DENTON COUNTY, TEXAS

Comprehensive Annual Financial Report

For the Fiscal Year Ended

September 30, 2015

DENTON COUNTY AUDITOR

DENTON COUNTY, TEXAS

1846

DENTON COUNTY, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

Prepared By the

DENTON COUNTY AUDITOR'S OFFICE

James A. Wells, CPA, County Auditor

DENTON COUNTY, TEXAS

1846

DENTON COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT

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DENTON COUNTY AUDITOR

JAMES A. WELLS, C.P.A.

March 29, 2016

The Honorable District Judges of Denton County and
The Honorable Members of the Denton County Commissioners Court:

Chapter 114.025 and chapter 115.045 of the Local Government Code of the State of Texas require that Denton County publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Per that requirement, we hereby issue the comprehensive annual financial report of Denton County for the fiscal year ended September 30, 2015.

Management assumes full responsibility for the completeness and the reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Pattillo, Brown & Hill. L.L.P, Certified Public Accountants, have issued an unmodified (clean) opinion on Denton County's financial statements for the year ended September 30, 2015. The independent auditor's report is located at the front of the financial section of this report.

The independent audit of the financial statements of Denton County was part of the broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and legal requirements involving the administration of federal awards. These reports are included in the Single Audit section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report, and it provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal, and it should be read in conjunction with it.

PROFILE OF DENTON COUNTY

The County of Denton, established in 1846, is located in the north central part of the state, which is considered to be a top growth area in the state, and one of the top growth areas in the country. The County of Denton currently occupies a land area of 911 square miles and serves a population of 734,940 according to the most recent estimates of the North Central Texas Council of Governments. The County of Denton is empowered to levy a property tax on both real and personal property located within its boundaries.

Policy-making authority is vested in the Commissioners Court, consisting of the County Judge and four County Commissioners. The Commissioners Court is responsible, among other things, for adopting the budget and for setting policies.

The County provides a full range of services authorized by statute. Such services include general governmental functions such as recording and licensing, maintaining the county and district court systems, maintaining public facilities, ensuring public safety, maintaining public health and welfare, aiding conservation, and maintaining county roads and bridges.

The annual budget serves as the foundation for Denton County's financial planning and control. All departments of the County are required to submit budget requests to the budget officer during May each year. The budget officer uses these requests to develop a proposed budget. The proposed budget is then presented to the Commissioners Court for review. The Commissioners Court is required to hold public hearings on the proposed budget. The County is required to adopt its budget by first day of the new fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department. All transfers of appropriations, either between departments or within an individual department's budget, require the approval of the Commissioners Court. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

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 Denton County operates.

Local economy. Denton County is located in the north central part of Texas. With approximately 735,000 citizens, it is the ninth most populous county in the state. Major cities in the County include Denton which is the county seat, Lewisville, Flower Mound and Carrollton. Denton County's many advantages include climate, access to transportation, a young, skilled workforce, and its educational facilities.

Denton County continues to experience strong growth in population and in its economic base. The population has grown by almost 15% since the 2010 census and by nearly 65% since the 2000 census. During the same period, the County's tax base has grown from $10 billion in 1990 to over $70 billion in 2015.

Denton County's economy and employment picture have rebounded strongly since the 2008 recession. Our September, 2015, unemployment rate of 3.1% compares favorably with the 4.4% statewide rate, and with the 5.1% national rate. During the 2015 year, the County had over $2.70 billion in new property added to the tax rolls. This is a 50% increase in new construction in the County compared to the previous year, and it well exceeds our pre-recession tax base growth. Also, in 2015, approximately 5,850 new single-family residences were added to the County tax roll.

The economic outlook for Denton County remains very positive for the near future. Major industrial investments in the past, which include Alliance Airport, a Wal-Mart distribution center, and the Texas World Speedway, continue to attract additional development in the County. New housing developments such as Rayzor Ranch, the Hills of Denton, Hunter Ranch and Cole Ranch are expected to add over 28,000 new housing units in the next 20 years, and construction has rebounded from the recession. There also have been major investments in the County by the healthcare profession with several major hospitals undergoing significant expansions. These expansions have in turn spurred additional investment in office buildings and other medical services. Also, corporate expansions by Target and Schlumberger have been completed. The retail industry continues to expand throughout Denton County as the population of the County continues to grow steadily. Denton County's two universities, the University of North Texas and Texas Woman's University, and North Central Texas College continue to turn out a large number of skilled graduates each year, and enrollment at these schools continues to increase significantly each year. This labor supply, combined with air, rail and highway transportation centers, adds assurance to the County's continued economic growth.

Long-term Financial Planning. Denton County has adopted several financial management policies to provide guidelines to insure its long-term financial health. The General Fund Balance policy sets a minimum level for reserve funds in the General Fund at 12% of current budgeted expenditures. It also establishes guidelines for appropriate uses of excess reserves, and it sets out strategies for the County when compliance has not been maintained. The Debt Management Policy establishes guidelines for debt issuance, debt levels, appropriate types of debt to issue, and debt repayment schedules. These policies have been adopted in the last ten years, and the County has remained in compliance with them. To further strengthen our long-term financial planning, Denton County adopted its first formal Capital Improvements Plan in 2009, and the plan has been updated each year since.

Relevant Financial Policies. Denton County's overtime policy for non-exempt employees set forth the procedures relating to the manner in which employees will be compensated for time worked in excess of the regular work week. In accordance with the Fair Labor Standards Act as it applies to local governments, the employees are granted compensation time at either straight time or time and a half for these hours. Compensable time earned is disclosed as a liability in the government wide financial statements and in the notes to the financial statement. During the 2015 fiscal, the Commissioners Court made a decision to make cash payments to all employees for a portion of their accumulated compensable time. One-third of all employees straight time overtime was paid out in September, 2015, These payments lowered the County's liability by over $1,200,000.

Major Initiatives. Continued implementation of the facilities and transportation improvements identified in the Capital Improvement Plan was the major priority of County management in 2015. Construction on the County's law enforcement center was completed in 2015 at a total cost of almost $24 million. New projects initiated in 2014 that continued in 2015 included government centers in Frisco, Lewisville and Flower Mound.

A major portion of the funding from the last three bond sales was dedicated to transportation improvements. The County was very active in finalizing contracts with municipalities in the County and with the State of Texas to insure that needed improvements were begun. We also hired several engineering firms to plan and design projects where the funding contracts were already in place. Both the facilities and the transportation initiatives will carry forward into the 2015 fiscal year.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Denton County for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2014. This was the twenty-fourth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

In addition, the government also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated October 1, 2014. In

order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including serving as a policy document, a financial plan, an operations guide, and as a communications device.

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. Credit also must be given to the County Treasurer, Budget Office, Purchasing Department and Human Resources Department for their support for maintaining the highest standards of professionalism in the management of the County's finances.

Respectfully submitted,

James A. Wells, CPA
Denton County Auditor

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

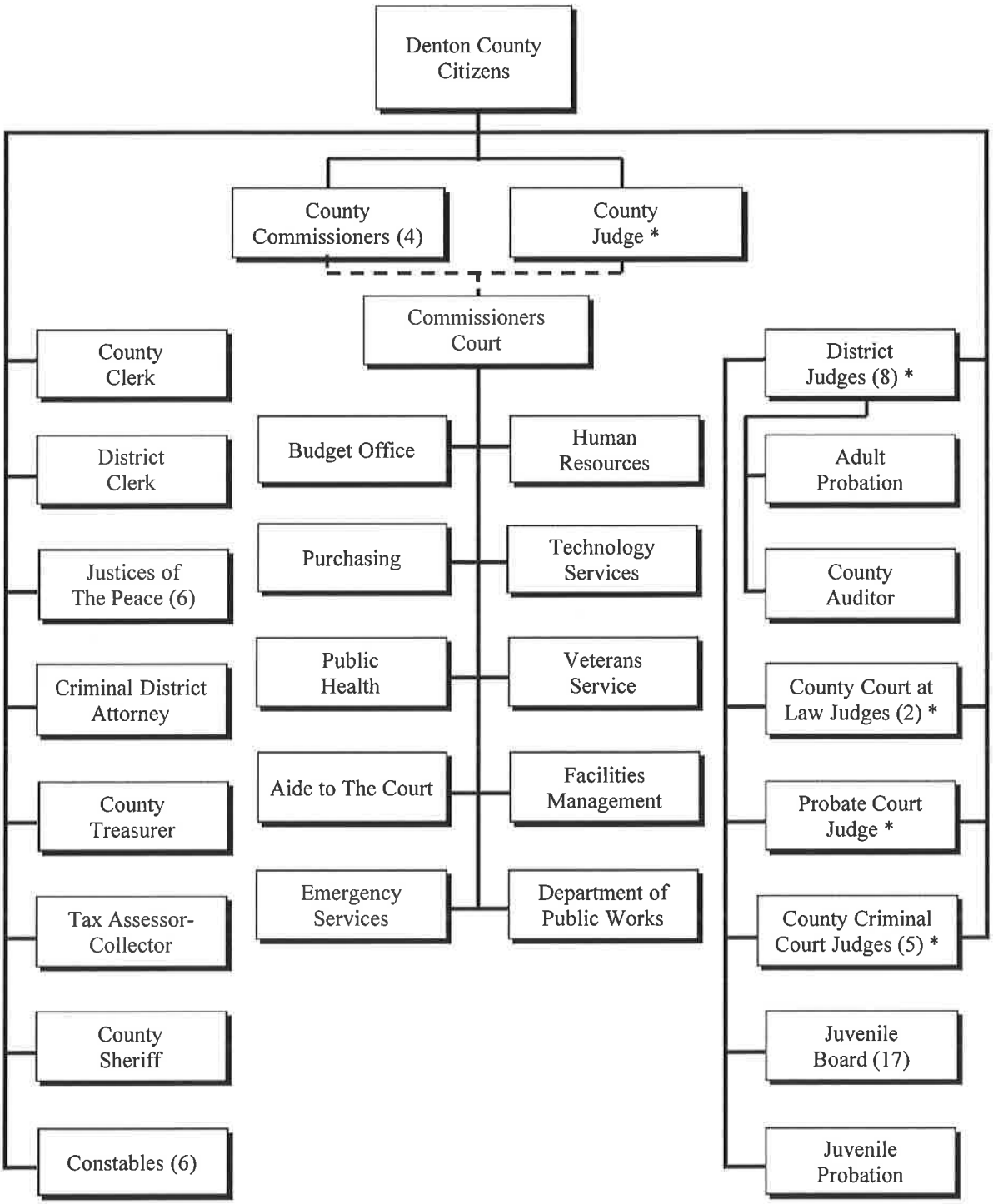
Denton County
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Executive Director/CEO

DENTON COUNTY ORGANIZATIONAL CHART



* Members of Juvenile Board

DENTON COUNTY, TEXAS
PRINCIPAL OFFICIALS
September 30, 2015

Commissioners Court	
Mary Horn	County Judge
Hugh Coleman	Commissioner, Pct. 1
Ron Marchant	Commissioner, Pct. 2
Bobbie J. Mitchell	Commissioner, Pct. 3
Andy Eads	Commissioner, Pct. 4
Judicial	
Sherry Shipman	Judge, 16th District Court
Steve Burgess	Judge, 158th District Court
Brody Shanklin	Judge, 211th District Court
Bruce McFarling	Judge, 362nd District Court
Margaret Barnes	Judge, 367th District Court
Doug Robison	Judge, 393rd District Court
Jonathan Bailey	Judge, 431st District Court
Tiffany Haertling	Judge, 442nd District Court
Kimberly McCary	Judge, County Court-at-Law 1
Robert Ramirez	Judge, County Court-at-Law 2
Jim Crouch	Judge, County Criminal Court 1
Virgil Vahlenkamp	Judge, County Criminal Court 2
David Garcia	Judge, County Criminal Court 3
Joe Bridges	Judge, County Criminal Court 4
Coby Waddill	Judge, County Criminal Court 5
Bonnie Robison	Judge, Probate Court
Law Enforcement	
William B. Travis	County Sheriff
Paul Johnson	Criminal District Attorney
Peggy Carr*	Community Supervision Director
Ken Metcalf*	Juvenile Probation Director
Financial Administration	
James Wells *	County Auditor
Cindy Brown	County Treasurer
Michelle French	Tax Assessor-Collector
Beth Fleming *	Director of Purchasing
Donna Stewart *	Budget Officer
Recording Officials	
Sherri Adelstein	District Clerk
Juli Luke	County Clerk

* Designates appointed officials. All others listed are elected officials.

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

INDEPENDENT AUDITOR'S REPORT

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

Report of the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Denton County, Texas as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Denton County, Texas' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions 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 from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Denton County, Texas, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note III to the financial statements, in 2015 the County adopted new accounting guidance, Governmental Accounting Standards (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 and Governmental Accounting Standards (GASB) Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension information, and the schedule of funding progress for the other post-employment benefit plans on pages 4 – 14 and 59 – 62 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Denton County, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, statistical section and the schedule of expenditures of federal and state awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, Non-Profit Organizations,* and the *State of Texas Single Audit Circular,* 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 and schedules and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements 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 do not express an opinion or provide any assurance on them

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2016, on our consideration of the Denton 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Denton County, Texas' internal control over financial reporting and compliance.

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

Waco, Texas
March 28, 2016

Denton County, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of Denton County's financial performance provides an overview of the County's financial activities for the fiscal year ended September 30, 2015. The MD&A should be read in conjunction with the accompanying transmittal letter, the basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- Denton County's liabilities exceeded its assets and deferred outflows, at the close of the most recent fiscal year by $(128,640,806) (*net position*). Of this amount $22,650,873 is restricted for specific purposes. Unrestricted net position is $(328,542,658).
- As of the close of the current fiscal year, Denton County's governmental funds reported combined ending fund balances of $316,028,902, an increase of $28,736,093 in comparison with the prior year. Of this total amount, $41,856,226 is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the general fund was $41,856,226 or 32.12 percent of the total general fund expenditures.
- Denton County's total bonded debt increased by $19,300,000 (3.1 percent) during the current fiscal year. The key factors in this increase are that the County issued $102,385,000 in new bonded debt in 2015 while $83,085,000 in previously issued debt was retired during the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Denton County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of Denton County's assets, liabilities, and deferred inflows/outflows of resources, with the difference

between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Denton County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Denton County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Denton County include general government, public safety, roads and bridges, public health and judicial.

The government-wide financial statements can be found on pages 15-16 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Denton County, like other state and local governments, uses fund accounting to ensure and to demonstrate compliance with finance-related legal requirements. All of the funds of Denton County can be divided into 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* at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus for governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Denton County maintains 39 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, the Debt Service Fund, the 2010 PI Bond Project Fund, 2012 PI Bond Fund, the 2013 PI Bond Fund, the 2014 PI Bond Fund, and the 2015 PI Bond Fund, all of which are considered to be major funds. Data from the other 33 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Denton County adopts an annual appropriated budget for the General Fund, the Debt Service Fund and for certain of the Special Revenue Funds. Budgetary comparison schedules have been provided for all budgeted funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 17-23 of this report.

Proprietary fund. Denton County maintains one type of proprietary fund. The *internal service fund* is an accounting device used to accumulate and to allocate costs internally among Denton County's various functions. Denton County uses an internal service fund to account for its self-insurance program for employee health and dental benefits. Because this program predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 24-26 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are not available to support Denton County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund statement can be found on page 27 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statement can be found on pages 28-58 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary*

information and combining and individual fund statements for the Debt Service Fund and the Special Revenue Funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Denton County, liabilities exceeded assets and deferred outflows of resources by $128,640,806 at the close of the most recent fiscal year.

The largest portion of Denton County's net position represents cash and investments that are to be used for capital improvements for the County. The County's investment in capital assets (e.g., land, buildings, machinery, and equipment) is more than offset by the related debt used to acquire those assets that is still outstanding. This results in a negative number for the County's total net position. Although Denton County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Denton County Net Position

The County's net position for the fiscal years ended September 30, 2015 and 2014 are summarized as follows:

	2015	2014
Current and other assets	$ 350,876,274	$ 319,840,704
Capital assets (net of depreciation)	269,541,031	253,265,319
Total assets	620,417,305	573,106,023
Deferred outflows of resources	22,371,349	6,468,699
Current and other liabilities	22,146,667	19,405,493
Long-term liabilities	749,282,793	687,212,253
Total Liabilities	771,429,460	706,617,746
Net position:		
Net investment in capital assets	177,250,979	211,057,854
Restricted	22,650,873	18,237,107
Unrestricted	(328,542,658)	(356,337,988)
Total net position	$ (128,640,806)	$ (127,043,027)

About 3.65% of Denton County's total assets represent resources that are subject to external restrictions on how they may be used. Restrictions include statutory requirements, bond covenants and granting conditions. Also, in many instances, liabilities that have affected the County's net assets in a negative manner have financed non-County road projects and therefore have not resulted in a corresponding increase in County assets.

The County's net position increased by $22,653,812, excluding a prior period adjustment required due to the County's implementation of Government Accounting Standards Board Statement 68 regarding reporting for pension plans. during the current fiscal year. Key components of this increase include the following:

- Unrestricted net position increased by nearly $27 million as a result of strong revenue collections and trends, and moderating levels of expenses for several key areas.

- The net position of the internal service fund was basically unchanged as plan premiums were unchanged while claims paid increased by 11% in 2015.

- A reporting requirement for debt in government-wide statements is that the principal debt payments of $21,480,000 are expenditures in the traditional fund statements and a reduction of debt (which increases net position) in the government-wide financial statements.

- Capital assets increased by $16 million as the County continued implementing its adopted capital improvement plan. The County made significant improvements to county buildings and infrastructure in 2015.

- Net position was decreased by $24.25 million due to required adjustment to ending position in FY 2014. This was necessary due to Governmental Accounting Standards Board Statement 68 which requires that the County recognize its net pension liability as a long-term liability. Previously, only the disclosure of the unfunded pension liability in the notes to the financial statement was required.

Governmental activities. Governmental activities, which are the County's only activities, increased Denton County's net position by $22,653,812. Key elements of this increase are as follows:

	2015	2014
Revenues:		
Net Program Revenues:		
Charges for services	$ 33,020,557	$ 24,029,212
Operating grants and contributions	25,725,191	30,051,949
Capital grants and contributions	171,295	293,872
General Revenues:		
Property taxes	174,455,551	165,644,534
Unrestricted investment earnings	463,042	346,610
Total revenues	233,835,636	220,366,177
Expenses:		
General government	22,740,410	25,138,657
Judicial	21,382,635	21,147,853
Legal	12,872,358	12,965,216
Financial management	6,568,491	6,652,765
Public Facilities	12,683,484	12,180,426
Public Safety	70,464,058	71,202,091
Health and welfare	11,072,028	11,255,219
Conservation	349,913	387,494
Contractual	3,196,034	3,148,163
Roads Maintenance	25,329,662	31,121,422
Interest on long-term debt	24,522,750	24,578,290
Total expenses	211,181,824	219,777,595
Changes in net position	22,653,812	588,582
Net position - beginning	(127,043,027)	(126,616,537)
Prior Period Adjustment	(24,251,591)	(1,015,072)
Net position - ending	$ (128,640,806)	$ (127,043,027)

Key elements of the analysis of government-wide revenues and expenses reflect the following:

- Property tax revenues increased by $8.81 million (5.05%) during the year. This increase is the result of increases to the tax base that totaled $1.8 billion and a 2.19% increase in the effective tax rate. Taxes were increased to fund salary and benefit increases for county employees; to fund the opening of jail and juvenile detention expansions; and for increased debt service.
- Charges for services increased by a significant amount as the county's increased population and stronger economy resulted in an increased

demand for county services. Also, statutory changes authorized an increase in the fees for document management and archiving.

- Total expenses decreased by 4.07% during the year. Spending for general government, public health, and road all declined due to discretionary cuts in spending. The County continues to increase efficiency of service provision to offset increases in mandated costs such as in the criminal justice system. 2015 was the seventh year for Denton County to implement the provisions of GASB 45 which resulted in additional recognition of expenses for other post-employment benefits that totaled $9.3 million.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted earlier, Denton County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The general governmental functions are reported in the General, Special Revenue, Debt Service and Capital Projects funds. The focus of Denton County's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Denton County's annual financing and budgeting requirements. In particular, *unassigned fund balance* may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, Denton County's governmental funds reported combined ending fund balances of $316,028,902, an increase of more than $28,735,000 in comparison with the prior year. Approximately 13.2 percent of this total amount ($41.86 million) constitutes *unassigned fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is divided among *assigned fund balance of $0, commited fund balance of $0, restricted fund balance of $274,039,417 and non-spendable fund balance of $133,259* The County's ability to spend each of these types of fund balance is more limited than with unassigned fund balance, and the limitations on spending are discussed more fully in the notes to the financial statements.

The general fund is the chief operating fund of Denton County. At the end of the current fiscal year, unassigned fund balance of the general fund was $41,856,226, while total fund balance was $41,989,485. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 32.12% of total general fund expenditures, and total fund balance represents 32.23% of that same amount.

The fund balance of Denton County's general fund increased by $4.55 million during the current fiscal year, even though $5.4 million was transferred to other governmental funds. Key factors that enabled the County to increases the level of fund balance are as follows:

- Total revenues from taxes increased over the prior year by $6.60 million. Taxes increased due a 2.19% increase in the tax rate, and because of an increase in taxable property. Fees of office, licenses and permits, and
- Expenditures in the General Fund increased by almost $6 million (5.0%) over prior year totals. Spending increased due to higher salary and benefits costs, and due to the County's decision to pay down certain accrued benefits.
- The County's practice of transferring budgeted amounts from the General Fund to the Capital Replacement Fund continued with over $5 million transferred in 2015. This is part of the County's practice to accumulate amounts of current funds to finance less major projects without issuing new debt.

The debt service fund has a total fund balance of roughly $3.42 million which will be used for the payment of debt service.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County budget is prepared in accordance with financial policies approved by the Commissioners Court, and in accordance with accounting principals generally accepted in the United States. The budget is prepared by the Budget Officer and approved by the Commissioners Court. The approved budget is used as a management control device during the year, and appropriations are set at the expenditure line item level. Budgetary transfers between departments must be approved by the Commissioners Court.

Differences between the original budget and the final amended budget were moderate (a $1,374,000 increase in appropriations), and were primarily for the following:

- The re-appropriation of funds for prior year-end encumbrances ($687,000), and,
- The appropriation of funds received during the budget year from grant programs ($700,000)

During the year, however, revenues exceeded budgetary estimates and expenditures were less than budgetary estimates. Major variances include:

- Property tax revenue exceeded budget by 2.2% ($2.35 million) due to higher than expected collection rates, and due to increased penalties and interest on collections of delinquent taxes.

- Intergovernmental revenues exceeded the amended budget by 10% as certain grant and contractual funds were increased in 2015.
- Total general fund expenditures were 93.6% of the amended budget, and most functional areas of expenditures varied less than 8% from the amended budget. Major savings were realized in the Public Safety, Public Facilities and General Governmental areas of the budget. Personnel expenditures, operational expenditures, and prisoner related expense savings offset increased expenditures for employee health insurance, pension benefits, and court related expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Denton County's investment in capital assets for its governmental activities as of September 30, 2015 totals over $269 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, roads, and bridges.

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

- A variety of transportation construction projects were initiated or continued at a cost of $8 million, financed by road bonds.
- A project to construct an expansion of the county jail was initiated in 2013 and completed in 2015. This project has a cost of almost $30 million and is being funded by the 2012 PI Bond Fund.
- The replacement and upgrade of the Sheriff's communication system was begun in 2014 and continued in 2015. The system is vital for receiving calls for assistance and dispatching the appropriate officers throughout the county. This project has a budget of almost $10 million, and it is funded by the 2014 Tax Note Fund.
- A formal capital improvements planning process for the County was continued by a county official committee chaired by the Budget Director. The first five-year plan was adopted by the Commissioners Court in the summer of 2007, and implementation continued in fiscal 2015. The plan is updated annually by the County. Design and construction for the jail expansion, Southwest Courthouse, Frisco government center, and Lewisville government center expansion projects in this plan continued during fiscal 2015.

Denton County's Capital Assets

Governmental Activities:	Cost	Accumulated Depreciation	Net Capital Assets
Land	$ 11,255,507	$ -	$ 11,255,507
Buildings and Improvements	182,540,052	39,057,368	143,482,684
Machinery & Equipment	44,835,636	34,633,854	10,201,782
Infrastructure	183,215,479	146,875,460	36,340,019
Construction in Progress	68,261,039	-	68,261,039
Total	$ 490,107,713	$ 220,566,682	$ 269,541,031

Additional information of Denton County's capital assets can be found in note IV.C of this report.

Long-term debt. At the end of the current fiscal year, Denton County had total bonded debt outstanding of $634,275,000. Article 3, Section 52e of the Texas Constitution establishes the County's outstanding debt limit at an amount no greater than 25% of its real property valuation.

Denton County's total bonded debt increased by $19,300,000 (3.1 percent) during the current fiscal year. Denton County issued bonds and notes totaling $102,385,000, and a total of $83,585,000 in debt was retired or defeased.

Denton County's bond ratings were upgraded in 2009 from "AA+" to "AAA" by Standard & Poor's and in 2010 from "Aa1" to "Aaa" by Moody's for general obligation debt. Both ratings agencies cited the County's growing tax base, growing population, and strong financial management policies as rationale for their ratings upgrades.

Additional information on Denton County's long-term debt can be found in note IV-F of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for Denton County is currently 3.1 percent, which is significantly improved over the rate of 4.5 percent a year ago. The County's rate compare favorably to the state's average unemployment rate of 4.4 percent and the national average rate of 5.1 percent.
- New construction and improvements to the County's tax rolls provided an additional $7.05 million in property tax revenues for 2016 without requiring a tax rate increase over the County's effective tax rate.

- By limiting other increases in spending and due to the larger than expected additional tax revenue, salary increases of 5% were approved for county employees in the FY 2016 budget.
- Costs for health and dental care were largely unchanged from 2014. Because of this, there was no increase in the County's funding to the employee benefit plan for 2016. This is the first time in many years that an increase in budgeted health insurance was not required.
- A $2.85 million expenditure increase for debt service was included in the 2016 budget due to the new bonded debt issued in 2015. Also, budgetary funding was approved for 17 new employees county-wide.
- The County's tax base increased by $8 billion for 2016. Part of this increase was the result of over $2.7 billion in new property being added to the tax roll. Also, increases in the value of land and existing improvements offset decreases in the valuations of mineral property and business personal property.

