

BRAZOS COUNTY, TEXAS

Comprehensive Annual Financial Report

For The Year Ended September 30, 2014



Prepared by:

Katie Conner, C. P. A.
County Auditor



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TABLE OF CONTENTS

	<u>Page No.</u>
Table of Contents	i-v
 INTRODUCTORY SECTION	
County Auditor’s Letter of Transmittal	1-9
GFOA Certificate of Achievement	10
Principal Officials	11
Brazos County Organizational Chart	12
 FINANCIAL SECTION	
Independent Auditors’ Report	13-15
Management’s Discussion and Analysis (Unaudited)	16-27
 Basic Financial Statements:	
Government-wide Statement of Net Position	28-29
Government-wide Statement of Activities	30-31
Balance Sheet – Governmental Funds	32-33
Reconciliation of Balance Sheet of Governmental Funds to the Statement of Net Position	34
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	35-36
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	37
Statement of Net Position – Proprietary Funds	38
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	39
Statement of Cash Flows – Proprietary Funds	40
Statement of Fiduciary Assets and Liabilities – Fiduciary Funds	41
Notes to Basic Financial Statements	42-72
 Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget (GAAP Basis) and Actual – General Fund	73-86
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget (GAAP Basis) and Actual – Grant Fund	87
Retirement System and OPEB Schedules of Funding Progress	88
Notes to Required Supplementary Information	89-91

BRAZOS COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2014

TABLE OF CONTENTS

FINANCIAL SECTION (Continued)	<u>Page No.</u>
Supplementary Information	
Combining and Individual Fund Financial Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds -Summary	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds - Summary	93
Special Revenues:	
Combining Balance Sheet – Nonmajor Governmental Funds	94-99
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	100-105
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual:	
Hotel Occupancy Tax	106
State Lateral Road	107
Unclaimed Property	108
Law Library	109
Alternative Dispute Resolution	110
Law Enforcement Education	111
County Records Management and Preservation	112
County Clerk Records Management and Preservation	113
County Clerk Archival	114
Courthouse Security	115
Justice Court Security	116
District Clerk Records Management and Preservation	117
District Clerk Archival	118
Justice of the Peace Technology	119
County & District Court Technology	120
Special Forfeitures	121
District Attorney Hot Check Collection	122
Bail Bond Board Fees	123
Voter Registration	124
Vehicle Inventory Tax Interest	125
Sheriff Department Crime	126
District Attorney Crime	127
Primary Election Service	128

BRAZOS COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2014

TABLE OF CONTENTS

FINANCIAL SECTION (Continued)	<u>Page No.</u>
Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual.....	129
Capital Project Funds:	
Combining Balance Sheet.....	130
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	131
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual:	
Capital Improvement	132
Expo Center Expansion	133
Jail Expansion	134
CO 2012	135
Proprietary Fund Type:	
Internal Service Fund:	
Health and Life Insurance – Statement of Net Position.....	136
Health and Life Insurance – Schedule of Revenues, Expenses and Changes in Fund Net Position – Budget (GAAP Basis) and Actual	137
Health and Life Insurance – Statement of Cash Flows.....	138
Fiduciary Fund Types:	
Agency Funds - Combining Balance Sheet	139
Agency Funds - Combining Statement of Changes in Assets and Liabilities	140-141

BRAZOS COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2014

TABLE OF CONTENTS

STATISTICAL SECTION	<u>Table No.</u>	<u>Page No.</u>
Financial Trends		
Net Position by Component	I	142
Changes in Net Position.....	II	143-144
Fund Balances, Governmental Funds	III	145
Changes in Fund Balance, Governmental Funds.....	IV	146-147
Revenue Capacity		
Assessed Value and Actual Value of Taxable Property	V	148
Direct and Overlapping Property Tax Rates.....	VI	149
Principal Property Taxpayers.....	VII	150
Property Tax Levies and Collections.....	VIII	151
Debt Capacity		
Ratios of Outstanding Debt by Type	IX	152
Ratios of General Bonded Debt Outstanding	X	153
Direct and Overlapping Governmental Activities Debt	XI	154
Legal Debt Margin Information.....	XII	155-156
Pledged – Revenue Coverage	XIII	157
Demographic and Economic Information		
Demographic and Economic Statistics	XIV	158
Principal Employers.....	XV	159
Operating Information		
County Employees by Function.....	XVI	160
Operating Indicators by Function/Program	XVII.....	161
Capital Asset and Infrastructure Statistics by Function.....	XVIII.....	162
Debt Service		
General Long Term Debt Payable by Issue	XIX	163-164
Debt Retirement by Years.....	XX	165-167
Revenues, Expenditures, Restricted Fund		
Balance and Respective Debt Service Tax Rates	XXI	168

BRAZOS COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2014

TABLE OF CONTENTS

Page No.

**INDEPENDENT AUDITORS' REPORTS ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	169-170
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133 and the <i>State of Texas Single Audit Circular</i>	171-172
Schedule of Expenditures of Federal and State Awards for the Year Ended September 30, 2014.....	173-175
Notes to the Schedule of Expenditures of Federal and State Awards for the Year Ended September 30, 2014	176
Schedule of Findings and Questioned Costs for the Year Ended September 30, 2014	177-178
Schedule of Findings and Questioned Costs for the Year Ended September 30, 2014 – Status of Prior Year Findings and Questioned Costs.....	179



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**Office of the Brazos County Auditor
Brazos County Courthouse**

200 East S. Texas Avenue – Suite 218

Bryan, Texas 77803

(979) 361-4350

Fax (979) 361-4188

Email: kconner@co.brazos.tx.us

March 12, 2015

The Honorable Board of District Judges
The Honorable Commissioners' Court

Honorable Judges and Commissioners of Brazos County, Texas:

In compliance with Section 114.025 of the Texas Local Government Code, the Comprehensive Annual Financial Report of Brazos County, Texas (the "County") for the fiscal year ended September 30, 2014, is hereby submitted.

This report consists of management's representation concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the basic financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the basic financial statements will be free from material misstatement. The responsibility for internal controls is shared by the Commissioners' Court, which is the governing body, the County Auditor, who is appointed by the District Judges, and the County Treasurer. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. We assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's basic financial statements have been audited by Ingram, Wallis & Company, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for the fiscal year ended September 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used, and evaluating the overall financial statement presentation. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of Brazos County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to

report not only on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are contained in the section titled "Independent Auditors' Reports on Compliance and on Internal Control over Financial Reporting".

Generally accepted accounting principles require a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The introduction includes this transmittal letter, the County's organizational chart and a list of principal officials. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Brazos County's MD&A can be found immediately following the report of the independent auditors. The financial section also includes government-wide financial statements, fund financial statements, notes to the basic financial statements, required supplementary information and the combining and individual fund financial statements and schedules in addition to the report of the independent auditors. The statistical section of this report includes selected financial and demographic information, which is generally presented on a multi-year basis.

PROFILE OF BRAZOS COUNTY

Geographic Information

Brazos County is located in East Central Texas, in an area bounded on all sides by large metropolitan areas. Dallas-Ft. Worth is 180 miles to the north, Houston 95 miles to the southeast, Austin 104 miles to the west, and San Antonio 166 miles to the southwest. There are two major cities in the County that make up the business and cultural center, Bryan and College Station. They have a combined population of approximately 175,000.

The County lies in what is often referred to as the "Post Oak Belt," where fields, valleys and rolling green hills have an abundance of trees including post oak, live oak, red oak, elm and hickory. It comprises 588 square miles of rolling prairie and woodland with elevations that range from 200 to 350 feet above sea level.

County Structure and Services

The County is a public corporation and a political subdivision of the State of Texas. The general governing body of the County is the elected five-member Commissioners' Court in accordance with Article 5 Paragraph 18 of the Texas Constitution. Commissioners serve four-year staggered terms, two members elected every two years. The County Judge is elected at large to serve a four-year term.

The Commissioners' Court sets the tax rates, establishes policies for County operations, approves contracts for the County and develops and adopts the County budget within the resources as estimated by the County Auditor. The Commissioners' Court is also responsible for development of policies and procedures, approving financial commitments and appointment of various department heads. The management and leadership provided by members of the Commissioners' Court and the elected and appointed officials of other key County offices is crucial to the success of the County in financial management and growth.

The County Auditor has responsibilities for prescribing the systems and procedures for handling the finances of the County and “examining, auditing and approving” all disbursements from County funds prior to their submission to the Commissioners’ Court for approval.

The County provides a full range of services as authorized by the Constitution and Statutes of the State of Texas. The primary functions include general government, justice system, law enforcement, juvenile services, public transportation, public health, human services, and debt service.

Budget Process

The annual budget serves as the foundation of the County’s planning and control. Budget hearings are posted annually in July with the final budget approved by the Commissioners’ Court following the hearings. After adoption of the budget by the Commissioners’ Court, the County Auditor is responsible for ensuring expenditures are made in compliance with budgeted appropriations. The final budget includes contingency and emergency reserves line items. Most appropriated budgets are prepared by fund, function, department and classification. Capital expenditures are approved on a line item basis. All budget transfers between departments must follow special approval processes. Budget to actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. Encumbrances are utilized to ensure effective budgetary control and accountability, and all outstanding encumbrances lapse at fiscal year-end.

Primary Government and Related Organizations

The Governmental Accounting Standards Board defines the reporting entity as the primary government and its component units. Brazos County is a primary governmental unit, and the financial statements include all funds, agencies, boards, commissions and authorities for which the elected officials of the County are financially accountable. The statements include all items that, by the nature and significance of the relationship between the entity and the County, are such that their exclusion from the financial reporting format would render the financial statements misleading or incomplete.

The Brazos County Juvenile Services functions under the umbrella and control of the Commissioners’ Court, for which the Commissioners’ Court has fiscal responsibility. It has an independent board that provides operational control. This entity is not legally separate from the County and is included in the operations and activities of the County’s General Fund. The Commissioners’ Court approves the operating budgets and the expenditures of this entity. Operational funding is derived from state, federal, and local funds.

The Brazos County Health Facilities Development Corporation, the Brazos County Industrial Development Corporation and the Brazos County Housing Finance Corporation are related organizations to the County. These corporations were created by resolutions of the Commissioners’ Court to enable the various third party organizations the ability to issue tax-exempt bonds to provide low cost funding to promote and improve the health and welfare of the public. The tax-exempt bonds issued by these corporations do not constitute a debt or a pledge of faith or credit of the corporation or the County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. Each corporation is governed by a Board of Directors made up of members of the Commissioners’ Court. None of the corporations are reported in the County’s financial statements.

The Brazos Valley Fair & Exposition is another related organization to the County. This 501(c)3 organization was established for educational, scientific and charitable purposes in 2010 and is currently governed by a seven member Executive Committee which was appointed by the Brazos County Commissioners' Court.

FACTORS AFFECTING FINANCIAL CONDITION

The official census for 2010 established the population of the County at 194,851, which is up from 152,415 in 2000. The 28% increase is larger than the overall growth of Texas (21%) in the past decade.

In September 2014, Brazos County had an unemployment rate of 3.8% compared to a Texas statewide unemployment rate of 5.0% for the same month. The unemployment rate at September 2013 was 5.2 %. As of September 2014, the labor force figures for the County, as established by the Texas Workforce Commission, are 105,562 of which 101,511 are currently employed. The following schedule is an estimate of the number of employees and the corresponding percentage per industry as of September 2014.

The employment base of the area by industry classification is as follows:

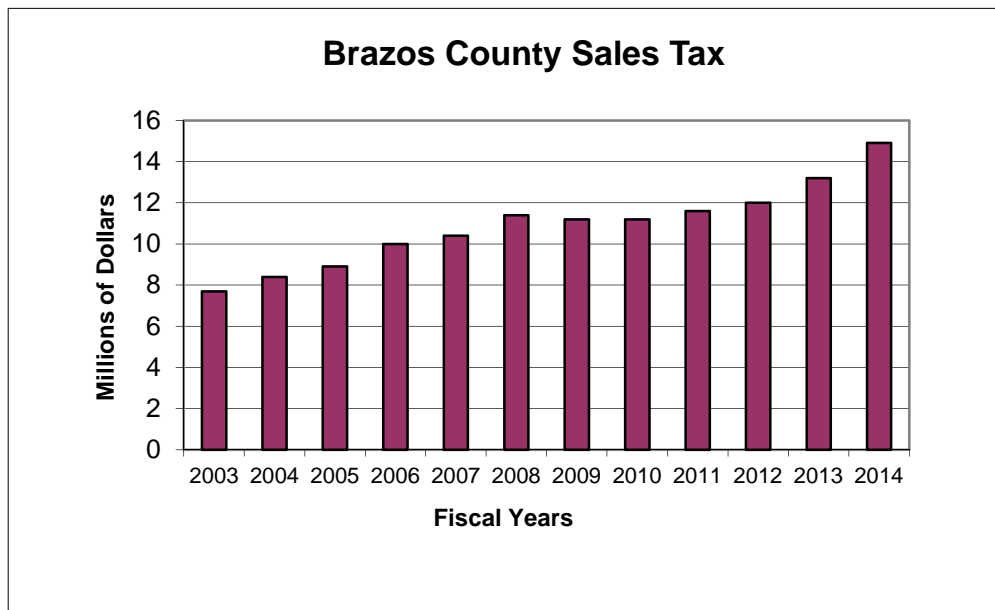
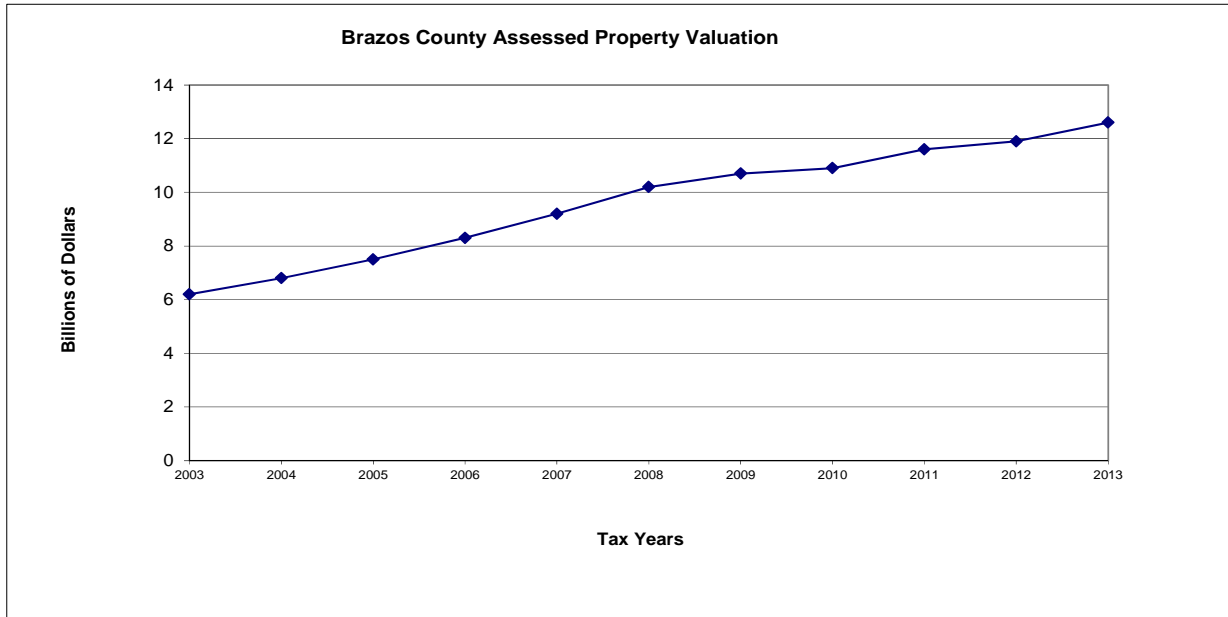
<u>Employer Group</u>	<u>Number Of Employees</u>	<u>Percentage</u>
State, Local, Federal Government	35,900	34%
Trade, Transportation and Utilities	16,000	15%
Education and Health Services	10,900	10%
Leisure and Hospitality	13,600	13%
Natural Resources, Mining and Construction	7,900	8%
Professional and Business Services	6,900	7%
Manufacturing	5,600	5%
Financial Activities	3,900	4%
Other Services	3,600	3%
Information	<u>1,400</u>	<u>1%</u>
TOTAL	<u>105,700</u>	<u>100%</u>

Source: Texas Workforce Commission

According to the recent Employment Statistics Highlights released by the Bureau of Labor Statistics of the United States Department of Labor, job gains in 2014 were widespread. From October 2013 to September 2014 the area has added approximately 2,200 government jobs, and 3,700 private sector jobs, reflecting the trend.

According to the Real Estate Center at Texas A&M University, the Bryan-College Station area showed strong sales growth in its real estate market in 2014. Home sales in the area increased 7% for 2014 compared to 2013 and the average sale price for houses in this area increased about 4%.

The County's assessed property valuation for tax year 2013 increased 5.3% compared to tax year 2012. Sales tax receipts for fiscal year 2014 increased 12.6% compared to fiscal year 2013. The following charts show the changes in the two categories:



Brazos County is the home of Texas A&M University, the sixth largest university in enrollment in the United States. Opened in 1876 as Texas' first public institution of higher learning, Texas A&M University is the research-intensive flagship university with more than 50,000 undergraduates and 10,000 graduate students studying in over 120 undergraduate and 240 graduate degree programs in 16 colleges and schools. The faculty and graduate students of Texas A&M University conduct about \$820 million in research expenditures. The University has an endowment valued at more than \$5 billion, which ranks fourth among U.S. public universities and 10th overall. More than 1,200 public events are hosted through the University each year. The presence of Texas A&M has consistently provided incentive for residential development and growth and offered the area some insulation from adverse economic effects.

The University's main campus is one of the largest in America, spanning 5,200 acres and has the distinction of providing space for the George Bush Presidential Library Center and the George Bush School of International Study. The Library provides a tremendous research center, and hosted in excess of 145,000 visitors in 2014. This facility, along with the 324-acre University Research Park, provides an attraction for both national and international visitors.

The University's football stadium, Kyle Field, is undergoing its largest renovation in history, which, when completed in 2015, will bring its seating capacity to 102,500. The estimated cost of the renovation is about \$500 million.

In addition to the four-year program Texas A&M offers, Blinn College offers a two-year program at two locations: the main campus in Brenham and a branch location in Bryan. Both locations offer various technical certificates and associates degrees in arts and sciences. The Bryan location offers the same programs and degrees as the main campus, but also takes part in a joint collaborative effort with Texas A&M University. About 13,600 students enrolled in Blinn's Bryan campus for the fall semester of 2014. Blinn's Bryan campus adds \$247.4 million into the Brazos County economy according to a study conducted by Economic Modeling Specialists, Inc.

Brazos County is a member of the Research Valley Partnership (the RVP, www.researchvalley.org), a private, non-profit economic development corporation dedicated to promoting the seven county area surrounding Brazos County and the cities of Bryan and College Station. The RVP focuses its efforts on creating jobs and new investments primarily in the industry sectors of technology transfer/research development, information technology, life sciences and biotechnology, corporate and regional headquarters operation, value-added agricultural processing, customer support, manufacturing and logistics.

One of the key factors in the progress of the RVP has been its ability to utilize and market the large skilled workforce in the areas surrounding Texas A&M University which includes students, faculty, researchers and technological innovators and entrepreneurs. The development of the BioCorridor area has been a focus under the leadership of the Research Valley Partnership. A unique vision has emerged for biotechnology, encompassing research, preclinical studies, clinical studies and manufacturing all in one corridor. Many of the elements are already in place: the Texas A&M Institute for Genomic Medicine, the Texas A&M Institute for Preclinical Studies, the Texas A&M Health Science Center, the National Center for Therapeutic Manufacturing and Project GreenVax all have an established presence in this area. The momentum and vision for the BioCorridor continues to grow.

Brazos County partnered with the City of Bryan to create the City of Bryan and Brazos County Economic Development Foundation, Inc. The County is looking forward to drawing quality businesses, encouraging and maintaining employment, and expanding both entities' tax base through Foundation activities. The industrial site, formed by the 1,000-acre tract of land and outfitted with infrastructure and utilities, is marketed as the Texas Triangle Park, named for its excellent geographic location. Currently, two companies, Axis Pipe and Tube and Kristen Distributing Company, are in full operation in the park. Axis Pipe and Tube recently closed on an adjacent 100-acre tract of land in the park.

CAPITAL IMPROVEMENT PROGRAM

In 2014, the Commissioners' Court of Brazos County continued the strategic planning program concerning capital improvements and expansion that was begun in 1996. This program focuses on meeting current and future needs of the County.

During 2014, the County continued the construction of County roads to connect major thoroughfares. The Commissioners' Court has continued to provide adequate funding so that the road and bridge improvement program to upgrade and widen rural County roads could be continued. The program has been in place since 1996 and the Commissioners' Court appropriated a public transportation budget for fiscal year 2014 to include \$9.9 million (includes personnel services, supplies and other charges, contingencies, repairs and maintenance, minor acquisitions, contract services, and professional services) for routine maintenance and \$3.5 million for improvements and upgrades. The County expended approximately \$8.1 million dollars in maintaining the roads and upgraded and reconstructed roads at a cost of over \$1.9 million dollars during the year.

The County issued \$9.7 million of certificates of obligation in October 2012 to fund the County courthouse renovation project and the new tax office building construction. The courthouse renovation project has at least six phases and is expected to be completed in 2016. The estimated cost in 2015 is about \$8.1 million. Once the renovation is finished, the courthouse building will provide more courtroom spaces and house three district courts, two county courts, the County Attorney's Office, the District Attorney's Office, the County Clerk's Office and the District Clerk's Office. The construction of the new Tax Office building started in fiscal year 2011 and is expected to be completed in 2015. The estimated cost for the building is \$4.1 million.

FINANCIAL POLICIES AND LONG-TERM FINANCIAL PLANNING

The County has adopted an investment policy as required by state law and in conformity with state investment statutes. The investment policy as adopted by the County employs the prudent person concept in that priorities were established as to the investment vehicles the County would use. Safety was established as the first priority, followed by liquidity, low risk and diversification. The County Treasurer is responsible for administering all of the investment of idle funds in the County. At September 30, 2014, the County had cash and cash equivalents of \$74.7 million in governmental and business-type activities, the majority of which was invested in the County's depository. For the last several years, the County's depository has provided better interest rates than comparable liquid investments. At September 30, 2014, the County also had \$2.4 million

invested in a state wide investment pool. During the fiscal year, the County earned approximately \$210,000 interest.

Debt administration is monitored through the Debt Service Fund. The County has never defaulted on the payment of principal or interest on its bonds or certificates of obligation. At September 30, 2014, the County had been assigned a bond rating of AA by Standard & Poor's Rating Service. In compliance with the requirements of the bond order and certificates of obligation agreements, the County maintains separate accountability. The tax rate set each year is calculated to provide sufficient funding to meet current year obligations. At September 30, 2014, the County has \$6.2 million reserved in the Debt Service Fund to meet future obligations.

The County is responsible for establishing its tax rate. For the fiscal year ended September 30, 2014, the tax rate to finance general governmental services was \$0.4168 per \$100 valuation and the tax rate for the payment of principal and interest on long-term debt was \$0.0707 per \$100 of valuation. For the fiscal year ended September 30, 2015, the tax rate to finance general government services is \$0.4226 per \$100 valuation and the tax rate for the payment of principal and interest on long-term debt is \$0.0624 per \$100 of valuation.

In addition, the County also has the following financial policies:

- The Commissioners' Court of the County shall review and formally adopt the annual budget prepared by the Budget Officer.
- Expenditures are controlled to not exceed available resources. All elected officials and department heads are required to keep expenditures within allocated budgets.
- Balanced financial operations will be maintained. Adequate internal accounting controls are developed and maintained to safeguard assets and provide reasonable assurance of proper recording of financial transactions.
- Technological solutions are used to improve operations.
- Provide an equitable justice system that is responsive to the needs of the County. The County continues its effort on the replacement of the current judicial software.
- Delivery of service to the constituents.
- Take advantage of the low market price on construction work to satisfy the County's needs on capital improvements and expansion.
- Restrain the debt issuance to keep the tax rate low.
- Maintain full disclosure and open lines of communication with the rating agencies and seek to obtain a high debt rating with a stable outlook.

Significant budget initiatives in fiscal year 2014 included:

- The County added ten full-time positions in various County departments and approved a 1% merit pay allowance.
- The County is in the process of acquiring a visual visitation system for inmates to allow them to be able to visit with families, attorneys, and probation officers via video link. The funding will come from various sources, including the remaining funds of the 2008 general obligation bonds and transfers from the inmate jail commissary fund and capital improvement fund.
- The County continued the courthouse renovation project and construction of the new tax office building with funding from the capital improvement fund and the debt issuance of Certificates of Obligation, Series 2012.

CERTIFICATE OF ACHIEVEMENT

This report has been prepared following the guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada. The GFOA awards a certificate of achievement to those governments whose annual financial reports are judged to conform substantially to high standards of public financial reporting, including generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. The County has been awarded the Certificate of Achievement for its annual financial report since 1988. The report has historically presented the financial information of the County in an easily readable and efficient manner. A Certificate of Achievement is valid for one year. This office believes that the current year report continues to meet the program standards, and it will be submitted to the GFOA to determine County eligibility for another certificate.

We wish to express our thanks to the Commissioners' Court and the District Judges for their support and interest in planning and conducting the financial affairs of the County in a responsible and professional manner. This report could not have been completed in a timely manner without the dedicated efforts of all County elected officials, the Commissioners' Court, the County Auditor's staff, and the independent auditors, Ingram, Wallis & Company, P. C.

Respectfully submitted,

A handwritten signature in cursive script that reads "Katie Conner".

Katie Conner
County Auditor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Brazos County
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

BRAZOS COUNTY, TEXAS
PRINCIPAL OFFICIALS
September 30, 2014

Commissioners' Court:

Duane Peters
Lloyd Wassermann
Sammy Catalena
G. Kenny Mallard, Jr.
Irma Cauley

County Judge
Commissioner, Precinct 1
Commissioner, Precinct 2
Commissioner, Precinct 3
Commissioner, Precinct 4

District Court:

J. D. Langley
Travis Bryan, III
Steve Smith

Judge, 85th Judicial District
Judge, 272nd Judicial District
Judge, 361st Judicial District

County Court-at-Law:

Amanda Matzke
James Locke

Judge, County Court-at-Law No. 1
Judge, County Court-at-Law No. 2

Law Enforcement and Correction:

Christopher C. Kirk
Rodney Anderson
Jarvis Parsons
Doug Vance *
John McGuire *

Sheriff
County Attorney
District Attorney
Chief Juvenile Probation Officer
Chief Adult Probation Officer

Financial Administration:

Laura Davis
Kristeen Roe
Katie Conner *

Treasurer
Tax Assessor-Collector
Auditor

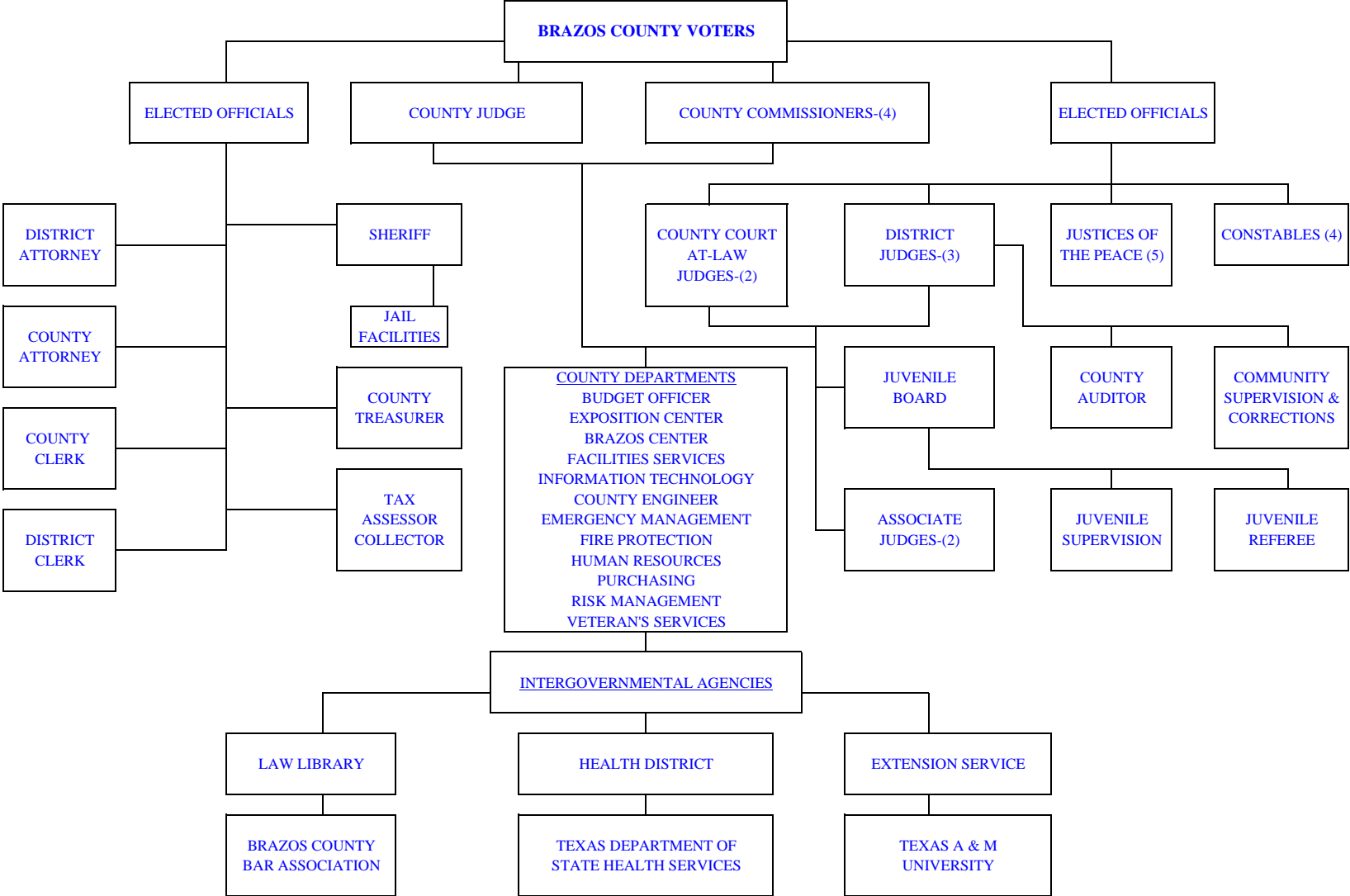
Recording Offices:

Karen McQueen
Marc Hamlin

County Clerk
District Clerk

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

BRAZOS COUNTY ORGANIZATIONAL CHART



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Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Honorable Duane Peters, County Judge
and the Honorable County Commissioners
of Brazos County, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Brazos County, Texas (the "County"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the County's 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.

Auditor's 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.

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, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, retirement system information, other post employment benefits information, infrastructure condition data, and budgetary comparison information on pages 16 through 27 and 73 through 91 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 the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State of Texas Single Audit Circular*, issued by the Office of the Governor of the State, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison 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, budgetary comparison 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 12, 2015, on our consideration of the County's 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 the County's internal control over financial reporting and compliance.

Ingram, Waller, Cuyper

Bryan, Texas
March 12, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

For the Year Ending September 30, 2014

This section of the Brazos County comprehensive annual financial report presents management's discussion and analysis ("MD&A") of the financial performance of the primary government during the fiscal year ended September 30, 2014. Please read the MD&A in conjunction with the transmittal letter at the front of this report and the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statements

- The total government-wide assets (and deferred outflows of resources) of the County exceeded the liabilities (and deferred inflows of resources) by \$161,817,323 at September 30, 2014, and are reported as the total net position of the primary government. This is comparable to the total net position of \$151,908,530 at September 30, 2013.
- The government-wide total net position increased \$9,908,793 during the fiscal year ending September 30, 2014. The net position from the governmental activities increased \$9,906,585 while the net position from business-type activities increased \$2,208.
- Total net position of the primary government are comprised of the following:

<u>Net Position by Category</u>	<u>September 30, 2014</u>	<u>% to Total</u>	<u>September 30, 2013</u>	<u>% to Total</u>
Net Investment in Capital Assets	\$ 135,595,244	84%	\$ 130,282,741	86%
Restricted	15,302,060	9%	19,544,730	13%
Unrestricted	10,920,019	7%	2,081,059	1%
Total Net Position	<u>\$ 161,817,323</u>	<u>100%</u>	<u>\$ 151,908,530</u>	<u>100%</u>

Fund Financial Statements

- As of September 30, 2014, the County governmental funds reported combined fund balances of \$64,624,661. This reflects an increase of \$5,139,638 from the previous fiscal year, primarily due to more tax revenue collected for the year. \$40,130,516 or 62% of the combined fund balances at September 30, 2014 are available to meet the County's current and future needs (unassigned fund balances).
- At the end of the fiscal year, the unassigned fund balance of the County's General Fund was \$40,130,516 or 58% of the General Fund's total expenditures and 50% of the revenues.
- The total fund balance for the nonmajor governmental funds was \$15,104,329 at September 30, 2014. Of this amount, \$4,329,055 is restricted by the legislature, \$4,430,433 is restricted by bond covenant, and \$6,344,841 is assigned to support various capital improvement projects of the County.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements – These are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business. They include a Statement of Net Position and a Statement of Activities. Both of these statements are presented using the accrual method of accounting; therefore, revenues and expenses are taken into account regardless of when cash is received or paid.

The statement of net position presents information on all County assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. However, other non-financial factors, such as changes in the County's property tax base and the condition of the County's roads, should be considered to assess the overall health of the County.

The statement of activities presents information showing how 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 reported in this statement may result in cash flows in future fiscal periods.

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, justice system, law enforcement, juvenile services, public transportation, public health and human services. The business-type activities of the County include the business-type of operation of the County Attorney and the Jail Commissary activities.

Fund Financial Statements – Funds are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Because the focus of governmental funds is narrower than 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 30 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General, Debt Service, and Grant funds, which are considered to be major funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules elsewhere in this report.

Proprietary Funds are maintained two ways. An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for the county attorney administration of the returned check activities and the jail commissary activities. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its administration of the County's self-insurance programs for health services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

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 statements because the resources of those funds are not available to support the County's own programs. The County's only fiduciary funds are agency funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 42-72 of this report.

Required Supplementary Information is presented concerning the budgetary schedules of the County's General Fund and Grant Fund. The schedules, which include the original and final amended budget and actual figures, have been provided to demonstrate compliance with this budget. Also presented in this section are the Schedule of Funding Progress for Other Post Employment Benefits and the Schedule of Funding Progress for Texas County and District Retirement System. The condition assessment information for county roads and bridges can also be found in this section. Required supplementary information can be found on pages 73-91 of this report.

Combining and Individual Fund Schedules provide information for nonmajor governmental funds, internal service funds and agency funds and are presented immediately following the required supplementary information. The combining/individual fund statements and schedules including budgetary comparison can be found on pages 92-141 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time, net position may serve as a useful indicator of a government's financial position. The total net position of the County was \$161,817,323 for fiscal year 2014 and \$151,908,530 for fiscal year 2013.

Condensed Statement of Net Position September 30, 2014

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Current and other assets	\$ 85,833,165	\$ 497,701	\$ 86,330,866
Capital assets, net	222,364,724	39,176	222,403,900
Total assets	308,197,889	536,877	308,734,766
Deferred outflows of resources	1,032,653	-	1,032,653
Total deferred outflows of resources	1,032,653	-	1,032,653
Current and other liabilities	14,873,541	16,465	14,890,006
Long-term liabilities	133,060,090	-	133,060,090
Total liabilities	147,933,631	16,465	147,950,096
Net position:			
Net investment in capital assets	135,556,068	39,176	135,595,244
Restricted	15,302,060	-	15,302,060
Unrestricted	10,438,783	481,236	10,920,019
Total net position	\$ 161,296,911	\$ 520,412	\$ 161,817,323

Condensed Statement of Net Position September 30, 2013

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Current and other assets	\$ 79,402,032	\$ 503,118	\$ 79,905,150
Capital assets, net	217,157,684	41,774	217,199,458
Total assets	296,559,716	544,892	297,104,608
Deferred outflows of resources	905,415	-	905,415
Total deferred outflows of resources	905,415	-	905,415
Current and other liabilities	13,025,039	26,688	13,051,727
Long-term liabilities	133,049,766	-	133,049,766
Total liabilities	146,074,805	26,688	146,101,493
Net position:			
Net investment in capital assets	130,240,967	41,774	130,282,741
Restricted	19,544,730	-	19,544,730
Unrestricted	1,604,629	476,430	2,081,059
Total net position	\$ 151,390,326	\$ 518,204	\$ 151,908,530

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The largest portion of the County's current fiscal year net position (84%) reflects its investment of \$135,595,244 in capital assets (e.g., land, buildings, equipment, and infrastructure, net of accumulated depreciation), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

The restricted net position of \$15,302,060 (9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of the unrestricted net position, \$10,920,019 (7%) may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the County was able to report positive balances in all three categories of net position for its governmental and business-type activities. The same situation held true for the prior fiscal year. The County's net position increased by \$9,908,793 as a result of fiscal year 2014 operations. It is primarily attributable to the increase in various tax collections.

