expenditures	-	56	48	8
Total Indigent Defense Coordinator	<u>117</u>	<u>135</u>	<u>122</u>	<u>13</u>
<b>Indigent Criminal Defendants:</b>				
Maintenance and operating	<u>4,482</u>	<u>4,482</u>	<u>4,390</u>	<u>92</u>
Total Health and Welfare	<u>9,000</u>	<u>9,541</u>	<u>9,343</u>	<u>198</u>
<b>Culture and Recreation:</b>				
<b>Libraries:</b>				
Maintenance and operating	<u>259</u>	<u>259</u>	<u>259</u>	<u>-</u>
<b>Camp Advisory Board:</b>				
Maintenance and operating	<u>52</u>	<u>52</u>	<u>1</u>	<u>51</u>

(continued)

**COLLIN COUNTY, TEXAS**  
**Additional Supplementary Information**  
**Schedule of Expenditures, Compared to Budget (GAAP Basis)**  
**General Fund, continued**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
Open space:				
Salaries and benefits	\$ 12	\$ 12	\$ 11	\$ 1
Maintenance and operating	39	39	12	27
Total Open Space	<u>51</u>	<u>51</u>	<u>23</u>	<u>28</u>
Historical Society:				
Maintenance and operating	172	172	119	53
EPA Community Stream Restoration Grant:				
Maintenance and operating	-	23	23	-
Total Culture and Recreation	<u>534</u>	<u>557</u>	<u>425</u>	<u>132</u>
Conservation:				
Agriculture Extension Services:				
Salaries and benefits	293	295	250	45
Maintenance and operating	13	10	7	3
Training and travel	10	9	6	3
Capital expenditures	2	3	2	1
Total Agriculture Extension Service	<u>318</u>	<u>317</u>	<u>265</u>	<u>52</u>
Total Conservation	<u>318</u>	<u>317</u>	<u>265</u>	<u>52</u>
Total Expenditures	<u>\$ 124,603</u>	<u>\$ 124,807</u>	<u>\$ 110,512</u>	<u>\$ 14,295</u>

**COLLIN COUNTY, TEXAS**

**Combining Balance Sheet**

**Nonmajor Governmental Funds**

**September 30, 2006**

(Amounts expressed in thousands)

<b>Assets</b>	<b>Special Revenue</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Total</b>
Cash and cash equivalents	\$ 12,009	\$ 7,617	\$ 124,271	\$ 143,897
Investments	-	-	5,984	5,984
Receivables:				
Taxes (net of allowance for uncollectibles)	24	831	-	855
Due from other governments	442	-	313	755
Due from other funds	2	-	1,956	1,958
Interest receivable	-	-	112	112
Miscellaneous	132	53	206	391
<b>Total assets</b>	<b>\$ 12,609</b>	<b>\$ 8,501</b>	<b>\$ 132,842</b>	<b>\$ 153,952</b>
<b>Liabilities</b>				
Accounts payable	\$ 178	\$ -	\$ 5,565	\$ 5,743
Payroll related costs payable	486	-	3	489
Due to other funds	1,321	-	1,956	3,277
Deferred revenue	35	-	201	236
Deferred tax revenue	21	699	-	720
<b>Total liabilities</b>	<b>2,041</b>	<b>699</b>	<b>7,725</b>	<b>10,465</b>
<b>Fund balances</b>				
Reserved for:				
Debt service	-	7,802	-	7,802
Capital projects	-	-	97,331	97,331
Meyers Park Foundation	112	-	-	112
Encumbrances	1,482	-	27,786	29,268
Unreserved / undesignated	8,974	-	-	8,974
<b>Total fund balances</b>	<b>10,568</b>	<b>7,802</b>	<b>125,117</b>	<b>143,487</b>
<b>Total liabilities and fund balances</b>	<b>\$ 12,609</b>	<b>\$ 8,501</b>	<b>\$ 132,842</b>	<b>\$ 153,952</b>

**COLLIN COUNTY, TEXAS**

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Nonmajor Governmental Funds**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues:				
Taxes:				
Property	\$ 615	\$ 28,660	\$ 13	\$ 29,288
Fees and permits	710	-	1	711
Federal and state funds	4,053	-	-	4,053
Charges for services	3,427	-	-	3,427
Fines and forfeitures	92	-	-	92
Interest	496	926	6,076	7,498
Miscellaneous	150	-	1	151
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	9,543	29,586	6,091	45,220
Expenditures:				
General administration	1,329	-	-	1,329
Judicial	1,820	-	-	1,820
Legal	92	-	-	92
Public safety	10,214	-	-	10,214
Public transportation	21	-	-	21
Health and welfare	907	-	-	907
Culture and recreation	673	-	-	673
Capital projects – capital outlay	-	-	52,631	52,631
Debt service:				
Principal retirement	-	15,230	-	15,230
Interest and fiscal charges	-	14,953	-	14,953
Bond issuance costs	-	263	-	263
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	15,056	30,446	52,631	98,133
Excess (deficiency) of revenues over (under) expenditures	<hr/>	<hr/>	<hr/>	<hr/>
	(5,513)	(860)	(46,540)	(52,913)
Other financing sources (uses):				
Transfers in	6,500	-	100	6,600
Transfers out	(48)	-	-	(48)
Sale of assets	-	-	318	318
Bond proceeds	-	-	30,920	30,920
Refund of escrow	-	-	696	696
Premium on sale of bonds	-	331	73	404
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	6,452	331	32,107	38,890
Net change in fund balances	939	(529)	(14,433)	(14,023)
Fund balances – beginning	9,629	8,331	139,550	157,510
Fund balances – ending	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 10,568	\$ 7,802	\$ 125,117	\$ 143,487

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

**FARM TO MARKET FUND** – to account for expenditures provided on roads and related projects within the County. Financing is provided by a citizen-approved tax that is in addition to the annual property tax levy.

**LATERAL ROAD FUND** – to account for maintenance of County roads. Financing is provided by statutorily mandated intergovernmental revenue received from the State.

**JUDICIAL APPELLATE FUND** – to account for the collection of a statutory filing fee and the expenditures to the appellate system.

**COURT REPORTERS FUND** – to account for the collection of a statutory court reporters fee and the expenditures for court reporter services.

**L.E.O.S.E. EDUCATION FUND** – to account for the collection and expenditure of state provided education funds from LEOSE fees.

**TAX ASSESSOR/COLLECTOR MOTOR VEHICLE TAX FUND** - to account for the expenditures made from the motor vehicle tax collections formally presented and approved by Commissioner's Court.

**JUVENILE PROBATION FUND** – to account for operations of the Juvenile Probation Office and the Juvenile Detention Center. The financing is provided by State funds and operating transfers from the General Fund.

**PRETRIAL RELEASE FUND** – to account for receipt of pretrial release fees and related expenditures in accordance with state statutes.

**JURY FUND** – to account for revenue and expenditures for juries at the various County courts. This constitutional fund is financed by a designated part of the annual property tax levy and fees collected in connection with the filing of lawsuits.

**LAW LIBRARY FUND** – to account for maintenance and operations of a law library open to residents of the county. Financing is provided by fees collected in connection with civil suit filings.

**MYERS PARK OPERATING FUND** – to account for maintenance and operations of the county-owned Youth Park facility. Financing is provided by rental revenue and operating transfers from the General Fund.

**FARM MUSEUM MEMORIAL FUND** - to account for the receipts and disbursements for donations to the Farm Museum to be used for a specific purpose, at the donor's request.

**OPEN SPACE PARKS FUND** – to account for the receipts of donations and disbursement of those funds for park improvements in Collin County.

**RECORDS MANAGEMENT FUND** – to account for the collection of a statutory document preservation fee and the expenditure for records management and preservation services.

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS, Continued**

**DOCUMENT PRESERVATION FUND** – to account for the collection of a statutory preservation fee and the expenditures for preservation services.

**COURTHOUSE SECURITY FUND** – to account for the collections and expenditures of fees for security services for buildings housing a county court, a county court at law or a district court.

**JUSTICE COURT TECHNOLOGY FUND** – to account for fees collected by the Justice of the Peace Courts and related expenditures for technological improvements in the Justice of the Peace Courts.

**FIRE CODE INSPECTION FUND** – to account for the collection of fire code inspection fee and the expenditure for such services.

**ECONOMIC DEVELOPMENT FUND** – to account for economic development receipts and expenditures associated with same as directed by Commissioner's Court.

**DANGEROUS WILD ANIMALS FUND** – to account for the collection and expenditure of dangerous wild animal fees.

**CONTRACT ELECTIONS FUND** – to account for State funds received and related expenditures for public elections.

**ELECTION EQUIPMENT FUND** – to account for equipment replacement fees from election services to be used to acquire replacement election equipment.

**SHERIFF'S DRUG FORFEITURE FUND** – to account for receipts awarded by the courts to the Sheriff from forfeited drug proceeds, and the disbursements for the benefit of drug enforcement.

**DISTRICT ATTORNEY SPECIAL DRUG FORFEITURE FUND** – to account for the receipts awarded by the courts to the District Attorney from forfeited drug proceeds and the disbursement of those funds for official purposes of the office.

**DISTRICT ATTORNEY SERVICE FEE FUND** – to account for the statutory collection of a hot check service fee and the expenditures to be used for a specific purpose for the district attorney's office.

**MEYERS PARK FOUNDATION FUND** – to account for a donation and interest earnings thereon as well as expenditures of the monies within the restrictions of the donation.

**JUVENILE ALTERNATIVE EDUCATION FUND** – to account for the receipts and expenditure of funds designated for the Juvenile Alternative Education Program.

**GRANTS FUND** – to account for the receipts and expenditures of federal and state awarded grants for various purposes, including crime prevention and juvenile alternative education programs.

**COLLIN COUNTY, TEXAS**

**Combining Balance Sheet**

**Nonmajor Governmental Funds**

**Nonmajor Special Revenue Funds**

**September 30, 2006**

(Amounts expressed in thousands)

	<u>Farm to Market</u>	<u>Lateral Road</u>	<u>Judicial Appellate</u>	<u>Court Reporters</u>	<u>L.E.O.S.E. Education</u>	<u>Tax Assessor/ Collector Motor Vehicle Tax</u>	<u>Juvenile Probation</u>	<u>Pretrial Release</u>
	\$ 18	\$ 278	\$ 125	\$ 300	\$ 123	\$ 1	\$ 814	\$ 114
<b>Assets</b>								
Cash and cash equivalents	-	-	-	-	-	-	-	-
Receivables:								
Taxes (net of allowance for uncollectibles)	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	145	-
Due from other funds	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	1	-	-	1
<b>Total assets</b>	<u>\$ 18</u>	<u>\$ 278</u>	<u>\$ 125</u>	<u>\$ 300</u>	<u>\$ 124</u>	<u>\$ 1</u>	<u>\$ 959</u>	<u>\$ 115</u>
<b>Liabilities</b>								
Accounts payable	-	-	\$ 46	\$ 1	\$ 8	\$ -	\$ 26	\$ 3
Payroll related costs payable	-	-	-	-	-	-	361	1
Due to other funds	-	-	-	-	-	-	73	-
Deferred revenue	-	-	-	-	-	-	-	-
Deferred tax revenue	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>46</u>	<u>1</u>	<u>8</u>	<u>-</u>	<u>460</u>	<u>4</u>
<b>Fund balances</b>								
Reserved for:								
Myers Park Foundation	-	-	-	-	-	-	-	-
Encumbrances	-	-	-	1	3	1	6	-
Unreserved / undesignated	18	278	79	298	113	-	493	111
<b>Total fund balances</b>	<u>18</u>	<u>278</u>	<u>79</u>	<u>299</u>	<u>116</u>	<u>1</u>	<u>499</u>	<u>111</u>
<b>Total liabilities and fund balances</b>	<u>\$ 18</u>	<u>\$ 278</u>	<u>\$ 125</u>	<u>\$ 300</u>	<u>\$ 124</u>	<u>\$ 1</u>	<u>\$ 959</u>	<u>\$ 115</u>

(continued)

**COLLIN COUNTY, TEXAS**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
Nonmajor Special Revenue Funds**

September 30, 2006

(Amounts expressed in thousands)

(Continued)

	<b>Jury</b>	<b>Law Library</b>	<b>Meyers Park Operating</b>	<b>Farm Museum Memorial</b>	<b>Open Space Parks</b>	<b>Records Management</b>	<b>Document Preservation</b>
	\$	\$	\$	\$	\$	\$	\$
<b>Assets</b>							
Cash and cash equivalents	327	1,055	494	10	3	2,378	937
Receivables:							
Taxes (net of allowance for uncollectibles)	24	-	-	-	-	-	-
Due from other governments	60	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Miscellaneous	2	-	1	-	-	-	9
<b>Total assets</b>	<b>413</b>	<b>1,055</b>	<b>495</b>	<b>10</b>	<b>3</b>	<b>2,378</b>	<b>946</b>
<b>Liabilities</b>							
Accounts payable	21	-	15	-	-	22	-
Payroll related costs payable	10	11	17	-	-	8	-
Due to other funds	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
Deferred tax revenue	21	-	-	-	-	-	-
<b>Total liabilities</b>	<b>52</b>	<b>11</b>	<b>32</b>	<b>-</b>	<b>-</b>	<b>30</b>	<b>-</b>
<b>Fund balances</b>							
Reserved for:							
Myers Park Foundation	-	-	-	-	-	-	-
Encumbrances	19	-	2	-	-	558	-
Unreserved / undesignated	342	1,044	461	10	3	1,790	946
<b>Total fund balances</b>	<b>361</b>	<b>1,044</b>	<b>463</b>	<b>10</b>	<b>3</b>	<b>2,348</b>	<b>946</b>
<b>Total liabilities and fund balances</b>	<b>413</b>	<b>1,055</b>	<b>495</b>	<b>10</b>	<b>3</b>	<b>2,378</b>	<b>946</b>

(continued)

**COLLIN COUNTY, TEXAS**

**Combining Balance Sheet**

**Nonmajor Governmental Funds**

**Nonmajor Special Revenue Funds**

September 30, 2006

(Amounts expressed in thousands)

(Continued)

	<u>Justice Court Technology</u>	<u>Courthouse Security</u>	<u>Fire Code Inspection</u>	<u>Economic Development</u>	<u>Dangerous Wild Animal</u>	<u>Contract Elections</u>	<u>Election Equipment</u>
<b>Assets</b>							
Cash and cash equivalents	\$ 345	\$ 1,376	\$ 375	\$ 24	\$ 1	\$ 893	\$ 36
Receivables:							
Taxes (net of allowance for uncollectibles)	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Miscellaneous	-	1	1	-	-	2	-
Total assets	<u>\$ 345</u>	<u>\$ 1,377</u>	<u>\$ 376</u>	<u>\$ 24</u>	<u>\$ 1</u>	<u>\$ 895</u>	<u>\$ 36</u>
<b>Liabilities</b>							
Accounts payable	\$ -	\$ 10	\$ -	\$ -	\$ -	\$ 2	\$ -
Payroll related costs payable	-	9	38	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
Deferred tax revenue	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>19</u>	<u>38</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>
<b>Fund balances</b>							
Reserved for:							
Myers Park Foundation	-	-	-	-	-	-	-
Encumbrances	-	91	1	-	-	-	-
Unreserved / undesignated	345	1,267	337	24	1	893	36
Total fund balances	<u>345</u>	<u>1,358</u>	<u>338</u>	<u>24</u>	<u>1</u>	<u>893</u>	<u>36</u>
Total liabilities and fund balances	<u>\$ 345</u>	<u>\$ 1,377</u>	<u>\$ 376</u>	<u>\$ 24</u>	<u>\$ 1</u>	<u>\$ 895</u>	<u>\$ 36</u>

(continued)

**COLLIN COUNTY, TEXAS**

Combining Balance Sheet

Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

September 30, 2006

(Amounts expressed in thousands)

(Continued)

	Sheriff's Drug Forfeiture	District Attorney Special Drug Forfeiture	District Attorney Service Fee	Meyers Park Foundation	Juvenile Alternative Education	Grants	Nonmajor Special Revenue Funds Total
<b>Assets</b>							
Cash and cash equivalents	\$ 120	\$ 272	\$ 264	\$ 112	\$ 150	\$ 1,064	\$ 12,009
<b>Receivables:</b>							
Taxes (net of allowance for uncollectibles)	-	-	-	-	-	-	24
Due from other governments	-	-	-	-	-	237	442
Due from other funds	-	-	-	-	-	2	2
Miscellaneous	-	-	3	-	48	63	132
Total assets	\$ 120	\$ 272	\$ 267	\$ 112	\$ 198	\$ 1,366	\$ 12,609
<b>Liabilities</b>							
Accounts payable	\$ 4	\$ -	\$ 1	\$ -	\$ -	\$ 19	\$ 178
Payroll related costs payable	-	-	-	-	11	20	486
Due to other funds	-	-	-	-	3	1,245	1,321
Deferred revenue	-	-	-	-	-	35	35
Deferred tax revenue	-	-	-	-	-	-	21
Total liabilities	4	-	1	-	14	1,319	2,041
<b>Fund balances</b>							
Reserved for:							
Myers Park Foundation	-	-	-	112	-	-	112
Encumbrances	-	-	-	-	-	800	1,482
Unreserved / undesignated	116	272	266	-	184	(753)	8,974
Total fund balances	116	272	266	112	184	47	10,568
Total liabilities and fund balances	\$ 120	\$ 272	\$ 267	\$ 112	\$ 198	\$ 1,366	\$ 12,609

(continued)

**COLLIN COUNTY, TEXAS**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Nonmajor Governmental Funds**

**Nonmajor Special Revenue Funds**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

	Farm to Market	Lateral Road	Judicial Appellate	Court Reporters	L.E.O.S.E. Education	Tax Assessor/ Collector Motor Vehicle Tax	Juvenile Probation	Pretrial Release
<b>Revenues:</b>								
Taxes								
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and permits	-	-	-	-	-	-	-	-
Federal and state funds	-	60	-	-	37	-	1,623	-
Charges for services	-	-	57	168	-	-	586	21
Fines and forfeitures	-	-	-	-	-	-	-	-
Interest	-	12	4	11	6	-	82	6
Miscellaneous	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>72</u>	<u>61</u>	<u>179</u>	<u>43</u>	<u>-</u>	<u>2,291</u>	<u>27</u>
<b>Expenditures:</b>								
General administration	-	-	-	-	-	-	-	-
Judicial	-	-	46	78	-	-	-	-
Legal	-	-	-	-	2	-	-	-
Public safety	-	-	-	-	53	-	7,770	76
Public transportation	-	21	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>21</u>	<u>46</u>	<u>78</u>	<u>55</u>	<u>-</u>	<u>7,770</u>	<u>76</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>51</u>	<u>15</u>	<u>101</u>	<u>(12)</u>	<u>-</u>	<u>(5,479)</u>	<u>(49)</u>
<b>Other financing sources (uses):</b>								
Transfers in	-	-	-	-	-	-	5,800	-
Transfers out	-	-	-	-	-	-	(48)	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,752</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>51</u>	<u>15</u>	<u>101</u>	<u>(12)</u>	<u>-</u>	<u>273</u>	<u>(49)</u>
<b>Fund balances - beginning</b>	<u>18</u>	<u>227</u>	<u>64</u>	<u>198</u>	<u>128</u>	<u>1</u>	<u>226</u>	<u>160</u>
<b>Fund balances - ending</b>	<u>\$ 18</u>	<u>\$ 278</u>	<u>\$ 79</u>	<u>\$ 299</u>	<u>\$ 116</u>	<u>\$ 1</u>	<u>\$ 499</u>	<u>\$ 111</u>

(continued)

**COLLIN COUNTY, TEXAS**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)  
(Continued)

	Jury	Law Library	Meyers Park Operating	Farm Museum Memorial	Open Space Parks	Records Management	Document Preservation
<b>Revenues:</b>							
<b>Taxes:</b>							
Property	\$ 615	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and permits	-	-	-	-	-	-	-
Federal and state funds	176	-	-	-	-	-	-
Charges for services	-	397	-	-	-	993	192
Fines and forfeitures	-	-	-	-	-	-	-
Interest	20	43	13	-	-	103	39
Miscellaneous	26	16	106	-	-	-	-
<b>Total revenues</b>	<u>837</u>	<u>456</u>	<u>119</u>	<u>-</u>	<u>-</u>	<u>1,096</u>	<u>231</u>
<b>Expenditures:</b>							
General administration	-	-	-	-	-	1,067	53
Judicial	801	270	-	-	-	-	-
Legal	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public transportation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	673	-	-	-	-
<b>Total expenditures</b>	<u>801</u>	<u>270</u>	<u>673</u>	<u>-</u>	<u>-</u>	<u>1,067</u>	<u>53</u>
Excess (deficiency) of revenues over (under) expenditures	36	186	(554)	-	-	29	178
<b>Other financing sources (uses):</b>							
Transfers in	-	-	500	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	36	186	(54)	-	-	29	178
Fund balances - beginning	325	858	517	10	3	2,319	768
Fund balances - ending	<u>\$ 361</u>	<u>\$ 1,044</u>	<u>\$ 463</u>	<u>\$ 10</u>	<u>\$ 3</u>	<u>\$ 2,348</u>	<u>\$ 946</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Nonmajor Governmental Funds**

