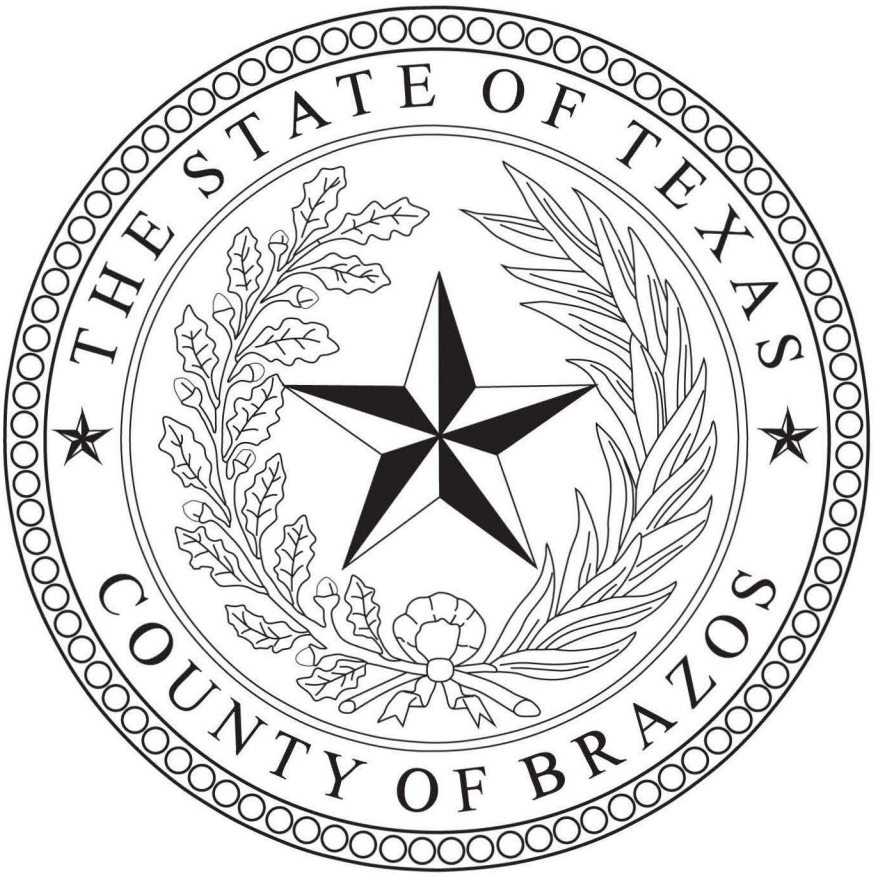
BRAZOS COUNTY, TEXAS

Comprehensive Annual Financial Report

For The Year Ended September 30, 2018

Prepared by:

Katie Conner, C. P. A.
County Auditor


THE STATE OF TEXAS
COUNTY OF BRAZOS

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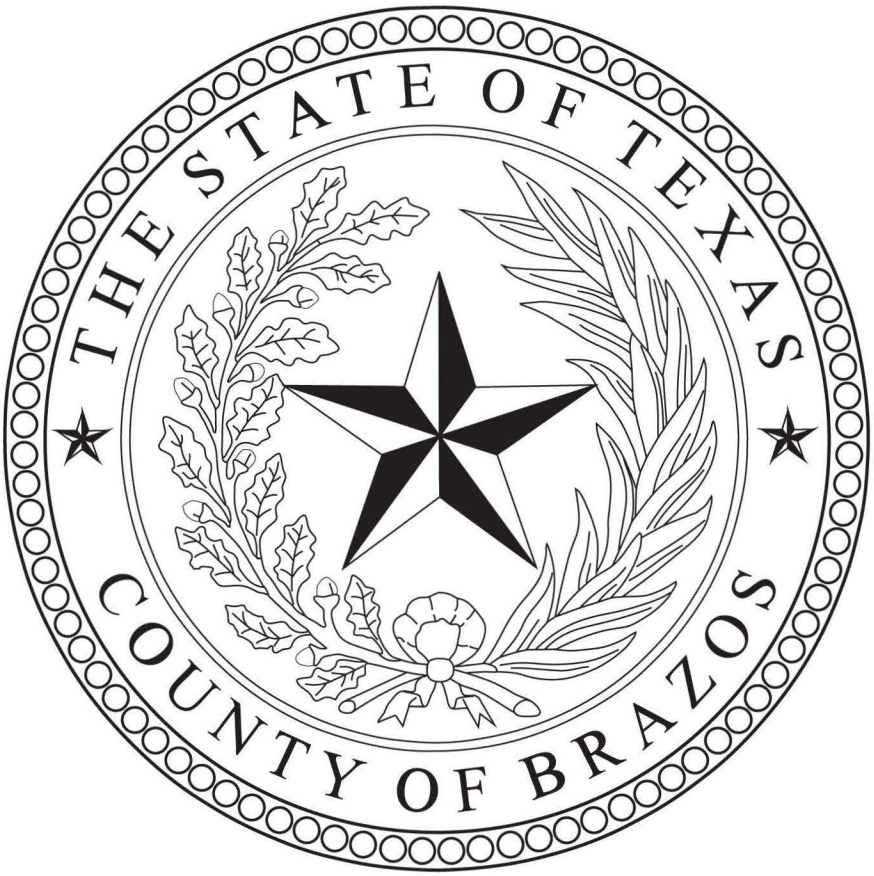
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BRAZOS COUNTY, TEXAS
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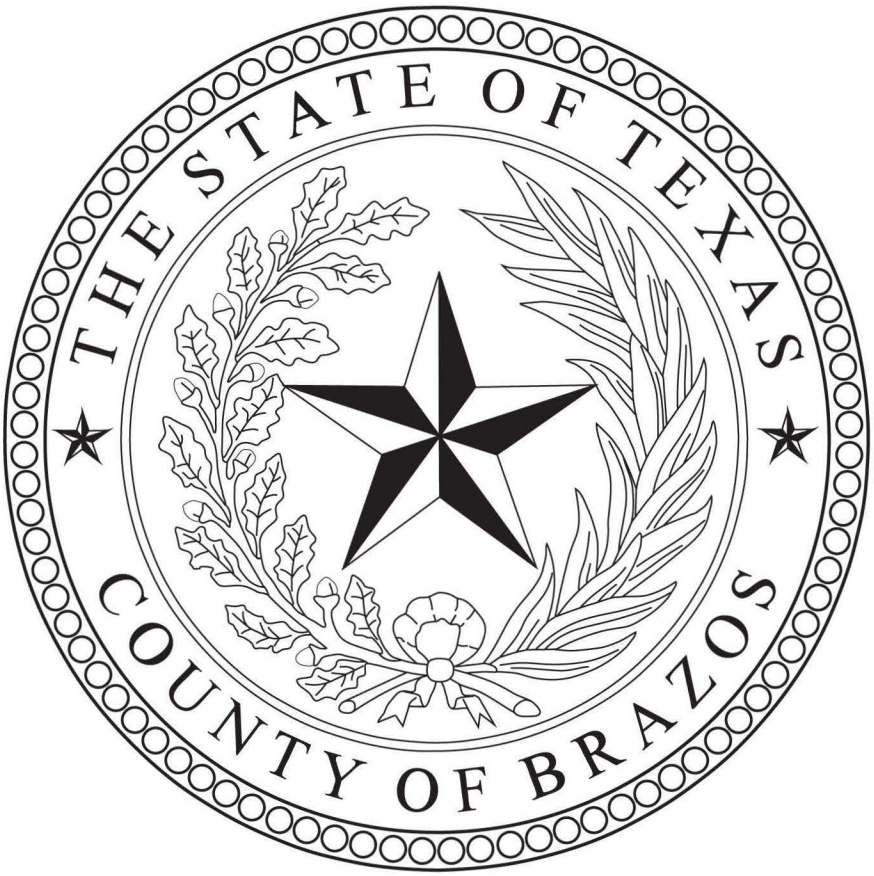
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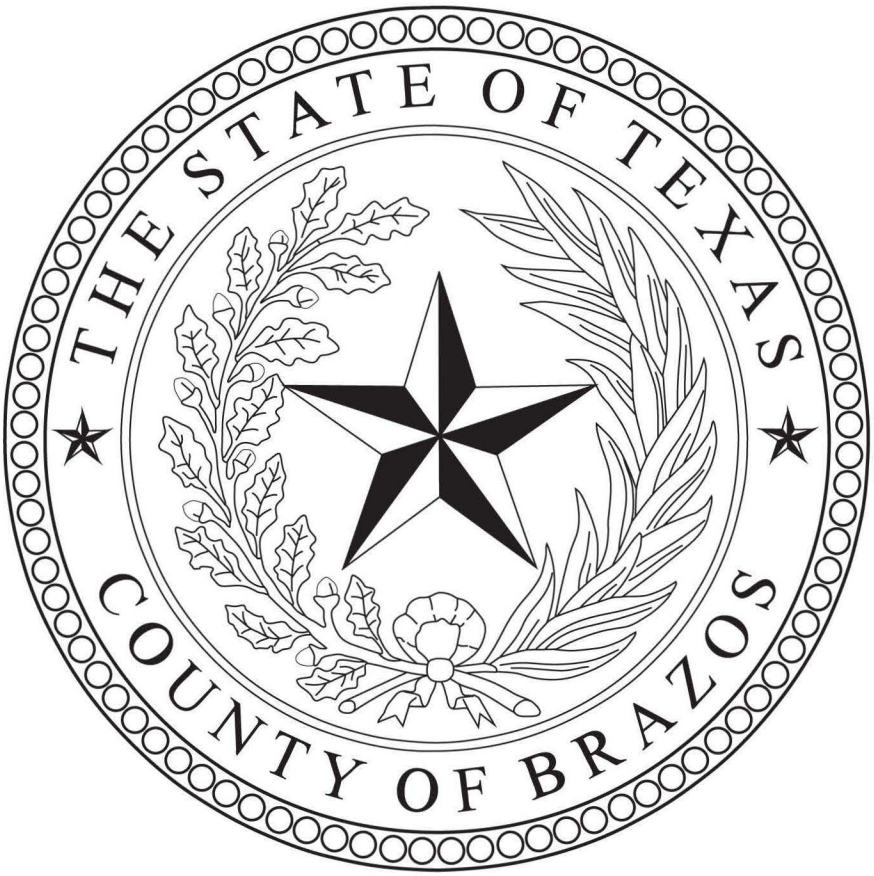
INTRODUCTORY SECTION