The following table indicates changes in net position for governmental and business-type activities:

Condensed Statement of Activities			
For the Year Ended September 30, 2014			
	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 15,647,235	\$ 743,996	\$ 16,391,231
Operating grants and contributions	2,768,837	-	2,768,837
Capital grants and contributions	3,382,238	-	3,382,238
General revenues:			
Property taxes	60,333,777	-	60,333,777
Sales taxes	14,900,374	-	14,900,374
Motor vehicle taxes	1,519,577	-	1,519,577
Mixed drink taxes	532,822	-	532,822
Hotel occupancy taxes	2,441,385	-	2,441,385
Unrestricted investment earnings	209,089	1,055	210,144
Gain on sale of capital assets	34,889	-	34,889
Total revenues	<u>101,770,223</u>	<u>745,051</u>	<u>102,515,274</u>
Expenses:			
General Government	22,017,696	-	22,017,696
Justice System	21,308,471	18,378	21,326,849
Law Enforcement	22,530,372	624,465	23,154,837
Juvenile Services	6,022,762	-	6,022,762
Public Transportation	8,831,911	-	8,831,911
Public Health	1,756,849	-	1,756,849
Human Services	5,993,599	-	5,993,599
Interest and Other Fees	3,501,978	-	3,501,978
Total expenses	<u>91,963,638</u>	<u>642,843</u>	<u>92,606,481</u>
Increase in net position before transfers	9,806,585	102,208	9,908,793
Transfers	100,000	(100,000)	-
Change in net position	9,906,585	2,208	9,908,793
Net position - beginning	151,390,326	518,204	151,908,530
Net position - ending	<u>\$ 161,296,911</u>	<u>\$ 520,412</u>	<u>\$ 161,817,323</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Condensed Statement of Activities For the Year Ended September 30, 2013

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 15,365,681	\$ 695,534	\$ 16,061,215
Operating grants and contributions	2,735,111	-	2,735,111
Capital grants and contributions	7,124,595	-	7,124,595
General revenues:			
Property taxes	57,572,056	-	57,572,056
Sales taxes	13,230,652	-	13,230,652
Motor vehicle taxes	1,409,741	-	1,409,741
Mixed drink taxes	534,150	-	534,150
Hotel occupancy taxes	1,527,027	-	1,527,027
Unrestricted investment earnings	414,701	1,228	415,929
Total revenues	<u>99,913,714</u>	<u>696,762</u>	<u>100,610,476</u>
Expenses:			
General Government	21,362,907	-	21,362,907
Justice System	18,083,021	19,401	18,102,422
Law Enforcement	21,880,880	558,746	22,439,626
Juvenile Services	5,978,536	-	5,978,536
Public Transportation	6,457,965	-	6,457,965
Public Health	1,798,582	-	1,798,582
Human Services	5,523,897	-	5,523,897
Interest and Other Fees	4,318,458	-	4,318,458
Total expenses	<u>85,404,246</u>	<u>578,147</u>	<u>85,982,393</u>
Change in net position	14,509,468	118,615	14,628,083
Net position - beginning, as restated	<u>136,880,858</u>	<u>399,589</u>	<u>137,280,447</u>
Net position - ending	<u>\$ 151,390,326</u>	<u>\$ 518,204</u>	<u>\$ 151,908,530</u>

Revenue Analysis

For fiscal year ended September 30, 2014, revenues for the primary government totaled \$102,515,274. The revenues are categorized by activity type: governmental activities totaled \$101,770,223 and business-type activities totaled \$745,051.

Program revenues are derived from the program itself and thereby reduce the cost of the function to the County. Total program revenues were \$22,542,306 and 22% of total revenues. Of that \$21,798,310 is from governmental activities, which represents the fees collected by the tax collector, the clerks of the courts and other departments. The business-type charges for services were \$743,996, which represents primarily commissary sales to the inmates held in County jails. The largest portion of program revenues is charges for services of \$16,391,231 (16% of the total revenues). The other portions of program revenues are operating grants and contributions of \$2,768,837 and \$3,382,238 capital contributions from various federal, state and local agencies, which in total are 6% of the total revenues.

General revenues are revenues that cannot be assigned to a specific function. Property taxes of \$60,333,777 were the largest revenue source for governmental activities and 59% of total revenues. Besides the property taxes, the general revenues also consist of sales taxes, motor vehicle taxes, mixed drink taxes, hotel occupancy taxes, investment earnings and gain on sale of capital assets, which in total are \$19,639,191 or 19% of the total revenues.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Revenue Analysis (Continued)

	<u>Year Ended</u> <u>September 30, 2014</u>		<u>Year Ended</u> <u>September 30, 2013</u>	
<u>Program Revenues</u>				
Charges for services - governmental	\$ 15,647,235	15.2%	\$ 15,365,681	15.3%
Charges for services - business-type	743,996	0.7%	695,534	0.7%
Operating grants and contributions	2,768,837	2.7%	2,735,111	2.7%
Capital grants and contributions	3,382,238	3.3%	7,124,595	7.1%
<u>General Revenues</u>				
Property taxes	60,333,777	58.9%	57,572,056	57.2%
Sales taxes	14,900,374	14.5%	13,230,652	13.2%
Motor vehicle taxes	1,519,577	1.5%	1,409,741	1.4%
Mixed drink taxes	532,822	0.5%	534,150	0.5%
Hotel occupancy taxes	2,441,385	2.4%	1,527,027	1.5%
Unrestricted investment earnings	210,144	0.2%	415,929	0.4%
Gain on sale of capital assets	34,889	0.1%	-	0.0%
Total Revenues	\$ 102,515,274	100.0%	\$ 100,610,476	100.0%

In fiscal year 2014, the County's revenues increased by \$1.9 million, or 1.9 percent as a result of a higher collection in property tax and sales tax. The property tax revenue for fiscal year 2014 increased \$2.7 million from fiscal year 2013 in correlation to the increase in the County's taxable assessed property values. The sales tax increased by \$1.7 million from the previous year.

Expense Analysis

For the year ended September 30, 2014, the function and program expenses for the primary government were \$91,963,638 for the governmental activities and \$642,843 for the business-type activities. A comparative overview of expenses for the County's primary government for the current and previous year is as follows:

	<u>Year Ended</u> <u>September 30, 2014</u>		<u>Year Ended</u> <u>September 30, 2013</u>	
<u>Function</u>				
General Government	\$22,017,696	23.9%	\$ 21,362,907	25.0%
Justice System	21,308,471	23.2%	18,083,021	21.2%
Law Enforcement	22,530,372	24.5%	21,880,880	25.6%
Juvenile Services	6,022,762	6.6%	5,978,536	7.0%
Public Transportation	8,831,911	9.6%	6,457,965	7.5%
Public Health	1,756,849	1.9%	1,798,582	2.1%
Human Services	5,993,599	6.5%	5,523,897	6.5%
Interest and Other Fees	3,501,978	3.8%	4,318,458	5.1%
Total Governmental Activities	\$91,963,638	100.0%	\$ 85,404,246	100.0%
<u>Business-Type Activities</u>				
County Attorney Operating Fund	\$ 18,378	2.9%	\$ 19,401	3.4%
Jail Commissary Fund	624,465	97.1%	558,746	96.6%
Total Business-Type Activities	\$ 642,843	100.0%	\$ 578,147	100.0%

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Expense Analysis (Continued)

In fiscal year 2014, the County's expenses increased \$6.6 million or 7.7 percent from the prior year. The key elements of the increase are as follows:

- Employee salaries and wages increased \$1.0 million due to more positions added and a 1% merit allowance granted to certain employees.
- Employee benefits increased \$0.5 million due to the salary base increase and contribution rate hike of the County's health and dental insurance and the retirement plan during 2014.
- The OPEB obligation expenses decreased \$0.9 million for fiscal year 2014.
- The operating expenses, including supplies and other charges, repairs and maintenance, minor acquisition, contract services, professional services, and community supports, increased \$3.2 million during the year.
- The depreciation expense of the County's capital assets for fiscal year 2014 increased \$0.5 million from fiscal year 2013.
- The interest and fees directly related to debt service in fiscal year 2014 decreased \$0.8 million from fiscal year 2013.
- The County's investment in joint venture experienced a loss of \$1.7 million during the year.
- Expense associated with loss on retirement of capital assets decreased \$1.4 million from prior year as the County recognized a gain on retirement of capital assets in fiscal year 2014.

FINANCIAL ANALYSIS OF MAJOR FUNDS

The County's major general governmental functions are contained in the General, Special Revenue, Debt Service, and Capital Project Funds. At September 30, 2014, the County's governmental funds reported combined fund balances of \$64,624,661, an increase of \$5,139,638 or 9% in comparison with the prior year. The change was primarily due to the increase in the tax collections. Of the combined fund balance, \$1,423,517 (2%) were nonspendable for prepaids and inventory, \$15,302,060 (24%) were restricted to various purposes by external restrictions imposed, \$400,586 (1%) were committed to the Health Endowment Fund, \$7,367,982 (11%) were assigned to the County's capital improvement plans and other programs as directed by the Commissioners' Court, and \$40,130,516 (62%) constitutes unassigned fund balance, which is available to meet the County's current and future needs without any restrictions.

General Fund

The General Fund is the chief operating fund of the County. At September 30, 2014, the General Fund reported a net fund balance of \$43,346,269, an increase of \$8,496,907 from fiscal year 2013 primarily as a result of the fact that the tax revenues were higher than anticipated in fiscal year 2014.

FINANCIAL ANALYSIS OF MAJOR FUNDS (Continued)

Debt Service Fund

The Debt Service Fund is used to account for receipts and disbursements of funds relating to the County's long-term bonded debt obligations. At the end of fiscal year 2014, the fund balance increased \$84,837 or 1% from fiscal year 2013 due to the following factors:

- The funds transferred from the County's Hotel Occupancy Tax Fund were the minimum required to meet the debt service requirements for the Certificates of Obligation, Series 2009 in 2014.
- Although a lower I&S (Interest & Sinking) tax rate was adopted, the County was able to collect enough property taxes to meet the County's debt service requirements.

For fiscal year 2015, the County's debt service requirements for the governmental activities are \$5,730,000 in principal and \$3,667,774 in interest. Additional information is available to the readers in Note 9 (Long-Term Debt) to the Financial Statements.

Grant Fund

The Grant Fund is established to account for the revenues and expenditures related to grant activities. The County received funding of \$2.5 million from the City of Bryan and Brazos County Economic Development Foundation, Inc. (the "Foundation") and \$750,000 from the Texas Department of Agriculture for the construction of a part of Mikulin Road within the industrial site of the Foundation. The construction of the road started in fiscal year 2014 and is expected to be completed in fiscal year 2015.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County adopts an annual budget for the General Fund. Budget amounts represent the original budget for 2014 as subsequently amended by the Commissioners' Court. Budgets are adopted on a basis consistent with GAAP (modified accrual basis). Budget variances are not expected to impact future services or liquidity.

The following table summarizes General Fund budgeted and actual amounts for fiscal year 2014:

	Brazos County, Texas		
	FY 2014 General Fund Budget Vs. Actual Amounts - GAAP Basis		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>Revenues and Transfers In</u>			
Taxes	\$ 63,525,000	\$ 63,525,000	\$ 66,546,866
Charges for Services	10,884,500	10,884,500	11,546,721
Intergovernmental	918,500	918,500	1,439,978
Interest	155,000	155,000	143,571
Other	441,100	560,204	846,868
Sale of Capital Assets	10,000	10,000	167,452
Transfers In	-	2,164	-
Total	<u>75,934,100</u>	<u>76,055,368</u>	<u>80,691,456</u>
<u>Expenditures and Transfers Out</u>			
Expenditures	78,511,829	78,491,842	68,723,344
Transfers Out	3,475,725	3,616,980	3,471,205
Total	<u>81,987,554</u>	<u>82,108,822</u>	<u>72,194,549</u>
Net Change in Fund Balance	<u>\$ (6,053,454)</u>	<u>\$ (6,053,454)</u>	<u>\$ 8,496,907</u>

GENERAL FUND BUDGETARY HIGHLIGHTS (Continued)

Differences between the original budget and the final amended budget reflected an increase of \$121,268 in available resources and the same amount of increase in appropriations.

Actual revenues and transfers in increased by \$4,636,088 (6.1%) over the final budget mainly due to the better collection rate in taxes and charges for services. Actual expenditures and transfers out were \$9,914,273 (12.1%) under the final budget as a result of the restrained spending of the County.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The capital assets of the County are those assets (land, right-of-way, buildings, improvements, roads, bridges, machinery, and equipment) which are used by the County in performance of the County's functions. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2014 amounted to \$222,403,900 (net of accumulated depreciation) and at September 30, 2013 it was \$217,199,458. Depreciation on capital assets is recognized in the government-wide financial statements. Depreciation provided for the current fiscal period was \$5,126,530 as compared to \$4,640,270 for the year ended September 30, 2013.

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

- The County continued the new tax building project and the courthouse renovation project during fiscal year 2014. The total cost spent on all these projects for the year was \$5.5 million.
- The County incurred a \$2.8 million impairment loss after the developer of the justice software system defaulted on the entire contract.
- The County's infrastructure and land (right-of-way) increased by about \$6.2 million during the current fiscal year. \$3.1 million of the increase is related to the acceptance of subdivision roads for maintenance.
- The County acquired approximately \$1.5 million and disposed of approximately \$2.2 in intangible assets and machinery and equipment in fiscal year 2014.

The County has elected to use the "Modified Approach" as defined by GASB 34 for reporting infrastructure assets, which include 472 miles of roads and 67 bridges. The County has adopted a minimum condition level of 80% for all County roads. In fiscal year 2014 approximately 90% of the County roads meet the targeted condition level. For the year ended September 30, 2014, the actual amounts of expense incurred for the annual maintenance and preservation of the roads and bridges at the targeted condition level was \$8.1 million and the amount estimated to be necessary for the purpose was \$9.9 million. The \$1.8 million variance was mainly due to the Department's contingency budget, the delays in the road preparation and weather delays.

The following table provides a comparative overview of the County's capital assets for the current and previous year. For further information regarding capital assets, see Note 6 to the financial statements.

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)

	Balance	Balance
	September 30, 2014	September 30, 2013
<u>Governmental Activities:</u>		
Land	\$ 22,570,408	\$ 20,643,195
Construction in progress	16,314,696	15,606,752
Infrastructure	72,516,623	69,965,405
Buildings	126,040,198	126,039,036
Improvements other than buildings	9,726,097	6,033,282
Intangible assets - computer software	2,918,865	2,844,411
Machinery and equipment	20,556,576	21,209,693
	<u>270,643,463</u>	<u>262,341,774</u>
Less: Accumulated depreciation	(48,278,739)	(45,184,090)
Governmental activities capital assets, net	<u>\$ 222,364,724</u>	<u>\$ 217,157,684</u>
<u>Business-type activities:</u>		
Machinery and equipment	\$ 93,836	\$ 86,095
	<u>93,836</u>	<u>86,095</u>
Less: Accumulated depreciation	(54,660)	(44,321)
Business-type activities capital assets, net	<u>\$ 39,176</u>	<u>\$ 41,774</u>

Debt Administration

At September 30, 2014, the County had total long-term debt outstanding of \$88,720,000 as compared to \$94,080,000 in the prior year. The decrease of \$5,360,000 (6%) relates to the debt principal paid during the year.

Refer to Note 9 in the Notes to the Basic Financial Statements for a detailed breakdown of long-term debt owed by the County. County officials, citizens and investors will find the ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita as useful indicators of the County's debt position. These are shown in the statistical section of this report.

ECONOMIC FACTORS

The Commissioners' Court adopted the fiscal year 2015 budget on September 9, 2014. Like most governmental agencies across the country, Brazos County continues to feel the effects of the national economic downturn. Economic forecasts continue to indicate a fragile recovery. While the local economy shows signs of stabilization, the fiscal year 2015 budget was prepared in a conservative manner with an emphasis on maintaining current service levels and rebuilding reserves. The budget was adopted based on anticipated resources and estimated uses in fiscal year 2015. The total resources of the County's General Fund are estimated to be \$99,900,000 including the appropriated fund balance of \$16,400,000.

The property tax rate for fiscal year 2015 is \$0.4850 per \$100 valuation compared to \$0.4875 in fiscal year 2014. For the past three years, the County has maintained an estimated collection rate of 98% on property taxes.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County'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, 200 S. Texas Avenue, Suite 218, Bryan, Texas, 77803.



BASIC FINANCIAL STATEMENTS

BRAZOS COUNTY, TEXAS
STATEMENT OF NET POSITION
September 30, 2014

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>TOTAL</u>
ASSETS			
Cash and Cash Equivalents	\$ 68,158,955	\$ 399,233	\$ 68,558,188
Investments	2,351,727	-	2,351,727
Prepaid Expenses	538,397	-	538,397
Receivables, net of allowance for uncollectible amounts of \$13,221,849			
Taxes	4,516,461	-	4,516,461
Accounts and Other	2,832,629	120	2,832,749
Inventories	885,120	27,568	912,688
Internal Balances	(70,780)	70,780	-
Restricted Assets			
Cash and Cash Equivalents	6,149,710	-	6,149,710
Receivables, net of allowance for uncollectible amounts of \$62,633			
Taxes	466,968	-	466,968
Accounts and Other	3,978	-	3,978
Capital Assets (net of accumulated depreciation)			
Land	22,570,408	-	22,570,408
Buildings	96,512,407	-	96,512,407
Improvements Other than Buildings	5,437,765	-	5,437,765
Intangible Assets - Computer Software	229,986	-	229,986
Machinery and Equipment	8,782,839	39,176	8,822,015
Infrastructure	72,516,623	-	72,516,623
Construction in Progress	16,314,696	-	16,314,696
TOTAL ASSETS	<u>308,197,889</u>	<u>536,877</u>	<u>308,734,766</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges - Refunding	<u>1,032,653</u>	<u>-</u>	<u>1,032,653</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,032,653</u>	<u>\$ -</u>	<u>\$ 1,032,653</u>

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

BRAZOS COUNTY, TEXAS
STATEMENT OF NET POSITION - Continued
September 30, 2014

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>TOTAL</u>
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 9,142,171	\$ 8,296	\$ 9,150,467
Accrued Salaries and Wages	2,081,300	5,176	2,086,476
Accrued Interest Payable	317,089	-	317,089
Unclaimed Funds	213,769	-	213,769
Unearned Revenue	2,124,737	-	2,124,737
Liabilities for Compensated Absences	994,475	2,993	997,468
Noncurrent Liabilities			
Due within one year	5,836,903	-	5,836,903
Due in more than one year	127,223,187	-	127,223,187
TOTAL LIABILITIES	<u>147,933,631</u>	<u>16,465</u>	<u>147,950,096</u>
NET POSITION			
Net Investment in Capital Assets	135,556,068	39,176	135,595,244
Restricted for:			
Debt Service	6,160,188	-	6,160,188
Capital Projects	4,430,433	-	4,430,433
Legislative	4,711,439	-	4,711,439
Unrestricted	<u>10,438,783</u>	<u>481,236</u>	<u>10,920,019</u>
TOTAL NET POSITION	<u>\$ 161,296,911</u>	<u>\$ 520,412</u>	<u>\$ 161,817,323</u>

BRAZOS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2014

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Governmental Activities:			
General Government	\$ 22,017,696	\$ 4,372,292	\$ 2,713
Justice System	21,308,471	6,878,641	546,226
Law Enforcement	22,530,372	1,012,604	100,897
Juvenile Services	6,022,762	48,659	1,366,626
Public Transportation	8,831,911	1,892,026	252,180
Public Health	1,756,849	37,300	62,926
Human Services	5,993,599	1,405,713	437,269
Interest and Other Fees	3,501,978	-	-
Total Governmental Activities	<u>91,963,638</u>	<u>15,647,235</u>	<u>2,768,837</u>
Business-Type Activities:			
County Attorney Operating Fund	18,378	14,824	-
Jail Commissary Fund	624,465	729,172	-
Total Business-Type Activities	<u>642,843</u>	<u>743,996</u>	<u>-</u>
Total Government	<u>\$ 92,606,481</u>	<u>\$ 16,391,231</u>	<u>\$ 2,768,837</u>

General revenues:

Taxes:

Property taxes

Sales taxes

Motor vehicle taxes

Mixed drink taxes

Hotel occupancy taxes

Unrestricted investment earnings

Gain on sale of capital assets

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

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

<u>Program Revenues</u> <u>Capital</u> <u>Grants and</u> <u>Contributions</u>	<u>Net (Expense) Revenue and</u> <u>Changes in Net Position</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business - Type</u> <u>Activities</u>	<u>Total</u>
\$ -	\$ (17,642,691)	\$ -	\$ (17,642,691)
-	(13,883,604)	-	(13,883,604)
10,084	(21,406,787)	-	(21,406,787)
-	(4,607,477)	-	(4,607,477)
3,372,154	(3,315,551)	-	(3,315,551)
-	(1,656,623)	-	(1,656,623)
-	(4,150,617)	-	(4,150,617)
-	(3,501,978)	-	(3,501,978)
<u>3,382,238</u>	<u>(70,165,328)</u>	<u>-</u>	<u>(70,165,328)</u>
-	-	(3,554)	(3,554)
-	-	104,707	104,707
<u>-</u>	<u>-</u>	<u>101,153</u>	<u>101,153</u>
<u>\$ 3,382,238</u>	<u>(70,165,328)</u>	<u>101,153</u>	<u>(70,064,175)</u>
	60,333,777	-	60,333,777
	14,900,374	-	14,900,374
	1,519,577	-	1,519,577
	532,822	-	532,822
	2,441,385	-	2,441,385
	209,089	1,055	210,144
	34,889	-	34,889
	100,000	(100,000)	-
	<u>80,071,913</u>	<u>(98,945)</u>	<u>79,972,968</u>
	9,906,585	2,208	9,908,793
	<u>151,390,326</u>	<u>518,204</u>	<u>151,908,530</u>
	<u>\$ 161,296,911</u>	<u>\$ 520,412</u>	<u>\$ 161,817,323</u>

**BRAZOS COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2014**

	Major Funds	
	General	Debt Service
ASSETS		
Cash and Cash Equivalents	\$ 44,999,636	\$ 6,149,710
Investments	2,351,727	-
Prepaid Expenditures	528,633	-
Receivables		
Taxes, net	4,254,747	466,968
Officials	244,419	2,726
Interest	10,367	1,252
Accounts, net	1,663,504	-
State	372,341	-
Federal	44,532	-
Inventories	885,120	-
TOTAL ASSETS	\$ 55,355,026	\$ 6,620,656
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES		
Liabilities		
Accounts Payable	\$ 5,991,844	\$ -
Accrued Salaries and Wages	1,983,060	-
Unclaimed Funds	-	-
Due To Other Funds	70,780	-
Unearned Revenues	-	-
Total Liabilities	8,045,684	-
Deferred Inflows of Resources		
Unavailable Revenues	3,963,073	460,468
Total Deferred Inflows of Resources	3,963,073	460,468
Fund Balances		
Nonspendable	1,413,753	-
Restricted	378,273	6,160,188
Committed	400,586	-
Assigned	1,023,141	-
Unassigned	40,130,516	-
Total Fund Balances	43,346,269	6,160,188
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 55,355,026	\$ 6,620,656

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

Grant	Other Governmental Funds	Total Governmental Funds
\$ 2,374,278	\$ 16,723,293	\$ 70,246,917
-	-	2,351,727
9,764	-	538,397
-	261,714	4,983,429
-	-	247,145
-	2,194	13,813
300	18,593	1,682,397
242,753	-	615,094
-	-	44,532
-	-	885,120
\$ 2,627,095	\$ 17,005,794	\$ 81,608,571
\$ 434,615	\$ 1,655,065	\$ 8,081,524
65,609	32,631	2,081,300
-	213,769	213,769
-	-	70,780
2,112,996	-	2,112,996
2,613,220	1,901,465	12,560,369
-	-	4,423,541
-	-	4,423,541
9,764	-	1,423,517
4,111	8,759,488	15,302,060
-	-	400,586
-	6,344,841	7,367,982
-	-	40,130,516
13,875	15,104,329	64,624,661
\$ 2,627,095	\$ 17,005,794	\$ 81,608,571

BRAZOS COUNTY, TEXAS
RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
September 30, 2014

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

Total fund balances - governmental funds	\$	64,624,661
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		222,364,724
Deferred outflows of resources represent a consumption of net position that applies to future periods and therefore will not be recognized as an outflow of resources until then. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.		1,032,653
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.		4,423,541
Internal service funds are used by the County's management for self insurance. The assets and liabilities of the funds are included with governmental activities in the Statement of Net Position but are not included at the fund level.		3,222,986
Liabilities for compensated absences are considered current but are not reported as liabilities in the funds.		(994,475)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds:		
Bonds payable	(91,465,392)	
Accrued interest payable	(317,089)	
Capital leases	(444,223)	
OPEB obligation	(41,150,475)	
		(133,377,179)
Total net position - governmental activities	\$	161,296,911

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



BRAZOS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended September 30, 2014

	Major Funds	
	General	Debt Service
REVENUES		
Taxes	\$ 66,546,866	\$ 8,795,204
Charges for Services	11,546,721	-
Intergovernmental	1,439,978	-
Interest	143,571	23,948
Other Revenue	846,868	-
TOTAL REVENUES	80,524,004	8,819,152
EXPENDITURES		
Current		
General Government	14,865,161	-
Justice System	16,539,134	-
Law Enforcement	17,862,262	-
Juvenile Services	4,153,194	-
Public Transportation	8,045,933	-
Public Health	1,739,522	-
Human Services	3,480,422	-
Capital Outlay	1,919,533	-
Debt Service		
Principal Retirement	104,244	5,360,000
Interest and Other Fees	13,939	3,859,311
TOTAL EXPENDITURES	68,723,344	9,219,311
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,800,660	(400,159)
OTHER FINANCING SOURCES (USES)		
Transfers In	-	484,996
Transfers Out	(3,471,205)	-
Sale of Capital Assets	167,452	-
TOTAL OTHER FINANCING SOURCES (USES)	(3,303,753)	484,996
Net Change in Fund Balances	8,496,907	84,837
FUND BALANCES, OCTOBER 1	34,849,362	6,075,351
FUND BALANCES, SEPTEMBER 30	\$ 43,346,269	\$ 6,160,188

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

Grant	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 2,468,497	\$ 77,810,567
9,264	977,521	12,533,506
1,575,510	52,571	3,068,059
-	31,602	199,121
380,512	4,138	1,231,518
1,965,286	3,534,329	94,842,771
-	735,551	15,600,712
-	650,261	17,189,395
35,286	465,634	18,363,182
1,077,821	12,239	5,243,254
601,858	2,107	8,649,898
-	9,430	1,748,952
16,410	1,142,621	4,639,453
299,223	6,998,639	9,217,395
-	-	5,464,244
-	-	3,873,250
2,030,598	10,016,482	89,989,735
(65,312)	(6,482,153)	4,853,036
71,185	3,729,704	4,285,885
-	(714,680)	(4,185,885)
-	19,150	186,602
71,185	3,034,174	286,602
5,873	(3,447,979)	5,139,638
8,002	18,552,308	59,485,023
\$ 13,875	\$ 15,104,329	\$ 64,624,661

BRAZOS COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2014

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

Net change in fund balances - total governmental funds **\$ 5,139,638**

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount that expenditures for capital outlay exceeded depreciation expense.

Capital outlay	9,217,395	
Depreciation expense	(5,116,191)	
	4,101,204	4,101,204

Revenues and contributed assets in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 382,202

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to affect net position. 1,105,834

The County's investment in a joint venture is reported at the government-wide level but not at the fund level. This amount represents the current year change. (1,533,281)

The liabilities for compensated absences are accrued at the government-wide level but not at the fund level. This is the current year change in those liabilities, reported as expense in the statement of activities. (31,461)

The OPEB obligation per GASB 45 are accrued at the government-wide level but not at the fund level. This is the current year change in those liabilities, reported as expense in the statement of activities. (5,700,682)

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 transactions, however, has any effect on net position. Also, governmental funds report the effect of premium, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 5,835,516

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet maintenance, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. 607,615

Change in net position of governmental activities **\$ 9,906,585**

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

BRAZOS COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2014

	Business - Type Activities - Enterprise Funds			Governmental Activities
	County Attorney Operating	Jail Commissary	Totals	Internal Service Fund
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 45,555	\$ 353,678	\$ 399,233	\$ 4,061,748
Accounts Receivable	-	120	120	233,626
Inventories	-	27,568	27,568	-
Due from Other Funds	590	70,190	70,780	-
Total Current Assets	46,145	451,556	497,701	4,295,374
Noncurrent Assets				
Property, Plant and Equipment	-	93,836	93,836	-
Less: Accumulated Depreciation	-	(54,660)	(54,660)	-
Total Noncurrent Assets	-	39,176	39,176	-
TOTAL ASSETS	46,145	490,732	536,877	4,295,374
LIABILITIES				
Current Liabilities				
Accounts Payable	-	8,296	8,296	1,060,647
Accrued Salaries and Wages	1,041	4,135	5,176	-
Compensated Absences	-	2,993	2,993	-
Unearned Revenues	-	-	-	11,741
Total Current Liabilities	1,041	15,424	16,465	1,072,388
TOTAL LIABILITIES	1,041	15,424	16,465	1,072,388
NET POSITION				
Net Investment in Capital Assets	-	39,176	39,176	-
Unrestricted	45,104	436,132	481,236	3,222,986
TOTAL NET POSITION	\$ 45,104	\$ 475,308	\$ 520,412	\$ 3,222,986

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

BRAZOS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION
PROPRIETARY FUNDS
For The Year Ended September 30, 2014

	Business - Type Activities - Enterprise Funds			Governmental Activities
	County Attorney Operating	Jail Commissary	Totals	Internal Service Fund
OPERATING REVENUES				
Charges for Services	\$ 14,824	\$ -	\$ 14,824	\$ -
Commissary Sales	-	728,651	728,651	-
Employee Dependents	-	-	-	1,815,232
Self Pays	-	-	-	2,469
Excess Risk Benefits	-	-	-	2,056,030
Participant Payments	-	-	-	448,196
Brazos County	-	-	-	7,245,972
Retirees	-	-	-	268,084
Other Revenue	-	521	521	-
TOTAL OPERATING REVENUES	14,824	729,172	743,996	11,835,983
OPERATING EXPENSES				
Personnel Services	18,378	96,085	114,463	-
Departmental Support	-	63,971	63,971	-
Cost of Goods Sold	-	367,419	367,419	-
Repairs and Maintenance	-	37,805	37,805	-
Minor Acquisitions	-	2,743	2,743	-
Life Insurance	-	-	-	26,654
Stop Loss Premiums	-	-	-	1,818,485
Benefit Claims	-	-	-	8,861,551
Administrative Fees	-	-	-	489,269
Professional Services	-	46,103	46,103	42,376
Depreciation	-	10,339	10,339	-
TOTAL OPERATING EXPENSES	18,378	624,465	642,843	11,238,335
OPERATING INCOME (LOSS)	(3,554)	104,707	101,153	597,648
NONOPERATING REVENUES				
Interest	-	1,055	1,055	9,967
TOTAL NONOPERATING REVENUES	-	1,055	1,055	9,967
INCOME (LOSS) BEFORE TRANSFERS	(3,554)	105,762	102,208	607,615
Transfers Out	-	(100,000)	(100,000)	-
CHANGE IN NET POSITION	(3,554)	5,762	2,208	607,615
TOTAL NET POSITION - OCTOBER 1	48,658	469,546	518,204	2,615,371
TOTAL NET POSITION - SEPTEMBER 30	\$ 45,104	\$ 475,308	\$ 520,412	\$ 3,222,986

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

BRAZOS COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For The Year Ended September 30, 2014

	Business - Type Activities - Enterprise Funds			Governmental Activities
	County Attorney Operating	Jail Commissary	Totals	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 14,711	\$ 721,181	\$ 735,892	\$ 2,538,168
Receipts from interfund services provided	-	-	-	7,245,972
Payments to contractors and vendors	-	(519,267)	(519,267)	(2,305,160)
Claims paid	-	-	-	(6,973,153)
Payments to employees for services	(18,324)	(95,731)	(114,055)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(3,613)	106,183	102,570	505,827
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers to Capital Improvement Fund	-	(100,000)	(100,000)	-
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	-	(100,000)	(100,000)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	-	1,060	1,060	9,861
NET CASH PROVIDED BY INVESTING ACTIVITIES	-	1,060	1,060	9,861
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital asset	-	(7,741)	(7,741)	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	-	(7,741)	(7,741)	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,613)	(498)	(4,111)	515,688
CASH AND CASH EQUIVALENTS, OCTOBER 1	49,168	354,176	403,344	3,546,060
CASH AND CASH EQUIVALENTS, SEPTEMBER 30	\$ 45,555	\$ 353,678	\$ 399,233	\$ 4,061,748
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (3,554)	\$ 104,707	\$ 101,153	\$ 597,648
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	-	10,339	10,339	-
Change in accounts receivable	-	1,819	1,819	(230,470)
Change in due from other funds	(113)	(9,810)	(9,923)	-
Change in inventory	-	9,651	9,651	-
Change in accounts payable	-	(10,877)	(10,877)	136,547
Change in due to other funds	(246)	-	(246)	-
Change in accrued salaries and compensated absences	300	354	654	-
Change in unearned revenues	-	-	-	2,102
Total adjustments	(59)	1,476	1,417	(91,821)
Net cash provided (used) by operating activities	\$ (3,613)	\$ 106,183	\$ 102,570	\$ 505,827

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

BRAZOS COUNTY, TEXAS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
September 30, 2014

ASSETS	
Cash and Cash Equivalents	\$ 4,136,687
Investments	1,218,100
TOTAL ASSETS	<u>\$ 5,354,787</u>
LIABILITIES	
Funds Held for Others	\$ 5,354,787
TOTAL LIABILITIES	<u>\$ 5,354,787</u>

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

BRAZOS COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Brazos County, Texas (“County”) have been developed to be in conformity with accounting principles generally accepted in the United States of America (“GAAP”) for local government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

A. Reporting Entity

The Brazos County Government (the “County”) was created in 1841. The County is a public corporation and a political subdivision of the State of Texas. It performs governmental functions as required or authorized by the Texas Constitution and the Laws of the State. A Commissioners’ Court composed of an elected County Judge and four elected Commissioners governs the County. The combined financial statements include all departments, funds or accounts for the County, the primary government.

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The financial statements should allow users to distinguish between the primary government (the County) and its component units. GASB Statement 14 as amended by GASB Statement 61 defines the reporting entity as the primary government and its component units. Brazos County is the primary governmental unit. The financial statements include all funds, agencies, boards, commissions, and authorities for which the elected officials of the County are financially accountable. The financial statements include those entities for which the nature and significance of the relationship between the entity and the County are such that to exclude the entity from the financial reporting entity would render the financial statements misleading or incomplete.

B. Related Organizations

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

Brazos County Health Facilities Development Corporation

The Brazos County Health Facilities Development Corporation (“BCHFDC”) is a Texas public, non-profit corporation created in accordance with the Texas Health Facilities Development Act of 1981. The BCHFDC’s purpose is to acquire, construct, provide, improve, finance and refinance health facilities to assist in the maintenance of the public health. The tax-exempt bonds issued by the BCHFDC do not constitute a debt or a pledge of faith or credit of the BCHFDC or the County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. Interest received on the bonds is generally exempt from federal income tax under Section 103 of the Internal Revenue Code.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Related Organizations (Continued)

The BCHFDC is governed by a five member Board of Directors which is comprised of the members of the Brazos County Commissioners' Court.

Brazos County Industrial Development Corporation

The Brazos County Industrial Development Corporation ("BCIDC") is a Texas public, non-profit corporation created in accordance with the Texas Development Corporation Act of 1979. The BCIDC's purpose is to issue bonds on behalf of the Corporation, to promote and develop industrial and manufacturing enterprises, to promote and encourage employment and the public welfare, and to finance projects as defined by the Act. The tax-exempt bonds issued by the BCIDC do not constitute a debt or a pledge of faith or credit of the BCIDC or the County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. Interest received on the bonds is generally exempt from federal income tax under Section 103 of the Internal Revenue Code. The BCIDC is governed by a three member Board of Directors which is comprised of three members of the Brazos County Commissioners' Court.

Brazos County Housing Finance Corporation

The Brazos County Housing Finance Corporation ("BCHFC") is a Texas public, non-profit corporation created in accordance with the Texas Housing Finance Corporations Act in 1980. This Act authorizes the BCHFC to finance residential housing by issuing tax-exempt revenue bonds to acquire mortgage loans made to low or moderate income persons, and to pledge such mortgage loans as security for the payment of the principal and interest of such revenue bonds. The tax-exempt bonds issued by the BCHFC do not constitute a debt or a pledge of faith or credit of the BCHFC or Brazos County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. Interest received on the bonds is generally exempt from federal income tax under Section 103 of the Internal Revenue Code. The BCHFC is governed by a five member Board of Directors, three of which are members of the Brazos County Commissioners' Court.

