

2014

RULE 15c2-12 FILING COVER SHEET

This cover sheet is sent with all submissions to the Municipal Securities Rulemaking Board (the Nationally Recognized Municipal Securities Information Repository) and any applicable State Information Depository pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statute.

Issuer Name: Hockley County, Texas

Issue(s):

\$ 14,515,000 General Obligation Bonds, Series 2009

Filing Format X electronic ___ paper; If available on the Internet, give URL: _____

CUSIP Numbers to which the information filed relates (optional):

X Nine-digit number(s) (see following page(s)):

___ Six-digit number if information filed relates to all securities of the issuer

* * *

Financial & Operating Data Disclosure Information

___ Annual Financial Report or CAFR

X Financial Information & Operating Data

___ Other (describe) _____

X Fiscal Period Covered: FYE 2014

___ Monthly ___ Quarterly X Annual ___ Other: _____

* * *

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: Linda Barnette

Name: Linda Barnette Title: County Auditor

Employer: Hockley County, Texas

Voice Telephone Number: (806) 894-6070

Email Address: lbarnette@hockleycounty.org

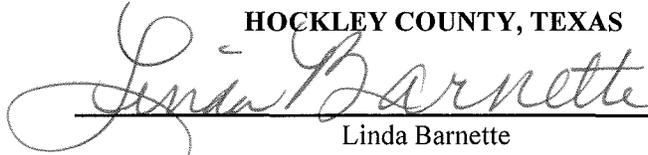
FINANCIAL STATEMENTS

The audited financial statements for the County for the fiscal year ended December 31, 2014 are being separately filed directly with the Nationally Recognized Municipal Securities Information Repository and any applicable State Information Depository, and are hereby incorporated by reference into this Annual Continuing Disclosure Report.

SIGNATURE OF ISSUER

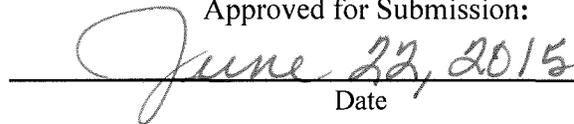
The information set forth herein has been obtained from the County and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a promise or guarantee. This Annual Continuing Disclosure Report may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion contained herein are subject to change without notice, and the delivery of this Annual Continuing Disclosure Report will not, under any circumstances, create any implication that there has been no change in the affairs of the County or other matters described.

HOCKLEY COUNTY, TEXAS



Linda Barnette
County Auditor

Approved for Submission:



Date

DESCRIPTION OF ISSUES COVERED BY THIS REPORT

General Obligation Bonds, Series 2009

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/16	\$ 1,535,000	434200BQ3
02/15/17	1,595,000	434200BR1
02/15/18	1,660,000	434200BS9
02/15/19	1,730,000	434200BT7
	<u>\$ 6,520,000</u>	

CONTINUING DISCLOSURE REPORT
FOR THE
FISCAL YEAR ENDED DECEMBER 31, 2014

HOCKLEY COUNTY, TEXAS

GENERAL OBLIGATION DEBT



FirstSouthwestSM

CERTIFICATE OF SUBMISSION OF ANNUAL REPORT

Subject to the continuing disclosure requirements of SEC Rule 15c2-12, this Annual Continuing Disclosure Report for the Hockley County, Texas with respect to the issues listed on the report cover was submitted directly to the National Recognized Municipal Securities Information Repository ("NRMSIR") listed below as well as to any applicable State Information Depository ("SID").

NRMSIR

Municipal Securities Rulemaking Board ("MSRB")
via the Electronic Municipal Market Access ("EMMA") system

First Southwest Company

Signed by:

/s/ Marie Lane

HOCKLEY COUNTY, TEXAS
2015 GENERAL OBLIGATION DEBT REPORT

TABLE 1 – VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT

2014/2015 Taxable Market Valuation Established by Hockley		
County Appraisal District		
(Excludes Fully Exempt Property)		\$ 4,452,003,417
Less Exemptions:		
65 Years and Over and/or Disabled	\$ 47,464,132	
Optional Homestead Exemptions	83,886,953	
Community Housing Exemption	1,588,590	
Agriculture	-	
Veterans	3,891,852	
Pollution Control	5,382,960	
Prorated Exempt	214,406,335	
Value Lost Cap on Residential Homesteads	845,315	
Total Exemptions		\$ 357,466,137
2014/2015 Net Taxable Assessed Valuation ⁽¹⁾		\$ 4,094,537,280
Funded Debt Payable From Ad Valorem Taxes		\$ 7,995,000
Interst and Sinking Fund (as of 4/30/15)		\$ 384,753
Ratio Funded Debt to 2014/2015 Net Taxable Assessed Valuation		0.20%

2015 Estimated Population - 22,965
Per Capita Taxable Assessed Valuation - \$178,295
Per Capita Funded Debt Payable from Ad Valorem Taxes - \$348

(1) Does not exclude incremental taxable assessed value of real property located within the Reinvestment Zone.