THE STATE OF TEXAS
COUNTY OF BRAZOS

Office of the Brazos County Auditor
Brazos County Administration Building

200 East S. Texas Avenue – Suite 218
Bryan, Texas 77803
(979) 361-4350
Email: kconner@brazoscountytx.gov

March 22, 2019

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, 2018, 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, 2018, 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, federal and state 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 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 responsibility 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 in August or September. 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 (the "Fair") 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 nine member Executive Committee of which seven members were appointed by the Brazos County Commissioners' Court. The Fair is not reported in the County's financial statements, but the County's financial support to the Fair is included in the operations and activities of the County's General Fund and the Hotel Occupancy Tax ("HOT") Fund.

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 2018, Brazos County had an unemployment rate of 2.8% compared to a Texas statewide unemployment rate of 3.7% for the same month. The unemployment rate at September 2017 was 2.8% as well. As of September 2018, the labor force figures for the County, as established by the Texas Workforce Commission, are 118,110 of which 114,818 are currently employed. The following schedule is an estimate of the number of employees and the corresponding percentage per industry as of September 2018.

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

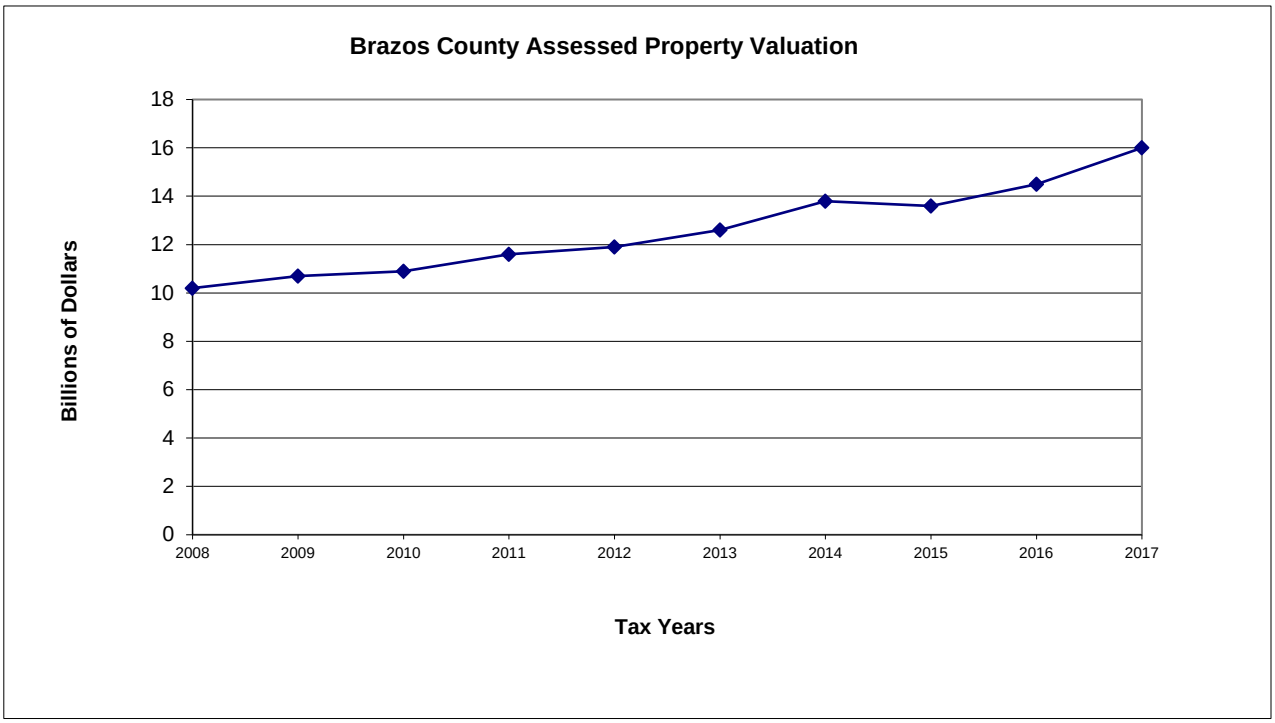
Employer Group	Number Of Employees	Percentage
State, Local, Federal Government	45,500	37%
Trade, Transportation and Utilities	16,300	13%
Education and Health Services	11,700	10%
Leisure and Hospitality	16,300	13%
Professional and Business Services	10,000	8%
Mining, Logging and Construction	7,900	7%
Manufacturing	5,900	5%
Financial Activities	3,900	3%
Other Services	3,500	3%
Information	1,300	1%
TOTAL	122,300	100%