Brazos Valley Fair & Exposition

The Brazos Valley Fair & Exposition (the "Fair") is a non-profit, 501(c)3 corporation that was organized in 2010 for educational, scientific and charitable purposes to encourage, promote and maintain agricultural science, research, and education. It is a mid-major or regional fair whose reach or scope encompasses the entire state of Texas and surrounding states. Currently, the Executive Committee of the Fair consists of seven members, all of which were appointed by the Brazos County Commissioners' Court. Future additions and replacements to the Board of Directors will be determined by the Executive Committee of the Fair.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Related Organizations (Continued)

The start-up funding for the Fair comes from the Hotel Occupancy Tax (“HOT”) Fund, a special revenue fund of the County. The amount of the funding is approved first by the HOT Committee and subsequently by the Brazos County Commissioners’ Court. The HOT Fund has funded the Fair \$440,000 from fiscal year 2011 to fiscal year 2014. The budgeted funding for fiscal year 2015 is \$50,000, if and when all or part of it is needed. In addition, the County pays the salaries and wages of the two primary employees of the Fair and provides various resources to the Fair at no charge, such as office space, utilities, telephone services, internet services, periodic use of a County vehicle, etc. The future funding from the HOT Fund is expected to decrease until the Fair becomes a standalone entity.

The annual fair generated enough revenue to pay all of its direct expenses and the facility rental fees for the Exposition Complex. It is the general policy of the Fair that the excess of its revenue over expenses will be used for the furtherance of its exempt purpose, including the granting of scholarships and the funding of related capital additions and improvements.

C. Government-Wide Financial Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities are supported by taxes and intergovernmental revenues and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of 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.

The statement of activities demonstrates the degree to which the expenses of a given function are offset by program revenues. 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 by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Level Financial Statements

All governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. If accrued revenue is not yet available, the related receivable is matched by a deferred inflow of resources for unavailable revenue and revenue recognition occurs only when the revenue eventually does become available. Debt service expenditures as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property tax revenues, the County's primary revenue source, are susceptible to accrual and are considered available to the extent of delinquent taxes collected within sixty (60) days of the fiscal year end. Grant and entitlement revenues are also susceptible to accrual. Encumbrances are used during the year and all outstanding encumbrances lapse at the end of each fiscal year.

The fund level financial statements are reported using the current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

For proprietary funds, all revenues and expenses are classified as operating revenues and expenses except for taxes, investment income and interest expense, which are classified as non-operating revenues and expenses.

All proprietary funds, including the enterprise fund and internal service fund, are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using economic resources measurement focus. This means that all assets and liabilities (whether current or non-current) associated with their activity are included in the funds' statement of net position.

The fiduciary funds are used to account for assets held solely in a custodial capacity and are accounted for using the accrual basis of accounting. As a result, assets in fiduciary funds are always matched by liabilities to the owners of the assets and involve no measurement of results of operations.

The County's accounts are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which are comprised of each fund's assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Level Financial Statements (Continued)

Funds are classified into three categories: Governmental, Proprietary and Fiduciary. The major funds of the County are noted within each category.

Governmental Funds

Governmental funds are used to account for all or most of a government's general activity. The County has reported three major funds under this category for the year ended September 30, 2014:

General Fund - The General Fund is the principal operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund. The fund accumulates reserves for future capital improvements and unforeseen catastrophic events.

Debt Service Fund – The Debt Service Fund accounts for the financial resources that are restricted, committed, or assigned to expenditure for the payment of principal and interest on long-term debt paid primarily from taxes levied by the County. Financial resources that are being accumulated for principal and interest in future years are also reported in the Debt Service Fund.

Grant Fund – The Grant Fund is established to account for the revenues and expenditures related to grant activities.

The County reports the following nonmajor governmental funds:

Special Revenue Funds – Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term proceeds of specific revenue sources establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

Capital Improvement Fund – Capital Improvement Fund is established to account for expenditures for new construction and acquisition of capital assets to support the County's various functions.

Jail Expansion Fund - This fund was established to account for the construction of the expanded jail facility. The funding source came from a limited tax bond of \$55,000,000 issued in 2008. The \$50.9 million major jail expansion project was completed in fiscal year 2010 and the \$3.9 million renovation of the inmate holding area in the County's courthouse was completed in fiscal year 2014. The remaining funds are being used to support the requisition of a video visitation system.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Level Financial Statements (Continued)

Expo Center Expansion Fund - This fund was established to account for the expansion of the Brazos County Exposition Center. The expenditures are being financed through the issuance of \$12,000,000 certificates of obligation in November 2009 and a portion of the hotel occupancy taxes collected.

CO 2012 Fund – CO 2012 Fund was established to account for the expenditures of the County courthouse renovation project and the new tax office building construction. The expenditures are financed through the issuance of \$9,700,000 of Certificates of Obligation, Series 2012.

Proprietary Funds

Proprietary funds are used to account for operations that are financed in a manner similar to those in the private sector, where the determination of net income is appropriate for sound financial administration. The County reports one internal service fund and two enterprise funds. Both enterprise funds are classified as major funds. The internal service fund is used to account for the provision of health, dental and life insurance to the departments of the County as well as to outside entities that have contracted with the County for this service. Two enterprise funds are used to account for the business-type operations of the County Attorney and Jail Commissary.

Fiduciary Funds

The County reports four agency funds as nonmajor fiduciary funds. Agency funds are used to account for situations where the government's role is purely custodial, such as the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Assets have been held in these funds on behalf of individuals involving certain legal processes, bail bondsmen, and other governmental units.

E. Implementation of New Standards

In fiscal year 2014, the County evaluated and implemented the following new standards:

GASB Statement No. 69, "Government Combinations and Disposals of Government Operations", established accounting and financial reporting standards for mergers, acquisitions and transfers of operations (i.e., government combinations). The Statement also provides guidance on how to determine the gain or loss on a disposal of government operations. Implementation of GASB 69 did not have a significant impact on the County's financial statements for the year ended September 30, 2014.

GASB Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees", established accounting and financial reporting standards for state and local governments that extend and receive nonexchange financial guarantees. Implementation of GASB 70 did not have a significant impact on the County's financial statements for the year ended September 30, 2014.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash, Cash Equivalents and Investments

The County defines all cash, money market accounts, and certificates of deposit that have an original maturity date of ninety days or less as cash or cash equivalents. Cash and cash equivalents related to restricted assets are also included. Cash and cash equivalents are short term, highly liquid investments, which may be converted to cash (see Note 3). The County maintains a cash and investment pool that is available for use by all funds. Equity in cash and cash equivalents and interest income from the cash pool is allocated to the participating funds on a monthly basis. The amount of the allocation is determined by calculating a ratio of each fund's equity in the pool to the total pool.

All County funds must be on deposit with the County depository unless the Commissioners' Court directs the County Treasurer to invest funds as otherwise provided by law. State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements. Investments are stated at fair value or amortized cost (see Note 3).

G. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 of a given year. Taxes levied on October 1 are payable by January 31 of the following year, and by statute become delinquent on February 1 at which time they begin accruing penalty and interest. The enforceable legal claim date for property taxes is the assessment date and therefore the County did not record a receivable for taxes assessed after September 30. Accordingly, there are no current taxes receivable reported. On July 1, unpaid taxes are subject to additional penalties and collection expenses.

Taxes have been reported in the government-wide financial statements net of the allowance for uncollectible taxes. At the governmental fund level, taxes are recognized as revenue when they become available and the amount not yet available (not collectible within sixty days) has been reported as unavailable revenue. For the year ended September 30, 2014, the tax rate to finance general governmental services was \$0.4168 per \$100.00 valuation. The tax rate for the payment of principal and interest on long-term debt was \$0.0707 per \$100.00 valuation. Under provisions adopted by the State, the maximum rate that can be set to service governmental services is \$0.80 per \$100 of assessed value.

The Brazos County Appraisal District is responsible for the recording and appraisal of property for all taxing units in the County. The Appraisal District is required to assess property at 100% of its appraised value. Real property is subject to reappraisal on a four-year cycle.

The County's Tax Assessor-Collector acts as agent in the billing and collecting of taxes for the Brazos County Water Control Improvement District - Big Creek, the City of Bryan, the City of College Station, the City of Kurten, the City of Navasota, the Bryan Independent School District, the College Station Independent School District, the Navasota Independent School District, Brazos County Education District, and Brazos County Emergency Services Districts 1, 2, 3, and 4. These transactions are recorded in an agency account.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Interfund Transactions

The County has many transactions between funds during its normal course of operations. The accompanying fund level financial statements reflect such transactions as transfers, interfund receivables and payables. The effect of interfund activity has been eliminated in the government-wide financial statements, except for transactions between governmental and business-type activities.

I. Inventories and Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2014 are recorded as prepaid items and amortized as expenditures as consumed.

The County maintains inventory at various levels. Inventory is valued at cost using the first-in, first-out method and is accounted for under the consumption method. Inventories of paper, copier supplies and road maintenance materials are maintained for all departments within the General Fund. An inventory of consumable food and personal items is maintained within the Jail Commissary Enterprise Fund.

J. Restricted Assets

The Debt Service Fund's current assets are classified as restricted assets because their use is completely restricted for debt service on bonds issued by applicable bond covenants.

K. Investment in Joint Venture

The County's investment in a joint venture, the City of Bryan and Brazos County Economic Development Foundation, Inc., is reported in the government-wide financial statements using the equity method of accounting. Required disclosure concerning the joint venture is presented in Note 10.

L. Capital Assets

Capital assets include land, land improvements, right-of-way land, infrastructure, buildings, building improvements, site improvements, leasehold improvements, vehicles, machinery, furniture, equipment, other systems, works of art and intangible assets that are used in operations and benefit more than a single fiscal period. Infrastructure assets are long-lived assets that normally are stationary in nature and typically can be preserved for a significantly greater number of years than most capital assets, such as roads, bridges, and sewer systems.

The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Buildings and building improvements with an estimated cost to exceed \$25,000 are capitalized while infrastructure assets with an estimated cost to exceed \$50,000 are capitalized.

When capital assets are purchased, they are recorded as expenditures of the current period in the governmental fund financial statements. Capital assets are valued at cost where historical records are available and at an estimated historical cost where no records exist. Donated capital assets are valued at their estimated fair market value on the date received. Capital assets are capitalized and depreciated in the government-wide financial statements and the proprietary fund statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Capital Assets (Continued)

Improvements to capital assets that materially extend the life of the asset or add to the value are capitalized. Other repairs and normal maintenance are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized in the governmental activities on the government-wide financial statements.

Capital assets except for land and infrastructure, are depreciated over the useful lives of the assets or classes of assets on a straight-line basis as follows:

Buildings and improvements	20 - 40 years
Machinery and equipment	3 - 10 years
Intangible assets – computer software	8 years

The County uses the modified approach to report its infrastructure assets in the government-wide statement of net position. Infrastructure assets are listed at historical costs but they are not depreciated. Rather, under the modified approach allowed by GASB Statement No. 34, the County reports annual expenses for maintaining roads and bridges and the estimated costs for preserving them at 80% condition level out of a 100% scale.

M. Deferred Inflows/Outflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County only has one item that qualifies for reporting in this category. It is the deferred charge on refunding 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.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County's unavailable revenues which arise only under the modified accrual basis of accounting qualify for reporting in this category in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and court-assessed fines and costs.

N. Compensated Absences

All non-exempt employees except temporary employees may earn compensatory time based on FLSA regulations. Compensatory time earned during the fiscal year must be used by the last pay period in September of each fiscal year so that no liability is accrued at year-end. At termination, all compensatory time is paid at the wage rate in place at termination.

All employees except temporary employees of the County are granted vacation benefits in varying annual amounts up to a maximum allowable accumulation of 240 hours per year. Sick leave benefits are earned by all employees except temporary employees at a rate up to twelve days per year and may be accumulated without limit. Sick leave benefits are recognized as they are used by the employees. In the event of termination, an employee is entitled to receive accumulated vacation pay but not the accumulated sick leave pay.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Compensated Absences (Continued)

The County's policy requires that only half of the vacation hours accumulated from the previous year can be carried over but must be used first in the current year. The liability of the County's vacation pay is calculated at the end of each fiscal year and reported as "Liabilities for Compensated Absences", a current liability item in the County's government-wide statements due to the fact that the accumulated vacation pay has an average maturity of less than one year.

O. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as noncurrent liabilities. Bonds payable are reported net of the applicable bond premium or discount. On new bond issues, bond premiums and discounts are amortized on a straight-line basis over the life of the bonds. On refunding bond issues, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense on a straight-line basis over the remaining life of the old debt or the life of the new debt, whichever is shorter.

P. Fund Balances and Net Position

Fund Balance Classifications

The County's Commissioners' Court meets on a regular basis to manage and review cash financial activities and to ensure compliance with established policies. It is the County's policy to fund current expenditures with current revenues and the County's mission is to strive to maintain a diversified and stable revenue stream to protect the government from problematic fluctuations in any single revenue source and provide stability to ongoing services.

Under GASB 54, fund balances are required to be reported according to the following classifications in descending order, from most constraining to least constraining:

Nonspendable Fund Balance – Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale, long-term receivables, the principal of an endowment or a revolving loan fund, etc.

Restricted Fund Balance – Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed Fund Balance – Amounts that can only be used for specific purposes imposed by a formal action of the government's highest level of decision-making authority. The County's highest level of decision-making authority resides with the Commissioners' Court. The constraints imposed by the resolution of the Commissioners' Court remain binding unless removed or changed in the same manner employed to previously commit those resources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balances and Net Position (Continued)

Assigned Fund Balance – Amounts that are constrained by the County’s intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. According to the County’s policy, the Commissioners’ Court, which is the governing body of the County, authorizes the County Judge, who is the County’s budget officer by Texas Statute, to assign amounts for particular purposes during the budget process or throughout the year in the normal course of business.

Unassigned Fund Balance – This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification as a result of overspending for specific purposes for which amount had been restricted, committed or assigned.

For the classification of fund balance in the governmental funds, the County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The County’s unassigned fund balances will be maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.

Net Position Classifications

The government-wide and business-type activities financial statements utilize a net position presentation. Net position represents the difference between all other elements in a statement of financial position and should be displayed by its components: net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, adjusted by the capital-related deferred outflows of resources and deferred inflows of resources, and reduced by outstanding balances for bonds and other debt that is attributed to the acquisition, construction, or improvement of those assets.

Restricted - The restricted net position represents the difference between (1) non-capital assets whose use is restricted and (2) related liabilities and deferred inflows of resources. The use of noncapital assets is considered to be restricted only if the limitation is externally enforceable. Externally enforceable limitations result from constraints imposed by:

- Parties outside the government (grantors, donors, other governments);
- Constitutional provisions; or
- Enabling legislation (legislation that raises resources from external parties subject to a legally enforceable requirement that those resources “be used only for the specific purpose stipulated in the legislation”).

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balances and Net Position (Continued)

The amount that represents the County's net position restricted by enabling legislation was \$4,711,439 as reported in the Statement of Net Position.

Unrestricted - Any portion of net position not already classified as either net investment in capital assets or restricted is automatically classified as unrestricted.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Policy and Procedures

Annual budgets are legally adopted for general, special revenue, debt service, and capital project funds. Budgets are adopted on a basis consistent with GAAP (modified accrual basis). The County employs an encumbrance accounting system as a method of accomplishing budgetary control. At year-end, open encumbrances are closed. The department is required to re-appropriate the funds within the following year's budget.

The County Judge is recognized by State statutes as the budget officer for the County and responsible for the preparation of the proposed budget. The proposed expenditures may not exceed the revenue estimates prepared by the County Auditor. The County, in the preparation of the budget, adheres to the following procedures:

- Departmental annual budget requests are submitted by the department head to the budget officer during the third quarter of the current fiscal year for the fiscal year beginning October 1.
- The County Auditor prepares an estimate of available resources for the coming fiscal year and presents the estimates to the budget officer by July 25 each year.
- Informal departmental hearings are held with the budget officer.
- The budget officer prepares the proposed annual operating budget to be presented to the Commissioners' Court for consideration. The budget represents the financial plan for the new fiscal year.
- Formal public hearings are held on the proposed budget.
- The adopted budget must be balanced; i.e., available resources must be sufficient to support annual appropriations. The adopted budget must be approved by a majority of the Commissioners' Court on or before November 1 each year.
- The budget is adopted using classifications within each department. The operating department is the legal level of budgetary control.
- The budget may not be increased through the use of supplemental appropriations each year unless the County Auditor certifies to the Commissioners' Court that supplemental receipts have been realized and are available to support disbursements that were not included in the budget for the fiscal year.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgetary Policy and Procedures (Continued)

- Transfer of appropriations between departments requires the expressed permission of the Commissioners’ Court, and all appropriations lapse at year-end.

Appropriations for total budget cannot exceed total resources that will be available for the year as forecasted by the County Auditor. This is the legal level of control for the County budget. Expenditures may not exceed budgeted appropriations at the fund level except for the General Fund, which is appropriated at the classification level. Administrative control is maintained through the establishment of more detailed line-item budgets.

Amendments increasing budget appropriations are restricted to those for “emergency expenditures, in case of grave public necessity, to meet unusual and unforeseen conditions that could not, by reasonably diligent thought and attention, have been included in the original budget.” The Commissioners’ Court must approve the original budget appropriations and subsequent amendments and adjustments. The County Auditor is required to monitor the expenditures of all the funds in comparison to that which has been appropriated. The following schedule of changes in the original budget appropriations includes those funds for which the Commissioners’ Court has legally adopted a budget, as well as funds with managerial budgets:

	Original Budgeted Expenditures and Other Financing Uses	Supplemental Appropriations	Original As Amended
General Fund	\$ 81,987,554	\$ 121,268	\$ 82,108,822
Special Revenue	7,978,660	1,822,747	9,801,407
Debt Service	10,380,000	(49,573)	10,330,427
Capital Projects	17,720,249	455,220	18,175,469
Totals	<u>\$ 118,066,463</u>	<u>\$ 2,349,662</u>	<u>\$ 120,416,125</u>

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

A. Cash and Cash Equivalents

Chapter 2257 of the Texas Government Code, also known as the Public Funds Collateral Act, provides guidelines for the amount of collateral that is required to secure the deposit of public funds. It requires that the deposit of public funds be collateralized in an amount not less than the total deposit, reduced by the amount of Federal Depository insurance (FDIC) available. The County’s depository agreement with BB&T requires collateralization with a fair market value at 110 percent of County funds in excess of the FDIC coverage of \$250,000. At September 30, 2014, the carrying amounts of the County’s deposits were \$74,707,898, reported as “Cash and Cash Equivalents” on the balance sheet of the governmental funds and the statement of net position of the proprietary funds. The collateralized market value of the County’s deposits at September 30, 2014 was \$111,651,394. The County had \$76,196,563 on deposit with BB&T at September 30, 2014.

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

B. Investments

The County is authorized to invest its funds in accordance with the Texas Public Funds Act, Government Code Chapter 2256 and its subsequent amendments. The County's investment policy is strictly based on the State law. During the year ended September 30, 2014, County investments consisted of participation in TexPool.

Interest-Rate Risk. TexPool is a local government investment pool under the oversight of the State Comptroller of Public Accounts of Texas. TexPool's portfolio has low interest rate risk due to restrictions on weighted average maturity and maximum maturity of any one investment. It maintains the weighted average maturity at sixty (60) days or less and no security will exceed thirteen (13) months in maturity.

Credit Risk. State law limits investment in the investment pool to at least an AAA or AAAM rating or an equivalent rating by at least one nationally recognized rating service. TexPool is rated AAAM by Standard & Poor's, the highest rating a local government investment pool can achieve. The pools seek to maintain a \$1.00 value per share as required by the Texas Public Funds Investment Act.

Investments at September 30, 2014 are as follows:

Pooled Investments	\$ 2,351,727
Property	<u>1,218,100</u>
Total Investments	<u>\$ 3,569,827</u>

The \$2,351,727 pooled investments are reflected as investments on the balance sheet/statement of net position. The pooled investment represents its fair value, which is the same as the value of the pool shares.

The \$1,218,100 investment in property, which represents property held by the County as security for the bail bondsman operating in the County, is recorded in the Bail Bond Board Agency Fund. It is not classified in accordance with GASB Statement 3.

NOTE 4 – TAXES AND OTHER RECEIVABLES

Below is the detail of receivables for the major and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible amounts:

	General	Debt Service	Grant	Nonmajor	Total
Property Taxes	\$ 2,051,255	\$ 365,503	\$ -	\$ -	\$ 2,416,758
Property Tax Penalties & Interest	1,229,379	164,098	-	-	1,393,477
Hotel & Motel Taxes	-	-	-	261,714	261,714
Sales Taxes	1,359,648	-	-	-	1,359,648
Officials	244,419	2,726	-	-	247,145
Interest	10,367	1,252	-	2,194	13,813
Court Fines	14,354,984	-	-	-	14,354,984
Accounts	144,834	-	300	18,593	163,727
State	372,341	-	242,753	-	615,094
Federal	44,532	-	-	-	44,532
Gross Receivables	<u>19,811,759</u>	<u>533,579</u>	<u>243,053</u>	<u>282,501</u>	<u>20,870,892</u>
Less: Allowance for Uncollectibles	<u>(13,221,849)</u>	<u>(62,633)</u>	<u>-</u>	<u>-</u>	<u>(13,284,482)</u>
Net Receivables	<u>\$ 6,589,910</u>	<u>\$ 470,946</u>	<u>\$ 243,053</u>	<u>\$ 282,501</u>	<u>\$ 7,586,410</u>

NOTE 5 – INTERFUND BALANCES AND TRANSFERS

In the fund financial statements, interfund balances are the result of normal transactions between funds and will be liquidated in the subsequent fiscal year. The following is a summary of amounts due from and due to other funds as of September 30, 2014:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 70,780	\$ -
County Attorney Enterprise Fund	-	590
Jail Commissary Enterprise Fund	-	70,190
Total	<u>\$ 70,780</u>	<u>\$ 70,780</u>

The summary of the County’s transfers for the year ended September 30, 2014 is as follows:

	<u>Debt Service Fund</u>	<u>Grant Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<u>Transfer Out:</u>				
General Fund	\$ -	\$ 71,185	\$ 3,400,020	\$ 3,471,205
Nonmajor Governmental Funds	484,996	-	229,684	714,680
Jail Commissary Enterprise Fund	-	-	100,000	100,000
	<u>\$ 484,996</u>	<u>\$ 71,185</u>	<u>\$ 3,729,704</u>	<u>\$ 4,285,885</u>

The General Fund transferred out \$3,122,411 to the Capital Improvement Fund, \$71,185 to the Grant Fund, and \$277,609 to other nonmajor governmental funds for anticipated expenditures in various capital improvements, grant matching and other requirements. In addition, \$484,996 was transferred from the Hotel & Occupancy Tax Fund to the Debt Service Fund for the anticipated debt principal and interest payments for the Expo Center Expansion project. The Jail Commissary Enterprise Fund contributed \$100,000 to the Capital Improvement Fund for its transfer of \$229,684 to the Jail Expansion Fund to fund the requisition of a video visitation system.

NOTE 6 – CAPITAL ASSETS

Depreciation expense for fiscal year 2014 was charged to functions as follows:

Governmental Activities:	
General Government	\$ 438,358
Justice System	318,945
Law Enforcement	2,370,979
Juvenile Services	175,130
Public Transportation	687,510
Public Health	7,897
Human Services	<u>1,117,372</u>
Total depreciation expense - governmental activities	<u>\$ 5,116,191</u>

NOTE 6 – CAPITAL ASSETS (Continued)

Capital Asset activity for the year ended September 30, 2014 was as follows:

	Balance at September 30, 2013	Additions	Deletions & Adjustments	Balance at September 30, 2014
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 20,643,195	\$ 1,928,585	\$ (1,372)	\$ 22,570,408
Construction in progress	15,606,752	8,897,574	(8,189,630)	16,314,696
Infrastructure	69,965,405	2,551,218	-	72,516,623
Total capital assets, not being depreciated	106,215,352	13,377,377	(8,191,002)	111,401,727
Capital assets, being depreciated:				
Buildings	126,039,036	1,162	-	126,040,198
Improvements other than buildings	6,033,282	4,011,498	(318,683)	9,726,097
Machinery and equipment	21,209,693	1,171,413	(1,824,530)	20,556,576
Intangible assets - computer software	2,844,411	103,121	(28,667)	2,918,865
Total capital assets, being depreciated	156,126,422	5,287,194	(2,171,880)	159,241,736
Less accumulated depreciation for:				
Buildings	(26,375,324)	(3,152,467)	-	(29,527,791)
Improvements other than buildings	(4,246,516)	(360,502)	318,686	(4,288,332)
Machinery and equipment	(11,874,180)	(1,573,746)	1,674,189	(11,773,737)
Intangible assets - computer software	(2,688,070)	(29,476)	28,667	(2,688,879)
Total accumulated depreciation	(45,184,090)	(5,116,191)	2,021,542	(48,278,739)
Total capital assets, being depreciated, net	110,942,332	171,003	(150,338)	110,962,997
Governmental activities capital assets, net	\$ 217,157,684	\$ 13,548,380	\$ (8,341,340)	\$ 222,364,724
Business-type activities:				
Capital assets, being depreciated:				
Machinery and equipment	\$ 86,095	\$ 7,741	\$ -	\$ 93,836
Total capital assets, being depreciated	86,095	7,741	-	93,836
Less accumulated depreciation for:				
Machinery and equipment	(44,321)	(10,339)	-	(54,660)
Total accumulated depreciation	(44,321)	(10,339)	-	(54,660)
Total capital assets, being depreciated, net	41,774	(2,598)	-	39,176
Business-type activities capital assets, net	\$ 41,774	\$ (2,598)	\$ -	\$ 39,176

During fiscal year 2014, the company that Brazos County contracted to develop its justice software system defaulted on the entire contract. As a result, the County incurred an impairment loss of \$2,780,557, which represents the total costs of the software under development. The impairment loss is reported as an expense of the justice system in the County's government-wide financial statements. Currently, the County is not anticipating any insurance recovery. The recovery from the vendor is highly unlikely due to the fact that the company filed for bankruptcy shortly after the default.

NOTE 7 – LEASES

A. Operating Leases

The County has entered into operating leases as both lessee and lessor. The County currently has facility leases in force that provide for cancellation at various terms. These leases are for office space and ground storage having minimum annual lease payments of \$134,283. At September 30, 2014, the County had entered into two lease arrangements with outside non-profit entities to provide space within the Brazos Center, a public facility owned by the County. The County's lease arrangement with the Brazos Valley Museum provides the Museum with space at \$1,248 annually. The lease is a 50-year lease expiring in 2040. The County also provides the office space for Junior League of Bryan/College Station at \$7,800 per year with a lease agreement renewable annually. The current lease was renewed on May 20, 2014. The County has also purchased property with an existing lease renewable yearly, allowing Lamar Companies to set up billboards on the County's property at \$1,200 per year.

The County has entered into twenty-six non-cancelable operating leases for the use of photocopying equipment. The leases are for a 36 to 60 month period. Expenditures for these operating leases were \$73,728 in 2014. The County has also entered into one non-cancelable operating lease for facility rental with a 5-year term. Expenditures for this lease were \$4,640 in 2014. The future minimum lease payments for these leases are as follows:

<u>Year Ended September 30,</u>	<u>Amount</u>
2015	\$ 57,999
2016	18,244
2017	4,316
Total	<u>\$ 80,559</u>

B. Capital Leases

The County has entered into three capital lease agreements for the acquisition of heavy equipment. The amounts capitalized total \$666,650. Principal payments during the fiscal year 2014 totaled \$104,244. Depreciation expense of \$15,065 was recorded for the year on the equipment. The following is a summary of capital lease activity and outstanding balances at September 30, 2014:

<u>Governmental Activities:</u>	<u>Beginning</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>Due Within</u>
	<u>Balance</u>			<u>September 30, 2014</u>	<u>One Year</u>
Capital Leases	\$ 548,467	\$ -	\$ 104,244	\$ 444,223	\$ 106,903

Payments, including interest at an average rate of 2.6% per annum are due as follows:

<u>Year Ended September 30,</u>	<u>Amount</u>
2015	\$ 118,183
2016	181,780
2017	58,927
2018	112,000
Total future lease payments	<u>470,890</u>
Less: Interest	<u>(26,667)</u>
	<u>\$ 444,223</u>

NOTE 8 – COMPENSATED ABSENCES

The cost of the County’s liability for compensated absences is calculated at the end of the fiscal year based on the employee’s pay rate and the accumulated vacation hours earned but not taken. It is reported as a current liability in the County’s government-wide financial statements due to the fact that the average maturity of the liability is less than one year. The general fund, grant fund and some special revenue funds have been used in prior years to liquidate the liability for compensated absences in governmental funds.

The amount of compensated absences due within one year of the date of the Statement of Net Position of fiscal year 2014 is \$997,468. Changes in compensated absences for the year were as follows:

	Balance Outstanding October 1, 2013	Earned	Taken/ Paid	Balance Outstanding September 30, 2014
Governmental Activities	\$ 963,014	\$ 2,074,226	\$ (2,042,765)	\$ 994,475
Business-type Activities	3,031	2,005	(2,043)	2,993
Total	<u>\$ 966,045</u>	<u>\$ 2,076,231</u>	<u>\$ (2,044,808)</u>	<u>\$ 997,468</u>

NOTE 9 – LONG-TERM DEBT

A. Bonded Debt

Bonded debt of the County consists of various issues of General Obligation Bonds and Certificates of Obligation. General Obligation Bonds and Certificates of Obligation are direct obligations of the County with the County’s full faith and credit pledged towards the payment of this obligation. General Obligation Bonds are issued upon approval by the public at an election. Certifications of Obligation are issued by the vote of the Commissioners’ Court as allowed under the Certificates of Obligation Act. Debt service is primarily paid from ad valorem taxes. The following are debt issues with activity or outstanding balances at September 30, 2014:

Description	Original Amount	Interest Rates (%)	Year of Issue	Year of Maturity	Outstanding at 9/30/14
<u>Certificates of Obligation</u>					
Series 2004 - Various	\$ 5,000,000	2.6 - 4.55	2004	2024	\$ -
Series 2005 - Various	2,750,000	3.25 - 3.75	2005	2015	320,000
Series 2009 - Expo Expansion	12,000,000	3.0 - 4.5	2009	2034	10,165,000
Series 2012 - Various	9,700,000	2.0 - 5.0	2012	2032	9,350,000
<u>Limited Tax Refunding Bonds</u>					
Series 2005 - Debt Refunding	6,005,000	4.0	2005	2016	1,475,000
Series 2009 - Debt Refunding	7,365,000	3.0 - 4.0	2009	2021	3,990,000
Series 2012 - Debt Refunding	14,640,000	2.0 - 5.0	2012	2025	14,230,000
<u>Limited Tax Bond</u>					
Series 2008 - Jail Expansion	55,000,000	3.25 - 5.0	2008	2028	47,495,000
<u>General Obligation Bonds</u>					
Series 2005 - Exposition Center	10,500,000	4.0 - 6.0	2005	2025	1,695,000
Total Certificates of Obligation and Bonds Payable					<u>\$ 88,720,000</u>

NOTE 9 – LONG-TERM DEBT (Continued)

A. Bonded Debt (Continued)

Activity for long-term debt of the County for the year ended September 30, 2014 was as follows:

Description	Balance Outstanding 10/1/2013	Additions	Reductions	Balance Outstanding 9/30/2014	Amount Due Within One Year
<u>Certificates of Obligation</u>					
Series 2004 - Various	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -
Series 2005 - Various	625,000	-	305,000	320,000	320,000
Series 2009 - Expo Expansion	10,565,000	-	400,000	10,165,000	425,000
Series 2012 - Various	9,525,000	-	175,000	9,350,000	175,000
<u>Limited Tax Refunding Bonds</u>					
Series 2005 - Debt Refunding	2,165,000	-	690,000	1,475,000	720,000
Series 2009 - Debt Refunding	4,470,000	-	480,000	3,990,000	505,000
Series 2012 - Debt Refunding	14,365,000	-	135,000	14,230,000	530,000
<u>Limited Tax Bond</u>					
Series 2008 - Jail Expansion	49,895,000	-	2,400,000	47,495,000	2,510,000
<u>General Obligation Bonds</u>					
Series 2005 - Exposition Center	2,220,000	-	525,000	1,695,000	545,000
Premium	2,971,506	-	226,114	2,745,392	-
Total Bonds Payable	<u>\$ 97,051,506</u>	<u>\$ -</u>	<u>\$ 5,586,114</u>	<u>\$ 91,465,392</u>	<u>\$ 5,730,000</u>

Annual debt service requirements as of September 30, 2014 are as follows:

Fiscal Year	Principal	Interest	Total
2015	\$ 5,730,000	\$ 3,667,774	\$ 9,397,774
2016	6,115,000	3,457,974	9,572,974
2017	5,575,000	3,250,199	8,825,199
2018	5,795,000	3,033,549	8,828,549
2019	6,040,000	2,805,549	8,845,549
2020-2024	31,420,000	10,039,152	41,459,152
2025-2029	22,925,000	3,580,322	26,505,322
2030-2034	5,120,000	550,901	5,670,901
Totals	<u>\$88,720,000</u>	<u>\$ 30,385,420</u>	<u>\$119,105,420</u>

B. Arbitrage Rebate Liability

The Tax Recovery Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local governmental bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due on an annual basis and remit the amount due at least every five years. The County has not incurred such a liability in the fiscal year 2014.

NOTE 10 – INVESTMENT IN JOINT VENTURE

The City of Bryan and Brazos County Economic Development Foundation, Inc. (the “Foundation”) is a Texas Transportation Code local government corporation formed by the City of Bryan, Texas (the “City”), and Brazos County, Texas (the “County”), to promote, develop, encourage and maintain employment, commerce, and economic development in the City and the County.

The Foundation was formed pursuant to the provisions of Subchapter D, Chapter 431 of the Texas Transportation Code, as amended. The funding sources of the Foundation have come from contributions from Brazos County and the City of Bryan, a grant from the Twin Cities Endowment, Inc., cash contributions from Research Valley Partnership (RVP) and cash from the sale of land acquired by the Foundation. The affairs of the Foundation are managed by a Board of Directors which is composed of nine persons including the County Judge of Brazos County and three other persons appointed by the Commissioners’ Court of Brazos County, the Mayor of the City of Bryan and three other persons appointed by the City Council of the City of Bryan, and one individual appointed by the Board of Directors of Twin Cities Endowment, Inc. However, the director appointed by the Board of Directors of Twin Cities Endowment, Inc. has no voting rights except in the case of a deadlock in votes by the other directors.

The Foundation is reported as a joint venture in the County’s government-wide financial statements, as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, GASB Statement No. 39 and GASB Statement No. 61.

The Foundation’s statement of net position and statement of activities for fiscal year 2014 are presented as follows:

**CITY OF BRYAN AND BRAZOS COUNTY
ECONOMIC DEVELOPMENT FOUNDATION, INC.
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014
(UNAUDITED)**

Assets	
Cash and cash equivalents	\$ 194,498
Cash and cash equivalents - restricted	1,032
Prepaid expenses	833
Other assets	20,131
Capital assets	
Land	2,863,110
Total Assets	3,079,604
Liabilities	
Accounts payable and accrued expenses	2,707,354
Noncurrent liabilities	
Due within one year	88,669
Due in more than one year	1,350,044
Total Liabilities	4,146,067
Net Position (Deficit)	
Net investment in capital assets	1,424,397
Restricted for contractual requirements	1,032
Unrestricted	(2,491,892)
Total Net Position (Deficit)	\$ (1,066,463)

NOTE 10 – INVESTMENT IN JOINT VENTURE (Continued)

**CITY OF BRYAN AND BRAZOS COUNTY
ECONOMIC DEVELOPMENT FOUNDATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2014
(UNAUDITED)**

<u>Program Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Capital Grants and Contributions</u>	<u>Net (Expenses) Revenue and Changes in Net Position</u>
		<u>Fees, Fines and Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Governmental Activities</u>
Governmental activities					
General government and administration	\$ 4,373,565	\$ -	\$ 353,671	\$ -	\$ (4,019,894)
Total primary government	<u>\$ 4,373,565</u>	<u>\$ -</u>	<u>\$ 353,671</u>	<u>\$ -</u>	(4,019,894)
General Revenues					
Investment earnings					1,034
Total general revenues					<u>1,034</u>
Change in net position					(4,018,860)
Net position - beginning of year					<u>2,952,397</u>
Net position (deficit) - end of year					<u>\$ (1,066,463)</u>

Besides the entity’s investment in the Foundation, each entity also reports a 50% ownership in the residual net position of the Foundation. The County’s investment in the joint venture was reduced to zero as of the end of the fiscal year as a result of the deficit in net position.

A copy of the Foundation’s financial statements may be obtained from the Foundation at 200 S. Texas Avenue, Suite 332, Bryan, TX 77803.