All of these factors were considered in preparing Denton County's budget for the 2016 fiscal year.

At the end of the current fiscal year, fund balances in the governmental funds totaled $316.0 million. Denton County has appropriated $20 million of this amount for spending in the 2016 fiscal year budget. $7 million of fund balance in the Capital Improvement Fund is appropriated for expenditures in 2016. This is a decision of County management to fund certain capital expenditures from reserve funds and to forego issuing debt for them. Over $2 million in the Debt Service Fund is appropriated for 2016. It is expected that conservative revenue budgets and the historical spending of less than 100% of budgeted expenditures will serve to make the actual decrease in fund balance far less than budgeted.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Denton County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Auditor's Office, 401 W. Hickory, Suite 423, Denton, Texas, 76201.

BASIC FINANCIAL STATEMENTS

Denton County, Texas
STATEMENT OF NET POSITION
September 30, 2015

		Governmental Activities
ASSETS		
Cash	$	18,306,346
Investments		324,649,831
Receivables:		
Taxes		2,976,342
Accrued Interest		28,544
Other Receivables		121,030
Fines Receivable		7,007,176
Less Allowance for Uncollectables		(4,146,200)
Due from Other Governments		1,799,946
Inventories		133,259
Capital Assets:		
Land		11,255,507
Buildings		182,540,052
Depreciation on Buildings		(39,057,368)
Equipment		44,835,636
Depreciation on Equipment		(34,633,854)
Infrastructure		183,215,479
Depreciation on Infrastructure		(146,875,460)
Construction in Progress		68,261,039
TOTAL ASSETS	$	620,417,305
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charge on Refundings		9,985,087
Deferred Inflows Related to Pensions		12,386,262
TOTAL DEFERRED OUTFLOWS		22,371,349
LIABILITIES		
Accounts Payable		9,654,134
Wages Payable		2,914,469
Interest Payable		4,539,730
Due to Other Governments		1,207,258
Unearned Revenue		3,831,075
Non Current Liabilities:		
Due within One Year		28,595,604
Due in More than One Year		720,687,189
TOTAL LIABILITIES		771,429,460
NET POSITION		
Net Investment in Capital Assets		177,250,979
Restricted for Road and Bridge		7,627,170
Restricted for Records Management		2,490,358
Restricted for Juvenile Probation		1,144,126
Restricted for Indigent Health		6,088,949
Restricted for Law Enforcement		3,826,717
Restricted for Technology & Security		540,406
Restricted for General Government		933,147
Unrestricted		(328,542,658)
Total Net Position	$	(128,640,806)

See the notes to the financial statement.

Denton County, Texas
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
General Government	$ 22,740,410	$ 11,381,171	$ 6,825,907	$ -	$ (4,533,332)
Judicial	21,382,635	7,342,817	1,353,320	-	(12,686,498)
Legal	12,872,358	102,462	432,403	-	(12,337,493)
Financial	6,568,491	3,833,220	-	-	(2,735,271)
Public Facilities	12,683,484	-	-	-	(12,683,484)
Public Safety	70,464,058	3,402,381	7,650,906	171,295	(59,239,476)
Health & Welfare	11,072,028	478,496	-	-	(10,593,532)
Conservation	349,913	6,378,209	-	-	6,028,296
Contractual	3,196,034	-	953,475	-	(2,242,559)
Road Maintenance	25,329,662	30,150	6,736,711	-	(18,562,801)
Interest on Long-Term Debt	24,522,750	71,651	1,772,469	-	(22,678,630)
Total	$ 211,181,824	$ 33,020,557	$ 25,725,191	$ 171,295	$ (152,264,781)

General Revenues:	
Property Taxes	174,455,551
Investment Earnings	463,042
Total General Revenues	174,918,593
Change in Net Position	22,653,812
Net Position - Beginning	(127,043,027)
Prior Period Adjustment	(24,251,591)
Net Position - Ending	$ (128,640,806)

See the notes to the financial statements.

Denton County, Texas
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2015

ASSETS	General Fund	Debt Service	2010 PI Bond Project Fund	2012 PI Bond Project Fund	2013 PI Bond Project Fund	2014 PI Bond Project Fund	2015 PI & Ref Bond Fund	Nonmajor Governmental	Total Governmental
Cash	$ 2,222,799	$ 21,931	$ -	$ -	$ -	$ -	$ 2,468	$ 3,404,820	$ 5,652,017
Investments	47,715,822	3,483,246	35,745,827	53,238,425	43,881,627	29,636,483	36,470,316	74,478,085	324,649,831
Receivables:									
Taxes	1,851,193	812,327	-	-	-	-	-	312,822	2,976,342
Accrued Interest	26,378	-	-	-	-	2,149	-	17	28,544
Other Receivables	108,169	-	-	-	-	-	-	12,861	121,030
Due from Other Funds	225,325	-	66,469	-	-	-	-	132,488	424,283
Due from Other Governments	810,508	-	-	-	-	-	-	989,438	1,799,946
Inventories	133,259	-	-	-	-	-	-	-	133,259
TOTAL ASSETS	$ 53,093,454	$ 4,317,504	$ 35,812,297	$ 53,238,425	$ 43,881,627	$ 29,638,632	$ 36,472,783	$ 79,330,531	$ 335,785,252
LIABILITIES AND FUND EQUITY									
Accounts Payable	2,404,706	400	1,855,616	1,242,197	1,770,351	-	-	1,042,615	8,315,885
Wages Payable	2,372,513	-	-	-	-	-	-	541,956	2,914,469
Interest Payable	-	87,037	-	-	-	-	-	-	87,037
Due to Other Funds	1,603	-	-	66,469	-	-	-	356,211	424,283
Due to Other Governments	1,206,518	-	-	-	-	-	-	740	1,207,258
Unearned Revenue	3,267,436	-	-	-	-	-	-	563,639	3,831,075
TOTAL LIABILITIES	9,252,775	87,437	1,855,616	1,308,666	1,770,351	-	-	2,505,161	16,780,008
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Property Taxes	1,851,193	812,327	-	-	-	-	-	312,822	2,976,342
TOTAL DEFERRED INFLOWS OF RESOURCES	1,851,193	812,327	-	-	-	-	-	312,822	2,976,342
EQUITY									
Fund Balances:									
Nonspendable	133,259	-	-	-	-	-	-	-	133,259
Restricted	-	3,417,739	33,956,680	51,929,759	42,111,275	29,638,632	36,472,783.47	76,512,548	274,039,417
Unassigned	41,856,226	-	-	-	-	-	-	-	41,856,226
TOTAL FUND EQUITY	41,989,485	3,417,739	33,956,680	51,929,759	42,111,275	29,638,632	36,472,783	76,512,548	316,028,903
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND EQUITY	$ 53,093,454	$ 4,317,504	$ 35,812,297	$ 53,238,425	$ 43,881,627	$ 29,638,632	$ 36,472,783	$ 79,330,531	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	269,541,031
Other long-term assets are not available to pay for current-period expenditures and, therefore are deferred in the funds	28,208,667
Internal service funds are used by management to charge costs related to the trust. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	11,316,080
Long-term liabilities, including bond payable, are not due and payable in the current period and therefore are not reported in the funds.	(753,735,486)
Net position of governmental activities	$ (128,640,805)

See the notes to the financial statements.

Denton County, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2015

	General Fund	Debt Service	2010 PI Bond Project Fund	2012 PI Bond Project Fund	2013 PI Bond Project Fund	2014 PI Bond Project Fund	2015 PI & Ref Bond Project Fund	Nonmajor Governmental	Total Governmental Funds
REVENUES									
Taxes	$108,039,637	$ 48,140,705	$ -	$ -	$ -	$ -	$ -	$ 18,540,081	$ 174,720,422
Licenses and Permits	4,032,925	-	-	-	-	-	-	6,035,990	10,068,915
Intergovernmental	8,591,660	1,844,120	-	-	-	-	-	10,381,659	20,817,439
Fees of Office	14,138,814	-	-	-	-	-	-	5,154,355	19,293,169
Fines	2,947,238	-	-	-	-	-	-	-	2,947,238
Interest	116,007	18,264	62,421	67,677	67,634	41,686	6,925	82,428	463,042
Miscellaneous	2,163,564	-	-	-	-	-	-	4,220,186	6,383,750
TOTAL REVENUES	140,029,844	50,003,088	62,421	67,677	67,634	41,686	6,925	44,414,699	$ 234,693,974
EXPENDITURES									
Current:									
General Government	19,184,015	-	-	-	-	-	-	3,162,991	22,347,006
Judicial	20,203,612	-	-	-	-	-	-	1,344,105	21,547,716
Legal	12,724,014	-	-	-	-	-	-	502,545	13,226,559
Financial	6,385,971	-	-	-	-	-	-	-	6,385,971
Public Facilites	9,006,153	-	-	-	-	-	-	-	9,006,153
Public Safety	59,185,631	-	-	-	-	-	-	13,643,832	72,829,463
Health and Welfare	73,359	-	-	-	-	-	-	10,942,280	11,015,639
Conservation	337,798	-	-	-	-	-	-	-	337,798
Contract Services	3,196,034	-	-	-	-	-	-	-	3,196,034
Roads	-	-	-	-	-	-	-	10,064,648	10,064,648
Intergovernmental:	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	18,002,122	4,619,899	5,826,974	100,000	210,032	6,919,222	35,678,250
Debt Service:									
Principal Retirement	-	24,080,000	-	-	-	-	-	-	24,080,000
Interest & Service Charges	-	25,436,037	-	-	-	-	-	-	25,436,037
TOTAL EXPENDITURES	130,296,587	49,516,037	18,002,122	4,619,899	5,826,974	100,000	210,032	46,579,623	255,151,275
Excess (Deficiency) of Revenues Over Expenditures	9,733,258	487,051	(17,939,702)	(4,552,222)	(5,759,341)	(58,314.03)	(203,107.53)	(2,164,924)	(20,457,300)
Other Financing Sources (Uses):									
Issuance of Debt	-	-	-	-	-	-	61,815,000	11,020,000	72,835,000
Bond Premium	-	4,611,543	-	-	-	-	3,993,162	995,609	9,600,314
Capital Lease Financing	-	-	-	-	-	-	-	334,893	334,893
Transfers In	243,201	-	-	-	-	-	-	5,510,702	5,753,903
Transfers Out	(5,424,423)	-	-	-	-	-	-	(329,480)	(5,753,903)
Refunding Bonds Issued	-	29,550,000	-	-	-	-	-	-	29,550,000
Refunding Bond Discount	-	-	-	-	-	-	-	-	-
Payments to Escrow Agent	-	(33,994,543)	-	-	-	-	(29,132,271)	-	(63,126,814)
Total Other Financing Sources (Uses)	(5,181,222)	167,000	-	-	-	-	36,675,891	17,531,724	49,193,393
NET CHANGE IN FUND BALANCES	4,552,036	654,051	(17,939,702)	(4,552,222)	(5,759,341)	(58,314)	36,472,783	15,366,800	28,736,093
FUND BALANCE - BEGINNING	37,437,450	2,763,689	51,896,382	56,481,981	47,870,616	29,696,946	-	61,145,747	287,292,810
FUND BALANCE - ENDING	$ 41,989,485	$ 3,417,739	$ 33,956,680	$ 51,929,759	$ 42,111,275	$ 29,638,632	$ 36,472,783	$ 76,512,548	$ 316,028,902

See the notes to the financial statements.

Denton County, Texas
RECONCILIATION OF THE STATEMENT OF REVENUES EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2015

Amounts reported for governmental activities in the statement of activities (p. 16) are different because:	
Net change in fund balances - total governmental funds (p. 18)	$ 28,736,093
Governmental funds report all capital outlays as expenditures. However, in the statement of activities the cost of some of the assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays for County owned assets were more than depreciation in the current period.	16,526,874
The net effect of various miscellaneous transactions (deletions) involving capital assets.	(736,055)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(209,002)
Some expenses reported in statement of activities are not fund expenditures (e.g. compensated absences and other post-employement benefits which are liabilities not normally liquidated with current financial resources).	1,524,234
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of of long-term debt and related items.	(22,952,887)
Internal service funds are used by management to charge the costs to account for group medical self-insurance and flexible spending accounts of employees. The net revenue/(loss) is reported with governmental activities.	(235,445)
Change in net position of governmental activities (p. 16)	$ 22,653,812

See the notes to the financial statements.

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - (Continued)
For the Year Ended September 30, 2015

	Budget Amounts			Variance Positive(Negative)
	Original	Revised	Actual	With Final Budget
REVENUES				
TAXES	$ 105,687,604	$ 105,687,604	$ 108,039,637	$ 2,352,033
LICENSES AND PERMITS	3,900,000	3,900,000	4,032,925	132,925
INTERGOVERNMENTAL	5,816,473	7,851,272	8,591,660	740,388
FEES OF OFFICE	14,229,000	14,229,000	14,138,814	(90,186)
FINES	3,480,000	3,480,000	2,947,238	(532,762)
INTEREST	86,000	86,000	116,007	30,007
MISCELLANEOUS	1,827,600	1,838,465	2,163,564	325,099
TOTAL REVENUES	135,026,677	137,072,341	140,029,844	2,957,503
EXPENDITURES				
GENERAL GOVERNMENT				
COMMISSIONERS COURT	127,915	127,915	114,362	13,553
COMMISSIONER, PRECINCT #1	234,435	234,435	228,500	5,935
COMMISSIONER, PRECINCT #2	240,658	240,858	237,603	3,255
COMMISSIONER, PRECINCT #3	252,382	252,382	249,448	2,934
COMMISSIONER, PRECINCT #4	234,018	234,264	232,034	2,230
COUNTY JUDGE	362,303	362,303	347,778	14,525
BAIL BOND BOARD	3,050	3,050	1,391	1,659
COUNTY CLERK	3,683,449	3,686,383	3,267,947	418,436
HUMAN RESOURCES	1,032,284	1,032,284	981,928	50,356
PURCHASING DEPARTMENT	1,061,344	1,062,242	988,416	73,826
VEHICLE MAINTENANCE DEPARTMENT	376,579	377,031	344,939	32,092
NON-DEPARTMENTAL	5,724,562	2,693,074	2,219,212	473,862
FINANCIAL INFORMATION SYSTEMS	115,981	122,468	63,860	58,608
TECHNOLOGY SERVICES	3,149,319	3,155,549	3,114,951	40,598
PRINT/MAIL DEPARTMENT	344,493	349,127	317,474	31,653
PUBLIC WRKS/GEOGRAPHIC INFO SYS	511,870	505,828	484,442	21,386
DEPT OF PUBLIC WORKS/PLANNING	868,398	868,398	834,834	33,564
CHOS/BAYLESS-SELBY MUSEUM	-	113,999	61,826	52,173
OFFICE OF HISTORY & CULTURE	454,092	497,757	471,537	26,220
RECORDS MANAGEMENT DEPARTMENT	370,914	375,979	353,585	22,394
HOT FUNDS TOURISM GRANT	-	26,126	25,994	132
VETERANS SERVICE OFFICE	399,434	399,683	358,160	41,523
ELECTIONS ADMINISTRATION DEPT	1,532,607	1,532,869	1,412,997	119,872
CIVIL SERVICE COMMISSION	4,900	4,900	2,525	2,375
COUNTY WIDE TECHNOLOGY	2,497,181	2,621,709	2,468,270	153,439
Total General Government	23,582,168	20,880,613	19,184,015	1,696,598
JUDICIAL				
JUDICIARY AND COURT SUPPORT	375,698	398,698	398,567	131
16TH DISTRICT COURT	713,716	817,307	791,296	26,011
158TH DISTRICT COURT	717,061	872,411	882,431	(10,020)
211TH DISTRICT COURT	733,377	841,377	830,191	11,186
362ND DISTRICT COURT	729,494	995,379	1,036,148	(40,769)
367TH DISTRICT COURT	714,682	940,149	934,846	5,303

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - (Continued)
For the Year Ended September 30, 2015

	Budget Amounts			Variance Positive(Negative)
	Original	Revised	Actual	With Final Budget
393RD DISTRICT CT - FAMILY LAW	573,843	669,343	696,595	(27,252)
431ST DISTRICT COURT	505,650	687,439	686,129	1,310
442ND DISTRICT COURT	455,314	455,314	261,038	194,276
COUNTY COURT AT LAW NO. 1	662,752	663,009	580,917	82,092
COUNTY CRIMINAL COURT #2	651,214	676,214	650,068	26,146
COUNTY COURT AT LAW #2 / CIVIL	426,288	426,333	416,216	10,117
PROBATE COURT	1,933,967	1,963,967	1,826,337	137,630
COUNTY CRIMINAL COURT #1	655,263	676,072	668,705	7,367
COUNTY CRIMINAL COURT #3	775,475	775,744	697,720	78,024
COUNTY CRIMINAL COURT #4	643,277	702,917	681,418	21,499
COUNTY CRIMINAL COURT #5	719,460	744,293	673,879	70,414
DISTRICT CLERK	1,826,123	1,826,123	1,716,838	109,285
COUNTY COURT ADMINISTRATOR	102,256	102,290	81,154	21,136
JUSTICE OF THE PEACE, PCT 1	466,412	466,412	379,178	87,234
JUSTICE OF THE PEACE, PCT 2	349,366	349,366	337,747	11,619
JUSTICE OF THE PEACE, PCT 3	481,353	481,731	429,717	52,014
JUSTICE OF THE PEACE, PCT 4	364,863	364,913	363,493	1,420
JUSTICE OF THE PEACE, PCT 5	537,946	537,984	468,507	69,477
JUSTICE OF THE PEACE, PCT 6	403,213	405,246	386,803	18,443
VETERANS COURT GRANT	-	166,004	157,325	8,679
JUVENILE CASE MANAGER	60,509	60,509	45,488	15,021
DISTRICT COURT ADMINISTRATOR	206,602	209,213	202,927	6,286
JURY AND GRAND JURY	198,261	199,736	191,830	7,906
JUSTICE INFORMATION SYSTEM	1,455,750	1,528,395	1,447,012	81,383
DEATH INVESTIGATIONS/MED EXMNR	892,623	903,910	910,762	(6,852)
COLLECTIONS DEPARTMENT	432,565	432,565	372,329	60,236
Total Judicial	19,764,373	21,340,363	20,203,612	1,136,752
LEGAL				
CRIMINAL DISTRICT ATTORNEY	10,549,063	10,536,310	10,095,127	441,183
CRIMINAL DA - CPS DIVISION	996,993	996,993	985,028	11,965
CRIMINAL DA - CIVIL DIVISION	1,635,744	1,635,958	1,643,860	(7,902)
Total Legal	13,181,800	13,169,261	12,724,014	445,247
FINANCIAL				
COUNTY AUDITOR	1,298,300	1,298,300	1,226,801	71,499
COUNTY TREASURER	652,385	653,961	644,177	9,785
TAX ASSESSOR-COLLECTOR	4,158,885	4,225,150	3,997,550	227,600
BUDGET DIRECTOR	568,646	568,646	517,444	51,202
Total Financial	6,678,216	6,746,057	6,385,971	360,086
PUBLIC FACILITIES				
CARROLL BLDG-CO ADMINISTRATION	260,294	245,450	211,184	34,266
DENTON COUNTY COURTS BUILDING	699,567	914,390	695,452	218,938
DA ANNEX	28,958	32,088	27,157	4,931
COURTHOUSE ON THE SQUARE	149,529	159,693	146,862	12,831

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - (Continued)
For the Year Ended September 30, 2015

	Budget Amounts			Variance Positive(Negative)
	Original	Revised	Actual	With Final Budget
EMERGENCY MANAGEMENT FACILITY	116,541	103,107	103,718	(611)
DENTON COUNTY STORAGE BUILDING	19,740	15,222	13,375	1,847
HISTORICAL PARK FACILITIES	19,694	35,718	30,659	5,059
HISTORICAL PARKS PROJECTS	7,464	-	-	-
COURTHOUSE ANNEX	26,452	10,602	8,894	1,708
PRECINCT 3 GOVT CENTER	76,097	16,771	-	16,771
MARY & JIM HORN GOVT CENTER	113,885	131,795	121,386	10,409
LOOP 288 - ELECTIONS/TECHNOLOGY	250,318	295,791	258,371	37,420
LOOP 288 - FACILITIES/TABC/PARKS	81,452	56,066	51,622	4,444
LOOP 288 - CSCD	54,752	56,810	51,650	5,160
LEE WALKER GOVERNMENT CENTER	62,480	47,306	44,150	3,156
PCT 4 GOVT CENTER	10,272	3,404	-	3,404
CPS-LEWISVILLE	68,576	62,889	21,682	41,207
LOOP 288 - PHASE I	131,335	136,790	126,968	9,822
LOOP 288 - CENTRAL PLANT	285,020	282,628	243,081	39,547
SANDY JACOBS GOVERNMENT CENTER	95,994	87,961	47,716	40,245
STEVEN E COPELAND GOVT CENTER	128,624	117,726	102,873	14,853
THE COLONY ANNEX	36,311	31,708	25,818	5,890
CHARLIE COLE BUILDING	512,567	627,951	560,104	67,847
LAW ENFORCEMENT FACILITY	3,056,225	3,077,185	2,417,329	659,856
FACILITIES MANAGEMENT	2,739,753	2,808,379	2,680,568	127,811
COUNTY LEASED BUILDINGS	147,272	150,272	140,093	10,179
VEHICLE MAINTENANCE FACILITY	28,634	29,302	24,711	4,591
OPERATIONS-RECYCLING DEPT	73,379	74,214	72,233	1,981
TELEPHONE DEPARTMENT	795,582	776,577	773,499	3,078
PCT 2 GOVT CENTER - FRISCO	30,000	20,000	5,000	15,000
Total Public Facilities	10,106,767	10,407,795	9,006,153	1,401,642
PUBLIC SAFETY				
COUNTY JAIL	28,646,545	28,672,633	27,090,948	1,581,685
JAIL HEALTH DEPARTMENT	4,617,525	4,834,510	4,266,896	567,614
SHERIFF'S COMMUNICATIONS DVSN	2,476,993	2,476,855	2,221,409	255,446
SHERIFF	15,242,545	15,429,774	14,748,979	680,795
DISD SCHOOL RESOURCE OFFICER	-	97,723	86,404	11,319
SHERIFF'S MENTAL HEALTH UNIT	887,358	905,932	878,402	27,530
SHERIFF'S RESERVE UNIT	44,031	47,917	34,467	13,450
VEHICLE EMISSIONS ENF GRANT	-	85,714	78,814	6,900
DCTA INTERLOCAL CONTRACT	-	90,249	84,916	5,333
SCHOOL RESOURCE OFFICER	-	338,318	324,661	13,657
COPPER CANYON INTERLOCAL CNTRT	-	196,654	162,177	34,477
CSCD (GENERAL FUND)	387,167	392,207	375,540	16,667
JUVENILE ACCOUNTABILITY GRANT	79,538	79,538	78,253	1,285
DENTON CO FRESHWATER CONTRACT	-	177,419	144,239	33,180
PALOMA CREEK	-	98,473	48,858	49,615
CONSTABLE, PCT. 1	768,481	843,903	790,910	52,993
CONSTABLE, PCT. 2	809,864	814,522	784,512	30,010
CONSTABLE, PCT. 3	755,142	756,448	748,530	7,918
CONSTABLE, PCT. 4	747,770	749,379	710,392	38,987
CONSTABLE, PCT. 5	796,432	860,346	840,443	19,903
CONSTABLE, PCT. 6	684,292	689,580	642,186	47,394

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - (Continued)
For the Year Ended September 30, 2015

	Budget Amounts			Variance Positive(Negative)
	Original	Revised	Actual	With Final Budget
FIRE AND AMBULANCE SERVICES	2,285,475	2,335,475	2,382,685	(47,210)
DEPARTMENT OF PUBLIC SAFETY	207,041	208,100	199,606	8,494
ALCOHOLIC BEVERAGE COMMISSION	2,575	2,575	2,536	39
2007/2014 HOMELAND SEC GRANT	-	307,974	117,818	190,156
GAME WARDEN	2,462	2,462	2,173	289
DEPT OF EMERGENCY SERVICES	1,347,469	1,379,588	1,286,223	93,365
2006/2013 HOMELAND SEC GRANT	-	53,565	52,656	909
Total Public Safety	60,788,705	62,927,833	59,185,631	3,742,202
HEALTH & WELFARE				
CHILD PROTECTIVE SERVICES	88,121	92,402	73,359	19,043
Total Health & Welfare	88,121	92,402	73,359	19,043
CONSERVATION				
COUNTY EXTENSION	424,260	424,260	337,798	86,462
Total Conservation	424,260	424,260	337,798	86,462
INTERGOVERNMENTAL				
CONTRACT SERVICES	3,245,638	3,245,638	3,196,034	49,604
Total Intergovernmental	3,245,638	3,245,638	3,196,034	49,604
TOTAL EXPENDITURES	137,860,048	139,234,222	130,296,587	8,937,635
Excess of Revenues over Expenditures	(2,833,371)	(2,161,881)	9,733,258	11,895,139
Other Financing Sources and Uses:				
Transfers In	-	243,201	243,201	-
Transfers Out	(3,789,616)	(5,424,423)	(5,424,423)	-
Total Other Financing Sources and Uses	(3,789,616)	(5,181,222)	(5,181,222)	-
Net Change in Fund Balances	(6,622,987)	(7,343,103)	4,552,036	11,895,139
Fund Balances - Beginning	37,437,450	37,437,450	37,437,450	-
Fund Balances - Ending	$ 30,814,463	$ 30,094,347	$ 41,989,485	$ 11,895,139

See the notes to the financial statements.