**Nonmajor Special Revenue Funds**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

	Justice Court Technology	Courthouse Security	Fire Code Inspection	Economic Development	Dangerous Wild Animal	Contract Elections	Election Equipment
Revenues:							
Taxes:							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and permits	-	-	710	-	-	-	-
Federal and state funds	-	-	-	-	-	-	-
Charges for services	115	362	-	-	1	414	-
Fines and forfeitures	-	-	-	-	-	-	-
Interest	2	73	16	1	-	33	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	117	435	726	1	1	447	-
Expenditures:							
General administration	-	-	-	-	-	209	-
Judicial	-	625	-	-	-	-	-
Legal	-	-	-	-	-	-	-
Public safety	-	-	791	-	-	-	-
Public transportation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total expenditures	-	625	791	-	-	209	-
Excess (deficiency) of revenues over (under) expenditures	117	(190)	(65)	1	1	238	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balances	117	(190)	(65)	1	1	238	-
Fund balances - beginning	228	1,548	403	23	-	655	36
Fund balances - ending	\$ 345	\$ 1,358	\$ 338	\$ 24	\$ 1	\$ 893	\$ 36

(continued)

**COLLIN COUNTY, TEXAS**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Nonmajor Governmental Funds**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)  
(Continued)

	Sheriff's Drug Forfeiture	District Attorney Special Drug Forfeiture	District Attorney Service Fee	Meyers Park Foundation	Juvenile Alternative Education	Grants	Nonmajor Special Revenue Funds Total
Revenues:							
Taxes:							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 615
Fees and permits	-	-	-	-	-	-	710
Federal and state funds	-	-	-	-	175	1,982	4,053
Charges for services	-	-	121	-	-	-	3,427
Fines and forfeitures	62	30	-	-	-	-	92
Interest	5	12	-	5	6	4	496
Miscellaneous	2	-	-	-	-	-	150
Total revenues	<u>69</u>	<u>42</u>	<u>121</u>	<u>5</u>	<u>181</u>	<u>1,986</u>	<u>9,543</u>
Expenditures:							
General administration	-	-	-	-	-	-	1,329
Judicial	-	-	-	-	-	-	1,820
Legal	-	5	85	-	-	-	92
Public safety	27	-	-	-	388	1,109	10,214
Public transportation	-	-	-	-	-	-	21
Health and welfare	-	-	-	-	-	907	907
Culture and recreation	-	-	-	-	-	-	673
Total expenditures	<u>27</u>	<u>5</u>	<u>85</u>	<u>-</u>	<u>388</u>	<u>2,016</u>	<u>15,056</u>
Excess (deficiency) of revenues over (under) expenditures	<u>42</u>	<u>37</u>	<u>36</u>	<u>5</u>	<u>(207)</u>	<u>(30)</u>	<u>(5,513)</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	198	2	6,500
Transfers out	-	-	-	-	-	-	(48)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198</u>	<u>2</u>	<u>6,452</u>
Net change in fund balances	42	37	36	5	(9)	(28)	939
Fund balances - beginning	74	235	230	107	193	75	9,629
Fund balances - ending	<u>\$ 116</u>	<u>\$ 272</u>	<u>\$ 266</u>	<u>\$ 112</u>	<u>\$ 184</u>	<u>\$ 47</u>	<u>\$ 10,568</u>

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Farm to Market Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Public transportation	<u>\$ 15</u>	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 15</u>
Excess (deficiency) of revenues over expenditures	(15)	(15)	-	<u>\$ 15</u>
Fund balance at beginning of year	<u>18</u>	<u>18</u>	<u>18</u>	
Fund balance at end of year	<u>\$ 5</u>	<u>\$ 3</u>	<u>\$ 18</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Lateral Road Fund Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(negative)</u>
Revenues:				
State funds -				
State lateral road distributions	\$ 59	\$ 59	\$ 60	\$ 1
Interest	9	9	12	3
Total revenues	<u>68</u>	<u>68</u>	<u>72</u>	<u>4</u>
Expenditures:				
Current:				
Public transportation	145	145	21	124
Total expenditures	<u>145</u>	<u>145</u>	<u>21</u>	<u>124</u>
Excess (deficiency) of revenues over expenditures	(77)	(77)	51	<u>\$ 128</u>
Fund balance at beginning of year	<u>227</u>	<u>227</u>	<u>227</u>	
Fund balance at end of year	<u>\$ 150</u>	<u>\$ 150</u>	<u>\$ 278</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Judicial Appellate Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 50	\$ 50	\$ 57	\$ 7
Interest	<u>1</u>	<u>1</u>	<u>4</u>	<u>3</u>
Total revenues	<u>51</u>	<u>51</u>	<u>61</u>	<u>10</u>
 Expenditures - Judicial	 <u>50</u>	 <u>50</u>	 <u>46</u>	 <u>4</u>
 Excess (deficiency) of revenues over expenditures	 1	 1	 15	 <u>\$ 14</u>
 Fund balance at beginning of year	 <u>64</u>	 <u>64</u>	 <u>64</u>	
Fund balance at end of year	<u>\$ 65</u>	<u>\$ 65</u>	<u>\$ 79</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Court Reporters Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 143	\$ 143	\$ 168	\$ 25
Interest	3	3	11	8
Total revenues	<u>146</u>	<u>146</u>	<u>179</u>	<u>33</u>
Expenditures:				
Current:				
Judicial:				
Substitute Court Reporters:				
County Courts	125	138	73	65
Justice of the Peace	<u>20</u>	<u>20</u>	<u>5</u>	<u>15</u>
Total expenditures	<u>145</u>	<u>158</u>	<u>78</u>	<u>80</u>
Excess (deficiency) of revenues over expenditures	1	(12)	101	<u>\$ 113</u>
Fund balance at beginning of year	<u>198</u>	<u>198</u>	<u>198</u>	
Fund balance at end of year	<u>\$ 199</u>	<u>\$ 186</u>	<u>\$ 299</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**L.E.O.S.E. Education Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 37	\$ 37	\$ 37	\$ -
Interest	3	3	6	3
Total revenues	<u>40</u>	<u>40</u>	<u>43</u>	<u>3</u>
Expenditures:				
Current:				
Legal:				
District Attorney:				
Training and travel	<u>2</u>	<u>3</u>	<u>2</u>	<u>1</u>
Public safety:				
Sheriff's Office:				
Maintenance and operating	1	4	4	-
Training and travel	40	38	3	35
Capital expenditures	29	55	45	10
Total Sheriff's Office	<u>70</u>	<u>97</u>	<u>52</u>	<u>45</u>
Constables - training and travel	<u>7</u>	<u>7</u>	<u>1</u>	<u>6</u>
Fire Marshal - training and travel	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>
Total public safety	<u>78</u>	<u>105</u>	<u>53</u>	<u>52</u>
Total expenditures	<u>80</u>	<u>108</u>	<u>55</u>	<u>53</u>
Excess (deficiency) of revenues over expenditures	(40)	(68)	(12)	<u>\$ 56</u>
Fund balance at beginning of year	<u>128</u>	<u>128</u>	<u>128</u>	
Fund balance at end of year	<u>\$ 88</u>	<u>\$ 60</u>	<u>\$ 116</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Pretrial Release Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 9	\$ 9	\$ 21	\$ 12
Interest	<u>3</u>	<u>3</u>	<u>6</u>	<u>3</u>
Total revenues	<u>12</u>	<u>12</u>	<u>27</u>	<u>15</u>
Expenditures:				
Current:				
Judicial:				
Salaries and benefits	53	56	56	-
Maintenance and operating	34	30	17	13
Training and travel	<u>4</u>	<u>4</u>	<u>3</u>	<u>1</u>
Total expenditures	<u>91</u>	<u>90</u>	<u>76</u>	<u>14</u>
Excess (deficiency) of revenues over expenditures	(79)	(78)	(49)	<u>\$ 29</u>
Fund balance at beginning of year	<u>160</u>	<u>160</u>	<u>160</u>	
Fund balance at end of year	<u>\$ 81</u>	<u>\$ 82</u>	<u>\$ 111</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Jury Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes	\$ 606	\$ 606	\$ 615	\$ 9
Federal and state funds	-	175	176	1
Interest	11	11	20	9
Miscellaneous	1,122	1,122	26	(1,096)
<b>Total revenues</b>	<u>1,739</u>	<u>1,914</u>	<u>837</u>	<u>(1,077)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Judicial:</b>				
Salaries and benefits	195	209	209	-
Maintenance and operating	1,571	1,553	499	1,054
Training and travel	4	4	3	1
Capital expenditures	106	110	90	20
<b>Total expenditures</b>	<u>1,876</u>	<u>1,876</u>	<u>801</u>	<u>1,075</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(137)	38	36	<u>\$ (2)</u>
<b>Fund balance at beginning of year</b>	<u>325</u>	<u>325</u>	<u>325</u>	
<b>Fund balance at end of year</b>	<u>\$ 188</u>	<u>\$ 363</u>	<u>\$ 361</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Law Library Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
Revenues:				
Charges for services - library	\$ 340	\$ 340	\$ 397	\$ 57
Interest	7	7	43	36
Miscellaneous	15	15	16	1
Total revenues	<u>362</u>	<u>362</u>	<u>456</u>	<u>94</u>
Expenditures:				
Current:				
Judicial:				
Salaries and benefits	152	157	157	-
Maintenance and operating	121	115	111	4
Training and travel	4	4	2	2
Total expenditures	<u>277</u>	<u>276</u>	<u>270</u>	<u>6</u>
Excess (deficiency) of revenues over expenditures	85	86	186	<u>\$ 100</u>
Fund balance at beginning of year	<u>858</u>	<u>858</u>	<u>858</u>	
Fund balance at end of year	<u>\$ 943</u>	<u>\$ 944</u>	<u>\$ 1,044</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Myers Park Operating Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Miscellaneous	\$ 80	\$ 80	\$ 106	\$ 26
Interest	<u>27</u>	<u>27</u>	<u>13</u>	<u>(14)</u>
Total revenues	<u>107</u>	<u>107</u>	<u>119</u>	<u>12</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation:				
Salaries and benefits	480	480	469	11
Maintenance and operating	245	242	179	63
Training and travel	4	4	4	-
Capital expenditures	<u>23</u>	<u>26</u>	<u>21</u>	<u>5</u>
Total expenditures	<u>752</u>	<u>752</u>	<u>673</u>	<u>79</u>
Excess (deficiency) of revenues over expenditures	(645)	(645)	(554)	91
Other financing sources - transfers in	<u>500</u>	<u>500</u>	<u>500</u>	<u>-</u>
Net change in fund balance	(145)	(145)	(54)	<u>\$ 91</u>
Fund balance at beginning of year	<u>517</u>	<u>517</u>	<u>517</u>	
Fund balance at end of year	<u>\$ 372</u>	<u>\$ 372</u>	<u>\$ 463</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Open Space Parks Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(negative)</u>
Expenditures:				
Current - public facilities - maintenance and operating	\$ 1	\$ 1	\$ -	\$ 1
Excess (deficiency) of revenues over expenditures	(1)	(1)	-	<u>\$ 1</u>
Fund balance beginning of year	<u>3</u>	<u>3</u>	<u>3</u>	
Fund balance at end of year	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 3</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Records Management Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,000	\$ 1,000	\$ 993	\$ (7)
Interest	<u>10</u>	<u>10</u>	<u>103</u>	<u>93</u>
Total revenues	<u>1,010</u>	<u>1,010</u>	<u>1,096</u>	<u>86</u>
Expenditures:				
Current:				
General administration:				
Salaries and benefits	43	52	52	-
Maintenance and operating	843	771	269	502
Training travel	10	10	2	8
Capital expenditures	<u>1,223</u>	<u>1,286</u>	<u>744</u>	<u>542</u>
Total expenditures	<u>2,119</u>	<u>2,119</u>	<u>1,067</u>	<u>1,052</u>
Excess (deficiency) of revenues over expenditures	(1,109)	(1,109)	29	<u>\$ 1,138</u>
Fund balance at beginning of year	<u>2,319</u>	<u>2,319</u>	<u>2,319</u>	
Fund balance at end of year	<u>\$ 1,210</u>	<u>\$ 1,210</u>	<u>\$ 2,348</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Document Preservation Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 130	\$ 130	\$ 192	\$ 62
Interest	6	6	39	33
Total revenues	<u>136</u>	<u>136</u>	<u>231</u>	<u>95</u>
Expenditures:				
Current:				
Judicial:				
County Court at Law Clerks:				
Maintenance and operating	43	43	15	28
Capital expenditures	120	120	38	82
Total County Court at Law Clerks:	<u>163</u>	<u>163</u>	<u>53</u>	<u>110</u>
District Clerk:				
Maintenance and operating	470	470	-	470
Total District Clerk	<u>470</u>	<u>470</u>	<u>-</u>	<u>470</u>
Total expenditures	<u>633</u>	<u>633</u>	<u>53</u>	<u>580</u>
Excess (deficiency) of revenues over expenditures	(497)	(497)	178	<u>\$ 675</u>
Fund balance at beginning of year	<u>768</u>	<u>768</u>	<u>768</u>	
Fund balance at end of year	<u>\$ 271</u>	<u>\$ 271</u>	<u>\$ 946</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Courthouse Security Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
Revenues:				
Charges for services:				
County Clerk security fees	\$ 200	\$ 200	\$ 216	\$ 16
District Clerk security fees	25	25	38	13
Justice of the Peace civil court fees	71	71	108	37
Total charges for services	<u>296</u>	<u>296</u>	<u>362</u>	<u>66</u>
Interest	<u>13</u>	<u>13</u>	<u>73</u>	<u>60</u>
Total revenues	<u>309</u>	<u>309</u>	<u>435</u>	<u>126</u>
Expenditures:				
Current:				
Judicial:				
Salaries and benefits	144	162	162	-
Maintenance and operating	556	55	3	52
Capital expenditures	800	1,283	460	823
Total expenditures	<u>1,500</u>	<u>1,500</u>	<u>625</u>	<u>875</u>
Excess (deficiency) of revenues over expenditures	(1,191)	(1,191)	(190)	<u>\$ 1,001</u>
Fund balance at beginning of year	<u>1,548</u>	<u>1,548</u>	<u>1,548</u>	
Fund balance at end of year	<u>\$ 357</u>	<u>\$ 357</u>	<u>\$ 1,358</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Fire Code Inspection Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees and permits:				
Fire inspection fees	\$ 400	\$ 400	\$ 434	\$ 34
Septic/health permits	210	210	276	66
Total fees and permits	<u>610</u>	<u>610</u>	<u>710</u>	<u>100</u>
Interest	<u>6</u>	<u>6</u>	<u>16</u>	<u>10</u>
Total revenues	<u>616</u>	<u>616</u>	<u>726</u>	<u>110</u>
Expenditures:				
Current:				
Public Safety:				
County Development Service:				
Salaries and benefits	737	748	752	(4)
Maintenance and operating	40	39	28	11
Training and travel	14	14	9	5
Capital expenditures	2	3	2	1
Total County Development Services	<u>793</u>	<u>804</u>	<u>791</u>	<u>13</u>
Total expenditures	<u>793</u>	<u>804</u>	<u>791</u>	<u>13</u>
Excess (deficiency) of revenues over expenditures	(177)	(188)	(65)	<u>\$ 123</u>
Fund balance at beginning of year	<u>403</u>	<u>403</u>	<u>403</u>	
Fund balance at end of year	<u>\$ 226</u>	<u>\$ 215</u>	<u>\$ 338</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Contract Elections Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 513	\$ 513	\$ 414	\$ (99)
Interest	11	11	33	22
Total revenues	<u>524</u>	<u>524</u>	<u>447</u>	<u>(77)</u>
Expenditures:				
Current:				
General administration:				
Salaries and benefits	355	355	150	205
Maintenance and operating	156	150	44	106
Training and travel	11	17	15	2
Total expenditures	<u>522</u>	<u>522</u>	<u>209</u>	<u>313</u>
Excess (deficiency) of revenues over expenditures	2	2	238	<u>\$ 236</u>
Fund balance at beginning of year	<u>655</u>	<u>655</u>	<u>655</u>	
Fund balance at end of year	<u>\$ 657</u>	<u>\$ 657</u>	<u>\$ 893</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Election Equipment Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 1	\$ 1	\$ -	\$ (1)
Miscellaneous	<u>3</u>	<u>3</u>	<u>-</u>	<u>(3)</u>
Total revenues	<u>4</u>	<u>4</u>	<u>-</u>	<u>(4)</u>
 Expenditures:				
Current:				
General administration -				
Capital expenditures	<u>-</u>	<u>5</u>	<u>-</u>	<u>5</u>
 Excess (deficiency) of revenues over expenditures	4	(1)	-	<u>\$ 1</u>
 Fund balance at beginning of year	<u>36</u>	<u>36</u>	<u>36</u>	
Fund balance at end of year	<u>\$ 40</u>	<u>\$ 35</u>	<u>\$ 36</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Sheriff's Drug Forfeiture Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 62	\$ 62
Interest	1	1	5	4
Miscellaneous	-	-	2	2
Total revenues	<u>1</u>	<u>1</u>	<u>69</u>	<u>68</u>
Expenditures:				
Current:				
Public safety:				
Maintenance and operating	-	41	24	17
Capital expenditures	<u>3</u>	<u>3</u>	<u>3</u>	<u>-</u>
Total Public safety	<u>3</u>	<u>44</u>	<u>27</u>	<u>17</u>
Total expenditures	<u>3</u>	<u>44</u>	<u>27</u>	<u>17</u>
Excess (deficiency) of revenues over expenditures	(2)	(43)	42	<u>\$ 85</u>
Fund balance at beginning of year	<u>74</u>	<u>74</u>	<u>74</u>	
Fund balance at end of year	<u>\$ 72</u>	<u>\$ 31</u>	<u>\$ 116</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**District Attorney Special Drug Forfeiture Special Revenue Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 25	\$ 25	\$ 30	\$ 5
Interest	2	2	12	10
Total revenues	<u>27</u>	<u>27</u>	<u>42</u>	<u>15</u>
Expenditures:				
Current:				
Legal:				
Maintenance and operating	-	1	1	-
Capital expenditures	-	4	4	-
Total Legal	<u>-</u>	<u>5</u>	<u>5</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>5</u>	<u>5</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	27	22	37	<u>\$ 15</u>
Fund balance at beginning of year	<u>235</u>	<u>235</u>	<u>235</u>	
Fund balance at end of year	<u>\$ 262</u>	<u>\$ 257</u>	<u>\$ 272</u>	

## DEBT SERVICE FUNDS

**LIMITED TAX PERMANENT IMPROVEMENT BOND, SERIES 1999 SINKING FUND** – to accumulate monies for the payment of the \$33,750 in Limited Tax Permanent Improvement Bonds, Series 1999, which are general obligation bonds. They are due in increasing amounts each year plus annual interest until the year 2020. The interest rates vary from 4.50% to 6.0%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

**LIMITED TAX PERMANENT IMPROVEMENTS BOND, SERIES 2001 SINKING FUND** – to accumulate monies for the payment of the \$4,975 in limited tax permanent bonds, Series 2001. They are due in varying amounts plus interest until the year 2021. Interest rates vary from 4.0% to 5.0%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

**LIMITED TAX PERMANENT IMPROVEMENT BONDS, SERIES 2002 FUND** – to accumulate monies for the payment of \$26,000 in Limited Tax Permanent Improvement Bonds. They are due in varying amounts plus interest through the year 2022. The interest rates vary from 4.15% to 5.625%. Debt Service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following years.

**LIMITED TAX PERMANENT IMPROVEMENT AND REFUNDING BONDS, SERIES 2004 FUND** – to accumulate monies for the payment of \$14,165 in limited tax permanent improvement and refunding bonds. They are due in varying amounts plus interest through the year 2024. The interest rates vary from 2.25% to 4.5%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

**LIMITED TAX PERMANENT IMPROVEMENT AND REFUNDING BONDS, SERIES 2005 FUND** – to accumulate monies for the payment of \$43,175 in limited tax permanent improvement and refunding bonds. They are due in varying amounts plus interest through the year 2025. The interest rates vary from 3.00% to 5.0%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

**LIMITED TAX PERMANENT IMPROVEMENT BONDS, SERIES 2006 SINKING FUND** – to accumulated monies for the payment of the \$33,800 in limited tax permanent improvement bonds, series 2006. They are due in varying amounts plus interest until the year 2026. The interest rates vary from 4.0% to 5.0%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over and used the following year.