NOTE 11 – RISK MANAGEMENT

The County participates in a workers’ compensation pool administered by the Texas Association of Counties. The Texas Association of Counties handles claims adjusting and related administrative services for the program. Premiums are evaluated annually by position class code at actuarially determined rates. The County workers’ compensation program provides medical and indemnity payments as required by law for on-the-job related injuries and is accounted for by the use of departmental expenditures based on a percentage of payroll.

The pool that the County participates in has provided for reinsurance coverage for excess workers’ compensation and employer’s liability. The County does not recognize any liability for outstanding losses for incurred but not reported claims. The Texas Association of Counties assumes this responsibility.

The County currently provides medical and dental insurance for its employees with basic prescription and life benefits attached. The group insurance plan is self-insured. The plan pays the full cost of the claims for its members.

NOTE 11 – RISK MANAGEMENT (Continued)

The County has established a Health and Life Insurance Internal Service Fund to account for the costs associated with various health-related insurance programs. The Internal Service Fund collects the premium payments from the County, the employees, and the retirees. All funds are available to pay claims and administrative fees and have been reserved for such purpose. The County has purchased reinsurance that provides a \$75,000 stop loss on an individual claim, and an aggregate at \$60,000 after the initial individual claim has reached \$75,000. The County experienced claims of \$7,038,076, and \$5,592,350 for fiscal year 2014 and 2013 respectively. At September 30, 2014, the County had accrued \$846,529 for anticipated claims that had not been filed at year-end. This amount is classified as a current liability in the Statement of Net Position of the Internal Service Fund and is due within one year of September 30, 2014.

Change in the balance of unpaid liability during fiscal years 2013 and 2014 were as follows:

	Beginning of Fiscal Year <u>Liability</u>	Current Year Claims and Changes in <u>Estimated</u>	Claims <u>Paid</u>	Balance at Fiscal <u>Year End</u>	Amount Due Within <u>One Year</u>
2013	\$ 770,369	\$ 5,592,350	\$ (5,581,113)	\$ 781,606	\$ 781,606
2014	781,606	7,038,076	(6,973,153)	846,529	846,529

The Commissioners’ Court of Brazos County is aware that the County has risk of loss exposure to liability and accidental loss of real and personal property as well as human resources. County operations involve a variety of high-risk activities including, but not limited to, cash collections, road and bridge maintenance, law enforcement, and construction.

The Commissioners’ Court has created the office of Risk Management, whose responsibility is to identify, evaluate, and manage risk in an effort to reduce the liability and accidental loss of property and human services. In the management process, the Risk Manager is assigned the responsibility of ensuring that all County employees are properly trained in safety. Brazos County employs risk-financing activities to include the purchase of insurance for general liability, vehicle liability, and liability from property damage claims. In addition, the County purchases property insurance, errors and omission coverage, professional liability insurance, as well as crime and fidelity coverage. Any liability that arises from the operation of motorized equipment will be considered to fall within the confines of the Texas Tort Claims Act, and thereby limit the County’s exposure. At September 30, 2014, all claims against the County had been paid or accrued for payment, or the County’s underwriter had accepted responsibility for the claim.

The County has not made any significant reductions in insurance coverage from coverage in the previous fiscal year. No settlements exceeded insurance coverage for the past three fiscal years.

NOTE 12 – RETIREMENT PLAN

A. Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the Texas County and District Retirement System (“TCDRS” or “System”). The Board of Trustees of the System is responsible for the administration of the statewide agent multiple-employer system consisting of over 500 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. This report includes the required six-year trend information. To obtain a copy send a written request for the CAFR to the TCDRS Board of Trustees at P. O. Box 2034, Austin, Texas 78768-2034.

The Commissioners’ Court of Brazos County adopts the plan provisions within the options available in the Texas State statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service or with 30 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 eight years of service but accumulated contributions must be left in the plan. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

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

B. Funding Policy

Brazos County has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. Brazos County contributed using the actuarially determined rate of 13.05% from October 1, 2013 to December 31, 2013 and 14.00% from January 1, 2014 to September 30, 2014. For 2015, the employer’s rate is anticipated to remain at 14.00%. The employee’s member contribution rate remained at 7.00% for 2014.

C. Annual Pension Cost

The general fund has been used in prior years to liquidate the net pension obligation for the County. For the County’s fiscal year ending September 30, 2014, the County’s annual pension cost for the TCDRS plan for its employees was \$4,396,710. The County’s annual required contributions were \$4,396,710 and the County’s actual contributions were \$4,396,710. The County’s annual pension cost for the fiscal year ended September 30, 2013 was \$5,005,459.

NOTE 12 - RETIREMENT PLAN (Continued)

C. Annual Pension Cost (Continued)

The annual required contribution for 2014 was actuarially determined as a percent of the covered payroll of the participating employees, and was in compliance with the GASB Statement No. 27 parameters based on the actuarial valuation as of December 31, 2011, and December 31, 2012, which is the basis for determining the contribution rate for calendar year 2013 and 2014 respectively. The December 31, 2013 actuarial valuation is the most recent valuation.

Actuarial valuation date	<u>12/31/11</u>	<u>12/31/12</u>	<u>12/31/13</u>
Actuarial cost method	Entry Age	Entry Age	Entry Age
Amortization method	Level percentage of payroll, closed	Level percentage of payroll, closed	Level percentage of payroll, closed
Remaining amortization period	17.2 years	15.0 years	13.4 years
Asset valuation method	SAF: 10-year smoothed value ESF: Fund value	SAF: 10-year smoothed value ESF: Fund value	SAF: 5-year smoothed value ESF: Fund value
Actuarial assumptions:			
Investment return	8.0%	8.0%	8.0%
Projected salary increases	5.4%	5.4%	4.9%
Includes inflation at	3.5%	3.5%	3.0%
Cost-of-living adjustments	0.0%	0.0%	0.0%

Trend Information for the Retirement Plan for the Employees of Brazos County

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
09/30/12	\$ 3,623,218	100%	None
09/30/13	\$ 5,005,459	100%	None
09/30/14	\$ 4,396,710	100%	None

Schedule of Funding

Actuarial Valuation Date	12/31/13
Actuarial Value of Assets	\$112,699,150
Actuarial Accrued Liability (AAL)	\$136,403,762
Unfunded Actuarial Accrued Liability (UAAL)	\$23,704,612
Funded Ratio	82.62%
Annual Covered Payroll (Actuarial)	\$34,655,500
UAAL as Percentage of Covered Payroll	68.40%

The schedule of funding progress, presented as Required Supplementary Information, following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. COBRA

The County provides health care benefits as required by the Federal government under the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”). COBRA requires employers that sponsor group health plans to provide continuation of group coverage to terminated employees and their dependents in circumstances where coverage would normally end. The election to be covered is at the request of the employee. The employee is then required to pay the premium costs for themselves and their dependents. Expenditures are recognized as claims are submitted. The benefit levels of the COBRA participants are the same as those afforded to active employees. The County uses the Health and Life Insurance Internal Service fund to liquidate the benefit obligation for COBRA participants. At September 30, 2014, the County had been fully reimbursed for costs related to COBRA participants.

B. Post-Retirement Benefits

Plan Description

Texas Local Government Code Section 157.101 assigns the authority to establish and amend group health benefit provisions to the Commissioners’ Court. Brazos County has elected to offer post-retirement healthcare benefits to certain retirees. County policy allows full-time employees to become eligible for post-retirement healthcare benefits after meeting the service and retirement age requirements of the TCDRS retirement plan. The post-retirement healthcare benefits include medical, dental and drug care benefits, all of which are provided through the County’s self-insured healthcare plan. The benefit levels are the same as those afforded to active employees.

As of January 1, 2014, the membership of the County’s self-insured plan consists of:

Retirees and Beneficiaries Receiving Benefits	129
Active Employees	641
Total	<u>770</u>
Participating Employers	<u>1</u>

Funding Policy

The County uses the Health and Life Insurance Internal Service fund to liquidate the post-retirement benefit obligation. The County evaluates and establishes the plan premium amounts, which includes the employee portion and the County’s subsidy, under Texas Local Government Code Section 157.102 on an annual basis. The eligible retirees who retired prior to January 1, 2000 may pay a fixed premium amount to maintain coverage through the County’s healthcare plan. Eligible retirees who were hired before August 30, 2011 and with eight or more years of cumulative services with Brazos County upon retirement are entitled to the County’s subsidy and may pay the employee portion of the premium only to maintain coverage. Eligible retirees who were hired before August 30, 2011 but have less than eight years of cumulative service with Brazos County at retirement must pay the full premium to maintain coverage. Employees hired on or after August 30, 2011 must pay the full premiums to maintain coverage regardless of the years of service. Upon a retiree reaching 65 years of age, the County’s healthcare plan becomes secondary automatically.

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

B. Post-Retirement Benefits (Continued)

Annual OPEB Costs and Net OPEB Obligation

The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The County's annual OPEB cost, the County's contribution, and the net OPEB obligation for the fiscal year ended September 30, 2014 were as follows:

Annual Required Contribution	\$	6,743,635
Add interest on Net OPEB Obligation		1,595,241
Less adjustment to Annual Required Contribution		<u>(1,477,974)</u>
Annual OPEB Cost		6,860,902
Less Contributions made		<u>(1,160,220)</u>
Change in Net OPEB Obligation		5,700,682
Net OPEB Obligation beginning of the year		<u>35,449,793</u>
Net OPEB Obligation end of the year	\$	<u><u>41,150,475</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending September 30, 2014 and the preceding two fiscal years were as follows:

Fiscal Year Ended	Trend Information			
	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net Ending OPEB Obligation
9/30/2012	\$ 7,090,501	\$ 673,690	9.5%	\$ 28,815,541
9/30/2013	\$ 7,321,521	\$ 687,269	9.4%	\$ 35,449,793
9/30/2014	\$ 6,860,902	\$ 1,160,220	16.9%	\$ 41,150,475

The County's post-retirement benefits, provided through the County's self-insured healthcare plan, are funded on a pay-as-you-go basis. The County contributed \$1,160,220 toward it for the year ended September 30, 2014.

Funded Status and Funding Progress

The funded status of the County's post-retirement healthcare plan, under GASB Statement No. 45 as of January 1, 2014 (the most recent valuation) was as follows:

Actuarial value of assets	\$	-
Actuarial accrued liability (AAL)	\$	63,510,613
Unfunded actuarial accrued liability (UAAL)	\$	63,510,613
Funded ratio (actuarial value of plan assets /AAL)		0%
Covered payroll (active plan members)	\$	32,073,636
UAAL as percentage of covered payroll		198.0%

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

B. Post-Retirement Benefits (Continued)

Under the reporting parameters, the County's post-retirement healthcare plan is 0.0% funded with an estimated actuarial accrued liability exceeding actuarial assets by \$63,510,613 at January 1, 2014. The ratio of the unfunded actuarial accrued liability to annual covered payroll is 198.0%.

Actuarial Methods and Assumptions

The Projected Unit Credit actuarial cost method is used to calculate the annual required contribution of the employer (ARC) for the County's post-retirement healthcare plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic recognition of the cost of these anticipated payments. The annual ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability.

Projections of benefits are based on the plan as understood by the County and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Inflation Rate	3.00% per annum
Investment Rate of Return	4.50%, net of expenses
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	Level as a percentage of employee payroll
Amortization Period	30-year, open amortization
Payroll Growth	3.00% per annum
Healthcare Cost Trend Rate	7.50% initial rate; 5.50% ultimate rate
Dental Cost Trend Rate	4.50% per year

Additional Disclosure

Texas Local Government Code, Chapter 175 requires counties to make available continued health benefits coverage under certain circumstances to retirees and their dependents beyond the end of an individual's employment with the County ("Continuation Coverage") by permitting covered employees to purchase continued health benefits coverage in retirement. Texas law does not require counties to fund all or any portion of such coverage.

Because the County is given the authority to pay OPEB for its retired employees, it may incur a debt obligation to pay for OPEB as long as the County follows the constitutional requirement that it have sufficient taxing authority available at the time such debt is incurred to provide for the payment of the debt and has in fact levied a tax for such purpose concurrently with the incurrence of the debt. Any debt incurred in contravention of this constitutional requirement is considered void and payment will not be due. Brazos County has not incurred a legal debt obligation for OPEB and has not levied a tax for the same.

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

B. Post-Retirement Benefits (Continued)

The County funds the cost associated with OPEB on a current “pay as you go” basis for a single fiscal year through an annual appropriation authorized by the Commissioners’ Court during the County’s annual budget adoption process. GAAP requires governmental organizations to recognize an actuarially calculated accrued liability for OPEB, even though it may not have a legally enforceable obligation to pay OPEB benefits.

Information and amounts presented in the County’s Comprehensive Annual Financial Report relative to OPEB expenses, related liabilities (assets), note disclosures, and supplementary information are only intended to achieve compliance with the requirements of generally accepted accounting principles (GASB 45) and does not constitute or imply that the County is legally obligated to provide OPEB benefits.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the ARC of the County’s post-retirement healthcare plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

C. Deferred Compensation

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, as amended, is available to all employees, and permits them to defer a portion of their salary until future years. The plan funds are not available to employees until termination, retirement, death, or emergency. Brazos County is not the plan administrator or the trustee, therefore the assets of the plan are not a reportable fund within the County’s financial statements.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

A. Construction Contracts

The County has budgeted \$23,184,799 for various contracts in connection with the construction and renovation of County facilities, buildings and the rehabilitation of County roads for fiscal year 2015. They are allocated as follows:

- \$0.7 million for the construction of the new fleet maintenance building to be used for routine maintenance of County-owned vehicles and heavy equipment.
- \$8.1 million for the renovation of the County’s courthouse building.
- \$2.5 million for the new Tax Office building.
- \$0.3 million for the purchase of the new citizen collection site.
- \$10.1 million for the rehabilitation of County roads.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)

A. Construction Contracts (Continued)

- \$1.0 million for the construction of the new building for the Justice of the Peace and Constable of precinct 1.
- \$0.5 million for smaller building renovation projects for various County offices.

The County has also budgeted \$3,909,438 for the acquisition of the judicial software and \$306,792 for the visual visitation system in fiscal year 2015.

B. Tax Increment Financing Zones (TIFZ's)

As of September 30, 2014, the County had entered into several inter-local agreements with the City of Bryan for the creation of Tax Increment Financing Zones as allowed by Chapter 311 of the Texas Tax Code.

Tax Increment Financing Zones (TIFZ) are statutory tools available to municipalities in Texas to promote development or redevelopment in an area that would not occur in the foreseeable future solely through private investment. TIFZ are also means to allow a community, both city and county, to enhance their ability to attract economic development or to allow businesses currently located within their area to expand.

Once a city has designated a TIFZ, the Commissioners' Court must decide whether the County is to participate in the TIFZ and to what extent. After the County has elected to participate, a base value for the property located within the TIFZ is established. At the date of creation the appraised value is normally accepted as the base value. As the property within the TIFZ develops, the County collects taxes based on the appreciated appraised values at the rate established annually by the Commissioners' Court. Once the taxes have been paid each year the County remits the amount of taxes attributable to the increase in the appraised values (captured value) to the TIFZ to be used to fund the project plan. Project plans normally include the creation of infrastructure such as roads, street improvements, light systems, sewer systems, landscaping, parks, etc. A TIFZ can be terminated either on the date designated in the ordinance creating the zone, or the date on which all project costs, tax increment bonds, and interest on the bonds have been paid.

Brazos County has entered into two inter-local agreements with the City of Bryan to create Reinvestment Zone Number Ten – “Traditions” and Reinvestment Zone Number Twenty-Two – “Bryan Towne Center”. The Traditions zone is approximately 790 acres on the west side of the City of Bryan and is scheduled for 15 years of County participation. The Bryan Towne Center on the east side of the City is scheduled for 20 years of County participation. During fiscal year 2014 (for the tax year ended 12/31/13), the County reimbursed \$684,772 to the City of Bryan on the TIFZ's.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)

C. Tax Abatements

Chapter 312 of the Texas Tax Code authorizes the County to provide property tax abatements for limited time periods to encourage development or expansion of property. The terms of each agreement are limited by the guidelines and criteria established by the Commissioners' Court. At September 30, 2014 the County had established abatement agreements with the following property owners.

Property Owner	2014 Appraised Value	2014 Taxable Value	2014 Taxes Levied
Caliber Biotherapeutics LLC	\$ 32,483,480	\$ 6,559,336	\$ 31,977
Gunler Real Estate Inc.	1,716,750	171,700	837
Kent Moore	9,427,700	7,666,604	37,375
North American Packaging	7,776,800	7,318,640	35,678
Penncro Associates	233,020	117,265	572
Toyo Ink International	21,562,430	13,594,992	66,276

D. Contingent Liabilities

The County is a defendant in various lawsuits. All are matters that are pending and have arisen in the normal course of the County's operations. Although the outcome of these lawsuits is not presently determinable, the County's various legal counsels are of the opinion that the settlement of these claims and pending litigation will not have a material effect on the County's financial statements. Consequently, there has been no current provision to reserve funds for such claims.

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

NOTE 15 – FUND BALANCES

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned as described in Note 1-P. The following is a detail of fund balances for all the major and nonmajor governmental funds at September 30, 2014:

NOTE 15 – FUND BALANCES (Continued)

	General Fund	Debt Service Fund	Grant Fund	Nonmajor Funds	Total
Fund Balances:					
Nonspendable:					
Prepays	\$ 528,633	\$ -	\$ 9,764	\$ -	\$ 538,397
Inventories	885,120	-	-	-	885,120
Total Nonspendable	<u>1,413,753</u>	<u>-</u>	<u>9,764</u>	<u>-</u>	<u>1,423,517</u>
Restricted for:					
Debt Service	-	6,160,188	-	-	6,160,188
Juvenile Services	83,034	-	-	-	83,034
Human Services	-	-	4,111	1,653,735	1,657,846
State Lateral Road Fund	-	-	-	146,541	146,541
Unclaimed Property	-	-	-	55,373	55,373
Administration of Justice	295,239	-	-	479,378	774,617
Records Management	-	-	-	1,288,721	1,288,721
Special Forfeitures	-	-	-	27,374	27,374
District Attorney Hot Check Collection	-	-	-	1,928	1,928
Bail Bond Board Fees	-	-	-	85,844	85,844
Administration of Tax Office	-	-	-	192,152	192,152
Sheriff Department Crime Fund	-	-	-	306,263	306,263
District Attorney Crime Fund	-	-	-	91,746	91,746
Capital Projects	-	-	-	4,430,433	4,430,433
Total Restricted	<u>378,273</u>	<u>6,160,188</u>	<u>4,111</u>	<u>8,759,488</u>	<u>15,302,060</u>
Committed to:					
Health Endowment Fund	400,586	-	-	-	400,586
Total Committed	<u>400,586</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,586</u>
Assigned to:					
Capital Improvements	-	-	-	6,344,841	6,344,841
Research Valley	119,000	-	-	-	119,000
Indigent Health Care	904,141	-	-	-	904,141
Total Assigned	<u>1,023,141</u>	<u>-</u>	<u>-</u>	<u>6,344,841</u>	<u>7,367,982</u>
Unassigned	<u>40,130,516</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,130,516</u>
Total Fund Balances	<u>\$ 43,346,269</u>	<u>\$ 6,160,188</u>	<u>\$ 13,875</u>	<u>\$ 15,104,329</u>	<u>\$ 64,624,661</u>

NOTE 16 – NEW ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued Statement No. 68 (“GASB 68”), “Accounting and Financial Reporting for Pensions: an amendment of GASB Statement No. 27” which will be effective for the County in the fiscal year ending September 30, 2015. This Statement replaces the requirements of Statement No. 27 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements.

The Governmental Accounting Standards Board has issued Statement No. 71 (“GASB 71”), “Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68” which will be effective for the County in the fiscal year ending September 30, 2015. This Statement addresses an issue regarding application of the transition provisions of Statement No. 68. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68.



REQUIRED SUPPLEMENTARY INFORMATION



BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes				
Current Ad Valorem Taxes	\$ 50,560,000	\$ 50,560,000	\$ 50,255,450	\$ (304,550)
Delinquent Ad Valorem Taxes	475,000	475,000	487,549	12,549
Penalties & Interest - Taxes	275,000	275,000	370,671	95,671
Mixed Drink Taxes	490,000	490,000	532,822	42,822
County Sales Taxes	11,725,000	11,725,000	14,900,374	3,175,374
Total Taxes	<u>63,525,000</u>	<u>63,525,000</u>	<u>66,546,866</u>	<u>3,021,866</u>
Charges For Services				
JJAEP Service Fee	37,500	37,500	35,593	(1,907)
Contracted Jail Services	105,000	105,000	118,333	13,333
Arrest/Warrant Fees	137,000	137,000	173,084	36,084
Brazos Center	200,000	200,000	207,863	7,863
Exposition Center	935,000	935,000	1,043,507	108,507
Bond Service/Forfeitures	172,000	172,000	195,773	23,773
County Clerk	1,250,000	1,250,000	1,464,938	214,938
Vital Statistics Preservation	6,000	6,000	6,918	918
County Attorney	50,000	50,000	43,656	(6,344)
General Administration Fees	42,500	42,500	31,574	(10,926)
Constables	176,000	176,000	194,948	18,948
Court Reporter	35,500	35,500	37,868	2,368
Magistrate	30,000	30,000	21,096	(8,904)
County Drug Court Fees	30,000	30,000	27,903	(2,097)
District Clerk	409,950	409,950	382,966	(26,984)
District Attorney	6,000	6,000	5,578	(422)
Family Protection	8,000	8,000	9,170	1,170
Election Services	50,000	50,000	54,109	4,109
Motor Carrier Weight	17,500	17,500	36,234	18,734
Inmate Medical Fees	16,000	16,000	14,915	(1,085)
Justice of the Peace	1,456,550	1,456,550	1,569,816	113,266
Juvenile Probation Fees	10,000	10,000	12,042	2,042
License and Weights	-	-	22,265	22,265
Omnibus Crime Control Fees	85,000	85,000	90,589	5,589
Judicial Support Fees	2,000	2,000	2,052	52
Optional License Fees	1,200,000	1,200,000	1,389,880	189,880
Probate Fees	3,000	3,000	3,448	448
Road & Bridge Fees	6,500	6,500	65,515	59,015
School Crossing Fees	22,000	22,000	26,540	4,540
Sheriff	75,000	75,000	67,600	(7,400)
Landfill Fees	32,500	32,500	37,300	4,800
Tax Assessor-Collector	655,000	655,000	684,251	29,251
Vehicle Registration Fees	675,000	675,000	458,090	(216,910)
Motor Vehicle Sales Taxes	850,000	850,000	1,061,486	211,486
Licenses and Permits	50,000	50,000	71,494	21,494
Pretrial Bond Supervision	73,000	73,000	108,320	35,320
Court Fines	1,975,000	1,975,000	1,770,007	(204,993)
Total Charges For Services	<u>\$ 10,884,500</u>	<u>\$ 10,884,500</u>	<u>\$ 11,546,721</u>	<u>\$ 662,221</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES (continued)				
Intergovernmental - Federal				
Department of Justice	\$ 31,000	\$ 31,000	\$ 44,945	\$ 13,945
Department of Agriculture	26,000	26,000	42,369	16,369
Department of Health & Human Services	33,000	33,000	66,204	33,204
Emergency Management Agency	40,000	40,000	56,751	16,751
Total Intergovernmental - Federal	<u>130,000</u>	<u>130,000</u>	<u>210,269</u>	<u>80,269</u>
Intergovernmental - State & Local				
Attorney General	165,000	165,000	142,200	(22,800)
Department of Justice	285,000	285,000	304,354	19,354
D. A. Salary Supplement	22,500	22,500	22,500	-
Office of the Court Administrator	90,000	90,000	367,499	277,499
Texas Juvenile Justice Department	97,000	97,000	240,143	143,143
Texas Youth Commission	14,000	14,000	11,275	(2,725)
Juror Reimbursement	50,000	50,000	78,812	28,812
Tobacco Settlement	65,000	65,000	62,926	(2,074)
Total Intergovernmental - State	<u>788,500</u>	<u>788,500</u>	<u>1,229,709</u>	<u>441,209</u>
Total Intergovernmental	<u>918,500</u>	<u>918,500</u>	<u>1,439,978</u>	<u>521,478</u>
Interest	<u>155,000</u>	<u>155,000</u>	<u>143,571</u>	<u>(11,429)</u>
Other Revenue				
Donations	20,000	139,104	150,934	11,830
Road Crossing	5,000	5,000	22,000	17,000
State Traffic Fee	8,500	8,500	9,444	944
Reimbursements	191,000	191,000	384,722	193,722
Leases and Rentals	10,000	10,000	10,248	248
Other	28,100	28,100	54,226	26,126
Estray Animal Sale/Fee	500	500	1,264	764
Inmate Phone System	170,000	170,000	206,438	36,438
Oil and Gas Lease	1,000	1,000	778	(222)
Informal Adjudication Probation	7,000	7,000	6,814	(186)
Total Other Revenue	<u>441,100</u>	<u>560,204</u>	<u>846,868</u>	<u>286,664</u>
TOTAL REVENUES	<u>\$ 75,924,100</u>	<u>\$ 76,043,204</u>	<u>\$ 80,524,004</u>	<u>\$ 4,480,800</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
General Government				
County Judge				
Personnel Services	\$ 287,679	\$ 289,613	\$ 258,803	\$ 30,810
Supplies and Other Charges	12,750	12,719	6,815	5,904
Repairs and Maintenance	780	780	267	513
Contract Services	406	437	437	-
	<u>301,615</u>	<u>303,549</u>	<u>266,322</u>	<u>37,227</u>
Budget Office				
Personnel Services	181,941	188,354	187,320	1,034
Supplies and Other Charges	5,100	5,100	4,050	1,050
	<u>187,041</u>	<u>193,454</u>	<u>191,370</u>	<u>2,084</u>
Commissioners' Court				
Personnel Services	1,575,019	1,702,893	1,700,723	2,170
Discretionary Funding	-	9	-	9
Supplies and Other Charges	39,525	39,525	25,481	14,044
Repairs and Maintenance	520	773	638	135
Contract Services	305	305	286	19
	<u>1,615,369</u>	<u>1,743,505</u>	<u>1,727,128</u>	<u>16,377</u>
Non-Departmental				
Personnel Services	522,464	272	-	272
Supplies and Other Charges	1,436,005	1,457,543	1,092,507	365,036
Repairs and Maintenance	-	-	(3,476)	3,476
Contract Services	302,105	302,105	289,633	12,472
Professional Services	765,000	742,443	107,055	635,388
	<u>3,025,574</u>	<u>2,502,363</u>	<u>1,485,719</u>	<u>1,016,644</u>
Community Support				
Community Support	2,836,256	3,175,256	3,022,672	152,584
	<u>2,836,256</u>	<u>3,175,256</u>	<u>3,022,672</u>	<u>152,584</u>
County Treasurer				
Personnel Services	439,350	441,872	417,955	23,917
Discretionary Funding	-	1,077	-	1,077
Supplies and Other Charges	14,800	20,529	20,118	411
Repairs and Maintenance	1,211	1,226	1,197	29
Contract Services	525	263	263	-
	<u>455,886</u>	<u>464,967</u>	<u>439,533</u>	<u>25,434</u>
Risk Management				
Personnel Services	135,469	138,324	137,543	781
Discretionary Funding	-	3,706	-	3,706
Supplies and Other Charges	8,380	11,380	5,767	5,613
Professional Services	4,000	4,000	2,734	1,266
	<u>\$ 147,849</u>	<u>\$ 157,410</u>	<u>\$ 146,044</u>	<u>\$ 11,366</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
General Government (continued)				
Tax Assessor-Collector				
Personnel Services	\$ 1,747,981	\$ 1,761,917	\$ 1,632,273	\$ 129,644
Discretionary Funding	-	30,015	-	30,015
Supplies and Other Charges	61,075	61,066	43,105	17,961
Repairs and Maintenance	1,660	1,660	1,515	145
Contract Services	2,678	3,037	2,852	185
	<u>1,813,394</u>	<u>1,857,695</u>	<u>1,679,745</u>	<u>177,950</u>
Information Technology				
Personnel Services	1,547,674	1,564,007	1,460,819	103,188
Supplies and Other Charges	82,260	82,170	58,148	24,022
Repairs and Maintenance	34,834	35,405	18,501	16,904
Minor Acquisitions	83,680	81,497	80,508	989
Contract Services	685,261	694,943	679,356	15,587
Professional Services	-	300	300	-
	<u>2,433,709</u>	<u>2,458,322</u>	<u>2,297,632</u>	<u>160,690</u>
Human Resources				
Personnel Services	278,866	276,465	266,823	9,642
Discretionary Funding	-	848	-	848
Supplies and Other Charges	25,600	25,600	19,730	5,870
Repairs and Maintenance	1,320	1,320	1,210	110
Contract Services	1,055	7,250	6,993	257
Professional Services	5,000	5,000	2,166	2,834
	<u>311,841</u>	<u>316,483</u>	<u>296,922</u>	<u>19,561</u>
County Auditor				
Personnel Services	731,097	731,097	716,516	14,581
Supplies and Other Charges	16,360	16,342	11,937	4,405
Minor Acquisitions	2,640	2,640	2,640	-
Contract Services	4,100	4,118	4,118	-
	<u>754,197</u>	<u>754,197</u>	<u>735,211</u>	<u>18,986</u>
Purchasing				
Personnel Services	318,414	322,083	304,658	17,425
Discretionary Funding	-	283	-	283
Supplies and Other Charges	12,550	12,700	9,270	3,430
Repairs and Maintenance	2,696	2,696	609	2,087
Contract Services	744	4,140	3,739	401
	<u>\$ 334,404</u>	<u>\$ 341,902</u>	<u>\$ 318,276</u>	<u>\$ 23,626</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
General Government (continued)				
Facilities Services				
Personnel Services	\$ 1,351,987	\$ 1,365,722	\$ 1,333,485	\$ 32,237
Discretionary Funding	-	11,157	-	11,157
Supplies and Other Charges	86,550	86,550	66,228	20,322
Repairs and Maintenance	393,000	416,987	364,969	52,018
Minor Acquisitions	34,000	32,705	19,342	13,363
Contract Services	131,700	131,667	93,800	37,867
Professional Services	2,600	2,633	2,633	-
	<u>1,999,837</u>	<u>2,047,421</u>	<u>1,880,457</u>	<u>166,964</u>
Landscaping				
Personnel Services	282,274	284,579	273,166	11,413
Supplies and Other Charges	3,158	3,158	1,995	1,163
Repairs and Maintenance	87,508	87,508	55,996	31,512
Minor Acquisitions	2,208	3,503	3,498	5
Contract Services	55,232	55,232	43,475	11,757
	<u>430,380</u>	<u>433,980</u>	<u>378,130</u>	<u>55,850</u>
Total General Government	<u>16,647,352</u>	<u>16,750,504</u>	<u>14,865,161</u>	<u>1,885,343</u>
Justice System				
Pre-Trial Bond Supervision				
Personnel Services	72,052	72,052	65,442	6,610
Supplies and Other Charges	2,520	2,520	1,050	1,470
Contract Services	7,020	7,020	5,518	1,502
	<u>81,592</u>	<u>81,592</u>	<u>72,010</u>	<u>9,582</u>
County Attorney				
Personnel Services	2,614,401	2,644,029	2,586,250	57,779
Discretionary Funding	-	41	-	41
Supplies and Other Charges	122,889	122,649	105,745	16,904
Repairs and Maintenance	24,232	23,448	15,525	7,923
Minor Acquisitions	-	240	-	240
Contract Services	9,036	9,820	9,820	-
	<u>2,770,558</u>	<u>2,800,227</u>	<u>2,717,340</u>	<u>82,887</u>
District Attorney				
Personnel Services	2,516,493	2,539,461	2,467,262	72,199
Discretionary Funding	-	6,850	-	6,850
Supplies and Other Charges	130,000	127,600	103,215	24,385
Repairs and Maintenance	14,620	18,120	16,953	1,167
Minor Acquisitions	-	400	349	51
Contract Services	7,536	6,036	5,188	848
	<u>\$ 2,668,649</u>	<u>\$ 2,698,467</u>	<u>\$ 2,592,967</u>	<u>\$ 105,500</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Justice System (continued)				
D.A. - Child Protective Services				
Personnel Services	\$ 219,549	\$ 221,715	\$ 168,661	\$ 53,054
Supplies and Other Charges	8,900	8,900	1,885	7,015
	<u>228,449</u>	<u>230,615</u>	<u>170,546</u>	<u>60,069</u>
District Clerk				
Personnel Services	786,070	801,815	747,545	54,270
Discretionary Funding	-	5,944	-	5,944
Supplies and Other Charges	43,818	43,818	34,972	8,846
Contract Services	15,000	15,000	9,724	5,276
	<u>844,888</u>	<u>866,577</u>	<u>792,241</u>	<u>74,336</u>
Court and Jury Services				
Personnel Services	115,001	115,001	114,544	457
Discretionary Funding	-	12,241	-	12,241
Supplies and Other Charges	189,800	182,800	169,526	13,274
Repairs and Maintenance	156	156	80	76
Contract Services	10,100	17,100	11,332	5,768
	<u>315,057</u>	<u>327,298</u>	<u>295,482</u>	<u>31,816</u>
Collections				
Personnel Services	281,449	287,269	281,651	5,618
Discretionary Funding	-	2,083	-	2,083
Supplies and Other Charges	13,029	14,194	11,723	2,471
Minor Acquisitions	-	505	494	11
Contract Services	2,430	2,430	2,040	390
	<u>296,908</u>	<u>306,481</u>	<u>295,908</u>	<u>10,573</u>
County Clerk				
Personnel Services	628,214	634,100	624,847	9,253
Discretionary Funding	-	22,893	-	22,893
Supplies and Other Charges	26,510	29,510	28,823	687
Repairs and Maintenance	-	1,581	1,581	-
Minor Acquisitions	-	1,249	1,222	27
Contract Services	89,620	89,620	7,810	81,810
	<u>744,344</u>	<u>778,953</u>	<u>664,283</u>	<u>114,670</u>
Vital Statistics Preservation				
Supplies and Other Charges	6,200	6,200	3,106	3,094
	<u>6,200</u>	<u>6,200</u>	<u>3,106</u>	<u>3,094</u>
85th District Court				
Personnel Services	299,913	304,065	291,982	12,083
Discretionary Funding	-	679	-	679
Supplies and Other Charges	23,825	21,760	14,945	6,815
Minor Acquisitions	-	1,373	1,281	92
Contract Services	1,884	1,934	1,907	27
	<u>\$ 325,622</u>	<u>\$ 329,811</u>	<u>\$ 310,115</u>	<u>\$ 19,696</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Justice System (continued)				
272nd District Court				
Personnel Services	\$ 288,484	\$ 291,981	\$ 290,944	\$ 1,037
Discretionary Funding	-	467	-	467
Supplies and Other Charges	17,650	17,650	10,220	7,430
Minor Acquisitions	800	-	-	-
Contract Services	2,560	2,560	2,280	280
	<u>309,494</u>	<u>312,658</u>	<u>303,444</u>	<u>9,214</u>
361st District Court				
Personnel Services	293,006	296,039	293,896	2,143
Discretionary Funding	-	6,763	-	6,763
Supplies and Other Charges	25,850	25,850	22,544	3,306
Repairs and Maintenance	338	338	218	120
Contract Services	1,303	1,303	228	1,075
	<u>320,497</u>	<u>330,293</u>	<u>316,886</u>	<u>13,407</u>
Juvenile Court Referee				
Personnel Services	140,221	141,622	138,414	3,208
Discretionary Funding	-	1,195	-	1,195
Supplies and Other Charges	4,670	4,670	4,623	47
	<u>144,891</u>	<u>147,487</u>	<u>143,037</u>	<u>4,450</u>
Associate Judge #1				
Personnel Services	255,360	257,522	254,967	2,555
Supplies and Other Charges	7,782	8,032	6,756	1,276
Repairs and Maintenance	250	-	-	-
Contract Services	4,700	4,700	2,564	2,136
	<u>268,092</u>	<u>270,254</u>	<u>264,287</u>	<u>5,967</u>
County Drug Court Program				
Personnel Services	14,627	15,347	15,319	28
Supplies and Other Charges	6,330	13,330	12,727	603
Minor Acquisitions	770	50	-	50
	<u>21,727</u>	<u>28,727</u>	<u>28,046</u>	<u>681</u>
Associate Judge #2				
Personnel Services	261,644	262,992	237,887	25,105
Supplies and Other Charges	7,700	7,700	5,537	2,163
Contract Services	4,860	4,860	2,280	2,580
	<u>274,204</u>	<u>275,552</u>	<u>245,704</u>	<u>29,848</u>
Brazos County Family Court Annex				
Personnel Services	46,400	46,400	7,657	38,743
Supplies and Other Charges	13,100	19,934	15,559	4,375
Contract Services	29,634	99,005	98,753	252
Professional Services	60,000	65,875	65,294	581
	<u>\$ 149,134</u>	<u>\$ 231,214</u>	<u>\$ 187,263</u>	<u>\$ 43,951</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Justice System (continued)				
County Court At Law #1				
Personnel Services	\$ 481,267	\$ 486,468	\$ 481,646	\$ 4,822
Discretionary Funding	-	4,471	-	4,471
Supplies and Other Charges	12,010	8,056	6,540	1,516
Repairs and Maintenance	526	526	143	383
Minor Acquisitions	-	442	442	-
Contract Services	720	720	600	120
	<u>494,523</u>	<u>500,683</u>	<u>489,371</u>	<u>11,312</u>
County Court At Law #2				
Personnel Services	473,094	475,060	467,696	7,364
Discretionary Funding	-	1,196	-	1,196
Supplies and Other Charges	21,050	21,050	11,990	9,060
Contract Services	1,430	1,430	1,428	2
	<u>495,574</u>	<u>498,736</u>	<u>481,114</u>	<u>17,622</u>
Justice of the Peace Precinct 1				
Personnel Services	277,633	279,902	270,880	9,022
Discretionary Funding	-	20,356	-	20,356
Supplies and Other Charges	27,400	28,400	21,188	7,212
Repairs and Maintenance	75	75	33	42
Contract Services	32,977	32,977	29,999	2,978
	<u>338,085</u>	<u>361,710</u>	<u>322,100</u>	<u>39,610</u>
Justice of the Peace Precinct 2 Place 1				
Personnel Services	222,891	219,981	209,259	10,722
Discretionary Funding	-	2,129	-	2,129
Supplies and Other Charges	6,075	6,445	4,118	2,327
Contract Services	2,500	2,130	1,284	846
	<u>231,466</u>	<u>230,685</u>	<u>214,661</u>	<u>16,024</u>
Justice of the Peace Precinct 2 Place 2				
Personnel Services	220,549	226,579	199,333	27,246
Supplies and Other Charges	7,900	10,400	9,934	466
Repairs and Maintenance	125	125	-	125
Contract Services	2,000	1,468	1,284	184
Professional Services	150	150	-	150
	<u>230,724</u>	<u>238,722</u>	<u>210,551</u>	<u>28,171</u>
Justice of the Peace Precinct 3				
Personnel Services	285,691	288,465	286,537	1,928
Discretionary Funding	-	21,104	-	21,104
Supplies and Other Charges	17,945	17,945	14,875	3,070
Contract Services	7,000	7,000	3,583	3,417
	<u>\$ 310,636</u>	<u>\$ 334,514</u>	<u>\$ 304,995</u>	<u>\$ 29,519</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Justice System (continued)				
Justice of the Peace Precinct 4				
Personnel Services	\$ 225,801	\$ 227,548	\$ 226,724	\$ 824
Discretionary Funding	-	1	-	1
Supplies and Other Charges	8,830	8,830	3,087	5,743
Minor Acquisitions	350	350	-	350
Contract Services	1,400	1,400	925	475
	<u>236,381</u>	<u>238,129</u>	<u>230,736</u>	<u>7,393</u>
Community Supervision Support				
Supplies and Other Charges	73,100	89,100	70,140	18,960
Minor Acquisitions	2,000	2,000	1,198	802
Contract Services	10,100	10,100	6,549	3,551
	<u>85,200</u>	<u>101,200</u>	<u>77,887</u>	<u>23,313</u>
Judicial Court Support				
Supplies and Other Charges	410,100	540,391	497,943	42,448
Contract Services	600,000	1,470,000	1,463,232	6,768
Professional Services	3,314,863	3,334,572	2,843,879	490,693
	<u>4,324,963</u>	<u>5,344,963</u>	<u>4,805,054</u>	<u>539,909</u>
Total Justice System	<u>16,517,858</u>	<u>17,871,748</u>	<u>16,539,134</u>	<u>1,332,614</u>
Law Enforcement				
Sheriff Administration				
Personnel Services	4,585,628	4,624,553	4,526,571	97,982
Supplies and Other Charges	175,138	173,938	166,920	7,018
Repairs and Maintenance	236,425	325,547	319,784	5,763
Minor Acquisitions	800	2,000	1,971	29
Contract Services	15,520	15,520	8,517	7,003
Professional Services	3,050	3,050	2,985	65
	<u>5,016,561</u>	<u>5,144,608</u>	<u>5,026,748</u>	<u>117,860</u>
Joint Terrorism Task Force				
Personnel Services	10,000	10,000	413	9,587
	<u>10,000</u>	<u>10,000</u>	<u>413</u>	<u>9,587</u>
Sheriff Jail Administration				
Personnel Services	9,244,295	9,307,168	9,146,451	160,717
Supplies and Other Charges	1,258,850	1,455,607	1,420,053	35,554
Repairs and Maintenance	82,850	97,674	94,726	2,948
Minor Acquisitions	-	96,200	96,200	-
Contract Services	16,940	18,940	17,921	1,019
Professional Services	77,250	95,950	91,241	4,709
	<u>\$ 10,680,185</u>	<u>\$ 11,071,539</u>	<u>\$ 10,866,592</u>	<u>\$ 204,947</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Law Enforcement (continued)				
Constable Precinct 1				
Personnel Services	\$ 350,041	\$ 352,684	\$ 348,092	\$ 4,592
Supplies and Other Charges	21,050	21,050	15,997	5,053
Repairs and Maintenance	18,100	18,120	18,118	2
Minor Acquisitions	500	500	-	500
Contract Services	25,725	25,725	23,813	1,912
	<u>415,416</u>	<u>418,079</u>	<u>406,020</u>	<u>12,059</u>
Constable Precinct 2				
Personnel Services	556,523	560,931	555,718	5,213
Discretionary Funding	-	444	-	444
Supplies and Other Charges	24,350	21,350	17,441	3,909
Repairs and Maintenance	41,300	44,300	41,323	2,977
Minor Acquisitions	2,000	2,000	85	1,915
Contract Services	4,100	4,100	2,662	1,438
	<u>628,273</u>	<u>633,125</u>	<u>617,229</u>	<u>15,896</u>
Constable Precinct 3				
Personnel Services	284,058	286,146	284,901	1,245
Discretionary Funding	-	49	-	49
Supplies and Other Charges	17,375	17,548	13,607	3,941
Repairs and Maintenance	17,100	15,765	9,339	6,426
Minor Acquisitions	6,227	7,389	1,228	6,161
Contract Services	4,710	4,710	2,904	1,806
	<u>329,470</u>	<u>331,607</u>	<u>311,979</u>	<u>19,628</u>
Constable Precinct 4				
Personnel Services	564,114	568,225	568,223	2
Supplies and Other Charges	15,965	15,837	15,447	390
Repairs and Maintenance	41,300	50,095	47,186	2,909
Minor Acquisitions	3,800	80	-	80
Contract Services	2,980	2,980	2,425	555
	<u>628,159</u>	<u>637,217</u>	<u>633,281</u>	<u>3,936</u>
Total Law Enforcement	<u>\$ 17,708,064</u>	<u>\$ 18,246,175</u>	<u>\$ 17,862,262</u>	<u>\$ 383,913</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Juvenile Services				
Juvenile Services				
Personnel Services	\$ 3,619,120	\$ 3,648,081	\$ 3,468,360	\$ 179,721
Discretionary Funding	-	15,135	-	15,135
Supplies and Other Charges	300,950	305,165	269,027	36,138
Repairs and Maintenance	19,210	19,320	17,455	1,865
Minor Acquisitions	2,600	15,788	14,731	1,057
Contract Services	11,120	11,420	3,451	7,969
Professional Services	41,500	41,911	36,189	5,722
	<u>3,994,500</u>	<u>4,056,820</u>	<u>3,809,213</u>	<u>247,607</u>
TYC - Parole				
Personnel Services	136,049	139,514	101,539	37,975
Supplies and Other Charges	2,300	2,300	886	1,414
Repairs and Maintenance	2,900	2,900	699	2,201
Contract Services	64,380	35,192	24,251	10,941
	<u>205,629</u>	<u>179,906</u>	<u>127,375</u>	<u>52,531</u>
Juvenile Justice Alternative Education				
Personnel Services	203,224	203,224	144,376	58,848
Supplies and Other Charges	1,000	1,000	991	9
	<u>204,224</u>	<u>204,224</u>	<u>145,367</u>	<u>58,857</u>
Juvenile - Title IV E				
Personnel Services	54,423	57,477	39,801	17,676
Supplies and Other Charges	46,150	46,150	21,803	24,347
Repairs and Maintenance	5,250	5,250	4,999	251
Contract Services	10,400	10,400	2,830	7,570
	<u>116,223</u>	<u>119,277</u>	<u>69,433</u>	<u>49,844</u>
TDHS - Commodities				
Supplies and Other Charges	3,000	3,000	1,806	1,194
	<u>3,000</u>	<u>3,000</u>	<u>1,806</u>	<u>1,194</u>
Total Juvenile Services	<u>4,523,576</u>	<u>4,563,227</u>	<u>4,153,194</u>	<u>410,033</u>
Public Transportation				
Road and Bridge Administration				
Personnel Services	3,839,547	3,871,453	3,796,488	74,965
Supplies and Other Charges	1,455,331	1,455,331	86,343	1,368,988
Repairs and Maintenance	4,313,745	4,328,825	3,938,806	390,019
Minor Acquisitions	10,000	9,000	6,997	2,003
Contract Services	286,691	168,507	148,854	19,653
Professional Services	90,000	90,000	68,445	21,555
	<u>9,995,314</u>	<u>9,923,116</u>	<u>8,045,933</u>	<u>1,877,183</u>
Total Public Transportation	<u>\$ 9,995,314</u>	<u>\$ 9,923,116</u>	<u>\$ 8,045,933</u>	<u>\$ 1,877,183</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Public Health				
Environmental Protection				
Supplies and Other Charges	\$ 8,800	\$ 8,800	\$ 7,892	\$ 908
Repairs and Maintenance	500	500	-	500
Minor Acquisitions	8,000	8,000	4,288	3,712
Contract Services	269,900	269,900	250,304	19,596
	<u>287,200</u>	<u>287,200</u>	<u>262,484</u>	<u>24,716</u>
Indigent Health Care				
Supplies and Other Charges	585,959	585,959	473,384	112,575
Professional Services	1,690,000	1,690,000	623,045	1,066,955
Community Support	896,700	896,700	380,609	516,091
	<u>3,172,659</u>	<u>3,172,659</u>	<u>1,477,038</u>	<u>1,695,621</u>
Community Public Health				
Community Support	66,000	66,000	-	66,000
	<u>66,000</u>	<u>66,000</u>	<u>-</u>	<u>66,000</u>
Total Public Health	<u>3,525,859</u>	<u>3,525,859</u>	<u>1,739,522</u>	<u>1,786,337</u>
Human Services				
Veteran Services				
Personnel Services	53,056	54,125	44,802	9,323
Discretionary Funding	-	1,742	-	1,742
Supplies and Other Charges	1,500	1,500	666	834
Repairs and Maintenance	156	156	143	13
	<u>54,712</u>	<u>57,523</u>	<u>45,611</u>	<u>11,912</u>
County Fire Protection				
Community Support	459,422	459,422	459,422	-
	<u>459,422</u>	<u>459,422</u>	<u>459,422</u>	<u>-</u>
County Welfare				
Supplies and Other Charges	5,000	12,400	9,570	2,830
	<u>5,000</u>	<u>12,400</u>	<u>9,570</u>	<u>2,830</u>
Elections				
Personnel Services	106,286	110,025	103,080	6,945
Outside Labor Costs	87,580	124,617	96,684	27,933
Supplies and Other Charges	22,750	23,850	16,681	7,169
Repairs and Maintenance	14,000	13,094	596	12,498
Minor Acquisitions	8,500	8,500	8,500	-
Contract Services	3,000	55,439	54,969	470
Professional Services	99,360	46,921	41,445	5,476
	<u>\$ 341,476</u>	<u>\$ 382,446</u>	<u>\$ 321,955</u>	<u>\$ 60,491</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Human Services (continued)				
Health Department				
Supplies and Other Charges	\$ 47,125	\$ 49,662	\$ 49,662	\$ -
Professional Services	7,900	8,254	8,254	-
	<u>55,025</u>	<u>57,916</u>	<u>57,916</u>	<u>-</u>
Emergency Management				
Personnel Services	155,478	160,803	160,062	741
Discretionary Funding	-	18,552	-	18,552
Supplies and Other Charges	18,400	18,400	9,470	8,930
Repairs and Maintenance	5,405	5,405	5,159	246
Minor Acquisitions	-	2,500	2,327	173
Contract Services	86,268	86,268	80,815	5,453
Professional Services	25,000	25,000	-	25,000
	<u>290,551</u>	<u>316,928</u>	<u>257,833</u>	<u>59,095</u>
Brazos Center				
Personnel Services	365,132	366,615	343,873	22,742
Supplies and Other Charges	99,471	118,370	109,262	9,108
Repairs and Maintenance	18,700	8,272	6,128	2,144
Minor Acquisitions	300	4,930	4,930	-
Contract Services	2,700	3,098	3,097	1
Professional Services	200	200	-	200
	<u>486,503</u>	<u>501,485</u>	<u>467,290</u>	<u>34,195</u>
Exposition Center				
Personnel Services	1,105,327	1,119,485	970,304	149,181
Discretionary Funding	-	3	-	3
Supplies and Other Charges	344,600	446,428	385,482	60,946
Repairs and Maintenance	91,906	99,391	73,887	25,504
Minor Acquisitions	21,000	18,830	6,685	12,145
Contract Services	46,000	40,000	36,400	3,600
	<u>1,608,833</u>	<u>1,724,137</u>	<u>1,472,758</u>	<u>251,379</u>
Agricultural Extension				
Personnel Services	308,357	310,522	262,829	47,693
Discretionary Funding	-	275	-	275
Supplies and Other Charges	53,443	51,711	43,422	8,289
Repairs and Maintenance	3,020	5,126	4,391	735
Minor Acquisitions	-	3,795	3,790	5
Contract Services	34,395	35,245	31,325	3,920
	<u>399,215</u>	<u>406,674</u>	<u>345,757</u>	<u>60,917</u>
Boonville Cemetery				
Repairs and Maintenance	2,000	2,000	775	1,225
	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 775</u>	<u>\$ 1,225</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Human Services (continued)				
Child Protective Services				
Supplies and Other Charges	\$ 50,000	\$ 50,000	\$ 41,535	\$ 8,465
	<u>50,000</u>	<u>50,000</u>	<u>41,535</u>	<u>8,465</u>
Total Human Services	<u>3,752,737</u>	<u>3,970,931</u>	<u>3,480,422</u>	<u>490,509</u>
Contingency	2,325,069	2,049	-	2,049
Capital Outlay	3,516,000	3,520,049	1,919,533	1,600,516
Debt Services				
Capital Lease	-	118,184	118,183	1
TOTAL EXPENDITURES	<u>78,511,829</u>	<u>78,491,842</u>	<u>68,723,344</u>	<u>9,768,498</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,587,729)	(2,448,638)	11,800,660	14,249,298
OTHER FINANCING SOURCES (USES)				
Transfers In	-	2,164	-	(2,164)
Transfers Out	(3,475,725)	(3,616,980)	(3,471,205)	145,775
Sale of Capital Assets	10,000	10,000	167,452	157,452
TOTAL OTHER FINANCING USES	<u>(3,465,725)</u>	<u>(3,604,816)</u>	<u>(3,303,753)</u>	<u>301,063</u>
Net Change in Fund Balances	(6,053,454)	(6,053,454)	8,496,907	14,550,361
FUND BALANCE, OCTOBER 1	<u>34,849,362</u>	<u>34,849,362</u>	<u>34,849,362</u>	<u>-</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 28,795,908</u>	<u>\$ 28,795,908</u>	<u>\$ 43,346,269</u>	<u>\$ 14,550,361</u>