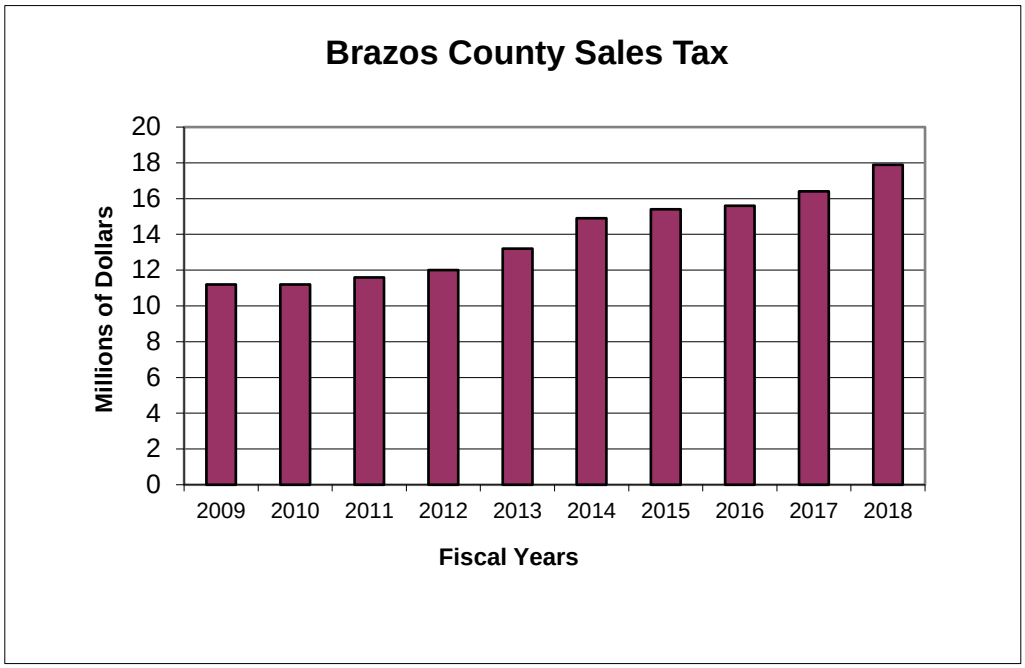
Source: Texas Workforce Commission

According to the recent Employment Statistics Highlights released by the Bureau of Labor Statistics of the United States Department of Labor, US labor market conditions keep improving. From October 2017 to September 2018 the area has added approximately 3,300 non-farm jobs, and 1,500 private sector jobs, reflecting the trend.

According to the Real Estate Center at Texas A&M University, the real estate market in the Bryan-College Station area remained strong in 2018. The number of home sales decreased by 1%, the average sales price increased by 4%, and the average month's inventory increased by 15% in 2018 compared to 2017.

The County's assessed property valuation for tax year 2017 increased 10.2% compared to tax year 2016. Sales tax receipts for fiscal year 2018 increased 9.5% compared to fiscal year 2017. The following charts show the changes in the two categories:





Brazos County is the home of Texas A&M University, the second largest university in enrollment in the United States for 2018-2019. Opened in 1876 as Texas' first public institution of higher learning, Texas A&M University is a research-intensive flagship university with about 54,000 undergraduates and 15,000 graduate students studying in over 130 undergraduate and 270 graduate degree programs in 19 colleges and schools. The faculty and graduate students of Texas A&M University conduct about $905 million in research and development expenditures. The University has an endowment valued at more than $9 billion, which ranks the largest among U.S. public universities and 7th overall in 2017. 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 190,000 visitors in 2018. This facility, along with the 324-acre University Research Park, provides an attraction for both national and international visitors.

Founded in 2016, the 2,000-acre RELLIS Campus is one of the Texas A&M University System's private-public partnerships. Located in Bryan, the RELLIS Campus serves as an ecosystem that fosters cutting-edge research, technology development, higher education and workforce training. The Texas A&M Transportation Institute (TTI) and the Texas A&M Engineering Experiment Station (TEES), along with academic, corporate and private partners, conduct valuable research for world-changing technologies, processes and products with state-of-the-art research laboratories, testing and proving grounds. At the RELLIS campus, post-secondary degree education and training are offered with programs through Blinn College, multiple universities within the Texas A&M System and the Texas A&M Engineering Extension Service (TEEX). Academic courses began in fall 2018.

In addition to the four-year program Texas A&M offers, Blinn College offers a two-year program at four campuses: the main campus in Brenham, Bryan Campus, Schulenburg Campus, and Sealy Campus. All campuses offer various technical certificates and associates degrees in arts and sciences. The Bryan Campus 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 10,000 students enrolled in Blinn's Bryan campus for the fall semester of 2018.

A comprehensive community college committed to educational excellence and to individual and community enhancement, Blinn College has served its 13-county Central Texas region since 1883. Blinn ranks among the nation's leaders in transferring students to leading four-year universities and has received national recognition for affordable educational excellence. Blinn College adds $345.3 million each year into the local economy according to a study conducted by Economic Modeling Specialists, Inc.

Brazos County is a member of the Brazos Valley Economic Development Corporation (http://brazosvalleyedc.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 Corporation 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 Corporation 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 Corporation. A unique vision has emerged for biotechnology, encompassing research, preclinical studies, clinical studies and manufacturing all in one corridor. 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. Through September 30, 2018, the Foundation has sold 403 acres of the Texas Triangle Park and holds approximately 616 acres currently for sale. During 2018, 119 acres were sold to Bryan Independent School District to help accommodate the growth of the District's Career and Technical Education Program.