**CRIMINAL JUSTICE TAX REFUNDING BOND, SERIES 1998 FUND** – to accumulate monies for the payment of the \$33,395 in Unlimited Tax Refunding Bonds which are serial bonds due in varying installments plus interest until maturity in 2013. Interest on the bonds ranges from 3.85% to 5.06%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

**UNLIMITED TAX ROAD BOND, SERIES 1999 SINKING FUND** – to accumulate monies for the payment of the \$65,605 in Unlimited Tax Road Bonds, Series 1999, which are general obligation bonds. They are due in increasing amounts each year plus annual interest until the year 2020. The interest rates vary from 4.40% to 6.0%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

## **DEBT SERVICE FUNDS. Continued**

**UNLIMITED TAX ROAD BOND 2001 SINKING FUND** – to accumulate monies for the payment of \$15,590 in unlimited tax road bonds. They are due in varying amounts plus annual interest until the year 2021. Interest rates vary from 4.0% to 5.0%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

**UNLIMITED TAX ROAD & REFUNDING BONDS, SERIES 2004 FUND** – to accumulate monies for the payment of \$54,910 in unlimited tax road and refunding bonds. They are due in varying amounts plus interest through the year 2024. The interest rates vary from 2.0% to 5.0%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

**UNLIMITED TAX ROAD & REFUNDING BONDS, SERIES 2005 FUND** – to accumulate monies for the payment of \$53,865 in unlimited tax road and refunding bonds. They are due in varying amounts plus interest through the year 2025. The interest rates vary from 3.0% to 5.0%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

**UNLIMITED TAX ROAD BONDS, SERIES 2006 SINKING FUND** – to accumulate monies for the payment of \$15,920 in unlimited tax road bonds. They are due in varying amounts plus interest through the year 2026. The interest rates vary from 4.0% to 5.0%. Debt Service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried forward and used in the following year.

**UNLIMITED TAX ROAD BOND, SERIES 1995 SINKING FUND** – to accumulate monies for the payment of the \$45,000 in General Obligation, Series 1995, due in equal amounts each year plus annual interest until maturing in 2017. The interest rate varies from 4.0% to 5.625%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

**TAX NOTES, SERIES 2004 FUND** – to accumulate monies for the payment of \$4,500 in tax notes. They are due in varying amounts plus interest through the year 2011. The interest rates vary from 2.25% to 3.25%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

**TAX NOTES, SERIES 2006 FUND** – to accumulate monies for the payment of \$15,000,000 in tax notes. They are done in varying amounts plus interest through the year 2013. The interest rate is at 4.0%. Debt Service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried forward and used in the following year.

**UNLIMITED TAX REFUNDING BONDS, SERIES 2001 FUND** – to accumulate monies for the payment of \$11,100 in Unlimited Tax Refunding Bonds. They are due in varying amounts plus interest through the years 2015. The interest rates vary from 4.0% to 5.0%. Debt service requirements are financed by an annual property tax levy. Collections in excess of requirements are carried over to the following year.

**COLLIN COUNTY, TEXAS**

Combining Balance Sheet

Nonmajor Governmental Funds

Nonmajor Debt Service Funds

September 30, 2006

(Amounts expressed in thousands)

Assets	Limited Tax Permanent Improvement Bond 2001 Sinking	Limited Tax Permanent Improvement Bond 2002 Sinking	Limited Tax Permanent Improvement & Refunding Bond 2004 Sinking	Limited Tax Permanent Improvement & Refunding Bond 2005 Sinking	Limited Tax Permanent Improvement & Refunding Bond 2006 Sinking	Criminal Justice Bond Sinking	Unlimited Tax Road Bond 1999 Sinking
Cash and cash equivalents	\$ 752	\$ 71	\$ 114	\$ 342	\$ 198	\$ 1,293	\$ 1,711
Receivables:							
Taxes (net of allowance for uncollectibles)	36	10	31	97	69	71	80
Miscellaneous	1	-	1	2	14	1	1
Total assets	<u>\$ 789</u>	<u>\$ 81</u>	<u>\$ 146</u>	<u>\$ 441</u>	<u>\$ 281</u>	<u>\$ 1,365</u>	<u>\$ 1,792</u>
<b>Liabilities and Fund Balances</b>							
Liabilities:							
Deferred tax revenue	\$ 30	\$ 8	\$ 26	\$ 78	\$ 69	\$ 58	\$ 67
Total liabilities	<u>30</u>	<u>8</u>	<u>26</u>	<u>78</u>	<u>69</u>	<u>58</u>	<u>67</u>
Fund balances:							
Reserved for debt service	<u>759</u>	<u>73</u>	<u>120</u>	<u>363</u>	<u>212</u>	<u>1,307</u>	<u>1,725</u>
Total liabilities and fund balances	<u>\$ 789</u>	<u>\$ 81</u>	<u>\$ 146</u>	<u>\$ 441</u>	<u>\$ 281</u>	<u>\$ 1,365</u>	<u>\$ 1,792</u>

**COLLIN COUNTY, TEXAS**

Combining Balance Sheet

Nonmajor Governmental Funds

Nonmajor Debt Service Funds

September 30, 2006

(Amounts expressed in thousands)

(Continued)

Assets	Unlimited Road and Refunding Bond 2004 Sinking	Unlimited Road and Refunding Bond 2005 Sinking	Unlimited Tax Road Bond 2006 Sinking	Unlimited Road Bond 1995 Sinking	Tax Notes Series 2004 Sinking	Tax Notes Series 2006 Sinking	Unlimited Tax Refunding Bond 2001 Sinking	Nonmajor Debt Service Funds Total
Cash and cash equivalents	\$ 240	\$ 531	\$ 141	\$ 686	\$ 265	\$ 72	\$ 160	\$ 7,617
Receivables:								
Taxes (net of allowance for uncollectibles)	32	100	31	15	50	57	41	831
Miscellaneous	1	2	12	-	1	12	1	53
Total assets	<u>\$ 273</u>	<u>\$ 634</u>	<u>\$ 184</u>	<u>\$ 701</u>	<u>\$ 316</u>	<u>\$ 141</u>	<u>\$ 202</u>	<u>\$ 8,501</u>
<b>Liabilities and Fund Balances</b>								
Liabilities:								
Deferred tax revenue	<u>\$ 27</u>	<u>\$ 77</u>	<u>\$ 31</u>	<u>\$ 11</u>	<u>\$ 41</u>	<u>\$ 57</u>	<u>\$ 33</u>	<u>\$ 699</u>
Total liabilities	<u>27</u>	<u>77</u>	<u>31</u>	<u>11</u>	<u>41</u>	<u>57</u>	<u>33</u>	<u>699</u>
Fund balances:								
Reserved for debt service	<u>246</u>	<u>557</u>	<u>153</u>	<u>690</u>	<u>275</u>	<u>84</u>	<u>169</u>	<u>7,802</u>
Total liabilities and fund balances	<u>\$ 273</u>	<u>\$ 634</u>	<u>\$ 184</u>	<u>\$ 701</u>	<u>\$ 316</u>	<u>\$ 141</u>	<u>\$ 202</u>	<u>\$ 8,501</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Nonmajor Governmental Funds**

**Nonmajor Debt Service Funds**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

	Limited Tax Permanent Improvement Bond 1999 Sinking	Limited Tax Permanent Improvement Bond 2001 Sinking	Limited Tax Permanent Improvement Bond 2002 Sinking	Limited Tax Permanent Improvement & Refunding Bond 2004 Sinking	Limited Tax Permanent Improvement & Refunding Bond 2005 Sinking	Limited Tax Permanent Improvement & Refunding Bond 2006 Sinking	Criminal Justice Refunding Bond Sinking	Unlimited Tax Road Bond 1999 Sinking
<b>Revenues:</b>								
Taxes - general property ad valorem	\$ 1,293	\$ 388	\$ 2,096	\$ 1,202	\$ 4,169	\$ -	\$ 2,796	\$ 2,774
Interest	45	6	32	13	51	202	83	108
<b>Total revenues</b>	<u>1,338</u>	<u>394</u>	<u>2,128</u>	<u>1,215</u>	<u>4,220</u>	<u>202</u>	<u>2,879</u>	<u>2,882</u>
<b>Expenditures:</b>								
<b>Debt service:</b>								
Principal retirement	1,010	180	920	705	435	-	2,730	1,820
Interest and fiscal charges	516	203	1,151	485	3,677	-	584	1,549
Bond issuance costs	-	-	-	-	-	117	-	-
<b>Total expenditures</b>	<u>1,526</u>	<u>383</u>	<u>2,071</u>	<u>1,190</u>	<u>4,112</u>	<u>117</u>	<u>3,314</u>	<u>3,369</u>
Excess (deficiency) of revenues over expenditures	(188)	11	57	25	108	85	(435)	(487)
<b>Other financing sources (uses):</b>								
Premium on sale of bonds	-	-	-	-	-	127	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(188)</u>	<u>11</u>	<u>57</u>	<u>25</u>	<u>108</u>	<u>212</u>	<u>(435)</u>	<u>(487)</u>
<b>Fund balance - beginning</b>	<u>947</u>	<u>62</u>	<u>314</u>	<u>95</u>	<u>255</u>	<u>-</u>	<u>1,742</u>	<u>2,212</u>
<b>Fund balance - ending</b>	<u>\$ 759</u>	<u>\$ 73</u>	<u>\$ 371</u>	<u>\$ 120</u>	<u>\$ 363</u>	<u>\$ 212</u>	<u>\$ 1,307</u>	<u>\$ 1,725</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Nonmajor Governmental Funds**

**Nonmajor Debt Service Funds**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

	Unlimited Road and Refunding Bond 2001 Sinking	Unlimited Road and Refunding Bond 2004 Sinking	Unlimited Road and Refunding Bond 2005 Sinking	Unlimited Tax Road Bond 2006 Sinking	Unlimited Road Bond 1995 Sinking	Tax Notes Series 2004 Sinking	Tax Notes Series 2006 Sinking	Unlimited Tax Refunding Bond 2001 Sinking	Nonmajor Debt Service Funds Total
<b>Revenues:</b>									
Taxes - general property ad valorem	\$ 1,201	\$ 5,109	\$ 3,229	\$ -	\$ 866	\$ 1,891	\$ -	\$ 1,646	\$ 28,660
Interest	20	57	60	97	39	16	82	15	926
Total revenues	1,221	5,166	3,289	97	905	1,907	82	1,661	29,586
<b>Expenditures:</b>									
<b>Debt service:</b>									
Principal retirement	560	2,690	200	-	1,220	1,595	-	1,165	15,230
Interest and fiscal charges	628	2,349	2,983	-	94	275	-	459	14,953
Bond issuance costs	-	-	-	74	-	-	72	-	263
Total expenditures	1,188	5,039	3,183	74	1,314	1,870	72	1,624	30,446
Excess (deficiency) of revenues over expenditures	33	127	106	23	(409)	37	10	37	(860)
<b>Other financing sources (uses):</b>									
Premium on sale of bonds	-	-	-	130	-	-	74	-	331
Total other financing sources (uses)	-	-	-	130	-	-	74	-	331
Net change in fund balances	33	127	106	153	(409)	37	84	37	(529)
Fund balance - beginning	213	430	592	-	1,099	238	-	132	8,331
Fund balance - ending	\$ 246	\$ 557	\$ 698	\$ 153	\$ 690	\$ 275	\$ 84	\$ 169	\$ 7,802

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Limited Tax Permanent Improvement Bond 1999 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>			<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(negative)</u>
<b>Revenues:</b>				
Taxes - general property ad valorem	\$ 1,288	\$ 1,288	\$ 1,293	\$ 5
Interest	<u>25</u>	<u>25</u>	<u>45</u>	<u>20</u>
Total revenues	<u>1,313</u>	<u>1,313</u>	<u>1,338</u>	<u>25</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement	1,010	1,010	1,010	-
Interest and fiscal charges	<u>520</u>	<u>520</u>	<u>516</u>	<u>4</u>
Total expenditures	<u>1,530</u>	<u>1,530</u>	<u>1,526</u>	<u>4</u>
Excess (deficiency) of revenues over expenditures	(217)	(217)	(188)	<u>\$ 29</u>
Fund balance at beginning of year	<u>947</u>	<u>947</u>	<u>947</u>	
Fund balance at end of year	<u>\$ 730</u>	<u>\$ 730</u>	<u>\$ 759</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Limited Tax Permanent Improvement Bond 2001 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
Revenues:				
Taxes - general property ad valorem	\$ 389	\$ 389	\$ 388	\$ (1)
Interest	<u>3</u>	<u>3</u>	<u>6</u>	<u>3</u>
Total revenues	<u>392</u>	<u>392</u>	<u>394</u>	<u>2</u>
Expenditures:				
Debt service:				
Principal retirement	180	180	180	-
Interest and fiscal charges	<u>206</u>	<u>206</u>	<u>203</u>	<u>3</u>
Total expenditures	<u>386</u>	<u>386</u>	<u>383</u>	<u>3</u>
Excess (deficiency) of revenues over expenditures	6	6	11	<u>\$ 5</u>
Fund balance at beginning of year	<u>62</u>	<u>62</u>	<u>62</u>	
Fund balance at end of year	<u>\$ 68</u>	<u>\$ 68</u>	<u>\$ 73</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Limited Tax Permanent Improvement Bond 2002 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(negative)</u>
<b>Revenues:</b>				
Taxes - general property ad valorem	\$ 2,090	\$ 2,090	\$ 2,096	\$ 6
Interest	<u>19</u>	<u>19</u>	<u>32</u>	<u>13</u>
Total revenues	<u>2,109</u>	<u>2,109</u>	<u>2,128</u>	<u>19</u>
<b>Expenditures:</b>				
<b>Debt service:</b>				
Principal retirement	920	920	920	-
Interest and fiscal charges	<u>1,152</u>	<u>1,152</u>	<u>1,151</u>	<u>1</u>
Total expenditures	<u>2,072</u>	<u>2,072</u>	<u>2,071</u>	<u>1</u>
 Excess (deficiency) of revenues over expenditures	 37	 37	 57	 <u>\$ 20</u>
 Fund balance at beginning of year	 <u>314</u>	 <u>314</u>	 <u>314</u>	
Fund balance at end of year	<u>\$ 351</u>	<u>\$ 351</u>	<u>\$ 371</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Limited Tax Permanent Improvement and Refunding Bond 2004 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes - general property ad valorem	\$ 1,201	\$ 1,201	\$ 1,202	\$ 1
Interest	8	8	13	4
Total revenues	<u>1,209</u>	<u>1,209</u>	<u>1,215</u>	<u>5</u>
Expenditures:				
Debt service:				
Principal retirement	705	705	705	-
Interest and fiscal charges	<u>486</u>	<u>486</u>	<u>485</u>	<u>1</u>
Total expenditures	<u>1,191</u>	<u>1,191</u>	<u>1,190</u>	<u>1</u>
Excess (deficiency) of revenue over expenditures	18	18	25	<u>\$ 6</u>
Fund balance at beginning of year	<u>96</u>	<u>96</u>	<u>95</u>	
Fund balance at end of year	<u>\$ 114</u>	<u>\$ 114</u>	<u>\$ 120</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Limited Tax Permanent Improvement and Refunding Bond 2005 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
Revenues:				
Taxes - general property ad valorem	\$ 4,158	\$ 4,158	\$ 4,169	\$ 11
Interest	25	25	51	26
Total revenues	4,183	4,183	4,220	37
Expenditures:				
Debt service:				
Principal retirement	435	435	435	-
Interest and fiscal charges	3,679	3,679	3,677	2
Total expenditures	4,114	4,114	4,112	2
Excess (deficiency) of revenue over expenditures	69	69	108	\$ 39
Fund balance at beginning of year	255	255	255	
Fund balance at end of year	\$ 324	\$ 324	\$ 363	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Limited Tax Permanent Improvement Bond 2006 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues - interest	\$ -	\$ -	\$ 202	\$ 202
Expenditures:				
Debt service:				
Bond issuance costs	-	131	117	14
Total expenditures	-	131	117	14
Excess (deficiency) of revenue over expenditures	-	(131)	85	216
Other financing sources (uses):				
Premium on sale of bonds	-	-	127	127
Total other financing sources (uses)	-	-	127	127
Net change in fund balance	-	(131)	212	<u>\$ 343</u>
Fund balance at beginning of year	-	-	-	
Fund balance at end of year	<u>\$ -</u>	<u>\$ (131)</u>	<u>\$ 212</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Criminal Justice Refunding Bond Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes - general property ad valorem	\$ 2,779	\$ 2,779	\$ 2,796	\$ 17
Interest	40	40	83	43
Total revenues	<u>2,819</u>	<u>2,819</u>	<u>2,879</u>	<u>60</u>
Expenditures:				
Debt service:				
Principal retirement	2,730	2,730	2,730	-
Interest and fiscal charges	585	585	584	1
Total expenditures	<u>3,315</u>	<u>3,315</u>	<u>3,314</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	(496)	(496)	(435)	<u>\$ 61</u>
Fund balance at beginning of year	<u>1,742</u>	<u>1,742</u>	<u>1,742</u>	
Fund balance at end of year	<u>\$ 1,246</u>	<u>\$ 1,246</u>	<u>\$ 1,307</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Unlimited Tax Road Bond 1999 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes - general property ad valorem	\$ 2,764	\$ 2,764	\$ 2,774	\$ 10
Interest	60	60	108	48
Total revenues	<u>2,824</u>	<u>2,824</u>	<u>2,882</u>	<u>58</u>
Expenditures:				
Debt service:				
Principal retirement	1,820	1,820	1,820	-
Interest and fiscal charges	<u>1,553</u>	<u>1,553</u>	<u>1,549</u>	<u>4</u>
Total expenditures	<u>3,373</u>	<u>3,373</u>	<u>3,369</u>	<u>4</u>
Excess (deficiency) of revenues over expenditures	(549)	(549)	(487)	<u>\$ 62</u>
Fund balance at beginning of year	<u>2,212</u>	<u>2,212</u>	<u>2,212</u>	
Fund balance at end of year	<u>\$ 1,663</u>	<u>\$ 1,663</u>	<u>\$ 1,725</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Unlimited Tax Road Bond 2001 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final		
Revenues:				
Taxes - general property ad valorem	\$ 1,201	\$ 1,201	\$ 1,201	\$ -
Interest	10	10	20	10
Total revenues	1,211	1,211	1,221	10
Expenditures:				
Debt service:				
Principal retirement	560	560	560	-
Interest and fiscal charges	631	631	628	3
Total expenditures	1,191	1,191	1,188	3
Excess (deficiency) of revenues over expenditures	20	20	33	\$ 13
Fund balance at beginning of year	213	213	213	
Fund balance at end of year	\$ 233	\$ 233	\$ 246	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Unlimited Road and Refunding Bond 2004 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(negative)</u>
Revenues:				
Taxes - general property ad valorem	\$ 5,092	\$ 5,092	\$ 5,109	\$ 17
Interest	37	37	57	20
Total revenues	<u>5,129</u>	<u>5,129</u>	<u>5,166</u>	<u>37</u>
Expenditures:				
Debt service:				
Principal retirement	2,690	2,690	2,690	-
Interest and fiscal charges	2,349	2,349	2,349	-
Total expenditures	<u>5,039</u>	<u>5,039</u>	<u>5,039</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	90	90	127	<u>\$ 37</u>
Fund balance at beginning of year	<u>430</u>	<u>430</u>	<u>430</u>	
Fund balance at end of year	<u>\$ 520</u>	<u>\$ 520</u>	<u>\$ 557</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Unlimited Road and Refunding Bond 2005 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes - general property ad valorem	\$ 3,218	\$ 3,218	\$ 3,229	\$ 11
Interest	19	19	60	41
Total revenues	<u>3,237</u>	<u>3,237</u>	<u>3,289</u>	<u>52</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement	200	200	200	-
Interest and fiscal charges	<u>2,985</u>	<u>2,985</u>	<u>2,983</u>	<u>2</u>
Total expenditures	<u>3,185</u>	<u>3,185</u>	<u>3,183</u>	<u>2</u>
Excess (deficiency) of revenue over expenditures	52	52	106	<u>\$ 54</u>
Fund balance at beginning of year	592	592	592	
Fund balance at end of year	<u>\$ 644</u>	<u>\$ 644</u>	<u>\$ 698</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Unlimited Tax Road Bond 2006 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues - interest	\$ -	\$ -	\$ 97	\$ 97
Expenditures:				
Debt service:				
Bond issuance costs	-	86	74	12
Total expenditures	-	86	74	12
Excess (deficiency) of revenue over expenditures	-	(86)	23	109
Other financing sources (uses):				
Premium on sale of bonds	-	-	130	130
Total other financing sources (uses)	-	-	130	130
Net change in fund balance	-	(86)	153	<u>\$ 239</u>
Fund balance at beginning of year	-	-	-	
Fund balance at end of year	<u>\$ -</u>	<u>\$ (86)</u>	<u>\$ 153</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Unlimited Road Bond 1995 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes - general property ad valorem	\$ 863	\$ 863	\$ 866	\$ 3
Interest	20	20	39	19
Total revenues	<u>883</u>	<u>883</u>	<u>905</u>	<u>22</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement	1,220	1,220	1,220	-
Interest and fiscal charges	96	96	94	2
Total expenditures	<u>1,316</u>	<u>1,316</u>	<u>1,314</u>	<u>2</u>
Excess (deficiency) of revenue over expenditures	(433)	(433)	(409)	<u>\$ 24</u>
Fund balance at beginning of year	<u>1,099</u>	<u>1,099</u>	<u>1,099</u>	
Fund balance at end of year	<u>\$ 666</u>	<u>\$ 666</u>	<u>\$ 690</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Tax Notes Series 2004 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes - general property ad valorem	\$ 1,884	\$ 1,884	\$ 1,891	\$ 7
Interest	<u>6</u>	<u>6</u>	<u>16</u>	<u>10</u>
Total revenues	<u>1,890</u>	<u>1,890</u>	<u>1,907</u>	<u>17</u>
Expenditures:				
Debt service:				
Principal retirement	1,595	1,595	1,595	-
Interest and fiscal charges	<u>274</u>	<u>275</u>	<u>275</u>	<u>-</u>
Total expenditures	<u>1,869</u>	<u>1,870</u>	<u>1,870</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	21	20	37	<u>\$ 17</u>
Fund balance at beginning of year	<u>238</u>	<u>238</u>	<u>238</u>	
Fund balance at end of year	<u>\$ 259</u>	<u>\$ 258</u>	<u>\$ 275</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Tax Notes Series 2006 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues - interest	\$ -	\$ -	\$ 82	\$ 82
Expenditures:				
Debt service:				
Bond issuance costs	-	84	72	12
Total expenditures	-	84	72	12
Excess (deficiency) of revenue over expenditures	-	(84)	10	94
Other financing sources (uses):				
Premium on sale of bonds	-	-	74	74
Total other financing sources (uses)	-	-	74	74
Net change in fund balance	-	(84)	84	<u>\$ 168</u>
Fund balance at beginning of year	-	-	-	
Fund balance at end of year	<u>\$ -</u>	<u>\$ (84)</u>	<u>\$ 84</u>	