BRAZOS COUNTY, TEXAS
GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
For the Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Intergovernmental - Federal				
Department of Justice	\$ 17,972	\$ 17,972	\$ 17,654	\$ (318)
Department of Transportation	401,233	401,233	356,794	(44,439)
Department of Public Safety	23,509	23,509	13,019	(10,490)
Total Intergovernmental - Federal	<u>442,714</u>	<u>442,714</u>	<u>387,467</u>	<u>(55,247)</u>
Intergovernmental - State				
Texas Juvenile Justice Department	1,135,739	1,135,739	1,004,546	(131,193)
Texas Office of the Attorney General	29,174	27,715	27,715	-
Texas Department of Criminal Justice	7,898	10,302	-	(10,302)
Texas Governor's Office	-	4,178	2,089	(2,089)
Texas Department of Agriculture	-	750,000	153,693	(596,307)
Total Intergovernmental - State	<u>1,172,811</u>	<u>1,927,934</u>	<u>1,188,043</u>	<u>(739,891)</u>
Intergovernmental - Other				
MPO Contribution	33,300	33,300	17,528	(15,772)
EDF Contribution	2,100,000	2,459,153	362,984	(2,096,169)
Program Income	-	-	9,264	9,264
Total Intergovernmental - Other	<u>2,133,300</u>	<u>2,492,453</u>	<u>389,776</u>	<u>(2,102,677)</u>
TOTAL REVENUES	<u>3,748,825</u>	<u>4,863,101</u>	<u>1,965,286</u>	<u>(2,897,815)</u>
EXPENDITURES				
Law Enforcement				
Supplies and Other Charges	-	1,084	1,084	-
Repairs and Maintenance	-	264	264	-
Minor Acquisitions	25,870	16,842	6,223	10,619
Contract Services	29,174	27,715	27,715	-
Juvenile Services				
Personnel Services	1,314,894	1,330,320	1,076,993	253,327
Supplies and Other Charges	24,393	24,393	828	23,565
Public Transportation				
Personnel Services	207,961	207,961	205,215	2,746
Discretionary Funding	-	9,276	-	9,276
Supplies and Other Charges	97,033	57,379	19,555	37,824
Repairs and Maintenance	8,000	2,000	146	1,854
Minor Acquisitions	10,000	19,158	18,867	291
Contract Services	125,282	67,937	57,716	10,221
Professional Services	36,257	731,736	300,359	431,377
Human Services				
Supplies and Other Charges	11,511	4,602	-	4,602
Contract Services	-	26,909	16,410	10,499
Capital Outlay	<u>2,070,000</u>	<u>2,558,323</u>	<u>299,223</u>	<u>2,259,100</u>
TOTAL EXPENDITURES	<u>3,960,375</u>	<u>5,085,899</u>	<u>2,030,598</u>	<u>3,055,301</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(211,550)	(222,798)	(65,312)	157,486
OTHER FINANCING SOURCES (USES)				
Transfers In	203,548	216,960	71,185	(145,775)
Transfers Out	-	(2,164)	-	2,164
TOTAL OTHER FINANCING SOURCES (USES)	<u>203,548</u>	<u>214,796</u>	<u>71,185</u>	<u>(143,611)</u>
Net Change in Fund Balance	(8,002)	(8,002)	5,873	13,875
FUND BALANCE, OCTOBER 1	<u>8,002</u>	<u>8,002</u>	<u>8,002</u>	<u>-</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,875</u>	<u>\$ 13,875</u>

BRAZOS COUNTY, TEXAS
Required Supplementary Information
Texas County and District Retirement System
Schedule of Funding Progress
September 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c) (1)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/11	\$ 94,715,323	\$ 117,217,228	\$ 22,501,905	80.80%	\$ 32,919,781	68.35%
12/31/12	102,131,870	126,193,283	24,061,413	80.93%	33,042,909	72.82%
12/31/13	112,699,150	136,403,762	23,704,612	82.62%	34,655,500	68.40%

(1) The annual covered payroll is based on the employer contributions received by TCDRS for the year ending with the valuation date.

BRAZOS COUNTY, TEXAS
Required Supplementary Information
Other Postemployment Benefits
Schedule of Funding Progress
September 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2012	\$ -	\$ 59,255,841	\$ 59,255,841	0.00%	\$ 25,076,745	236.3%
1/1/2012	-	59,255,841	59,255,841	0.00%	25,076,745	236.3%
1/1/2014	-	63,510,613	63,510,613	0.00%	32,073,636	198.0%

BRAZOS COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2014

BUDGET

Annual budgets are legally adopted for general, special revenue, debt service, capital project, and internal service funds. Budget amounts represent the original budget for 2014 as subsequently amended by the Commissioners' Court. Budgets are adopted on a basis consistent with GAAP (modified accrual basis). The County employs an encumbrance accounting system as a method of accomplishing budgetary control. At year-end, open encumbrances are closed. The departments are required to re-appropriate those funds within the following year's budget.

INFRASTRUCTURE ASSETS UNDER MODIFIED APPROACH

As permitted by Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, Brazos County has adopted the modified approach for reporting its road and bridge system. Under the modified approach, depreciation is not reported and certain preservation and maintenance costs are expensed.

The modified approach requires that Brazos County maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets, perform condition assessments of the eligible infrastructure assets and summarize the results using a measurement scale in order to document that the eligible infrastructure assets are being preserved approximately at or above the condition level established and disclosed by the government, and estimate each year the annual amount needed to maintain and preserve the eligible infrastructure assets at the condition level established and disclosed by the government.

For the year ended September 30, 2014, annual maintenance and preservation costs of \$8,045,933 for both roads and bridges were less than the estimated amount needed of \$9,923,116. This variance is mainly due to a contingency budget (roll-over of prior years' positive variance), the delays in maintenance work and employee turnover.

For the Fiscal Year Ended:	Estimated Dollars to Maintain Roads and Bridges at Required Condition Level	Actual Dollars Spent to Maintain Roads and Bridges at Required Condition Level
September 30, 2010	\$8,955,525	\$6,798,595
September 30, 2011	\$9,269,744	\$6,987,382
September 30, 2012	\$9,469,180	\$7,313,835
September 30, 2013	\$9,647,677	\$7,520,740
September 30, 2014	\$9,923,116	\$8,045,933

Roads

The Brazos County Road and Bridge department performs condition assessments of County roads continually throughout the year and evaluates and prioritizes the results annually. The condition assessment team consists of the County Engineer (Registered Professional Engineer), a planning and development supervisor, a general superintendent, an assistant general superintendent and three road supervisors, one for each precinct in the County. This team utilizes various criteria for evaluating the condition of the roads including the traffic volume of the road, the number of man hours used to maintain the road in the last year, the potential traffic on the road based on observed development of properties accessing the road, the number of traffic accidents and the type of accidents, and a visual inspection of the road for settlement spots, rough pavement, areas requiring patching, and the frequency of repair activities on the road. Each road is assessed on a scale of zero to 100 with 100 representing a road in perfect condition. The County has adopted a minimum condition level of 80% for all County roads. The results of the condition assessment are as follows:

Precinct	Fiscal Year	Percentage of Miles at 80% or greater condition level	Percentage of Miles at 70% or greater condition level	Percentage of Miles at 60% or greater condition level
1	2011	96%	3%	1%
2	2011	93%	6%	1%
4	2011	93%	4%	3%
1	2012	93%	3%	4%
2	2012	95%	3%	2%
4	2012	90%	7%	3%
1	2013	93%	5%	2%
2	2013	89%	5%	6%
4	2013	89%	9%	2%
1	2014	89%	3%	8%
2	2014	89%	6%	5%
4	2014	92%	3%	5%

All roads with 60% to 80% of condition level are scheduled for upgrade or reconstruction within the next 2 year period.

Bridges

The condition of the County's bridges is determined using the State of Texas Bridge Inventory Inspection System (BRINSAP). The bridges are inspected by the State every two years. A numerical condition range 0.0 (beyond repair) to 9.0 (excellent condition) is used to assess each of seven elements of the structure. These include deck, superstructure, substructure, channel, culvert, approaches and miscellaneous items. The BRINSAP summary shows 67 bridges in the County were rated. Brazos County policy requires that bridges be maintained at a minimum of good condition. The chart below shows that the County's bridges are well maintained and in good or very good condition.

<u>Year of Inspection</u>	<u>Condition</u>	<u>Rating</u>	<u>Number</u>	<u>%</u>
2009	Very Good	6.0 - 9.0	59	98%
2009	Good	4.0 - 5.9	1	2%
2009	Fair	3.0 - 3.9	0	0%
2009	Poor	0.0 - 2.9	0	0%
		Total	<u>60</u>	<u>100%</u>
2011	Very Good	6.0 - 9.0	61	100%
2011	Good	4.0 - 5.9	0	0%
2011	Fair	3.0 - 3.9	0	0%
2011	Poor	0.0 - 2.9	0	0%
		Total	<u>61</u>	<u>100%</u>
2013	Very Good	6.0 - 9.0	67	100%
2013	Good	4.0 - 5.9	0	0%
2013	Fair	3.0 - 3.9	0	0%
2013	Poor	0.0 - 2.9	0	0%
		Total	<u>67</u>	<u>100%</u>



NONMAJOR GOVERNMENTAL FUNDS



**BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
September 30, 2014**

	<u>Special Revenue</u>	<u>Capital Project</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 4,602,906	\$ 12,120,387	\$ 16,723,293
Receivables			
Taxes	261,714	-	261,714
Interest	1,084	1,110	2,194
Accounts	18,593	-	18,593
TOTAL ASSETS	<u>\$ 4,884,297</u>	<u>\$ 12,121,497</u>	<u>\$ 17,005,794</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 308,842	\$ 1,346,223	\$ 1,655,065
Accrued Salaries and Wages	32,631	-	32,631
Unclaimed Funds	213,769	-	213,769
Total Liabilities	<u>555,242</u>	<u>1,346,223</u>	<u>1,901,465</u>
Fund Balances			
Restricted	4,329,055	4,430,433	8,759,488
Assigned	-	6,344,841	6,344,841
Total Fund Balances	<u>4,329,055</u>	<u>10,775,274</u>	<u>15,104,329</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,884,297</u>	<u>\$ 12,121,497</u>	<u>\$ 17,005,794</u>

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
For The Year Ended September 30, 2014

	Special Revenue	Capital Project	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 2,468,497	\$ -	\$ 2,468,497
Charges for Services	977,521	-	977,521
Intergovernmental	52,571	-	52,571
Interest	11,208	20,394	31,602
Other Revenue	4,138	-	4,138
TOTAL REVENUES	3,513,935	20,394	3,534,329
EXPENDITURES			
General Government	111,490	624,061	735,551
Justice System	494,704	155,557	650,261
Law Enforcement	398,351	67,283	465,634
Juvenile Services	-	12,239	12,239
Public Transportation	-	2,107	2,107
Public Health	-	9,430	9,430
Human Services	1,078,427	64,194	1,142,621
Capital Outlay	42,866	6,955,773	6,998,639
TOTAL EXPENDITURES	2,125,838	7,890,644	10,016,482
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,388,097	(7,870,250)	(6,482,153)
OTHER FINANCING SOURCES (USES)			
Transfers In	277,609	3,452,095	3,729,704
Transfers Out	(484,996)	(229,684)	(714,680)
Sale of Capital Assets	-	19,150	19,150
TOTAL OTHER FINANCING SOURCES (USES)	(207,387)	3,241,561	3,034,174
Net Change in Fund Balances	1,180,710	(4,628,689)	(3,447,979)
FUND BALANCES, OCTOBER 1	3,148,345	15,403,963	18,552,308
FUND BALANCES, SEPTEMBER 30	\$ 4,329,055	\$ 10,775,274	\$ 15,104,329

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to be expended for specified purposes:

NONMAJOR GOVERNMENTAL FUNDS

Hotel Occupancy Tax Fund – A fund established to account for hotel occupancy taxes received under Chapter 352, Texas Tax Code.

State Lateral Road Fund - A fund established to account for the funds received from the State for maintenance of County roads that join State highways under Section 256.002, Texas Transportation Code.

Unclaimed Property Fund – A fund established to account for property with a value of \$100 or less that is presumed to be abandoned under Section 76.601, Texas Property Code. Expenditures of this fund are limited to the costs associated with publishing and posting of notices to the owners.

Law Library Fund - A fund established to account for fees (assessed and collected by various County Courts) that are used to maintain the County Law Library that is available to the public under Section 323.023, Texas Local Government Code.

Alternative Dispute Resolution Fund - A fund created to account for the \$10.00 fee assessed with each County and District Court civil case filed, used to support the Alternative Dispute Resolution Center. The purpose of the Center is to resolve disputes that do not require formal court action under Chapter 152, Texas Civil Practice and Remedies Code.

Law Enforcement Education Fund - A fund created to account for funding received by the County from the State. The funds received are used to supplement the continuing education and training needs of those employees licensed under Chapter 415 of the Government Code, primarily law enforcement personnel.

County Records Management and Preservation Fund - A fund established to account for fees assessed and collected by the County and District Courts for the express purpose of records management and preservation or automation purposes in the County under Section 203.003, Texas Local Government Code.

County Clerk Records Management and Preservation Fund - A fund established to account for fees assessed for recording of documents in the County Clerk's office under Article 102.005 (f), Texas Code of Criminal Procedure and Section 118.0216, Texas Local Government Code. Filings for real estate transactions, criminal, probate, assumed names and civil court actions are included. Monies are used for records management and preservation services performed by the County Clerk's office.

County Clerk Archival Fund - A fund established to account for fees assessed for the preservation and restoration services performed by the County Clerk in connection with maintaining a county clerk's records archive under Section 118.025, Texas Local Government Code.

Courthouse Security Fund - A fund created to account for the collection of fees charged as part of court costs to provide security services for buildings that house a District or County Court under Article 102.017, Texas code of Criminal Procedure.

SPECIAL REVENUE FUNDS (continued)

Justice Court Security Fund - A fund created to account for the collection of fees charged as part of court costs to provide security services for buildings that house the justice courts which are located outside of the County Courthouse under Article 102.017, Code of Criminal Procedure.

District Clerk Records Management and Preservation Fund - A fund established to account for fees assessed for recording of documents in the District Clerk's office under Article 102.005 (f), Texas Code of Criminal Procedure and Section 51.317, Texas Government Code. Monies are used for records management and preservation services performed by the District Clerk's office.

District Clerk Archival Fund - A fund established to account for fees assessed for supporting preservation and restoration in connection with a district court records archive under Section 51.305, 51.317, Texas Government Code.

Justice of the Peace Technology Fund – A fund created to account for the collection of fees charged as part of court costs to fund the technological needs of the Justices' of the Peace under Article 102.0173, Texas Code of Criminal Procedure.

County & District Court Technology Fund – A fund created to account for the collection of fees charged as part of court costs to fund the technological needs of the county and district courts under Article 102.0169, Texas Code of Criminal Procedure.

Special Forfeitures Fund - A fund established to account for forfeited property receipts as prescribed by Article 59 of the Code of Criminal Procedure. These funds can only be used to support law enforcement activities.

District Attorney Hot Check Collection Fund – A fund established to account for fees collected by the District Attorney for the administration, processing and prosecution of returned checks under Section 118.142, Texas Local Government Code.

Bail Bond Board Fees Fund – A fund established to account for funds received for licensing and expenditures related to monitoring the bond activities of the local bail bondsmen under Section 1704.160, Texas Occupations Code.

Voter Registration Fund - A fund established to account for funds received from the State (before 1991), which represents a fee earned for each voter registered. Funds received can only be used for voter registration activity, and are governed by the Tax Assessor-Collector, the designated Voter Registrar for the County.

Vehicle Inventory Tax Interest Fund - A fund established to account for the interest earned on the Vehicle Inventory Tax collected monthly by the Tax Assessor-Collector under Section 23.122 (c), Texas Tax Code. The Tax Assessor-Collector is allowed to collect the tax from vehicle dealers before the October 1 assessment date. The interest earned on the funds held by the Tax Assessor-Collector can only be used to support the Vehicle Inventory Tax collections and payments.

Sheriff Department Crime Fund – A fund established to account for funds received from the City of Bryan, the City of College Station, and Brazos County restrictively in support of the law enforcement grant activities administered by the Sheriff.

SPECIAL REVENUE FUNDS (continued)

District Attorney Crime Fund – A fund established to account for funds received from the City of Bryan, the City of College Station, and Brazos County in accordance with an inter-local agreement restrictively for the litigation of seizures incurred in law enforcement activities.

Primary Election Service Fund – A fund established to account for the revenues and expenditures related to the election services the County provides for both Democratic and Republican Elections (including Primary and Run-off Elections) under Section 31.100, Texas Election Code.

