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

Taxes:	
General Fund	$ 1,894,106
Debt Service Fund	613,524
General Road and Bridge Fund	50,505
Other Special Revenue	114,042
	2,672,177
Fines and Fees:	
General Fund	1,223,612
General Road and Bridge Fund	753,144
	1,976,756
Unearned Grant Revenues:	
RTR-Wylie Special Revenue Fund	4,217,663
RTR-Outer Loop Fund	3,164,893
Non-major special revenue funds	88,467
	7,471,023
Total deferred revenue	$ 12,119,956

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.

(e) 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	Debt Service Fund	2007 Road Bond	Non-Major Funds
Receivables:						
Taxes	$ 2,045,632	$ 46,404	$ -	$663,176	$ -	$ -
Fines and Fees	4,225,257	2,600,683	-	-	-	-
Dur from other governments	1,309,507	113,094	-	-	-	983,723
Due from other funds	1,953,002	-	-	-	-	-
Advance to other funds	16,269,485	-	-	-	37,598	1,355,057
Interest	248,657	-	10,125	-	-	-
Miscellaneous	320,842	169,576	-	43,681	-	118,563
Gross receivables	26,372,382	2,929,757	10,125	706,857	37,598	2,457,343
Less allowance for uncollectible	3,095,788	1,849,675	-	30,520	-	-
Net receivables	$23,276,594	$ 1,080,082	$ 10,125	$676,337	$ 37,598	$2,457,343

(f) 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. The capitalization threshold for equipment is five thousand dollars. 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.

Many road projects and technology improvement projects have been ongoing in 2013. A summary of changes in capital assets follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not depreciated:					
Land	$ 22,470,327	$ 1,201,942	$(45,248)	$(18,360)	$ 23,608,661
Construction in progress	13,141,992	3,632,920	(1,586,728)	-	15,188,184
Historical treasures	89,760	-	-	-	89,760
Total capital assets, not depreciated:	35,702,079	4,834,862	(1,631,976)	(18,360)	38,886,605
Capital assets, being depreciated:					
Buildings	268,131,698	1,262,994	(12,207,869)	-	257,186,823
Improvements other than buildings	6,865,180	-	(258,217)	-	6,606,963
Machinery and equipment	62,351,972	4,435,221	(714,476)	-	66,072,717
Infrastructure	286,475,888	5,224,426	-	(37,598)	291,662,716
Total assets being depreciated	623,824,738	10,922,641	(13,180,562)	(37,598)	621,529,219
Less accumulated depreciation for:					
Buildings	(79,754,739)	(8,048,467)	5,304,808	-	(82,498,398)
Improvements other than buildings	(2,739,274)	(305,970)	204,944	-	(2,840,300)
Machinery and equiptment	(39,696,019)	(5,247,636)	627,541	-	(44,316,114)
Infrastructure	(99,599,144)	(8,414,532)	-	-	(108,013,676)
Total accumulated depreciataion	(221,789,176)	(22,016,605)	6,137,293	-	(237,668,488)
Net capital assets, being depreciated	402,035,562	(11,093,964)	(7,043,269)	(37,598)	383,860,731
Governmental activities, capital assets	$ 437,737,641	$(6,259,102)	$(8,675,245)	$(55,958)	$ 422,747,336
Business-type activities:					
Capital assets, not being depreciated					
Land	$ 9,079,292	$ 5,080	$ -	$ 18,360	$ 9,102,732
Construction in progress	6,199,416	34,633	(2,295)	37,598	6,269,352
Total capital assets, not depreciated	15,278,708	39,713	(2,295)	55,958	15,372,084
Business-type activities, capital assets	$ 15,278,708	$ 39,713	$(2,295)	$ 55,958	$ 15,372,084

Depreciation expense for FY 2013 was charged to functions/programs of the primary government as follows:

Depreciation:

Governmental activities:	
General administration	$ 2,386,100
Judicial	42,804
Financial administration	153,781
Public facilities	7,805,020
Equipment services	574,213
Public safety	763,906
Public transportation	9,518,135
Health and welfare	150,743
Culture and recreation	516,389
Total depreciation expense - governmental activities:	$ 21,911,091
Internal Service Fund Activities:	
Public facilities	94,898
Public safety	10,616
Total depreciation expense:	$ 22,016,605

Construction Commitments

Collin County has active construction projects as of September 30, 2013. The projects include road and bridge construction and new facility construction. At year-end the County's outstanding commitments with contractors are as follows (in thousands):

Construction Commitments:

Project Type	Remaining Commitment
Public transportation	$ 21,997,273
Public facilities	732,026
Total	$ 22,729,299

(g) Long-term Debt

New Bond Issues

Collin County issues general obligation bonds and tax notes to finance major capital projects. The original issue amounts of outstanding general obligation bonds and tax notes was $555,070,800. The County issued four new bond series. The Limited Tax Refunding and Permanent Improvement Bonds, Series 2013A was issued in an amount of $2,200,000 to provide funding for park and open space projects. The Unlimited Tax Road and Refunding Bonds, Series 2013A issued in a total amount of $40,295,000 of which $25,665,000 to fund new road projects and $14,630,000 to take advantage of bond refunding opportunities. The Limited Tax Refunding Bonds, Series 2013B in an issued amount of $15,700,000 and Unlimited Tax Refunding Bonds, Series 2013B in an issued amount of $15,970,000 were issued to take advantage of savings from bond refunding opportunities.

The following are general obligation bonds outstanding at September 30, 2013, and are for governmental activities only:

Bond Issue	Interest Rates	Year Issued	Maturity	Due as of September 30, 2013
Limited Tax Permanent Improvement and Refunding Bond 2004	2.250% to 4.500%	2004	2024	1,400,000
Limited Tax Permanent Improvement and Refunding Bond 2005	3.000% to 5.000%	2005	2025	9,490,000
Limited Tax Permanent Improvement Bond 2006	4.000% to 5.000%	2006	2026	25,520,000
Limited Tax Permanent Improvement Bond 2007	4.250% to 5.000%	2007	2027	1,760,000
Limited Tax Refunding and Permanent Improvement Bond 2008	3.625% to 5.000%	2008	2028	9,975,000
Limited Tax Refunding and Permanent Improvement Bond 2009	2.000% to 5.000%	2009	2025	25,765,000
Limited Tax Permanent Improvement Build America Bond 2009B	2.000% to 5.000%	2009	2029	9,990,000
Limited Tax Refunding Bond 2010	2.000% to 4.000%	2010	2017	6,125,000
Limited Tax Permanent Improvement Bonds 2011	3.000% to 4.250%	2011	2031	1,985,000
Limited Tax Refunding and Permanent Improvement Bonds 2012	2.000% to 5.000%	2012	2025	20,655,000
Limited Tax Permanent Improvement Bond 2013A	2.500% to 4.000%	2013	2033	2,200,000
Limited Tax Refunding Bonds 2013B	0.450% to 3.189%	2013	2025	15,720,000
Unlimited Tax Road and Refunding Bond 2004	2.000% to 5.000%	2004	2024	3,025,000
Unlimited Tax Road and Refunding Bond 2005	3.000% to 5.000%	2005	2025	6,160,000
Unlimited Tax Road Bond 2006	4.000% to 5.000%	2006	2026	2,980,000
Unlimited Tax Road and Refunding Bond 2007	4.000% to 5.000%	2007	2027	54,375,000
Unlimited Tax Road Bond 2008	4.000% to 5.500%	2008	2028	34,145,000
Unlimited Tax Road and Refunding Bond 2009	2.000% to 5.000%	2009	2025	12,260,000
Unlimited Tax Road Build America Bond 2009B	4.600% to 6.300%	2009	2029	5,590,000
Unlimited Tax Refunding Bond 2010	2.000% to 5.000%	2010	2020	10,830,000
Unlimited Tax Road Bonds 2011	2.000% to 4.000%	2011	2029	26,945,000
Unlimited Tax Road and Refunding Bonds 2012	2.000% to 5.000%	2012	2032	50,190,000
Unlimited Tax Road and Refunding Bonds 2013A	1.000% to 5.000%	2013	2033	40,295,000
Unlimited Tax Refunding Bonds 2013B	0.650% to 4.000%	2013	2025	15,970,000
				$ 393,350,000