CAPITAL IMPROVEMENT PROGRAM

In 2018, the Commissioners' Court of Brazos County continued the strategic planning program concerning capital improvements and expansion that began in 1996. This program focuses on meeting current and future needs of the County.

During 2018, the County continued the construction of County roads to connect major thoroughfares and continues to provide adequate funding to enable the road and bridge improvement program to upgrade and widen rural County roads. The program has been in place since 1996 and the Commissioners' Court appropriated a public transportation budget for fiscal year 2018 that included $12.4 million (includes personnel services, supplies and other charges, contingencies, repairs and maintenance, minor acquisitions, contract services, and professional services) for routine maintenance and $5.8 million for improvements and upgrades. The County expended approximately $9.4 million dollars in maintaining the roads, and upgraded and reconstructed roads at a cost of over $3.7 million dollars during the year.

The County completed the County courthouse renovation project in 2018. The total cost of the courthouse renovation was over $20.1 million. The renovated courthouse building provides more courtroom spaces and houses 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 third expansion of the Exposition Center funded by the bond issuance was finalized during 2018. The total cost of the expansion was $4.7 million. The expansion completed the east side of the South Arena and made it a full stall barn, installed 125 additional parking spaces, replaced the existing outdoor warmup arena and included sound system upgrades in the North Arena and East/West Pavilions. Additionally, there were smaller projects within this expansion that will increase the marketability of the facility to bigger out of county shows and events.

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 the investment of idle funds in the County. At September 30, 2018, the County had cash and cash equivalents of $86.0 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, 2018, the County also had $41.8 million invested in two state wide investment pools. During the fiscal year, the County earned approximately $1,200,000 in 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, 2018, 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, 2018, the County had $6.9 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, 2018, the tax rate to finance general governmental services was $0.4290 per $100 valuation and the tax rate for the payment of principal and interest on long-term debt was $0.0560 per $100 of valuation. For the fiscal year ended September 30, 2019, the tax rate to finance general government services is $0.4317 per $100 valuation and the tax rate for the payment of principal and interest on long-term debt is $0.0533 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 the proper recording of financial transactions.
- Technological solutions are used to improve operations.
- 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 maintain a high debt rating with a stable outlook.

Significant budget initiatives in fiscal year 2018 included:

- The County added 31 full-time positions, and approved a 3% cost-of-living adjustment and a 1% merit.
- The County completed the County courthouse renovation and the Exposition Center expansion during 2018.
- The County started the Juvenile Services building expansion during 2018. The projected cost of the expansion is over $20.0 million and it is anticipated to be completed in September 2020.

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,

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, 2017

Christopher P. Morrill

Executive Director/CEO

BRAZOS COUNTY, TEXAS
PRINCIPAL OFFICIALS
September 30, 2018

Commissioners' Court:

Duane Peters	County Judge
Steven Aldrich	Commissioner, Precinct 1
Sammy Catalena	Commissioner, Precinct 2
Nancy Berry	Commissioner, Precinct 3
Irma Cauley	Commissioner, Precinct 4

District Court:

Kyle Hawthorne	Judge, 85th Judicial District
Travis Bryan, III	Judge, 272nd Judicial District
Steve Smith	Judge, 361st Judicial District

County Court-at-Law:

Amanda Matzke	Judge, County Court-at-Law No. 1
James Locke	Judge, County Court-at-Law No. 2

Law Enforcement and Correction:

Christopher C. Kirk	Sheriff
Rodney Anderson	County Attorney
Jarvis Parsons	District Attorney
Linda Ricketson *	Chief Juvenile Probation Officer
Jennifer Goerig *	Chief Adult Probation Officer

Financial Administration:

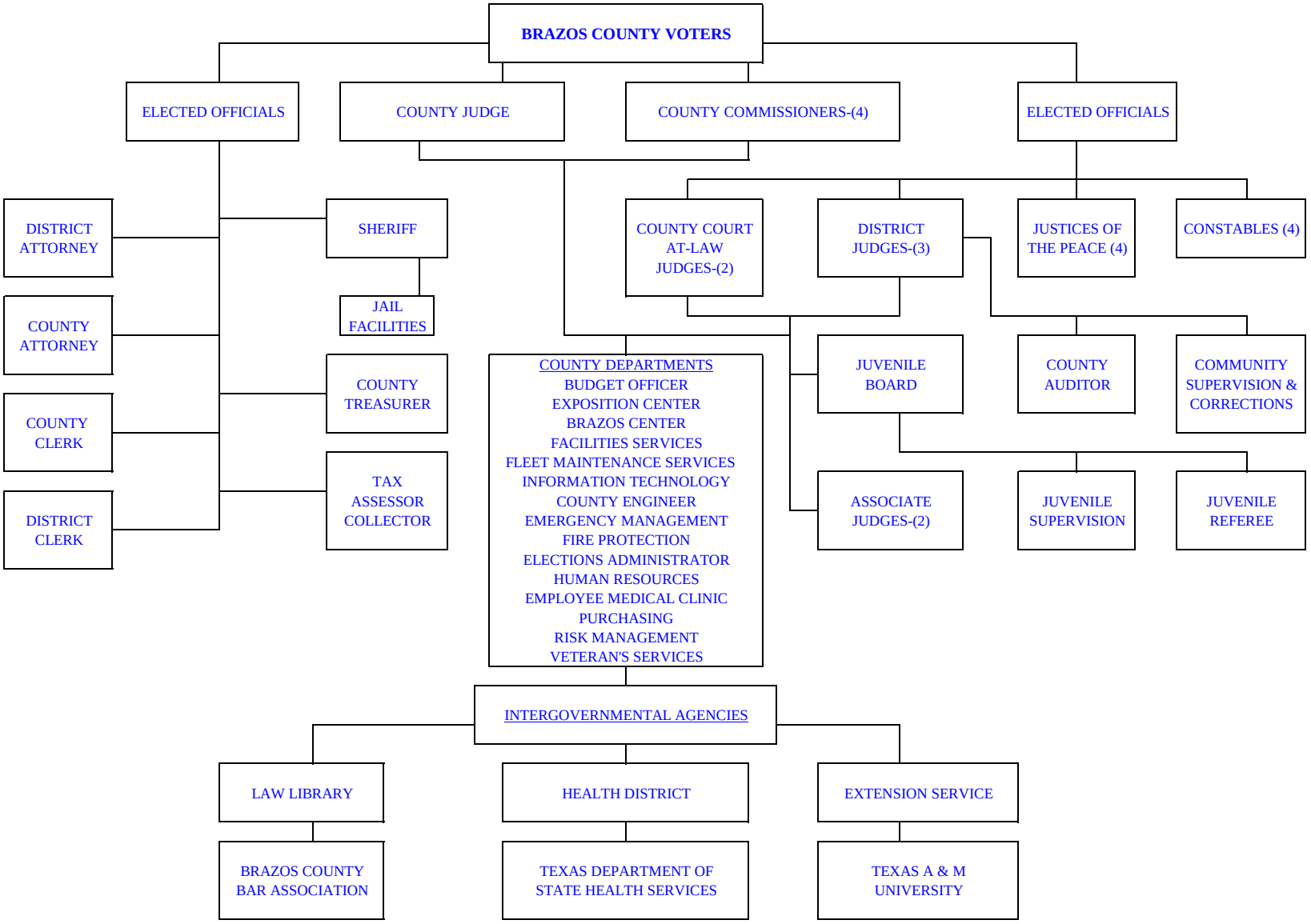
Laura Davis	Treasurer
Kristeen Roe	Tax Assessor-Collector
Katie Conner*	Auditor