**COLLIN COUNTY, TEXAS**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual**

**Unlimited Tax Refunding Bond 2001 Sinking Debt Service Fund**

**For the year ended September 30, 2006**

(Amounts expressed in thousands)

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget positive (negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes - general property ad valorem	\$ 1,645	\$ 1,645	\$ 1,646	\$ 1
Interest	9	9	15	6
Total revenues	<u>1,654</u>	<u>1,654</u>	<u>1,661</u>	<u>7</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement	605	1,165	1,165	-
Interest and fiscal charges	1,023	463	459	4
Total expenditures	<u>1,628</u>	<u>1,628</u>	<u>1,624</u>	<u>4</u>
Excess (deficiency) of revenues over expenditures	26	26	37	<u>\$ 11</u>
Fund balance at beginning of year	<u>132</u>	<u>132</u>	<u>132</u>	
Fund balance at end of year	<u>\$ 158</u>	<u>\$ 158</u>	<u>\$ 169</u>	

## CAPITAL PROJECT FUNDS

**LIMITED TAX PERMANENT IMPROVEMENTS FUND, SERIES 1999** – to account for the costs of acquiring, constructing, improving and renovating criminal justice and related facilities and to pay issuance costs. Financing is provided by \$33,750 of general obligation bond proceeds. For financial presentation, this bond issued is consolidated under Limited Tax Road Bond Series 1999.

**LIMITED TAX PERMANENT IMPROVEMENTS BOND FUND, SERIES 2001** – to account for the costs of criminal justice facilities, renovation of the old Collin County Courthouse, land for park and open space. Financing is provided by \$4,975 in general obligation bond proceeds.

**LIMITED TAX PERMANENT IMPROVEMENTS FUND, SERIES 2002** – to account for bond proceeds and costs of acquiring, constructing, developing, and equipping a youth camp and related facilities, and to pay issuance costs. Financing is provided by \$26,000 of general obligation bond proceeds.

**LIMITED TAX PERMANENT IMPROVEMENTS AND REFUNDING BOND FUND, SERIES 2004** – to account for the bond proceeds issued for the purpose of parks and county facilities; to refund a portion of the County's outstanding debt; and to pay for the cost of issuance associated with the sale of these bonds. Financing was provided by \$14,165 in general obligation bond proceeds.

**LIMITED TAX PERMANENT IMPROVEMENT FUND, SERIES 2005** – to account for bonds proceeds issued for the purpose of parks and county facilities and to pay for the cost of issuance associated with the sale of these bonds. Financing is provided by \$31,600 in general obligation bond proceeds.

**JUVENILE DETENTION FACILITY BOND FUND, SERIES 1995** – to account for the costs of constructing a new juvenile detention facility. Financing is provided by \$5,000 in general obligation bond proceeds.

**OPEN SPACE BOND FUND** – to account for the costs of acquiring and improving lands and buildings for park purposes. Financing is provided by \$2,500 of general obligation bond proceeds.

**UNLIMITED TAX ROAD BOND, SERIES 1999 FUND** – to account for the costs of constructing and maintaining roads, bridges and highways as approved by the voters in 1999. Financing is provided by \$25,670 of general obligation bond proceeds.

**UNLIMITED TAX ROAD BOND, SERIES 2004 FUND** – to account for bond proceeds issued for the purpose of roads and highways and to pay for the cost of issuance associated with the sale of these bonds. Financing was provided by \$44,500 in general obligation bond proceeds.

**UNLIMITED TAX ROAD AND REFUNDING BOND FUND, SERIES 2005** – to account for the bond proceeds issued for the purpose of roads and highways; the refund of a portion of the County's outstanding debt; and payment of the cost of issuance associated with the sale of these bonds. Financing was provided by \$43,175 in general obligation bond proceeds.

**UNLIMITED TAX ROAD BONDS, SERIES 2006 FUND** – to account for bond proceeds issued for the purpose of roads and highways and to pay for the cost of issuance associated with the sale of these bonds. Financing was provided by \$15,920 in general obligation bond proceeds.

**UNLIMITED TAX ROAD BOND, SERIES 1995 FUND** – to account for the costs of constructing and maintaining roads, bridges and highways. Financing is provided by \$45,000 of general obligation bond proceeds.

## **CAPITAL PROJECT FUNDS, Continued**

**UNLIMITED TAX ROAD BOND FUND** – to account for the costs of constructing and maintaining roads, bridges and highways. Financing is provided by \$26,650 of the general obligations bonds proceeds.

**CAPITAL IMPROVEMENT TAX NOTES, SERIES 2002 FUND** – to account for: (i) the acquisition of software, hardware, and computer related equipment for the County (the “Project”), (ii) payment of professional services related to the project, and (iii) payment of costs of issuance associated with the sale of the Notes. Funding is provided by \$8,000 in general obligation bond proceeds.

**TAX NOTES, SERIES 2004 FUND** – to account for: (i) the acquisition of software, hardware, and computer equipment; (ii) payment of professional services related to the Project, and (iii) pay costs of issuance associated with the sale of the Notes. Financing was provided by \$12,000 in tax note proceeds.

**TAX NOTES, SERIES 2006 FUND** – to account for (i) acquiring software, hardware and computer related equipment, (ii) the acquisition, construction, improvement and equipping of buildings for various county departments, (iii) payment for professional services related to the Project, and (iv) payment of cost of issuance associated with the sale of these notes. Financing is provided by \$15,000 in tax note proceeds.

**CAPITAL IMPROVEMENTS TAX NOTES FUND, SERIES 1996** – to account for the cost of various renovation projects. Financing approved through the issuance of \$4,500 in tax notes.

**CAPITAL IMPROVEMENT TAX NOTES, SERIES 2001 FUND** – to account for the cost to purchase equipment and materials to upgrade and improve the County’s computer systems, vehicles, renovate the courthouse and pay for professional services in connection therewith. Funding is provided by \$4,400 in general obligation bond proceeds.

**CAPITAL IMPROVEMENT TAX NOTES, SERIES 2001A FUND** – to account for: (i) the acquisition of software, hardware, and computer related equipment for the county voting system and web project, (ii) payment of professional services related to the previous projects, and (iii) payment of all or a portion of the costs of issuance of the Notes. Funding is provided by \$4,500 in general obligation bond proceeds.

**COLLIN COUNTY, TEXAS**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**Nonmajor Capital Projects Funds**  
**September 30, 2006**

(Amounts expressed in thousands)

Assets	Limited Tax Permanent Improvement Series 1999	Limited Tax Permanent Improvement Series 2001	Limited Tax Permanent Improvement Series 2002	Limited Tax Permanent Improvement and Refunding Bond Series 2004	Limited Tax Permanent Improvement Series 2005	Juvenile Detention Facility 1995	Open Space Bond
Cash and cash equivalents	\$ 1,259	\$ 1,896	\$ 2,020	\$ 5,787	\$ 8,574	\$ 22	\$ -
Investments	-	3	1	-	-	-	-
Receivables:							
Due from other governments	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	1,956	-	-
Interest	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total assets	<u>\$ 1,259</u>	<u>\$ 1,899</u>	<u>\$ 2,021</u>	<u>\$ 5,787</u>	<u>\$ 10,530</u>	<u>\$ 22</u>	<u>\$ -</u>
<b>Liabilities and Fund Balances</b>							
Liabilities:							
Accounts payable	-	\$ 82	\$ 103	\$ 128	\$ 1,668	\$ 5	\$ -
Payroll payable	-	-	-	-	3	-	-
Due to other funds	136	-	-	1,820	-	-	-
Deferred revenue	-	-	-	-	-	-	-
Total liabilities	<u>136</u>	<u>82</u>	<u>103</u>	<u>1,948</u>	<u>1,671</u>	<u>5</u>	<u>-</u>
Fund balances:							
Reserve for capital projects	684	1,137	1,749	1,529	1,518	-	-
Reserve for encumbrances	439	680	169	2,310	7,341	17	-
Total fund balances	<u>1,123</u>	<u>1,817</u>	<u>1,918</u>	<u>3,839</u>	<u>8,859</u>	<u>17</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 1,259</u>	<u>\$ 1,899</u>	<u>\$ 2,021</u>	<u>\$ 5,787</u>	<u>\$ 10,530</u>	<u>\$ 22</u>	<u>\$ -</u>

**COLLIN COUNTY, TEXAS**

Combining Balance Sheet

Nonmajor Governmental Funds

Nonmajor Capital Projects Funds

September 30, 2006

(Amounts expressed in thousands)

(Continued)

Assets	Unlimited Tax Road Bond 1999	Unlimited Tax Road Bond 2004	Unlimited Tax Road Bond 2005	Unlimited Tax Road Bond 2006	Unlimited Tax Road Bond 1995	Unlimited Tax Road Bond	Capital Improvement Tax Notes Series 2002
Cash and cash equivalents	\$ 18,329	\$ 28,624	\$ 13,471	\$ 15,514	\$ 2,278	\$ 123	\$ 1,239
Investments	-	1,997	2,993	-	-	-	-
Receivables:							
Due from other governments	-	-	313	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Interest	-	59	43	-	-	-	-
Miscellaneous	-	-	-	-	204	-	-
<b>Total assets</b>	<b>\$ 18,329</b>	<b>\$ 30,680</b>	<b>\$ 16,820</b>	<b>\$ 15,514</b>	<b>\$ 2,482</b>	<b>\$ 123</b>	<b>\$ 1,239</b>
<b>Liabilities and Fund Balances</b>							
Liabilities:							
Accounts payable	\$ 473	\$ 2,269	\$ 517	\$ 73	\$ 28	\$ -	\$ 10
Payroll payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	201	-	-
<b>Total liabilities</b>	<b>473</b>	<b>2,269</b>	<b>517</b>	<b>73</b>	<b>229</b>	<b>-</b>	<b>10</b>
Fund balances:							
Reserve for capital projects	14,437	25,533	13,555	14,110	1,527	122	1,180
Reserve for encumbrances	3,419	2,878	2,748	1,331	726	1	49
<b>Total fund balances</b>	<b>17,856</b>	<b>28,411</b>	<b>16,303</b>	<b>15,441</b>	<b>2,253</b>	<b>123</b>	<b>1,229</b>
<b>Total liabilities and fund balances</b>	<b>\$ 18,329</b>	<b>\$ 30,680</b>	<b>\$ 16,820</b>	<b>\$ 15,514</b>	<b>\$ 2,482</b>	<b>\$ 123</b>	<b>\$ 1,239</b>

**COLLIN COUNTY, TEXAS**

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 Nonmajor Capital Projects Funds

September 30, 2006

(Amounts expressed in thousands)

(Continued)

Assets	Tax Notes Series 2004	Tax Notes Series 2006	Capital Improvement Tax Notes 1996	Capital Improvement Tax Notes Series 2001	Capital Improvement Tax Notes Series 2001A	Nonmajor Capital Project Funds Total
Cash and cash equivalents	\$ 8,180	\$ 13,315	\$ 68	\$ 1,583	\$ 1,989	\$ 124,271
Investments	990	-	-	-	-	5,984
Receivables:						
Due from other governments	-	-	-	-	-	313
Due from other funds	-	-	-	-	-	1,956
Interest	10	-	-	-	-	112
Miscellaneous	2	-	-	-	-	206
Total assets	<u>\$ 9,182</u>	<u>\$ 13,315</u>	<u>\$ 68</u>	<u>\$ 1,583</u>	<u>\$ 1,989</u>	<u>\$ 132,842</u>

**Liabilities and Fund Balances**

Liabilities:						
Accounts payable	\$ 151	\$ 55	\$ -	\$ -	\$ 3	\$ 5,565
Payroll payable	-	-	-	-	-	3
Due to other funds	-	-	-	-	-	1,956
Deferred revenue	-	-	-	-	-	201
Total liabilities	<u>151</u>	<u>55</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>7,725</u>
Fund balances:						
Reserve for capital projects	6,752	11,361	56	383	1,698	97,331
Reserve for encumbrances	2,279	1,899	12	1,200	288	27,786
Total fund balances	<u>9,031</u>	<u>13,260</u>	<u>68</u>	<u>1,583</u>	<u>1,986</u>	<u>125,117</u>
Total liabilities and fund balances	<u>\$ 9,182</u>	<u>\$ 13,315</u>	<u>\$ 68</u>	<u>\$ 1,583</u>	<u>\$ 1,989</u>	<u>\$ 132,842</u>

**COLLIN COUNTY, TEXAS**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Nonmajor Governmental Funds**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	Limited Tax Permanent Improvement Series 1999	Limited Tax Permanent Improvement Series 2001	Limited Tax Permanent Improvement Series 2002	Limited Tax Permanent Improvement and Refunding Bond Series 2004	Limited Tax Permanent Improvement Series 2005	Juvenile Detention Facility 1995	Open Space Bond
<b>Revenues:</b>							
Taxes – general property ad valorem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and permits	-	-	1	-	-	-	-
Interest	57	96	165	299	923	1	1
Miscellaneous	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>57</b>	<b>96</b>	<b>166</b>	<b>299</b>	<b>923</b>	<b>1</b>	<b>1</b>
<b>Expenditures:</b>							
<b>Capital projects:</b>							
General administration	-	-	-	-	-	-	-
Public facilities	136	310	4,417	2,711	25,281	15	-
Public transportation	-	-	-	-	-	-	-
Culture and recreation	-	130	-	824	178	-	15
<b>Total expenditures</b>	<b>136</b>	<b>440</b>	<b>4,417</b>	<b>3,535</b>	<b>25,459</b>	<b>15</b>	<b>15</b>
Excess (deficiency) of revenues over (under) expenditures	(79)	(344)	(4,251)	(3,236)	(24,536)	(14)	(14)
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-
Refund of escrow	-	-	-	-	-	-	-
Premium on sale of bonds	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(79)</b>	<b>(344)</b>	<b>(4,251)</b>	<b>(3,236)</b>	<b>(24,536)</b>	<b>(14)</b>	<b>(14)</b>
<b>Fund balance – beginning</b>	<b>1,202</b>	<b>2,161</b>	<b>6,169</b>	<b>7,075</b>	<b>33,395</b>	<b>31</b>	<b>14</b>
<b>Fund balance – ending</b>	<b>\$ 1,123</b>	<b>\$ 1,817</b>	<b>\$ 1,918</b>	<b>\$ 3,839</b>	<b>\$ 8,859</b>	<b>\$ 17</b>	<b>\$ -</b>

**COLLIN COUNTY, TEXAS**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Nonmajor Capital Projects Funds**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

	Unlimited Tax Road Bond 1999	Unlimited Tax Road Bond 2004	Unlimited Tax Road Bond 2005	Unlimited Tax Road Bond 2006	Unlimited Tax Road Bond 1995	Unlimited Tax Road Bond	Capital Improvement Tax Notes Series 2002
<b>Revenues:</b>							
Taxes - general property ad valorem	\$ -	\$ -	\$ -	\$ -	\$ 13	\$ -	\$ -
Fees and permits	-	-	-	-	-	-	-
Interest	887	1,443	794	337	67	6	81
Miscellaneous	-	-	-	-	1	-	-
<b>Total revenues</b>	<b>887</b>	<b>1,443</b>	<b>794</b>	<b>337</b>	<b>81</b>	<b>6</b>	<b>81</b>
<b>Expenditures:</b>							
<b>Capital projects:</b>							
General administration	-	-	-	-	-	-	1,190
Public facilities	-	1	-	-	-	-	-
Public transportation	2,860	7,671	2,311	816	165	-	-
Culture and recreation	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>2,860</b>	<b>7,672</b>	<b>2,311</b>	<b>816</b>	<b>165</b>	<b>-</b>	<b>1,190</b>
Excess (deficiency) of revenues over (under) expenditures	(1,973)	(6,229)	(1,517)	(479)	(84)	6	(1,109)
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	100	-	-
Sale of capital assets	-	-	-	-	318	-	-
Bond proceeds	-	-	-	15,920	-	-	-
Refund of escrow	-	-	-	-	696	-	-
Premium on sale of bonds	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,920</b>	<b>1,114</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(1,973)</b>	<b>(6,229)</b>	<b>(1,517)</b>	<b>15,441</b>	<b>1,030</b>	<b>6</b>	<b>(1,109)</b>
<b>Fund balance - beginning</b>	<b>19,829</b>	<b>34,640</b>	<b>17,820</b>	<b>-</b>	<b>1,223</b>	<b>117</b>	<b>2,338</b>
<b>Fund balance - ending</b>	<b>\$ 17,856</b>	<b>\$ 28,411</b>	<b>\$ 16,303</b>	<b>\$ 15,441</b>	<b>\$ 2,253</b>	<b>\$ 123</b>	<b>\$ 1,229</b>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Nonmajor Governmental Funds  
Nonmajor Capital Projects Funds**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

	Tax Notes Series 2004	Tax Notes Series 2006	Capital Improvement Tax Notes 1996	Capital Improvement Tax Notes Series 2001	Capital Improvement Tax Notes Series 2001A	Nonmajor Capital Project Funds Total
<b>Revenues:</b>						
Taxes – general property ad valorem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13
Fees and permits	-	-	-	-	-	1
Interest	453	300	3	73	90	6,076
Miscellaneous	-	-	-	-	-	1
Total revenues	453	300	3	73	90	6,091
<b>Expenditures:</b>						
Capital projects:						
General administration	1,401	2,113	26	47	2	4,779
Public facilities	-	-	-	-	11	32,882
Public transportation	-	-	-	-	-	13,823
Culture and recreation	-	-	-	-	-	1,147
Total expenditures	1,401	2,113	26	47	13	52,631
Excess (deficiency) of revenues over (under) expenditures	(948)	(1,813)	(23)	26	77	(46,540)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	100
Sale of capital assets	-	-	-	-	-	318
Bond proceeds	-	15,000	-	-	-	30,920
Refund of escrow	-	-	-	-	-	696
Premium on sale of bonds	-	73	-	-	-	73
Total other financing sources (uses)	-	15,073	-	-	-	32,107
Net change in fund balance	(948)	13,260	(23)	26	77	(14,433)
Fund balance – beginning	9,979	-	91	1,557	1,909	139,550
Fund balance – ending	\$ 9,031	\$ 13,260	\$ 68	\$ 1,583	\$ 1,986	\$ 125,117

## **INTERNAL SERVICE FUND**

**LIABILITY INSURANCE FUND** - to account for receipt of insurance premiums from other funds and interest earnings as well as expenses for claims of the County's self-insured liability program.