Denton County, Texas
STATEMENT OF NET POSITION
PROPRIETARY FUND
September 30, 2015

	Governmental Activities Internal Service Fund
ASSETS	
Current Assets:	
Cash	$ 12,654,329
Investments	-
Receivables:	
Stop Loss Insurance	-
Accrued Interest	-
Other Assets	-
Due from Other Funds	-
Due from Other Governments	-
TOTAL ASSETS	$ 12,654,329
LIABILITIES	
Current Liabilities:	
Accounts Payable	$ 1,338,249
Due to Other Funds	-
Due to Other Governments	-
Other Payables	-
Due to Beneficiaries	-
Deferred Revenues	-
TOTAL LIABILITIES	1,338,249
NET POSITION	
Unrestricted	11,316,080
TOTAL NET POSITION	$ 11,316,080

See the notes to the financial statements.

Denton County, Texas
STATEMENT OF REVENUES, EXPENSES AND CHANGES FUND NET POSITION
PROPRIETARY FUND
For the Fiscal Year Ended September 30, 2015

	Governmental Activities Internal Service Fund
OPERATING REVENUES	
Charges for Services	$ 25,613,532
Other Revenue	-
TOTAL OPERATING REVENUES	25,613,532
OPERATING EXPENSES	
Incurred Claims	20,243,419
Estimated Claims	1,338,249
Administrative Expenses	3,639,102
Reinsurance Premiums	634,889
TOTAL OPERATING EXPENSES	25,855,659
OPERATING INCOME (LOSS)	(242,127)
NONOPERATING REVENUES(EXPENSES)	
Interest Revenue	6,682
INCOME BEFORE TRANSFERS	(235,445)
Transfers From Other Funds	-
CHANGES IN NET POSITION	(235,445)
TOTAL NET POSITION - BEGINNING	11,551,525
TOTAL NET POSITION - ENDING	$ 11,316,080

See the notes to the financial statements.

Denton County, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Fiscal Year Ended September 30, 2015

	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts for Services	$ 25,613,532
Receipts from Reinsurance and Refunds	-
Payments for Claims	(21,087,475)
Payments for Administrative Services	(4,273,991)
Payments for Reinsurance	-
Net Cash Provided by Operating Activities	252,066
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer of Funds	-
Repayment of Interfund Loans	-
Net Cash Provided by Noncapital Financing Activities	-
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Revenue	6,682
Net Cash Provided by Investing Activities	6,682
Net Increase (Decrease) in Cash	258,748
Cash, Beginning of Year	12,395,581
Cash, End of Year	$ 12,654,329
Reconciliation of Operating Income Net Cash Provided (Used) by Operations	
Operating Income	$ (242,127)
(Increase) Decrease in Other Assets	-
Increase (Decrease) in Accounts Payable	494,193
Increase (Decrease) in Other Payables	-
Total Adjustments	494,193
Net Cash Provided (Used) by Operations	$ 252,066

See the notes to the financial statements.

Denton County, Texas
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
September 30, 2015

		Agency Funds
ASSETS		
Cash	$	11,257,975
Investments		32,022,449
Accrued Interest		-
Other Assets		97,410
Due from Other Funds		40
Due from Other Governments		-
TOTAL ASSETS	$	43,377,874
LIABILITIES		
Accounts Payable	$	140,155
Wages Payable		-
Due to Other Funds		40
Due to Other Governments		11,342,751
Due to Beneficiaries		31,894,928
TOTAL LIABILITIES		43,377,874
NET POSITION		-

See the notes to the financial statements.

Denton County, Texas

Notes to the Financial Statements
September 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Denton County is a political subdivision of the State of Texas. The Commissioners Court, which is made up of four commissioners and the County Judge, is the general governing body of the County in accordance with Article 5, Paragraph 18 of the Texas Constitution. The accompanying financial statements present the County and all activities for which the County is considered to be financially accountable. Generally accepted accounting principles require all funds that are controlled by or are dependent on the Commissioners Court to be included in the County's Comprehensive Annual Financial Report. Control or dependence was determined on the basis of selection of governing authority, ability to influence operations and accountability over fiscal matters. This financial report includes only Denton County as no other governmental entities meet the criteria for inclusion.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements, but interfund services provided and used are not eliminated in the process of consolidating the County's financial activities. Denton County reports only *governmental activities* which are primarily supported by taxes, charges for services, and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 or segment 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 among program revenues are reported instead as *general revenues.*

Separate fund financial statements are provided for governmental funds, the proprietary fund, and fiduciary funds, even though the latter are excluded from the government-wide financial statement. The General Fund, the Debt Service Fund, the 2010 Permanent Improvement Bond Project Fund, the 2012 PI Bond Project Fund, the 2013 PI Bond Project Fund, the 2014 PI Bond Fund, and the 2015 PI and Refunding Bond Project Fund are the County's major individual governmental funds, and they are reported in separate columns in the fund financial statements.

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*, as are the proprietary fund financial statements. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund 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 to be *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. Expenditures generally are recorded when a liability is incurred, as is the case under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, licenses, intergovernmental revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

Denton County reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Major revenue sources include property taxes, fees for services, intergovernmental revenues and interest earnings. Primary expenditures are for general administration, judicial, legal, public facilities, public safety, and public health.

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *2010 Permanent Improvement Bond Project Fund* is used to account for the receipt and expenditure of voter approved debt proceeds for County building construction and renovation to implement our capital improvement plan, and various transportation improvement projects throughout the County.

The *2012 Permanent Improvement Bond Project Fund* is used to account for the receipt and expenditure of voter approved debt proceeds for certain technology projects, building construction and renovation to continue implementing our capital improvement plan, and various transportation improvement projects throughout the County.

The *2013, 2014, and 2015 Permanent Improvement Bond Project Funds* are used to account for the receipt and expenditure of voter approved debt proceeds for certain additional technology projects, building construction and renovation to continue implementing our capital improvement plan, and various transportation improvement projects throughout the County. Resources for all of these funds were approved by the voters in the County's 2008 bond election.

Non-major funds include Special Revenue funds and Capital Project Funds.

Additionally, the government reports the following fund types:

The proprietary fund is an *internal service fund* that is used to account for the County's group medical self-insurance program. The measurement focus of the internal service fund is upon the determination of net income, financial position and cash flows. Revenues are derived from County contributions, employee and retiree/COBRA premiums, investment of idle funds and stop-loss reinsurance collections. Expenses are for claims and plan administration.

The proprietary fund is accounted for using the accrual basis of accounting.

The proprietary fund distinguishes *operating* revenues and expenses from *non-operating* 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.

Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Examples of these resources include fees of the State of Texas collected for and remitted to the State, and funds paid into the courts and held pending final case disposition. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Denton County's own programs. All of the County's fiduciary funds are agency funds. Agency funds are accounted for using the accrual basis of accounting.

D. Assets, Liabilities, and Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, repurchase agreements, money market mutual funds, direct obligations of the State of Texas and local government investment pools.

Investments for the County are reported at fair value. All investment income is recognized as revenue in the appropriate fund's statement of activity or statement of revenues, expenditures and changes in fund balance.

2. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of inter-fund loans).

Property taxes are levied based on taxable value at the prior January 1 and become due on October 1 and past due on February 1. Accordingly, receivables and revenues for property taxes are reflected in the government-wide statements based on the full accrual method of accounting.

Receivables from other governments include amounts due from grantor agencies and other statutorily required payments. Program grants are recorded as receivables and revenues at the same time all eligibility requirements established by the provider have been met.

3. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method, and they consist of expendable supplies and vehicle repair parts. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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. The costs of prepaid items are recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital Assets

Capital assets, which include property plant equipment and infrastructure assets (e.g., roads and bridges), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the County are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	50
Infrastructure	20
Heavy Trucks	10
General Equipment	7
Cars	5
Computer Hardware	5

5. Compensated Absences

County employees earn vacation leave in varying amounts and earn sick leave at the rate of one day per month. Unused vacation leave may be accumulated up to 20 days and is paid upon termination of employment. Sick leave accrued prior to October 1987 is also paid upon termination of employment. Accruals of sick leave subsequent to that date are not paid according to a policy of the Commissioners Court. Also, in accordance with the Fair Labor Standards Act as it applies to local governments, non-exempt county employees are granted compensatory time for hours worked beyond their regular working hours. Accumulated compensatory time is ordinarily also paid upon termination of employment, though in 2015 the County chose to pay a portion of accumulated compensatory time to employees in cash.

All vacation pay and compensatory time is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

6. Long Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

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.

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report separate sections for deferred outflows and inflows of resources. This element, *deferred outflows and inflows of resources,* represents a consumption of net position and an acquisition of net position that apply to a future period and so will *not* be recognized as flows of resources (expenditure/revenue) until then. The County has two items that qualify for reporting these categories. The deferred outflows are the deferred charge on bond refundings; the differences between expected and actual pension expense experience; and the net difference between project and actual pension fund earnings. All three are reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows relating to pension expense will be recognized in equal amounts over the next 4 fiscal years. The deferred inflow *unavailable revenue*, specifically property taxes, is reported only in the governmental funds balance sheet, and it is recognized as an inflow when the amounts are available to the County.

8. Net Position Flow Assumption

The County will fund outlays from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted and unrestricted in the government-wide statements, a flow assumption must be about the order in which the resources are considered to be applied. It is the County's policy to consider restricted net position to have been depleted before unrestricted.

9. Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) they are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash, or are not expected to be converted to cash within the next year.

Restricted: This classification includes amounts for which the constraints that have been placed on the use of the resources are either (a) externally imposed by creditors, grantors, contributors, or by laws or regulations of other governments, or (b) imposed by law through constitutional provisions or by enabling legislation.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by order of the Commissioners Court, the County's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for the use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Commissioners Court.

Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, Denton County considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds.

10. Net Investment in Capital Assets

A portion of Denton County's net position represents its net investment in its various capital assets. Ordinarily, this investment is computed by as the remainder of the total of its capital

assets net of accumulated depreciation minus its capital-related borrowings. Often all of a government's long-term debt is capital-related.

Since much of Denton County's borrowings are used to finance capital assets that are owned by other governments, the portion of our debt that is not related to county-owned assets must be removed from the above equation. For 2015, a total of $317,540,910 does not relate to county-owned assets. This debt represents significant portions of the County's 2007 PI Bonds, 2009 PI Bonds, 2010 PI Bonds, 2012 PI Bonds, 2013 PI Bonds, and 2014 PI Bonds outstanding.

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 position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position* – governmental activities as reported in the government-wide statements of net position. One element of that reconciliation explains that "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 the ($753,735,486) difference are as follows:

Bonds Payable	$	(634,275,000)
Capital Leases Payable		(1,083,421)
Unamortized Bond Premium		(27,054,889)
Accrued Interest Payable		(4,452,693)
Other Post-Employment Benefits		(52,188,544)
Net Pension Liability		(27,119,479)
Compensated Absences		(7,561,460)
Net adjustments to reduce fund balance to arrive at net position	$	(753,735,486)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement 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 position of governmental activities* as reported in the government-wide statement

of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of the $16,526,874 difference are as follows:

Capital Outlay	$	26,117,950
Depreciation Expense		(9,591,076)
Net adjustments to increase net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	$	16,526,874

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this ($22,952,887) difference are as follows:

Debt issued or incurred:		
Capital lease financing	$	(334,893)
Issuance general obligation bonds and tax notes		(102,385,000)
Refunding bonds		-
Bond premium		(9,600,314)
Bond discount		-
Bond interest accrual		913,287
Debt repayments:		
General obligation debt		24,080,000
Capital lease payments		1,247,219
Bond premium amortization		-
Payments to escrow agent		63,126,814
Net adjustment to increase *net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities*	$	(22,952,887)

Another element of that reconciliation states that "Some expenses 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 details of this $1,524,234 difference are as follows:

Compensated absences	$	998,903
Net Pension Liability	$	9,518,374
Other post-employment benefits		(8,993,043)
Net adjustment to decrease *net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities*	$	1,524,234

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

With the exception of the accounting treatment for capital leases, budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue and Debt Service funds. All annual appropriations lapse at fiscal yearend. Project-length financial plans are adopted for all capital project funds.

Encumbrance accounting, under which funds are reserved for purchase orders, contracts, and other commitments, is employed in the General, Special Revenue and Capital Projects funds. As of September 30, 2015, encumbrances of approximately $3.4 million lapsed and were subject to re-appropriation in the budget of the subsequent year.

Denton County adheres to the following schedule and procedures in the preparation and adoption of its annual budget.

- Department heads submit departmental annual budget requests to the County Budget Officer by the first week in May.

- The County Auditor prepares an estimate of available resources for the upcoming fiscal year by the first week in May.

- The County Budget Officer then compiles the initial budget requests, holds preliminary hearings with elected officials and department heads concerning their requests and prepares a proposed budget within the financial parameters established by the Commissioners Court.

- The proposed budget is presented to the Commissioners Court for their review in an open meeting.

- The Commissioners Court then conducts work sessions to finalize the budget.

- Public hearings are conducted as required when the proposed budget is finalized.

- The Commissioners Court must adopt the annual budget by a majority vote by October 1. The budget must contain adequate available resources to support annual appropriations.

- During the fiscal year, the Commissioners Court may adopt a supplemental budget for the purposes of appropriation and expending grant money, intergovernmental revenues and debt proceeds for their intended purposes.

Governmental funds for which annual operation budgets are legally adopted are the General Fund, the Debt Service Fund, the Capital Replacement Fund, and Special Revenue Funds except the Voter Registration Fund, the Sheriff's Training Fund, and the Women's Infants and Children's Fund. For each budgeted fund, budgetary control is maintained at the departmental level. Per the Texas Local Government Code this is the level at which expenditures may not legally exceed appropriations. The County Auditor is required to monitor the expenditures of the various funds. All amendments to the budget must be approved by the Commissioners Court. Both the original budget and the amended budget are presented in the budget versus actual financial statement disclosure. All annual appropriations lapse at yearend.

The following summary reconciles operations for the year in the Road and Bridge Fund from the GAAP basis to the budgetary basis of reporting:

Road and Bridge Fund expenditures, GAAP basis	$ 10,064,648
Capital lease acquisitions	(334,893)
Road and Bridge Fund expenditures, budgetary basis	$ 9,729,755

B. Excess of expenditures over appropriations

For the year ended September 30, 2015, expenditures did not exceed appropriations in any budgeted funds.

C. Deficit fund equity

As of September 30, 2015, no individual funds had a negative fund balance.

D. Prior Period Adjustment

The County's beginning net position was restated due to the implementation of Governmental Accounting Standards Board Statement 68. The County's net pension liability, which is a measure of the difference between the County's total liability for earned pension benefits and the fiduciary net position of the pension plan at the beginning of the fiscal year, must be

recognized in the statement of net position. This accounting change required the following adjustment to the beginning balances of the County:

	Governmental Activities
Net Position, Oct. 1, 2014, previously stated	$ (127,043,027)
Restatement due to implementation of GASB 68	(24,251,591)
Net Position, Oct. 1, 2014, restated	$ (151,294,618)

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits include amounts in demand accounts and bank certificates of deposit. The state Public Funds Investment Act requires Denton County to contract with a financial institution to serve as the County's cash depository after seeking formal bids for these services. The same act requires that County funds be either fully insured or collateralized. Wells Fargo Bank currently serves as the County's depository bank.

As of September 30, 2015, Denton County had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
U.S. Treasuries and Agencies	$ 3,999,800	1.00
Commercial Paper	$ 1,000,000	0.50
Local Government Investment Pools	329,754,940	0.22
Total Fair Value	$ 334,754,740	0.24

Investments are stated at fair value including the investments in the Texas Local Government Investment Pool, Texas Class, Wells Fargo Investment Accounts, the DWS Governmental Pool, the Stonecastle, and the Texas Term Investment Pool. The fair value of the County's investments in these pools is the same as the value of pool shares. All external investment pools in which the County participates have a credit quality rating of "AAA".

Regulatory oversight for the operations of these external investment pools is found in the Public Funds Investment Act of the State of Texas. Required oversight for pools includes compliance

with investment guidelines, annual independent audits and the establishment of oversight boards.

Interest rate risk. In accordance with our investment policy, Denton County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to two years for individual securities and 90 days for investment pools.

Credit risk. The County limits its exposure to credit risk by limiting its investments to obligations of the U.S. government, the State of Texas, other state and local governments with at least an "A" credit rating, fully collateralized bank certificates of deposit and repurchase agreements, SEC-regulated mutual funds, and individually approved local government investment pools.

Concentration of credit risk. Denton County further limits its credit risk by requiring a diversified investment portfolio in its investment policy. No more than 75% of the County's investments may be in one type of security or in one individual investment pool.

Custodial credit risk-deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. At year end the carrying amount of the County's deposits was $46,820,359, and the bank balance was $39,587,853. Of the bank balance, $299,150 was covered by federal depository insurance, and the entire remainder, as is required both by state law and by County policy, was covered by collateral pledged to the County by the County's depository bank and held by an independent third party bank as the County's agent in the County's name. As such, the County has no exposure to custodial risk with regards to its deposits.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For our investment in U.S. Government securities, the county has no custodial credit risk as the securities are held in safekeeping in the County's name in our depository bank which is not a counterparty for the securities.

B. Property Taxes and Other Receivables

Property taxes attach as liens on property as of January 1. Taxes are levied on October 1 and become delinquent on February 1. County property tax revenues are recognized when levied to the extent that they result in available spendable resources. Property taxes for the County are limited by statute to 80 cents per $100 of assessed value for general government services. An unlimited amount may be levied for payment of interest and principal on long-term debt; however, the County's indebtedness is limited by statute to 25% of assessed value of real property. For 2015, the County's tax rate for general governmental services was 19.7909 cents per $100 of assessed value, and the interest and sinking fund rate was 7.4291 cents.

Delinquent taxes receivable as disclosed in the financial statement represent all uncollected property taxes for the last twenty years. Property taxes that are more than 20 years delinquent and are not subject to an existing lawsuit for collection must be removed from the delinquent tax roll. Based on the County's collection history, no allowance for uncollectables has been included in the financial statements.

Governmental funds report deferred inflows of resources 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. At the end of the current fiscal year, the various components of unearned revenues and deferred inflows of resources reported in the governmental funds were as follows:

Property taxes receivable:	
General Fund	$ 1,851,193
Debt Service Fund	812,327
Other Nonmajor Governmental Funds	312,822
Unearned:	
Unearned Revenues - General Fund	3,267,436
Unearned Revenues - Non Major Funds	563,639
Total	$ 6,807,417

C. Capital Assets

Capital asset activity for the year ended September 30, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	$ 11,446,362	$ -	$ (190,855)	$ 11,255,507
Construction in Progress	47,262,113	24,105,766	(3,106,840)	68,261,039
Total Capital Assets, Not Being Depreciated	58,708,475	24,105,766	(3,297,695)	79,516,546
Capital Assets, Being Depreciated:				
Buildings	181,430,881	1,843,847	(734,676)	182,540,052
Machinery and Equipment	43,788,512	2,497,077	(1,449,953)	44,835,636
Infrastructure	181,952,486	1,262,993	-	183,215,479
Total Capital Assets Being Depreciated	407,171,879	5,603,917	(2,184,629)	410,591,167
Less Accumulated Depreciation For:				
Buildings	(35,728,923)	(3,604,638)	276,193	(39,057,368)
Machinery and Equipment	(32,859,839)	(3,137,251)	1,363,236	(34,633,854)
Infrastructure	(144,026,273)	(2,849,187)	-	(146,875,460)
Total Accumulated Depreciation	(212,615,035)	(9,591,076)	1,639,429	(220,566,682)
Total Capital Assets Being Depreciated, Net	194,556,844	(3,987,159)	(545,200)	190,024,485
Total Capital Assets, Net	$ 253,265,319	$ 20,118,607	$ (3,842,895)	$ 269,541,031

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

Governmental Activities:	
General Government	$ 955,171
Judicial	32,275
Legal	7,772
Financial	138,936
Public Facilities	3,656,887
Public Safety	1,252,602
Health & Welfare	13,904
Conservation	-
Road Maintenance	3,533,529
Total Depreciation Expense	$ 9,591,076

The County has entered into contracts for the construction of facilities and infrastructure as follows:

	Project Authorization	Expended To Date	Commitment	Further Financing Required
2010 PI Bond Fund	$ 137,895,000	$ 103,525,654	$ 34,369,000	$ -
2012 PI Bond Fund	95,860,000	46,484,927	23,141,900	-
2012 Tax Note Fund	10,100,350	3,301,676	-	-
2013 PI Bond Fund	95,860,000	9,430,367	15,715,000	-
2013 Tax Note Fund	10,100,350	1,105,424	-	-
2014 PI Bond Fund	29,250,000	2,138,911	6,187,000	-
2014 Tax Note Fund	11,200,000	8,832,750	1,510,000	-
Total	$ 390,265,700	$ 174,819,709	$ 80,922,900	$ -

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of September 30, 2015 is as follows:

	Due From:			
Due To:	General Fund	2012 Road Bond Fund	Non Major Governmental Funds	Total
General Fund	$ -	$ -	$ 225,325	$ 225,325
2010 Road Bond	-	66,469	-	66,469
Nonmajor	-	-	-	-
Governmental	-	-	-	-
Funds	1,603	-	130,887	132,490
Total	$ 1,603	$ 66,469	$ 356,212	$ 424,284

Interfund transfers:

	Transfer In:		
Transfer Out:	General Fund	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 5,424,423	$ 5,424,423
Debt Service Fund	-	-	-
Nonmajor	-	-	-
Governmental Funds	243,201	86,279	329,480
Total	$ 243,201	$ 5,510,702	$ 5,753,903

Interfund balances primarily represent short term lending between funds to cover cash shortages and accrued amounts due from inventories. All amounts are expected to be repaid within the next year.

Interfund transfers are approved both in the original budget and by budget amendments during the fiscal year. Transfers are made to provide additional resources for specific programs as the need arises.

E. Leases

Capital Leases. The County has entered into capital lease agreements for certain computer and road construction equipment. These assets, with a recorded value of approximately $3,403,000 are included as equipment in the equipment inventory of the County. The lease agreements are classified as capital leases because title passes to the County at the end of the lease terms, and they are reportable as other payables in the government-wide financial statements.

The present value of future minimum capital lease payments at September 30, 2015

is as follows:

Year		Amount
2016	$	803,458
2017		326,617
2018 & thereafter		-
Total minimum lease payments	$	1,130,075
Less: Amount representing interest		(46,655)
Present value of net future minumum lease payments	$	1,083,420

F. Long-Term Debt

Long-Term Debt consists of various issues of General Obligation Bonds, Certificates of Obligation and Tax Notes; the County's accrued liability for compensated absences; and other payables such as capital leases and judgments payable. General Obligation Bonds, Certificates of Obligation and Tax Notes are direct obligations of the County with the County's full faith and credit pledged towards payment of those obligations. General Obligation Bonds are issued after approval by the public at open elections. Certificates of Obligation and Tax Notes are issued by the vote of the Commissioners Court as allowed under state laws governing debt issuance. Principal and interest payments on the County's bonded debt are secured solely by ad valorem taxes levied on all taxable property within the County. Denton County's outstanding bonded debt is limited, per Article 3, Section 52 of the Texas Constitution, to an amount not exceeding 25% of the assessed taxable value of real property in the County. At year end, the County's debt was significantly below this limit.

Description	Balance at 10/01/14	Additions	Retirements	Balance at 09/30/15	Due Within One Year
$26,567,570 1999 Permanent Impr & Ref Bonds, due in varying amounts through 2019 at and average interest rate of 5.12% for road projects.	$ 2,990,000	$ -	$ 1,290,000	$ 1,700,000	$ 1,700,000
$19,545,000 2005 General Obligation Refunding Bonds due in varying amounts through 2022 at an average interest rate of 4.53% issued to refinance previously issued bonds.	1,920,000	-	1,920,000	-	-
$19,315,000 2006 Permanent Improvement Refunding Bonds due in varying amounts through 2026 at an average interest rate of 4.63% issued to refinance previously issued bonds.	185,000	-	60,000	125,000	60,000
$102,515,000 2007 Permanent Improvement Bonds due in varying amounts through 2032 at an average rate of 4.3547% for road and building projects.	85,590,000	-	55,815,000	29,775,000	3,360,000
$15,400,000 2008 Permanent Improvement Bonds due in varying amounts through 2028 at an average interest rate of 4.429% for building projects.	12,490,000	-	7,070,000	5,420,000	675,000
$8,500,000 2008 Tax Notes due in varying amounts through 2015 at an average interest rate of 3.0484% for technology and building projects.	1,375,000	-	1,375,000	-	-
$104,275,000 2009 Permanent Improvement Bonds due in varying amounts through 2034 at an average interest rate of 4.47447% for roads and various building projects.	102,815,000	-	390,000	102,425,000	405,000

$23,280,000 2010 Permanent Improvement Refunding Bonds due in varying amounts 2026 at an average interest rate of 3.60% to refinance previously issued bonds.	22,620,000	-	1,905,000	20,715,000	1,985,000
$137,895,000 2010 Permanent Improvement Bonds, Series A&B, due in varying amounts through 2024 at an average interest rate of 3.548% for buildings and roads.	122,920,000	-	4,060,000	118,860,000	4,260,000
$15,905,000 2011 Permanent Improvement Refunding Bonds, due in varying amounts through 2020 at an average interest rate of 2.1296% to refinance previously issued bonds.	12,220,000	-	955,000	11,265,000	980,000
$9,730,000 2012 Tax Notes due in varying amounts through 2019 at an average interest rate of 1.4419% for technology and building projects.	8,015,000	-	1,330,000	6,685,000	1,620,000
$94,495,000 2012 Permanent Improvement and Refunding Bonds, due in varying amounts through 2031 at an average interest rate of 3.762% to refinance previously issued bonds. and for buildings and roads.	98,495,000	-	-	98,495,000	560,000
$ 63,345,000 2013 Permanent Improvement and Refunding Bonds, due in varying amounts through 2035 at a true interest cost of 3.1895 % to refinance previously issued bonds. and for buildings and roads.	58,595,000	-	2,570,000	56,025,000	2,080,000
$36,525,000 2013 General Obligation Refunding Bonds, Taxable Series 2013 due in varying amounts through 2026 at a true interest cost of 2.3253% to refinance previously issued bonds.	35,930,000	-	-	35,930,000	1,930,000

$9,925,000 2013 Tax Notes due in varying amounts through 2020 at an average interest rate of 0.8128% to fund various technology projects.	8,605,000	-	1,340,000	7,265,000	1,370,000
$29,245,000 2014 Permanent Improvement Bonds due in varying amounts through 2039 at an average interest rate of 3.49% for various road projects.	29,245,000	-	825,000	28,420,000	835,000
$10,965,000 2014 Tax Notes due in varying amounts through 2021 at an average interest rate of 1.41% to fund building and technology projects.	10,965,000	-	1,475,000	9,490,000	1,505,000
$29,550,000 2014 Permanent Improvement Refunding due in varying amounts through 2028 at an average interest rate of 2.29% issued to refund portions of 2007 and 2008 PI Bonds	-	29,550,000	705,000	28,845,000	-
$61,815,000 2015 Permanent Improvement & Refunding due in varying amounts through 2040 at an average interest rate of 3.495% issued to refund portions of 2007 and 2008 PI Bonds, and to fund building and road projects	-	61,815,000	-	61,815,000	1,055,000
$11,020,000 2015 Tax Notes due in varying amounts through 2022 at an average interest rate of 1.74% to fund building and technology projects.	-	11,020,000	-	11,020,000	1,480,000
Total General Obligation Bonds Payable	614,975,000	102,385,000	83,085,000	634,275,000	25,860,000
Bond Premium	18,970,536	9,600,314	1,515,961	27,054,889	1,176,000
Compensated Absences	8,560,363	-	998,903	7,561,460	756,146
Other Post-employment Benefits	43,195,501	10,227,765	1,234,722	52,188,544	-
Net Pension Liability	24,251,591	20,430,152	17,562,264	27,119,479	-
Capital Leases	1,510,853	334,893	762,325	1,083,421	803,458
TOTAL	$ 711,463,844	$ 142,978,124	$ 105,159,175	$ 749,282,793	$ 28,595,604

The liability for compensated absences is generally liquidated by the General Fund and certain Special Revenue Funds. The liability for net other post-employment benefits has been liquidated by the Internal Service Fund for health benefits.