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
September 30, 2014

	Hotel Occupancy Tax	State Lateral Road	Unclaimed Property
ASSETS			
Cash and Cash Equivalents	\$ 1,604,713	\$ 146,511	\$ 266,100
Receivables			
Taxes	261,714	-	-
Interest	333	30	55
Accounts	3,147	-	-
TOTAL ASSETS	<u>\$ 1,869,907</u>	<u>\$ 146,541</u>	<u>\$ 266,155</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 260,203	\$ -	\$ -
Accrued Salaries and Wages	5,851	-	-
Unclaimed Funds	-	-	210,782
Total Liabilities	<u>266,054</u>	<u>-</u>	<u>210,782</u>
Fund Balances			
Restricted	1,603,853	146,541	55,373
Total Fund Balances	<u>1,603,853</u>	<u>146,541</u>	<u>55,373</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,869,907</u>	<u>\$ 146,541</u>	<u>\$ 266,155</u>

Law Library	Alternative Dispute Resolution	Law Enforcement Education	County Records Management and Preservation	County Clerk Records Management and Preservation	County Clerk Archival
\$ 197,640	\$ 3,030	\$ 18,372	\$ 195,503	\$ 556,060	\$ 380,661
-	-	-	-	-	-
41	-	-	41	115	78
-	-	4,500	-	-	-
<u>\$ 197,681</u>	<u>\$ 3,030</u>	<u>\$ 22,872</u>	<u>\$ 195,544</u>	<u>\$ 556,175</u>	<u>\$ 380,739</u>
\$ 3,494	\$ 3,030	\$ -	\$ 105	\$ 12,197	\$ -
-	-	-	4,424	4,764	-
-	-	-	-	-	-
<u>3,494</u>	<u>3,030</u>	<u>-</u>	<u>4,529</u>	<u>16,961</u>	<u>-</u>
194,187	-	22,872	191,015	539,214	380,739
<u>194,187</u>	<u>-</u>	<u>22,872</u>	<u>191,015</u>	<u>539,214</u>	<u>380,739</u>
<u>\$ 197,681</u>	<u>\$ 3,030</u>	<u>\$ 22,872</u>	<u>\$ 195,544</u>	<u>\$ 556,175</u>	<u>\$ 380,739</u>

(continued)

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
September 30, 2014

	<u>Courthouse Security</u>	<u>Justice Court Security</u>	<u>District Clerk Records Management and Preservation</u>
ASSETS			
Cash and Cash Equivalents	\$ 75,181	\$ 53,270	\$ 144,458
Receivables			
Taxes	-	-	-
Interest	15	11	30
Accounts	15	-	-
TOTAL ASSETS	<u>\$ 75,211</u>	<u>\$ 53,281</u>	<u>\$ 144,488</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 550	\$ -	\$ -
Accrued Salaries and Wages	17,267	-	-
Unclaimed Funds	-	-	-
Total Liabilities	<u>17,817</u>	<u>-</u>	<u>-</u>
Fund Balances			
Restricted	57,394	53,281	144,488
Total Fund Balances	<u>57,394</u>	<u>53,281</u>	<u>144,488</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 75,211</u>	<u>\$ 53,281</u>	<u>\$ 144,488</u>

District Clerk Archival	Justice of the Peace Technology	County & District Court Technology	Special Forfeitures	District Attorney Hot Check Collection	Bail Bond Board Fees
\$ 33,258	\$ 123,272	\$ 33,700	\$ 27,369	\$ 1,833	\$ 86,151
-	-	-	-	-	-
7	26	7	5	1	18
-	-	-	-	94	-
<u>\$ 33,265</u>	<u>\$ 123,298</u>	<u>\$ 33,707</u>	<u>\$ 27,374</u>	<u>\$ 1,928</u>	<u>\$ 86,169</u>
\$ -	\$ 5,361	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	325
-	-	-	-	-	-
<u>-</u>	<u>5,361</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>325</u>
33,265	117,937	33,707	27,374	1,928	85,844
<u>33,265</u>	<u>117,937</u>	<u>33,707</u>	<u>27,374</u>	<u>1,928</u>	<u>85,844</u>
<u>\$ 33,265</u>	<u>\$ 123,298</u>	<u>\$ 33,707</u>	<u>\$ 27,374</u>	<u>\$ 1,928</u>	<u>\$ 86,169</u>

(continued)

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
September 30, 2014

	<u>Voter Registration</u>	<u>Vehicle Inventory Tax Interest</u>	<u>Sheriff Department Crime</u>
ASSETS			
Cash and Cash Equivalents	\$ 22,823	\$ 169,156	\$ 333,081
Receivables			
Taxes	-	-	-
Interest	5	174	65
Accounts	-	-	-
TOTAL ASSETS	<u>\$ 22,828</u>	<u>\$ 169,330</u>	<u>\$ 333,146</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 6	\$ -	\$ 23,896
Accrued Salaries and Wages	-	-	-
Unclaimed Funds	-	-	2,987
Total Liabilities	<u>6</u>	<u>-</u>	<u>26,883</u>
Fund Balances			
Restricted	22,822	169,330	306,263
Total Fund Balances	<u>22,822</u>	<u>169,330</u>	<u>306,263</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 22,828</u>	<u>\$ 169,330</u>	<u>\$ 333,146</u>

District Attorney Crime	Primary Election Service	Totals
\$ 91,727	\$ 39,037	\$ 4,602,906
-	-	261,714
19	8	1,084
-	10,837	18,593
<u>\$ 91,746</u>	<u>\$ 49,882</u>	<u>\$ 4,884,297</u>
\$ -	\$ -	\$ 308,842
-	-	32,631
-	-	213,769
<u>-</u>	<u>-</u>	<u>555,242</u>
91,746	49,882	4,329,055
<u>91,746</u>	<u>49,882</u>	<u>4,329,055</u>
<u>\$ 91,746</u>	<u>\$ 49,882</u>	<u>\$ 4,884,297</u>

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
For The Year Ended September 30, 2014

	Hotel Occupancy Tax	State Lateral Road	Unclaimed Property
REVENUES			
Taxes	\$ 2,441,385	\$ -	\$ -
Charges for Services	-	-	-
Intergovernmental	-	30,831	-
Interest	2,723	365	824
Other Revenue	-	-	-
TOTAL REVENUES	2,444,108	31,196	824
EXPENDITURES			
General Government	-	-	597
Justice System	-	-	-
Law Enforcement	-	-	-
Human Services	1,022,573	-	-
Capital Outlay	42,664	-	-
TOTAL EXPENDITURES	1,065,237	-	597
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,378,871	31,196	227
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(484,996)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(484,996)	-	-
Net Change in Fund Balances	893,875	31,196	227
FUND BALANCES, OCTOBER 1	709,978	115,345	55,146
FUND BALANCES, SEPTEMBER 30	\$ 1,603,853	\$ 146,541	\$ 55,373

Law Library	Alternative Dispute Resolution	Law Enforcement Education	County Records Management and Preservation	County Clerk Records Management and Preservation	County Clerk Archival
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
50,961	37,866	-	93,495	257,487	252,919
-	-	19,027	-	-	-
542	-	-	502	1,238	779
-	-	-	-	-	-
<u>51,503</u>	<u>37,866</u>	<u>19,027</u>	<u>93,997</u>	<u>258,725</u>	<u>253,698</u>
-	-	-	105,411	-	-
88,770	45,366	-	-	190,338	114,180
-	-	6,152	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>88,770</u>	<u>45,366</u>	<u>6,152</u>	<u>105,411</u>	<u>190,338</u>	<u>114,180</u>
(37,267)	(7,500)	12,875	(11,414)	68,387	139,518
-	7,500	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>7,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(37,267)	-	12,875	(11,414)	68,387	139,518
231,454	-	9,997	202,429	470,827	241,221
<u>\$ 194,187</u>	<u>\$ -</u>	<u>\$ 22,872</u>	<u>\$ 191,015</u>	<u>\$ 539,214</u>	<u>\$ 380,739</u>

(continued)

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS -SPECIAL REVENUE FUNDS (Continued)
For The Year Ended September 30, 2014

	<u>Courthouse Security</u>	<u>Justice Court Security</u>	<u>District Clerk Records Management and Preservation</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Charges for Services	91,093	9,400	17,202
Intergovernmental	-	-	-
Interest	450	122	340
Other Revenue	-	-	-
TOTAL REVENUES	<u>91,543</u>	<u>9,522</u>	<u>17,542</u>
EXPENDITURES			
General Government	-	-	-
Justice System	-	-	-
Law Enforcement	344,911	-	-
Human Services	-	-	-
Capital Outlay	-	-	-
TOTAL EXPENDITURES	<u>344,911</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(253,368)	9,522	17,542
OTHER FINANCING SOURCES (USES)			
Transfers In	270,109	-	-
Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>270,109</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	16,741	9,522	17,542
FUND BALANCES, OCTOBER 1	<u>40,653</u>	<u>43,759</u>	<u>126,946</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 57,394</u>	<u>\$ 53,281</u>	<u>\$ 144,488</u>

District Clerk Archival	Justice of the Peace Technology	County & District Court Technology	Special Forfeitures	District Attorney Hot Check Collection	Bail Bond Board Fees
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12,541	37,843	8,549	10,037	707	6,000
-	-	-	-	-	-
66	304	75	79	4	210
-	-	3,800	-	-	-
<u>12,607</u>	<u>38,147</u>	<u>12,424</u>	<u>10,116</u>	<u>711</u>	<u>6,210</u>
-	-	-	-	-	-
-	31,273	5,021	-	-	2,497
-	-	-	11,802	-	-
-	-	-	-	-	-
-	-	-	202	-	-
<u>-</u>	<u>31,273</u>	<u>5,021</u>	<u>12,004</u>	<u>-</u>	<u>2,497</u>
12,607	6,874	7,403	(1,888)	711	3,713
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
12,607	6,874	7,403	(1,888)	711	3,713
<u>20,658</u>	<u>111,063</u>	<u>26,304</u>	<u>29,262</u>	<u>1,217</u>	<u>82,131</u>
<u>\$ 33,265</u>	<u>\$ 117,937</u>	<u>\$ 33,707</u>	<u>\$ 27,374</u>	<u>\$ 1,928</u>	<u>\$ 85,844</u>

(continued)

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
For The Year Ended September 30, 2014

	Voter Registration	Vehicle Inventory Tax Interest	Sheriff Department Crime
REVENUES			
Taxes	\$ -	\$ 27,112	\$ -
Charges for Services	-	-	1
Intergovernmental	2,713	-	-
Interest	56	1,432	820
Other Revenue	-	-	-
TOTAL REVENUES	2,769	28,544	821
EXPENDITURES			
General Government	2,963	2,519	-
Justice System	-	-	-
Law Enforcement	-	-	35,486
Human Services	-	-	-
Capital Outlay	-	-	-
TOTAL EXPENDITURES	2,963	2,519	35,486
Excess (Deficiency) of Revenues Over (Under) Expenditures	(194)	26,025	(34,665)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
Net Change in Fund Balances	(194)	26,025	(34,665)
FUND BALANCES, OCTOBER 1	23,016	143,305	340,928
FUND BALANCES, SEPTEMBER 30	\$ 22,822	\$ 169,330	\$ 306,263

District Attorney Crime	Primary Election Service	Totals
\$ -	\$ -	\$ 2,468,497
17,102	74,318	977,521
-	-	52,571
237	40	11,208
338	-	4,138
<u>17,677</u>	<u>74,358</u>	<u>3,513,935</u>
-	-	111,490
17,259	-	494,704
-	-	398,351
-	55,854	1,078,427
-	-	42,866
<u>17,259</u>	<u>55,854</u>	<u>2,125,838</u>
418	18,504	1,388,097
-	-	277,609
-	-	(484,996)
<u>-</u>	<u>-</u>	<u>(207,387)</u>
418	18,504	1,180,710
<u>91,328</u>	<u>31,378</u>	<u>3,148,345</u>
<u>\$ 91,746</u>	<u>\$ 49,882</u>	<u>\$ 4,329,055</u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
HOTEL OCCUPANCY TAX
For the Year Ended September 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Taxes	\$ 1,350,000	\$ 2,012,720	\$ 2,441,385
Interest	3,200	3,200	2,723
Other Revenue	5,000	5,000	-
TOTAL REVENUES	<u>1,358,200</u>	<u>2,020,920</u>	<u>2,444,108</u>
EXPENDITURES			
Human Services			
Personnel Services	140,099	147,518	126,389
Supplies and Other Charges	64,750	67,750	42,118
Repairs and Maintenance	1,300	50,873	49,573
Minor Acquisitions	2,000	8,797	7,873
Contract Services	7,000	7,000	3,600
Professional Services	5,300	5,300	5,300
Community Support	125,000	787,720	787,720
Capital Outlay	104,000	86,784	42,664
TOTAL EXPENDITURES	<u>449,449</u>	<u>1,161,742</u>	<u>1,065,237</u>
Excess of Revenues Over Expenditures	908,751	859,178	1,378,871
OTHER FINANCING USES			
Transfers Out	<u>(1,080,000)</u>	<u>(1,030,427)</u>	<u>(484,996)</u>
TOTAL OTHER FINANCING USES	<u>(1,080,000)</u>	<u>(1,030,427)</u>	<u>(484,996)</u>
Net Change in Fund Balance	(171,249)	(171,249)	893,875
FUND BALANCE, OCTOBER 1	<u>709,978</u>	<u>709,978</u>	<u>709,978</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 538,729</u></u>	<u><u>\$ 538,729</u></u>	<u><u>\$ 1,603,853</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
STATE LATERAL ROAD
For the Year Ended September 30, 2014**

	Original and Final Budget	Actual
REVENUES		
Intergovernmental	\$ 29,000	\$ 30,831
Interest	450	365
TOTAL REVENUES	<u>29,450</u>	<u>31,196</u>
EXPENDITURES		
Public Transportation		
Repairs and Maintenance	<u>84,800</u>	<u>-</u>
TOTAL EXPENDITURES	<u>84,800</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(55,350)	31,196
FUND BALANCE, OCTOBER 1	<u>115,345</u>	<u>115,345</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 59,995</u></u>	<u><u>\$ 146,541</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
UNCLAIMED PROPERTY
For the Year Ended September 30, 2014**

	Original and Final Budget	Actual
REVENUES		
Interest	\$ 1,500	\$ 824
TOTAL REVENUES	<u>1,500</u>	<u>824</u>
EXPENDITURES		
General Government		
Supplies and Other Charges	51,000	597
TOTAL EXPENDITURES	<u>51,000</u>	<u>597</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(49,500)	227
FUND BALANCE, OCTOBER 1	<u>55,146</u>	<u>55,146</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 5,646</u></u>	<u><u>\$ 55,373</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
LAW LIBRARY
For the Year Ended September 30, 2014**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 49,500	\$ 50,961
Interest	1,000	542
TOTAL REVENUES	50,500	51,503
EXPENDITURES		
Justice System		
Supplies and Other Charges	100,000	85,970
Repairs and Maintenance	2,000	-
Minor Acquisitions	53,000	-
Contract Services	20,000	2,800
TOTAL EXPENDITURES	175,000	88,770
Deficiency of Revenues Under Expenditures	(124,500)	(37,267)
FUND BALANCE, OCTOBER 1	231,454	231,454
FUND BALANCE, SEPTEMBER 30	\$ 106,954	\$ 194,187

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
ALTERNATIVE DISPUTE RESOLUTION
For the Year Ended September 30, 2014**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 37,000	\$ 37,866	\$ 37,866
TOTAL REVENUES	<u>37,000</u>	<u>37,866</u>	<u>37,866</u>
EXPENDITURES			
Justice System			
Community Support	45,500	45,366	45,366
TOTAL EXPENDITURES	<u>45,500</u>	<u>45,366</u>	<u>45,366</u>
Deficiency of Revenues Under Expenditures	(8,500)	(7,500)	(7,500)
OTHER FINANCING SOURCES			
Transfers In	7,500	7,500	7,500
TOTAL OTHER FINANCING SOURCES	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>
Net Change in Fund Balance	-	-	-
FUND BALANCE, OCTOBER 1	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
LAW ENFORCEMENT EDUCATION
For the Year Ended September 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Intergovernmental	\$ -	\$ 19,027	\$ 19,027
TOTAL REVENUES	<u>-</u>	<u>19,027</u>	<u>19,027</u>
EXPENDITURES			
Law Enforcement			
Supplies and Other Charges	<u>9,850</u>	<u>29,024</u>	<u>6,152</u>
TOTAL EXPENDITURES	<u>9,850</u>	<u>29,024</u>	<u>6,152</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,850)	(9,997)	12,875
FUND BALANCE, OCTOBER 1	<u>9,997</u>	<u>9,997</u>	<u>9,997</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 147</u>	<u>\$ -</u>	<u>\$ 22,872</u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COUNTY RECORDS MANAGEMENT AND PRESERVATION
For the Year Ended September 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 107,000	\$ 107,000	\$ 93,495
Interest	800	800	502
TOTAL REVENUES	<u>107,800</u>	<u>107,800</u>	<u>93,997</u>
EXPENDITURES			
General Government			
Personnel Services	97,758	98,702	96,935
Supplies and Other Charges	2,667	1,723	177
Minor Acquisitions	97,600	97,820	5,219
Contract Services	4,775	6,002	3,080
Capital Outlay	40,000	38,553	-
TOTAL EXPENDITURES	<u>242,800</u>	<u>242,800</u>	<u>105,411</u>
Deficiency of Revenues Under Expenditures	(135,000)	(135,000)	(11,414)
FUND BALANCE, OCTOBER 1	<u>202,429</u>	<u>202,429</u>	<u>202,429</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 67,429</u></u>	<u><u>\$ 67,429</u></u>	<u><u>\$ 191,015</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION
For the Year Ended September 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 185,000	\$ 185,000	\$ 257,487
Interest	1,750	1,750	1,238
TOTAL REVENUES	<u>186,750</u>	<u>186,750</u>	<u>258,725</u>
EXPENDITURES			
Justice System			
Personnel Services	110,592	111,434	110,455
Supplies and Other Charges	14,500	4,658	3,415
Repairs and Maintenance	500	-	-
Minor Acquisitions	2,000	500	-
Contract Services	78,500	89,500	76,468
TOTAL EXPENDITURES	<u>206,092</u>	<u>206,092</u>	<u>190,338</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,342)	(19,342)	68,387
FUND BALANCE, OCTOBER 1	<u>470,827</u>	<u>470,827</u>	<u>470,827</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 451,485</u>	<u>\$ 451,485</u>	<u>\$ 539,214</u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COUNTY CLERK ARCHIVAL
For the Year Ended September 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 170,000	\$ 170,000	\$ 252,919
Interest	700	700	779
TOTAL REVENUES	<u>170,700</u>	<u>170,700</u>	<u>253,698</u>
EXPENDITURES			
Justice System			
Contract Services	-	160,000	114,180
Professional Services	170,700	10,700	-
TOTAL EXPENDITURES	<u>170,700</u>	<u>170,700</u>	<u>114,180</u>
Excess of Revenues Over Expenditures	-	-	139,518
FUND BALANCE, OCTOBER 1	<u>241,221</u>	<u>241,221</u>	<u>241,221</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 241,221</u></u>	<u><u>\$ 241,221</u></u>	<u><u>\$ 380,739</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COURTHOUSE SECURITY
For the Year Ended September 30, 2014**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 83,000	\$ 83,000	\$ 91,093
Interest	600	600	450
TOTAL REVENUES	<u>83,600</u>	<u>83,600</u>	<u>91,543</u>
EXPENDITURES			
Law Enforcement			
Personnel Services	340,935	343,616	337,135
Supplies and Other Charges	4,793	4,793	2,876
Repairs and Maintenance	5,300	5,300	4,900
TOTAL EXPENDITURES	<u>351,028</u>	<u>353,709</u>	<u>344,911</u>
Deficiency of Revenues Under Expenditures	(267,428)	(270,109)	(253,368)
OTHER FINANCING SOURCES			
Transfers In	<u>267,428</u>	<u>270,109</u>	<u>270,109</u>
TOTAL OTHER FINANCING SOURCES	<u>267,428</u>	<u>270,109</u>	<u>270,109</u>
Net Change in Fund Balance	-	-	16,741
FUND BALANCE, OCTOBER 1	<u>40,653</u>	<u>40,653</u>	<u>40,653</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 40,653</u></u>	<u><u>\$ 40,653</u></u>	<u><u>\$ 57,394</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
JUSTICE COURT SECURITY
For the Year Ended September 30, 2014**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 8,350	\$ 9,400
Interest	125	122
TOTAL REVENUES	8,475	9,522
EXPENDITURES		
Justice System		
Contract Services	2,475	-
Capital Outlay	49,000	-
TOTAL EXPENDITURES	51,475	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,000)	9,522
FUND BALANCE, OCTOBER 1	43,759	43,759
FUND BALANCE, SEPTEMBER 30	\$ 759	\$ 53,281

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
DISTRICT CLERK RECORDS MANAGEMENT AND PRESERVATION
For the Year Ended September 30, 2014**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 17,000	\$ 17,202
Interest	400	340
TOTAL REVENUES	17,400	17,542
EXPENDITURES		
Justice System		
Supplies and Other Charges	43,000	-
Minor Acquisitions	10,000	-
Contract Services	23,000	-
Professional Services	29,300	-
Capital Outlay	12,000	-
TOTAL EXPENDITURES	117,300	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(99,900)	17,542
FUND BALANCE, OCTOBER 1	126,946	126,946
FUND BALANCE, SEPTEMBER 30	\$ 27,046	\$ 144,488

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
DISTRICT CLERK ARCHIVAL
For the Year Ended September 30, 2014**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 5,250	\$ 12,541
Interest	75	66
TOTAL REVENUES	5,325	12,607
EXPENDITURES		
Justice System		
Professional Services	25,825	-
TOTAL EXPENDITURES	25,825	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,500)	12,607
FUND BALANCE, OCTOBER 1	20,658	20,658
FUND BALANCE, SEPTEMBER 30	\$ 158	\$ 33,265

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
JUSTICE OF THE PEACE TECHNOLOGY
For the Year Ended September 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 33,500	\$ 33,500	\$ 37,843
Interest	400	400	304
TOTAL REVENUES	<u>33,900</u>	<u>33,900</u>	<u>38,147</u>
EXPENDITURES			
Justice System			
Personnel Services	5,115	5,115	4,226
Supplies and Other Charges	73,884	64,789	12,807
Repairs and Maintenance	600	600	-
Minor Acquisitions	48,552	58,103	14,240
Contract Services	15,840	15,384	-
Capital Outlay	909	909	-
TOTAL EXPENDITURES	<u>144,900</u>	<u>144,900</u>	<u>31,273</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(111,000)	(111,000)	6,874
FUND BALANCE, OCTOBER 1	<u>111,063</u>	<u>111,063</u>	<u>111,063</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 63</u>	<u>\$ 63</u>	<u>\$ 117,937</u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COUNTY & DISTRICT COURT TECHNOLOGY
For the Year Ended September 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 10,000	\$ 10,000	\$ 8,549
Interest	50	50	75
Other Revenue	-	3,800	3,800
TOTAL REVENUES	<u>10,050</u>	<u>13,850</u>	<u>12,424</u>
EXPENDITURES			
Justice System			
Supplies and Other Charges	-	116	113
Minor Acquisitions	36,000	39,684	4,908
TOTAL EXPENDITURES	<u>36,000</u>	<u>39,800</u>	<u>5,021</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,950)	(25,950)	7,403
FUND BALANCE, OCTOBER 1	<u>26,304</u>	<u>26,304</u>	<u>26,304</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 354</u></u>	<u><u>\$ 354</u></u>	<u><u>\$ 33,707</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL FORFEITURES
For the Year Ended September 30, 2014**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ -	\$ 6,818	\$ 10,037
Interest	100	100	79
TOTAL REVENUES	<u>100</u>	<u>6,918</u>	<u>10,116</u>
EXPENDITURES			
Law Enforcement			
Supplies and Other Charges	12,870	15,145	4,889
Repairs and Maintenance	1,553	1,553	-
Minor Acquisitions	10,504	14,822	6,913
Capital Outlay	6,000	6,225	202
TOTAL EXPENDITURES	<u>30,927</u>	<u>37,745</u>	<u>12,004</u>
Deficiency of Revenues Under Expenditures	(30,827)	(30,827)	(1,888)
FUND BALANCE, OCTOBER 1	<u>29,262</u>	<u>29,262</u>	<u>29,262</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ (1,565)</u></u>	<u><u>\$ (1,565)</u></u>	<u><u>\$ 27,374</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
DISTRICT ATTORNEY HOT CHECK COLLECTION
For the Year Ended September 30, 2014**

	Original and Final Budget	Actual
	<u> </u>	<u> </u>
REVENUES		
Charges for Services	\$ -	\$ 707
Interest	-	4
	<u> </u>	<u> </u>
TOTAL REVENUES	<u> </u> -	<u> </u> 711
EXPENDITURES		
Justice System		
Supplies and Other Charges	100	-
	<u> </u>	<u> </u>
TOTAL EXPENDITURES	<u> </u> 100	<u> </u> -
Excess (Deficiency) of Revenues Over (Under) Expenditures	(100)	711
FUND BALANCE, OCTOBER 1	<u> </u> 1,217	<u> </u> 1,217
FUND BALANCE, SEPTEMBER 30	<u> </u> \$ 1,117	<u> </u> \$ 1,928

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
BAIL BOND BOARD FEES
For the Year Ended September 30, 2014**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 1,000	\$ 6,000
Interest	200	210
TOTAL REVENUES	1,200	6,210
EXPENDITURES		
Justice System		
Personnel Services	4,893	2,491
Supplies and Other Charges	67,907	6
TOTAL EXPENDITURES	72,800	2,497
Excess (Deficiency) of Revenues Over (Under) Expenditures	(71,600)	3,713
FUND BALANCE, OCTOBER 1	82,131	82,131
FUND BALANCE, SEPTEMBER 30	\$ 10,531	\$ 85,844

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
VOTER REGISTRATION
For the Year Ended September 30, 2014**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Intergovernmental	\$ 20,000	\$ 20,000	\$ 2,713
Interest	300	300	56
TOTAL REVENUES	<u>20,300</u>	<u>20,300</u>	<u>2,769</u>
EXPENDITURES			
General Government			
Supplies and Other Charges	19,400	18,171	1,833
Repairs and Maintenance	-	1,029	1,029
Minor Acquisitions	800	800	-
Contract Services	-	200	101
Professional Services	900	900	-
TOTAL EXPENDITURES	<u>21,100</u>	<u>21,100</u>	<u>2,963</u>
Deficiency of Revenues Under Expenditures	(800)	(800)	(194)
FUND BALANCE, OCTOBER 1	<u>23,016</u>	<u>23,016</u>	<u>23,016</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 22,216</u></u>	<u><u>\$ 22,216</u></u>	<u><u>\$ 22,822</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
VEHICLE INVENTORY TAX INTEREST
For the Year Ended September 30, 2014**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Taxes	\$ 25,000	\$ 25,000	\$ 27,112
Interest	1,050	1,050	1,432
TOTAL REVENUES	<u>26,050</u>	<u>26,050</u>	<u>28,544</u>
EXPENDITURES			
General Government			
Personnel Services	13,519	13,519	-
Supplies and Other Charges	100,270	100,004	1,606
Repairs and Maintenance	-	100	98
Minor Acquisitions	10,000	9,351	-
Contract Services	-	815	815
Professional Services	16,000	16,000	-
TOTAL EXPENDITURES	<u>139,789</u>	<u>139,789</u>	<u>2,519</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(113,739)	(113,739)	26,025
FUND BALANCE, OCTOBER 1	<u>143,305</u>	<u>143,305</u>	<u>143,305</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 29,566</u></u>	<u><u>\$ 29,566</u></u>	<u><u>\$ 169,330</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
SHERIFF DEPARTMENT CRIME
For the Year Ended September 30, 2014**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ -	\$ 1
Interest	750	820
TOTAL REVENUES	750	821
EXPENDITURES		
Law Enforcement		
Supplies and Other Charges	229,950	17,275
Repairs and Maintenance	4,000	1,126
Minor Acquisitions	60,800	17,085
Capital Outlay	40,000	-
TOTAL EXPENDITURES	334,750	35,486
Deficiency of Revenues Under Expenditures	(334,000)	(34,665)
FUND BALANCE, OCTOBER 1	340,928	340,928
FUND BALANCE, SEPTEMBER 30	\$ 6,928	\$ 306,263

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
DISTRICT ATTORNEY CRIME
For the Year Ended September 30, 2014**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ -	\$ -	\$ 17,102
Interest	100	100	237
Other Revenue	-	-	338
TOTAL REVENUES	<u>100</u>	<u>100</u>	<u>17,677</u>
EXPENDITURES			
Justice System			
Personnel Services	19,459	33,958	13,727
Supplies and Other Charges	69,641	55,142	3,532
TOTAL EXPENDITURES	<u>89,100</u>	<u>89,100</u>	<u>17,259</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(89,000)	(89,000)	418
FUND BALANCE, OCTOBER 1	<u>91,328</u>	<u>91,328</u>	<u>91,328</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 2,328</u>	<u>\$ 2,328</u>	<u>\$ 91,746</u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
PRIMARY ELECTION SERVICE
For the Year Ended September 30, 2014**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 55,000	\$ 55,000	\$ 74,318
Interest	-	-	40
TOTAL REVENUES	<u>55,000</u>	<u>55,000</u>	<u>74,358</u>
EXPENDITURES			
Human Services			
Supplies and Other Charges	28,000	24,965	1,078
Repairs and Maintenance	1,000	1,000	756
Minor Acquisitions	-	3,035	3,035
Contract Services	2,000	2,000	1,555
Professional Services	57,000	57,000	49,430
TOTAL EXPENDITURES	<u>88,000</u>	<u>88,000</u>	<u>55,854</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(33,000)	(33,000)	18,504
FUND BALANCE, OCTOBER 1	<u>31,378</u>	<u>31,378</u>	<u>31,378</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ (1,622)</u></u>	<u><u>\$ (1,622)</u></u>	<u><u>\$ 49,882</u></u>

DEBT SERVICE FUND

The **Debt Service Fund** is used to account for the accumulation of resources for the payment of general long-term debt principal and interest related to general obligation bonds, certificates of obligation, and refunding bonds.

BRAZOS COUNTY, TEXAS
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For The Year Ended September 30, 2014

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Taxes	\$ 8,270,000	\$ 8,270,000	\$ 8,795,204
Interest	30,000	30,000	23,948
TOTAL REVENUES	<u>8,300,000</u>	<u>8,300,000</u>	<u>8,819,152</u>
EXPENDITURES			
Debt Service			
Principal	6,517,688	6,468,115	5,360,000
Interest	3,857,312	3,857,312	3,857,311
Agent Fees	5,000	5,000	2,000
TOTAL EXPENDITURES	<u>10,380,000</u>	<u>10,330,427</u>	<u>9,219,311</u>
Deficiency of Revenues Under Expenditures	(2,080,000)	(2,030,427)	(400,159)
OTHER FINANCING SOURCES			
Transfers In	<u>1,080,000</u>	<u>1,030,427</u>	<u>484,996</u>
TOTAL OTHER FINANCING SOURCES	<u>1,080,000</u>	<u>1,030,427</u>	<u>484,996</u>
Net Change in Fund Balance	(1,000,000)	(1,000,000)	84,837
FUND BALANCE, OCTOBER 1	<u>6,075,351</u>	<u>6,075,351</u>	<u>6,075,351</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 5,075,351</u></u>	<u><u>\$ 5,075,351</u></u>	<u><u>\$ 6,160,188</u></u>

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for the use of bond proceeds and other financial resources that have been aggregated for the acquisition of major capital facilities and/or improvements of the County:

NONMAJOR GOVERNMENTAL FUNDS

Capital Improvement Fund - This fund was established to provide funding for the construction and acquisition of capital assets to support the County's general governmental, judicial, law enforcement, and public transportation functions. Resources for the fund have been provided by transfers from the General Fund.

Expo Center Expansion Fund – This fund was established to account for the expansion of the Brazos County Exposition Center. The expenditures are financed through the issuance of \$12,000,000 of Certificates of Obligation, Series 2009 and a portion of the hotel occupancy taxes collected.

Jail Expansion Fund – This fund was established to account for the expansion of the County's jail facility and the renovation of the jail inmate holding area in the courthouse. The expenditures are financed through the issuance of \$55,000,000 Limited Tax Bonds, Series 2008.

CO 2012 Fund – This fund was established to account for the County courthouse renovation project and the new tax office building construction. The expenditures are financed through the issuance of \$9,700,000 of Certificates of Obligation, Series 2012.

**BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
CAPITAL PROJECT FUNDS
September 30, 2014**

	Nonmajor Funds				Total Nonmajor Funds
	Capital Improvement	Expo Center Expansion	Jail Expansion	CO 2012	
ASSETS					
Cash and Cash Equivalents	\$ 6,780,578	\$ 2,230	\$ 353,641	\$ 4,983,938	\$ 12,120,387
Receivables					
Interest	-	1	73	1,036	1,110
TOTAL ASSETS	<u>\$ 6,780,578</u>	<u>\$ 2,231</u>	<u>\$ 353,714</u>	<u>\$ 4,984,974</u>	<u>\$ 12,121,497</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 435,737	\$ -	\$ -	\$ 910,486	\$ 1,346,223
Total Liabilities	<u>435,737</u>	<u>-</u>	<u>-</u>	<u>910,486</u>	<u>1,346,223</u>
Fund Balances					
Restricted	-	2,231	353,714	9,483,902	9,839,847
Assigned	6,344,841	-	-	-	6,344,841
Total Fund Balances	<u>6,344,841</u>	<u>2,231</u>	<u>353,714</u>	<u>9,483,902</u>	<u>16,184,688</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,780,578</u>	<u>\$ 2,231</u>	<u>\$ 353,714</u>	<u>\$ 10,394,388</u>	<u>\$ 17,530,911</u>

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
CAPITAL PROJECT FUNDS
For The Year Ended September 30, 2014

	<u>Nonmajor Funds</u>				Total Nonmajor Funds
	Capital Improvement	Expo Center Expansion	Jail Expansion	CO 2012	
REVENUES					
Interest	\$ -	\$ 5	\$ 933	\$ 19,456	\$ 20,394
TOTAL REVENUES	<u>-</u>	<u>5</u>	<u>933</u>	<u>19,456</u>	<u>20,394</u>
EXPENDITURES					
General Government	624,061	-	-	-	624,061
Justice System	155,557	-	-	-	155,557
Law Enforcement	56,064	-	11,219	-	67,283
Juvenile Services	12,239	-	-	-	12,239
Public Transportation	2,107	-	-	-	2,107
Public Health	9,430	-	-	-	9,430
Human Services	64,194	-	-	-	64,194
Capital Outlay	1,308,248	-	238,111	5,409,414	6,955,773
TOTAL EXPENDITURES	<u>2,231,900</u>	<u>-</u>	<u>249,330</u>	<u>5,409,414</u>	<u>7,890,644</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,231,900)	5	(248,397)	(5,389,958)	(7,870,250)
OTHER FINANCING SOURCES (USES)					
Transfers In	3,222,411	-	229,684	-	3,452,095
Transfers Out	(229,684)	-	-	-	(229,684)
Sale of Capital Assets	19,150	-	-	-	19,150
TOTAL OTHER FINANCING SOURCES	<u>3,011,877</u>	<u>-</u>	<u>229,684</u>	<u>-</u>	<u>3,241,561</u>
Net Change in Fund Balances	779,977	5	(18,713)	(5,389,958)	(4,628,689)
FUND BALANCES, OCTOBER 1	<u>5,564,864</u>	<u>2,226</u>	<u>372,427</u>	<u>9,464,446</u>	<u>15,403,963</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 6,344,841</u>	<u>\$ 2,231</u>	<u>\$ 353,714</u>	<u>\$ 4,074,488</u>	<u>\$ 10,775,274</u>

**BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
CAPITAL IMPROVEMENT
For The Year Ended September 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES	\$ -	\$ -	\$ -
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
General Government			
Supplies and Other Charges	-	10,585	10,585
Repairs and Maintenance	739,749	926,999	542,558
Minor Acquisition	352,186	233,547	48,176
Contract Services	78,352	26,674	22,742
Professional Services	2,000	2,000	-
Justice System			
Supplies and Other Charges	-	100	100
Repairs and Maintenance	1,700	1,700	1,074
Minor Acquisition	-	167,381	154,383
Law Enforcement			
Supplies and Other Charges	-	4,196	4,145
Repairs and Maintenance	11,536	11,010	10,383
Minor Acquisition	39,969	43,795	41,536
Juvenile Services			
Repairs and Maintenance	12,075	12,075	11,694
Minor Acquisition	545	545	545
Human Services			
Repairs and Maintenance	58,335	58,335	25,781
Minor Acquisition	8,692	8,692	6,358
Community Support	34,059	34,059	32,055
Public Health			
Minor Acquisition	-	10,430	9,430
Public Transportation			
Minor Acquisition	2,181	2,181	2,107
Capital Outlay	<u>6,548,870</u>	<u>6,331,423</u>	<u>1,308,248</u>
TOTAL EXPENDITURES	<u>7,890,249</u>	<u>7,885,727</u>	<u>2,231,900</u>
Deficiency of Revenues Under Expenditures	(7,890,249)	(7,885,727)	(2,231,900)
OTHER FINANCING SOURCES (USES)			
Transfers In	2,997,249	3,222,411	3,222,411
Transfers Out	-	(229,684)	(229,684)
Sale of Capital Assets	-	-	19,150
TOTAL OTHER FINANCING SOURCES	<u>2,997,249</u>	<u>2,992,727</u>	<u>3,011,877</u>
Net Change in Fund Balance	(4,893,000)	(4,893,000)	779,977
FUND BALANCE, OCTOBER 1	<u>5,564,864</u>	<u>5,564,864</u>	<u>5,564,864</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 671,864</u>	<u>\$ 671,864</u>	<u>\$ 6,344,841</u>

**BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL*
EXPO CENTER EXPANSION
For The Year Ended September 30, 2014**

	Original and Final Budget	Actual
REVENUES		
Interest	\$ -	\$ 5
TOTAL REVENUES	-	5
EXPENDITURES	-	-
TOTAL EXPENDITURES	-	-
Excess of Revenues Over Expenditures	-	5
FUND BALANCE, OCTOBER 1	2,226	2,226
FUND BALANCE, SEPTEMBER 30	\$ 2,226	\$ 2,231

* A budget was not legally adopted for this fund.

**BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
JAIL EXPANSION
For The Year Ended September 30, 2014**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Interest	\$ -	\$ 374	\$ 933
TOTAL REVENUES	<u>-</u>	<u>374</u>	<u>933</u>
EXPENDITURES			
Law Enforcement			
Supplies and Other Charges	-	806	806
Repairs and Maintenance	-	8,768	6,122
Minor Acquisitions	-	4,291	4,291
Capital Outlay	330,000	546,193	238,111
TOTAL EXPENDITURES	<u>330,000</u>	<u>560,058</u>	<u>249,330</u>
Deficiency of Revenues Under Expenditures	(330,000)	(559,684)	(248,397)
OTHER FINANCING SOURCES			
Transfers In	-	229,684	229,684
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>229,684</u>	<u>229,684</u>
Net Change in Fund Balance	(330,000)	(330,000)	(18,713)
FUND BALANCE, OCTOBER 1	<u>372,427</u>	<u>372,427</u>	<u>372,427</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 42,427</u>	<u>\$ 42,427</u>	<u>\$ 353,714</u>

**BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
CO 2012
For The Year Ended September 30, 2014**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Interest	\$ -	\$ -	\$ 19,456
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>19,456</u>
EXPENDITURES			
Discretionary Funding	-	35,555	-
Capital Outlay	9,500,000	9,464,445	5,409,414
TOTAL EXPENDITURES	<u>9,500,000</u>	<u>9,500,000</u>	<u>--</u>
Deficiency of Revenues Under Expenditures	(9,500,000)	(9,500,000)	19,456
FUND BALANCE, OCTOBER 1	<u>9,464,446</u>	<u>9,464,446</u>	<u>9,464,446</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ (35,554)</u>	<u>\$ (35,554)</u>	<u>\$ 9,483,902</u>

PROPRIETARY FUND TYPE

INTERNAL SERVICE FUND – is established to account for the financing of goods or services provided by one department to other departments of the County on a cost-reimbursement basis.