**WORKER'S COMPENSATION INSURANCE FUND** – to account for receipt of insurance premiums from other funds and interest earnings as well as expenses for claims of the County's self-insured workers' compensation program.

**FLEXIBLE BENEFITS FUND** – to account for the receipts and expenditures of an employee benefit plan for the County under Section 125 of the Internal Revenue Code.

**UNEMPLOYMENT ASSESSMENT FUND** – to account for the assessments incurred in other funds and the payment of those unemployment assessments.

**INSURANCE CLAIM FUND** – to account for receipt of insurance premiums from other funds and interest earnings as well as expenses for insurance claims for health benefits provided by the County's self-insurance.

**EMPLOYEE PAID BENEFITS FUND** – to account for the receipts and expenditures of employee paid optional benefits.

**ANIMAL SAFETY FUND** – to account for the receipts and expenditures associated with the running of a county wide animal shelter.

**COLLIN COUNTY, TEXAS**

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets**

**Internal Service Funds**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

	Liability Insurance	Workers Compensation Insurance	Flexible Benefits	Unemployment Assessment	Insurance Claim	Employee Paid Benefits	Animal Safety	Total
Operating revenues:								
Premiums	\$ 1,000	\$ 450	\$ 2,272	\$ -	\$ 17,458	\$ 337	\$ -	\$ 21,517
Charges for services	-	-	-	-	-	-	3	3
Other	409	12	-	-	375	-	-	796
Total operating revenues	1,409	462	2,272	-	17,833	337	3	22,316
Operating expenses:								
Administration	1	29	-	100	1,014	-	246	1,390
Benefits	743	480	2,255	23	14,115	329	-	17,945
Total operating expenses	744	509	2,255	123	15,129	329	246	19,335
Operating income (loss)	665	(47)	17	(123)	2,704	8	(243)	2,981
Nonoperating revenues (expenses):								
Depreciation expense	-	-	-	-	-	-	(53)	(53)
Interest income	59	46	7	15	191	-	6	324
Total nonoperating revenues (expenses)	59	46	7	15	191	-	(47)	271
Income before contributions	724	(1)	24	(108)	2,895	8	(290)	3,252
Capital contributions	-	-	-	-	-	-	2,834	2,834
Change in net assets	724	(1)	24	(108)	2,895	8	2,544	6,086
Total net assets - beginning	994	420	152	319	1,347	10	-	3,242
Total net assets - ending	\$ 1,718	\$ 419	\$ 176	\$ 211	\$ 4,242	\$ 18	\$ 2,544	\$ 9,328

**COLLIN COUNTY, TEXAS**

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets**

**Internal Service Funds**

**For the Year Ended September 30, 2006**

(Amounts expressed in thousands)

	Liability Insurance	Workers' Compensation Insurance	Flexible Benefits	Unemployment Assessment	Insurance Claim	Employee Paid Benefits	Animal Safety	Total
Operating revenues:								
Premiums	\$ 1,000	\$ 450	\$ 2,272	\$ -	\$ 17,458	\$ 337	\$ -	\$ 21,517
Charges for services	-	-	-	-	-	-	3	3
Other	409	12	-	-	375	-	-	796
Total operating revenues	1,409	462	2,272	-	17,833	337	3	22,316
Operating expenses:								
Administration	1	29	-	100	1,014	-	246	1,390
Benefits	743	480	2,255	23	14,115	329	-	17,945
Total operating expenses	744	509	2,255	123	15,129	329	246	19,335
Operating income (loss)	665	(47)	17	(123)	2,704	8	(243)	2,981
Nonoperating revenues (expenses):								
Depreciation expense	-	-	-	-	-	-	(53)	(53)
Interest income	59	46	7	15	191	-	6	324
Total nonoperating revenues (expenses)	59	46	7	15	191	-	(47)	271
Income before contributions	724	(1)	24	(108)	2,895	8	(290)	3,252
Capital contributions	-	-	-	-	-	-	2,834	2,834
Change in net assets	724	(1)	24	(108)	2,895	8	2,544	6,086
Total net assets - beginning	994	420	152	319	1,347	10	-	3,242
Total net assets - ending	\$ 1,718	\$ 419	\$ 176	\$ 211	\$ 4,242	\$ 18	\$ 2,544	\$ 9,328

**COLLIN COUNTY, TEXAS**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**

**For the Year Ended September 30, 2006**  
(Amounts expressed in thousands)

	Liability Insurance	Workers' Compensation Insurance	Flexible Benefits	Unemployment Assessment	Insurance Claim	Employee Paid Benefits	Animal Safety	Total
Cash flows from operating activities:								
Receipts from customers and users	\$ 1,000	\$ 450	\$ 2,272	\$ -	\$ 17,400	\$ 337	\$ 3	\$ 21,462
Insurance recovery	40	12	-	-	375	-	-	427
Administration costs	(1)	(40)	-	(100)	(1,014)	-	(235)	(1,390)
Benefits paid	(745)	(464)	(2,255)	(33)	(13,663)	(304)	-	(17,464)
Net cash provided (used) by operating activities	294	(42)	17	(133)	3,098	33	(232)	3,035
Cash flows from capital financing activities:								
Capital expenditures	-	-	-	-	-	-	(2,598)	(2,598)
Capital contribution	-	-	-	-	-	-	2,834	2,834
Net cash provided (used) by capital financing activities	-	-	-	-	-	-	236	236
Cash flows from investing activities:								
Interest income	59	46	7	15	191	-	6	324
Net increase (decrease) in cash and cash equivalents	353	4	24	(118)	3,289	33	10	3,595
Cash and cash equivalents - October 1, 2005	1,423	1,096	162	329	3,507	11	-	6,528
Cash and cash equivalents - September 30, 2006	\$ 1,776	\$ 1,100	\$ 186	\$ 211	\$ 6,796	\$ 44	\$ 10	\$ 10,123
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:								
Operating income (loss)	\$ 665	\$ (47)	\$ 17	\$ (123)	\$ 2,704	\$ 8	\$ (243)	\$ 2,981
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Increase (decrease) in intergovernmental receivable	(369)	-	-	-	10	-	-	(359)
Increase (decrease) in due from other funds	-	-	-	-	(69)	-	-	(69)
Increase (decrease) in accounts payable	(2)	5	-	(10)	446	25	-	464
Increase (decrease) in payroll payable	-	-	-	-	7	-	11	18
Total adjustments	(371)	5	-	(10)	394	25	11	54
Net cash provided (used) by operating activities	\$ 294	\$ (42)	\$ 17	\$ (133)	\$ 3,098	\$ 33	\$ (232)	\$ 3,035

## **AGENCY FUNDS**

**OFFICER'S TRUST FUND** – to account for monies due from various County officials to various individuals.

**STATE FEE FUND** – to account for monies due to the State as a result of collections of mandated levies resulting from conviction of certain offenses. The County collects these funds as the agent for the State.

**SHERIFF'S FUND** – to account for the collection and disbursement of fines and fees.

**DISTRICT CLERK – TRUST FUND** – to account for monies which are administered for other persons by the District Clerk's Office.

**DISTRICT CLERK – OTHER FUND** – to account for collections and fees and other costs and distribution of those monies.

**COUNTY CLERK – TRUST FUND** – to account for monies which are administered for other persons by the County Clerk's Office.

**COUNTY CLERK – OTHER FUND** – to account for collections and fees and other costs and distribution of those monies.

**TAX ASSESSOR COLLECTOR FUND** – to account for collection and disbursement of tax revenue and other fees.

**JUSTICE OF THE PEACE FUND** – to account for the collection and disbursement of fines and fees by precinct and place.

**BAIL SECURITY FUND** – to account for the statutory mandated deposit of bail bond firms licensed for appearance bonding in Collin County.

**JUVENILE PROBATION FUND** – to account for collection and disbursement of fines and fees.

**COMMUNITY SUPERVISION FUND** – to account for collection and disbursement of fines and fees.

**INMATE TRUST FUND** – to account for inmate money used to buy commissary goods.

**DISTRICT ATTORNEY TRUST FUND** – to account for collection and disbursement of fines and fees.

**JAIL CASE COORDINATOR FUND** – to account for collection and disbursement of fees.

**JAIL COMMISSARY FUND** – to account for proceeds received from the sale of goods to inmates and expenditures of same.

**CONSTABLE FUND** – to account for the collection and disbursement of fines and fees by precinct.

**DISTRICT ATTORNEY SEIZED FUNDS REGISTRY FUND** – to account for the collection and disbursement of seized funds, prior to adjudication.

**COLLIN COUNTY, TEXAS**

**Combining Statement of Changes in Assets  
and Liabilities**

**All Agency Funds**

**For the Fiscal Year Ended September 30, 2006**  
(Amounts expressed in thousands)

<b><u>OFFICERS' TRUST FUND</u></b>	<u>Balance October 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2006</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 317	\$ 437	\$ 397	\$ 357
Total assets	<u>\$ 317</u>	<u>\$ 437</u>	<u>\$ 397</u>	<u>\$ 357</u>
<u>Liabilities</u>				
Due to others/vouchers	\$ 317	\$ 366	\$ 326	\$ 357
Total liabilities	<u>\$ 317</u>	<u>\$ 366</u>	<u>\$ 326</u>	<u>\$ 357</u>
 <b><u>STATE FEES AGENCY</u></b>				
<u>Assets</u>				
Cash and cash equivalents	\$ 745	\$ 11,309	\$ 11,033	\$ 1,021
Due from other agency funds	10	3,452	3,452	10
Miscellaneous receivables	70	141	143	68
Total assets	<u>\$ 825</u>	<u>\$ 14,902</u>	<u>\$ 14,628</u>	<u>\$ 1,099</u>
<u>Liabilities</u>				
Due to other governments	\$ 7	\$ 4,317	\$ 4,323	\$ 1
Due to others/vouchers payable	818	1,917	1,637	1,098
Total liabilities	<u>\$ 825</u>	<u>\$ 6,234</u>	<u>\$ 5,960</u>	<u>\$ 1,099</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Changes in Assets  
and Liabilities**

**All Agency Funds, continued**

**For the Fiscal Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

<b><u>SHERIFF FUND</u></b>	<u>Balance October 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2006</u>
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 5,248	\$ 5,248	\$ -
Miscellaneous receivables	-	1	-	1
Total assets	<u>\$ -</u>	<u>\$ 5,249</u>	<u>\$ 5,248</u>	<u>\$ 1</u>
<u>Liabilities</u>				
Due to other governments	\$ -	\$ 1,313	\$ 1,313	\$ -
Due to other agency funds	-	3,532	3,532	-
Due to others	-	60	59	1
Total liabilities	<u>\$ -</u>	<u>\$ 4,905</u>	<u>\$ 4,904</u>	<u>\$ 1</u>
 <b><u>DISTRICT CLERK - TRUST FUND</u></b>				
<u>Assets</u>				
Cash and cash equivalents	\$ 2,399	\$ 12,065	\$ 11,125	\$ 3,339
Investments	6,383	7,459	11,463	2,379
Total assets	<u>\$ 8,782</u>	<u>\$ 19,524</u>	<u>\$ 22,588</u>	<u>\$ 5,718</u>
<u>Liabilities</u>				
Due to others/vouchers payable	<u>\$ 8,782</u>	<u>\$ 19,524</u>	<u>\$ 22,588</u>	<u>\$ 5,718</u>
Total liabilities	<u>\$ 8,782</u>	<u>\$ 19,524</u>	<u>\$ 22,588</u>	<u>\$ 5,718</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Changes in Assets  
and Liabilities**

**All Agency Funds, continued**

**For the Fiscal Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

<b><u>DISTRICT CLERK - OTHER FUND</u></b>	<u>Balance October 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2006</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 806	\$ 10,584	\$ 10,651	\$ 739
Total assets	<u>\$ 806</u>	<u>\$ 10,584</u>	<u>\$ 10,651</u>	<u>\$ 739</u>
<u>Liabilities</u>				
Due to other governments	\$ 1	\$ 5	\$ 5	\$ 1
Due to other agency funds	7	585	592	-
Cash bonds outstanding	749	1,319	1,387	681
Cost deposits outstanding	49	223	215	57
Child support payable	-	6,020	6,020	-
Total liabilities	<u>\$ 806</u>	<u>\$ 8,152</u>	<u>\$ 8,219</u>	<u>\$ 739</u>
<u>COUNTY CLERK - TRUST FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 301	\$ 10,402	\$ 6,023	\$ 4,680
Investments	5,013	6,712	6,843	4,882
Total assets	<u>\$ 5,314</u>	<u>\$ 17,114</u>	<u>\$ 12,866</u>	<u>\$ 9,562</u>
<u>Liabilities</u>				
Due to others/vouchers payable	\$ 5,314	\$ 17,114	\$ 12,866	\$ 9,562
Total liabilities	<u>\$ 5,314</u>	<u>\$ 17,114</u>	<u>\$ 12,866</u>	<u>\$ 9,562</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Changes in Assets  
and Liabilities**

**All Agency Funds, continued**

**For the Fiscal Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

<u>COUNTY CLERK - OTHER FUND</u>	Balance October 1, 2005	Additions	Deductions	Balance September 30, 2006
<u>Assets</u>				
Cash and cash equivalents	\$ 2,127	\$ 13,791	\$ 13,349	\$ 2,569
Miscellaneous Receivables	-	17	-	17
Total assets	<u>\$ 2,127</u>	<u>\$ 13,808</u>	<u>\$ 13,349</u>	<u>\$ 2,586</u>
<u>Liabilities</u>				
Due to other governments	\$ -	\$ 16	\$ 16	\$ -
Due to other agency funds	-	397	388	9
Due to others/vouchers payable	3	184	26	161
Cash bonds outstanding	2,124	4,020	3,728	2,416
Total liabilities	<u>\$ 2,127</u>	<u>\$ 4,617</u>	<u>\$ 4,158</u>	<u>\$ 2,586</u>
 <u>TAX ASSESSOR/COLLECTOR FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 1,829	\$ 1,464,855	\$ 1,464,040	\$ 2,644
Investments	8,480	32,396	32,462	8,414
Due from other agency funds	1	64	65	-
Miscellaneous receivables	18	4,739	4,736	21
Total assets	<u>\$ 10,328</u>	<u>\$ 1,502,054</u>	<u>\$ 1,501,303</u>	<u>\$ 11,079</u>
<u>Liabilities</u>				
Due to other governments	\$ 5,367	\$ 1,290,934	\$ 1,290,337	\$ 5,964
Due to other agency funds	-	143,442	143,442	-
Due to others	974	136,871	136,173	1,672
Escrow deposits	3,987	14,838	15,382	3,443
Total liabilities	<u>\$ 10,328</u>	<u>\$ 1,586,085</u>	<u>\$ 1,585,334</u>	<u>\$ 11,079</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Changes in Assets  
and Liabilities**

**All Agency Funds, continued**

**For the Fiscal Year Ended September 30, 2006**  
(Amounts expressed in thousands)  
(Continued)

<b>JUSTICE OF THE PEACE, PRECINCT 1</b>	<u>Balance October 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2006</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 15	\$ 3,226	\$ 3,233	\$ 8
Total assets	<u>\$ 15</u>	<u>\$ 3,226</u>	<u>\$ 3,233</u>	<u>\$ 8</u>
<u>Liabilities</u>				
Due to other governments	\$ -	\$ 142	\$ 142	\$ -
Due to other agency funds	-	2,889	2,889	-
Due to others/acct payable	15	196	203	8
Total liabilities	<u>\$ 15</u>	<u>\$ 3,227</u>	<u>\$ 3,234</u>	<u>\$ 8</u>
<b>JUSTICE OF THE PEACE, PRECINCT 2</b>				
<u>Assets</u>				
Cash and cash equivalents	\$ 33	\$ 757	\$ 765	\$ 25
Total assets	<u>\$ 33</u>	<u>\$ 757</u>	<u>\$ 765</u>	<u>\$ 25</u>
<u>Liabilities</u>				
Due to other governments	\$ -	\$ 21	\$ 21	\$ -
Due to other agency funds	-	198	198	-
Due to others/vouchers payable	33	126	134	25
Total liabilities	<u>\$ 33</u>	<u>\$ 345</u>	<u>\$ 353</u>	<u>\$ 25</u>
<b>JUSTICE OF THE PEACE, PRECINCT 3-1</b>				
<u>Assets</u>				
Cash and cash equivalents	\$ 17	\$ 479	\$ 482	\$ 14
Total assets	<u>\$ 17</u>	<u>\$ 479</u>	<u>\$ 482</u>	<u>\$ 14</u>
<u>Liabilities</u>				
Due to other governments	\$ -	\$ 11	\$ 11	\$ -
Due to other agency funds	-	141	141	-
Due to others/vouchers payable	17	49	52	14
Total liabilities	<u>\$ 17</u>	<u>\$ 201</u>	<u>\$ 204</u>	<u>\$ 14</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Changes in Assets  
and Liabilities**

**All Agency Funds, continued**

**For the Fiscal Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

<b>JUSTICE OF THE PEACE, <u>PRECINCT 3-2</u></b>	<u>Balance October 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2006</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 15	\$ 820	\$ 823	\$ 12
Total assets	<u>\$ 15</u>	<u>\$ 820</u>	<u>\$ 823</u>	<u>\$ 12</u>
<u>Liabilities</u>				
Due to other governments	\$ -	\$ 9	\$ 9	\$ -
Due to other agency funds	3	286	289	-
Due to others/vouchers payable	12	57	57	12
Total liabilities	<u>\$ 15</u>	<u>\$ 352</u>	<u>\$ 355</u>	<u>\$ 12</u>
<b>JUSTICE OF THE PEACE, <u>PRECINCT 4</u></b>				
<u>Assets</u>				
Cash and cash equivalents	\$ 46	\$ 2,425	\$ 2,341	\$ 130
Total assets	<u>\$ 46</u>	<u>\$ 2,425</u>	<u>\$ 2,341</u>	<u>\$ 130</u>
<u>Liabilities</u>				
Due to other governments	\$ -	\$ 90	\$ 90	\$ -
Due to other agency funds	-	819	818	1
Due to others/vouchers payable	46	368	285	129
Total liabilities	<u>\$ 46</u>	<u>\$ 1,277</u>	<u>\$ 1,193</u>	<u>\$ 130</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Changes in Assets  
and Liabilities**

**All Agency Funds, continued**

**For the Fiscal Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

<b><u>BAIL SECURITY</u></b>	<u>Balance October 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2006</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 62	\$ 112	\$ 73	\$ 101
Noncash security deposits	3,205	483	-	3,688
Total assets	<u>\$ 3,267</u>	<u>\$ 595</u>	<u>\$ 73</u>	<u>\$ 3,789</u>
<u>Liabilities</u>				
Due to others	\$ 3,267	\$ 529	\$ 7	\$ 3,789
Total liabilities	<u>\$ 3,267</u>	<u>\$ 529</u>	<u>\$ 7</u>	<u>\$ 3,789</u>
 <b><u>JUVENILE PROBATION</u></b>				
<u>Assets</u>				
Cash and cash equivalents	\$ 1	\$ 196	\$ 196	\$ 1
Total assets	<u>\$ 1</u>	<u>\$ 196</u>	<u>\$ 196</u>	<u>\$ 1</u>
<u>Liabilities</u>				
Due to other agency funds	\$ -	\$ 124	\$ 124	\$ -
Due to others	1	79	79	1
Total liabilities	<u>\$ 1</u>	<u>\$ 203</u>	<u>\$ 203</u>	<u>\$ 1</u>
 <b><u>COMMUNITY SUPERVISION</u></b>				
<u>Assets</u>				
Cash and cash equivalents	\$ 819	\$ 10,841	\$ 10,823	\$ 837
Total assets	<u>\$ 819</u>	<u>\$ 10,841</u>	<u>\$ 10,823</u>	<u>\$ 837</u>
<u>Liabilities</u>				
Due to other governments	\$ 2	\$ 15	\$ 17	\$ -
Due to other agency funds	-	945	945	-
Due to others/vouchers payable	817	3,576	3,556	837
Total liabilities	<u>\$ 819</u>	<u>\$ 4,536</u>	<u>\$ 4,518</u>	<u>\$ 837</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Changes in Assets  
and Liabilities**