Limited Tax Permanent Improvement and Refunding Bonds, Series 2004
(new issue authorized by voters on November 4, 2003, issued April 27, 2004)

$14,165,000 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 $555,000 to $825,000. Interest payments occur semi-annually on February 15th and August 15th 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 rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$11,450,000 – New issue
2,715,000 – Refunding
$14,165,000 – Total to be paid to bondholders
$ 1,400,000 – Liability as of September 30, 2013

Limited Tax Permanent Improvement and Refunding Bonds, Series 2005
(new issue authorized by voters on November 4, 2003, issued April 5, 2005)

$53,865,000 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 15th, 2006 with installments ranging from $435,000 to $4,000,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 3.0 to 5.0%. The final principal and interest payment is due on February 15th. 2025. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$37,350,000 – New issue
$16,515,000 – Refunding
$53,865,000 – Total to be paid to bondholders
$ 9,490,000 – Liability as of September 30, 2013

Limited Tax Permanent Improvement Bonds, Series 2006
(new issue authorized by voters on November 4, 2003, issued May 3, 2006)

$33,800,000 Limited Tax Permanent Improvement Bonds, 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; (iii) pay cost of issuance associated with the sale of the Limited Tax Bonds. Principal maturities will occur annually beginning on February 15th, 2006 with installments ranging from $680,000 to $2,535,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 4.0 to 5.0%. The final principal and interest payment is due on February 15th. 2026. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$33,800,000 – New issue
$25,520,000 – Liability as of September 30, 2013

Limited Tax Permanent Improvement Bonds, Series 2007
(new issue authorized by voters on November 4, 2003, issued March 20, 2007)

$2,190,000 Limited Tax Permanent Improvement Bonds, Series 2007 were issued to (i) acquire and improve land for park and open space purposes including joint city-county projects; and (ii) pay cost of issuance associated with the sale of the Limited Tax Bonds. Principal maturities will occur annually beginning on February 15th, 2008 with installments ranging from $20,000 to $130,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 4.0 to 4.35%. The final principal and interest payment is due on February 15th. 2022. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$ 2,190,000 – New issue
$ 1,760,000 – Liability as of September 30, 2013

Limited Tax Permanent Improvement and Refunding Bonds, Series 2008
(new issue authorized by voters on November 4, 2003 and November 6, 2007, issued July 14, 2008)

\$16,715,000 Limited Tax Permanent Improvement and Refunding Bonds, Series 2008 were issued for park purposes and County facilities, to (i) acquire and improve land for park and open space purposes, including joint county-city projects; (ii) acquire, construct, improve, renovate, and equip juvenile and adult detention facilities, including courts facilities, juvenile probation facilities and juvenile justice alternative education facilities and the acquisition of land there for; (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 occur annually beginning on February 15th, 2009 with installments ranging from \$270,000 to \$2,710,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 3.5 to 5.0%. The final principal and interest payment is due on February 15th. 2028. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

\$ 2,200,000 – New issue (2003 Bond Election)
4,500,000 – New issue (2007 Bond Election)
10,015,000 – Refunding
\$16,715,000 – Total to be paid to bondholders
\$ 9,975,000 – Liability as of September 30, 2013

Limited Tax Refunding and Permanent Improvement Bonds, Series 2009
(new issue authorized by voters on November 6, 2007, issued September 29, 2009)

\$30,080,000 Limited Tax Refunding and Permanent Improvement Bonds, Series 2009 were issued to (i) acquire and improve land for park and open space purposes, including joint county-city projects; (ii) acquire, construct, improve, renovate, and equip juvenile and adult detention facilities, including courts facilities, juvenile probation facilities and juvenile justice alternative education program facilities and the acquisition of land there for; (iii) refund a portion of the County's outstanding debt for debt savings; and (iv) pay the cost of issuance associated with the sale of the these bonds. Principal maturities will occur annually beginning on February 15th, 2009 with installments ranging from \$1,055,000 to \$3,780,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 2.0 to 5.0%. The final principal and interest payment is due on February 15th. 2025. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

\$17,420,000 – New issue
12,660,000 – Refunding
\$30,080,000 – Total to be paid to bondholders
\$25,765,000 – Liability as of September 30, 2013

Limited Tax Permanent Improvement Bonds, Taxable Series 2009B
(new issue authorized by voters on November 6, 2007, issued September 29, 2009)

\$9,990,000 Limited Tax Permanent Improvement Bonds, Taxable Series 2009B were issued to (i) acquire and improve land for park and open space purposes, including joint county-city projects; (ii) acquire, construct, improve, renovate, and equip juvenile and adult detention facilities, including courts facilities, juvenile probation facilities and juvenile justice alternative education program facilities and the acquisition of land there for; and (iii) pay the cost of issuance associated with the sale of the these bonds. A principal amount of \$2,560 matures on February 15th, 2019, and the remaining principal amount of \$7,430,000 matures on February 15th, 2029. Interest payments occur semi-annually on February 15th and August 15th ranging from 4.6 to 6.3%. The final principal and interest payment is due on February 15th. 2029. This Bond issue is not subject to rebate arbitrage. The United States Government will refund a portion of the interest to the County semi-annually.