The debt service requirements on the aforementioned bonded debt are as follows:

Fiscal Year	Principal	Interest	Total
2016	$ 25,860,000	$ 26,393,485	$ 52,253,485
2017	27,795,000	25,920,324	53,715,324
2018	28,980,000	25,171,757	54,151,757
2019	30,915,000	24,237,053	55,152,053
2020	31,690,000	23,232,089	54,922,089
2021-2025	156,970,000	$97,279,566	254,249,566
2026-2030	186,475,000	61,370,138	247,845,138
2031-2035	129,185,000	19,993,092	149,178,092
2036-2040	16,405,000	2,193,250	18,598,250
Total	$ 634,275,000	$ 305,790,754	$ 940,065,754

All of the County's long-term debt issues are subject to the arbitrage regulations of the Federal government. Per these regulations, portions of the County's investment earnings on debt proceeds may be subject to rebate to the Federal government.

In prior years, Denton County has issued permanent improvement refunding bonds to defease previously issued general obligation bonds in order to achieve an economic gain by lowering future debt service obligations. The proceeds of the new bonds were placed in irrevocable trust accounts in order 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. At September 30, 2015, $59,005,000 of defeased bonds remain outstanding.

In December, 2014, Denton County issued $29,550,000 of permanent improvement refunding bonds The refunding bonds were issued to provide resources to redeem at their call date $26,680,000 of previously issued 2007 permanent improvement bonds, and $4,390,000 of 2008 permanent improvement bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by $2,924,543. The refunding was undertaken to reduce future debt service payments.

The refunding transaction resulted in a reduction of $4,035,823 in the County's aggregate future debt service payments, and an economic gain to the County of $3,425,146.

In August, 2015, Denton County issued $61,815,000 of permanent improvement and refunding bonds. Of this total, $29,130,000 of bond proceeds were used to provide resources to redeem at their call date $25,905,000 of previously issued 2007 permanent improvement bonds and $2,030,000 of previously issued 2008 permanent improvement bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. The net carrying amount of the old debt exceeded the reacquisition price by $1,195,000. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is the same as the life of the new debt issued. The refunding was undertaken to reduce future debt service payments. The refunding transaction resulted in a reduction of $2,573,876 in the County's aggregate future debt service payments, and an economic gain to the County of $2,115,178.

As of September 30, 2015 the County had a total of $7,690,625 in un-issued permanent improvement bonds that were authorized in a January 1999 bond election. The total amount authorized in the election was $85,320,000 for road improvements. $24,600,000 in bonds was issued in March 1999 in connection with the partial refunding discussed above. An additional $24,000,000 of the bonds was issued in December 2000. $13,425,000 of these bonds was issued as part of a $50,000,000 bond issue in 2005, and $15,000,000 was issued in 2007. Also, due to U.S. Treasury regulations, $604,375 of underwriter's premium in the previous two sales was added to proceeds with a corresponding reduction in the amount of un-issued bonds. The County has no definite plan to issue the remaining bonds.

Due to voter approval of a County bond election in May 2004, the County had a total of $2,000,000 in authorized but un-issued permanent improvement bonds as of September 30, 2015. The $2 million in bonds was approved for purchasing voting equipment. Of the total amount of bonds authorized in the election, the County issued $31,450,000 of authorized bonds in 2005. $87,515,000 of road and building bonds was issued in 2007. $15,400,000 of building bonds was issued in April 2008; $15,000,000 of road bonds were issued in the 2009 bond sale; $45,145,527 of road bonds were issued in the 2010 bond sale and; $10,359,473 of road bonds were issued in the 2012 bond sale. Due to the receipt of significant grant funding for voting equipment since 2004, the County has no plans to issue the remaining authorized bonds.

In November 2008, county voters approved a bond package including $310,000,000 for road and transportation projects and $185,000,000 for county facilities. The County has issued varying amounts of these authorized bonds each year from 2009 through 2014. In August 2015, $28,329,915 of the road bonds and $8,133,476 of the building bonds were issued. As of September 30, 2015, a total of $108,717,671 of the bonds approved in the 2008 election was authorized but unissued.

G. Fund Balance

As of September 30, 2015, governmental fund balance is composed of the following:

Fund Balance Classification	General	Debt Service	Major Capital Projects Funds	Other Governmental	Totals
Nonspendable:					
Inventories	$ 133,259	$ -	$ -	$ -	$ 133,259
Restricted:					
Road and bridge	-	-	-	7,627,170	7,627,170
County records management	-	-	-	2,490,358	2,490,358
Juvenile probation	-	-	-	1,144,126	1,144,126
Indigent care and public health	-	-	-	6,088,949	6,088,949
Law enforcement	-	-	-	3,826,717	3,826,717
Technology and security	-	-	-	540,406	540,406
Other statutorily restricted funds	-	-	-	933,146	933,146
Retirement of long term debt	-	3,417,739	-	-	3,417,739
Capital asset acquisition	-	-	194,109,130	53,861,676	247,970,806
Committed:					
Encumbrances	-	-	-	-	-
Assigned:					
Other	-	-	-	-	-
Unassigned:	41,856,226	-	-	-	41,856,226
Total Governmental Fund Balance	$ 41,989,485	$ 3,417,739	$ 194,109,130	$ 76,512,548	$ 316,028,902

V. OTHER INFORMATION

A. Risk Management

Denton County is exposed to various risks of loss relating to general liability, the accidental loss of real and personal property, damage to County assets, errors and omissions and personnel risks which relate to workers compensation. The County carries commercial insurance in order to manage the above listed risks. Amounts of coverage for the above types of risk have not been subject to a significant reduction in the past year. There have been no claims in excess of the County's insurance coverage in the past year.

The County has established a limited risk management program for employees' and their dependents' medical and dental insurance coverage. Employees' premiums are paid by the General, Special Revenue and some Agency funds into the Insurance Internal Service fund. These premiums are recorded as expenditures in the paying funds and are available to pay claims, excess coverage insurance and administrative costs of the program. During fiscal 2015, a total of $25,855,659 was paid in benefits, excess coverage premiums and administrative costs. The excess coverage insurance covers the plan against individual claims in excess of $350,000 per covered person per year. Estimated claims payable, based upon claims filed and estimated un-filed claims at year end, were $1,338,249. Changes in the balances of claims liabilities during the past year are as follows:

	2015	2014
Unpaid Claims, beginning of fiscal year	$ 844,056	$ 838,591
Incurred Claims (including incurred but not reported)	21,581,668	18,780,270
Claim payments	(21,087,475)	(18,774,805)
Unpaid Claims, end of fiscal year	$ 1,338,249	$ 844,056

For the past three fiscal years, no settlements have exceeded insurance coverage.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the government.

C. Other Post-Employment Benefits

OPEB Plan Description

The County's group medical plans ("Plan") are administered through the Public Employee Benefits Cooperative. The Plan is a single-employer defined benefit healthcare plan funded on a pay-as-you-go basis. Other post-employment benefits (OPEB) include health insurance and Medicare supplements. Contribution, adjustment or elimination of the contribution, and

adjustments to OPEB eligibility are subject to the Commissioners Court's annual budgetary discretion. For the fiscal year ended September 30, 2015, retirees were not obligated to fully vacate County programs and utilize Medicare. Neither the plan nor the PEBC issues separate financial statements.

Funding Policy

Age-adjusted premium amounts are not incorporated with the policy, except after the age of 65. The County annually adopts a premium structure for retirees and their eligible dependents who participate in the various plans offered. The County supplements retiree premiums in all plans by amounts varying from 0% to 68%.

The County is not required by Texas law or by contractual agreement to provide funding for OPEB other than the pay-as-you-go amount necessary to provide current budget year benefits to retirees and their eligible dependents. Contributions, adjustment or elimination of the contributions, and adjustments to eligibility are subject to the Commissioners Court's annual budgetary discretion. For the year ended September 30, 2015, the County paid $2,146,939 for OPEB payments by the plan, consisting of both County and retiree contributions. Retiree Plan members receiving benefits contributed $912,217, or approximately 42.49% of total cost through their required contribution.

Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount that was actuarially determined by using the Projected Unit Credit method. The ARC represents a level of funding that, if paid on an on-going basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. This allocation is performed for the group as a whole. The following table shows the elements of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation to the Plan for the year.

	Amount
Annual Required Contribution (ARC)	$ 10,418,235
Interest on Net OPEB Obligation	1,727,820
Adjustment to Annual Required Contribution	(1,918,290)
Annual OPEB Expense	10,227,765
Contributions Made	(1,234,722)
Change in Net OPEB Obligation	8,993,043
Net OPEB Obligation - Beginning of Year	43,195,501
Net OPEB Obligation - End of Year	$ 52,188,544

The County decided against funding any Unfunded Actuarial Accrued Liability (UAAL) at transition and will amortize it over the maximum period of 30 years, as allowed under GASB 45.

Denton County's annual OPEB cost, the percentage of annual OPEB contributed to the plan, and the net OPEB obligation for 2015 are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage Of OPEB Cost Contributed	Net OPEB Obligation
9/30/2013	$ 10,875,473	9.45%	$ 33,905,954
9/30/2014	10,834,243	14.02%	43,195,501
9/30/2015	10,227,765	12.63%	52,188,544

Funding Status and Funding Progress

As of October 1, 2015, the most recent actuarial valuation date, the Plan was 0% funded. The actuarial accrued liability for benefits was $96,446,687 and the actuarial value of assets was $0, resulting in an unfunded actuarial balance. The covered payroll (annual payroll of active employees covered by the Plan) was $76,707,032, and the ratio of the UAAL to the covered payroll was 125.7%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the County and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the County and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the October 1, 2014, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return, 2% projected salary increases, stable benefit levels, and an annual healthcare cost trend rate of 7% initially reducing by 0.25% per year, reaching 5.0% in 2023 and thereafter. The inflation rate, which is included in the healthcare cost trend rate computation, is 3.5%. The UAAL is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at September 30, 2015 was 30 years.

VI. EMPLOYEE RETIREMENT SYSTEM

A. Plan Description

Denton County provides pension, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 656 nontraditional 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 TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the County, within the options available in the state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years but must leave their accumulated deposits in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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 County 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 deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Employees covered by benefit terms. At December 31, 2014, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	581
Inactive employees entitled to but not yet receiving benefits	1,020
Active employees	1,642
	3,243

B. Funding Policy

Denton 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 County, 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 11.75% for the months of the accounting year in 2014, and 11.98% for the months of the accounting year in 2015.

The deposit rate payable by the employee members of the plan for calendar years 2014 and 2015 was 7% as adopted by the governing body of the County. For years prior to 2002, the employee deposit rate was 6%. The employee deposit rate and the employer contribution rate may be changed by the Commissioners Court of the County within the options available in the TCDRS Act.

C. Net Pension Liability

The County's net pension liability was measured as of December 31, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	3.0 percent
Salary increases	3.5 percent, average, including inflation
Investment rate of return	8.1 percent

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2014 – December 31, 2014.

Long-term Expected Rate of Return. The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2015 information for a 7-10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was

performed in 2013. See Millmans's TCDRS Investigation of Experience report for the period January 1, 2009 – December 31, 2013 for more details.

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected minus inflation)
US Equities	Dow Jones U.S. Total Stock Market Index	16.50%	5.35%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	12.00%	8.35%
Global Equities	MSCI World (net) Index	1.50%	5.65%
International Equities - Developed	50% MSCI World Ex USA (net) + 50% MSCI World ex USA 100 Hedged to USD (net) Index	11.00%	5.35%
International Equities – Emerging	50% MSCI EM Standard (net) Index + 50% MSCI EM 100% Hedged to USD (net) Index	9.00%	6.35%
Investment-Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	0.55%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.75%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	5.00%	5.54%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.80%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	6.75%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	2.00%	4.00%
Commodities	Bloomberg Commodities Index	2.00%	-0.20%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	3.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	25.00%	5.15%

Discount rate. The discount rate used to measure the total pension liability was 8.1 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability / (Asset)

Changes in Net Pension Liability / (Asset)	Total Pension Liability (a)	Increase (Decrease) Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balances as of December 31, 2013	$304,593,147	$280,341,556	$24,251,591
Changes for the year:			
Service cost	10,952,680	-	10,952,680
Interest on total pension liability[1]	24,699,099	-	24,699,099
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	1,314,878	-	1,314,878
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(745,344)	(745,344)	-
Benefit payments	(9,526,086)	(9,526,086)	-
Administrative expenses	-	(225,385)	225,385
Member contributions	-	5,633,438	(5,633,438)
Net investment income	-	19,023,670	(19,023,670)
Employer contributions	-	9,450,767	(9,450,767)
Other[2]	-	216,279	(216,279)
Balances as of December 31, 2014	$331,288,374	$304,168,895	$27,119,479

[1] *Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.*

[2] *Relates to allocation of system-wide items.*

Sensitivity analysis. The following presents the net pension liability of the County, calculated using the discount rate of 8.10%, as well as what the Denton County net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	7.10%	8.10%	9.10%
Total pension liability	$388,584,598	$331,288,374	$301,991,197
Fiduciary net position	304,168,895	304,168,895	304,168,895
Net pension liability / (Asset)	84,415,703	27,119,479	(2,177,698)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued TCDRS financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2015, the County recognized pension expenses of $10,157,053. At December 31, 2014, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,051,903
Changes of assumptions	-
Net difference between projected and actual earnings on pension plan investments	3,280,114
Contributions made subsequent to the measurement date	8,054,245
Total	$ 12,386,262

$8,054,245 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2016.

Year ended December 31:	
2015	$1,080,070
2016	1,080,070
2017	1,080,070
2018	1,080,070

Denton County, Texas

Required Supplementary Information

Other Post-employment Benefits Plan

Schedule of Funding Progress

Fiscal Year	Actuarial Valuation Date	Actuarial Value Assets - (a)	Actuarial Accrued Liability (AAL) - (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAL as a % of Payroll (b-a)/c
2011	10/1/2010	-	75,952,592	75,952,592	0.0%	73,683,867	103.1%
2013	10/1/2012	-	92,309,826	92,309,826	0.0%	74,497,155	123.9%
2015	10/1/2014	-	96,446,687	96,446,687	0.0%	76,707,032	125.7%

Denton County, Texas

SCHEDULE OF COUNTY CONTRIBUTIONS

Last Ten Fiscal Years

Fiscal Year Ending	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2006	$ 5,128,965	$ 5,128,965	$ -	$ 62,472,469	8.2%
2007	5,866,174	5,866,174	-	65,543,843	9.0%
2008	6,044,024	6,044,024	-	69,232,806	8.7%
2009	6,540,191	6,540,191	-	72,588,130	9.0%
2010	7,140,431	7,140,431	-	72,861,544	9.8%
2011	7,351,510	7,351,510	-	73,222,414	10.0%
2012	7,986,063	7,986,063	-	74,497,155	10.7%
2013	8,552,841	8,552,841	-	76,707,032	11.2%
2014	9,382,154	9,382,154	-	80,432,146	11.7%
2015	10,350,994	10,350,994	-	86,777,557	11.9%

Note: Payroll is calculated based on contributions as reported to TCDRS.

Notes to Schedule

Valuation Timing
Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	5 years, non-asymptotcic
Inflation	3.00%
Salary Increases	3.50%
Investment Rate of Return	8.00%
Retirement Age	Based on Actual Experience
Mortality	Based on the RP-2000 Mortality Tables

Denton County, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Plan Year
	2014
Total Penson Liability	
Service Cost	$ 10,952,680
Interest on Total Pension Liability	24,699,098
Effect of Plan Changes	-
Effect of Assumption Changes or inputs	-
Effect of Economic/Demographic (Gains) or Losses	1,314,879
Benefit Payments/Refunds of Contributions	(10,271,430)
Net Change in Total Pension Liability	26,695,227
Total Pension Liability, Beginning	304,593,147
Total Pension Liability, Ending (a)	$ 331,288,374
Fiduciary Net Position	
Employer Contributions	$ 9,450,767
Member Contributions	5,633,438
Investment Income, Net of Investment Expenses	19,023,670
Benefit Payments/Refunds of Contributions	(10,271,430)
Administrative Expenses	(225,385)
Other	216,279
Net Change in Fiduciary Net Position	23,827,339

(Continued)

Fiduciary Net Position, Beginning	280,341,556
Fiduciary Net Position Ending (b)	$ 304,168,895
Net Pension Liability, Ending = (a)-(b)	$ 27,119,479
Fiduciary Net Position, as a % of Total Pension Liability	91.81%
Pensionable Covered Payroll	$ 80,432,146
Net Pension Liability as a % of Covered Payroll	33.72%

Note - plan year 2014 is the first year of implementation of GASB 68, and the first year that this information is available.

DENTON COUNTY, TEXAS

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for special revenues that are restricted to expenditure for particular purposes.

Road and Bridge Fund:
To account for the operation, repair and maintenance of roads and bridges. Financing is provided by vehicle registration fees, court fines and other similar revenues.

Jury Fund:
To account for the costs of providing jury services for the county's court system. Funding is primarily from the annual property tax levy.

Juvenile Probation Fund:
To account for the costs of administering the county's juvenile probation and detention departments. Funding is from tax revenues, intergovernmental revenues and fees.

Voter Registration Fund:
To account for funds received from the state as reimbursements for the costs of adding to and updating the roll of registered voters.

Indigent Care Fund:
To account for the county's costs for providing medical care to indigent county residents. Funding is primarily from property taxes levied for this purpose.

Public Health Fund:
To account for the county's costs of administering the county health department to provide medical services to the citizens of the county. Funding is provided from tax revenues, intergovernmental grants, and fees for services.

Law Library Fund:
To account for the receipt of library fees of office collected by the County and District Clerks. Receipts are restricted to payment of the cost of maintaining the law library.

County Clerk Records Management Fund:
To account for the receipt and expenditure of records preservation fees assessed by the county clerk. Expenditure of funds received is restricted by law to records preservation, records management and records automation projects.

County & District Court Technology Fund
To account for the receipt and expenditure of County and District Court Technology fees that are that have the limited use of financing technological improvements in the those courts.

Courthouse Security Fund:
To account for the receipt and expenditure of courthouse security fees as required by state law. Such fees are assessed upon conviction in justice, county or district court and may be spent only for security services or devices for courthouses.

Sheriff's Training Fund:
To account for the receipt and expenditure of state funding for the professional training of sheriff's officers. All funding is from state payments.

Sheriff's Forfeiture Fund:
To account for the use in criminal investigations of seized funds awarded by court order to the County Sheriff's office.

Vehicle Inventory Tax Interest Fund:
To account for the receipt and expenditure of interest revenues earned by the tax assessor-collector on vehicle inventory tax receipts collected throughout the fiscal year. By state law, such interest revenues may only be spent to defray the costs of the collection program.

Records Management Fund:
To account for the receipt and expenditure of fees assessed on civil filings in the county, district and probate courts as required by state law. Such fees may only be spent on records management or preservation projects.

District Attorney Check Fee Fund:
To account for fees collected by the District Attorney under the "Hot Check" statute. Expenditures from this fund shall be at the sole discretion of the District Attorney and may be used only to defray the salaries and expenses of his office.

District Attorney's Forfeiture Fund:
To account for the use in criminal investigations of seized funds awarded by court order to the Criminal District Attorney's office.

Women, Infants and Children Fund:
To account for the receipt and expenditure of grant funds awarded to the County for women and children's health care initiatives by the Tex. Dept. of Health.

Health Care Relief Fund:
To account for the receipt and expenditure of funds paid to the County from the State of Texas tobacco lawsuit settlement.

JP Court Technology Fund:
To account for the receipt and expenditure of JP Court Technology fees that are that have the limited use of financing technological improvements in the justice of the peace courts.

Public Health Preparedness Grant Fund:
To account for the receipt and expenditure of state grant funds to be used specifically for the County's anti-bioterrorism initiatives.

District Clerk Records Management Fund:
To account for the receipt and expenditure of fees assessed on civil filings in the district courts as allowed by state law. Such fees may only be spent on records management or preservation projects as requested by the District Clerk.

Justice Court Security Fund:
To account for the receipt and expenditure of fees assessed on cases in the justice of the peace courts as allowed by state law. Such fees may only be spent on building security projects as requested by the Justices of the Peace.

Fire Code Enforcement Fund:
To account for the receipt and expenditure of fees assessed for inspections of construction sites for enforcement of the County fire code. Such fees may only be spent for activities related to the enforcement of the code.

Medicaid DSRIP Program
To account for the receipt and expenditure of Medicaid funds to be used specifically for the County's disease prevention and management initiatives.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds

2005 Certificates of Obligation Fund:
To account for the receipt and expenditure of Certificates of Obligation proceeds issued to fund the acquisition of additional County buildings and other capital improvements.

2008 Tax Note Fund:
To account for the receipt and expenditure of Tax Note proceeds issued for to fund the construction of an additional County building and to fund major repairs and renovations to existing County facilities.

Capital Replacement Fund:
To account for funds set aside to fund the acquisition of major capital equipment and to fund major repairs of county facilities without the need of debt issuance.

2007 Road Bond Project Fund:
To account for the receipt and expenditure of Permanent Improvement Bond proceeds issued to fund the construction of various road projects in the County.

2009 Road Bond Project Fund:
To account for the receipt and expenditure of Permanent Improvement Bond proceeds issued to fund the construction of county buildings and various road projects in the County.

2012 Tax Note Fund:
To account for the receipt and expenditure of Tax Note proceeds issued for to fund the construction of the Precinct 4 government center and to fund a video visitation center and pre-construction expenses for expansion of the County jail.

2013 Tax Note Fund:
To account for the receipt and expenditure of Tax Note proceeds issued to fund technology improvements, the construction of the Precinct 2 government center, and the remodeling of the pre-trial portion of the County jail.

2014 Tax Note Fund:
To account for the receipt and expenditure of Tax Note proceeds issued to fund various technology improvements, primarily the replacement of the Sheriff's communication system.

2015 Tax Note Fund:
To account for the receipt and expenditure of Tax Note proceeds issued to fund various technology improvements, and to provide additional funding for the Lee Walker Government Center and the Southwest Courthouse.