Recording Offices:

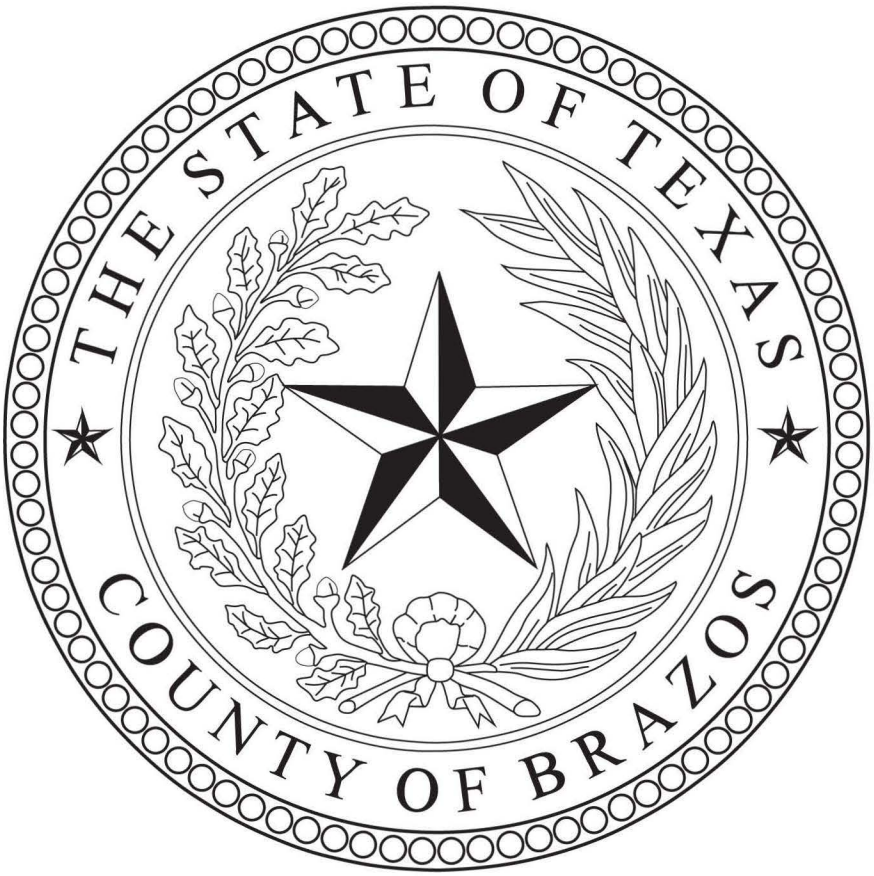
Karen McQueen	County Clerk
Marc Hamlin	District Clerk

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

BRAZOS COUNTY ORGANIZATIONAL CHART



FINANCIAL SECTION


THE STATE OF TEXAS
COUNTY OF BRAZOS

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, 2018, 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.

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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, 2018, 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.

Change in Accounting Principle

As described in Note 1-T to the financial statements, in fiscal year 2018, the County adopted new accounting guidance, *GASB No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. Our opinion was not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension plan information, other post-employment benefits information, infrastructure condition data, and budgetary comparison information on pages 16 through 27 and 81 through 100 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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 22, 2019, 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.

Bryan, Texas
March 22, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
For the Year Ending September 30, 2018

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, 2018. 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 $226,471,401 at September 30, 2018, and are reported as the total net position of the primary government. The total net position was $196,339,942 at September 30, 2017.

- The government-wide total net position increased $30,131,459 during the fiscal year ending September 30, 2018. The net position from the governmental activities increased $30,141,049 while the net position from business-type activities decreased $9,590.

- Total net position of the primary government is comprised of the following:

Net Position by Category	September 30, 2018	September 30, 2017
Net Investment in Capital Assets	$ 195,496,029	$ 177,679,124
Restricted	42,355,459	27,162,985
Unrestricted	(11,380,087)	(8,502,167)
Total Net Position	$ 226,471,401	$ 196,339,942

Fund Financial Statements

- As of September 30, 2018, the County governmental funds reported combined fund balances of $115,710,466. This reflects an increase of $25,161,223 from the previous fiscal year, primarily related to the issuance of the Certificates of Obligation 2017, the increase in the property tax and the local health care provider assessments. $44,008,132 or 38% of the combined fund balances at September 30, 2018, 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 $44,008,132 or 48% of the General Fund's total expenditures and 42% of the revenues.

- The total fund balance for the nonmajor governmental funds was $6,542,929 at September 30, 2018. Of this amount, $6,516,729 is restricted by the legislature and $26,200 is nonspendable.

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 operations of the County Attorney and the Jail Commissary.

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, Capital Improvement, Local Provider Participation, and Juvenile Expansion 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 report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs. One trust fund and four agency funds are presented under this category. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. 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.

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 43-80 of this report.

Required Supplementary Information is presented concerning the County's General Fund and Local Provider Participation Fund budgetary schedules. The schedules, which include the original and final amended budget and actual figures, have been provided to demonstrate compliance with these budgets. Also presented in this section are the pension related schedules required by GASB 68 and the OPEB related schedules required by GASB 75. The condition assessment information for county roads and bridges can also be found in this section. Required supplementary information can be found on pages 81-100 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 comparisons can be found on pages 101-150 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 $226,471,401 for fiscal year 2018 and $196,339,942 for fiscal year 2017.