$ 9,990,000 – New issue
$ 9,990,000 – Liability as of September 30, 2013

Limited Tax Refunding Bonds, Series 2010
(authorized by Commissioners Court and issued on November 17, 2010)

$8,120,000 Limited Tax Refunding Bonds, Series 2010 were issued to (i) refund a portion of the County's outstanding limited tax debt for debt service savings and (ii) pay costs of issuance associated with the sale of Limited Tax Bonds. Principal maturities will occur annually beginning February, 2012, with installments ranging from $110,000 to $1,660,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 2.0% to 4.0%. The final principal and interest payment is due on February 15th, 2017. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$ 8,120,000 – Refunding
$ 6,125,000 – Liability as of September 30, 2013

Limited Tax Permanent Improvement Bonds, Series 2011
(new issue authorized by voters on November 6, 2007, issued June 16, 2012)

$2,100,000 Limited Tax Permanent Improvement Bonds, Series 2012 were to (i) acquire and improve land for park and open space purposes, including joint county-city projects and (ii) pay the cost of issuance associated with the sale of the these bonds. Principal maturities occur annually beginning on February 15th, 2012 with installments ranging from $45,000 to $155,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 3.0 to 4.25%. The final principal and interest payment is due on February 15th. 2031. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$ 2,100,000 – New issue
$ 1,985,000 – Liability as of September 30, 2013

Limited Tax Permanent Improvement Bonds, Series 2012
(new issue authorized by voters on November 6, 2007, issued May 1, 2012)

$20,735,000 Limited Tax Permanent Improvement Bonds, Series 2012 were to (i) acquire and improve land for park and open space purposes, including joint county-city projects and (ii) pay the cost of issuance associated with the sale of the these bonds. Principal maturities will occur annually beginning on February 15th, 2013 with installments ranging from $80,000 to $2,535,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 2.0 to 5.0%. The final principal and interest payment is due on February 15th. 2032. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$ 3,270,000 – New issue
17,465,000 – Refunding
$20,735,000 – Total to be paid to bondholders
$20,655,000 – Liability as of September 30, 2013

Limited Tax Permanent Improvement Bonds, Series 2013A
(new issue authorized by voters on November 6, 2007, issued June 1, 2013)

$2,200,000 Limited Tax Permanent Improvement Bonds, Series 2013A were to (i) acquire and improve land for park and open space purposes, including joint county-city projects and (ii) pay the cost of issuance associated with the sale of the these bonds. Principal maturities occur annually beginning on February 15th, 2014 with installments ranging from $70,000 to $150,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 2.5 to 4.0%. The final principal and interest payment is due on February 15th. 2033. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$ 2,200,000 – New issue
$ 2,200,000 – Liability as of September 30, 2013

Limited Tax Refunding Bonds, Series 2013B
(authorized by Commissioners Court and issued on June 1, 2013)

$15,720,000 Limited Tax Refunding Bonds, Series 2013B were issued to (i) refund a portion of the County's outstanding limited tax debt for debt service savings and (ii) pay costs of issuance associated with the sale of Limited Tax Bonds. Principal maturities will occur annually beginning February, 2014, with installments ranging from $240,000 to $1,925,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 0.45% to 3.189%. The final principal and interest payment is due on February 15th, 2025. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$15,720,000 – Refunding
$15,720,000 – Liability as of September 30, 2013

Unlimited Tax Road & Refunding, Series 2004
(new issue authorized by voters on November 4, 2003, issued April 27, 2004)

$54,910,000 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 $1,440,000 to $4,050,000. Interest payments fall on February 15th and August 15th 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 rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$44,550,000 – New issue
10,360,000 – Refunding
$54,910,000 – Total to be paid to bondholders
$ 3,025,000 – Liability as of September 30, 2013

Unlimited Tax Road and Refunding Bonds, Series 2005
(new issue authorized by voters on November 4, 2003, issued April 5, 2005)

$43,175,000 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 $200,000 to $3,850,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 3.0 to 5.0%. The final principal and interest payment is due on February 15th, 2025. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$17,360,000 – New issue
25,815,000 – Refunding
$43,175,000 – Total to be paid to bondholders
$ 6,160,000 – Liability as of September 30, 2013

Unlimited Tax Road Bonds, Series 2006
(new issue authorized by voters on November 4, 2003, issued May 3, 2006)

$15,920,000 Unlimited Tax Road Bonds, 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 $320,000 to $1,195,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 4.0 to 5.0%. The final principal and interest payment is due on February 15th, 2026. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$15,920,000 – New issue
$ 2,980,000 – Liability as of September 30, 2013

Unlimited Tax Road and Refunding Bonds, Series 2007
(new issue authorized by voters on November 4, 2003, issued March 20, 2007)

$63,375,000 Unlimited Tax Road and Refunding Bonds, Series 2007 will be used to (i) construct, maintain and operate macadamized, graveled or paved roads and turnpikes, or in the aid thereof, throughout the County, including participation in the cost of joint State highway and joint city-county projects; (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, 2008 with installments ranging from $380,000 to $6,070,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 4.0 to 5.0%. The final principal and interest payment is due on February 15th, 2027. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$48,190,000 – New issue
15,185,000 – Refunding
$63,375,000 – Total to be paid to bondholders
$54,375,000 – Liability as of September 30, 2013

Unlimited Tax Road, Series 2008
(new issue authorized by voters on November 4, 2003 and November 6, 2007, issued July 14, 2008)

$41,000,000 Unlimited Tax Road, Series 2008 was issued to (i) construct, maintain and operate macadamized, graveled or paved roads and turnpikes, or in the aid thereof, throughout the County, including participation in the cost of joint State highway and joint city-county projects; and (ii) pay costs of issuance associated with the sale of Unlimited Tax Road Bonds. Principal maturities will occur annually beginning February, 2009 with installments ranging from $955,000 to $3,045,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 4.0 to 5.5%. The final principal and interest payment is due on February 15th, 2028. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$15,980,000 – New issue (2003 Bond Election)
25,020,000 – New issue (2007 Bond Election)
$41,000,000 – Total to be paid to bondholders
$34,145,000 – Liability as of September 30, 2013

Unlimited Tax Road and Refunding Bonds, Series 2009
(new issue authorized by voters on November 6, 2007, issued September 29, 2009)

$21,805,000 Unlimited Tax Road and Refunding Bonds, Series 2009 was issued to (i) construct, maintain and operate macadamized, graveled or paved roads and turnpikes, or in the aid thereof, throughout the County, including participation in the cost of joint State highway and joint city-county projects; (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 these bonds. Principal maturities will occur annually beginning February 15th, 2010, in installments ranging from $770,000 to $2,485,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 2.0 to 5.0%. The final principal and interest payment is due on February 15th, 2025. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$10,070,000 – New issue
11,735,000 – Refunding
$21,805,000 – Total to be paid to bondholders
$12,260,000 – Liability as of September 30, 2013

Unlimited Tax Road Bonds, Taxable Series 2009B
(new issue authorized by voters on November 6, 2007, issued September 29, 2009)

$5,590,000 Unlimited Tax Road Bonds, Taxable Series 2009B was issued to (i) construct, maintain and operate macadamized, graveled or paved roads and turnpikes, or in the aid thereof, throughout the County, including participation in the cost of joint State highway and joint city-county projects and (ii) to pay costs of issuance associated with the sale of these bonds. A principal amount of $1,470,000 matures on February 15th, 2019, and the remaining principal amount of $4,120,000 matures on February 15th, 2029. Interest payments occur semi-annually on February 15th and August 15th ranging from 4.6 to 6.3%. The final principal and interest payment is due on February 15th. 2029. This Bond issue is not subject to rebate arbitrage. The United States Government will refund a portion of the interest to the County semi-annually.