**All Agency Funds, continued**

**For the Fiscal Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

<u><b>INMATE TRUST</b></u>	<u>Balance October 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2006</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 47	\$ 2,009	\$ 2,009	\$ 47
Total assets	<u>\$ 47</u>	<u>\$ 2,009</u>	<u>\$ 2,009</u>	<u>\$ 47</u>
<u>Liabilities</u>				
Due to others	\$ 47	\$ 2,009	\$ 2,009	\$ 47
Total liabilities	<u>\$ 47</u>	<u>\$ 2,009</u>	<u>\$ 2,009</u>	<u>\$ 47</u>
 <u><b>DISTRICT ATTORNEY TRUST</b></u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 152	\$ 1,029	\$ 1,064	\$ 117
Total assets	<u>\$ 152</u>	<u>\$ 1,029</u>	<u>\$ 1,064</u>	<u>\$ 117</u>
<u>Liabilities</u>				
Due to others	\$ 152	\$ 1,029	\$ 1,064	\$ 117
Total liabilities	<u>\$ 152</u>	<u>\$ 1,029</u>	<u>\$ 1,064</u>	<u>\$ 117</u>
 <u><b>JAIL CASE COORDINATOR</b></u>				
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 45	\$ 41	\$ 4
Total assets	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ 41</u>	<u>\$ 4</u>
<u>Liabilities</u>				
Due to others	\$ -	\$ 45	\$ 41	\$ 4
Total liabilities	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ 41</u>	<u>\$ 4</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Changes in Assets  
and Liabilities**

**All Agency Funds, continued**

**For the Fiscal Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

<u><b>JAIL COMMISSARY</b></u>	<u>Balance October 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2006</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 655	\$ 927	\$ 891	\$ 691
Total assets	<u>\$ 655</u>	<u>\$ 927</u>	<u>\$ 891</u>	<u>\$ 691</u>
<u>Liabilities</u>				
Due to others	\$ 655	\$ 927	\$ 891	\$ 691
Total liabilities	<u>\$ 655</u>	<u>\$ 927</u>	<u>\$ 891</u>	<u>\$ 691</u>
 <u><b>CONSTABLE, PRECINCT 1</b></u>				
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 668	\$ 668	\$ -
Total assets	<u>\$ -</u>	<u>\$ 668</u>	<u>\$ 668</u>	<u>\$ -</u>
<u>Liabilities</u>				
Due to other governments	\$ -	\$ 133	\$ 133	\$ -
Due to other agency funds	-	436	436	-
Due to others/vouchers payable	-	29	29	-
Total liabilities	<u>\$ -</u>	<u>\$ 598</u>	<u>\$ 598</u>	<u>\$ -</u>
 <u><b>CONSTABLE, PRECINCT 2</b></u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 39	\$ 54	\$ 93	\$ -
Total assets	<u>\$ 39</u>	<u>\$ 54</u>	<u>\$ 93</u>	<u>\$ -</u>
<u>Liabilities</u>				
Due to other agency funds	\$ -	\$ 36	\$ 36	\$ -
Due to others/vouchers payable	39	45	84	-
Total liabilities	<u>\$ 39</u>	<u>\$ 81</u>	<u>\$ 120</u>	<u>\$ -</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Changes in Assets  
and Liabilities**

**All Agency Funds, continued**

**For the Fiscal Year Ended September 30, 2006**

(Amounts expressed in thousands)

(Continued)

<u>CONSTABLE, PRECINCT 3</u>	Balance October 1, 2005	Additions	Deductions	Balance September 30, 2006
<u>Assets</u>				
Cash and cash equivalents	\$ 2	\$ 163	\$ 159	\$ 6
Total assets	<u>\$ 2</u>	<u>\$ 163</u>	<u>\$ 159</u>	<u>\$ 6</u>
<u>Liabilities</u>				
Due to other agency funds	\$ 1	\$ 67	\$ 68	\$ -
Due to others/vouchers payable	1	20	15	6
Total liabilities	<u>\$ 2</u>	<u>\$ 87</u>	<u>\$ 83</u>	<u>\$ 6</u>
 <u>CONSTABLE, PRECINCT 4</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 238	\$ 238	\$ -
Total assets	<u>\$ -</u>	<u>\$ 238</u>	<u>\$ 238</u>	<u>\$ -</u>
<u>Liabilities</u>				
Due to other governments	\$ -	\$ 55	\$ 55	\$ -
Due to others/vouchers payable	-	110	110	-
Total liabilities	<u>\$ -</u>	<u>\$ 165</u>	<u>\$ 165</u>	<u>\$ -</u>
 <u>DISTRICT ATTORNEY SEIZED FUNDS REGISTRY</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 100	\$ 3	\$ 97
Total assets	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 3</u>	<u>\$ 97</u>
<u>Liabilities</u>				
Due to others/vouchers payable	\$ -	\$ 107	\$ 10	\$ 97
Total liabilities	<u>\$ -</u>	<u>\$ 107</u>	<u>\$ 10</u>	<u>\$ 97</u>

**COLLIN COUNTY, TEXAS**

**Combining Statement of Changes in Assets  
and Liabilities**

**All Agency Funds, continued**

**For the Fiscal Year Ended September 30, 2006**

(Amounts expressed in thousands)  
(Continued)

<b><u>TOTALS - ALL AGENCY FUNDS</u></b>	Balance October 1, 2005	Additions	Deductions	Balance September 30, 2006
<u>Assets</u>				
Cash and cash equivalents	\$ 10,427	\$ 1,552,780	\$ 1,545,768	\$ 17,439
Investments	19,876	46,567	50,768	15,675
Noncash security deposits	3,205	483	-	3,688
Receivables:				
Due from other agency funds	11	3,516	3,517	10
Miscellaneous receivables	88	4,898	4,879	107
Total assets	<u>\$ 33,607</u>	<u>\$ 1,608,344</u>	<u>\$ 1,604,935</u>	<u>\$ 36,919</u>
<u>Liabilities</u>				
Due to other governments	\$ 5,377	\$ 1,297,061	\$ 1,296,472	\$ 5,966
Due to other agency funds	11	153,861	153,862	10
Due to others/vouchers payable	21,310	185,337	182,301	24,346
Cash bonds outstanding	2,873	5,339	5,115	3,097
Cost deposits outstanding	49	223	215	57
Child support payable	-	6,020	6,020	-
Escrow deposits	3,987	14,838	15,382	3,443
Total liabilities	<u>\$ 33,607</u>	<u>\$ 1,662,786</u>	<u>\$ 1,659,377</u>	<u>\$ 36,919</u>

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# STATISTICAL SECTION

This part of Collin County, Texas 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 government's overall financial health.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	163
<b>Revenue Capacity</b> <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	169
<b>Debt Capacity</b> <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	175
<b>Demographic and Economic Information</b> <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	178
<b>Operating Information</b> <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	181
<b>Insurance Information</b> <i>These schedules contain insurance information to help the reader understand insurance coverage that protects the county.</i>	184

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

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**COLLIN COUNTY, TEXAS**

**Net Assets by Component  
Last Five Fiscal Years  
(amounts expressed in thousands)  
(unaudited)**

	Fiscal Year				
	2002	2003	2004	2005	2006
<b>Reporting entities</b>					
Invested in capital assets, net of related debt	\$ 204,428	\$ 215,382	\$ 210,505	\$ 216,934	\$ 215,637
Restricted	28,814	26,640	25,219	26,830	26,606
Unrestricted	101,674	105,349	108,959	86,923	116,688
<b>Total reporting entities net assets</b>	<u>\$ 334,916</u>	<u>\$ 347,371</u>	<u>\$ 344,683</u>	<u>\$ 330,687</u>	<u>\$ 358,931</u>
<b>Primary government</b>					
Invested in capital assets, net of related debt	\$ 204,428	\$ 215,382	\$ 210,505	\$ 216,934	\$ 215,637
Restricted	28,814	26,640	25,219	26,830	26,606
Unrestricted	101,674	105,349	108,959	86,843	116,622
<b>Total primary government net assets</b>	<u>\$ 334,916</u>	<u>\$ 347,371</u>	<u>\$ 344,683</u>	<u>\$ 330,607</u>	<u>\$ 358,865</u>

**Note:** Accrual-basis financial information for the county government as a whole is available back to 2002 only, the year GASB Statement 34 was implemented.

**COLLIN COUNTY, TEXAS**  
**Changes in Net Assets**  
**Last Five Fiscal Years**  
**(amounts expressed in thousands)**  
**(unaudited)**

	Fiscal Year				
	2002	2003	2004	2005	2006
<b>Expenses</b>					
Governmental activities:					
General administration	\$ 16,428	\$ 15,268	\$ 15,961	\$ 26,432	\$ 23,366
Judicial	9,865	11,219	12,324	13,130	13,943
Financial administration	5,606	6,501	7,558	7,905	8,072
Legal	6,979	7,582	8,382	8,619	8,828
Public facilities	10,804	12,653	15,696	13,509	13,205
Equipment services	2,245	2,155	2,322	2,418	2,501
Public safety	33,302	38,547	42,741	44,463	48,524
Public transportation	19,377	28,584	16,490	54,856	28,558
Health and welfare	9,415	12,942	13,522	13,977	14,320
Culture and recreation	717	951	5,216	1,079	1,619
Conservation	208	317	278	393	264
Debt service, interest and fiscal charges	11,020	10,485	9,382	14,600	15,436
Total governmental activities expenses	<u>125,966</u>	<u>147,204</u>	<u>149,872</u>	<u>201,381</u>	<u>178,636</u>
Total primary government net assets	<u>\$ 125,966</u>	<u>\$ 147,204</u>	<u>\$ 149,872</u>	<u>\$ 201,381</u>	<u>\$ 178,636</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for service					
General administration	\$ 6,084	\$ 7,901	\$ 7,258	\$ 7,326	\$ 9,730
Judicial	1,679	1,782	4,022	4,376	2,512
Financial administration	1,710	1,725	2,417	1,357	2,512
Legal	341	167	181	176	239
Public facilities	11	11	11	12	9
Equipment services	-	-	-	-	-
Public safety	6,827	5,222	4,030	7,690	9,159
Public transportation	10,046	10,848	9,485	10,816	11,396
Health and welfare	1,647	1,423	1,501	1,539	609
Culture and recreation	62	63	88	108	-
Conservation	-	-	-	-	-
Debt service, interest and fiscal charges	-	-	-	-	-
Operating grants and contributions:					
General administration	\$ 426	\$ 485	\$ 513	\$ 510	\$ 1,250
Judicial	103	107	127	382	699
Financial administration	-	20	18	51	-
Legal	4	82	74	86	73
Public facilities	285	79	185	-	2,217
Equipment services	-	-	-	-	1
Public safety	2,511	2,068	2,383	5,460	2,402
Public transportation	2,143	1,609	279	1,163	5,196
Health and welfare	2,023	2,909	2,697	3,337	5,366
Culture and recreation	159	332	337	334	284
Conservation	-	-	-	67	16
Debt service, interest and fiscal charges	897	392	79	-	926
Capital grants and contributions:					
Health and welfare	\$ -	\$ -	\$ -	\$ -	\$ 156
Public safety	118	99	124	1,291	1,034
Total governmental activities program revenues	<u>\$ 37,076</u>	<u>\$ 37,324</u>	<u>\$ 35,809</u>	<u>\$ 46,081</u>	<u>\$ 55,786</u>
Total primary government program revenues	<u>\$ 37,076</u>	<u>\$ 37,324</u>	<u>\$ 35,809</u>	<u>\$ 46,081</u>	<u>\$ 55,786</u>

(continued)

**COLLIN COUNTY, TEXAS**  
**Changes in Net Assets, Continued**  
**Last Five Fiscal Years**  
**(amounts expressed in thousands)**  
**(unaudited)**

<b>Net (Expense)Revenue</b>					
Governmental activities	\$ (88,890)	\$ (109,880)	\$ (114,075)	\$ (155,300)	\$ (122,850)
Total primary government net expense	<u>\$ (88,890)</u>	<u>\$ (109,880)</u>	<u>\$ (114,075)</u>	<u>\$ (155,300)</u>	<u>\$ (122,850)</u>
<b>General Revenue and Other Changes in Net Assets</b>					
Governmental activities:					
Property taxes	\$ 106,311	\$ 118,291	\$ 125,285	\$ 132,226	\$ 142,929
Mixed beverage tax	1,052	1,098	1,209	1,296	1,524
Motor fuel tax	57	57	-	-	-
Unrestricted investment earnings	3,443	2,464	3,737	8,275	6,601
Gain on sale of capital assets	158	204	116	253	-
Miscellaneous	316	221	74	90	54
Total governmental activities	<u>\$ 111,337</u>	<u>\$ 122,335</u>	<u>\$ 130,421</u>	<u>\$ 142,140</u>	<u>\$ 151,108</u>
Total primary government	<u>\$ 111,337</u>	<u>\$ 122,335</u>	<u>\$ 130,421</u>	<u>\$ 142,140</u>	<u>\$ 151,108</u>
<b>Changes in Net Assets</b>					
Governmental activities	<u>\$ 22,447</u>	<u>\$ 12,455</u>	<u>\$ 16,346</u>	<u>\$ (13,160)</u>	<u>\$ 28,258</u>
Total primary government	<u>\$ 22,447</u>	<u>\$ 12,455</u>	<u>\$ 16,346</u>	<u>\$ (13,160)</u>	<u>\$ 28,258</u>

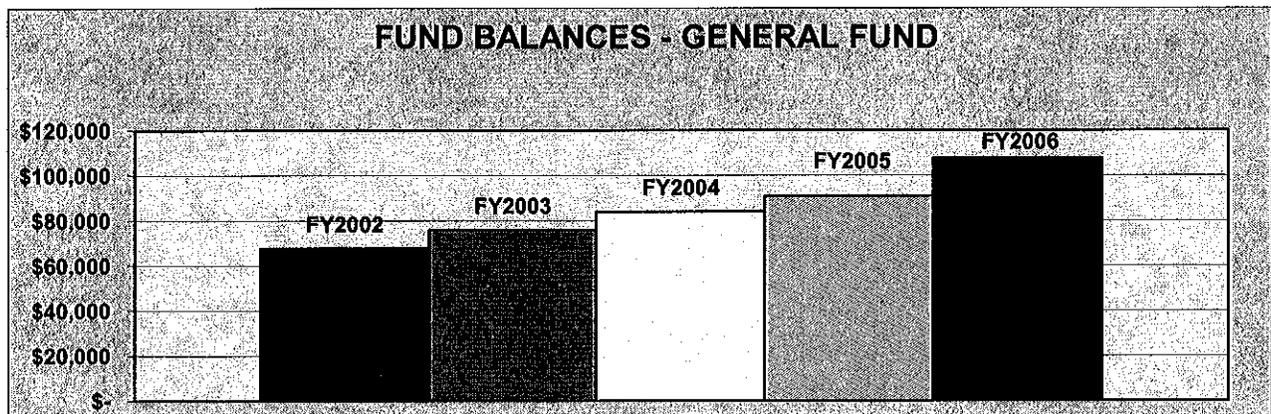
**Note:** Accrual-basis financial information for the county government as a whole is available back to 2002 only, the year GASB Statement 34 was implemented.

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**COLLIN COUNTY, TEXAS**  
**Fund Balances, Governmental Funds**  
**Last Five Fiscal Years**  
**(amounts expressed in thousands)**  
**(unaudited)**

	Fiscal Year				
	2002	2003	2004	2005	2006
General Fund					
Reserved	\$ 2,147	\$ 5,419	\$ 2,620	\$ 6,521	\$ 3,926
Unreserved					
Designated	9,046	9,069	9,698	9,782	10,050
Undesignated	56,419	61,411	71,615	74,515	93,650
Total General Fund	<u>\$ 67,612</u>	<u>\$ 75,899</u>	<u>\$ 83,933</u>	<u>\$ 90,818</u>	<u>\$ 107,626</u>
All Other Governmental Funds					
Reserved	\$ 123,556	\$ 109,217	\$ 156,163	\$ 184,967	\$ 190,539
Unreserved					
Designated					
Special revenue funds	314	349	-	-	696
Capital project funds	279	347	546	567	-
Undesignated					
Special revenue funds	14,904	17,902	14,557	11,605	13,813
Total all other governmental funds	<u>\$ 139,053</u>	<u>\$ 127,815</u>	<u>\$ 171,266</u>	<u>\$ 197,139</u>	<u>\$ 205,048</u>

Note: Due to changes in the county's fund structure connected with the implementation of GASB Statement 34, fund balance information is available back to 2002 only.



**COLLIN COUNTY, TEXAS**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**  
**(unaudited)**

	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Revenues</b>					
Intergovernmental:					
Taxes	\$ 54,763	\$ 61,645	\$ 67,637	\$ 79,833	\$ 92,273
Fees and permits	6,172	6,653	7,845	8,808	9,723
Federal and state funds	4,658	4,712	10,768	6,091	6,645
Charges for service	10,147	11,846	12,206	10,761	12,618
Fines and forfeitures	1,967	2,238	2,068	2,266	2,386
Investment earnings	5,111	6,114	6,393	10,570	12,077
Miscellaneous	1,336	4,917	1,690	3,448	2,249
<b>Total Revenues</b>	<b>84,154</b>	<b>98,125</b>	<b>108,607</b>	<b>121,777</b>	<b>137,971</b>
<b>Expenditures</b>					
General administration	9,800	9,848	10,881	12,345	13,901
Judicial	5,075	6,201	6,181	7,244	8,552
Financial administration	3,447	3,569	3,772	4,473	4,909
Legal	3,411	3,905	4,195	4,889	6,017
Public facilities	4,217	4,280	4,928	6,065	7,252
Equipment services	991	1,220	1,197	2,562	2,176
Public safety	20,824	22,676	25,889	28,941	33,039
Public transportation	7,444	7,960	8,690	10,216	11,430
Health and welfare	4,644	4,842	4,785	5,453	7,189
Culture and recreation	145	157	144	151	151
Conservation	149	120	150	180	191
Capital outley	10,013	24,214	20,539	23,620	25,423
Debt service					
Principal	10,775	9,770	11,955	11,120	12,375
Interest	4,909	7,783	4,409	8,208	8,791
Lease obligations	2	1	57	-	-
Bond issuance costs	-	-	-	-	-
<b>Total Expenditures</b>	<b>85,846</b>	<b>106,546</b>	<b>107,772</b>	<b>125,467</b>	<b>141,396</b>
Excess of revenues over (under) expenditures	(1,692)	(8,422)	834	(3,689)	(3,422)
<b>Other Financing Sources (Uses)</b>					
Bonds issued	24,400	33,571	38,017	61,332	29,465
Refunding bonds issued	-	-	-	-	-
Payments to escrow agent	-	(33,571)	-	-	-
Capital contributions					
Refund of escrow					
Loan proceeds					
Sale of non-capital equipment	-	-	-	-	-
Sale of capital assets	70	160	27	70	5
Transfers in	1,272	1,581	2,502	3,099	4,690
Transfers out	(1,272)	(1,581)	(2,502)	(3,099)	(3,990)
<b>Total other financing sources (uses)</b>	<b>24,470</b>	<b>160</b>	<b>38,044</b>	<b>61,402</b>	<b>30,170</b>
<b>Net change in fund balances</b>	<b>\$ 22,778</b>	<b>\$ (8,263)</b>	<b>\$ (37,210)</b>	<b>\$ (65,091)</b>	<b>\$ (33,592)</b>
Debt Service as a percentage of noncapital expenditures	20.68%	21.32%	18.76%	18.98%	18.25%

(continued)

2002	2003	2004	2005	2006
\$ 107,122	\$ 119,421	\$ 124,916	\$ 132,442	\$ 142,390
10,896	11,211	10,355	11,444	12,420
3,960	5,600	6,588	11,820	8,473
11,726	14,267	15,627	15,039	19,245
2,521	2,378	3,110	4,116	4,518
7,477	4,307	4,023	8,462	16,743
2,534	2,839	2,601	3,962	1,286
<u>146,236</u>	<u>160,023</u>	<u>167,220</u>	<u>187,285</u>	<u>205,075</u>
17,034	16,909	21,515	24,042	22,442
9,733	11,254	12,126	13,255	14,370
5,527	6,720	7,548	7,963	8,319
6,898	7,657	8,302	8,697	8,898
7,110	7,766	8,426	8,822	8,761
2,210	2,187	2,340	2,369	2,534
33,310	38,606	42,763	45,560	48,930
11,443	13,629	14,437	12,967	16,180
9,117	12,801	13,407	13,903	14,285
672	907	937	1,010	1,098
207	318	270	399	265
49,561	23,383	25,672	42,058	79,424
14,440	17,725	18,151	16,615	15,230
9,516	10,556	9,120	11,382	14,953
-	-	-	-	-
255	50	707	896	263
<u>137,841</u>	<u>170,468</u>	<u>185,721</u>	<u>209,938</u>	<u>255,952</u>
<u>(30,797)</u>	<u>(10,445)</u>	<u>(18,501)</u>	<u>(22,653)</u>	<u>(50,877)</u>
37,548	8,000	81,075	97,040	64,720
-	-	(15,745)	(48,586)	-
(11,548)	-	4,303	6,545	404
				(2,834)
				696
				4,096
56	-	-	-	-
427	204	384	412	8,512
4,691	5,605	7,220	7,713	6,600
(4,691)	(6,315)	(7,220)	(7,713)	(6,600)
<u>26,483</u>	<u>7,494</u>	<u>70,017</u>	<u>55,411</u>	<u>75,594</u>
\$ (4,314)	\$ (2,951)	\$ 51,516	\$ 32,758	\$ 24,717
27.43%	19.26%	17.48%	17.21%	17.25%

**COLLIN COUNTY, TEXAS**

**Estimated Market Value and Assessed Taxable Value of Property**

**Last Ten Fiscal Years**

(Amounts expressed in thousands)

(Unaudited)

Fiscal Year	Estimated Market Value					Assessed Taxable Value	Ratio of Assessed to Estimated Actual Value
	Land (1)	City Property (1)	Personal Property	Telephone, Pipe Lines, Railroads	Total		
1997	2,481,746	17,840,102	2,422,444	482,447	23,226,739	21,119,769	91%
1998	2,969,638	20,347,944	2,893,401	523,826	26,734,809	23,597,686	88%
1999	3,576,279	23,564,366	3,228,917	566,953	30,936,515	27,161,620	88%
2000	4,308,666	27,581,960	3,295,219	621,370	35,807,215	31,326,529	87%
2001	4,592,959	32,515,926	3,370,655	716,521	41,196,061	36,376,464	88%
2002	5,001,846	36,854,668	5,081,227	827,144	47,764,885	41,922,830	88%
2003	5,446,556	41,578,224	5,040,958	876,186	52,941,924	46,727,187	88%
2004	5,519,935	44,128,067	4,769,788	789,818	55,207,608	49,168,855	89%
2005	7,114,044	45,939,491	4,992,195	673,882	58,719,612	52,275,034	89%
2006	7,141,446	49,578,144	5,766,805	527,085	63,013,480	56,237,472	89%

Source: County report of Property Value filed by the Collin County Central Appraisal District.