Condensed Statement of Net Position
September 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Current and other assets	$ 141,713,654	$ 979,795	$ 142,693,449
Capital assets, net	271,240,720	7,444	271,248,164
Total assets	412,954,374	987,239	413,941,613
Deferred outflows of resources	9,462,942	11,497	9,474,439
Total deferred outflows of resources	9,462,942	11,497	9,474,439
Current and other liabilities	13,906,725	41,118	13,947,843
Long-term liabilities	180,281,669	141,870	180,423,539
Total liabilities	194,188,394	182,988	194,371,382
Deferred inflows of resources	2,567,218	6,051	2,573,269
Total deferred inflows of resources	2,567,218	6,051	2,573,269
Net position:			
Net investment in capital assets	195,488,585	7,444	195,496,029
Restricted	42,355,459	-	42,355,459
Unrestricted	(12,182,340)	802,253	(11,380,087)
Total net position	$ 225,661,704	$ 809,697	$ 226,471,401

Condensed Statement of Net Position
September 30, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Current and other assets	$ 114,698,343	$ 1,074,350	$ 115,772,693
Capital assets, net	258,522,579	10,417	258,532,996
Total assets	373,220,922	1,084,767	374,305,689
Deferred outflows of resources	18,810,948	28,951	18,839,899
Total deferred outflows of resources	18,810,948	28,951	18,839,899
Current and other liabilities	13,001,674	135,452	13,137,126
Long-term liabilities	182,324,145	156,920	182,481,065
Total liabilities	195,325,819	292,372	195,618,191
Deferred inflows of resources	1,185,396	2,059	1,187,455
Total deferred inflows of resources	1,185,396	2,059	1,187,455
Net position:			
Net investment in capital assets	177,668,707	10,417	177,679,124
Restricted	27,162,985	-	27,162,985
Unrestricted	(9,311,037)	808,870	(8,502,167)
Total net position, as restated	$ 195,520,655	$ 819,287	$ 196,339,942

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The largest portion of the County's current fiscal year net position reflects its investment of $195,496,029 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 $42,355,459 represents resources that are subject to external restrictions on how they may be used. The unrestricted net position is negative due to the implementation of GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions. The County's net position increased by $30,131,459 as a result of its fiscal year 2018 operations. It is primarily attributable to the increase in various tax collections, the contribution of the capital roads by developers, and the excess in the collection of local health care provider assessments.

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

Condensed Statement of Activities
For the Year Ended September 30, 2018

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues:			
Charges for services	$ 17,584,615	$ 1,086,811	$ 18,671,426
Operating grants and contributions	3,723,771	-	3,723,771
Capital grants and contributions	7,833,843	-	7,833,843
General revenues:			
Property taxes	81,748,351	-	81,748,351
Local health care provider assessments	32,586,142	-	32,586,142
Sales taxes	17,936,733	-	17,936,733
Motor vehicle taxes	1,652,081	-	1,652,081
Mixed drink taxes	907,029	-	907,029
Hotel occupancy taxes	2,915,850	-	2,915,850
Unrestricted investment earnings	1,162,968	6,022	1,168,990
Gain on sale of capital assets	76,388	-	76,388
Total revenues	168,127,771	1,092,833	169,220,604
Expenses:			
General Government	31,382,269	-	31,382,269
Justice System	22,416,788	3,827	22,420,615
Law Enforcement	26,720,546	862,596	27,583,142
Juvenile Services	7,728,384	-	7,728,384
Public Transportation	9,056,792	-	9,056,792
Public Health	30,341,381	-	30,341,381
Human Services	7,401,506	-	7,401,506
Interest and Other Fees	3,175,056	-	3,175,056
Total expenses	138,222,722	866,423	139,089,145
Increase in net position before transfers	29,905,049	226,410	30,131,459
Transfers	236,000	(236,000)	-
Change in net position	30,141,049	(9,590)	30,131,459
Net position - beginning, as restated	195,520,655	819,287	196,339,942
Net position - ending	$ 225,661,704	$ 809,697	$ 226,471,401

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Condensed Statement of Activities
For the Year Ended September 30, 2017

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues:			
Charges for services	$ 16,534,305	$ 1,076,702	$ 17,611,007
Operating grants and contributions	3,562,904	-	3,562,904
Capital grants and contributions	3,011,592	-	3,011,592
General revenues:			
Property taxes	74,085,095	-	74,085,095
Local health care provider assessments	26,168,492	-	26,168,492
Sales taxes	16,375,071	-	16,375,071
Motor vehicle taxes	1,660,706	-	1,660,706
Mixed drink taxes	809,516	-	809,516
Hotel occupancy taxes	2,681,077	-	2,681,077
Unrestricted investment earnings	347,258	2,554	349,812
Gain on sale of capital assets	133,517	-	133,517
Total revenues	145,369,533	1,079,256	146,448,789
Expenses:			
General Government	31,100,282	-	31,100,282
Justice System	21,535,081	4,796	21,539,877
Law Enforcement	25,749,013	878,921	26,627,934
Juvenile Services	7,514,809	-	7,514,809
Public Transportation	9,639,763	-	9,639,763
Public Health	17,085,298	-	17,085,298
Human Services	6,751,237	-	6,751,237
Interest and Other Fees	3,299,310	-	3,299,310
Total expenses	122,674,793	883,717	123,558,510
Change in net position	22,694,740	195,539	22,890,279
Net position - beginning	184,739,185	649,512	185,388,697
Impact of change in accounting principle	(11,913,270)	(25,764)	(11,939,034)
Net position - ending	$ 195,520,655	$ 819,287	$ 196,339,942

Revenue Analysis

For fiscal year ended September 30, 2018, revenues for the primary government totaled $169,220,604. The revenues are categorized by activity type: governmental activities totaled $168,127,771 and business-type activities totaled $1,092,833.

Program revenues are derived from the program itself and thereby reduce the cost of the function to the County. Total program revenues were $30,229,040 and 18% of total revenues. Of that $29,142,229 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 $1,086,811, which represents primarily commissary sales to the inmates held in County jails. The largest portion of program revenues is charges for service of $18,671,426 (11% of the total revenues). The other portions of program revenues are operating grants and contributions of $3,723,771 and $7,833,843 in capital contributions from various federal, state and local agencies, which in total are 7% of the total revenues.

General revenues are revenues that do not qualify as program revenue. Property taxes of $81,748,351 were the largest revenue source for governmental activities and 48% of total revenues. Besides property taxes, the general revenues also consist of local health care provider assessments, sales taxes, motor vehicle taxes, mixed drink taxes, hotel occupancy taxes, gain on sale of capital assets, and investment earnings, which in total are $57,243,213 or 34% of the total revenues.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Revenue Analysis **(Continued)**

	Year Ended September 30, 2018		Year Ended September 30, 2017	
Program Revenues				
Charges for services - governmental	$ 17,584,615	10.4%	$ 16,534,305	11.3%
Charges for services - business-type	1,086,811	0.6%	1,076,702	0.7%
Operating grants and contributions	3,723,771	2.2%	3,562,904	2.4%
Capital grants and contributions	7,833,843	4.6%	3,011,592	2.1%
General Revenues				
Property taxes	81,748,351	48.3%	74,085,095	50.6%
Local health care provider assessments	32,586,142	19.3%	26,168,492	17.9%
Sales taxes	17,936,733	10.6%	16,375,071	11.2%
Motor vehicle taxes	1,652,081	1.0%	1,660,706	1.1%
Mixed drink taxes	907,029	0.5%	809,516	0.6%
Hotel occupancy taxes	2,915,850	1.7%	2,681,077	1.8%
Unrestricted investment earnings	1,168,990	0.7%	349,812	0.2%
Gain on sale of capital assets	76,388	0.1%	133,517	0.1%
Total Revenues	$ 169,220,604	100.0%	$ 146,448,789	100.0%

In fiscal year 2018, the County's revenues increased by $22.8 million, or 16 percent as a net result of the changes in tax collections, the local health care provider assessments, the sales tax collections, and the capital grants and contributions. The County collected about $32.6 million in local health care provider assessments in 2018. Capital grants and contributions of $7.8 million were made to the County during 2018. The property tax revenue for fiscal year 2018 increased $7.7 million from fiscal year 2017.