Denton County, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

SPECIAL REVENUE	Road & Bridge Fund	Jury Fund	Juvenile Probation Fund	Voter Registration Fund
ASSETS				
Cash	$ 621,504	$ 201,737	$ 77,356	$ 149,264
Investments	7,443,961	19,916	1,482,066	121,480
Receivables				
Taxes	75,899	-	164,299	-
Accrued Interest	-	-	-	-
Other Receivables	-	-	4,300	-
Due from Other Funds	1,603	-	-	-
Due from Other Governments	252,057	-	-	-
TOTAL ASSETS	$ 8,395,023	$ 221,653	$ 1,728,021	$ 270,744
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 575,365	$ -	$ 181,590	$ -
Wages Payable	111,587	-	236,108	-
Due to Other Funds	5,002	-	1,898	-
Due to Other Governments	-	-	-	-
Unearned Revenues	-	-	-	-
TOTAL LIABILITIES	691,955	-	419,596	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	75,899	-	164,299	-
TOTAL DEFERRED INFLOWS OF RESOURCES	75,899	-	164,299	-
FUND BALANCES				
Restricted	7,627,170	221,653	1,144,126	270,744
Unassigned	-	-	-	-
TOTAL FUND BALANCES	7,627,170	221,653	1,144,126	270,744
TOTAL LIABILITIES AND FUND BALANCES	$ 8,395,023	$ 221,653	$ 1,728,021	$ 270,744

Indigent Care Fund	Public Health Fund	Law Library Fund	County Clerk Records Mgmt Fund	County & District Technology Fund	Courthouse Security Fund	Sheriff's Training Fund
$ 18,580	$ 116,207	$ 211,147	$ 399,725	$ 52,085	$ 71,252	$ 18,156
1,253,084	862,223	208,508	1,942,015	-	82,631	-
27,085	45,539	-	-	-	-	-
-	-	-	-	-	-	-
-	500	-	-	-	-	-
-	98,344	-	-	-	-	-
-	344,875	-	-	-	-	-
$ 1,298,749	$ 1,467,687	$ 419,655	$ 2,341,740	$ 52,085	$ 153,883	$ 18,156
$ 25,640	$ 42,587	$ 17,552	$ 59,996	$ -	$ 23,912	$ -
4,459	103,090	3,543	8,484	-	-	-
247	23,669	-	4,329	-	-	-
-	740	-	-	-	-	-
-	-	-	-	-	-	-
30,345	170,086	21,096	72,809	-	23,912	-
27,085	45,539	-	-	-	-	-
27,085	45,539	-	-	-	-	-
1,241,319	1,252,062	398,559	2,268,932	52,085	129,971	18,156
-	-	-	-	-	-	-
1,241,319	1,252,062	398,559	2,268,932	52,085	129,971	18,156
$ 1,298,749	$ 1,467,687	$ 419,655	$ 2,341,740	$ 52,085	$ 153,883	$ 18,156

Continued

Denton County, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

SPECIAL REVENUE	Sheriff's Forfeiture Fund	Vehicle Inventory Tax Interest Fund	Records Management Fund	District Attorney Check Fee Fund
ASSETS				
Cash	$ 391,901	$ 12,083	$ 81,567	$ 13,406
Investments	901,134	30,092	8,668	-
Receivables				
Taxes	-	-	-	-
Accrued Interest	-	17	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Governments	-	-	-	-
TOTAL ASSETS	$ 1,293,035	$ 42,191	$ 90,235	$ 13,406
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ -	$ -	$ 3,028	$ -
Wages Payable	-	-	4,162	2,127
Due to Other Funds	165	-	-	11,279
Due to Other Governments	-	-	-	-
Unearned Revenues	74,625	-	-	-
TOTAL LIABILITIES	74,790	-	7,190	13,406
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-
FUND BALANCES				
Restricted	1,218,246	42,191	83,045	-
Unassigned	-	-	-	-
TOTAL FUND BALANCES	1,218,246	42,191	83,045	-
TOTAL LIABILITIES AND FUND BALANCES	$ 1,293,035	$ 42,191	$ 90,235	$ 13,406

District Attorney Forfeiture Fund	Women, Infants, and Children Fund	Health Care Relief Fund	JP Court Technology Fund	Public Health Preparedness Grant	District Clerk Records Mgmt Fund
$ 401,480	$ -	$ 272,101	$ 59,005	$ -	$ 22,503
2,578,284	-	1,943,042	186,962	-	120,761
-	-	-	-	-	-
-	-	-	-	-	-
-	8,061	-	-	-	-
11,279	-	-	-	13	-
-	341,899	-	-	50,607	-
$ 2,991,043	$ 349,960	$ 2,215,143	$ 245,967	$ 50,620	$ 143,264
$ 4,792	$ 3,263	$ 22,892	$ 677	$ 2,756	$ 3,817
-	43,959	-	-	3,478	775
50	275,713	-	-	31,692	291
-	-	-	-	-	-
489,015	-	-	-	-	-
493,857	322,935	22,892	677	37,926	4,883
-	-	-	-	-	-
-	-	-	-	-	-
2,497,186	27,025	2,192,251	245,290	12,694	138,381
-	-	-	-	-	-
2,497,186	27,025	2,192,251	245,290	12,694	138,381
$ 2,991,043	$ 349,960	$ 2,215,143	$ 245,967	$ 50,620	$ 143,264

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Denton County, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

SPECIAL REVENUE	JP Court Security Fund	Fire Code Enforcement Fund	Medicaid DSRIP Program	TOTAL Special Revenue Funds
ASSETS				
Cash	$ 113,060	$ 98,480	$ -	$ 3,402,599
Investments	-	-	1,361,706	20,546,531
Receivables				
Taxes	-	-	-	312,822
Accrued Interest	-	-	-	17
Other Receivables	-	-	-	12,861
Due from Other Funds	-	-	21,250	132,488
Due from Other Governments	-	-	-	989,438
TOTAL ASSETS	$ 113,060	$ 98,480	$ 1,382,956	$ 25,396,756
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ -	$ 516	$ 2,132	$ 970,516
Wages Payable	-	4,303	15,881	541,956
Due to Other Funds	-	532	1,344	356,212
Due to Other Governments	-	-	-	740
Unearned Revenues	-	-	-	563,639
TOTAL LIABILITIES	-	5,351	19,357	2,433,062
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	-	-	312,822
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	312,822
FUND BALANCES				
Restricted	113,060	93,129	1,363,599	22,650,872
Unassigned	-	-	-	-
TOTAL FUND BALANCES	113,060	93,129	1,363,599	22,650,872
TOTAL LIABILITIES AND FUND BALANCES	$ 113,060	$ 98,480	$ 1,382,956	$ 25,396,756

DENTON COUNTY, TEXAS

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Denton County, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

CAPITAL PROJECTS	2005 Certificates of Obligation Fund	2008 Tax Note Project Fund	Capital Replacement Fund	2007 Road Bond Project Fund
ASSETS				
Cash	$ -	$ -	$ -	$ -
Investments	720,084	267,384	14,061,702	353,082
Receivables				
Taxes	-	-	-	-
Accrued Interest	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Governments	-	-	-	-
TOTAL ASSETS	$ 720,084	$ 267,384	$ 14,061,702	$ 353,082
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ -	$ -	$ 4,684	$ 48,725
Wages Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Unearned Revenues	-	-	-	-
TOTAL LIABILITIES	-	-	4,684	48,725
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-
FUND BALANCES				
Restricted	720,084	267,384	14,057,018	304,357
Unassigned	-	-	-	-
TOTAL FUND BALANCES	720,084	267,384	14,057,018	304,357
TOTAL LIABILITIES AND FUND BALANCES	$ 720,084	$ 267,384	$ 14,061,702	$ 353,082

2009 PI Bond Project Fund	2012 Tax Note Project Fund	2013 Tax Note Project Fund	2014 Tax Note Project Fund	2015 Tax Note Project Fund	TOTAL Capital Projects Funds	TOTAL Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ 2,221	$ 2,221	$ 3,404,820
9,006,139	6,797,787	8,326,476	2,461,024	11,937,876	53,931,554	74,478,085
					-	-
-	-	-	-	-	-	312,822
-	-	-	-	-	-	17
-	-	-	-	-	-	12,861
-	-	-	-	-	-	132,488
-	-	-	-	-	-	989,438
$ 9,006,139	$ 6,797,787	$ 8,326,476	$ 2,461,024	$ 11,940,097	$ 53,933,775	$ 79,330,531
$ 4,540	$ -	$ 6,062	$ 8,088	$ -	$ 72,099	$ 1,042,615
-	-	-	-	-	-	541,956
-	-	-	-	-	-	356,212
-	-	-	-	-	-	740
-	-	-	-	-	-	563,639
4,540	-	6,062	8,088	-	72,099	2,505,162
-	-	-	-	-	-	312,822
-	-	-	-	-	-	312,822
9,001,598	6,797,787	8,320,414	2,452,936	11,940,097	53,861,676	76,512,548
-	-	-	-	-	-	-
9,001,598	6,797,787	8,320,414	2,452,936	11,940,097	53,861,676	76,512,548
$ 9,006,139	$ 6,797,787	$ 8,326,476	$ 2,461,024	$ 11,940,097	$ 53,933,775	$ 79,330,531

Denton County, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2015

SPECIAL REVENUE	Road & Bridge Fund	Jury Fund	Juvenile Probation Fund	Voter Registration Fund
REVENUES				
Taxes	$ 4,498,307	$ -	$ 9,737,512	$ -
Licenses and Permits	6,035,990	-	-	-
Intergovernmental	700,721	219,810	2,914,680	113,174
Fees of Office	-	31,641	62,153	-
Fines	-	-	-	-
Interest	7,889	90	2,390	180
Miscellaneous	30,150	-	-	2,856
TOTAL REVENUES	11,273,056	251,542	12,716,734	116,210
EXPENDITURES				
General Government	-	-	-	32,229
Judicial	-	406,130	-	-
Legal	-	-	-	-
Financial	-	-	-	-
Public Facilites	-	-	-	-
Public Safety	-	-	12,922,291	-
Health and Welfare	-	-	-	-
Roads	10,064,648	-	-	-
Intergovernmental	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	10,064,648	406,130	12,922,291	32,229
Excess (Deficiency) of Revenues Over Expenditures	1,208,408	(154,588)	(205,557)	83,980
Other Financing Sources (Uses):				
Issuance of Debt	-	-	-	-
Bond Premium	-	-	-	-
Capital Lease Financing	334,893	-	-	-
Transfers In	-	193,616	28,751	-
Transfers Out	(43,201)	-	-	-
Total Other Financing	291,692	193,616	28,751	-
NET CHANGE IN FUND BALANCES	1,500,100	39,028	(176,806)	83,980
FUND BALANCES AT BEGINNING OF YEAR	6,127,070	182,625	1,320,932	186,764
FUND BALANCES AT END OF YEAR	$ 7,627,170	$ 221,653	$ 1,144,126	$ 270,744

Indigent Care Fund	Public Health Fund	Law Library Fund	County Clerk Records Mgmt Fund	County & District Technology Fund	Courthouse Security Fund	Sheriff's Training Fund
$ 1,605,278	$ 2,698,984	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	1,478,142	-	-	-	-	35,186
-	428,915	411,974	3,095,521	24,367	274,249	-
-	-	-	-	-	-	-
1,439	1,486	334	2,308	15	54	25
-	-	21,591	-	-	-	-
1,606,717	4,607,528	433,899	3,097,829	24,382	274,304	35,210
-	-	389,662	2,741,100	-	-	-
-	-	-	-	21,452	325,781	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	80,581
2,025,307	4,620,386	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,025,307	4,620,386	389,662	2,741,100	21,452	325,781	80,581
(418,590)	(12,858)	44,237	356,730	2,930	(51,477)	(45,371)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	46,000	-
(200,000)	-	-	-	-	-	-
(200,000)	-	-	-	-	46,000	-
(618,590)	(12,858)	44,237	356,730	2,930	(5,477)	(45,371)
1,859,909	1,264,921	354,322	1,912,202	49,155	135,448	63,527
$ 1,241,319	$ 1,252,062	$ 398,559	$ 2,268,932	$ 52,085	$ 129,971	$ 18,156

Continued

Denton County, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2015

SPECIAL REVENUE	Sheriff's Forfeiture Fund	Vehicle Inventory Tax Interest Fund	Records Management Fund	District Attorney Check Fund
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	22,500
Fees of Office	-	-	330,910	18,433
Fines	-	-	-	-
Interest	1,134	6,804	25	9
Miscellaneous	723,150	-	-	-
TOTAL REVENUES	724,284	6,804	330,935	40,942
EXPENDITURES				
General Government	-	-	-	-
Judicial	-	-	338,284	-
Legal	-	-	-	95,737
Financial	-	-	-	-
Public Facilites	-	-	-	-
Public Safety	447,158	-	-	-
Health and Welfare	-	-	-	-
Roads	-	-	-	-
Intergovernmental	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	447,158	-	338,284	95,737
Excess (Deficiency) of Revenues Over Expenditures	277,126	6,804	(7,349)	(54,795)
Other Financing Sources (Uses):				
Issuance of Debt	-	-	-	-
Bond Premium	-	-	-	-
Capital Lease Financing	-	-	-	-
Transfers In	-	-	-	75,000
Transfers Out	-	-	-	(11,279)
Total Other Financing	-	-	-	63,721
NET CHANGE IN FUND BALANCES	277,126	6,804	(7,349)	8,926
FUND BALANCES AT BEGINNING OF YEAR	941,120	35,387	90,395	(8,926)
FUND BALANCES AT END OF YEAR	$ 1,218,246	$ 42,191	$ 83,045	$ -

District Attorney Forfeiture Fund	Women, Infants, and Children Fund	Health Care Relief Fund	JP Court Technology Fund	Public Health Preparedness Grant	District Clerk Records Mgmt Fund
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	1,753,163	298,622	-	466,989	-
-	-	49,580	48,315	-	140,418
-	-	-	-	-	-
1,972	-	2,341	105	-	132
1,901,260	-	-	-	-	-
1,903,232	1,753,163	350,543	48,420	466,989	140,550
-	-	-	-	-	-
-	-	-	129,890	-	110,196
406,808	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,753,161	243,360	-	460,698	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
406,808	1,753,161	243,360	129,890	460,698	110,196
1,496,424	3	107,184	(81,470)	6,291	30,354
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
11,279	-	-	-	-	-
(75,000)	-	-	-	-	-
(63,721)	-	-	-	-	-
1,432,703	3	107,184	(81,470)	6,291	30,354
1,064,483	27,022	2,085,067	326,760	6,403	108,026
$ 2,497,186	$ 27,025	$ 2,192,251	$ 245,290	$ 12,694	$ 138,381

Continued

Denton County, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2015

SPECIAL REVENUE	JP Court Security Fund	Fire Code Enforcement Fund	Medicaid DSRIP Program	TOTAL SPECIAL REV September 30, 2014
REVENUES				
Taxes	$ -	$ -	$ -	$ 18,540,081
Licenses and Permits	-	-	-	6,035,990
Intergovernmental	-	-	2,378,672	10,381,659
Fees of Office	11,995	225,884	-	5,154,355
Fines	-	-	-	-
Interest	46	32	1,219	30,031
Miscellaneous	-	-	-	2,679,006
TOTAL REVENUES	12,041	225,916	2,379,891	42,821,122
EXPENDITURES				
General Government	-	-	-	3,162,991
Judicial	12,372	-	-	1,344,105
Legal	-	-	-	502,545
Financial	-	-	-	-
Public Facilites	-	-	-	-
Public Safety	-	193,802	-	13,643,832
Health and Welfare	-	-	1,839,368	10,942,280
Roads	-	-	-	10,064,648
Intergovernmental	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	12,372	193,802	1,839,368	39,660,401
Excess (Deficiency) of Revenues Over Expenditures	(332)	32,114	540,524	3,160,721
Other Financing Sources (Uses):				
Issuance of Debt	-	-	-	-
Bond Premium	-	-	-	-
Capital Lease Financing	-	-	-	334,893
Transfers In	-	54,328	-	408,974
Transfers Out	-	-	-	(329,480)
Total Other Financing	-	54,328	-	414,387
NET CHANGE IN FUND BALANCES	(332)	86,442	540,524	3,575,108
FUND BALANCES AT BEGINNING OF YEAR	113,392	6,687	823,075	19,075,764
FUND BALANCES AT END OF YEAR	$ 113,060	$ 93,129	$ 1,363,599	$ 22,650,872

DENTON COUNTY, TEXAS

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Denton County, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2015

CAPITAL PROJECTS	2005 Certificates of Obligation	2008 Tax Note Project Fund	Capital Replacement Fund	2007 Road Bond Project Fund	2009 PI Bond Project Fund
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Fees of Office	-	-	-	-	-
Fines	-	-	-	-	-
Interest	1,088	350	14,310	686	9,726
Miscellaneous	-	-	1,541,180	-	-
TOTAL REVENUES	1,088	350	1,555,490	686	9,726
EXPENDITURES					
General Government	-	-	-	-	-
Judicial	-	-	-	-	-
Legal	-	-	-	-	-
Financial	-	-	-	-	-
Public Facilites	-	-	-	-	-
Public Safety	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Roads	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Capital Outlay	236,471	6,319	1,151,663	632,976	495,814
TOTAL EXPENDITURES	236,471	6,319	1,151,663	632,976	495,814
Excess (Deficiency) of Revenues Over Expenditures	(235,384)	(5,969)	403,827	(632,291)	(486,088)
Other Financing Sources (Uses):					
Issuance of Debt	-	-	-	-	-
Bond Premium	-	-	-	-	-
Capital Lease Financing	-	-	-	-	-
Transfers In	-	-	5,101,728	-	-
Transfers Out	-	-	-	-	-
Sources (Uses)	-	-	5,101,728	-	-
NET CHANGE IN FUND BALANCES	(235,384)	(5,969)	5,505,555	(632,291)	(486,088)
FUND BALANCES AT BEGINNING OF YEAR	955,468	273,353	8,551,463	936,648	9,487,686
FUND BALANCES AT END OF YEAR	$ 720,084	$ 267,384	$ 14,057,018	$ 304,357	$ 9,001,598

2012 Tax Note Project Fund	2013 Tax Note Project Fund	2014 Tax Note Project Fund	2015 Tax Note Project Fund	TOTAL Capital Projects September 30, 2015	TOTAL Special Revenue & Capital Projects September 30, 2015
$ -	$ -	$ -	$ -	$ -	$ 18,540,081
-	-	-	-	-	6,035,990
-	-	-	-	-	10,381,659
-	-	-	-	-	5,154,355
-	-	-	-	-	-
8,847	10,896	4,227	2,267	52,397	82,428
-	-	-	-	1,541,180	4,220,186
8,847	10,896	4,227	2,267	1,593,577	44,414,699
-	-	-	-	-	3,162,991
-	-	-	-	-	1,344,105
-	-	-	-	-	502,545
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	13,643,832
-	-	-	-	-	10,942,280
-	-	-	-	-	10,064,648
-	-	-	-	-	-
-	191,286	4,126,913	77,779	6,919,222	6,919,222
-	191,286	4,126,913	77,779	6,919,222	46,579,623
8,847	(180,390)	(4,122,686)	(75,512)	(5,325,645)	(2,164,924)
-	-	-	11,020,000	11,020,000	11,020,000
-	-	-	995,609	995,609	995,609
-	-	-	-	-	334,893
-	-	-	-	5,101,728	5,510,702
-	-	-	-	-	(329,480)
-	-	-	12,015,609	17,117,337	17,531,724
8,847	(180,390)	(4,122,686)	11,940,097	11,791,692	15,366,800
6,788,940	8,500,804	6,575,622	-	42,069,984	61,145,747
$ 6,797,787	$ 8,320,414	$ 2,452,936	$ 11,940,097	$ 53,861,676	$ 76,512,548

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ROAD AND BRIDGE SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ 4,305,184	$ 4,305,184	$ 4,498,307	$ 193,123
Licenses and Permits	5,900,000	5,900,000	6,035,990	135,990
Intergovernmental	190,000	1,402,611	700,721	(701,890)
Fees of Office	-	-	-	-
Fines	-	-	-	-
Interest	10,000	10,000	7,889	(2,111)
Miscellaneous	1,000	90,284	30,150	(60,134)
TOTAL REVENUES	10,406,184	11,708,079	11,273,056	(435,023)
EXPENDITURES				
ROADS	12,488,486	14,609,382	9,729,755	4,879,627
Excess (Deficiency) of Revenues Over Expenditures	(2,082,302)	(2,901,303)	1,543,301	4,444,604
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	(43,201)	(43,201)	-
Total Other Financing Sources	-	(43,201)	(43,201)	-
Net Change in Fund Balances	(2,082,302)	(2,944,504)	1,500,100	4,444,604
FUND BALANCES - BEGINNING	6,127,070	6,127,070	6,127,070	-
FUND BALANCES - ENDING	$ 4,044,768	$ 3,182,566	$ 7,627,170	$ 4,444,604

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
JURY SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	225,000	225,000	219,810	(5,190)
Fees of Office	23,000	23,000	31,641	8,641
Fines	-	-	-	-
Interest	250	250	90	(160)
Miscellaneous	-	-	-	-
TOTAL REVENUES	248,250	248,250	251,542	3,292
EXPENDITURES				
JUDICIAL	475,500	475,500	406,130	69,370
Excess (Deficiency) of Revenues Over Expenditures	(227,250)	(227,250)	(154,588)	72,662
Other Financing Sources (Uses):				
Transfers In	193,616	193,616	193,616	-
Transfers Out	-	-	-	-
Total Other Financing Sources	193,616	193,616	193,616	-
Net Change in Fund Balances	(33,634)	(33,634)	39,028	72,662
FUND BALANCES - BEGINNING	182,625	182,625	182,625	-
FUND BALANCES - ENDING	$ 148,991	$ 148,991	$ 221,653	$ 72,662

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
JUVENILE PROBATION SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ 9,321,552	$ 9,321,552	$ 9,737,512	$ 415,960
Licenses and Permits	-	-	-	-
Intergovernmental	2,954,029	3,052,547	2,914,680	(137,867)
Fees of Office	75,000	75,000	62,153	(12,847)
Fines	-	-	-	-
Interest	4,500	4,500	2,390	(2,110)
Miscellaneous	2,000	2,000	-	(2,000)
TOTAL REVENUES	12,357,081	12,455,599	12,716,734	261,135
EXPENDITURES				
PUBLIC SAFETY	12,927,084	13,070,360	12,922,291	148,069
Excess (Deficiency) of Revenues Over Expenditures	(570,003)	(614,761)	(205,557)	409,204
Other Financing Sources (Uses):				
Transfers In	-	28,751	28,751	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	28,751	28,751	-
Net Change in Fund Balances	(570,003)	(586,010)	(176,806)	409,204
FUND BALANCES - BEGINNING	1,320,932	1,320,932	1,320,932	-
FUND BALANCES - ENDING	$ 750,929	$ 734,922	$ 1,144,126	$ 409,204

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
INDIGENT CARE SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ 1,538,787	$ 1,538,787	$ 1,605,278	$ 66,491
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	-	-	-	-
Fines	-	-	-	-
Interest	2,000	2,000	1,439	(561)
Miscellaneous	-	-	-	-
TOTAL REVENUES	1,540,787	1,540,787	1,606,717	65,930
EXPENDITURES				
HEALTH & WELFARE	2,527,195	2,327,278	2,025,307	301,971
Excess (Deficiency) of Revenues Over Expenditures	(986,408)	(786,491)	(418,590)	367,901
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	(200,000)	(200,000)	-
Total Other Financing Sources	-	(200,000)	(200,000)	-
Net Change in Fund Balances	(986,408)	(986,491)	(618,590)	367,901
FUND BALANCES - BEGINNING	1,859,909	1,859,909	1,859,909	-
FUND BALANCES - ENDING	$ 873,501	$ 873,418	$ 1,241,319	$ 367,901

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PUBLIC HEALTH SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ 2,576,233	$ 2,576,233	$ 2,698,984	$ 122,751
Licenses and Permits	-	-	-	-
Intergovernmental	1,175,700	2,000,155	1,478,142	(522,013)
Fees of Office	465,000	465,000	428,915	(36,085)
Fines	-	-	-	-
Interest	3,000	3,000	1,486	(1,514)
Miscellaneous	-	-	-	-
TOTAL REVENUES	4,219,933	5,044,388	4,607,528	(436,860)
EXPENDITURES				
HEALTH & WELFARE	4,606,856	5,451,958	4,620,386	831,572
Excess (Deficiency) of Revenues Over Expenditures	(386,923)	(407,570)	(12,858)	394,712
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	(386,923)	(407,570)	(12,858)	394,712
FUND BALANCES - BEGINNING	1,264,921	1,264,921	1,264,921	-
FUND BALANCES - ENDING	$ 877,998	$ 857,351	$ 1,252,062	$ 394,712

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LAW LIBRARY SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	365,000	365,000	411,974	46,974
Fines	-	-	-	-
Interest	500	500	334	(166)
Miscellaneous	20,000	20,000	21,591	1,591
TOTAL REVENUES	385,500	385,500	433,899	48,399
EXPENDITURES				
GENERAL GOVERNMENT	407,414	450,369	389,662	60,707
Excess (Deficiency) of Revenues Over Expenditures	(21,914)	(64,869)	44,237	109,106
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	(21,914)	(64,869)	44,237	109,106
FUND BALANCES - BEGINNING	354,322	354,322	354,322	-
FUND BALANCES - ENDING	$ 332,408	$ 289,453	$ 398,559	$ 109,106

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY CLERK RECORDS MANAGEMENT SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	2,587,000	2,587,000	3,095,521	508,521
Fines	-	-	-	-
Interest	10,000	10,000	2,308	(7,692)
Miscellaneous	-	-	-	-
TOTAL REVENUES	2,597,000	2,597,000	3,097,829	500,829
EXPENDITURES				
GENERAL GOVERNMENT	3,449,903	3,451,081	2,741,100	709,981
Excess (Deficiency) of Revenues Over Expenditures	(852,903)	(854,081)	356,730	1,210,811
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	(852,903)	(854,081)	356,730	1,210,811
FUND BALANCES - BEGINNING	1,912,202	1,912,202	1,912,202	-
FUND BALANCES - ENDING	$ 1,059,299	$ 1,058,121	$ 2,268,932	$ 1,210,811

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY AND DISTRICT TECHNOLOGY SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	25,000	25,000	24,367	(633)
Fines	-	-	-	-
Interest	50	50	15	(35)
Miscellaneous	-	-	-	-
TOTAL REVENUES	25,050	25,050	24,382	(668)
EXPENDITURES				
GENERAL GOVERNMENT	22,377	22,377	21,452	925
Excess (Deficiency) of Revenues Over Expenditures	2,673	2,673	2,930	257
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	2,673	2,673	2,930	257
FUND BALANCES - BEGINNING	49,155	49,155	49,155	-
FUND BALANCES - ENDING	$ 51,828	$ 51,828	$ 52,085	$ 257

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COURTHOUSE SECURITY SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	300,000	300,000	274,249	(25,751)
Fines	-	-	-	-
Interest	1,000	1,000	54	(946)
Miscellaneous	-	-	-	-
TOTAL REVENUES	301,000	301,000	274,304	(26,696)
EXPENDITURES				
JUDICIAL	402,500	404,065	325,781	78,284
Excess (Deficiency) of Revenues Over Expenditures	(101,500)	(103,065)	(51,477)	51,588
Other Financing Sources (Uses):				
Transfers In	46,000	46,000	46,000	-
Transfers Out	-	-	-	-
Total Other Financing Sources	46,000	46,000	46,000	-
Net Change in Fund Balances	(55,500)	(57,065)	(5,477)	51,588
FUND BALANCES - BEGINNING	135,448	135,448	135,448	-
FUND BALANCES - ENDING	$ 79,948	$ 78,383	$ 129,971	$ 51,588

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SHERIFF'S FORFEITURE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	-	-	-	-
Fines	-	-	-	-
Interest	2,000	2,000	1,134	(866)
Miscellaneous	100,000	100,000	723,150	623,150
TOTAL REVENUES	102,000	102,000	724,284	622,284
EXPENDITURES				
PUBLIC SAFETY	384,907	611,822	447,158	164,664
Excess (Deficiency) of Revenues Over Expenditures	(282,907)	(509,822)	277,126	786,948
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	(282,907)	(509,822)	277,126	786,948
FUND BALANCES - BEGINNING	941,120	941,120	941,120	-
FUND BALANCES - ENDING	$ 658,213	$ 431,298	$ 1,218,246	$ 786,948