COLLIN COUNTY, TEXAS

Property Tax Rates – All Direct and Overlapping Governments  
(Per \$100 of Assessed Value)

Last Ten Fiscal Years

(unaudited)

Governmental Subdivision	Percent Applicable to Collin County	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Collin County	100.00%	\$ 0.26000	\$ 0.26000	\$ 0.25000	\$ 0.25000	\$ 0.25000	\$ 0.25000	\$ 0.25000	\$ 0.25000	\$ 0.25000	\$ 0.25000
Cities:											
Allen	100.00%	0.64800	0.58058	0.57500	0.57400	0.56400	0.56300	0.56100	0.56000	0.55900	0.55800
Anna	100.00%	0.58626	0.58118	0.54224	0.53278	0.52990	0.58000	0.49970	0.49970	0.52500	0.52500
Blue Ridge	100.00%	0.60153	0.60485	0.54462	0.51784	0.53590	0.54510	0.58424	0.59069	0.56997	0.54479
Carrollton	0.31%			0.60430	0.59930	0.59930	0.59930	0.59930	0.59930	0.63288	0.63288
Celina	100.00%	0.75229	0.75229	0.80659	0.80659	0.80659	0.80659	0.76000	0.75000	0.74000	0.69000
Dallas	3.09%			0.66750	0.66750	0.66750	0.69980	0.69980	0.71970	0.74170	0.72920
Fairview	100.00%	0.15751	0.15447	0.15143	0.15000	0.13990	0.13990	0.29000	0.33000	0.34500	0.34500
Farmersville	100.00%	0.74695	0.73696	0.72839	0.65999	0.63194	0.59776	0.29000	0.55445	0.54601	0.59976
Frisco	97.92%	0.41948	0.41200	0.37270	0.37270	0.37000	0.36700	0.43200	0.42296	0.44489	0.45000
Josephine	100.00%	0.44812	0.44795	0.45193	0.43188	0.43351	0.43351	0.43600	0.43501	0.44718	0.37927
Lavon	100.00%	0.40000	0.40719	0.39950	0.41450	0.41450	0.41450	0.41450	0.41450	0.41450	0.41450
Lowry Crossing	100.00%					0.27147	0.24217	0.22000	0.22978	0.22978	0.22978
Lucas	100.00%	0.32827	0.32251	0.32251	0.32251	0.37251	0.37251	0.37251	0.37660	0.37660	0.37500
McKinney	100.00%	0.61800	0.59800	0.59800	0.59800	0.59800	0.59800	0.59800	0.59300	0.58800	0.58800
Melissa	100.00%	0.32600	0.32440	0.32440	0.32440	0.42000	0.42000	0.43797	0.49022	0.52000	0.52000
Murphy	100.00%	0.69000	0.65960	0.68710	0.54440	0.41400	0.37640	0.43040	0.46832	0.46830	0.46830
Nevada	100.00%		0.15000	0.15000	0.13214	0.13499	0.13499	0.14352	0.14261	0.13884	0.14712
New Hope	100.00%	0.21000	0.20000	0.19970	0.21000	0.21000	0.21000	0.21000	0.21000	0.21000	0.21000
Parker	100.00%	0.32260	0.38415	0.35000	0.35000	0.31696	0.29421	0.27000	0.28200	0.31000	0.37708
Plano	100.00%	0.49850	0.49850	0.46650	0.46850	0.45850	0.45350	0.45350	0.45350	0.45350	0.47350
Princeton	100.00%	0.85300	0.83900	0.83000	0.78263	0.78263	0.70130	0.70130	0.67500	0.67500	0.64970
Prosper	100.00%	0.35991	0.35500	0.35951	0.36000	0.36000	0.36000	0.32410	0.47970	0.40539	0.49882
Richardson	17.09%	0.44385	0.44385	0.44385	0.44385	0.44385	0.44385	0.47785	0.52516	0.52516	0.57516
Royce City	14.42%										
Sachse	11.12%	0.66450	0.67470	0.67470	0.64670	0.62664	0.58882	0.56006	0.55832	0.55832	0.55341
St. Paul	100.00%	0.21819	0.21000	0.22000	0.22000	0.25000	0.26355	0.48584	0.48584	0.48530	0.44354
Westminster	100.00%	0.20538	0.17011	0.17294	0.14871	0.24000	0.24000	0.23739	0.23739		
Weston	100.00%			0.15000	0.15000	0.15000	0.15000	0.16096	0.25000	0.25000	0.25000
Wylie	100.00%	0.66500	0.67500	0.67500	0.70000	0.72500	0.72000	0.70500	0.69500	0.69500	0.70678

(continued)

COLLIN COUNTY, TEXAS

Property Tax Rates – All Direct and Overlapping Governments  
(Per \$100 of Assessed Value)

Last Ten Fiscal Years

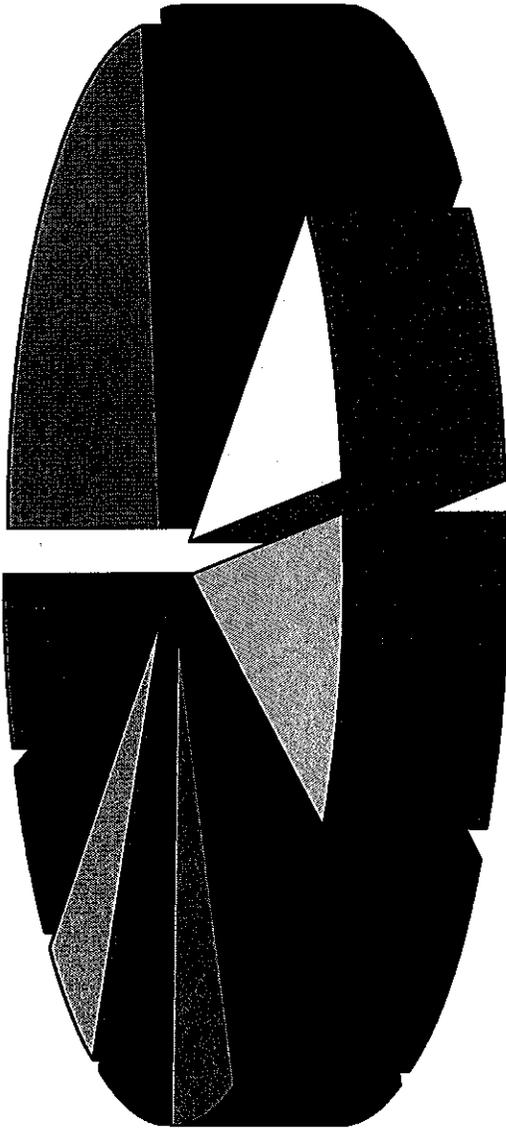
(unaudited)

Governmental Subdivision	Percent Applicable to Collin County	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>School Districts:</b>											
Allen I.S.D.	100.00%	\$ 1.69000	\$ 1.66110	\$ 1.73690	\$ 1.89290	\$ 1.76204	\$ 1.83142	\$ 1.87230	\$ 1.93335	\$ 1.91246	\$ 1.77510
Anna I.S.D.	100.00%	1.41880	1.41880	1.50000	1.48000	1.56025	1.56025	1.56999	1.78990	1.82500	1.77140
Blue Ridge I.S.D.	98.46%	1.40000	1.40000	1.47000	1.38000	1.72500	1.65000	1.77860	1.77560	1.74070	1.78000
Celina I.S.D.	91.31%	1.43000	1.53000	1.63000	1.63000	1.59000	1.59000	1.75000	1.80000	1.78000	1.74990
Community I.S.D.	99.58%	1.44000	1.46000	1.50000	1.29282	1.50000	1.43018	1.62000	1.67000	1.67000	1.54000
Farmersville I.S.D.	100.00%	1.49560	1.49560	1.56000	1.39600	1.48900	1.48900	1.54000	1.54000	1.74000	1.61680
Frisco I.S.D.	92.47%	1.59140	1.52860	1.51360	1.44000	1.42000	1.44000	1.51750	1.55750	1.63000	1.58000
Lovejoy I.S.D.	100.00%	1.54000	1.54000	1.60000	1.65000	1.62000	1.62000	1.70300	1.82340	1.82340	1.69340
McKinney I.S.D.	100.00%	1.54000	1.54000	1.56000	1.59000	1.64000	1.78500	1.98000	2.00000	2.00000	1.84100
Melissa I.S.D.	100.00%	1.52285	1.51931	1.67465	1.59800	1.59245	1.69562	1.87887	1.99000	1.91000	1.78000
Plano I.S.D.	100.00%	1.49970	1.51930	1.53950	1.57920	1.55310	1.62850	1.73340	1.73340	1.73340	1.57840
Princeton I.S.D.	100.00%	1.49899	1.50000	1.50000	1.37820	1.30880	1.50000	1.69110	1.74776	1.74776	1.59140
Prosper I.S.D.	92.68%	1.48221	1.49218	1.52371	1.53952	1.52220	1.72025	1.81990	1.95150	1.97531	1.80000
Wylie I.S.D.	100.00%	1.55000	1.60000	1.57000	1.57000	1.56090	1.61000	1.72000	1.80000	1.81700	1.70250
<b>Special Districts:</b>											
Collin County:											
Seis Lagos U.D.	100.00%	1.05042	1.01976	0.91667	0.78829	0.62690	0.52991	0.44294	0.40620	0.41950	0.45030
Collin County:											
Community College	100.00%	0.09855	0.09855	0.09855	0.09672	0.09405	0.09284	0.09193	0.09065	0.08942	0.08768
Frisco M.U.D. #1	100.00%	0.25737	0.16000	0.12000	0.12000	0.09000	0.07000	0.50000			

Source: Central Appraisal District

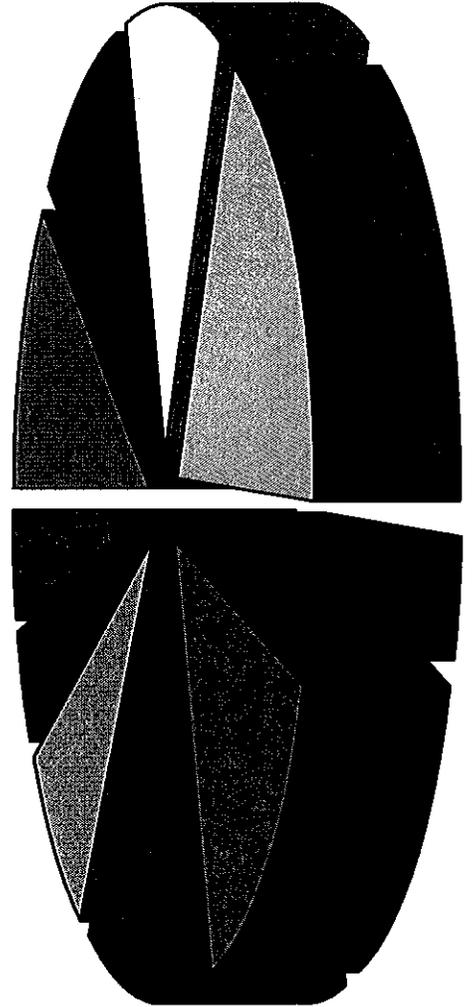
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## PRINCIPAL TAXPAYERS 2006



- TXU Electric Delivery Company
- Texas Instruments
- Alcatel
- Stonebriar Shopping Mall
- J C Penney Company
- Electronic Data Systems Corp.
- Southwestern Bell Telephone
- Tollway/121 Partners LTD
- Willowbend Shopping Center
- BPR Shopping Center LP

## PRINCIPAL TAXPAYERS 1997



- TXU Electric Delivery Company
- Texas Instruments
- J C Penney Company
- Electronic Data Systems Corp.
- Southwestern Bell Telephone
- Digital Switch Corporation
- Twinstar Semiconductor
- Fujitsu America
- Dallas Morning News
- Collin Creek Shopping Mall

# COLLIN COUNTY, TEXAS

Principal Taxpayers  
Current Year and Nine Years Ago  
(amounts expressed in thousands)  
(unaudited)

Name of Taxpayer	Nature of Property	Fiscal Year 2006		Fiscal Year 1997	
		Taxable Assessed Value	Percent of Total Taxable Assessed Value	Taxable Assessed Value	Percent of Total Taxable Assessed Value
TXU Electric Delivery Company	Electric Utility	\$ 448,368	0.80%	\$ 230,429	1.09%
Texas Instruments	Electronics Manufacturer	304,178	0.54%	213,418	1.01%
Alcatel	Commercial	185,077	0.33%	-	-
Stonebriar Shopping Mall	Commercial	199,407	0.35%	-	-
J C Penney Company	Retail Stores	203,084	0.36%	249,390	1.18%
Electronic Data Systems Corp.	EDP Services	134,115	0.24%	423,173	2.00%
Southwestern Bell Telephone	Telephone Utility	134,743	0.24%	98,373	0.47%
Tollway/121 Partners LTD	Government	115,533	0.21%	-	-
Willowbend Shopping Center	Commercial	120,000	0.21%	-	-
BPR Shopping Center LP	Commercial	109,005	0.19%	-	-
Digital Switch Corporation	Electronics Manufacturer	-	-	331,332	1.57%
Twinstar Semiconductor	Electronics Manufacturer	-	-	298,477	1.41%
Fujitsu America	Electronics Manufacturer	-	-	171,202	0.81%
Dallas Morning News	Communications Media	-	-	92,093	0.44%
Collin Creek Shopping Mall	Commercial	-	-	87,554	0.41%
Total		<u>\$ 1,953,510</u>		<u>\$ 2,195,441</u>	
Total Assessed Value and Percentage of Total		<u>\$ 56,237,472</u>	<u>3.47%</u>	<u>\$ 21,126,104</u>	<u>10.39%</u>

Source: Tax Rolls



**COLLIN COUNTY, TEXAS**

**Ratios of Outstanding Debt by Type**

**Last Ten Fiscal Years**

(amounts expressed in thousands, except for per capita amount)

(unaudited)

<b>Fiscal Year</b>	<b>Governmental Activities</b>				<b>Total Primary Government</b>	<b>Percentage of Personal Income*</b>	<b>Per Capita*</b>
	<b>General Obligation Bonds</b>	<b>Tax Notes</b>	<b>Capital Leases</b>	<b>Loans Payable</b>			
1997	\$ 109,886	\$ 3,775	\$ 5	\$ -	\$ 113,666	0.75%	\$ 286
1998	100,606	2,895	-	-	103,501	0.59%	241
1999	159,320	1,975	53	-	161,348	0.80%	349
2000	180,061	1,010	-	-	181,071	0.80%	364
2001	189,392	9,100	-	-	198,492	0.86%	382
2002	204,136	13,990	-	-	218,126	0.94%	397
2003	192,970	7,625	56	-	200,651	0.83%	348
2004	234,590	14,100	42	-	248,732	0.94%	404
2005	272,760	10,475	28	-	283,263	1.06%	437
2006	309,405	23,880	14	4,096	337,395	1.24%	489

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

\*See the Schedule of Demographic and Economic Statistics found on page 178 for personal income and population data.

**COLLIN COUNTY, TEXAS**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

(amounts expressed in thousands, except for per capita amount)  
(unaudited)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value* of Property</u>	<u>Per Capita<sup>^</sup></u>
1997	\$ 113,661	\$ 11,525	\$ 102,136	0.48%	257.20
1998	103,501	12,406	91,095	0.39%	212.02
1999	130,295	11,889	118,406	0.44%	256.23
2000	181,071	12,195	168,876	0.54%	339.93
2001	198,492	11,986	186,506	0.51%	358.83
2002	210,252	10,417	199,835	0.48%	363.47
2003	200,595	8,114	192,481	0.41%	333.97
2004	248,690	7,503	241,187	0.49%	392.05
2005	283,235	8,286	274,949	0.53%	423.78
2006	333,285	7,802	325,483	0.58%	471.37

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

\*See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 169 for property value.