Expense Analysis

For the year ended September 30, 2018, the function and program expenses for the primary government were $138,222,722 for the governmental activities and $866,423 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:

	Year Ended September 30, 2018		Year Ended September 30, 2017	
Function				
General Government	$ 31,382,269	22.7%	$ 31,100,282	25.3%
Justice System	22,416,788	16.2%	21,535,081	17.6%
Law Enforcement	26,720,546	19.3%	25,749,013	21.0%
Juvenile Services	7,728,384	5.6%	7,514,809	6.1%
Public Transportation	9,056,792	6.5%	9,639,763	7.9%
Public Health	30,341,381	22.0%	17,085,298	13.9%
Human Services	7,401,506	5.4%	6,751,237	5.5%
Interest and Other Fees	3,175,056	2.3%	3,299,310	2.7%
Total Governmental Activities	$ 138,222,722	100.0%	$ 122,674,793	100.0%
Business-Type Activities				
County Attorney Operating Fund	$ 3,827	0.4%	$ 4,796	0.5%
Jail Commissary Fund	862,596	99.6%	878,921	99.5%
Total Business-Type Activities	$ 866,423	100.0%	$ 883,717	100.0%

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Expense Analysis **(Continued)**

In fiscal year 2018, the County's expenses increased $15.5 million or 12.6 percent from the prior year. The key elements of the change are as follows:

- The local health care provider fees remitted to the State for Medicaid programs in fiscal year 2018 increased $13.2 million from fiscal year 2017.
- Employee salaries and wages increased $3.0 million due to more positions added, a 3% cost-of-living adjustment, and a 1% merit adjustment made to the employees during 2018.
- Employee benefits had a net decrease of $2.1 million resulting from various factors, including the increase due to the implementation of GASB Statement 75 and salary base and contribution rate of the County's health insurance, and the decrease in pension expenses due to the favorable investment return.
- The operating expenses, including supplies and other charges, repairs and maintenance, minor acquisition, contract services, professional services, and community support, increased $1.4 million during the year.

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, 2018, the County's governmental funds reported combined fund balances of $115,710,466, an increase of $25,161,223 or 28% in comparison with the prior year. The change represents the issuance of the Certificates of Obligation, Series 2017, and the net result of the increase in tax collections and the moderate change in the collection and remittance of local health care provider assessments. Of the combined fund balance, $2,077,750 (2%) were nonspendable for prepaids and inventory, $42,355,459 (36%) were restricted to various purposes by external restrictions imposed, $663,526 (1%) were committed to the Health Endowment Fund, $26,605,599 (23%) were assigned to the County's capital improvement plans and other programs as directed by the Commissioners' Court, and $44,008,132 (38%) constituted 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, 2018, the General Fund reported a net fund balance of $48,226,548, an increase of $1,319,591 from fiscal year 2017. The fund experienced an excess of revenues over expenditures of $15,041,035 and the majority of the excess funds were transferred to the Capital Improvement Fund to support the County's various capital improvement projects.

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 2018, the fund balance increased $630,113, or 10% from fiscal year 2017 primarily due to the fact that more funds were transferred from the County's Hotel Occupancy Tax Fund to meet the debt service requirements for the Certificates of Obligation, Series 2009 and Certificates of Obligation, Series 2015 (partial) in 2018.

FINANCIAL ANALYSIS OF MAJOR FUNDS (Continued)

Debt Service Fund **(Continued)**

For fiscal year 2019, the County's debt service requirements for the governmental activities are $7,010,000 in principal and $3,209,027 in interest. Additional information is available to the readers in Note 9 (Long-Term Debt) to the Financial Statements.

Capital Improvement Fund

The Capital Improvement Fund was established to provide accountability for the construction and acquisition of specific capital assets to support departmental needs, and to replace existing capital assets as needed. The resources of the Fund have mainly been provided by transfers from the General Fund. The fund received more transfers but incurred less expenditures in fiscal year 2018. As a result, the fund balance increased $347,403.

Local Provider Participation Fund

The Local Provider Participation Fund has been established to account for the mandatory assessments to local institutional health care providers in support of the State Medicaid program. By taking part in paying the State share of Medicaid expansion through the new provider assessments, the local health care providers will be able to benefit from the federal financial match. The fund reported a fund balance of $18,026,349 at September 30, 2018.

Juvenile Expansion Fund

The Juvenile Expansion Fund was established to provide accountability for the Juvenile Services building expansion project. The expenditures are financed through the issuance of $11,650,000 of Certificates of Obligation, Series 2017 and a $8,300,000 transfer from the County's Capital Improvement Fund during 2018. The fund reported a fund balance of $18,767,129 at September 30, 2018.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County adopts an annual budget for the General Fund. Budget amounts represent the original budget for 2018 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 2018:

GENERAL FUND BUDGETARY HIGHLIGHTS (Continued)

Brazos County, Texas
FY 2018 General Fund Budget Vs. Actual Amounts - GAAP Basis

	Original Budget	Final Budget	Actual
Revenues and Other Financing Sources			
Taxes	$ 88,505,000	$ 88,505,000	$ 90,802,676
Charges for Services	11,221,969	11,221,969	12,092,704
Intergovernmental	1,034,450	1,034,536	1,551,170
Interest	201,200	201,200	694,114
Other	565,900	601,990	914,902
Transfers In	-	911,450	931,450
Sale of Capital Assets	-	-	63,072
Total	101,528,519	102,476,145	107,050,088
Expenditures and Other Financing Uses			
Expenditures	107,562,755	107,416,911	91,014,531
Transfers Out	13,692,494	14,785,964	14,715,996
Total	121,255,249	122,202,875	105,730,527
Net Change in Fund Balance	$ (19,726,730)	$ (19,726,730)	$ 1,319,561

Differences between the original budget and the final amended budget reflected an increase of $947,626 in available resources and the same amount of increase in appropriations.

Actual revenues and transfers increased by $4,573,943 (4.5%) over the final budget mainly due to an improved collection rate in all revenue categories. Actual expenditures and transfers out were $16,472,348 (13.5%) 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, 2018, amounted to $271,248,164 (net of accumulated depreciation) and at September 30, 2017, it was $258,532,996. Depreciation on capital assets is recognized in the government-wide financial statements. Depreciation provided for the current fiscal period was $6,359,445 compared to $6,305,296 for the year ended September 30, 2017.