$5,590,000 – New issue
$5,590,000 – Liability as of September 30, 2013

Unlimited Tax Refunding Bonds, Series 2010
(authorized by Commissioners Court and issued on November 17, 2010)

$14,810,000 Unlimited Tax Refunding Bonds, Series 2010 was issued to (i) refund a portion of the County's outstanding unlimited tax debt for debt service savings and (ii) pay costs of issuance associated with the sale of Unlimited Tax Bonds. Principal maturities will occur annually beginning February, 2012, with installments ranging from $200,000 to $2,110,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 2.0% to 5.0%. The final principal and interest payment is due on February 15th, 2020. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$14,810,000 – Refunding
$10,830,000 – Liability as of September 30, 2013

Unlimited Tax Road, Series 2011
(new issue authorized by voters on November 6, 2007, issued June 16, 2011)

$28,490,000 Unlimited Tax Road, Series 2012 was issued to (i) construct, maintain and operate macadamized, graveled or paved roads and turnpikes, or in the aid thereof, throughout the County, including participation in the cost of joint State highway and joint city-county projects; and (ii) pay costs of issuance associated with the sale of Unlimited Tax Road Bonds. Principal maturities will occur annually beginning February, 2012 with installments ranging from $595,000 to $1,950,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 0.4% to 4.0%. The final principal and interest payment is due on February 15th, 2031. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$28,490,000 – New issue
$26,945,000 – Liability as of September 30, 2013

Unlimited Tax Road and Refunding Bonds, Series 2012
(new issue authorized by voters on November 6, 2007, issued May 1, 2012)

$50,800,000 Unlimited Tax Road, Series 2012 was issued to (i) construct, maintain and operate macadamized, graveled or paved roads and turnpikes, or in the aid thereof, throughout the County, including participation in the cost of joint State highway and joint city-county projects; and (ii) pay costs of issuance associated with the sale of Unlimited Tax Road Bonds. Principal maturities will occur annually beginning February of 2012 with installments ranging from $610,000 to $4,720,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 2.0% to 5.0%. The final principal and interest payment is due on February 15th, 2032. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$31,365,000 – New issue
19,435,000 – Refunding
$50,800,000 – Total to be paid to bondholders
$50,190,000 – Liability as of September 30, 2013

Unlimited Tax Road and Refunding Bonds, Series 2013A
(new issue authorized by voters on November 6, 2007, issued June 1, 2013)

$40,295,000 Unlimited Tax Road, Series 2013A was issued to (i) construct, maintain and operate macadamized, graveled or paved roads and turnpikes, or in the aid thereof, throughout the County, including participation in the cost of joint State highway and joint city-county projects; and (ii) pay costs of issuance associated with the sale of Unlimited Tax Road Bonds. Principal maturities will occur annually beginning February of 2014 with installments ranging from $655,000 to $2,760,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 1.0% to 5.0%. The final principal and interest payment is due on February 15th, 2028. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$25,665,000 – New issue
14,630,000 – Refunding
$40,295,000 – Total to be paid to bondholders
$40,295,000 – Liability as of September 30, 2013

Unlimited Tax Refunding Bonds, Series 2013B
(authorized by Commissioners Court and issued on June 1, 2013)

$15,970,000 Unlimited Tax Refunding Bonds, Series 2013B was issued to (i) refund a portion of the County's outstanding unlimited tax debt for debt service savings and (ii) pay costs of issuance associated with the sale of Unlimited Tax Bonds. Principal maturities will occur annually beginning February, 2015, with installments ranging from $495,000 to $2,245,000. Interest payments occur semi-annually on February 15th and August 15th ranging from 0.65% to 4.0%. The final principal and interest payment is due on February 15th, 2025. This bond issue is subject to rebateable arbitrage and is reviewed annually, and 90% of any rebateable liability will be paid every five years on the anniversary date.

$15,970,000 – Refunding
$15,970,000 – Liability as of September 30, 2013

Defeased Bonds

The county defeased certain general obligation bonds in 2013 and prior years by placing the proceeds of new bonds into irrevocable trust to provide for all future debt service payments on the old bonds as well as calling certain bonds before the maturity date. Accordingly, the trust account assets and the liabilities for the defeased bonds are not included in the County's financial statements. As of September 30, 2013, $48.9 million is available in irrevocable trust funds to service defeased bond debt.

In 2013 the County issued bonds for refunding existing debt. The three issues are as follows:

1) The Limited Tax Refunding Bonds, Series 2013B on June 1, 2013, refunded portions of the Limited Tax Permanent Improvement and Refunding Bonds, Series 2004 and Limited Tax Permanent Improvement and Refunding Bond, Series 2005. The refunding was used to defease $14,585,000 of existing debt by issuing $15,720,000 of new debt.

2) The Unlimited Tax Road and Refunding Bonds, Series 2013A, refunded portions of the Unlimited Tax Road and Refunding Bond, Series 2004; the Unlimited Tax Road and Refunding Bond, Series 2005; and the Unlimited Tax Road Bond 2006. The refunding was used to defease $15,230,000 of existing debt by issuing $14,630,000 of new debt.

3) The Unlimited Tax Refunding Bonds, Series 2013B, refunded portions of the Unlimited Tax Road and Refunding Bond, Series 2004; the Unlimited Tax Road and Refunding Bond, Series 2005. The refunding was used to defease $16,195,000 of existing debt by issuing $15,970,000 of new debt.

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 currently has no cumulative rebate.

Changes in Noncurrent Liabilities

Noncurrent liabilities for the year ended September 30, 2013, were as follows (in thousands):

Governmental activities:	Beginning Balance	Additions	Deductions	Ending Balance	Due within one year
General obligation	393,210	74,185	74,045	393,350	26,510
Compensated absences	6,686	8,126	8,248	6,564	4,500
Claims and judgements	4,610	7,570	7,042	5,138	2,975
Unamortized bond premium	25,148	5,477	1,874	28,751	311
Total	429,654	95,358	91,209	433,803	34,296

Compensated absences are liquidated in the funds that have employees (i.e., General Fund, General Road and Bridge Fund, Health Care Foundation Fund, etc.). The County has no other post-employment benefits due to Commissioners Court eliminating the benefit that was creating the liability in 2010.

Contractual Maturities

The annual debt service for general obligation bonds is as follows (in thousands):

	Governmental Activities	
Year ending September 30:	Prinncipal	Interest
2014	$ 27,165	$ 16,662
2015	28,790	14,979
2016	28,350	13,841
2017	29,535	12,710
2018	29,685	11,529
2019-2023	129,140	40,530
2024-2028	91,905	15,942
2029-2033	28,780	2,442
	$ 393,350	$ 128,635

The Debt Service Fund has $10.0 million available to service the general long-term bond retirement as of September 30, 2013. There are a number of limitations and restrictions contained in the various bond indentures. The County is in compliance with all limitations and restrictions and continues to monitor the debt proceed uses to ensure compliance.

Conduit Debt

The Housing Finance Corporation issues single-family revenue bonds to provide financial assistance to qualified homeowners. As of September 30, 2013, there are 6 series of single-family and multi-family revenue bonds outstanding, with an aggregate liability of $613 thousand. 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.