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
VEHICLE INVENTORY TAX INTEREST FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	-	-	-	-
Fines	-	-	-	-
Interest	9,000	9,000	6,804	(2,196)
Miscellaneous	-	-	-	-
TOTAL REVENUES	9,000	9,000	6,804	(2,196)
EXPENDITURES				
FINANCIAL	25,684	25,684	-	25,684
Excess (Deficiency) of Revenues Over Expenditures	(16,684)	(16,684)	6,804	23,488
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	(16,684)	(16,684)	6,804	23,488
FUND BALANCES - BEGINNING	35,387	35,387	35,387	-
FUND BALANCES - ENDING	$ 18,703	$ 18,703	$ 42,191	$ 23,488

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RECORDS MANAGEMENT SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	340,000	340,000	330,910	(9,090)
Fines	-	-	-	-
Interest	500	500	25	(475)
Miscellaneous	-	-	-	-
TOTAL REVENUES	340,500	340,500	330,935	(9,565)
EXPENDITURES				
JUDICIAL	368,903	380,926	338,284	42,642
Excess (Deficiency) of Revenues Over Expenditures	(28,403)	(40,426)	(7,349)	33,077
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	(28,403)	(40,426)	(7,349)	33,077
FUND BALANCES - BEGINNING	90,395	90,395	90,395	-
FUND BALANCES - ENDING	$ 61,992	$ 49,969	$ 83,045	$ 33,077

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DISTRICT ATTORNEY CHECK FEE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	22,500	22,500	22,500	-
Fees of Office	20,000	20,000	18,433	(1,567)
Fines	-	-	-	-
Interest	-	-	9	9
Miscellaneous	-	-	-	-
TOTAL REVENUES	42,500	42,500	40,942	(1,558)
EXPENDITURES				
LEGAL	117,251	117,251	95,737	21,514
Excess (Deficiency) of Revenues Over Expenditures	(74,751)	(74,751)	(54,795)	19,956
Other Financing Sources (Uses):				
Transfers In	75,000	75,000	75,000	-
Transfers Out	-	-	(11,279)	(11,279)
Total Other Financing Sources	75,000	75,000	63,721	(11,279)
Net Change in Fund Balances	249	249	8,926	8,677
FUND BALANCES - BEGINNING	(8,926)	(8,926)	(8,926)	-
FUND BALANCES - ENDING	$ (8,677)	$ (8,677)	$ -	$ 8,677

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DISTRICT ATTORNEY FORFEITURE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	-	-	-	-
Fines	-	-	-	-
Interest	1,000	1,000	1,972	972
Miscellaneous	55,000	55,000	1,901,260	1,846,260
TOTAL REVENUES	56,000	56,000	1,903,232	1,847,232
EXPENDITURES				
LEGAL	228,843	585,855	406,808	179,047
Excess (Deficiency) of Revenues Over Expenditures	(172,843)	(529,855)	1,496,424	2,026,279
Other Financing Sources (Uses):				
Transfers In	-	-	11,279	11,279
Transfers Out	(75,000)	(75,000)	(75,000)	-
Total Other Financing Sources	(75,000)	(75,000)	(63,721)	11,279
Net Change in Fund Balances	(247,843)	(604,855)	1,432,703	2,037,558
FUND BALANCES - BEGINNING	1,064,483	1,064,483	1,064,483	-
FUND BALANCES - ENDING	$ 816,640	$ 459,628	$ 2,497,186	$ 2,037,558

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HEALTH CARE RELIEF SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	205,000	205,000	298,622	93,622
Fees of Office	53,500	53,500	49,580	(3,920)
Fines	-	-	-	-
Interest	2,500	2,500	2,341	(159)
Miscellaneous	-	-	-	-
TOTAL REVENUES	261,000	261,000	350,543	89,543
EXPENDITURES				
HEALTH & WELFARE	250,000	250,000	243,360	6,640
Excess (Deficiency) of Revenues Over Expenditures	11,000	11,000	107,184	96,184
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	11,000	11,000	107,184	96,184
FUND BALANCES - BEGINNING	2,085,067	2,085,067	2,085,067	-
FUND BALANCES - ENDING	$ 2,096,067	$ 2,096,067	$ 2,192,251	$ 96,184

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
JP COURT TECHNOLOGY SPECIAL REVENUE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	62,000	62,000	48,315	(13,685)
Fines	-	-	-	-
Interest	500	500	105	(395)
Miscellaneous	-	-	-	-
TOTAL REVENUES	62,500	62,500	48,420	(14,080)
EXPENDITURES				
JUDICIAL	226,089	232,819	129,890	102,929
Excess (Deficiency) of Revenues Over Expenditures	(163,589)	(170,319)	(81,470)	88,849
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	(163,589)	(170,319)	(81,470)	88,849
FUND BALANCES - BEGINNING	326,760	326,760	326,760	-
FUND BALANCES - ENDING	$ 163,171	$ 156,441	$ 245,290	$ 88,849

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PUBLIC HEALTH PREPAREDNESS GRANT
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	1,074,679	466,989	(607,690)
Fees of Office	-	-	-	-
Fines	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	-	1,074,679	466,989	(607,690)
EXPENDITURES				
HEALTH & WELFARE	-	1,074,679	460,698	613,981
Excess (Deficiency) of Revenues Over Expenditures	-	-	6,291	6,291
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	-	-	6,291	6,291
FUND BALANCES - BEGINNING	6,403	6,403	6,403	-
FUND BALANCES - ENDING	$ 6,403	$ 6,403	$ 12,694	$ 6,291

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DISTRICT CLERK RECORDS MANAGEMENT FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	110,000	110,000	140,418	30,418
Fines	-	-	-	-
Interest	500	500	132	(368)
Miscellaneous	-	-	-	-
TOTAL REVENUES	110,500	110,500	140,550	30,050
EXPENDITURES				
JUDICIAL	139,145	139,145	110,196	28,949
Excess (Deficiency) of Revenues Over Expenditures	(28,645)	(28,645)	30,354	58,999
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	(28,645)	(28,645)	30,354	58,999
FUND BALANCES - BEGINNING	108,026	108,026	108,026	-
FUND BALANCES - ENDING	$ 79,381	$ 79,381	$ 138,381	$ 58,999

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
JP COURT SECURITY FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	16,000	16,000	11,995	(4,006)
Fines	-	-	-	-
Interest	350	350	46	(304)
Miscellaneous	-	-	-	-
TOTAL REVENUES	16,350	16,350	12,041	(4,309)
EXPENDITURES				
JUDICIAL	19,900	19,900	12,372	7,528
Excess (Deficiency) of Revenues Over Expenditures	(3,550)	(3,550)	(332)	3,218
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	(3,550)	(3,550)	(332)	3,218
FUND BALANCES - BEGINNING	113,392	113,392	113,392	-
FUND BALANCES - ENDING	$ 109,842	$ 109,842	$ 113,060	$ 3,218

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FIRE CODE ENFORCEMENT FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	190,000	190,000	225,884	35,884
Fines	-	-	-	-
Interest	100	100	32	(68)
Miscellaneous	-	-	-	-
TOTAL REVENUES	190,100	190,100	225,916	35,816
EXPENDITURES				
PUBLIC SAFETY	192,869	197,197	193,802	3,395
Excess (Deficiency) of Revenues Over Expenditures	(2,769)	(7,097)	32,114	39,211
Other Financing Sources (Uses):				
Transfers In	50,000	54,328	54,328	-
Transfers Out	-	-	-	-
Total Other Financing Sources	50,000	54,328	54,328	-
Net Change in Fund Balances	47,231	47,231	86,442	39,211
FUND BALANCES - BEGINNING	6,687	6,687	6,687	-
FUND BALANCES - ENDING	$ 53,918	$ 53,918	$ 93,129	$ 39,211

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MEDICAID DSRIP PROGRAM
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	828,168	1,943,302	2,378,672	435,370
Fees of Office	-	-	-	-
Fines	-	-	-	-
Interest	500	500	1,219	719
Miscellaneous	-	-	-	-
TOTAL REVENUES	828,668	1,943,802	2,379,891	436,089
EXPENDITURES				
HEALTH & WELFARE	828,668	1,944,411	1,839,368	105,043
Excess (Deficiency) of Revenues Over Expenditures	-	(609)	540,524	541,133
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	-	(609)	540,524	541,133
FUND BALANCES - BEGINNING	823,075	823,075	823,075	-
FUND BALANCES - ENDING	$ 823,075	$ 822,466	$ 1,363,599	$ 541,133

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL REPLACEMENT FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees of Office	-	-	-	-
Fines	-	-	-	-
Interest	12,000	12,000	14,310	2,310
Miscellaneous	-	-	1,541,180	1,541,180
TOTAL REVENUES	12,000	12,000	1,555,490	1,543,490
EXPENDITURES				
PUBLIC FACILITIES	7,677,236	7,845,306	1,151,663	6,693,643
Excess (Deficiency) of Revenues Over Expenditures	(7,665,236)	(7,833,306)	403,827	8,237,133
Other Financing Sources (Uses):				
Transfers In	3,500,000	5,101,728	5,101,728	-
Transfers Out	-	-	-	-
Total Other Financing Sources	3,500,000	5,101,728	5,101,728	-
Net Change in Fund Balances	(4,165,236)	(2,731,578)	5,505,555	8,237,133
FUND BALANCES - BEGINNING	8,551,463	8,551,463	8,551,463	-
FUND BALANCES - ENDING	$ 4,386,227	$ 5,819,885	$ 14,057,018	$ 8,237,133

DEBT SERVICE FUND

The purpose of this fund is to accumulate monies for payment of debt service on general obligation bonds, certificates of deposit and tax notes which are due in annual installments.

The primary source of funding is property taxes.

Denton County, Texas
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2015

REVENUES	Budget (Original)	Budget (Revised)	Actual	Variance Positive (Negative)
Taxes	$ 46,070,201	$ 46,070,201	$ 48,140,705	$ 2,070,504
Intergovernmental	1,760,000	1,760,000	1,844,120	84,120
Interest	20,000	20,000	18,264	(1,736)
Miscellaneous	-	-	-	-
TOTAL REVENUES	47,850,201	47,850,201	50,003,088	2,152,887
EXPENDITURES				
DEBT SERVICE				
Principal Retirement	23,375,000	24,080,000	24,080,000	-
Interest	26,029,782	25,324,782	25,267,640	57,142
Bank Charges	16,000	183,000	168,397	14,603
TOTAL EXPENDITURES	49,420,782	49,587,782	49,516,037	71,745
Excess (Deficiency) of Revenues Over Expenditures	(1,570,581)	(1,737,581)	487,051	2,224,632
Other Financing Sources (Uses):				
Bond Proceeds	-	29,550,000	29,550,000	-
Bond Premium	-	4,611,544	4,611,543	1
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds of Refunding Bonds	-	-	-	-
Refunding Bond Discount	-	-	-	-
Payments to Escrow Agent	-	(33,994,544)	(33,994,543)	(1)
Total Other Financing Sources (Uses)	-	167,000	167,000	-
Net Change in Fund Balances	(1,570,581)	(1,570,581)	654,051	2,224,632
FUND BALANCES - BEGINNING	2,763,689	2,763,689	2,763,689	-
FUND BALANCES - ENDING	$ 1,193,108	$ 1,193,108	$ 3,417,739	$ 2,224,632

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and/or other funds.

Texas Adult Probation; County Clerk; District Clerk; Tax Collector; Justices of the Peace; Sheriff; Treatment Alternatives to Incarceration; Other Agency; Community Corrections Grant; and Denton County Housing Authority Agency Funds.

Denton County, Texas
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
September 30, 2015

	Texas Adult Probation	County Clerk Agency	District Clerk Agency	Tax Collector Agency
ASSETS				
Cash	$ 348,688	$ 2,564,258	$4,458,529	$ 639,687
Investments	2,358,656	21,728,506	-	7,018,575
Accrued Interest	-	-	-	-
Other Assets	97,410	-	-	-
Due from Other Funds	40	-	-	-
Due from Other Govts	-	-	-	-
TOTAL ASSETS	$2,804,794	$24,292,764	$4,458,529	$ 7,658,262
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 140,002	$ -	$ -	$ -
Due to Other Funds	-	-	-	-
Due to Other Governments	2,456,686	-	-	7,658,262
Due to Beneficiaries	208,106	24,292,764	4,458,529	-
TOTAL LIABILITIES	2,804,794	24,292,764	4,458,529	7,658,262

(Continued)

Denton County, Texas
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
September 30, 2015

	Justices of the Peace Agency	Sheriff Agency	Treatment Alternatives to Incarceration	Other Agency
ASSETS				
Cash	$ 93,771	$ 2,796,517	$ 33,328	$ 45,241
Investments	-	-	-	-
Accrued Interest	-	-	-	-
Other Assets	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Govts	-	-	-	-
TOTAL ASSETS	$ 93,771	$ 2,796,517	$ 33,328	$ 45,241
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ -	$ -	$ -	$ -
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	33,328	-
Due to Beneficiaries	93,771	2,796,517	-	45,241
TOTAL LIABILITIES	93,771	2,796,517	33,328	45,241

Community Corrections Grant	Housing Finance Authority	TOTAL September 30, 2015
$ 277,956	$ -	$ 11,257,975
249,787	666,925	32,022,448
-	-	-
-	-	97,410
-	-	40
-	-	-
$ 527,743	$ 666,925	$ 43,377,874

$ 153	$ -	$ 140,155
40	-	40
527,550	666,925	11,342,751
-	-	31,894,928
527,743	666,925	43,377,874

Denton County, Texas
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY ASSETS AND LIABILITIES
For the Year Ended September 30, 2015

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
TEXAS ADULT PROBATION FUND				
Assets				
Cash and Investments	$ 2,788,849	$ 4,874,141	$ 4,955,645	$ 2,707,344
Accrued Interest	-	-	-	-
Other Receivables	294,399	97,410	294,399	97,410
Due from Other Funds	4	40	4	40
Due from Other Govts	-	-	-	-
Total Assets	$ 3,083,251	$ 4,971,591	$ 5,250,048	$ 2,804,794
Liabilities				
Accounts Payable	$ 130,779	$ 140,002	$ 130,779	$ 140,002
Due to Other Funds	-	-	-	-
Due to Other Govts	2,819,768	2,456,686	2,819,768	2,456,686
Due to Beneficiaries	132,705	208,106	132,705	208,106
Total Liabilities	$ 3,083,251	$ 2,804,794	$ 3,083,252	$ 2,804,794
COUNTY CLERK AGENCY FUND				
Assets				
Cash and Investments	$ 16,571,588	$ 25,482,587	$ 17,761,411	$ 24,292,764
Accrued Interest	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Govts	-	-	-	-
Total Assets	$ 16,571,588	$ 25,482,587	$ 17,761,411	$ 24,292,764
Liabilities				
Accounts Payable	$ -	$ -	$ -	$ -
Due to Other Funds	-	-	-	-
Due to Other Govts	-	-	-	-
Due to Beneficiaries	16,571,588	25,482,587	17,761,411	24,292,764
Total Liabilities	$ 16,571,588	$ 25,482,587	$ 17,761,411	$ 24,292,764

Denton County, Texas
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY ASSETS AND LIABILITIES
For the Year Ended September 30, 2015

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
DISTRICT CLERK AGENCY FUND				
Assets				
Cash and Investments	$ 4,773,462	$ 5,372,221	$ 5,687,153	$ 4,458,529
Accrued Interest	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Govts	-	-	-	-
Total Assets	$ 4,773,462	$ 5,372,221	$ 5,687,153	$ 4,458,529
Liabilities				
Accounts Payable	$ -	$ -	$ -	$ -
Due to Other Funds	-	-	-	-
Due to Other Govts	-	-	-	-
Due to Beneficiaries	4,773,462	5,372,221	5,687,153	4,458,529
Total Liabilities	$ 4,773,462	$ 5,372,221	$ 5,687,153	$ 4,458,529
TAX COLLECTOR AGENCY FUND				
Assets				
Cash and Investments	$ 7,754,556	$ 91,893,800	$ 91,990,094	$ 7,658,262
Accrued Interest	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Govts	-	-	-	-
Total Assets	$ 7,754,556	$ 91,893,800	$ 91,990,094	$ 7,658,262
Liabilities				
Accounts Payable	$ -	$ -	$ -	$ -
Due to Other Funds	-	-	-	-
Due to Other Govts	7,754,556	91,893,800	91,990,094	7,658,262
Due to Beneficiaries	-	-	-	-
Total Liabilities	$ 7,754,556	$ 91,893,800	$ 91,990,094	$ 7,658,262

(Continued)

Denton County, Texas
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY ASSETS AND LIABILITIES
For the Year Ended September 30, 2015

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
JUSTICES OF THE PEACE AGENCY FUND				
Assets				
Cash and Investments	$ 84,419	$ 202,935	$ 193,584	$ 93,771
Accrued Interest	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Govts	-	-	-	-
Total Assets	$ 84,419	$ 202,935	$ 193,584	$ 93,771
Liabilities				
Accounts Payable	$ -	$ -	$ -	$ -
Due to Other Funds	-	-	-	-
Due to Other Govts	-	-	-	-
Due to Beneficiaries	84,419	202,935	193,584	93,771
Total Liabilities	$ 84,419	$ 202,935	$ 193,584	$ 93,771
SHERIFF AGENCY FUND				
Assets				
Cash and Investments	$ 2,506,135	$ 3,902,126	$ 3,611,744	$ 2,796,517
Accrued Interest	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Govts	-	-	-	-
Total Assets	$ 2,506,135	$ 3,902,126	$ 3,611,744	$ 2,796,517
Liabilities				
Accounts Payable	$ -	$ -	$ -	$ -
Due to Other Funds	-	-	-	-
Due to Other Govts	-	-	-	-
Due to Beneficiaries	2,506,135	3,902,126	3,611,744	2,796,517
Total Liabilities	$ 2,506,135	$ 3,902,126	$ 3,611,744	$ 2,796,517

Denton County, Texas
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY ASSETS AND LIABILITIES
For the Year Ended September 30, 2015

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
TREATMENT ALTERNATIVES TO INCARCERATION FUND				
Assets				
Cash and Investments	$ 62,906	$ 72,750	$ 102,328	$ 33,328
Accrued Interest	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Govts	-	-	-	-
Total Assets	$ 62,906	$ 72,750	$ 102,328	$ 33,328
Liabilities				
Accounts Payable	$ 908	$ -	$ 908	$ -
Due to Other Funds	-	-	-	-
Due to Other Govts	61,998	-	28,670	33,328
Due to Beneficiaries	-	-	-	-
Total Liabilities	$ 62,906	$ -	$ 29,578	$ 33,328
OTHER AGENCY FUNDS				
Assets				
Cash and Investments	$ 41,671	$ 207,012	$ 203,442	$ 45,241
Accrued Interest	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Govts	-	-	-	-
Total Assets	$ 41,671	$ 207,012	$ 203,442	$ 45,241
Liabilities				
Accounts Payable	$ -	$ -	$ -	$ -
Due to Other Funds	-	-	-	-
Due to Other Govts	-	-	-	-
Due to Beneficiaries	41,671	207,012	203,442	45,241
Total Liabilities	$ 41,671	$ 207,012	$ 203,442	$ 45,241

(Continued)

Denton County, Texas
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY ASSETS AND LIABILITIES
For the Year Ended September 30, 2015

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
COMMUNITY CORRECTIONS GRANT FUND				
Assets				
Cash and Investments	$ 395,547	$ 825,653	$ 693,458	$ 527,743
Accrued Interest	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Govts	-	-	-	-
Total Assets	$ 395,547	$ 825,653	$ 693,458	$ 527,743
Liabilities				
Accounts Payable	$ 8,172	$ 153	$ 8,172	$ 153
Due to Other Funds	4	40	4	40
Due to Other Govts	387,371	140,179	-	527,550
Due to Beneficiaries	-	-	-	-
Total Liabilities	$ 395,547	$ 140,372	$ 8,176	$ 527,743
DENTON CO. HOUSING FINANCE AUTHORITY				
Assets				
Cash and Investments	$ 666,580	$ 345	$ -	$ 666,925
Accrued Interest	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Govts	-	-	-	-
Total Assets	$ 666,580	$ 345	$ -	$ 666,925
Liabilities				
Accounts Payable	$ -	$ -	$ -	$ -
Due to Other Funds	-	-	-	-
Due to Other Govts	666,580	345	-	666,925
Due to Beneficiaries	-	-	-	-
Total Liabilities	$ 666,580	$ 345	$ -	$ 666,925

Denton County, Texas
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY ASSETS AND LIABILITIES
For the Year Ended September 30, 2015

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash and Investments	$ 35,645,713	$ 132,833,569	$ 125,198,859	$ 43,280,424
Accrued Interest	-	-	-	-
Other Receivables	294,399	97,410	294,399	97,410
Due from Other Funds	4	40	4	40
Due from Other Govts	-	-	-	-
Total Assets	$ 35,940,116	$ 132,931,019	$ 125,493,262	$ 43,377,874
Liabilities				
Accounts Payable	$ 139,859	$ 140,155	$ 139,859	$ 140,155
Due from Other Funds	4	40	4	40
Due to Other Govts	11,690,274	94,491,010	94,838,532	11,342,751
Due to Beneficiaries	24,109,979	35,374,986	27,590,038	31,894,928
Total Liabilities	$ 35,940,116	$ 130,006,192	$ 122,568,433	$ 43,377,874

DENTON COUNTY, TEXAS

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Denton County, Texas
STATISTICAL SECTION

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

Contents **Page**

Financial Trends 109

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity 115

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity 120

These schedules present information to help the reader assess the affordability of the County's current levles of outstanding debt and the County's ability to issue additional debt in the future

Demographic and Economic Information 125

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information 127

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

DENTON COUNTY, TEXAS

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Denton County, Texas

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities:										
Net Investment in Capital Assets	$ (16,887,256)	$ 24,226,615	$ (24,508,897)	$ 51,706,932	$ 61,110,870	$ 74,403,152	$ 151,726,144	$ 174,975,888	$ 200,537,941	$ 177,250,979
Restricted	23,903,118	1,762,394	81,521,678	132,678,303	2,885,780	3,945,274	16,398,834	17,229,999	18,237,107	22,650,873
Unrestricted	6,283,298	(43,560,202)	(87,942,285)	(240,699,693)	(134,205,155)	(176,539,731)	(281,375,007)	(318,822,424)	(345,818,075)	(328,542,658)
Total Governmental Activities Net Assets	$ 13,299,160	$ (17,571,193)	$ (30,929,504)	$ (56,314,458)	$ (70,208,505)	$ (98,191,305)	$ (113,250,029)	$ (126,616,537)	$ (127,043,027)	$ (128,640,806)

Denton County, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities:										
General Government	$ 20,550,672	$ 20,239,625	$ 21,886,488	$ 25,423,663	$ 22,448,078	$ 21,168,674	$ 21,506,924	$ -	$ 25,138,657	$ 22,740,410
Judicial	14,077,729	14,447,760	15,761,539	16,896,832	17,863,484	18,652,589	19,717,321	20,043,132	21,147,853	21,382,635
Legal	9,582,964	9,969,544	10,374,151	11,390,916	11,694,350	11,838,684	12,186,816	12,414,856	12,965,216	12,872,358
Financial	4,793,627	5,057,253	5,455,359	5,870,757	6,183,733	6,271,248	6,499,141	6,586,692	6,652,765	6,568,491
Public Facilities	9,175,352	9,346,732	11,173,330	9,874,556	8,929,229	9,736,681	10,263,736	10,907,349	12,180,426	12,683,484
Public Safety	47,391,000	51,123,763	55,289,950	57,604,549	62,775,641	64,954,843	67,781,949	70,230,759	71,202,091	70,464,058
Health & Welfare	7,710,692	8,188,748	8,780,134	9,047,425	10,857,064	10,452,903	10,814,737	9,333,897	11,255,219	11,072,028
Conservation	366,525	388,464	382,928	402,165	403,151	389,137	366,965	357,272	387,494	349,913
Contractual	2,613,005	2,742,028	2,889,226	2,919,721	3,096,886	3,138,482	3,016,238	3,079,664	3,148,163	3,196,034
Road Maintenance	48,700,356	57,587,194	42,482,251	53,742,924	44,795,191	57,727,274	39,807,090	38,433,544	31,121,422	25,329,662
Interest on Long-Term Debt	8,060,826	10,731,274	12,741,940	17,049,993	18,429,675	21,610,150	23,323,098	23,003,214	24,578,290	24,522,750
Total Expenses	$ 173,022,748	$ 189,822,385	$ 187,217,297	$ 210,223,502	$ 207,476,482	$ 225,940,665	$ 215,284,015	$ 194,390,380	$ 219,777,595	$ 211,181,824
Program Revenues										
Governmental Activities:										
Charges For Services:										
General Government	$ 11,981,245	$ 11,939,818	$ 11,351,076	$ 12,486,126	$ 11,506,447	$ 6,456,968	$ 8,696,505	$ 9,079,110	$ 9,649,495	$ 11,381,171
Judicial	8,502,443	7,437,513	7,897,731	8,412,057	8,188,936	8,396,361	7,907,526	7,703,704	7,626,112	7,342,817
Legal	317,082	272,495	249,847	214,541	205,698	174,607	202,073	128,964	103,712	102,462
Financial	2,372,728	2,250,727	2,501,426	2,651,479	2,687,310	2,830,176	3,031,553	3,606,175	3,272,157	3,833,220

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety	2,174,767	2,756,883	3,069,553	2,856,124	3,539,579	3,487,747	2,978,680	2,983,238	2,867,143	3,402,381
Health & Welfare	521,971	530,757	499,755	545,316	554,314	578,712	517,340	589,339	454,984	478,496
Conservation	-	-	-	-	-	-	-	-	-	6,378,209
Contractual	-	701,229	-	-	70,969	-	-	-	-	-
Road Maintenance	285,643	148,658	184,188	209,627	50,971	78,785	78,613	35,585	55,609	30,150
Interest on LT Debt	458,864	-	-	-	-	-	-	-	-	71,651
Operating Grants and Contributions	22,121,655	23,006,262	24,213,178	26,939,977	23,700,837	26,601,978	25,669,604	26,912,531	30,051,949	25,725,191
Capital Grants and Contributions	7,278,309	1,699,313	1,659,011	2,603,865	6,864,345	3,574,713	820,766	673,691	293,872	171,295
Total Governmental Activities Program Revenues	56,014,707	50,743,655	51,625,765	56,919,112	57,369,406	52,180,047	49,902,660	51,712,337	54,375,033	58,917,043
Net (Expense) Revenues	$ (117,008,041)	$ (139,078,730)	$(135,591,532)	$ (153,304,390)	$(150,107,076)	$ (173,760,618)	$ (165,381,355)	$ (142,678,043)	$ (165,402,562)	$ (152,264,781)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property Taxes	$ 98,184,935	$ 102,971,687	$ 116,604,155	$ 126,731,978	$ 135,631,477	$ 145,198,935	$ 149,738,540	$ 155,505,737	$ 165,644,534	$ 174,455,551
Grants and Contributions Not Restricted to Specific Programs	304,543	458,864	-	-	-	-	-	-	-	-
Investment Earnings	5,377,631	7,895,304	5,629,066	1,187,458	581,552	578,883	584,091	536,010	346,610	463,042
Total General Revenues	$ 103,867,109	$ 111,325,855	$ 122,233,221	$ 127,919,436	$ 136,213,029	$ 145,777,818	$ 150,322,631	$ 156,041,747	$ 165,991,144	$ 174,918,593
Change in Net Assets										
Total	$ (13,140,932)	$ (27,752,875)	$ (13,358,311)	$ (25,384,954)	$ (13,894,047)	$ (27,982,800)	$ (15,058,724)	$ 13,363,704	$ 588,582	$ 22,653,812

DENTON COUNTY, TEXAS

1846

Denton County, Texas

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (1)

(Modified Accrual Basis of Accounting)

Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Unspendable						$ 169,201	$ 174,599	$ 121,900	$ 147,966	$ 133,259
Unassigned						26,104,123	29,031,968	33,590,723	37,289,484	41,856,226
Reserved	$ 61,640	$ 92,943	$ 114,819	$ 148,828	$ 148,842	-	-	-	-	-
Unreserved	19,800,836	28,405,455	27,919,875	27,920,689	27,576,709	-	-	-	-	-
Total General Fund	$19,862,476	$ 28,498,398	$ 28,034,694	$ 28,069,517	$ 27,725,551	$ -	$ 29,206,567	$ 33,712,623	$ 37,437,450	$ 41,989,485
All Other Governmental Funds										
Restricted						$ 192,582,386	$ 243,145,504	$ 253,683,080	$ 249,864,287	$ 274,039,417
Unassigned						-	-	(15,500)	(8,927)	-
Reserved	$23,841,478	$ 88,318,434	$ 81,406,859	$ 132,529,475	$ 226,366,775	-	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds	13,558,740	15,781,422	18,017,608	16,837,540	16,214,411	-	-	-	-	-
Total Other Government Funds	$37,400,218	$104,099,856	$ 99,424,467	$ 149,367,015	$ 242,581,186	$ 192,582,386	$ 243,145,504	$ 253,667,580	$ 249,855,360	$ 274,039,417

(1) In 2011, Denton County began reporting fund balances in according with GASB 54 which eliminated the "reserved" and 'unreserved' classifications and added the classificaitons currently in use.