TABLE 2 – TAXABLE ASSESSED VALUATIONS BY CATEGORY

Category	Taxable Appraised Value for Fiscal Year Ended December 31,					
	2015		2014		2013	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 535,013,757	12.02%	\$ 441,124,871	10.00%	\$ 433,863,433	9.25%
Real, Residential, Multi-Family	9,940,290	0.22%	10,599,070	0.24%	9,710,240	0.21%
Real, Vacant Lots/Tracts	6,004,700	0.13%	6,864,310	0.16%	6,855,831	0.15%
Real, Acreage (Land Only)	395,898,775	8.89%	393,003,298	8.91%	392,593,187	8.37%
Real, Farm and Ranch Improvements	44,711,407	1.00%	110,170,911	2.50%	94,694,899	2.02%
Real, Commercial	89,661,818	2.01%	86,031,150	1.95%	79,200,855	1.69%
Real, Industrial	308,323,310	6.93%	291,487,165	6.61%	277,459,930	5.92%
Real, Oil, Gas and Other Mineral Reserves	2,648,317,870	59.49%	2,700,913,230	61.23%	3,022,341,600	64.46%
Real and Tangible Personal, Utilities	132,318,680	2.97%	132,589,020	3.01%	138,508,970	2.95%
Tangible Personal, Commercial	75,322,720	1.69%	61,027,920	1.38%	52,928,910	1.13%
Tangible Personal, Industrial	197,233,770	4.43%	166,460,280	3.77%	166,366,270	3.55%
Mobile Homes	6,009,100	0.13%	9,491,340	0.22%	10,411,990	0.22%
Residential Inventory	423,380	0.01%	438,560	0.01%	458,240	0.01%
Special Inventory	2,823,840	0.06%	1,105,080	0.03%	3,487,450	0.07%
Total Appraised Value Before Exemptions	\$ 4,452,003,417	100.00%	\$ 4,411,306,205	100.00%	\$ 4,688,881,805	100.00%
Less: Total Exemptions/Reductions	357,466,137		215,720,830		381,220,435	
Taxable Assessed Value	<u>\$ 4,094,537,280</u> ⁽¹⁾		<u>\$ 4,195,585,375</u> ⁽¹⁾		<u>\$ 4,307,661,370</u> ⁽¹⁾	

Category	Taxable Appraised Value for Fiscal Year Ended December 31,			
	2012		2011	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 427,190,821	10.78%	\$ 423,157,791	10.45%
Real, Residential, Multi-Family	9,437,750	0.24%	6,902,650	0.17%
Real, Vacant Lots/Tracts	7,028,642	0.18%	7,169,781	0.18%
Real, Acreage (Land Only)	336,628,581	8.50%	300,876,503	7.43%
Real, Farm and Ranch Improvements	93,692,087	2.37%	89,210,865	2.20%
Real, Commercial	77,680,156	1.96%	76,258,736	1.88%
Real, Industrial	271,570,200	6.86%	245,117,240	6.05%
Real, Oil, Gas and Other Mineral Reserves	2,426,868,570	61.27%	2,607,979,990	64.42%
Real and Tangible Personal, Utilities	125,654,920	3.17%	117,049,480	2.89%
Tangible Personal, Commercial	46,793,950	1.18%	43,470,600	1.07%
Tangible Personal, Industrial	124,427,660	3.14%	118,356,320	2.92%
Tangible Personal, Other	10,446,770	0.26%	10,084,710	0.25%
Real Property, Inventory	476,350	0.01%	457,980	0.01%
Real Property, Inventory	3,354,340	0.08%	2,220,920	0.05%
Total Appraised Value Before Exemptions	\$ 3,961,250,797	100.00%	\$ 4,048,313,566	100.00%
Less: Total Exemptions/Reductions	337,649,251		289,412,283	
Taxable Assessed Value	<u>\$ 3,623,601,546</u> ⁽¹⁾		<u>\$ 3,758,901,283</u> ⁽¹⁾	

(1) Does not exclude incremental taxable assessed value of real property located within the Reinvestment Zone.