(h) Interfund 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 year end are referred to as "Due to/from other funds." The composition of inter-fund balances as of September 30, 2013, is as follows:

	Due from	Due to
Due to/from other funds:		
Governmental Funds:		
General Fund	$ 1,953,002	$ -
Nonmajor Funds	-	1,793,002
Total Governmental Funds	1,953,002	1,793,002
Proprietary Type Funds:		
Animal Safety Fund	-	160,000
Total	$ 1,953,002	$ 1,953,002

The activity between the General Fund and other funds represent additional funding for special activities, and local matching of grants.

Interfund advance activity is as follows:

	Advance to	Advance from
General Fund	$ 16,269,485	$ -
2007 Road Bond Capital Project Fund	37,598	-
Non-Major Funds	1,355,057	-
Animal Safety Internal Service Fund	-	566,815
Collin County Toll Road Authority Fund	-	17,095,325
Total	$ 17,662,140	$ 17,662,140

These balances are a result of funding for two separate activities. The first is a $566,815 balance to fund the Animal Shelter in the Animal Safety fund. This was planned to be financed over a ten-year period of which two years remain. The second advance activity of $17,095,325 is financing the Collin County Toll Road Authority Fund to build the Outer Loop through Collin County. These advances are planned to be paid back in the future with toll revenues generated from this project.

All transfers are reported under other financing sources (uses). The accumulated total of interfund transfers for the fiscal year ending September 30, 2013, is as follows:

	Transfer In	Transfer Out
Governmental Funds:		
General Fund	$ 79,505	$ 515,900
Nonmajor Funds	538,323	101,928
Total	$ 617,828	$ 617,828

Transfers in to the General Fund ($79,505) are made up of $17,867 for salary supplement activity funding from special revenue funds for the District Attorney's Office and $61,639 to close the Pre-Trial Intervention Fund. The transfer out activity from the General Fund is made up of $215,900 of grant match funding and a $300,000 transfer to the Courthouse Security Fund to help pay for security. The non-major fund activity includes the activity mentioned above plus an additional $45,846 for grant match funding.

(i) Capital Contributions

Assets were transferred to the Collin County Toll Road Authority Enterprise Fund from the General Fund ($18,361) and the 2007 Road Bond Fund ($37,598) that were related to the Outer Loop project. A corresponding receivable (advance to other funds) was established so that the funds could be reimbursed in the future when the Outer Loop begins generating revenues.

(j) Leases

As lessor, the Health Care Foundation has a number of non-cancelable operating leases with minimum future rental revenues in aggregate of $3,353,661. The buildings are carried at a book value of $6,423,011 with accumulated depreciation of $4,720,141. Future minimum rental payments applicable to the operating leases are as follows:

	HCF Contractual Future Rental Revenues
Fiscal year:	
2014	$ 1,065,648
2015	1,005,577
2016	491,607
2017	341,429
2018	198,638
2019	66,870
2020	66,870
2021	66,870
2022	50,153
Total	$ 3,353,662

Collin County leases office space under operating leases that expire over periods of up to ten years. Most of the leases are non-cancelable and renewal options are available. The aggregate total of these lease obligations is $3,508,558 for the year ended September 30, 2013. At September 30, 2013, future minimum rental payments applicable to the operating leases are as follows:

	Contractual Future Rental Obligations
Fiscal year:	
2014	$ 1,061,817
2015	994,520
2016	529,925
2017	451,465
2018	220,068
2019	66,870
2020	66,870
2021	66,870
2022	50,153
Total	$ 3,508,558

(k) Restricted and Committed Encumbrances

Encumbrances at year end are reported as restricted or committed fund balance. Total encumbrances in governmental funds as of September 30, 2013 were $39,901,136. These encumbrances by fund are as follows:

General Fund	$	7,216,142
General Road and Bridge Special Revenue Fund		4,814,037
Health Care Foundation Special Revenue Fund		851,268
RTR - Wylie Grant Special Revenue Fund		-
RTR - Outer Loop Grant Special Revenue Fund		440,186
Debt Service Fund		-
2007 Road Bond Capital Project Fund		16,251,636
Non-major funds	$	10,327,867
Total Encumbrances	$	39,901,136

Significant encumbrances of these funds are as follows:

- **General Fund**
  - $2.6 million is encumbered for facilities projects;
  - $1.8 million is encumbered for the Information Technology and Telecommunications Departments, most of which is for capital project activity;
  - $1.4 million is encumbered in the Non-Departmental Department of which $831 thousand is for temporary workers, $197 thousand is for consulting work, $334 is for maintenance contracts;
  - $575 thousand is encumbered in Equipment Services of which most of which is for the purchase of new vehicles and heavy equipment;

- **General Road and Bridge Special Revenue Fund**
  - Of the $4.8 million encumbered in the General Road and Bridge Special Revenue Fund, an amount of $3.4 million is for road materials and $1.2 million is for capital equipment;

- **Health Care Foundation Special Revenue Fund**
  - Of the $851 thousand encumbered in the Health Care Foundation Special Revenue Fund an amount of $289 thousand is for Project Access, $139 thousand is for consulting work, $270 thousand is for grant awards, and $121 thousand is for software maintenance;

- **RTR – Outer Loop Grant Special Revenue Fund**
  - The $440 thousand encumbered in the RTR – Outer Loop Grant Special Revenue Fund is for a road construction contract;

- **2007 Road Bond Capital Project Fund**
  - The $16.3 million encumbered in the 2007 Road Bond Capital Project Fund for road engineering and construction contracts;

- **Non-major funds**
  - $5.1 million is encumbered for road and bridge engineering and construction contracts;
  - $1.2 million is encumbered for technology projects;
  - $3.6 million is encumbered for facilities and parks projects.

IV. OTHER INFORMATION

(a) Risk Management

The County has elected to provide a limited risk self-funded group health insurance program to eligible employees and dependents; and is partially self-insured against the 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.

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, 2013, the County paid $800 per month for medical and 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. Individual stop-loss deductible is $100 per person.

Collin County had an increase of $955 thousand (5.3%) in health insurance benefit expenditures in 2013. The net position decreased $1.1 million from the prior year to a level of $1.8 million. Premiums remained almost the same in 2013 as in 2012. Management continues to monitor the claims and has made changes to coverage to help keep costs down.

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 $275,000. The third-party administrator for the program, Tri-star, 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 State National Insurance Company.

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 insurance internal service fund by the other funds they service. 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 2013 and 2012 follow (in thousands):

	Liability	Estimates	Payments	Liability
2013 Employee Medical	$ 855	$ 18,773	$ 18,773	$ 855
2012 Employee Medical	855	17,818	17,818	855
2013 Workers' Compensation	638	411	411	638
2012 Workers' Compensation	638	596	596	638
2013 Claims Liability	447	994	994	447
2012 Claims Liability	447	939	939	447

(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) *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 however it is only available to employees hired before December 18, 2007. There is no liability as of September 30, 2013, because the full longevity payment has been recorded in the governmental fund statements as a current expenditure since the liability was paid as part of the last payroll in 2013.