Denton County, Texas

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
REVENUES										
Taxes	$ 97,874,084	$ 102,817,039	$ 116,739,752	$ 126,074,805	$ 135,942,713	$ 145,542,071	$ 149,920,815	$ 155,539,909	$ 164,871,840	$ 174,720,422
Licenses and Permits	7,758,334	7,852,591	8,297,596	8,233,555	7,629,567	7,799,093	8,405,245	9,233,511	9,757,549	10,068,915
Intergovernmental	20,274,142	16,439,161	17,311,000	19,054,846	17,073,469	19,995,175	17,721,352	17,460,745	20,351,445	20,817,439
Fees of Office	14,630,109	15,316,787	14,541,990	14,193,459	13,996,584	14,157,361	16,238,582	17,856,216	17,482,108	19,293,169
Fines	3,972,218	4,248,548	4,146,764	4,055,003	3,714,723	3,261,993	3,516,408	3,390,802	3,127,188	2,947,238
Interest	5,377,631	7,895,304	5,629,066	1,187,458	581,552	578,883	584,091	536,010	346,610	463,042
Miscellaneous	2,334,125	2,293,177	2,268,943	3,075,482	3,106,380	2,575,024	2,699,436	2,695,025	3,272,231	6,383,750
TOTAL REVENUES	152,220,643	156,862,607	168,935,111	175,874,608	182,044,988	193,909,601	199,085,929	206,712,218	219,208,971	234,693,974
EXPENDITURES										
General Government	18,444,192	16,324,038	18,075,340	20,835,435	18,784,462	20,146,877	20,969,405	19,670,211	22,535,596	22,347,006
Judicial	14,101,568	14,592,331	15,786,201	16,556,969	17,380,563	17,936,192	19,009,616	19,453,340	20,655,585	21,547,716
Legal	9,567,546	10,016,699	10,442,389	11,019,055	11,160,581	11,263,089	11,527,906	11,974,103	12,538,786	13,226,559
Financial	4,800,460	5,140,333	5,468,113	5,635,737	6,086,083	5,995,898	5,883,164	6,116,399	6,312,107	6,385,971
Public Facilities	7,470,383	7,550,034	9,469,904	7,966,051	6,935,320	7,558,632	7,690,697	8,378,900	9,017,878	9,006,153
Public Safety	48,830,293	50,368,806	53,951,828	57,504,414	59,317,313	60,822,280	62,870,685	66,189,566	67,412,762	72,829,463
Health & Welfare	7,716,209	8,246,526	8,800,056	8,979,763	10,485,601	10,085,558	10,329,198	9,011,793	10,907,729	11,015,639
Conservation	370,952	388,181	389,404	383,833	391,098	373,690	347,594	337,415	378,764	337,798
Contract Services	2,613,005	2,732,336	2,889,226	2,919,721	3,096,886	3,138,482	3,016,238	3,079,664	3,148,163	3,196,034
Roads	8,395,599	9,610,528	10,690,649	12,062,578	10,730,918	10,788,387	10,356,891	11,132,456	10,369,531	10,064,648
Intergovernmental	35,764,228	42,887,800	855,974	92,579	64,378	33,000	-	-	-	-
Capital Outlay	6,427,134	5,084,720	38,398,326	56,928,543	50,845,643	53,782,791	59,130,419	54,548,784	52,569,247	35,678,250

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Service:										
Principal Retirement	9,565,000	10,097,831	11,843,736	15,555,270	16,765,733	18,880,000	19,680,000	17,740,000	21,480,000	24,080,000
Interest & Service Charge	9,214,874	8,282,552	14,023,885	14,851,837	17,152,856	22,890,901	21,365,306	25,817,362	25,416,667	25,436,037
TOTAL EXPENDITURES	183,281,443	191,322,715	201,085,032	231,291,786	229,197,435	243,695,778	252,177,119	253,449,993	262,742,815	255,151,275
Excess of Revenues over (under) expenditures	(31,060,800)	(34,460,108)	(32,149,920)	(55,417,178)	(47,152,447)	(49,786,178)	(53,091,190)	(46,737,775)	(43,533,844)	(20,457,300)
OTHER FUNDING SOURCES (USES)										
Issuance of Debt	11,865,000	108,955,000	23,900,000	104,275,000	137,895,000	15,905,000	108,225,000	56,115,000	40,210,000	72,835,000
Bond Premium	-	441,000	267,662	1,519,549	2,491,260	1,343,259	10,433,442	5,473,539	900,000	9,600,314
Sale of Surplus Property	-	-	353,757	-	-	240,320	177,568	1,371,902	1,544,570	-
Capital Lease Financing	62,879	399,668	2,489,407	-	533,878	228,693	2,276,495	-	791,882	334,893
Transfers In	1,617,322	3,887,220	4,375,385	5,447,182	4,293,160	4,081,508	4,448,235	4,539,792	6,434,501	5,753,903
Transfers Out	(2,117,322)	(3,887,220)	(4,375,385)	(5,847,182)	(4,693,160)	(6,331,508)	(6,348,235)	(5,692,234)	(6,434,501)	(5,753,903)
Refunding Bonds Issued	19,315,000	-	-	-	23,280,000	-	-	53,680,000	-	29,550,000
Refunding Bond Discount	(528,875)	-	-	-	-	-	-	-	-	-
Payments to Escrow Agt	(18,677,925)	-	-	-	(23,777,486)	(17,132,120)	(12,624,956)	(53,722,092)	-	(63,126,814)
TOTAL OTHER FINANCING SOURCES (USES)	11,536,079	109,795,668	27,010,826	105,394,549	140,022,652	(1,664,847)	106,587,549	61,765,907	43,446,452	49,193,393
NET CHANGE IN FUND BALANCES	$ (19,524,721)	$ 75,335,560	$ (5,139,095)	$ 49,977,371	$ 92,870,205	$ (51,451,025)	$ 53,496,359	$ 15,028,132	$ (87,391)	$ 28,736,093
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	15.4%	9.7%	13.2%	13.9%	16.5%	18.4%	17.3%	20.1%	20.8%	22.7%

Denton County, Texas

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Fiscal Year Ended September 30	Real Property			Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Other						
2006	$ 27,011,065,226	$ 4,544,999,060	$ 3,929,476,860	$ 5,301,761,092	$ 1,456,690,424	$ 39,330,611,814	0.24648	$ 39,330,611,814	100.00%
2007	29,740,164,928	5,207,650,890	8,148,783,424	3,983,340,835	3,203,434,282	43,876,505,795	0.23192	43,876,505,795	100.00%
2008	32,339,953,553	6,730,833,980	11,128,310,614	5,119,287,446	6,435,930,007	48,882,455,586	0.23589	48,882,455,586	100.00%
2009	35,370,529,725	7,685,551,410	14,622,614,897	5,493,135,842	9,914,568,266	53,257,263,608	0.23577	53,257,263,608	100.00%
2010	34,023,281,341	7,708,027,368	12,825,800,942	4,477,889,643	5,088,997,965	53,946,001,329	0.24980	53,946,001,329	100.00%
2011	36,388,973,004	7,211,355,948	9,225,513,044	5,751,350,438	5,559,376,920	53,017,815,514	0.27390	53,017,815,514	100.00%
2012	36,474,424,930	7,643,824,158	9,661,492,578	5,751,350,438	5,681,118,965	53,849,973,139	0.27736	53,849,973,139	100.00%
2013	39,055,589,388	7,476,279,462	8,168,625,277	5,543,089,865	6,133,624,980	54,109,959,012	0.28287	54,109,959,012	100.00%
2014	42,926,652,819	10,237,178,497	4,464,314,011	7,073,384,241	7,012,511,117	57,689,018,451	0.28491	57,689,018,451	100.00%
2015	47,532,158,994	11,592,974,517	8,585,838,506	6,542,972,647	11,473,189,070	62,780,755,594	0.27220	62,780,755,594	100.00%

Denton County, Texas

PRINCIPAL PROPERTY TAXPAYERS

September 30, 2015

	2015			2006		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Devon Energy Op. Co.	$ 668,485,710	1	1.06%	$ 939,455,470	1	2.39%
Amerisource Bergen Drug Corp	288,933,988	2	0.46%			
Oncor Electric Delivery Co.	205,801,720	3	0.33%			
Citicorp Technology Inc.	148,363,313	4	0.24%	222,709,010	3	0.57%
Wal-Mart Real Estate Trust	145,738,887	5	0.23%			
GTE Southwest Inc.	137,583,050	6	0.22%	226,677,380	2	0.58%
TXFM Inc.	121,602,740	7	0.19%			
Frankel, Edward B MD Trust	101,235,218	8	0.16%			
Digital Lewisville LLC	98,000,000	9	0.16%			
Enervest Operating LLC	97,343,100	10	0.16%			
TXU Electric Delivery Co.				147,837,620	4	0.38%
Verizon Southwest				137,383,870	5	0.35%
JC Penney Co.				101,176,069	6	0.26%
Cardinal Health 301, Inc.				99,172,854	7	0.25%
Pulte Homes of Texas LP				85,801,752	8	0.22%
TTHR Limited Ptr.				80,831,779	9	0.21%
Encana (Winchester) Oil & Gas				75,398,090	10	0.19%
	$ 2,013,087,726		3.21%	$ 2,116,443,894		5.38%

Note: 2015 Total Assessed valuation of $62,780,755,594 per Denton Central Appraisal District.

2006 Total Assessed valuation of $39,330,611,814 per Denton Central Appraisal District.

Denton County, Texas

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER $100 OF ASSESSED VALUE)
Last Eight Fiscal Years (1)

GOVERNMENTAL ENTITY	Percent Applicable to Denton County (2)	2008	2009	2010	2011	2012	2013	2014	2015
Denton County-total	100.00 %	0.23589	0.23577	0.24980	0.27390	0.27736	0.28287	0.28491	0.27220
County-M&O component rate		0.18383	0.18443	0.18773	0.19990	0.20566	0.20923	0.20784	0.19791
County-Debt component rate		0.05206	0.05134	0.06207	0.07400	0.07170	0.07364	0.07707	0.07429
Cities									
Argyle	100.00	0.38500	0.38500	0.38500	0.39750	0.39750	0.39750	0.39750	0.39750
Aubrey	100.00	0.56240	0.52624	0.60101	0.60101	0.61040	0.63031	0.62113	0.58848
Bartonville	100.00	0.19294	0.19294	0.19294	0.19294	0.19294	0.19294	0.19294	0.19294
Carrollton	35.62	0.61788	0.61788	0.61787	0.61788	0.61788	0.61788	0.61787	0.61537
The Colony	100.00	0.69750	0.68800	0.68800	0.68550	0.68300	0.68300	0.67750	0.67250
Copper Canyon	100.00	0.19027	0.19027	0.30171	0.30171	0.30171	0.30171	0.29750	0.29750
Corinth	100.00	0.55698	0.57698	0.59292	0.59292	0.59135	0.59135	0.60489	0.59489
Dallas	0.83	0.74790	0.74790	0.74790	0.79700	0.79700	0.79700	0.79700	0.79700
Denton	100.00	0.66652	0.66652	0.66652	0.68975	0.68975	0.68975	0.68975	0.68975
Double Oak	100.00	0.22481	0.22481	0.22481	0.22481	0.22481	0.22481	0.22481	0.22481
Flower Mound	100.00	0.44970	0.44970	0.44970	0.44970	0.44970	0.44970	0.44970	0.00000
Frisco	11.64	0.45000	0.45000	0.46500	0.46500	0.46191	0.46191	0.46191	0.43900
Hackberry	100.00	0.57984	0.57984	0.43235	0.47535	0.47663	0.48566	0.46274	0.45040
Hickory Creek	100.00	0.44562	0.44562	0.42429	0.42429	0.42429	0.42429	0.41688	0.40137
Highland Village	100.00	0.56963	0.56963	0.56963	0.56963	0.56963	0.56963	0.56963	0.56963
Justin	100.00	0.49900	0.54921	0.54921	0.64261	0.64261	0.66000	0.66000	0.66000
Krugerville	100.00	0.26962	0.26962	0.35171	0.35171	0.37000	0.40000	0.40000	0.38945
Krum	100.00	0.58983	0.59983	0.63386	0.63386	0.63386	0.63386	0.63386	0.64749
Lake Dallas	100.00	0.69000	0.71000	0.71000	0.71000	0.71000	0.71000	0.70193	0.70193
Lewisville	99.92	0.44050	0.44021	0.44021	0.44021	0.44021	0.44021	0.44021	0.43608
Little Elm	100.00	0.53580	0.56996	0.63449	0.66530	0.66497	0.66497	0.66497	0.66497
Northlake	100.00	0.29500	0.29500	0.29500	0.29500	0.29500	0.29500	0.29500	0.29500
Oak Point	100.00	0.57900	0.57900	0.57326	0.57326	0.57300	0.57300	0.57300	0.57300
Pilot Point	100.00	0.59000	0.64000	0.68000	0.68000	0.68000	0.68000	0.68000	0.64435
Ponder	100.00	0.31652	0.33000	0.36064	0.36064	0.41241	0.45351	0.53887	0.56348
Roanoke	100.00	0.37512	0.37512	0.37512	0.37512	0.37512	0.37512	0.37512	0.37512
Sanger	100.00	0.59960	0.62000	0.62000	0.63305	0.63305	0.63305	0.66500	0.67950
Shady Shores	100.00	0.31990	0.31070	0.31372	0.31372	0.31278	0.31463	0.31462	0.31462
Trophy Club	100.00	0.43510	0.47000	0.47000	0.51500	0.53000	0.51854	0.49930	0.49000
School Districts:									
Argyle	100.00	1.41005	1.41005	1.41005	1.44005	1.46005	1.48005	1.47505	1.57000

GOVERNMENTAL ENTITY	Percent Applicable to Denton County (2)	2008	2009	2010	2011	2012	2013	2014	2015
School Districts (Continued)									
Aubrey	100.00	1.3981	1.48560	1.50000	1.54000	1.54000	1.54000	1.51000	1.51000
Carrollton-F. Branch	20.48	1.3670	1.36230	1.34220	1.34690	1.35680	1.33060	1.32350	1.30330
Celina	4.67	1.5190	1.54000	1.54000	1.64000	1.64000	1.64000	1.64000	1.64000
Denton	100.00	1.4340	1.49000	1.53000	1.53000	1.53000	1.53000	1.53000	1.54000
Frisco	14.02	1.3500	1.35000	1.39000	1.39000	1.42000	1.46000	1.46000	1.46000
Krum	99.16	1.3655	1.36550	1.44000	1.48000	1.54000	1.52000	1.54000	1.54000
Lake Dallas	100.00	1.5200	1.65000	1.67000	1.67000	1.67000	1.67000	1.67000	1.67000
Lewisville	100.00	1.3700	1.38000	1.40870	1.42670	1.42670	1.45300	1.47700	1.47700
Little Elm	100.00	1.4600	1.53000	1.54000	1.54000	1.54000	1.54000	1.54000	1.54000
Northwest	71.46	1.3351	1.35500	1.35500	1.37500	1.37500	1.37500	1.45250	1.45250
Pilot Point	88.41	1.3000	1.39000	1.37000	1.37000	1.37000	1.37000	1.37000	1.37000
Ponder	100.00	1.2282	1.32212	1.30902	1.32489	1.34461	1.35329	1.38500	1.38500
Prosper	1.03			1.63000	1.63000	1.67000	1.67000	1.67000	1.67000
Sanger	100.00	1.3400	1.37000	1.36000	1.36000	1.37207	1.37207	1.37207	1.37207
Slidell	26.90	1.1300	1.16000	1.14000	1.14000	1.14000	1.12000	1.10000	1.12500
Special Districts									
Denton Co. Levy Imp			0.16500	0.16500	0.16350	0.16350	0.20700	0.18500	0.18500
Trophy Club MUD 1	100.00	0.2792	0.26423	0.00000	0.00000	0.00000	0.13339	1.33390	1.33390
Providence Village WCID			1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Clear Crk Watershed	100.00	0.0652	0.06520	0.06120	0.06120	0.05000	0.05000	0.04500	0.04000
DC Fresh Water Supp.#1-B		0.9000	0.90000	0.90000	0.90000	0.88000	0.88000	0.88000	0.84000
DC Fresh Water Supp.#1-C		0.9000	0.90000	0.90000	0.90000	0.90000	0.90000	0.90000	0.90000
DC Fresh Water Supp.#1-D		0.9000	0.90000	0.90000	0.90000	0.90000	0.90000	0.90000	0.86000
DC Fresh Water Supp.#6					1.00000	1.00000	1.00000	1.00000	1.00000
DC Fresh Water Supp.#1-E		0.9000	0.90000	0.90000	0.90000	0.90000	0.90000	0.90000	0.90000
DC Fresh Water Supp.#10			1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
DC Fresh Water Supp.#8-A			1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
DC Fresh Water Supp.#8-B			1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	0.95000
DC Fresh Water Supp.#11-A								1.00000	0.95000
DC Fresh Water Supp.#4-A								0.38460	0.29977

Notes:

(1) Information has not been presented for ten years since its inclusion would make this schedule unduly complex and difficult to read. Also, certain of the above information is incomplete as information was not available for all years.

(2) Source: Denton Central Appraisal District

Denton County, Texas

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date [1]	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	97,407,829	95,770,632	98.3%	1,560,959	97,331,591	99.9%
2007	102,451,028	100,548,087	98.1%	1,818,593	102,366,680	99.9%
2008	115,677,118	114,144,213	98.7%	1,436,543	115,580,756	99.9%
2009	126,042,164	124,349,930	98.7%	1,585,794	125,935,724	99.9%
2010	135,433,257	133,632,700	98.7%	1,654,932	135,287,632	99.9%
2011	146,059,672	144,186,320	98.7%	1,585,474	145,771,794	99.8%
2012	150,068,648	148,619,170	99.0%	1,205,508	149,824,678	99.8%
2013	155,903,667	154,663,495	99.2%	891,907	155,555,402	99.8%
2014	164,603,279	163,528,211	99.3%	628,937	164,157,148	99.7%
2015	173,793,638	172,918,669	99.5%	-	172,918,669	99.5%

(1) Collections in subsequent years often result in total tax collections in excess of the original tax levy due to additions to the tax roll as a result of previously exempt property losing its exempt status. Subsequent collections do not include penalties or interest assessed on late payments.

Denton County, Texas

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

	Governmental Activities					
Fiscal Year	General Obligation Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income[1]	Per Capita[2]	Population
2006	$ 174,702,570	$ 226,595	$ 174,929,165	1.19%	$ 302.38	578,500
2007	273,559,740	301,857	273,861,597	1.80%	456.93	599,350
2008	285,616,003	2,136,690	287,752,693	1.85%	468.16	614,650
2009	374,335,733	1,578,260	375,913,993	1.98%	598.30	628,300
2010	496,900,000	1,415,245	498,315,245	2.48%	781.36	637,750
2011	477,705,000	956,645	478,661,645	2.30%	722.38	662,614
2012	553,915,000	2,048,556	555,963,556	2.50%	813.99	683,010
2013	608,564,898	1,424,508	609,989,406	2.70%	878.88	694,050
2014	633,945,536	1,510,853	635,456,389	2.74%	890.99	713,200
2015	661,329,889	1,083,420	657,801,766	2.75%	895.04	734,940

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

[1]See the Schedule of Demographic & Economic Statistics on page 125 for personal income data .

[2]Population data can be found in the Schedule of Demographic and Economic Statistics on page 125.

Denton County, Texas

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value[1] of Property	Per Capita[2]	Population (1)
2006	$ 174,702,570	$ 1,903,455	$ 172,799,115	0.44	$ 298.70	578,500
2007	273,559,740	1,762,394	271,797,346	0.62	453.49	599,350
2008	285,616,004	2,056,731	283,559,273	0.58	461.33	614,650
2009	374,335,733	2,902,071	371,433,662	0.70	591.17	628,300
2010	496,900,000	3,627,333	493,272,667	0.91	773.46	637,750
2011	477,705,000	3,776,073	473,928,927	0.89	715.24	662,614
2012	553,915,000	3,684,146	550,230,854	1.04	805.60	683,010
2013	608,564,898	-	608,564,898	1.07	876.83	694,050
2014	633,945,536	-	633,945,536	1.10	888.87	713,200
2015	661,329,889	-	656,718,346	1.14	893.57	734,940

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

[1]See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 115 for property value data.

[2]Population data can be found in the Schedule of Demographic and Economic Statistics on page 125.

DENTON COUNTY, TEXAS

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Denton County, Texas

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

September 30, 2015

	Net Bonded Debt at September 30, 2015	Percentage Applicable to Denton County (1)	Amount Applicable to Denton County (2)
DIRECT DEBT			
Denton County	$ 654,384,027	100.00%	$ 654,384,027
OVERLAPPING DEBT			
Cities:			
Argyle	6,529,000	100.00	6,529,000
Aubrey	4,716,000	100.00	4,716,000
Bartonville	550,000	100.00	550,000
Carrollton	162,600,000	51.03	82,974,780
The Colony	-	100.00	-
Copper Canyon	1,540,000	100.00	1,540,000
Corinth	22,405,000	100.00	22,405,000
Dallas	1,700,336,063	1.03	17,513,461
Denton	604,570,000	100.00	604,570,000
Flower Mound	132,220,000	98.14	132,220,000
Fort Worth	743,130,000	2.69	19,990,197
Frisco	715,115,000	36.81	263,233,832
Hickory Creek	9,480,000	100.00	9,480,000
Highland Village	36,265,000	100.00	36,265,000
Justin	9,310,000	100.00	9,310,000
Krum	8,546,000	100.00	8,546,000
Lake Dallas	4,540,000	100.00	4,540,000
Lewisville	85,590,000	99.03	84,759,777
Little Elm	74,455,000	100.00	74,455,000
Northlake	5,970,000	100.00	5,970,000
Pilot Point	3,205,000	99.62	3,205,000
Plano	300,470,000	3.31	9,945,557
Ponder	7,185,000	100.00	7,185,000
Prosper	68,750,000	6.81	4,681,875
Roanoke	39,100,000	94.90	37,105,900
Sanger	12,750,000	100.00	12,750,000
Trophy Club	13,679,000	93.64	12,809,016

Notes:

(1) Source: Municipal Advisory Council of Texas

(2) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Amounts were determined using the portion of each entity's taxable value that is located within the county and dividing it by the entity's total value.