<sup>^</sup>Population data can be found in the Schedule of Demographic and Economic Statistics on page 178

**COLLIN COUNTY, TEXAS**

**Legal Debt Margin Information**

**Last Ten Fiscal Years**

(amounts expressed in thousands)

(unaudited)

	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Debt Limit	\$ 5,080,462	\$ 5,829,396	\$ 6,785,161	\$ 7,840,696	\$ 9,096,951	\$ 11,680,216	\$ 11,681,797	\$ 12,292,214	\$ 13,068,759	\$ 14,059,368
Total net debt applicable to limit	102,136	91,095	149,406	170,079	187,189	199,835	192,481	241,187	274,949	325,483
Legal debt margin	\$ 4,978,326	\$ 5,738,300	\$ 6,635,756	\$ 7,670,617	\$ 8,909,762	\$ 11,480,381	\$ 11,489,316	\$ 12,051,027	\$ 12,793,810	\$ 13,733,885
Total net debt applicable to the limit as a percentage of debt limit	2.01%	1.56%	2.20%	2.17%	2.06%	1.71%	1.65%	1.96%	2.10%	2.32%

Assessed value of real property \$ 56,237,472  
 Debt limit 25% of assessed value of real property  
 (Article 3, Section 52, Constitution of the State of Texas) \$ 14,059,368

Amount of debt applicable to debt limit:  
 Total gross bonded debt \$ 333,285  
 Less amount available in debt service to retire general  
 obligation bonds and certificates of obligation 7,802

Total amount of net debt applicable to debt limit 325,483  
 Legal debt margin \$ 13,733,885

**COLLIN COUNTY, TEXAS**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**  
**(unaudited)**

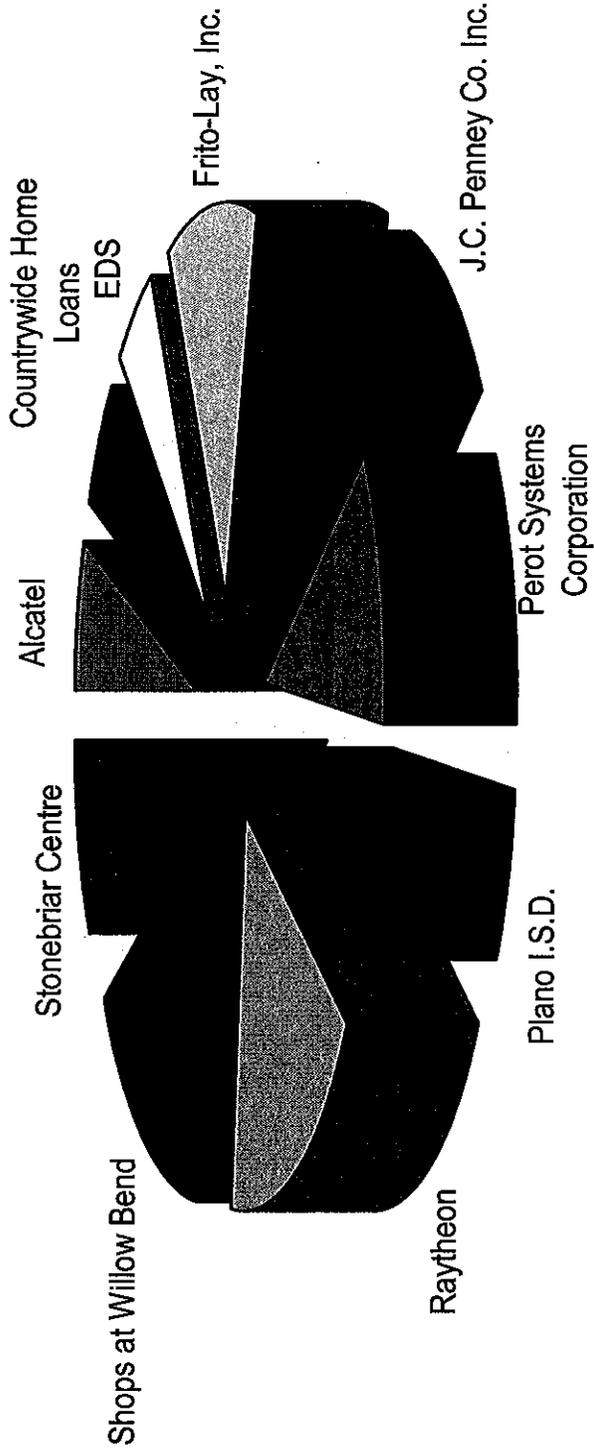
<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (amounts expressed in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Unemployment Rate</u>
1997	408,371	15,200,417	37,222	*	2.60%
1998	438,214	17,666,193	40,314	*	2.30%
1999	468,620	20,136,496	42,970	*	2.20%
2000	500,136	22,707,645	45,403	32.9	2.00%
2001	537,791	23,118,741	42,988	32.7	5.00%
2002	568,804	23,195,440	40,779	33.5	6.60%
2003	597,322	24,146,831	40,425	33.4	6.00%
2004	628,426	26,442,157	42,077	33.8	4.80%
2005	659,457	26,772,683	42,602	33.6	4.70%
2006	690,500	27,174,604	43,242	*	3.80%

Source: North Central Texas Council of Governments, Texas Workforce Commission & Bureau of Economic Analysis

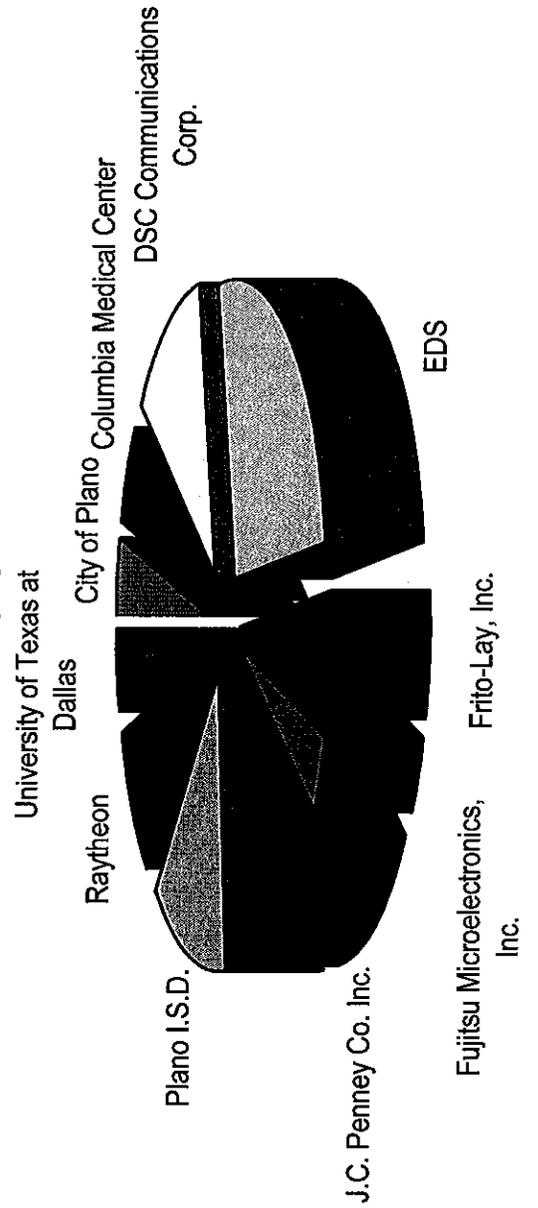
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**Principal Employers 2006**



**Principal Employers 1997**

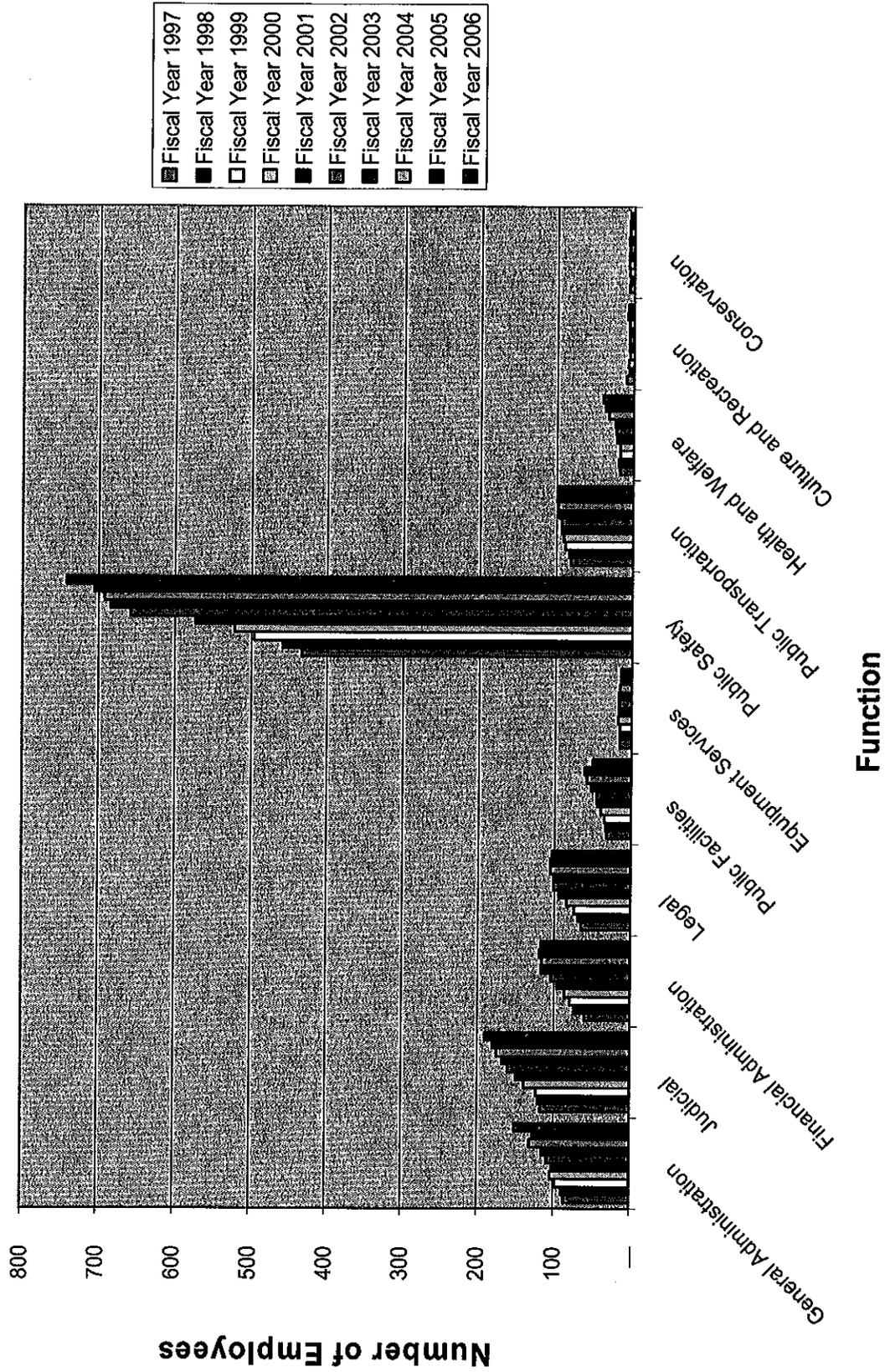


**COLLIN COUNTY, TEXAS**  
**Principal Employers**  
**Current Year and Nine Years Ago**  
**(amounts expressed in thousands)**  
**(unaudited)**

<b>Employer</b>	<b>2006</b>		<b>1997</b>	
	<b>Employees</b>	<b>Percentage of Total County Employees</b>	<b>Employees</b>	<b>Percentage of Total County Employees</b>
Alcatel	2,280	0.65%	-	-
A T & T	2,140	0.61%	-	-
CHC Acquisition Corp	2,000	0.57%	-	-
City of Plano	-	-	1,457	0.65%
Columbia Medical Center	-	-	2,000	0.89%
Countrywide Home Loans	4,402	1.26%	-	-
DSC Communications Corporation	-	-	4,400	1.96%
EDS	4,310	1.24%	9,400	4.18%
Frito-Lay, Inc.	-	-	2,500	1.11%
Fujitsu Microelectronics, Inc.	-	-	1,600	0.71%
J.C. Penney Co. Inc.	4,300	1.23%	5,000	2.22%
Perot Systems Corporation	2,732	0.78%	-	-
Plano ISD	6,667	1.91%	4,800	2.14%
Raytheon	5,750	1.65%	3,100	1.38%
University of Texas at Dallas	3,058	0.88%	1,600	0.71%
<b>Total</b>	<b>37,639</b>	<b>10.80%</b>	<b>35,857</b>	<b>15.95%</b>

Source: North Central Texas Council of Governments

# County Employees by Function



(continued)

**COLLIN COUNTY, TEXAS**  
**County Employees by Function**  
**Last Ten Fiscal Years**  
**September 30, 2006**  
**(Unaudited)**

Function	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Administration	86	89	98	104	102	109	115	131	127	151
Judicial	117	120	123	139	149	160	167	175	180	190
Financial Administration	60	74	79	86	96	104	117	116	119	117
Legal	65	69	74	84	94	101	101	105	105	103
Public Facilities	32	33	35	40	44	45	52	58	61	50
Equipment Services	15	15	15	17	16	16	16	15	14	14
Public Safety	433	458	496	521	573	658	684	692	705	742
Public Transportation	81	83	88	90	93	93	97	98	99	99
Health and Welfare	17	19	17	17	21	22	24	32	37	40
Culture and Recreation	9	6	7	5	6	6	6	6	8	7
Conservation	6	5	6	7	7	6	7	6	6	5
<b>Total County Employees</b>	<b>921</b>	<b>971</b>	<b>1,038</b>	<b>1,110</b>	<b>1,201</b>	<b>1,320</b>	<b>1,386</b>	<b>1,434</b>	<b>1,461</b>	<b>1,518</b>

**COLLIN COUNTY, TEXAS**  
**Capital Assets by Function/Program**  
**Last Five Fiscal Years**  
**September 30, 2006**  
**(unaudited)**

<b>Function/Program</b>	<b>Fiscal Year</b>				
	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>General Administration</b>					
Number of voting machines	1,380	1,000	1,000	1,000	1,000
<b>Financial Administration</b>					
Formax Folder system	-	-	1	1	1
<b>Public Facilities</b>					
Number of County Facilities	33	34	34	34	36
<b>Equipment Services</b>					
Number of Vehicles in County fleet	270	279	284	301	329
<b>Public Safety</b>					
Number of Patrol units	12	12	13	13	13
Number of illegal dumping surveillance cameras	-	-	5	5	5
<b>Public Transportation</b>					
Miles of County asphalt roads	291	308	326	377	436
Number of County bridges maintained	106	113	113	118	120
<b>Health and Welfare</b>					
Number of Medical Tables	3	3	3	3	3
<b>Culture and Recreation</b>					
Acres of open space	735	735	735	735	735

**COLLIN COUNTY, TEXAS**  
**Operating Indicators by Function/Program**  
**Last Five Fiscal Years**  
**September 30, 2006**  
**(Unaudited)**

<b>Function/Program</b>	<b>Fiscal Year</b>				
	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>General Administration</b>					
Number of Registered voters	242,445	271,510	309,365	354,321	352,986
Vital Statistics Filed	17,600	19,162	20,478	21,120	18,325
<b>Judicial</b>					
Number of Civil Cases	7,747	8,607	11,647	10,136	10,130
Number of Criminal Cases	2,155	2,573	2,638	3,065	2,914
<b>Financial Administration</b>					
Number of property tax transactions	*	*	286,945	297,123	308,969
Number of registered vehicles	531,760	545,528	563,004	598,404	632,638
<b>Legal</b>					
Number of new Felony Cases	2,002	2,629	2,609	2,794	3,172
Number of convictions	*	2,162	1,967	2,338	2,313
<b>Public Facilities</b>					
Number of work orders completed	13,141	13,596	14,130	14,375	24,990
Number of construction projects	92	89	59	37	27
<b>Equipment Services</b>					
Number of job orders	6,997	7,183	6,944	6,238	6,918
<b>Public Safety</b>					
Number of autopsies performed	172	198	184	208	166
Number of inspections	7,121	7,839	7,595	7,065	7,413
Number of emergency responses	17,635	17,326	18,930	18,259	17,901
Number of book-ins	14,633	15,229	15,864	16,520	17,510
<b>Public Transportation</b>					
Miles of road resurfaced	11	17	18	51	60
<b>Health and Welfare</b>					
Number of immunizations	35,488	38,884	33,795	36,289	28,134
Number of clinic visits	16,405	16,684	14,083	14,610	16,317
WIC Participants	58,702	64,939	82,249	96,672	95,266
Substance Abuse assessments	1,056	1,112	1,175	1,305	1,664
<b>Culture and Recreation</b>					
Number of events	168	200	198	156	163^
<b>Conservation</b>					
Number of seminars	395	454	332	347	450
News releases	99	189	149	154	104
Volunteers trained	420	373	333	874	2,129
County Extension newsletters	24,590	37,345	32,386	53,950	65,071

\* Unavailable

^ Building destroyed due to fire on July 23, 2006.

**COLLIN COUNTY, TEXAS**

**Insurance in Force**

**September 30, 2006**

**(Unaudited)**

Policy Number: GP750 – Dates 10/01/2005 to 10/01/2006  
Insurer: Affiliated F.M. Global Ins Co.  
Type of Coverage: Property Insurance – Buildings and Contents  
Amount of Coverage: \$249,198,996  
Deductible: \$50,000 per occurrence  
Type of Coverage: Contractor's Equipment  
Amount of Coverage: \$8,786,708  
Deductible: \$10,000  
Type of Coverage: Unscheduled Contractors Equipment  
Amount of Coverage: \$200,000  
Deductible: \$10,000  
Total Premium: \$197,189

Policy Number: GP06301699 – Dates 10/01/05 to 10/01/06  
Insurer: St. Paul Insurance Company  
Type of Coverage: Commercial Crime Coverage  
Amount of Coverage: Employee dishonesty – \$500,000  
Deductible – \$5,000  
Forgery or Alteration – \$500,000  
Deductible – \$5,000  
Money/orders, counterfeit currency & securities  
protection – \$500,000, Credit Card Forgery limit – \$500,000  
Deductible – \$5,000  
Total Premium: Included in package policy premium of \$358,981

Policy Number: GP06301699 – Dates 10/01/05 to 10 /01/06  
Insurer: St. Paul Fire & Marine Insurance Company  
Type of Coverage: Valuable Papers and Records  
Amount of Coverage: \$250,000 200-210 McDonald St; McKinney TX  
\$100,000 1800 N. Graves; McKinney TX  
Deductible: \$1,000  
Premium: Included in package policy premium of \$358,981

Policy Number: MBD0266788 – Dates 10/01/05 to 10/01/06  
Insurer: State National Ins. Co.  
Type of Coverage: Workers Compensation: Statutory:  
Amount of Coverage: \$2,000,000 Per Occurrence  
\$4,000,000 Policy Aggregate  
Deductible: \$275,000  
Premium: \$130,688 (includes Excess GL, LEL, POL, EBL)

**COLLIN COUNTY, TEXAS**

**Insurance in Force**

**(Continued)**

**September 30, 2006**

**(Unaudited)**

Policy Number: GP06301699 – Dates 10/01/05 to 10/01/06  
Insurer: St. Paul Fire & Marine Insurance Company  
Property Covered: Prisoners Property in Storage  
Type of Coverage: Bailee Coverage  
Amount of Coverage: \$100,000  
Deductible: \$1,000  
Premium: Included in package policy premium of \$358,981

Policy Number: Individual Policies for nurses / Policy Dates Vary  
Insurer: Chicago Insurance Company  
Type of Coverage: Nurses Professional Liability  
Amount of Coverage: \$6,000,000 aggregate  
Deductible: \$ -None-  
Premium: \$89 per RN, \$68 per LVN

Policy Number: GP06301699 – Dates 10/01/05 to 10/01/06  
Insurer: St. Paul Fire & Marine Insurance Company  
Type of Coverage: Computer Equipment  
Amount of Coverage: \$4,700,000  
Deductible: \$5,000  
Premium: Included in package policy premium of \$358,981

Policy Number: AM000046 - Dates 5/1/06 - 5/1/07  
Insurer: Aspen Specialty Insurance Company  
Type of Coverage: Health Department Liability  
Amount of Insurance: \$1,000,000 Per Occurance  
\$1,000,000 Aggregate  
Deductible: \$10,000  
Premium: \$26,688

Policy Number: GP06301699 – Dates 10/01/05 to 10/01/06  
Insurer: St. Paul Fire & Marine Insurance Company  
Type of Coverage: Law Enforcement Liability  
Amount of Coverage: \$1,000,000 Per Occurance  
\$1,000,000 Aggregate  
Deductible: \$50,000 (SIR)  
Premium: Included in package policy premium of \$358,981

**COLLIN COUNTY, TEXAS**

**Insurance in Force**

**(Continued)**

**September 30, 2006**

**(Unaudited)**

Policy Number: 687016 – Dates 01/22/06 to 01/22/07  
Insurer: The Medical Protective Company  
Type of Coverage: Medical Professional Liability  
Amount of Coverage: \$1,000,000 Per Occurance  
\$3,000,000 Aggregate  
Deductible: none  
Premium: \$16,094

Policy Number: GP06301699 – Dates 10/01/05 to 10/01/06  
Insurer: St. Paul Fire & Marine Insurance Company  
Type of Coverage: Public Officials Liability  
Amount of Coverage: \$1,000,000 Per Occurance  
\$1,000,000 Aggregate  
Deductible: \$50,000 (SIR)  
Premium: Included in package policy premium of \$358,981

Policy Number: GP06301699 – Dates 10/01/05 to 10/01/06  
Insurer: St. Paul Fire & Marine Insurance Company  
Type of Coverage: General Liability  
Amount of Coverage: \$600,000  
Deductible: \$1,000  
Premium: Included in package policy premium of \$358,981

Policy Number: 16662 – Dates 5/09/06 to 5/09/07  
Insurer: Commerce and Industry Insurance Company  
Type of Coverage: Underground/Above Ground Storage Tank Liability  
Amount of Coverage: \$2,000,000 Per Occurance  
\$2,000,000 Aggregate  
Deductible: \$5,000  
Premium: \$12,823

Policy Number: GP06301699 – Dates 10/01/04 to 10/01/05  
Insurer: St. Paul Fire & Marine Insurance Company  
Type of Coverage: Employment Practices Liability  
Amount of Coverage: \$1,000,000 Per Occurance  
\$1,000,000 Aggregate  
Deductible: \$50,000 (SIR)  
Premium: Included in package policy premium of \$358,981

**COLLIN COUNTY, TEXAS**

**Insurance in Force**

**(Continued)**

**September 30, 2006**

**(Unaudited)**

Policy Number:	ASO Renewal - Collin County Date issued 10/16/01
Insurer:	United Healthcare
Type of Coverage:	Aggregate Stop-Loss
Amount of Coverage:	Attach Point - \$ 100,000 employee - \$ 100,000 dependent
	Maximum Lifetime: - \$1,000,000 employee - \$1,000,000 dependent
Premium:	\$58.34 per employee - - -
Policy Number:	#69189            Dates 10/1/05 to 10/1/06
Insurer:	Prudential Insurance Co.
Type of Coverage:	Term-Life
Amount of Coverage:	\$50,000 per eligible employee
Premium:	Volume-based calculation (1,260 * 50,000 ).125 per \$1,000 of coverage = premium \$78,750.00