(d) *Post-Retirement Health Benefits*

Plan Description

The County's post-employment benefit plan is a single-employer defined benefit plan. Effective February of 2013 the County offers health benefits at actuarial cost and no longer offers supplements. The applicable coverage amount applies to both retiree and the retiree's spouse when they reach age 65 and is available only if the retiree is not covered under another insurance policy other than Medicare. Spouse coverage is only available if they were on the County's plan prior to the employee's retirement from the County. County coverage is secondary to Medicare upon eligibility for Medicare coverage. No post-employment liability exists since retirees are paying the full cost of this benefit.

(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 multi-employer public employee defined benefit pension retirement system consisting of 655 public employee 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 or can be viewed at *www.tcdrs.org*.

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.

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 an amount of 8.5% in 2013 which was an increase from the 7.7% in 2012 but still less than the 13.5% in 2011. This decrease from 2011 to 2012 was due to the County making a lump sum payment of $40.5 million in 2012. This carried over into allowing a lower rate in 2013 of 8.5% and will allow lower contribution amounts for years to come. The actuarial required rate was 8.06% in 2013 and 7.64% in 2012. The contribution rate payable by the employee members for the calendar years of 2013 and 2012 was 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.

(e) Retirement Commitments

(3) Annual Pension Cost

For the accounting year ended September 30, 2013, the employer paid pension expenditures for the County to the TCDRS plan were $6,687,112 and the required contributions were $6,510,287. The actual contributions were 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 2010, 2011 and 2012, the basis for assessing the adequacy of the financing arrangement beginning with the contribution rates for calendar years 2010 and ending with 2012. As of December 31, 2012, the County's retirement plan was 99.10% funded. The December 31, 2012 actuarial valuation is the most recent valuation and provided the following information:

Actuarial Valuation Information

Actuarial valuation date	12/31/2010	12/31/2011	12/31/2012
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percent of payroll, closed	level percent of payroll, closed	level percent of payroll, closed
Amortization period in years	20.0	2.3	2.8
Asset valuation method			
Subdivision Accumulation Fund	10-yr smoothed value	10-yr smoothed value	10-yr smoothed value
Employees Saving Fund	Fund value	Fund value	Fund value
Assumptions:			
Investment return – includes Inflation at the stated rate	8.0%	8.0%	8.0%
Projected salary increases – Includes inflation at the stated rate	5.4%	5.4%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

Schedule of Funding Information

Actuarial valuation date	12/31/2010	12/31/2011	12/31/2012
Actuarial value of assets	$242,207,446	$292,341,994	$307,712,427
Actuarial accrued liability (AAL)	$277,377,627	$294,809,845	$310,506,865
Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)]	$ 35,170,181	$ 2,467,861	$ 2,794,438
Funded ratio	87.32%	99.16%	99.10%
Annual covered payroll (actuarial)	$85,291,381	$85,213,179	$84,306,943
UAAL or (OAAL) as percentage of covered payroll	41.24%	2.90%	3.31%

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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, 2013

	Budget Original	Budget Final	Actual	Variance with Final Budget positive (negative)
Revenues:				
Taxes:				
Property	$ 127,714,748	$ 127,714,748	$ 129,156,674	$ 1,441,926
Licenses and permits	279,000	279,000	378,671	99,671
Federal and state funds	3,825,422	3,825,422	5,033,417	1,207,995
Fees and charges for services	19,282,520	19,282,520	19,319,252	36,732
Fines and forfeitures	1,962,155	1,962,155	2,142,678	180,523
Rental revenues	236,481	236,481	254,430	17,949
Interest	1,341,100	1,341,100	485,868	(855,232)
Miscellaneous	526,000	656,746	1,269,903	613,157
Total revenues	155,167,426	155,298,172	158,040,893	2,742,721
Expenditures:				
Current:				
General administration	32,623,530	31,455,340	23,850,268	7,605,072
Judicial	15,387,816	15,459,309	14,598,191	861,118
Financial administration	10,587,260	10,604,355	9,903,760	700,595
Legal	10,557,924	10,557,924	10,040,658	517,266
Public facilities	11,543,639	11,621,462	10,575,698	1,045,764
Equipment services	2,735,184	2,735,184	2,164,730	570,454
Public safety	54,993,353	55,191,907	52,794,966	2,396,941
Health and welfare	11,801,758	12,543,308	12,075,076	468,232
Culture and recreation	878,353	878,353	841,464	36,889
Conservation	262,787	262,787	244,445	18,342
Capital outlay	10,250,112	10,181,977	3,964,567	6,217,410
Total expenditures	161,621,716	161,491,906	141,053,823	20,438,083
Excess of revenues over expenditures	(6,454,290)	(6,193,734)	16,987,070	23,180,804
Other financing sources (uses):				
Transfers in	-	79,505	79,505	-
Transfers out	(300,000)	(553,735)	(515,900)	37,835
Sale of assets	-	3,521,872	3,540,233	18,361
Total other financing sources (uses)	(300,000)	3,047,642	3,103,838	56,196
Net change in fund balance	(6,754,290)	(3,146,092)	20,090,908	23,237,000
Fund balance – beginning	165,628,061	165,628,061	165,628,061	-
Fund balance – ending	$ 158,873,771	$ 162,481,969	$ 185,718,969	$ 23,237,000

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, 2013

	Budget			Variance with Final Budget positive (negative)
	Original	Final	Actual	
Revenues:				
Taxes:				
Property	$ 2,231,084	$ 2,231,084	$ 2,254,403	$ 23,319
Licenses and permits	-	3,780	3,780	-
Fees & charges for services:				
Road mileage fees	7,760,445	7,760,445	7,537,817	(222,628)
Vehicle title fees	734,645	734,645	888,080	153,435
Road & bridge fees	6,419,201	6,419,201	7,154,172	734,971
Total fees & charges for services	14,914,291	14,914,291	15,580,069	665,778
Fines and forfeitures:				
County clerk	1,235,184	1,235,184	1,461,111	225,927
District clerk	472,028	472,028	505,106	33,078
Total fines and forfeitures	1,707,212	1,707,212	1,966,217	259,005
Other local government funds	-	89,186	89,186	-
Interest	140,000	140,000	85,864	(54,136)
Miscellaneous:				
Sale of road and bridge materials	91,900	91,900	182,941	91,041
Other and grants	6,430	6,430	17,186	10,756
Total miscellaneous	98,330	98,330	200,127	101,797
Total revenues	19,090,917	19,183,883	20,179,646	995,763
Expenditures:				
Current:				
Public Transportation:				
Road and Bridge Maintenance:				
Salaries and benefits	5,222,533	5,222,533	4,881,583	340,950
Training and travel	11,616	11,616	7,511	4,105
Maintenance and operating	16,642,538	16,642,538	12,064,572	4,577,966
Total Road and Bridge Maintenance	21,876,687	21,876,687	16,953,666	4,923,021
Engineering:				
Salaries and benefits	407,516	407,516	403,721	3,795
Training and travel	12,985	12,985	6,648	6,337
Maintenance and operating	6,608	6,608	2,687	3,921
Total Engineering	427,109	427,109	413,056	14,053