	Net Bonded Debt at September 30, 2015	Percentage Applicable to Denton County (1)	Amount Applicable to Denton County
School Districts:			
Argyle	85,706,207	100.00	85,706,207
Aubrey	50,685,143	100.00	50,685,143
Carrollton-Farmers Branch	274,820,000	18.85	51,803,570
Celina	55,127,633	5.48	3,020,994
Denton	879,287,344	100.00	879,287,344
Frisco	1,741,980,843	27.64	481,483,505
Krum	44,772,751	99.77	44,669,774
Lake Dallas	85,340,014	100.00	85,340,014
Lewisville	1,177,472,053	99.59	1,172,644,418
Little Elm	139,339,796	100.00	139,339,796
Northwest	765,546,815	46.23	353,912,293
Pilot Point	18,370,000	81.70	15,008,290
Ponder	23,065,000	100.00	23,065,000
Prosper	278,641,146	5.54	15,436,719
Sanger	22,978,207	100.00	22,978,207
Slidell	1,655,000	21.61	357,646
Special Districts:			
Trophy Club M.U.D.#1	10,845,000	74.45	8,074,103
DC LID #1	9,035,000	93.66	8,462,181
DC Fresh Water Supp #1-B	6,675,000	100.00	6,675,000
DC Fresh Water Supp #1-F	25,411,500	100.00	25,411,500
DC Fresh Wtr Supp #11-A	27,577,086	100.00	27,577,086
DC Fresh Water Supp #11-B	10,125,000	100.00	10,125,000
DC Fresh Wtr Supp #6	52,607,029	100.00	52,607,029
DC Fresh Wtr Supp #7	59,737,086	100.00	59,737,086
DC Fresh Wtr Supp #8-A	12,408,382	100.00	12,408,382
DC Fresh Wtr Supp #8-B	10,915,000	100.00	10,915,000
DC Fresh Wtr Supp #10	50,974,818	100.00	50,974,818
TOTAL OVERLAPPING DEBT			$5,174,956,498
TOTAL DIRECT AND OVERLAPPING DEBT			$5,829,340,525

Denton County, Texas

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limit	$8,871,385	$9,973,291	$ 12,220,614	$ 11,941,031	$ 12,367,028	$ 11,816,616	$ 11,869,881	$ 12,166,391	$ 12,603,631	$ 14,059,446
Total Net Debt Applicable to Limit	172,799	271,797	283,559	371,433	493,273	473,929	550,231	611,476	632,693	630,858
Legal Debt Margin	$8,698,586	$9,701,494	$ 11,937,055	$ 11,569,599	$ 11,873,755	$ 11,342,687	$ 11,319,650	$ 11,554,915	$ 11,970,938	$ 13,428,588
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	1.95%	2.73%	2.32%	3.11%	3.99%	4.01%	4.64%	5.03%	5.02%	4.49%

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed Value of Real Property	$ 56,237,783
Debt Limit (25% of Total Real Property Value)	14,059,446
Debt Applicable to Limit	
General Obligations Bonds	634,275
Less: Amount Set Aside for Repayment of General Obligation Debt	(3,417)
Total Net Debt Application to Limit	630,858
Legal Debt Margin	$ 13,428,588

Note: State of Texas law, Denton County's outstanding general obligation debt should not exceed 25 per cent of total assessed value of real property.

Denton County, Texas

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population[1]	Personal Income (Amounts Expressed in Thousands)	Per Capita Personal Income[1]	Median Age[1]	Education Level in Years of Formal Schooling[1]	School Enrollment[1]	Unemployment Rate[2]
2006	578,500	$ -	$ -	-	-	178,444	3.8%
2007	559,350	17,087,583	30,549	31.8	14.0	187,564	4.0%
2008	614,650	-	-	-	-	193,381	4.4%
2009	628,300	19,984,338	31,807	33.0	-	186,013	7.7%
2010	637,750	20,053,411	31,444	-	14.3	212,297	7.1%
2011	662,614	20,851,800	31,469	32.3	-	-	7.8%
2012	683,010	25,773,805	-	33.3	-	-	5.6%
2013	694,050	-	-	-	-	-	5.5%
2014	713,200	35,398,469	32,722	33.7	-	-	4.5%
2015	734,940	-	36,565	34.0	-	-	3.1%

Data Sources:

1 U.S. Census Bureau

2 Texas Workforce Commission

Certain of the above data have been left blank as the information is not available to Denton County at this time.

Denton County, Texas

PRINCIPAL EMPLOYERS

Current Year and Ten Years Ago

	2015			2006		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
University of North Texas	9,800		1.33%	5,900	1	2.03%
Lewisville ISD	6,325		0.86%	4,500	2	1.55%
Wal-Mart	3,900		0.53%			
Denton Ind. School District	3,800		0.52%			0.00%
Centex Home Equity	2,600		0.35%			
Frito Lay Co	2,500		0.34%	2,436	3	0.84%
American Airlines	2,154		0.29%	2,350	4	0.81%
Peterbilt Motors	2,100		0.29%	1,200	9	0.41%
Northwest ISD	2,050		0.28%			
Denton State School	1,700		0.23%	1,350	8	0.46%
Denton ISD				2,000	5	0.69%
Horizon Health				1,500	6	0.52%
Denton County				1,379	7	0.47%
City of Denton				1,200	10	0.41%
	36,929		5.02%	23,815		8.20%

Source: Texas Workforce Commission

Denton County, Texas

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

	Full-Time Equivalent Employees as of Beginning of Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government	164.0	168.5	166.0	168.0	167.0	169.5	168.5	174.0	176.0	183.5
Judicial	123.0	126.5	133.0	133.5	135.5	140.0	140.0	142.0	143.0	148.0
Legal	118.0	116.0	117.0	119.0	118.5	119.5	119.5	120.5	121.5	125.5
Financial	80.5	81.5	86.5	87.5	88.5	88.0	88.0	88.0	88.0	88.0
Public Facilities	30.5	30.0	30.0	32.0	31.0	31.0	31.0	34.0	34.0	33.0
Public Safety	712.0	758.0	767.0	796.0	808.0	811.0	812.5	808.5	873.5	888.5
Health & Welfare	70.5	74.5	54.5	55.0	57.0	49.0	55.5	63.5	57.5	58.0
Conservation	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	8.0	8.0
Roads	81.0	74.5	80.0	81.0	80.0	80.0	80.0	80.0	80.0	81.0
Total	1,388.5	1,438.5	1,443.0	1,481.0	1,494.5	1,497.0	1,504.0	1,519.5	1,581.5	1,613.5

Source: Denton County Budget Office

Denton County, Texas

OPERATING INDICATORS BY FUNCTION

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function										
General Government										
County Clerk:										
Number of Criminal Cases Filed	9,650	10,087	11,000	11,500	9,840	11,500	-	10,028	10,000	8,486
Number of Civil Cases Filed	3,141	4,697	5,021	5,100	6,079	6,354	4,650	4,446	4,500	3,770
Human Resources										
Applications Accepted	10,830	10,087	9,640	11,394	9,200	14,284	13,920	15,937	17,500	18,560
Jobs Posted	258	270	200	172	140	197	295	306	305	324
Purchasing										
Purchase Orders Issued	8,231	8,543	9,050	9,443	9,800	8,707	8,500	8,345	9,000	7,150
Competitive Bids/Contract Renewals	43	53	61	49	55	58	60	70	75	63
Information Services/County Technolgy										
New Applications Built or Created	-	-	-	-	8	16	10	15	15	21
Elections Administration										
New Registrations	35,000	27,926	60,025	37,445	45,000	-	-	28,156	28,000	38,402
Elections Held	77	52	48	40	44	32	45	47	47	52
Judicial										
District Courts										
Criminal Cases Disposed	2,601	2,304	2,450	2,725	3,225	3,095	4,392	-	1,078	3,306
Divorce/Family Cases Disposed	5,702	8,860	8,228	6,374	6,884	5,734	5,146	-	4,318	6,047
County Courts										
Juvenile Cases Disposed	1,169	1,262	1,514	1,600	1,600	2,107	2,100	1,134	1,988	1,579
Criminal Cases Disposed	9,325	10,464	10,525	12,874	12,800	9,896	9,910	9,901	3,210	9,933
District Clerk										
Civil, Family and Tax Cases Filed	9,381	9,981	10,586	9,605	9,730	9,341	8,188	-	13,209	13,731
Documents Processed Through E-filing	-	-	-	-	-	5,540	11,406	-	-	93,160

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Justices of the Peace										
Civil Cases Filed	7,779	9,469	12,366	12,054	7,199	-	7,855	-	3,643	11,277
Criminal Cases Filed	34,510	25,950	25,467	24,516	21,163	-	24,060	-	6,862	19,387
Legal										
Criminal District Attorney										
Misdemeanor Cases Under Indictment										
Cases Filed	11,359	11,727	11,034	12,897	13,000	-	9,849	-	2,722	5,925
Total Jury Trials	200	153	190	204	-	186	230	-	53	138
Financial										
County Auditor										
Accounts Payable Checks Processed	17,000	17,000	19,200	20,000	21,000	16,383	19,892	20,185	16,383	18,912
County Treasurer										
Payroll Checks Processed	38,732	39,000	39,500	44,223	46,000	42,000	42,815	45,155	44,936	47,583
Tax Assessor/Collector										
County Tax Accounts	270,929	284,302	315,062	321,000	-	-	391,740	389,415	425,437	416,086
Property Tax Parcels - all entities					515,500	-	465,000	403,660	-	372,701
Automobile Registrations	474,564	474,561	498,440	519,102	520,000	538,376	539,000	-	576,070	607,863
Budget Department										
Budget Amendments Processed	251	239	265	275	70	518	314	317	300	220
Public Safety										
County Jail										
Average Daily Jail Population	1,019	1,103	1,100	1,140	1,190	1,190	1,200	-	1,150	1,080
Prisoners Booked				14,900	15,100	11,983	11,700	-	-	11,599
Sheriff										
E-911 Calls Received	62,100	80,121	63,845	67,027	69,976	70,074	75,091	-	77,737	84,344
Officer Responses to Public Requests	-	-	-	154,639	161,659	191,801	255,095	-	246,523	108,283
Health & Welfare										
Immunizations Administered	14,939	17,950	16,930	22,092	24,000	14,476	16,000	19,585	10,000	27,002
Primary Health Care Visits	7,714	8,987	10,468	10,802	11,000	8,293	8,400	7,651	8,000	14,718
Roads										
Work Orders Completed	332	709	480	564	360	-	-	-	353	300
Miles of Roads Overlayed	10	14	18	21	15	12			28	41

Source: Denton County Budget Office

Denton County, Texas

CAPITAL ASSET STATISTICS BY FUNCTION

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Number of Buildings			8	8	9	9	9	9	11	10
Judicial										
Number of Buildings			3	3	3	3	3	3	3	3
Financial										
Number of Buildings			1	1	1	1	1	1	1	1
Public Safety										
Number of Buildings			7	7	7	7	7	7	7	8
Number of Jail Beds			1,400	1,496	1,600	1,600	1,600	1,500	1,500	1,500
Juvenile Detention Beds			102	102	102	102	102	102	102	128
Number of Sheriff Vehicles			200	200	200	200	210	-	210	222
Health and Welfare										
Number of Buiildings			2	2	3	3	2	1	1	1
Roads										
Number of Buildings			3	3	3	3	3	3	3	3
Miles of Road			612	612	625	625	617	617	617	617
Number of Bridges			62	62	62	62	62	62	62	62

Source: Denton County Financial Records

Note: 2008 is the first year for accumlation of these statistics.

PREFACE

Overview of the County's Fiscal Year 2015 Annual Audit -

Denton County's combined financial statements for 2015 which present the County's various fund types in conformity with generally accepted accounting principles (GAAP) for local governments, were subjected to an audit by independent certified public accountants. The primary purpose of that audit was for the auditors to form an opinion on the financial statements and their conformity with GAAP for local governments. This grant report has been prepared as an addition to the County's fiscal year 2015 annual audit.

Overview of Grant Audit Requirements -

The scope of the County's fiscal year 2015 grant audit includes the requirements of the Office of Management and Budget's Circular A-133 and the State of Texas' Uniform Grant Management Standards. These documents establish audit requirements for state and local governments and Indian tribe governments that receive federal and state assistance. They provide for independent audits of financial operations, including compliance with certain provisions of federal and state laws and regulations. The requirements are established to ensure that audits are made on an organization-wide basis, rather than on a grant-by-grant basis. Such audits are to determine whether:

* financial operations are conducted properly,

* the financial statements are presented fairly,

* the organization has complied with laws and regulations affected the expenditure of federal funds,

* internal procedures have been established to meet the objectives of federally assisted programs, and

* financial reports to the federal government contain accurate and reliable information.

The grant audit requirements of Circular A-133 have also been adopted by the State of Texas for local governments that receive funds under state grants.

Purpose and Contents of This Report -

This report was prepared to provide grantor agencies with certain financial information which they need to properly administer funds granted to the County. Financial schedules included herein present the County's grant revenues, expenditures and amounts due to/from funding

sources in accordance with generally accepted accounting principles for state and local government units. However, this report does not present the financial position of the County. Individual grants presented in this report are those which were considered by the auditors in performing their audit tests in conformity with OMB Circular A-133 and the State of Texas' Uniform Grant Management Standards.

Relationship Between This Report and the County's Combined Financial Statements -

The County's grant activity is disclosed in the combined financial statements in various funds. Therefore, this report cannot be related directly to the combined financial statements based upon the information presented herein.

Overview of Grant Financial Information -

Financial information by individual grant is presented in this report. A statement of revenues, expenditures and changes in amounts due to/from funding sources is provided for each grant. Additionally, an inception-to-date statement of revenues, expenditures and budget is included for each grant, except various grants such as the Special Supplemental Food Program for Women, Infants and Children (W.I.C. Grant), Title IV-D and Title IV-E reimbursement program funds are received on a reimbursement per client served basis rather than on a fixed budgetary basis.

Prior year revenue and expenditures amounts are not covered by the fiscal year 2015 auditor's report. These amounts, along with cumulative totals, are presented to facilitate review by grantor agencies. These amounts are not a required part of the supplemental information.

NOTES TO GRANT FINANCIAL STATEMENTS
DENTON COUNTY, TEXAS
SEPTEMBER 30, 2015

(1) ORGANIZATION AND ACCOUNTING POLICIES:

Denton County, Texas, is the recipient of certain federal and state grant funds. The grant programs are administered by various departments within the County. The activities of these organizations are monitored by County staff to ensure compliance with the requirements of the underlying grants.

The accounting policies of the County conform to generally accepted accounting principles for local government units as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. The accompanying financial statements were prepared under the following accounting policies of the County:

Basis of Presentation -

The accompanying financial statements represent grants included in conformity with OMB Circular A-133 and the State of Texas' Uniform Grants Management Standards. Denton County also acts as a fiscal agent for funds paid by the State to the local Adult Probation Department. Per this agency's request, this program has been omitted from this report. State funds provided to this agency in fiscal 2015 totaled approximately $1,996,000.

Basis of Accounting -

Grant revenues and expenditures are recognized using the modified accrual basis. Expenditures are recognized in the accounting period in which the related liability is incurred. Revenues are recognized in the accounting period in which the related expenditures are incurred.

County Contribution -

Certain grants require that a percentage of the total funds for the program be provided by the County or other sources. Matching funds from the County are provided to cover any expenses in excess of funds received. Also, the County covers any expenses for costs incurred in excess of total funds budgeted for individual grants.

(2) GRANT AUDITS:

Grant costs are subject to audit by grantor agencies. Disallowed costs, if any, resulting from the audit of grant funds, will be absorbed by the County. Management does not believe that any significant costs will be incurred as a result of grant audits.

Denton County, Texas

SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
For the Fiscal Year Ended September 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number
U.S. Dept. of Health and Human Services, Center for Disease Control & Prevention Passed through the Texas Department of State Health Services:		
Public Health Emergency Preparedness 2016	93.069	2016-001099-00
Public Health Emergency Preparedness 2015	93.069	2015-001099-00
Public Health Emergency Preparedness 2014	93.069	2014-001099-00
Public Health Preparedness Discretionary 2015	93.069	2015-047211
2016 Medical Assistance Program	93.069	2016-001098-00
2015 Medical Assistance Program	93.069	2015-001098-00
2014 Medical Assistance Program	93.069	2014-001098-00
2015 Federal TB Prevention Grant	93.116	2015-001387-00
2014 Federal TB Prevention Grant	93.116	2014-001387-00
2016 Immunization Program Grant	93.268	2016-000006-00
2015 Immunization Program Grant	93.268	2015-000006-00
2015 Ebola Preparedness Grant	93.074	2015-003654-00
2015 Delivery System reform Payment Grant	93.778	-
U. S. Department of Agriculture Passed through the Texas Department of State Health Services		
2015 Special Supplemental Food Program for Women, Infants and Children	10.557	2015-047289
2014 Special Supplemental Food Program for Women, Infants and Children	10.557	2014-045029
Total Texas Department of State Health Services		
U.S. Dept. of Health and Human Services Passed through Texas Dept. of Family and Protective Services:		

Program or Award Amount	Balance * October 1, 2014	Receipts or Revenue Recognized	Disbursements/ Expenditures	Balance * September 30, 2015
$ 466,552	$ -	$ 19,818	$ 61,500	$ 41,682
460,890	24,123	389,801	365,678	-
460,890	130,316	130,316	-	-
32,918	-	29,621	29,621	-
110,606	-	4,388	22,839	18,451
108,871	1,034	86,079	85,045	-
108,871	35,399	35,399	-	-
103,288	3,521	44,831	70,074	28,764
77,466	9,014	9,014	-	-
280,147	-	-	20,042	20,042
280,147	10,862	208,787	219,636	21,711
117,312	-	1,265	10,190	8,925
1,402,746	-	1,402,746	1,402,746	-
1,745,712	-	1,411,264	1,753,163	341,899
1,766,100	368,579	368,579	-	-
7,522,516	582,848	4,141,908	4,040,534	481,474

Continued

Denton County, Texas

SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
For the Fiscal Year Ended September 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number
2015 CPS IV-E County Legal Services Grant	93.658	23940189
2015 Title IV-E Child Welfare Services Grant	93.658	23940188
Total Texas Department of Family and Protective Services		
U. S. Dept. of Health and Human Services Passed through the Office of the Attorney General - Child Support Office:		
2013 Title IV-D Filing Fees and Court Costs Grant	93.563	-
U.S. Dept. of Health and Human Services Passed through the Texas Juvenile Probation Commission		
2014 Title IV-E Administrative Costs Grant	93.658	TJPC-E-2014-9220
Total Texas Juvenile Probation Commission		
U.S. Department of Homeland Security		
Passed through the Office of the Governor:		
State Homeland Security Grant 2014	97.067	EMW-2014-SS-00029
State Homeland Security Grant 2013	97.067	EMW-2013-SS-00045
Total U.S. Department of Homeland Security:		
U.S. Department of Justice		
Equitable Sharing Program (Justice Funds)	16.922	TX0610000

Program or Award Amount	Balance * October 1, 2014	Receipts or Revenue Recognized	Disbursements/ Expenditures	Balance * September 30, 2015
142,814	-	142,814	142,814	-
2,621	-	2,621	2,621	-
145,435	-	145,435	145,435	-
67,263	-	67,263	67,263	-
66,517	-	66,517	66,517	-
66,517	-	66,517	66,517	-
307,974	-	-	116,792	116,792
191,604	137,565	191,043	53,478	-
499,578	137,565	191,043	170,270	116,792
345,328	-	345,328	345,328	-

Continued

Denton County, Texas

SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
For the Fiscal Year Ended September 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number
Passed through the Office of the Governor:		
State Criminal Alien Assistance Grant 2013	16.606	2014-H1013-TX-AP
Juvenile Accountability Incentive Block Grant 04	16.523	243504
Juvenile Accountability Incentive Block Grant 03	16.523	JB-10-J20-24335-03
2014 Edward Byrne Justice Assistance Grant	16.738	2014-DJ-BX-1904
2013 Edward Byrne Justice Assistance Grant	16.738	2013-DJ-BX-0875
Total Department of Justice		
US Department of the Treasury		
Equitable Sharing Program (Treasury Funds)	21.000	TX0610000
Equitable Sharing Program (Treasury Funds)	21.000	TX061015A
Total US Department of the Treasury		
US Department of the Interior		
Passed through the Texas Historical Commission		
Certified Local Government Grant		TX-14-030
Total Texas Historical Commission		
Total Federal Assistance		

* Credit balances represent deferred revenue - federal government. Debit balances represent intergovernmental receivables - federal government.

Program or Award Amount	Balance * October 1, 2014	Receipts or Revenue Recognized	Disbursements/ Expenditures	Balance * September 30, 2015
181,816	-	181,816	181,816	-
12,796	-	11,329	12,796	1,467
16,338	3,472	3,472	-	-
43,753	-	26,545	26,545	-
39,000	-	39,000	39,000	-
639,031	3,472	607,490	605,485	1,467
25,260	-	25,260	25,260	-
342,195	-	342,195	342,195	-
367,455	-	367,455	367,455	-
30,000	-	-	30,000	30,000
30,000	-	-	30,000	30,000
$ 9,337,795	$ 723,885	$ 5,587,111	$ 5,492,959	$ 629,733

Continued

Denton County, Texas

SCHEDULE OF EXPENDITURE OF STATE AWARDS
For the Fiscal Year Ended September 30, 2015

State Grantor/Pass-Through Grantor/Program Title	Pass-Through Grantor's Number	Program or Award Amount
Texas Department of State Health Services:		
2015 Primary Health Care Grant	2015-046183-001	$ 163,485
2014 Primary Health Care Grant	2014-044369-001	$ 181,797
2016 Tuberculosis Services Grant	2016-001412-00	101,176
2015 Tuberculosis Services Grant	2015-001412-00	101,838
2014 Tuberculosis Services Grant	2013-001412-00	107,838
2016 OPHP Local Public Health System Grant	2015-000026-00	97,596
2015 OPHP Local Public Health System Grant	2015-000026-00	48,798
2014 OPHP Local Public Health System Grant	2014-000026-00	48,798
2016 Infectious Disease Control Grant	2016-003780-00	83,690
2015 Infectious Disease Control Grant	2015-046166-001	83,681
2016 Epidemiology/Ebola Surveillance Grant	2016-003857-00	146,442
2015 Expanded Primary Health Care	2015-046282	536,242
2014 Expanded Primary Health Care	2014-045368	283,436
Total Texas Dept. of State Health Services		1,984,817
Texas Commission on Environmental Quality:		
2015 Emissions Enforcement Grant	582-14-40115	38,297
2014 Emissions Enforcement Grant	582-14-40115-2014	28,213
2012 Regional High Emitting Vehicle Asst. Grant	582-12-20274	2,190,010
Total Texas Comm on Environ. Quality		2,256,520
Office of the Attorney General:		
Victim Notification Grant - 2015	1445402	27,716

Balance * October 1, 2014	Receipts or Revenue Recognized	Disbursements/ Expenditures	Balance * September 30, 2015
$ -	$ 77,300	$ 113,527	$ 36,227
$ 58,837	$ 58,837	$ -	$ -
-	-	8,355	8,355
5,454	83,845	99,589	21,198
31,623	31,623	-	-
-		3,720	3,720
2,747	33,472	42,328	11,603
5,097	5,097	-	-
-	-	6,176	6,176
-	63,834	77,015	13,181
-	-	4,301	4,301
1,350	137,408	287,204	151,146
71,726	71,726	-	-
176,834	563,142	642,215	255,907
-	38,297	6,642	(31,655)
-	28,213	28,213	-
-	2,190,010	251,663	(1,938,347)
-	2,256,520	286,518	(1,970,002)
-	27,716	27,716	-

Continued

Denton County, Texas

SCHEDULE OF EXPENDITURE OF STATE AWARDS
For the Fiscal Year Ended September 30, 2015

State Grantor/Pass-Through Grantor/Program Title	Pass-Through Grantor's Number	Program or Award Amount
Office of the Governor, Crim Justice Division:		
2016 DWI Treatment Court Grant	2899601	138,760
2016 Veteran's Court Program Grant	2827002	159,000
2015 Veteran's Court Program Grant	2827001	150,000
Total Office of the Govenor		447,760
Texas Indigent Defense Commission:		
Indigent Defense Discretionary Grant	212-TS-061	2,185
Indigent Defense Formula Grant	212-12-061	491,198
Total Indigent Defense Commission		493,383
Texas Depart of Transportation:		
2015 Tranportation Infrastructure Grant	CTIF-01-061	1,212,611
Total State Assistance		$ 6,422,807

* Credit balances represent deferred revenue - state government.
Debit balances represent intergovernmental receivables - state government.

Balance * October 1, 2014	Receipts or Revenue Recognized	Disbursements/ Expenditures	Balance * September 30, 2015
-	-	-	-
-	-	9,821	9,821
-	92,354	144,600	52,246
-	92,354	154,421	62,067
-	1,897	2,185	288
-	491,198	491,198	-
-	493,095	493,383	288
-	255,047	507,104	252,057
$ 176,834	$ 3,687,874	$ 2,111,357	$ (1,399,683)

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PB&H

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

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Denton County, Texas, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise Denton County, Texas' basic financial statements, and have issued our report thereon dated March 28, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Denton County, Texas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Denton County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Denton County, Texas' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Governmental Audit Quality Center

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Denton County, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Waco, Texas
March 28, 2016

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

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

Report on Compliance for Each Major Federal and State Program

We have audited Denton County, Texas' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the State of Texas *Single Audit Circular* that could have a direct and material effect on each of Denton County, Texas' major federal and state programs for the year ended September 30, 2015. Denton County Texas' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Denton County, Texas' major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State of Texas *Single Audit Circular*. Those standards, OMB Circular A-133 and the State of Texas *Single Audit Circular* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Denton County, Texas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of Denton County, Texas' compliance.

Opinion on Each Major Federal and State Program

In our opinion, Denton County, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2015.

Report on Internal Control Over Compliance

Management of Denton County, Texas is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Denton County, Texas' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the State of Texas *Single Audit Circular*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Denton County, Texas' internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the State of Texas *Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.

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

Waco, Texas
March 28, 2016

DENTON COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Summary of Auditors' Results

Financial Statements:	
Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	None
Federal and State Awards:	
Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 and state awards as defined by the State of Texas Single Audit Circular?	None
Identification of major programs:	
CFDA Number(s)	Name of Federal Program or Cluster:
#16.922	Equitable Sharing Program (Justice Funds)
#21.000	Equitable Sharing Program (Treasury Funds)
#93.778	Delivery Systems Reform Incentive Program (DSRIP)
State	2015 Tranportation Infrastructure Grant
State	Indigent Defense Formula Grant
Dollar threshold used to distinguish between type A and type B programs	$300,000
Auditee qualified as low-risk auditee for federal single audit?	Yes
Auditee qualified as low-risk auditee for state single audit?	Yes

Findings Related to the Financial Statements Which Are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards

None

Findings and Questioned Costs for Federal and State Awards

None

DENTON COUNTY, TEXAS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

None

DENTON COUNTY, TEXAS

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