**BRAZOS COUNTY, TEXAS
INTERNAL SERVICE FUND
HEALTH AND LIFE INSURANCE
STATEMENT OF NET POSITION
September 30, 2014**

ASSETS

Current Assets

Cash and Cash Equivalents	\$	4,061,748
Accounts Receivable		233,626

TOTAL ASSETS	4,295,374
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LIABILITIES

Current Liabilities

Accounts Payable		1,060,647
Unearned Revenue		11,741

TOTAL LIABILITIES	1,072,388
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NET POSITION

Unrestricted		3,222,986
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TOTAL NET POSITION	\$ 3,222,986
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BRAZOS COUNTY, TEXAS
INTERNAL SERVICE FUND
HEALTH AND LIFE INSURANCE
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION -
BUDGET (GAAP BASIS) AND ACTUAL
For The Year Ended September 30, 2014

	Budgeted Amounts		Actual
	Original	Final	
OPERATING REVENUES			
Employee Dependents	\$ 1,679,880	\$ 1,705,880	\$ 1,815,232
Self Pays	4,800	4,800	2,469
Excess Risk Benefits	20,000	417,140	2,056,030
Participant Payments	421,200	421,200	448,196
Brazos County	7,767,229	7,767,229	7,245,972
Retirees	258,000	258,000	268,084
TOTAL OPERATING REVENUES	10,151,109	10,574,249	11,835,983
OPERATING EXPENSES			
Personnel Services	-	45,858	-
Life Insurance	30,000	30,000	26,654
Stop Loss Premiums	1,010,000	1,010,000	1,818,485
Benefit Claims	9,282,920	9,706,060	8,861,551
Administrative Fees	449,900	449,900	489,269
Professional Services	1,039,000	993,142	42,376
TOTAL OPERATING EXPENSES	11,811,820	12,234,960	11,238,335
OPERATING INCOME (LOSS)	(1,660,711)	(1,660,711)	597,648
NONOPERATING REVENUES			
Interest	7,500	7,500	9,967
TOTAL NONOPERATING REVENUES	7,500	7,500	9,967
INCOME (LOSS) BEFORE TRANSFERS	(1,653,211)	(1,653,211)	607,615
Transfers In	1,653,211	1,653,211	-
CHANGE IN NET POSITION	-	-	607,615
TOTAL NET POSITION - BEGINNING	2,615,371	2,615,371	2,615,371
TOTAL NET POSITION - ENDING	\$ 2,615,371	\$ 2,615,371	\$ 3,222,986

**BRAZOS COUNTY, TEXAS
INTERNAL SERVICE FUND
HEALTH AND LIFE INSURANCE
STATEMENT OF CASH FLOWS
For The Year Ended September 30, 2014**

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 2,538,168
Receipts from interfund services provided	7,245,972
Payments to contractors	(2,305,160)
Claims paid	(6,973,153)
	<u>505,827</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	
 CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	9,861
	<u>9,861</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	
 NET INCREASE IN CASH AND CASH EQUIVALENTS	
	515,688
 CASH AND CASH EQUIVALENTS, OCTOBER 1	
	<u>3,546,060</u>
CASH AND CASH EQUIVALENTS, SEPTEMBER 30	
	<u><u>\$ 4,061,748</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 597,648
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in accounts receivable	(230,470)
Change in accounts payable	136,547
Change in unearned revenue	2,102
Total adjustments	<u>(91,821)</u>
Net cash provided by operating activities	<u><u>\$ 505,827</u></u>

FIDUCIARY FUNDS

AGENCY FUNDS

Narcotics Seizure - A fund used to account for monies and materials that are seized during narcotics interdiction activities. The District Attorney's office evaluates each case and files a civil case to have the seized funds forfeited. Upon receipt of a court judgment, the seized funds are disbursed.

District Clerk Trust - A statutory fund used to account for monies placed with the District Clerk by the District Court(s) and to be held until the Court(s) direct the distribution of the funds under Chapter 117, Texas Local Government Code.

County Clerk Trust - A statutory fund used to account for monies placed with the County Clerk by the County Courts-at-Law and the Probate Court under Chapter 117, Texas Local Government Code. These funds are to be held until the Court(s) direct distribution of the funds.

Bail Bond Board Trust - A fund used to account for property and investments of bail bondsmen doing business in Brazos County. The property and investments act as collateral for bond contracts between the bondsmen and the County.

**BRAZOS COUNTY, TEXAS
 AGENCY FUNDS
 COMBINING BALANCE SHEET
 September 30, 2014**

	<u>Narcotics Seizure</u>	<u>District Clerk Trust</u>	<u>County Clerk Trust</u>	<u>Bail Bond Board Trust</u>	<u>Total</u>
ASSETS					
Cash and Cash Equivalents	\$ 205,644	\$ 2,228,839	\$ 561,004	\$ 1,141,200	\$ 4,136,687
Investments	-	-	-	1,218,100	1,218,100
TOTAL ASSETS	<u>\$ 205,644</u>	<u>\$ 2,228,839</u>	<u>\$ 561,004</u>	<u>\$ 2,359,300</u>	<u>\$ 5,354,787</u>
LIABILITIES					
Funds Held for Others	\$ 205,644	\$ 2,228,839	\$ 561,004	\$ 2,359,300	\$ 5,354,787
TOTAL LIABILITIES	<u>\$ 205,644</u>	<u>\$ 2,228,839</u>	<u>\$ 561,004</u>	<u>\$ 2,359,300</u>	<u>\$ 5,354,787</u>

BRAZOS COUNTY, TEXAS
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For The Year Ended September 30, 2014

	<u>Balance October 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2014</u>
NARCOTICS SEIZURE				
Assets				
Cash and Cash Equivalents	\$ 194,039	\$ 114,598	\$ 102,993	\$ 205,644
Total Assets	<u>194,039</u>	<u>114,598</u>	<u>102,993</u>	<u>205,644</u>
Liabilities				
Funds Held for Others	194,039	53,555	41,950	205,644
Total Liabilities	<u>194,039</u>	<u>53,555</u>	<u>41,950</u>	<u>205,644</u>
DISTRICT CLERK TRUST				
Assets				
Cash and Cash Equivalents	2,206,681	16,344,001	16,321,843	2,228,839
Total Assets	<u>2,206,681</u>	<u>16,344,001</u>	<u>16,321,843</u>	<u>2,228,839</u>
Liabilities				
Funds Held for Others	2,206,681	16,089,987	16,067,829	2,228,839
Total Liabilities	<u>2,206,681</u>	<u>16,089,987</u>	<u>16,067,829</u>	<u>2,228,839</u>
COUNTY CLERK TRUST				
Assets				
Cash and Cash Equivalents	426,010	661,083	526,089	561,004
Total Assets	<u>426,010</u>	<u>661,083</u>	<u>526,089</u>	<u>561,004</u>
Liabilities				
Accounts Payable	30	-	30	-
Funds Held for Others	425,980	316,986	181,962	561,004
Total Liabilities	<u>426,010</u>	<u>316,986</u>	<u>181,992</u>	<u>561,004</u>
BAIL BOND BOARD TRUST				
Assets				
Cash and Cash Equivalents	983,400	257,000	99,200	1,141,200
Investments	1,339,610	125,590	247,100	1,218,100
Total Assets	<u>2,323,010</u>	<u>382,590</u>	<u>346,300</u>	<u>2,359,300</u>
Liabilities				
Funds Held for Others	2,323,010	382,590	346,300	2,359,300
Total Liabilities	<u>\$ 2,323,010</u>	<u>\$ 382,590</u>	<u>\$ 346,300</u>	<u>\$ 2,359,300</u>

BRAZOS COUNTY, TEXAS
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
For The Year Ended September 30, 2014

	<u>Balance October 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2014</u>
COMBINED AGENCY FUNDS				
Assets				
Cash and Cash Equivalents	\$ 3,810,130	\$ 17,376,682	\$ 17,050,125	\$ 4,136,687
Investments	<u>1,339,610</u>	<u>125,590</u>	<u>247,100</u>	<u>1,218,100</u>
Total Assets	<u><u>5,149,740</u></u>	<u><u>17,502,272</u></u>	<u><u>17,297,225</u></u>	<u><u>5,354,787</u></u>
Liabilities				
Accounts Payable	30	-	30	-
Funds Held for Others	<u>5,149,710</u>	<u>16,843,118</u>	<u>16,638,041</u>	<u>5,354,787</u>
Total Liabilities	<u><u>\$ 5,149,740</u></u>	<u><u>\$ 16,843,118</u></u>	<u><u>\$ 16,638,071</u></u>	<u><u>\$ 5,354,787</u></u>



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Statistical Section

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

Contents

Table No.

Financial Trends.....

I-IV

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.....

V-VIII

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

Debt Capacity.....

IX-XIII

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

Demographic and Economic Information.....

XIV-XV

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.....

XVI-XVIII

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.

Debt Service.....

XIX-XXI

These schedules contain the County's outstanding debt information to help the reader understand how much outstanding debt the County has and how much is paid toward debt each fiscal year.

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

FINANCIAL TRENDS



Table I

Brazos County, Texas
Net Position by Component,
Last Ten Fiscal Years
(Unaudited and Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net Investment in Capital Assets	\$ 24,099,251	\$ 38,924,281	\$ 63,796,857	\$ 21,601,010	\$ 56,939,291	\$ 92,821,982	\$ 103,660,227	\$ 116,826,933	\$ 130,240,967	\$ 135,556,068
Restricted	4,997,987	5,709,087	5,377,356	6,420,810	7,322,778	18,214,659	13,561,350	11,759,611	19,544,730	15,302,060
Unrestricted	59,703,513	55,642,525	41,337,786	94,986,664	60,436,700	15,378,001	8,277,036	9,322,387	1,604,629	10,438,783
Total governmental activities net position	<u>\$ 88,800,751</u>	<u>\$ 100,275,893</u>	<u>\$ 110,511,999</u>	<u>\$ 123,008,484</u>	<u>\$ 124,698,769</u>	<u>\$ 126,414,642</u>	<u>\$ 125,498,613</u>	<u>\$ 137,908,931</u>	<u>\$ 151,390,326</u>	<u>\$ 161,296,911</u>
Business-type activities										
Net Investment in Capital Assets	\$ -	\$ -	\$ 12,558	\$ 10,243	\$ 26,502	\$ 44,919	\$ 65,749	\$ 53,093	\$ 41,774	\$ 39,176
Unrestricted	172,036	238,586	315,127	390,914	375,579	341,601	327,551	346,496	476,430	481,236
Total business-type activities net position	<u>\$ 172,036</u>	<u>\$ 238,586</u>	<u>\$ 327,685</u>	<u>\$ 401,157</u>	<u>\$ 402,081</u>	<u>\$ 386,520</u>	<u>\$ 393,300</u>	<u>\$ 399,589</u>	<u>\$ 518,204</u>	<u>\$ 520,412</u>
Primary government										
Net Investment in Capital Assets	\$ 24,099,251	\$ 38,924,281	\$ 63,809,415	\$ 21,611,253	\$ 56,965,793	\$ 92,866,901	\$ 103,725,976	\$ 116,880,026	\$ 130,282,741	\$ 135,595,244
Restricted	4,997,987	5,709,087	5,377,356	6,420,810	7,322,778	18,214,659	13,561,350	11,759,611	19,544,730	15,302,060
Unrestricted	59,875,549	55,881,111	41,652,913	95,377,578	60,812,279	15,719,602	8,604,587	9,668,883	2,081,059	10,920,019
Total primary government net position	<u>\$ 88,972,787</u>	<u>\$ 100,514,479</u>	<u>\$ 110,839,684</u>	<u>\$ 123,409,641</u>	<u>\$ 125,100,850</u>	<u>\$ 126,801,162</u>	<u>\$ 125,891,913</u>	<u>\$ 138,308,520</u>	<u>\$ 151,908,530</u>	<u>\$ 161,817,323</u>

Brazos County, Texas
Changes in Net Position, Ten Fiscal Years
(Unaudited and Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
General Government	\$ 11,371,667	\$ 12,042,697	\$ 12,631,298	\$ 15,690,144	\$ 16,266,899	\$ 15,959,538	\$ 18,757,895	\$ 18,247,125	\$ 21,362,907	\$ 22,017,696
Justice System	8,860,448	10,457,394	11,522,627	13,128,593	15,654,079	16,190,532	17,270,039	17,146,680	18,083,021	21,308,471
Law Enforcement	11,894,495	12,905,488	14,054,470	15,731,013	20,208,475	20,922,115	21,980,672	21,030,239	21,880,880	22,530,372
Juvenile Services	3,809,998	4,179,885	4,288,459	4,557,144	5,933,794	6,053,405	5,970,962	5,795,413	5,978,536	6,022,762
Public Transportation	4,764,927	4,900,621	6,429,692	5,410,967	6,226,814	7,110,355	7,863,178	7,955,778	6,457,965	8,831,911
Public Health	1,693,371	1,705,958	2,148,409	1,948,410	2,206,618	2,460,827	2,596,961	2,124,420	1,798,582	1,756,849
Human Services	2,266,518	2,469,378	2,918,972	4,028,992	5,176,330	4,992,850	5,770,963	5,858,924	5,523,897	5,993,599
Interest and Other Fees	1,831,044	2,326,392	2,044,191	2,895,119	4,108,413	4,601,773	4,165,066	3,980,198	4,318,458	3,501,978
Total governmental activities expenses	46,492,468	50,987,813	56,038,118	63,390,382	75,781,422	78,291,395	84,375,736	82,138,777	85,404,246	91,963,638
Business-type activities:										
County Attorney	81,788	67,342	40,144	33,905	33,681	39,959	39,799	36,515	19,401	18,378
Jail Commissary	246,840	299,883	318,321	367,270	435,003	436,447	479,243	480,762	558,746	624,465
Total business-type activities expenses	328,628	367,225	358,465	401,175	468,684	476,406	519,042	517,277	578,147	642,843
Total primary government expenses	\$ 46,821,096	\$ 51,355,038	\$ 56,396,583	\$ 63,791,557	\$ 76,250,106	\$ 78,767,801	\$ 84,894,778	\$ 82,656,054	\$ 85,982,393	\$ 92,606,481
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	\$ 2,161,854	\$ 1,802,420	\$ 2,224,028	\$ 2,317,212	\$ 2,809,396	\$ 2,880,925	\$ 2,900,343	\$ 3,864,014	\$ 4,634,471	\$ 4,372,292
Justice System	5,083,409	5,509,185	5,862,626	6,202,462	6,683,452	6,880,940	5,903,931	6,417,437	7,024,080	6,878,641
Law Enforcement	768,454	846,828	786,796	791,070	800,126	804,839	879,719	946,508	976,397	1,012,604
Juvenile Services	53,903	81,922	21,955	17,057	81,834	89,261	43,110	83,648	66,167	48,659
Public Transportation	1,187,532	1,251,841	1,178,077	1,220,213	1,185,490	1,179,615	1,247,410	1,301,302	1,373,881	1,892,026
Public Health	30,844	33,060	30,103	30,545	28,807	30,748	37,608	34,711	39,853	37,300
Human Services	268,443	281,912	226,251	534,253	706,595	786,699	979,624	1,078,279	1,250,832	1,405,713
Operating grants and contributions:										
General Government	-	-	24,353	27,668	-	110,940	2,145,051	33,576	23,269	2,713
Justice System	504,157	438,130	553,661	612,443	662,369	649,216	631,839	584,036	589,818	546,226
Law Enforcement	997,417	744,033	621,285	446,537	299,401	261,014	90,710	122,515	132,673	100,897
Juvenile Services	1,261,927	1,212,847	1,406,843	1,356,927	1,075,481	998,850	1,256,263	1,211,533	1,241,821	1,366,626
Public Transportation	260,270	252,928	296,211	333,597	351,190	342,202	306,537	293,621	376,007	252,180
Public Health	86,432	153,360	166,419	167,373	161,037	81,026	82,188	82,226	74,248	62,926
Human Services	1,586,721	572,788	257,635	635,412	410,164	407,909	367,511	291,671	297,275	437,269
Capital grants and contributions:										
Law Enforcement	8,386	41,372	77,494	8,230	16,346	190,645	72,015	138,441	-	10,084
Juvenile Services	-	-	-	-	-	-	-	5,164	-	-
Public Transportation	-	-	-	3,104,713	147,273	10,015	-	7,188,416	7,124,595	3,372,154
Public Health	-	-	-	-	-	2,100	-	-	-	-
Human Services	248,295	230,044	99,022	16,920	130,908	153,302	323,396	68,012	-	-
Total governmental activities program revenue	\$ 14,508,044	\$ 13,452,670	\$ 13,832,759	\$ 17,822,632	\$ 15,549,869	\$ 15,860,246	\$ 17,267,255	\$ 23,745,110	\$ 25,225,387	\$ 21,798,310

Brazos County, Texas
Changes in Net Position, Ten Fiscal Years
(Unaudited and Accrual Basis of Accounting)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Business-type activities:										
Charges for services:										
County Attorney	\$ 76,778	\$ 74,948	\$ 52,074	\$ 57,191	\$ 36,911	\$ 37,909	\$ 30,052	\$ 22,565	\$ 21,750	\$ 14,824
Jail Commissary	269,809	350,779	387,093	411,699	430,870	421,748	494,837	500,061	673,784	729,172
Total business-type activities program revenue	<u>346,587</u>	<u>425,727</u>	<u>439,167</u>	<u>468,890</u>	<u>467,781</u>	<u>459,657</u>	<u>524,889</u>	<u>522,626</u>	<u>695,534</u>	<u>743,996</u>
Total primary government program revenues	<u>\$ 14,854,631</u>	<u>\$ 13,878,397</u>	<u>\$ 14,271,926</u>	<u>\$ 18,291,522</u>	<u>\$ 16,017,650</u>	<u>\$ 16,319,903</u>	<u>\$ 17,792,144</u>	<u>\$ 24,267,736</u>	<u>\$ 25,920,921</u>	<u>\$ 22,542,306</u>
Net (Expense)/Revenue										
Governmental activities	\$ (31,984,424)	\$ (37,535,143)	\$ (42,205,359)	\$ (45,567,750)	\$ (60,231,553)	\$ (62,431,149)	\$ (67,108,481)	\$ (58,393,667)	\$ (60,178,859)	\$ (70,165,328)
Business-type activities	17,959	58,502	80,702	67,715	(903)	(16,749)	5,847	5,349	117,387	101,153
Total primary government net expense	<u>\$ (31,966,465)</u>	<u>\$ (37,476,641)</u>	<u>\$ (42,124,657)</u>	<u>\$ (45,500,035)</u>	<u>\$ (60,232,456)</u>	<u>\$ (62,447,898)</u>	<u>\$ (67,102,634)</u>	<u>\$ (58,388,318)</u>	<u>\$ (60,061,472)</u>	<u>\$ (70,064,175)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 31,751,992	\$ 34,280,093	\$ 37,131,017	\$ 41,847,095	\$ 47,182,845	\$ 49,915,485	\$ 51,538,444	\$ 55,591,539	\$ 57,572,056	\$ 60,333,777
Sales taxes	8,942,049	9,957,049	10,429,681	11,396,068	11,225,816	11,175,994	11,559,363	12,039,620	13,230,652	14,900,374
Motor vehicle taxes	1,126,011	1,212,367	1,217,804	1,288,958	1,259,992	1,098,278	1,188,768	1,290,727	1,409,741	1,519,577
Mixed drink taxes	374,123	401,298	440,482	491,078	528,915	505,783	524,240	460,710	534,150	532,822
Hotel occupancy taxes	-	-	84,594	1,102,929	1,075,806	1,064,670	1,130,582	1,172,567	1,527,027	2,441,385
Unrestricted investment earnings	1,592,819	3,120,658	3,021,597	1,936,657	593,961	386,812	251,055	248,822	414,701	209,089
Gain (loss) on disposal of assets	12,193	38,820	111,290	-	54,503	-	-	-	-	34,889
Transfers:	-	-	5,000	1,450	-	-	-	-	-	100,000
Total governmental activities	<u>43,799,187</u>	<u>49,010,285</u>	<u>52,441,465</u>	<u>58,064,235</u>	<u>61,921,838</u>	<u>64,147,022</u>	<u>66,192,452</u>	<u>70,803,985</u>	<u>74,688,327</u>	<u>80,071,913</u>
Business-type activities:										
Unrestricted investment earnings	3,292	8,048	11,397	7,207	1,827	1,188	933	940	1,228	1,055
Gain on disposal of assets	3,850	-	2,000	-	-	-	-	-	-	-
Transfers	-	-	(5,000)	(1,450)	-	-	-	-	-	(100,000)
Total business-type activities	<u>7,142</u>	<u>8,048</u>	<u>8,397</u>	<u>5,757</u>	<u>1,827</u>	<u>1,188</u>	<u>933</u>	<u>940</u>	<u>1,228</u>	<u>(98,945)</u>
Total primary government	<u>\$ 43,806,329</u>	<u>\$ 49,018,333</u>	<u>\$ 52,449,862</u>	<u>\$ 58,069,992</u>	<u>\$ 61,923,665</u>	<u>\$ 64,148,210</u>	<u>\$ 66,193,385</u>	<u>\$ 70,804,925</u>	<u>\$ 74,689,555</u>	<u>\$ 79,972,968</u>
Change in Net Position										
Governmental activities	\$ 11,814,763	\$ 11,475,142	\$ 10,236,106	\$ 12,496,485	\$ 1,690,285	\$ 1,715,873	\$ (916,029)	\$ 12,410,318	\$ 14,509,468	\$ 9,906,585
Business-type activities	25,101	66,550	89,099	73,472	924	(15,561)	6,780	6,289	118,615	2,208
Total primary government	<u>\$ 11,839,864</u>	<u>\$ 11,541,692</u>	<u>\$ 10,325,205</u>	<u>\$ 12,569,957</u>	<u>\$ 1,691,209</u>	<u>\$ 1,700,312</u>	<u>\$ (909,249)</u>	<u>\$ 12,416,607</u>	<u>\$ 14,628,083</u>	<u>\$ 9,908,793</u>

Table III

Brazos County, Texas
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited and Modified Accrual Basis of Accounting)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund										
Nonspendable	\$ 604,834	\$ 711,277	\$ 738,496	\$ 1,020,562	\$ 1,202,076	\$ 927,025	\$ 1,061,363	\$ 1,348,027	\$ 1,299,861	\$ 1,413,753
Restricted	1,188,199	1,108,102	1,139,030	1,330,102	931,374	566,820	422,407	333,381	481,273	378,273
Committed	2,378,061	2,523,782	2,672,107	2,755,728	2,767,788	2,695,145	208,122	261,295	336,738	400,586
Assigned	910,473	1,443,705	1,945,762	2,574,105	1,814,061	1,070,279	1,169,208	1,131,333	1,067,142	1,023,141
Unassigned	21,356,500	26,835,163	25,388,824	27,261,425	24,835,897	22,265,677	20,299,844	26,456,580	31,664,348	40,130,516
Total General Fund	<u>\$ 26,438,067</u>	<u>\$ 32,622,029</u>	<u>\$ 31,884,219</u>	<u>\$ 34,941,922</u>	<u>\$ 31,551,196</u>	<u>\$ 27,524,946</u>	<u>\$ 23,160,944</u>	<u>\$ 29,530,616</u>	<u>\$ 34,849,362</u>	<u>\$ 43,346,269</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,299	\$ 30,443	\$ 24,630	\$ 7,340	\$ 9,764
Restricted	24,055,312	12,785,735	2,908,627	56,075,342	33,097,814	16,478,759	12,047,137	10,053,573	19,063,457	14,923,787
Assigned	8,376,527	9,602,054	6,741,020	5,368,330	5,684,215	7,002,711	8,811,083	6,814,553	5,564,864	6,344,841
Unassigned	-	-	-	-	-	-	-	(18,740)	-	-
Total All Other Governmental Funds	<u>\$ 32,431,839</u>	<u>\$ 22,387,789</u>	<u>\$ 9,649,647</u>	<u>\$ 61,443,672</u>	<u>\$ 38,782,029</u>	<u>\$ 23,486,769</u>	<u>\$ 20,888,663</u>	<u>\$ 16,874,016</u>	<u>\$ 24,635,661</u>	<u>\$ 21,278,392</u>

Table IV
page 1 of 2

Brazos County, Texas
Changes in Fund Balance, Governmental Funds
Last Ten Fiscal Years
(Unaudited and Modified Accrual Basis of Accounting)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Revenues					
Taxes	\$ 41,005,538	\$ 44,572,996	\$ 48,095,357	\$ 54,745,662	\$ 60,031,219
Charges for Services	8,016,868	9,267,257	10,808,583	11,033,749	11,171,081
Intergovernmental	4,953,605	3,645,503	3,502,924	3,605,105	3,090,888
Interest	1,571,892	3,050,275	2,951,920	1,936,657	593,961
Other Revenue	931,107	533,322	465,932	490,472	629,787
Total Revenue	<u>56,479,010</u>	<u>61,069,353</u>	<u>65,824,716</u>	<u>71,811,645</u>	<u>75,516,936</u>
Expenditures					
Current					
General Government	9,459,149	10,329,448	10,518,550	11,695,108	12,727,888
Justice System	9,658,261	10,405,154	11,385,426	12,937,962	13,715,644
Law Enforcement	11,544,576	12,282,765	13,357,681	14,797,789	16,365,787
Juvenile Services	3,717,184	4,064,113	4,120,105	4,375,672	4,853,347
Public Transportation	4,481,106	5,080,480	6,230,521	6,142,314	6,672,577
Public Health	1,673,525	1,686,112	2,128,563	1,928,564	2,187,971
Human Services	2,089,260	2,265,385	2,742,753	3,222,130	3,961,591
Capital Outlay	5,580,780	13,980,609	24,351,811	10,698,766	33,724,110
Debt Service					
Principal Retirement	2,390,000	2,785,000	2,795,000	3,445,000	3,540,000
Interest and Other Fees	1,787,895	2,322,768	2,034,535	2,692,699	4,099,774
Total Expenditures	<u>52,381,736</u>	<u>65,201,834</u>	<u>79,664,945</u>	<u>71,936,004</u>	<u>101,848,689</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,097,274	(4,132,481)	(13,840,229)	(124,359)	(26,331,753)
Other Financing Sources (Uses)					
Transfers In	345,969	2,637,411	13,530,376	5,573,472	6,165,033
Transfers Out	(845,969)	(2,637,411)	(13,525,376)	(5,693,955)	(6,165,033)
Premium on Debt Issuance	-	-	-	-	-
Debt Issuance - Refunding Bonds	-	6,005,000	-	-	-
Sale of Capital Assets	16,111	77,393	359,277	96,570	279,384
Payments to Refunded Bonds Escrow Agent	-	(5,810,000)	-	-	-
Debt Issuance	13,250,000	-	-	55,000,000	-
Capital Leases	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>12,766,111</u>	<u>272,393</u>	<u>364,277</u>	<u>54,976,087</u>	<u>279,384</u>
Net Change in Fund Balances	<u>\$ 16,863,385</u>	<u>\$ (3,860,088)</u>	<u>\$ (13,475,952)</u>	<u>\$ 54,851,728</u>	<u>\$ (26,052,369)</u>
Debt service as a percentage of noncapital expenditures	8.93%	9.97%	8.73%	10.02%	11.21%

Brazos County, Texas
Changes in Fund Balance, Governmental Funds
Last Ten Fiscal Years
(Unaudited and Modified Accrual Basis of Accounting)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues					
Taxes	\$ 62,547,299	\$ 64,771,195	\$ 69,130,347	\$ 72,356,721	\$ 77,810,567
Charges for Services	11,427,158	11,245,990	11,858,804	12,392,689	12,533,506
Intergovernmental	3,060,220	5,275,509	2,813,922	2,735,115	3,068,059
Interest	377,477	242,214	240,668	402,889	199,121
Other Revenue	505,872	491,785	534,401	743,250	1,231,518
Total Revenue	<u>77,918,026</u>	<u>82,026,693</u>	<u>84,578,142</u>	<u>88,630,664</u>	<u>94,842,771</u>
Expenditures					
Current					
General Government	12,374,024	14,476,472	13,225,501	15,493,215	15,600,712
Justice System	14,322,604	15,550,105	15,653,508	16,529,689	17,189,395
Law Enforcement	17,004,568	17,005,275	16,822,613	17,672,957	18,363,182
Juvenile Services	5,023,328	5,014,270	4,995,530	5,151,366	5,243,254
Public Transportation	7,127,922	7,268,102	7,579,399	7,903,452	8,649,898
Public Health	2,442,180	2,582,618	2,110,077	1,784,239	1,748,952
Human Services	3,919,455	4,483,716	4,269,698	4,020,385	4,639,453
Capital Outlay	38,225,031	13,491,806	8,003,022	7,659,526	9,217,395
Debt Service					
Principal Retirement	4,710,000	5,035,000	5,675,000	6,438,183	5,464,244
Interest and Fiscal Agent Fees	4,679,134	4,168,000	3,984,699	4,415,107	3,873,250
Total Expenditures	<u>109,828,246</u>	<u>89,075,364</u>	<u>82,319,047</u>	<u>87,068,119</u>	<u>89,989,735</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(31,910,220)	(7,048,671)	2,259,095	1,562,545	4,853,036
Other Financing Sources (Uses)					
Transfers In	8,817,971	8,929,636	2,634,022	3,333,880	4,285,885
Transfers Out	(9,017,971)	(8,929,636)	(2,634,022)	(3,333,880)	(4,185,885)
Premium on Debt Issuance	453,572	-	-	2,214,527	-
Debt Issuance - Refunding Bonds	7,365,000	-	-	24,340,000	-
Sale of Capital Assets	270,138	86,563	95,930	104,757	186,602
Payments to Refunded Bonds Escrow Agent	(7,300,000)	-	-	(15,808,088)	-
Debt Issuance	12,000,000	-	-	-	-
Capital Leases	-	-	-	666,650	-
Total Other Financing Sources (Uses)	<u>12,588,710</u>	<u>86,563</u>	<u>95,930</u>	<u>11,517,846</u>	<u>286,602</u>
Net Change in Fund Balances	<u>\$ (19,321,510)</u>	<u>\$ (6,962,108)</u>	<u>\$ 2,355,025</u>	<u>\$ 13,080,391</u>	<u>\$ 5,139,638</u>
Debt service as a percentage of noncapital expenditures	13.14%	12.17%	13.00%	13.67%	11.56%

REVENUE CAPACITY INFORMATION



Table V

Brazos County, Texas
Assessed Value and Actual Value of Taxable Property
Last Ten Tax Years
(Unaudited)

Tax Year	Residential Property	Commercial Property	Industrial Property	Personal Property	Minerals	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2004	\$ 3,815,683,939	\$ 3,341,559,461	\$ 509,172,760	\$ 953,147,220	\$ 123,817,227	\$ (1,994,142,969)	\$ 6,749,237,638	0.4725
2005	4,132,023,358	3,737,402,092	584,305,230	994,411,852	143,039,148	(2,141,945,933)	7,449,235,747	0.4650
2006	4,662,875,098	4,009,134,429	630,812,160	1,090,082,565	186,746,987	(2,276,298,695)	8,303,352,544	0.4550
2007	5,092,640,911	4,503,381,487	715,213,160	1,154,789,218	206,807,369	(2,445,021,966)	9,227,810,179	0.4650
2008	5,704,848,431	4,855,575,655	796,868,780	1,249,455,413	244,657,985	(2,678,924,128)	10,172,482,136	0.4800
2009	6,076,913,875	5,253,969,406	837,700,523	1,314,014,691	207,602,036	(2,956,892,109)	10,733,308,422	0.4800
2010	6,337,888,583	5,327,849,239	933,644,875	1,183,632,550	262,283,016	(3,108,696,116)	10,936,602,147	0.4856
2011	6,706,506,210	5,608,189,371	997,798,061	1,259,299,484	333,339,334	(3,350,981,782)	11,554,150,678	0.4850
2012	6,856,500,798	5,959,776,425	1,024,298,940	1,265,341,250	417,520,103	(3,608,957,759)	11,914,479,757	0.4850
2013	\$ 7,221,180,612	\$ 6,302,748,738	\$ 1,033,315,489	\$ 1,322,148,610	\$ 462,451,979	\$ (3,792,772,169)	\$ 12,549,073,259	0.4875

Source: Brazos County Appraisal District for Tax Years 2004-2012. Brazos County Tax Assessor Collector for Tax Year 2013.

Note: Property in the County is assessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual values. Tax rates are per \$100 of assessed value.

Brazos County, Texas
Direct and Overlapping Property Tax Rates
(per \$100 of Assessed Value)
Last Ten Years
(Unaudited)

Name of Government	Fiscal Years									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
County Direct Rate:										
Debt Service	\$ 0.0632	\$ 0.0701	\$ 0.0620	\$ 0.0620	\$ 0.0813	\$ 0.0834	\$ 0.0844	\$ 0.0813	\$ 0.0779	\$ 0.0707
Basic Rate	0.4093	0.3949	0.3930	0.4030	0.3987	0.3966	0.4012	0.4037	0.4071	0.4168
Total Direct Rate:	<u>0.4725</u>	<u>0.4650</u>	<u>0.4550</u>	<u>0.4650</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4856</u>	<u>0.4850</u>	<u>0.4850</u>	<u>0.4875</u>
Overlapping Rates:										
City and Town Rate:										
City of Bryan	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364	0.6333	0.6299
City of College Station	0.4640	0.4394	0.4394	0.4394	0.4394	0.4394	0.4475	0.4380	0.4307	0.4259
School District Rates:										
Bryan I. S. D.	1.6700	1.7800	1.6300	1.2900	1.2900	1.2900	1.2900	1.2900	1.2900	1.2900
College Station I. S. D.	1.7700	1.6750	1.4800	1.2411	1.2534	1.2534	1.3099	1.3350	1.3350	1.3200
Total Overlapping Rate:	<u>4.5404</u>	<u>4.5308</u>	<u>4.1858</u>	<u>3.6069</u>	<u>3.6192</u>	<u>3.6192</u>	<u>3.6838</u>	<u>3.6994</u>	<u>3.6890</u>	<u>3.6658</u>
Total Property Tax Rate -										
Direct and Overlapping										
Governments:	<u>\$ 5.0129</u>	<u>\$ 4.9958</u>	<u>\$ 4.6408</u>	<u>\$ 4.0719</u>	<u>\$ 4.0992</u>	<u>\$ 4.0992</u>	<u>\$ 4.1694</u>	<u>\$ 4.1844</u>	<u>\$ 4.1740</u>	<u>\$ 4.1533</u>

Source: Brazos County Tax Office

Note: Overlapping rates are those that apply to property owners within the County of Brazos. Not all overlapping rates apply to all County property owners; for example, although the County property tax rates apply to all County property owners, the City of Bryan rates only apply to those whose property is located within the City's geographic boundaries.

Table VII

Brazos County, Texas
Principal Property Taxpayers
Current Year and Nine Years Ago
(Unaudited)

Taxpayer	2014			2005		
	Taxable Assessed Values (1)	Rank	% of Assessed Value to Total Assessed Values (2)	Taxable Assessed Values (1)	Rank	% of Assessed Value to Total Assessed Values (3)
Jamespoint Management	\$ 67,331,730	1	0.54%	\$ -		0.00%
VOC Brazos Energy Partners LP	66,294,066	2	0.53%	-		0.00%
SW Meadows Point L.P.	63,327,810	3	0.50%	-		0.00%
SHP - The Callaway House L.P.	63,100,170	4	0.50%	-		0.00%
Wal-Mart Real Estate Business Trust	60,171,280	5	0.48%	48,951,875	5	0.66%
POM-College Station, LLC	57,078,010	6	0.45%	-		0.00%
Woodbine Acquisition LLC	56,373,969	7	0.45%	-		0.00%
College Station Hospital, L.P.	55,074,030	8	0.44%	50,427,940	4	0.68%
Anadarko Petroleum Corp.	54,624,127	9	0.44%	52,146,367	2	0.70%
Adam Development Properties LP	48,298,288	10	0.38%	26,124,363	9	0.35%
Verizon Communications	-		0.00%	69,694,060	1	0.94%
C B L & Associates	-		0.00%	50,480,675	3	0.68%
Sanderson Farms	-		0.00%	44,064,015	6	0.59%
Alkossler, David / Weinberg	-		0.00%	34,524,345	7	0.46%
ETC Texas Pipeline LTD	-		0.00%	29,349,935	8	0.39%
HEB	-		0.00%	25,266,590	10	0.34%
	<u>\$ 591,673,480</u>		<u>4.71%</u>	<u>\$ 431,030,165</u>		<u>5.79%</u>

Source: Brazos County Appraisal District

NOTE:

- (1) Brazos County Appraisal District
- (2) Total adjusted assessed valuation net of exempt properties as certified by the Appraisal Review Board - \$12,549,073,259
- (3) Total adjusted assessed valuation net of exempt properties as certified by the Appraisal Review Board - \$7,449,235,747

Table VIII

**Brazos County
Property Tax Levies and Collections
Last Ten Years
(Unaudited)**

Tax Year/ Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004 / 2005	\$ 31,890,149	\$ 31,394,200	98.44%	\$ 447,848	\$ 31,842,048	99.85%
2005 / 2006	34,562,219	34,018,184	98.43%	428,245	34,446,429	99.66%
2006 / 2007	37,528,035	36,914,865	98.37%	491,428	37,406,293	99.68%
2007 / 2008	42,551,185	41,894,859	98.46%	519,851	42,414,710	99.68%
2008 / 2009	48,091,960	47,365,802	98.49%	569,127	47,934,929	99.67%
2009 / 2010	50,744,743	50,008,637	98.55%	525,461	50,534,098	99.58%
2010 / 2011	52,321,297	51,559,230	98.54%	525,677	52,084,907	99.55%
2011 / 2012	55,212,341	54,467,213	98.65%	455,785	54,922,998	99.48%
2012 / 2013	56,989,658	56,317,318	98.82%	314,266	56,631,584	99.37%
2013 / 2014	\$ 60,316,525	\$ 59,556,004	98.74%	\$ 112,496	\$ 59,668,500	98.93%

NOTE: (1) Changes in tax since issued.