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, 2013

	Budget Original	Budget Final	Actual	Variance with Final Budget positive (negative)
Services and Operations:				
Salaries and benefits	$ 451,319	$ 451,319	$ 426,138	$ 25,181
Training and travel	10,493	10,493	135	10,358
Maintenance and operating	4,229	4,229	2,093	2,136
Total Services and Operations	466,041	466,041	428,366	37,675
Soil Conservation:				
Maintenance and operating	61,407	61,407	53,473	7,934
Special Projects:				
Salaries and benefits	211,278	211,278	177,575	33,703
Training and travel	1,425	1,425	-	1,425
Maintenance and operating	600	600	279	321
Total Special Projects	213,303	213,303	177,854	35,449
Non-departmental:				
Maintenance and operating	400,100	400,100	273,436	126,664
Total public transportation	23,444,647	23,444,647	18,299,851	5,144,796
Capital Outlay:				
Public Transportation:				
Road and Bridge Maintenance	2,693,217	2,693,217	1,315,273	1,377,944
Total Capital Outlay	2,693,217	2,693,217	1,315,273	1,377,944
Total expenditures	26,137,864	26,137,864	19,615,124	6,522,740
Excess (deficiency) of revenues over (under) expenditures	(7,046,947)	(6,953,981)	564,522	7,518,503
Other financing sources (uses):				
Sale of assets	-	159,380	159,381	1
Total other financing sources (uses)	-	159,380	159,381	1
Net change in fund balance	(7,046,947)	(6,794,601)	723,903	7,518,504
Fund balance – beginning	18,373,712	18,373,712	18,373,712	-
Fund balance – ending	$ 11,326,765	$ 11,579,111	$ 19,097,615	$ 7,518,504

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, 2013

	Budget			Variance with Final Budget positive (negative)
	Original	**Final**	**Actual**	
Revenues:				
Federal and state funds	$ 50,000	$ 1,269,042	$ 1,270,265	$ 1,223
Fees and charges for services	1,332,400	332,400	277,491	(54,909)
Rental revenues	1,123,552	1,123,552	1,095,368	(28,184)
Interest	50,000	50,000	26,099	(23,901)
Miscellaneous	15,000	15,000	31,311	16,311
Total revenues	2,570,952	2,789,994	2,700,534	(89,460)
Expenditures:				
Current:				
Health and Welfare:				
Salaries and benefits	1,466,468	1,467,503	1,462,371	5,132
Training and travel	18,000	18,000	5,884	12,116
Maintenance and operating	3,143,629	3,347,892	1,100,925	2,246,967
Total health and welfare	4,628,097	4,833,395	2,569,180	2,264,215
Public Facilities:				
Maintenance and operating	183,789	183,789	82,011	101,778
Total public facilities	183,789	183,789	82,011	101,778
Capital Outlay:				
Health and Welfare	12,553	12,553	-	12,553
Total Capital Outlay	12,553	12,553	-	12,553
Total expenditures	4,824,439	5,029,737	2,651,191	2,378,546
Excess (deficiency) of revenues over (under) expenditures	(2,253,487)	(2,239,743)	49,343	2,289,086
Fund balance – beginning	8,437,046	8,437,046	8,437,046	-
Fund balance – ending	$ 6,183,559	$ 6,197,303	$ 8,486,389	$ 2,289,086

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

(a) Budgetary Information

Annual budgets are adopted for all governmental funds with the exception of capital project funds and the following special revenue funds: RTR – Wylie Fund, RTR – Outer Loop Phase 3 Fund, Tax Assessor/Collector Motor Vehicle Tax Fund, LEOSE Education Fund, District Attorney Service Fee Fund, Juvenile Case Manager Fund, District Attorney Pretrial Intervention Program Fund, SCAAP Fund, District Attorney Apportionment Fund, and the Grants Fund. The budget for capital project funds is adopted by project on a project-life term at the time debt is issued, and the budget is carried over from year to year until the funding is exhausted. All grant fund budgets are adopted at the grantor level and adoption is administerial by Commissioners Court. All governmental fund annual appropriations lapse at 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 Commissioners Court beginning in early July. Commissioners 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 1st or as soon as possible thereafter the budget and the tax rate are adopted with tax notices mailed on or after October 1st.

The appropriated budget is adopted annually by fund, department, and activity at the legal level of budgetary control. The categories of salary and benefits, training and travel, maintenance and operating, and capital assets are the legal levels used. Effective September 1, 2005, the Commissioners Court amended this policy to allow the Budget Officer 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.

Encumbrance accounting is utilized by the County. Encumbrances (i.e. outstanding purchase orders, contracts) outstanding at year end are reported as restrictions or commitments of fund balance and do not constitute expenditures or liabilities because the expenditures are not recognized until the goods or services have been received. The encumbrances at year-end are carried forward to the next year and the budget is increased to accommodate the additional expenditures.

Employees Retirement System Schedule of Funding Progress (thousands)

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 31,2010	$ 242,207	$ 277,378	$(35,171)	87.32%	$ 85,291	41.24%
December 31,2011	292,342	294,810	(2,468)	99.16%	85,213	2.90%
December 31,2012	307,712	310,507	(2,795)	99.10%	84,307	3.32%

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APPENDIX C

FORMS OF BOND COUNSEL'S OPINIONS

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Texas
New York
Washington, DC
Connecticut
Seattle
Dubai
London

Bracewell & Giuliani LLP
1445 Ross Avenue
Suite 3800
Dallas, Texas
75202-2711

[CLOSING DATE]

$______________
COLLIN COUNTY, TEXAS
UNLIMITED TAX ROAD BONDS,
SERIES 2014

WE HAVE represented Collin County, Texas (the "Issuer"), as its bond counsel in connection with an issue of bonds (the "Bonds") described as follows:

> COLLIN COUNTY, TEXAS UNLIMITED TAX ROAD BONDS, SERIES 2014, dated June 15, 2014.
>
> The Bonds mature, bear interest, are subject to redemption prior to maturity and may be transferred and exchanged as set out in the Bonds and in the orders adopted by the Commissioners Court of the Issuer authorizing their issuance and ratifying and confirming their issuance (collectively, the "Order").

WE HAVE represented the Issuer as its bond counsel for the purpose of rendering an opinion with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes. We have not investigated or verified original proceedings, records, data or other material, but have relied solely upon the transcript of proceedings described in the following paragraph. We have not assumed any responsibility with respect to the financial condition or capabilities of the Issuer or the disclosure thereof in connection with the sale of the Bonds. Our role in connection with the Issuer's Official Statement prepared for use in connection with the sale of the Bonds has been limited as described therein.

IN OUR CAPACITY as bond counsel, we have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the Bonds, on which we have relied in giving our opinion. The transcript contains certified copies of certain proceedings of the Issuer; customary certificates of officers, agents and representatives of the Issuer, and other public officials, and other certified showings relating to the authorization and issuance of the Bonds. We have also examined such applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), court decisions, United States Department of the Treasury Regulations and published rulings of the Internal Revenue Service (the "Service") as we have deemed relevant. We have also examined executed Bond No. 1 of this issue.