NOTE: Valuations shown are certified taxable assessed values reported by the Hockley County Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

TABLE 3 – VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year Ended 12-31	Estimated County Population ⁽¹⁾	Net Taxable Assessed Valuation ⁽²⁾	Per Capita Taxable Assessed Valuation	Funded Tax Debt	Per Capita Funded Tax Debt	Ratio Tax Debt to Taxable Assessed Valuation
2011	22,935	\$ 3,758,901,283 ⁽⁴⁾	\$ 163,894	\$ 12,075,000	\$ 526	0.32%
2012	22,935	3,623,455,322 ⁽⁴⁾	157,988	10,770,000	470	0.30%
2013	23,965	4,306,993,240 ⁽⁴⁾	179,720	9,410,000	393	0.22%
2014	23,965	4,195,585,375 ⁽⁴⁾	185,771	7,995,000	334	0.18%
2015	22,965	4,094,537,280 ⁽⁴⁾	178,295	6,520,000 ⁽³⁾	284 ⁽³⁾	0.16% ⁽³⁾

(1) Source: The County.

(2) As reported by the Hockley County Appraisal District; subject to change during the ensuing year.

(3) Projected.

(4) Does not exclude incremental taxable assessed value of real property located within the Reinvestment Zone.

TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY⁽¹⁾

Year Ended	Total Tax Rate	Tax Levy	% of Current Collections ⁽¹⁾	% of Total Collections ⁽¹⁾
2011	\$ 0.336420	\$ 12,645,696	98.86%	100.26%
2012	0.356500	12,190,028	103.14%	104.11%
2013	0.316670	14,489,587	93.75%	94.82%
2014	0.350460	14,114,788	99.00%	99.00%
2015	0.348340	14,262,911	N/A ⁽²⁾	N/A ⁽²⁾

(1) Collections as of end of September each year.

(2) In process of collection.

TABLE 5 – TAX RATE DISTRIBUTION ANALYSIS

	Fiscal Year Ended December 31,				
	2015	2014	2013	2012	2011
Operating Fund	\$ 0.24879	\$ 0.25150	\$ 0.23286	\$ 0.25710	\$ 0.24131
Interest and Sinking Fund	0.04392	0.04406	0.04126	0.04970	0.04772
Total Constitutional Tax Rate	\$ 0.29271	\$ 0.29556	\$ 0.27412	\$ 0.30680	\$ 0.28903
Special Road and Bridge (Road Maintenance)	\$ 0.0556	\$ 0.0549	\$ 0.0426	\$ 0.0497	\$ 0.04739
Total Tax Rate	\$ 0.34834	\$ 0.35046	\$ 0.31667	\$ 0.35650	\$ 0.33642

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TABLE 6 – TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2014/2015	% of Total
		Taxable Assessed Valuation	Taxable Assessed Valuation
Occidental Permian Ltd.	Oil	\$ 622,579,700	15.2%
Chevron USA Inc.	Oil	326,823,830	8.0%
Occidental Permian Ltd. (Plts)	Plants	281,332,660	6.9%
Apache Corporation	Oil	250,204,480	6.1%
Post-Montgomery	Oil & Real Estate	159,518,800	3.9%
Oxy USA Inc	Oil	75,649,030	1.8%
Rogers S K Oil Inc. (MIN)	Oil	54,155,690	1.3%
Rocker A Operating Company	Oil	45,050,460	1.1%
Browning Royalty LP	Oil	44,546,570	1.1%
Great Western Drilling Company	Oil	42,060,020	1.0%
		<u>\$ 1,901,921,240</u>	<u>46.5%</u>

TABLE 7 – TAX ADEQUACY

2015 Principal and Interest Requirements.....	\$	1,765,300
\$0.0436 Tax Rate at 99% Collection Produces	\$	1,767,366
Average Annual Principal and Interest Requirements, 2015-2019.....	\$	1,763,833
\$0.0436 Tax Rate at 99% Collection Produces	\$	1,767,366
Maximum Annual Principal and Interest Requirements, 2015.....	\$	1,765,300
\$0.0436 Tax Rate at 99% Collection Produces	\$	1,767,366

TABLE 9 – GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

Fiscal Year Ending	Outstanding Debt Service			% of Aggregate Principal Retired
	Principal	Interest	Total	
2015	\$ 1,475,000	\$ 290,300	\$ 1,765,300	
2016	1,535,000	230,100	1,765,100	
2017	1,595,000	167,500	1,762,500	
2018	1,660,000	102,400	1,762,400	
2019	1,730,000	34,600	1,764,600	100.00%
	<u>\$ 7,995,000</u>	<u>\$ 824,900</u>	<u>\$ 8,819,900</u>	<u>100.00%</u>

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Table 10 and 12 includes unaudited financial information for the most recently concluded fiscal year, pending completion and availability of audited financial statements.