Source: Brazos County Auditor's Office

DEBT CAPACITY INFORMATION



Table IX

Brazos County, Texas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Governmental Activities

Fiscal Year	Certificates of Obligation	General Obligation Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
2005	\$ 33,340,000	\$ 18,170,000	\$ 59,726	\$ 51,569,726	2.39%	\$ 319
2006	25,215,000	23,705,000	43,902	48,963,902	2.08%	303
2007	23,035,000	23,090,000	29,788	46,154,788	1.89%	287
2008	20,810,000	76,870,000	15,958	97,695,958	3.69%	573
2009	18,540,000	75,600,000	1,289	94,141,289	3.33%	551
2010	25,175,000	76,320,000	-	101,495,000	3.47%	580
2011	23,685,000	72,775,000	-	96,460,000	3.21%	495
2012	22,155,000	68,630,000	-	90,785,000	2.94%	425
2013	20,965,000	73,115,000	548,467	94,628,467	3.01%	525
2014	\$ 19,835,000	\$ 68,885,000	\$ 444,223	\$ 89,164,223	2.70%	\$ 488

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

^a See Table XIV for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Table X

Brazos County, Texas
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

General Bonded Debt Outstanding							
Fiscal Year	General Obligation Bonded Debt	Debt Service Funds Available	Net Bonded Debt	Assessed Value	Percentage of Actual Taxable Value	Population	Per Capita ^a
2005	\$ 18,170,000	\$ 1,881,705	\$ 16,288,295	\$ 6,749,237,638	0.24%	161,380	\$ 100.93
2006	23,705,000	2,387,029	21,317,971	7,449,235,747	0.29%	160,661	132.69
2007	23,090,000	2,908,627	20,181,373	8,303,352,544	0.24%	170,436	118.41
2008	76,870,000	2,831,378	74,038,622	9,227,810,179	0.80%	170,954	433.09
2009	75,600,000	3,428,888	72,171,112	10,172,482,136	0.71%	175,122	412.12
2010	76,320,000	4,075,186	72,244,814	10,733,308,422	0.67%	194,851	370.77
2011	72,775,000	4,920,817	67,854,183	10,936,602,147	0.62%	177,942	381.33
2012	68,630,000	5,514,377	63,115,623	11,554,150,678	0.55%	180,328	350.00
2013	73,115,000	6,075,351	67,039,649	11,914,479,757	0.56%	182,655	367.03
2014	\$ 68,885,000	\$ 6,160,188	\$ 62,724,812	\$ 12,549,073,259	0.50%	210,570	\$ 297.88

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

a Population data can be found in Table XIV.

Table XI

Brazos County, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2014
(Unaudited)

<u>Direct Debt</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Brazos County	\$ 89,164,223	100%	\$ 89,164,223
<u>Overlapping Debt</u>			
Cities:			
Bryan	91,880,908	100%	91,880,908
College Station	110,855,000	100%	110,855,000
Kurten	-	100%	-
Independent School Districts:			
College Station School District	278,045,000	100%	278,045,000
Bryan Independent School District	139,440,000	100%	139,440,000
Navasota Independent School District	\$ 32,117,209	0.95% ^a	305,113
Special Districts:			
Brazos County ESD #1	-	100%	-
Brazos County ESD #2	-	100%	-
Brazos County ESD #3	-	100%	-
Brazos County ESD #4	-	100%	-
		Total Overlapping Debt:	<u>620,526,021</u>
		Total Direct and Overlapping Debt:	<u>\$ 709,690,244</u>

Sources: Debt outstanding provided by each governmental unit and is reflecting principal only.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Brazos County. This process recognizes that, when considering the county's ability to issue and repay long-term debt, the entire burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

^a For debt repaid with property taxes, the percentage of overlapping debt for NISD is estimated using taxable assessed property values. NISD's percentage was estimated by determining the portion of the Independent School District's taxable assessed value within the county's boundaries and dividing it by NISD's total taxable assessed value.

**Brazos County, Texas
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)**

	Fiscal Year				
	2005	2006	2007	2008	2009
Debt Limit	\$ 1,418,068,298	\$ 1,577,946,187	\$ 1,756,630,748	\$ 1,966,553,398	\$ 2,169,592,185
Total net debt applicable to limit	16,288,295	20,167,029	20,283,627	68,853,622	72,171,112
Legal debt margin	<u>\$ 1,434,356,593</u>	<u>\$ 1,598,113,216</u>	<u>\$ 1,776,914,375</u>	<u>\$ 2,035,407,020</u>	<u>\$ 2,241,763,297</u>
Total net debt applicable to the limit as a percentage of debt limit	1.15%	1.28%	1.15%	3.50%	3.33%

NOTE: (1) Total assessed valuation of real property as certified by the Appraisal Review Board.
 (2) Debt Limit 25% of assessed value of real property - \$10,764,472,670 Article 3, Section 52, of the Texas Constitution.
 (3) Includes only general obligation bonds.

**Brazos County, Texas
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)**

Legal Debt Margin Calculation for Fiscal Year 2014

(Note 1)	Assessed Value		\$	10,764,472,670
(Note 2)	Debt limit (25% of assessed value)			2,691,118,168
	Debt applicable to limit:			
(Note 3)		Gross bonded debt		68,885,000
		Less: Amount available from		
		Debt Service Fund		6,160,188
		Total net debt applicable to limit		62,724,812
	Legal debt margin			2,753,842,980

	Fiscal Year				
	2010	2011	2012	2013	2014
\$	2,302,922,924	\$ 2,372,671,645	\$ 2,490,377,965	\$ 2,557,904,601	\$ 2,691,118,168
	72,244,814	67,854,183	63,115,623	67,039,649	62,724,812
<u>\$</u>	<u>2,375,167,738</u>	<u>\$ 2,440,525,828</u>	<u>\$ 2,553,493,588</u>	<u>\$ 2,624,944,250</u>	<u>\$ 2,753,842,980</u>
	3.14%	2.86%	2.53%	2.62%	2.33%

Table XIII

**Brazos County, Texas
Pledged-Revenue Coverage
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Certificates of Obligation							Capital Leases			
	Property Tax Revenue	Interest	Less: Agent Fees & Issuance Cost	Debt Service		Coverage	Property Tax Revenue	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
2005	\$ 3,351,610	\$ 108,359	\$ 2,408	\$ 2,060,000	\$ 1,399,755	1.00	\$ 27,392	\$ 18,737	\$ 6,304	1.09	
2006	4,025,812	142,074	1,745	2,315,000	1,084,442	1.23	26,375	15,823	5,102	1.26	
2007	4,326,890	168,062	2,045	2,180,000	1,000,726	1.41	20,791	14,114	3,730	1.17	
2008	4,098,514	265,010	3,195	2,225,000	919,030	1.12	20,553	13,830	2,334	1.27	
2009	4,138,412	13,489	2,147	2,270,000	832,632	1.34	19,543	14,668	936	1.25	
2010	6,092,191	46,125	109,060	2,590,000	1,036,027	1.66	1,311	1,289	11	1.01	
2011	5,836,067	18,052	2,747	1,490,000	1,018,980	2.33	-	-	-	-	
2012	3,897,319	13,937	2,548	1,530,000	967,646	1.56	-	-	-	-	
2013	4,096,625	67,702	119,309	1,755,000	902,919	1.52	118,925	118,183	-	1.01	
2014	\$ 2,044,955	\$ 5,568	\$ 2,000	\$ 1,130,000	\$ 792,845	1.07	\$ 117,715	\$ 104,244	\$ 13,939	1.00	

DEMOGRAPHIC AND ECONOMIC INFORMATION



Table XIV

**Brazos County, Texas
Demographic and Economic Statistics
Last Ten Calendar Years
(Unaudited)**

Year	Population ⁽¹⁾	Per Capita		Public School Enrollment ⁽³⁾	Texas A & M Enrollment ⁽⁴⁾	Blinn College Enrollment ⁽⁵⁾	Unemployment Rate ⁽⁶⁾
		Personal Income ⁽²⁾	Personal Income				
2005	161,380	\$ 2,356,388,400	\$ 14,601	21,712	45,089	10,535	4.10%
2006	160,661	2,437,361,696	15,171	22,149	45,487	10,189	3.50%
2007	170,436	2,647,397,704	15,533	22,357	46,540	10,563	3.60%
2008	170,954	2,827,827,879	16,541	22,603	48,039	11,408	4.10%
2009	175,122	2,927,844,375	16,719	25,125	48,885	12,441	6.20%
2010	194,851	3,001,972,053	15,407	25,597	49,129	12,145	5.70%
2011	177,942	3,089,688,803	17,363	26,604	49,861	12,342	6.40%
2012	180,328	3,147,154,437	17,452	27,248	50,227	12,269	5.30%
2013	182,655	3,303,060,881	18,084	27,961	53,219	12,771	5.20%
2014	210,570	\$ 3,507,161,965	\$ 16,656	28,735	55,810	13,587	3.80%

Sources:

- (1) For years 2008 and previous, population information provided by the Texas State Data Center. The information is an estimation of the population. For the year 2009, information received from ERS/USDA. Population estimation is based on previous years. For the year 2010, information was received from US Census Bureau. For 2011-2013, the projected population came from Texas Department of State Health Services. 2011 and 2012 populations have been corrected to match the Texas Department of State Health Services projected population for the County. Projection for 2014 is from the Texas Department of State Health Services.
- (2) Personal Income and unemployment rate information provided by the Texas Workforce Commission.
- (3) Public School Enrollment information is for Bryan ISD, College Station ISD, Arrow Academy and Brazos School for Inquiry and Creativity. Enrollment information is from the Texas Academic Performance Report on TEA's website.
- (4) For years 2007 to current, enrollment is based on TAMU Enrollment profile. Years 2004 to 2005 enrollment information is from City of College Station CAFR. Year 2006 is from Wikipedia. Enrollment information is based on Fall semesters.
- (5) Previous CAFRs reflected enrollment for Blinn Campuses based on all campuses. The information now reflects just the enrollment for the campus in Brazos County and is based on the Fall semester.
- (6) Source: Texas Workforce Commission

Table XV

**Brazos County, Texas
Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

2014	2005
Employer ⁽¹⁾	Employer ⁽²⁾
Baylor Scott & White Health	Blinn College
Blinn College	Brazos County
Brazos County	Bryan Independent School District
Bryan Independent School District	City of Bryan
City of Bryan	City of College Station
City of College Station	College Station Independent School District
College Station Independent School District	Sanderson Farms
College Station Medical Center	St. Joseph Regional Hospital
Ply Gem Windows	Texas A&M University & System
Reynolds & Reynolds	UCS/Rentsys
Sanderson Farms	
St. Joseph Health System	
Texas A&M University System	

NOTE: Data reflects principal employers in Brazos County and are listed in alphabetical order and do not reflect any ranking. The data of TWC ranking and number of employees is confidential.

Source: (1) Research Valley Partnership
(2) 2005 Brazos County CAFR

OPERATING INFORMATION



Table XVI

**Brazos County, Texas
County Employees by Function
Last Ten Fiscal Years
(Unaudited)**

Function	Employees as of September 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government	124	126	133	134	135	138	138	138	138	148
Justice System	153	158	164	171	168	172	176	172	177	176
Law Enforcement	222	223	234	249	257	265	264	256	259	262
Juvenile Services	91	89	91	91	97	98	93	92	92	94
Human Services	26	26	39	42	46	50	58	59	60	54
Public Transportation	70	70	70	71	75	75	81	80	80	75
Total	686	692	731	758	778	798	810	797	806	809

Source: County Auditor's Office

Note:
Information compiled from Brazos County Budget Ten Year Trend Report. Year 2012 was corrected to match information collected.

Table XVII

Brazos County, Texas
Operating Indicators by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Justice System										
Birth Certificates Filed ⁽¹⁾	2,978	2,971	3,276	3,188	3,254	2,853	2,480	2,652	2,611	2,871
Marriage License Applications ⁽¹⁾	1,374	1,444	1,493	1,637	1,289	1,275	1,149	1,088	1,528	1,277
Death Certificates Issued	713	812	757	929	801	883	967	936	479	580
Registered Voters ⁽¹⁾	83,894	86,771	82,180	88,758	82,674	88,851	80,834	91,498	88,600	88,388
Court Activity: ⁽²⁾										
District Court:										
Cases Added	8,047	7,863	8,241	6,215	6,774	6,843	6,341	4,920	5,439	5,135
Cases Disposed	6,295	8,041	8,120	6,190	6,291	6,283	6,300	4,817	6,251	5,666
Cases Pending	8,013	8,281	8,814	4,486	6,598	7,113	4,361	2,299	4,507	4,655
County Court at Law Courts:										
Cases Added	6,019	5,706	6,820	4,258	7,137	7,000	5,159	7,347	6,270	6,059
Cases Disposed	4,560	4,856	5,999	4,441	7,403	6,768	4,712	3,761	5,960	5,356
Cases Pending	2,342	3,142	3,948	4,283	3,664	3,250	3,119	1,244	4,132	4,418
Justice of the Peace Courts:										
Cases Added	22,085	19,387	22,965	23,375	23,008	19,583	19,783	13,557	10,198	13,678
Cases Disposed	16,868	18,497	21,117	19,986	20,605	18,111	19,322	15,237	9,926	16,087
Law Enforcement										
Sheriff's Department:										
Average Daily Inmate Population ⁽³⁾	492	550	553	536	594 ⁽⁷⁾	538	584	554	592	619
Arrest Totals ⁽³⁾	14,328	15,541	15,769	14,584	13,944	10,040	15,058	14,841	14,558	14,649
Human Services										
Cooperative Agricultural Extension Office: ⁽⁴⁾										
Number of Educational Programs Conducted	622	779	772	528	623	573	383	414	719	731
Number of Participants in Educational Programs	22,487	49,229	16,850	60,589	220,900	1,104,930	1,515,696	987,046	301,892	414,025
Brazos Center:										
No. of Events held: ⁽⁵⁾	532	578	522	493	466	458	581	497	630	649
Exposition Center:										
No. of Events held: ⁽⁶⁾	0	0	3	85	108	118	126	140	155	158
Public Transportation										
Miles of Roads:										
Paved	N/A	330	341	342	348	364	368	357	356	370
Unpaved	N/A	146	137	129	124	110	103	103	123	102

(1) Source: Brazos County Clerk, Brazos County Treasurer and Brazos County Tax Assessor Collector.

(2) Source: Office of Court Administration

(3) Source: Sheriff's Office. This number represents all arrests made by all entities that bring prisoners to the Jail.

(4) Source: Texas Cooperative Agriculture Extension Contact Summary

(5) Source: Brazos Center - Events reported are held in the Assembly Rooms 1 and 2. Smaller functions were not recorded.

(6) Source: Exposition Center

(7) The Jail has started housing some inmates at off-site housing facilities. This number includes an average of 53 inmates being housed off-site

Table XVIII

Brazos County, Texas
Capital Asset and Infrastructure Statistics by Function
Last Ten Fiscal Years
(Unaudited)

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Office Buildings / Courthouse	4	4	5	5	5	5	5	4	4	4
Facility Services:										
Vehicles	5	7	8	9	9	11	12	12	17 ⁽²⁾	17
Equipment	0	0	0	0	0	0	0	0	1	0
IT Vehicles	1	1	1	1	2	2	2	2	2	2
Justice System										
Office Buildings / Courthouse	0	1	2	2	2	2	2	2	2	2
County Attorney Vehicles	6	8	10	8	8	9	8	8	9	9
District Attorney Vehicles	4	7	4	4	4	4	4	4	4	4
Law Enforcement										
Sheriff's Administration Facility	0	0	0	1	1	1	1	1	1	1
Sheriff's Detention Facility	⁽¹⁾ 1	⁽¹⁾ 1	⁽¹⁾ 1	⁽¹⁾ 1	⁽¹⁾ 1	2	2	2	2	2
Vehicles:										
Sheriff's	53	63	62	63	62	66	63	54	60	52
Sheriff's - Jail Division	6	7	9	10	11	17	27	24	25	23
Constable	18	21	24	22	22	23	26	26	27	27
Heavy Equipment:										
Sheriff's	1	1	1	1	1	0	2	2	2	2
Sheriff's - Jail Division	3	3	4	4	4	5	1	1	1	0
Juvenile Services										
Juvenile Facilities	1	1	1	1	1	1	1	1	1	1
Juvenile Dept. Vehicles	8	8	8	7	7	7	7	7	7	7
Human Services										
Buildings	3	3	5	5	5	5	5	5	5	5
Emergency Management Vehicles	1	1	1	1	1	0	0	0	0	0
Brazos Center:										
Vehicles	2	3	2	4	4	4	5	5	0 ⁽²⁾	0
Equipment	4	4	3	4	4	4	1	1	0	0
Exposition Center:										
Vehicles	0	0	1	3	3	4	4	4	4	4
Equipment	0	0	2	12	12	13	11	12	12	12
Collection Citizen Sites	7	7	7	7	7	7	7	7	7	7
Public Transportation										
Road and Bridge Building	1	1	1	1	1	1	1	1	1	1
Road and Bridge Vehicles	41	44	46	48	48	53	54	55	54	54
Road and Bridge Heavy Equipment	94	95	95	93	93	95	75	77	83	76
County Roads (miles)	453	476	478	472	472	474	471	460	479	472
Bridges	58	63	59	59	60	60	61	61	67	67

(1) The Sheriff's Administration and maximum security jail facility were located in the courthouse. In FY 08, the Sheriff's Administration and Jail Administration moved to the Sheriff's Administration Building. Booking and maximum security moved to the new Jail Facility in FY 10.

(2) In FY 2013, Building Maintenance was changed to Facility Services. The Landscaping subdivision of the Brazos Center was moved from the Brazos Center to Facilities Services.



DEBT SERVICE

Brazos County, Texas
General Long Term Debt Payable by Issue
September 30, 2014
(Unaudited)

Debt Issue	Interest Rates (%) And Dates	Final Issue Date	Debt Maturity Date	Debt Authorized And Issued
Certificates of Obligation				
2004 Series, Issued For:	2.6/4.0/3.75/3.8/3.9/ 4.0/4.2/4.25/4.3/4.4/ 4.5/4.55 3/1 and 9/1	8/15/2004	9/1/2024	\$ 5,000,000
Real Estate Acquisition, R&B Equipment, Building Improvements, Right-of-Way Acquisition				
2005 Series, Issued For:	3.25/3.75/3.75/3.75/3.5/ 3.5/3.625/3.75/3.75/3.75 3/1 and 9/1	9/1/2005	9/1/2015	2,750,000
Buildings, Building Renovations, Capital Roads, Equipment, and Right-of-Way Acquisition				
2009 Series, Issued For:	4.350/4.45/4.50/4.60 3/1 and 9/1	10/15/2009	9/1/2034	12,000,000
Exposition Center Expansion and Costs of issuance of Certificates				
2012 Series, Issued For:	2/2/3/3/4/3/4/4/5/5/3 2.8/3/3/3/3.125/3.125/ 3.25/3.25/3.375 3/1 and 9/1	9/1/2012	9/1/2032	9,700,000
Courthouse Renovation, Tax Office, Fleet Maintenance Building, Renovations of Brazos Center and Juvenile Detention Center				
General Obligation Bond				
2005 Series, Issued For:	6.0/6.0/6.0/6.0/5.5/5.0/ 4.0/4.0/4.0/4.0/4.0/4.0/ 4.0/4.125/4.125/4.25/4.25 4.375/4.375/4.375 3/1 and 9/1	9/1/2005	9/1/2025	10,500,000
Exposition Center				
Limited Tax Refunding Bonds				
Series 2005, Issued For:	4.0 3/1 and 9/1	12/1/2005	9/1/2016	6,005,000
R&B New Construction and Right-Of-Way Acquisition				
Series 2009, Issued For:	3.0/4.0 3/1 and 9/1	10/15/2009	9/1/2021	7,365,000
Exposition Center Expansion and Costs of issuance of Certificates				
Series 2012, Issued for :	2.0/2.0/3.0/3.0/4.0/4.0/4.0/ 5.0/5.0/5.0/3.0/2.8/3.0 3/1 and 9/1	9/1/2012	9/1/2025	14,640,000
Refund portions of the outstanding debt payable from ad valorem taxes and certain costs of issuance of the bonds				
Limited Tax Bonds				
Series 2008, Issued For:	3.25/3.25/3.25/3.25/3.75/ 3.5/3.63/3.77/3.92/4.0/ 4.125/5.00/5.00/5.00/5.0/ 4.50/4.50/4.50 3/1 and 9/1	5/1/2008	9/1/2028	55,000,000
Jail Expansion				
Total Long Term Debt				<u>\$ 122,960,000</u>

Note:

(1) All debt obligations of Brazos County are payable both as to principal and interest solely from and secured by ad valorem taxes levied against all taxable property within the County.

Debt Outstanding			Debt Service Requirements For Fiscal Year 2013-2014		
Principal	Interest	Totals	Principal	Interest	Totals
\$ -	\$ -	\$ -	\$ 250,000	\$ 10,000	\$ 260,000
320,000	12,000	332,000	305,000	23,437	328,437
10,165,000	4,866,436	15,031,436	400,000	436,310	836,310
9,350,000	3,304,791	12,654,791	175,000	323,098	498,098
1,695,000	137,200	1,832,200	525,000	88,800	613,800
1,475,000	59,700	1,534,700	690,000	72,800	762,800
3,990,000	586,000	4,576,000	480,000	169,200	649,200
14,230,000	3,617,002	17,847,002	135,000	568,060	703,060
47,495,000	17,802,291	65,297,291	2,400,000	2,165,606	4,565,606
<u>\$ 88,720,000</u>	<u>\$ 30,385,420</u>	<u>\$ 119,105,420</u>	<u>\$ 5,360,000</u>	<u>\$ 3,857,311</u>	<u>\$ 9,217,311</u>

(2) The County has the right to call the CO's at any time as long as they "make-whole" the holders of the CO's.

Brazos County, Texas
Debt Retirement by Years
September 30, 2014
(Unaudited)

<u>Fiscal Year</u>	<u>Total Required Principal</u>	<u>Total Required Interest</u>	<u>Total Required</u>
2015	\$ 5,730,000	\$ 3,667,774	\$ 9,397,774
2016	6,115,000	3,457,974	9,572,974
2017	5,575,000	3,250,199	8,825,199
2018	5,795,000	3,033,549	8,828,549
2019	6,040,000	2,805,549	8,845,549
2020	6,295,000	2,563,349	8,858,349
2021	6,565,000	2,294,799	8,859,799
2022-2034	46,605,000	9,312,227	55,917,227
	<u>\$ 88,720,000</u>	<u>\$ 30,385,420</u>	<u>\$ 119,105,420</u>

Brazos County, Texas
Debt Retirement by Years
September 30, 2014
(Unaudited)

Fiscal Year	Principal			General Obligation Bonds Principal	Limited Tax Refunding Bonds Principal			Limited Tax Bond Principal	Total
	2005 Issue	2009 Issue	2012 Issue	2005 Issue	2005 Issue	2009 Issue	2012 Issue	2008 Issue	
2015	\$ 320,000	\$ 425,000	\$ 175,000	\$ 545,000	\$ 720,000	\$ 505,000	\$ 530,000	\$ 2,510,000	\$ 5,730,000
2016	-	425,000	400,000	565,000	755,000	520,000	830,000	2,620,000	6,115,000
2017	-	445,000	415,000	585,000	-	540,000	850,000	2,740,000	5,575,000
2018	-	445,000	430,000	-	-	565,000	1,490,000	2,865,000	5,795,000
2019	-	465,000	440,000	-	-	590,000	1,555,000	2,990,000	6,040,000
2020	-	475,000	460,000	-	-	620,000	1,615,000	3,125,000	6,295,000
2021	-	475,000	480,000	-	-	650,000	1,695,000	3,265,000	6,565,000
2022-2034	-	7,010,000	6,550,000	-	-	-	5,665,000	27,380,000	46,605,000
	<u>\$ 320,000</u>	<u>\$ 10,165,000</u>	<u>\$ 9,350,000</u>	<u>\$ 1,695,000</u>	<u>\$ 1,475,000</u>	<u>\$ 3,990,000</u>	<u>\$ 14,230,000</u>	<u>\$ 47,495,000</u>	<u>\$ 88,720,000</u>

Brazos County, Texas
Debt Retirement by Years
September 30, 2014
(Unaudited)

Fiscal Year	Certificates of Obligation Interest			General Obligation Bonds Interest	Limited Tax Refunding Bonds Interest			Limited Tax Bond Interest	Total
	2005 Issue	2009 Issue	2012 Issue	2005 Issue	2005 Issue	2009 Issue	2012 Issue	2008 Issue	
2015	\$ 12,000	\$ 424,310	\$ 319,598	\$ 67,800	\$ 44,600	\$ 149,500	\$ 565,360	\$ 2,084,606	\$ 3,667,774
2016	-	407,310	314,348	46,000	15,100	129,000	549,460	1,996,756	3,457,974
2017	-	390,310	302,349	23,400	-	107,800	524,561	1,901,779	3,250,199
2018	-	372,510	285,748	-	-	85,700	490,560	1,799,031	3,033,549
2019	-	354,710	272,848	-	-	62,600	430,960	1,684,431	2,805,549
2020	-	336,110	255,248	-	-	38,400	368,760	1,564,831	2,563,349
2021	-	317,110	236,848	-	-	13,000	288,010	1,439,831	2,294,799
2022-2034	-	2,264,066	1,317,804	-	-	-	399,331	5,331,026	9,312,227
	<u>\$ 12,000</u>	<u>\$ 4,866,436</u>	<u>\$ 3,304,791</u>	<u>\$ 137,200</u>	<u>\$ 59,700</u>	<u>\$ 586,000</u>	<u>\$ 3,617,002</u>	<u>\$ 17,802,291</u>	<u>\$ 30,385,420</u>

Table XXI

Brazos County, Texas
Debt Service Fund
Revenues, Expenditures, Restricted Fund Balance
and Respective Debt Service Tax Rates
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Revenues & Other Financing Sources	Expenditures & Other Financing Uses	Restricted Fund Balance	I&S Tax Rates *
2005	\$ 4,435,858	\$ 4,177,895	\$ 1,881,705	0.0632
2006	5,613,092	5,107,768	2,387,029	0.0701
2007	5,351,133	4,829,535	2,908,627	0.0620
2008	6,060,450	6,137,699	2,831,378	0.0620
2009	8,237,284	7,639,774	3,428,888	0.0813
2010	10,035,432	9,389,134	4,075,186	0.0834
2011	10,048,631	9,203,000	4,920,817	0.0844
2012	10,253,259	9,659,699	5,514,377	0.0813
2013	26,987,310	26,426,336	6,075,351	0.0779
2014	\$ 9,304,148	\$ 9,219,311	\$ 6,160,188	0.0707

* I&S tax rates are presented as cents per \$100 of assessed value.



**INDEPENDENT AUDITORS' REPORTS ON
COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING
SEPTEMBER 30, 2014**



Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' 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 Duane Peters, County Judge
and the Honorable County Commissioners
Brazos 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, the business-type activities, each major fund, and the aggregate remaining fund information of Brazos County, Texas (the "County") as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 12, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's 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.

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 that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control 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 the County's 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.

Ingram, Wallis ; Company
Bryan, Texas
March 12, 2015



Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

To the Honorable Duane Peters, County Judge
and the Honorable County Commissioners
Brazos County, Texas

Report on Compliance for Each Major Federal and State Program

We have audited Brazos County, Texas' (the "County") 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 the County's major federal and state programs for the year ended September 30, 2014. The County's 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 the County's 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the *State of Texas Single Audit Circular*. Those standards and OMB Circular A-133 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 the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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 the County's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the County 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, 2014.

Report on Internal Control Over Compliance

Management of the County 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 the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the 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 the County's 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.

Ingram, Waller ; Company
Bryan, Texas
March 12, 2015

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2014

Federal Grantor/Pass -Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor/State Number	Program/ Award Amount	Accounts Receivable (Payable) October 1, 2013	Receipts	Expenditures	Grant Funds Refunded in 2014	Accounts Receivable (Payable) September 30, 2014
<u>U. S. Department of Justice</u>								
State Criminal Alien Assistance Program	16.606	2013-AP-BX-0357 07/01/11-06/30/12	57,547	\$ 57,547	\$ 57,547	\$ --	\$ --	\$ --
State Criminal Alien Assistance Program	16.606	2014-AP-BX-0294 07/01/12-06/30/13	44,532	--	--	44,532	--	44,532
Public Safety Partnership and Community Policing Grants	16.710	2010CKWX0552 12/16/09-12/15/13	200,000	--	17,654	17,654	--	--
<u>Passed through City of Bryan</u>								
Edward Byrne Memorial Justice Assistance Grant-ARRA	16.804	2012-DJ-BX-0174	8,346	(2,404)	6	--	--	(2,410)
Edward Byrne Memorial Justice Assistance Grant	16.738	2013-DJ-BX-0320	7,898	(7,898)	21	--	--	(7,919)
<u>Passed through City of College Station</u>								
Edward Byrne Memorial Justice Assistance Grant	16.738	2011-DJ-BX-2704	18,659	(64)	--	--	64	--
				47,181	75,228	62,186	64	34,203
<u>Passed through Office of the Governor of Texas, Criminal Justice Division</u>								
Delinquency/Truancy Prevention Program	16.540	2816301	25,000	--	--	2,089	--	2,089
				--	--	2,089	--	2,089
<u>U. S. Department of Transportation</u>								
<u>Passed through State Department of Highways and Public Transportation</u>								
Metropolitan Planning Organization	20.205	50-13XF0024	404,706	117,536	117,536	--	--	--
Metropolitan Planning Organization	20.205	50-14XF0024	324,334	--	224,411	279,895	--	55,484
Metropolitan Planning Organization	20.505	50-14XF0024	76,899	--	76,899	76,899	--	--
Comprehensive Underage Drinking Education Program	20.600	583XXEGF5004	60,893	22,775	22,775	--	--	--
				140,311	441,621	356,794	--	55,484

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended September 30, 2014

Federal Grantor/Pass -Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor/State Number	Program/Award Amount	Accounts Receivable (Payable) October 1, 2013	Receipts	Expenditures	Grant Funds Refunded in 2014	Accounts Receivable (Payable) September 30, 2014
<u>Department of Homeland Security</u>								
<u>Passed through Texas Department of Public Safety</u>								
Division of Emergency Management	97.042	13TX-EMPG-1440	58,295	\$ 43,721	\$ 43,721	\$ --	\$ --	\$ --
Division of Emergency Management	97.042	14TX-EMPG-1440	56,751	--	--	56,751	--	56,751
Emergency Preparedness Grant	97.073	SHSP LETPA						
		EMW-2012-SS-00018-S01	9,658	(3,319)	--	3,319	--	--
Emergency Preparedness Grant	97.067	SHSP						
		EMW-2013-SS-00045	20,000	--	--	9,700	--	9,700
				<u>40,402</u>	<u>43,721</u>	<u>69,770</u>	<u>--</u>	<u>66,451</u>
<u>U. S. Department of Housing and Urban Development</u>								
<u>Passed through the Texas Department of</u>								
<u>of Agriculture</u>								
Community Development Block Grant	14.228	713032	750,000	--	27,000	153,693	--	126,693
				<u>--</u>	<u>27,000</u>	<u>153,693</u>	<u>--</u>	<u>126,693</u>
<u>U. S. Department of Health and Human Services</u>								
<u>Passed through the Texas Department of Family</u>								
<u>and Protective Services</u>								
Title IV-E-Legal (CPS)	93.658	10/01/12-09/30/13	63,508	16,140	16,140	--	--	--
Title IV-E-Legal (CPS)	93.658	10/01/13-09/30/14	60,979	--	13,560	60,439	--	46,879
Title IV-E-Foster Care Maintenance	93.658	10/01/12-09/30/13	8,435	2,157	2,157	--	--	--
Title IV-E-Foster Care Maintenance	93.658	10/01/13-09/30/14	12,759	--	--	5,765	--	5,765
				<u>18,297</u>	<u>31,857</u>	<u>66,204</u>	<u>--</u>	<u>52,644</u>
<u>Passed through the Texas Juvenile Justice</u>								
<u>Department</u>								
Title IV-E - Administration - Juvenile	93.658	TJJD-E-2012-021	--	362	362	--	--	--
Title IV-E - Administration - Juvenile	93.658	TJJD-E-2013-021	--	648	648	--	--	--
Title IV-E - Administration - Juvenile	93.658	TJJD-E-2014-021	--	--	1,473	1,936	--	463
Title IV-E - Maintenance - Juvenile	93.658	TJJD-E-2013-021	--	53,523	53,204	(319)	--	--
Title IV-E - Maintenance - Juvenile	93.658	TJJD-E-2014-021	--	--	126,771	235,002	--	108,231
				<u>54,533</u>	<u>182,458</u>	<u>236,619</u>	<u>--</u>	<u>108,694</u>
<u>Passed through the Texas Department</u>								
<u>of Agriculture</u>								
National School Lunch Program	10.555	07/01/13-06/30/14	--	4,958	24,239	19,281	--	--
National School Lunch Program	10.555	07/01/14-06/30/15	--	--	--	5,383	--	5,383
School Breakfast Program	10.553	07/01/13-06/30/14	--	2,998	15,406	12,408	--	--
School Breakfast Program	10.553	07/01/14-06/30/15	--	--	--	3,491	--	3,491
Food Services Division Commodities	10.550	07/01/13-06/30/14	--	--	1,806	1,806	--	--
				<u>7,956</u>	<u>41,451</u>	<u>42,369</u>	<u>--</u>	<u>8,874</u>
Total Federal Assistance				<u>\$ 308,680</u>	<u>\$ 843,336</u>	<u>\$ 989,724</u>	<u>\$ 64</u>	<u>\$ 455,132</u>

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended September 30, 2014

State Grant or Program Title	Federal CFDA Number	Pass-Through Grantor/State Number	Program/ Award Amount	Accounts Receivable (Payable) October 1, 2013	Receipts	Expenditures	Grant Funds Refunded in 2014	Accounts Receivable (Payable) September 30, 2014
<u>Texas Juvenile Justice Department</u>								
State Aid	N/A	TJJD-A-2013-021	\$ 878,000	\$ (50,000)	\$ -	\$ 41,456	\$ 8,544	\$ --
		09/01/12-08/31/13						
State Aid	N/A	TJJD-A-2014-021	768,408	31,227	768,408	737,181	--	--
		09/01/13-08/31/14						
State Aid	N/A	TJJD-A-2015-021	756,882	--	--	29,700	--	29,700
		09/01/14-08/31/15						
JJAEP	N/A	TJJD-P-2014-021	--	--	14,984	3,526	11,458	--
		08/01/12-5/31/13						
JJAEP	N/A	TJJD-P-2015-021	14,983	--	--	--	--	--
		08/01/13-5/31/14						
Commitment Reduction	N/A	TJJD-C-2014-021	136,257	5,605	136,257	130,652	--	--
		09/01/13-08/31/14						
Commitment Reduction	N/A	TJJD-C-2015-021	136,257	--	--	6,268	--	6,268
		09/01/14-08/31/15						
Mental Health	N/A	TJJD-N-2014-021	180,399	--	150,332	46,470	103,862	--
		09/01/13-08/31/14						
Mental Health	N/A	TJJD-N-2015-021	180,399	--	--	12,820	--	12,820
		09/01/14-08/31/15						
<u>Office of the Attorney General</u>								
SAVNS Program	N/A	1445162	27,715	--	27,715	27,715	--	--
Total State Assistance				(13,168)	1,097,696	1,035,788	123,864	48,788
Total Federal and State Assistance				\$ 295,512	\$ 1,941,032	\$ 2,025,512	\$ 123,928	\$ 503,920

BRAZOS COUNTY, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

General - The accompanying Schedule of Expenditures of Federal and State Awards presents all federal and state expenditures of Brazos County, Texas (the "County").

Basis of Accounting - The expenditures on the accompanying Schedule of Expenditures of Federal and State Awards are presented on the accrual basis.

Relationship to Financial Statements - Expenditures of federal and state awards are reported in the County's basic financial statements on the accrual basis.

Relationship to Federal Financial Reports - Amounts reported in the accompanying Schedule of Expenditures of Federal and State Awards agree with the amounts reported in the related federal and state financial reports in all significant respects.

SUMMARY OF NON-CASH ASSISTANCE

The County receives non-cash assistance in the form of commodities from the U.S. Department of Health and Human Services passed through the Texas Department of Agriculture. In fiscal year ended September 30, 2014, the County received \$1,806 in commodities.

SUMMARY OF INSURANCE RELATED TO GRANT FUNDS

County employees responsible for or with authority to expend or disburse grant funds are covered by various insurance policies. The amounts of these policies vary from \$5,000 to \$10,000.

SUMMARY OF FEDERAL LOANS OR LOAN GUARANTEES

The County had no Federal loans or loan guarantees during this fiscal year.

BRAZOS COUNTY, TEXAS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: *unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(s) identified that are not considered to be material weaknesses? none
___ yes X reported

Noncompliance material to financial statements noted? ___ yes X no

Federal and State Awards

Internal control over major programs:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(s) identified that are not considered to be material weaknesses? none
___ yes X reported

Type of auditor's 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 Circular A-133? ___ yes X no

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal or State Program or Cluster</i>
93.658	Foster Care – Title IV-E
N/A	TJJD Grant A-State Aid

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X yes ___ no

BRAZOS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2014

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

There were no Federal or State award findings and questioned costs which are required to be reported in accordance with Section 510(a) of OMB Circular A-133 or the *State of Texas Single Audit Circular*.

BRAZOS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2014
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

There were no Federal or State award findings and questioned costs which are required to be reported in accordance with Section 510(a) of OMB Circular A-133 or the *State of Texas Single Audit Circular*.