BASED ON SUCH EXAMINATION, IT IS OUR OPINION THAT:

(A) The transcript of certified proceedings evidences complete legal authority for the issuance of the Bonds in full compliance with the Constitution and laws of the State of Texas presently effective and, therefore, the Bonds constitute valid and legally binding obligations of the Issuer; and

(B) A continuing ad valorem tax upon all taxable property within Collin County, Texas, necessary to pay the interest on and principal of the Bonds, has been levied and pledged irrevocably for such purposes, without limit as to rate or amount, and the total indebtedness of the Issuer, including the Bonds, does not exceed any constitutional, statutory or other limitations.

THE RIGHTS OF THE OWNERS of the Bonds are subject to the applicable provisions of the federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally, and may be limited by general principles of equity which permit the exercise of judicial discretion.

IT IS OUR FURTHER OPINION THAT:

(1) Interest on the Bonds is excludable from gross income for federal income tax purposes under existing law; and

(2) The Bonds are not "private activity bonds" within the meaning of the Code, and, as such, interest on the Bonds is not subject to the alternative minimum tax on individuals and corporations, except that interest on the Bonds will be included in the "adjusted current earnings" of a corporation (other than an S corporation, regulated investment company, REIT, or REMIC) for purposes of computing its alternative minimum tax liability.

In providing such opinions, we have relied on representations of the Issuer, the Issuer's financial advisor and the underwriters of the Bonds with respect to matters solely within the knowledge of the Issuer, the Issuer's financial advisor and the underwriters, respectively, which we have not independently verified, and have assumed continuing compliance with the covenants in the Order pertaining to those sections of the Code, that affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. If such representations are determined to be inaccurate or incomplete or the Issuer fails to comply with the foregoing provisions of the Order, interest on the Bonds could become includable in gross income from the date of original delivery, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt of interest on, or disposition of the Bonds.

Owners of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, low and middle income taxpayers qualifying for the health insurance premium assistance credit, and individuals otherwise qualifying for the earned income credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively-connected earnings and profits (including tax-exempt interest such as interest on the Bonds).

The opinions set forth above are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement these opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the Issuer as the taxpayer. We observe that the Issuer has covenanted in the Order not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Bonds as includable in gross income for federal income tax purposes.

Texas
New York
Washington, DC
Connecticut
Seattle
Dubai
London

Bracewell & Giuliani LLP
1445 Ross Avenue
Suite 3800
Dallas, Texas
75202-2711

[CLOSING DATE]

$_______________
COLLIN COUNTY, TEXAS
LIMITED TAX PERMANENT IMPROVEMENT AND REFUNDING BONDS,
SERIES 2014

WE HAVE represented Collin County, Texas (the "Issuer"), as its bond counsel in connection with an issue of bonds (the "Bonds") described as follows:

> COLLIN COUNTY, TEXAS LIMITED TAX PERMANENT IMPROVEMENT AND REFUNDING BONDS, SERIES 2014, dated June 15, 2014.
>
> The Bonds mature, bear interest, are subject to redemption prior to maturity and may be transferred and exchanged as set out in the Bonds and in the orders adopted by the Commissioners Court of the Issuer authorizing their issuance and ratifying and confirming their issuance (collectively, the "Order").

WE HAVE represented the Issuer as its bond counsel for the purpose of rendering an opinion with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes. We have not investigated or verified original proceedings, records, data or other material, but have relied solely upon the transcript of proceedings described in the following paragraph. We have not assumed any responsibility with respect to the financial condition or capabilities of the Issuer or the disclosure thereof in connection with the sale of the Bonds. Our role in connection with the Issuer's Official Statement prepared for use in connection with the sale of the Bonds has been limited as described therein.

IN OUR CAPACITY as bond counsel, we have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the Bonds, on which we have relied in giving our opinion. The transcript contains certified copies of certain proceedings of the Issuer; an escrow agreement (the "Escrow Agreement") between the Issuer and The Bank of New York Mellon Trust Company, N.A. as escrow agent (the "Escrow Agent"), the report (the "Report") of Grant Thornton LLP, Certified Public Accountants (the "Verification Agent"), verifying the sufficiency of the deposits made with the Escrow Agent for defeasance of the obligations being refunded and the mathematical accuracy of certain computations of the yield on the Bonds and obligations acquired with the proceeds of the Bonds; customary certificates of officers, agents and representatives of the Issuer, and other public officials, and other certified showings relating to the authorization and issuance of the Bonds and the firm banking and financial arrangements for the discharge and final payment of the obligations being refunded.. We have also examined such applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), court decisions, United States Department of the Treasury Regulations and published rulings of the Internal Revenue Service (the "Service") as we have deemed relevant. We have also examined executed Bond No. 1 of this issue.

BASED ON SUCH EXAMINATION, IT IS OUR OPINION THAT:

(A) The transcript of certified proceedings evidences complete legal authority for the issuance of the Bonds in full compliance with the Constitution and laws of the State of Texas presently effective and, therefore, the Bonds constitute valid and legally binding obligations of the Issuer;

(B) Firm banking and financial arrangements have been made for the discharge and final payment of the bonds being refunded pursuant to an Escrow Agreement entered into between the Issuer and the Escrow Agent and, therefore, such bonds are deemed to be fully paid and no longer outstanding except for the purpose of being paid from the funds provided therefor in such Escrow Agreement; and

(C) A continuing ad valorem tax upon all taxable property within Collin County, Texas, necessary to pay the interest on and principal of the Bonds, has been levied and pledged irrevocably for such purposes, within the limits prescribed by law, and the total indebtedness of the Issuer, including the Bonds, does not exceed any constitutional, statutory or other limitations.

THE RIGHTS OF THE OWNERS of the Bonds are subject to the applicable provisions of the federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally, and may be limited by general principles of equity which permit the exercise of judicial discretion.

IT IS OUR FURTHER OPINION THAT:

(1) Interest on the Bonds is excludable from gross income for federal income tax purposes under existing law; and

(2) The Bonds are not "private activity bonds" within the meaning of the Code, and, as such, interest on the Bonds is not subject to the alternative minimum tax on individuals and corporations, except that interest on the Bonds will be included in the "adjusted current earnings" of a corporation (other than an S corporation, regulated investment company, REIT, or REMIC) for purposes of computing its alternative minimum tax liability.

In providing such opinions, we have relied on representations of the Issuer, the Issuer's financial advisor and the underwriters of the Bonds with respect to matters solely within the knowledge of the Issuer, the Issuer's financial advisor and the underwriters, respectively, which we have not independently verified, and have assumed continuing compliance with the covenants in the Order pertaining to those sections of the Code, that affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. We have further relied on the Report of the Verification Agent, regarding the mathematical accuracy of certain computations. If such representations or the Report are determined to be inaccurate or incomplete or the Issuer fails to comply with the foregoing provisions of the Order, interest on the Bonds could become includable in gross income from the date of original delivery, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt of interest on, or disposition of the Bonds.

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The opinions set forth above are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement these opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the Issuer as the taxpayer. We observe that the Issuer has covenanted in the Order not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Bonds as includable in gross income for federal income tax purposes.

Financial Advisory Services
Provided By

FirstSouthwest