TABLE 10 – INTEREST AND SINKING FUND BUDGET PROJECTION ⁽¹⁾

Tax Supported Debt Service Requirements, Fiscal Year Ending 12-31-2015.	\$	1,765,300
Interest and Sinking Fund, 12-31-2014.	\$	723,834
Budgeted Interest and Sinking Fund Tax Levy		1,765,300
	\$	2,489,134
Estimated Balance, 12-31-2014.	\$	<u>723,834</u>

(1) Unaudited.

TABLE 11 – AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS

As of December 31, 2014, the County has no authorized but unissued general obligation bonds outstanding.

TABLE 12 – OTHER OBLIGATIONS ⁽¹⁾

The County did not have any capital leases in effect as of December 31, 2014. The County leases multiple office equipment for several departments under multiple operating leases expiring in March, 2017. The County pays approximately \$3,608 in monthly lease payments for the equipment. Total payments for the fiscal year 2014 were approximately \$46,904. The future minimum payments on the leases are as follows:

	Year Ending December 31,	Copier Leases	Postage Meter Leases	Total Leases
	2015	\$ 43,296	\$ 3,608	\$ 46,904
	2016	43,296	3,608	46,904
	2017	-	873	873
Totals		<u>\$ 86,592</u>	<u>\$ 8,089</u>	<u>\$ 94,681</u>

(1) Unaudited.

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Table 13 includes unaudited financial information for the most recently concluded fiscal year, pending completion and availability of audited financial statements.

TABLE 13 – GENERAL FUND REVENUES AND EXPENDITURE HISTORY ⁽¹⁾

	Fiscal Year Ending December 31,				
	2015 ⁽¹⁾	2014	2013	2012	2011
Revenues:					
Property Taxes	\$ 10,026,701	\$ 9,958,849	\$ 8,641,170	\$ 8,075,079	\$ 7,568,140
Licenses and Permits	-	65,883	125	1,107	397
Intergovernmental Revenue and Grants	511,438	168,422	44,090	41,304	115,874
Charges for Services	536,948	931,938	733,991	816,861	760,457
Investment Earnings	151,100	55,733	29,847	27,206	17,777
Rents and Royalties	729,726	398,846	401,352	396,900	342,447
Contributions and Donations from Private Sources	44,000	-	-	-	-
Other Revenue	55,587	231,489	470,428	459,746	438,512
Total Revenues	\$ 12,055,500	\$ 11,811,160	\$ 10,321,003	\$ 9,818,203	\$ 9,243,604
Expenditures:					
General Government	\$ 3,669,104	\$ 3,587,774	\$ 5,384,842	\$ 5,048,594	\$ 4,942,918
Public Safety	3,493,273	3,404,076	2,757,130	2,822,651	2,526,933
Health and Welfare	1,258,256	836,350	-	-	-
Culture and Recreation	1,188,803	228,147	58,719	637,275	101,142
Capital Outlay	617,726	2,337,768	194,451	111,733	313,425
Total Expenditures	\$ 10,227,162	\$ 10,394,115	\$ 8,395,142	\$ 8,620,253	\$ 7,884,418
Excess of Revenues over Expenditures	\$ 1,828,338	\$ 1,417,045	\$ 1,925,861	\$ 1,197,950	\$ 1,359,186
Other Financing Sources (Uses):					
Insurance Proceeds	\$ 5,205	\$ 1,955,808	\$ -	\$ -	\$ -
Sale of Real and Personal Property	28,463	5,273	1,544	-	-
Transfer In	-	-	-	2,861,898	2,497,339
Transfer Out (Use)	(565,692)	(866,529)	(500,000)	(2,821,898)	(2,497,339)
Total Other Financing Sources (Uses)	\$ (532,024)	\$ 1,094,552	\$ (498,456)	\$ 40,000	\$ -
Net Change in Fund Balances	\$ 1,296,314	\$ 2,511,597	\$ 1,427,405	\$ 1,237,950	\$ 1,359,186
Fund Balance Beginning January 1	\$ 13,460,203	\$ 10,948,606	\$ 9,521,201	\$ 8,283,252	\$ 6,924,066
Fund Balance Ending December 31	\$ 14,756,517	\$ 13,460,203	\$ 10,948,606	\$ 9,521,202	\$ 8,283,252

(1) Unaudited.

TABLE 15 – CURRENT INVESTMENTS

As of April 30, 2014, the County's funds were invested as follows:

Description	Book Value	% of Total	Market Value	% of Total
Certificates of Deposit	\$ 10,147,938	54.00%	\$ 10,147,938	54.00%
Checking w/ Interest	8,645,272	46.00%	8,645,272	46.00%
	\$ 18,793,210	100.00%	\$ 18,793,210	100.00%