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

- The County completed phase V of the courthouse renovation project during fiscal year 2018. The total amount spent on the project in 2018 was $0.7 million. The total cost of phase V of the project was $7.3 million.
- The County completed the Exposition Center expansion project during fiscal year 2018. The total amount spent on the project in 2018 was $0.4 million. The total cost of the project was $4.7 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Assets **(Continued)**

- The County's infrastructure and land (right-of-way) increased by about $10.0 million during the current fiscal year. $7.8 million of the increase is related to the acceptance of subdivision roads for maintenance.
- The County acquired approximately $2.2 million and disposed of approximately $0.3 in intangible assets and machinery and equipment in fiscal year 2018.
- The County had several minor capital improvement projects in progress or completed with costs of $0.2 million during the year. The projects include the jail kitchen remodeling, the Boonville Cemetery parking lot and bathroom renovation, the renovation of a building to be used for the County Clerk and County record storage.
- The County started the major construction project of the Juvenile Services building expansion. The total amount spent on the project in 2018 was $1.7 million. The expected cost of the project is over $20.0 million.

The County has elected to use the "Modified Approach" as defined by GASB 34 for reporting infrastructure assets, which include 484 miles of roads and 69 bridges. The County has adopted a minimum condition level of 80% for all County roads. In fiscal year 2018 approximately 93% of the County roads meet the targeted condition level. For the year ended September 30, 2018, the actual amounts of expense incurred for the annual maintenance and preservation of the roads and bridges at the targeted condition level was $9.4 million and the amount estimated to be necessary for the purpose was $12.4 million. The $3.0 million variance was mainly due to the Department's contingency budget, employee turnover, and the delays in road preparation and weather conditions.

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.

Governmental Activities:	Balance September 30, 2018	Balance September 30, 2017
Land	$ 31,854,032	$ 28,791,943
Construction in progress	10,598,959	15,839,800
Infrastructure	96,303,148	89,379,781
Buildings	136,227,503	131,555,834
Improvements other than buildings	31,868,243	24,388,918
Machinery and equipment	24,864,889	23,029,670
Intangible assets - computer software	7,383,547	7,361,467
	339,100,321	320,347,413
Less: Accumulated depreciation	(67,859,601)	(61,824,834)
Governmental activities capital assets, net	$ 271,240,720	$ 258,522,579
Business-type activities:		
Machinery and equipment	$ 93,836	$ 93,836
	93,836	93,836
Less: Accumulated depreciation	(86,392)	(83,419)
Business-type activities capital assets, net	$ 7,444	$ 10,417

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Debt Administration

At September 30, 2018, the County had total long-term debt outstanding of $79,135,000 as compared to $79,645,000 in the prior year. The County issued $11,650,000 Certificates of Obligation, Series 2017 and $39,895,000 Limited Tax Refunding Bonds, Series 2017, in November 2017. $7,155,000 debt principal was paid during 2018.

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.

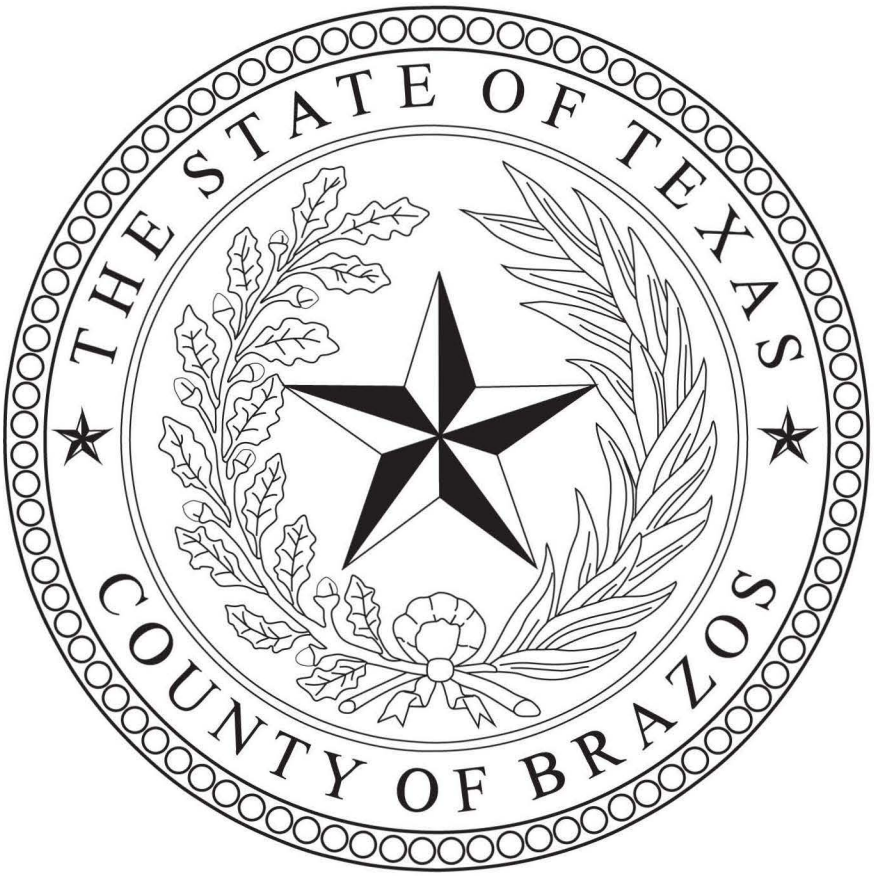
ECONOMIC FACTORS

The Commissioners' Court adopted the fiscal year 2019 budget on September 11, 2018. 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 2019 budget was prepared in a conservative manner with an emphasis on maintaining current service levels and building reserves. The budget was adopted based on anticipated resources and estimated uses in fiscal year 2019. The total resources of the County's General Fund are estimated to be $125,800,000 including the appropriated fund balance of $19,700,000.

The property tax rate for fiscal year 2019 is $0.4850 per $100 valuation, which remains the same as that of fiscal year 2018. For the past three years, the County has been using an estimated collection rate of 98% on property taxes for budgeting purposes.

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.


THE STATE OF TEXAS
COUNTY OF BRAZOS

BASIC FINANCIAL STATEMENTS

BRAZOS COUNTY, TEXAS
STATEMENT OF NET POSITION
September 30, 2018

	Governmental Activities	Business-Type Activities	TOTAL
ASSETS			
Cash and Cash Equivalents	$ 78,274,094	$ 853,606	$ 79,127,700
Investments	41,777,290	-	41,777,290
Prepaid Expenses	938,025	-	938,025
Receivables, net of allowance for uncollectible amounts of $14,680,037			
Taxes	4,373,131	-	4,373,131
Accounts and Other	3,120,981	598	3,121,579
Inventories	1,184,464	24,921	1,209,385
Internal Balances	(100,670)	100,670	-
Restricted Assets			
Cash and Cash Equivalents	6,849,715	-	6,849,715
Receivables, net of allowance for uncollectible amounts of $40,044			
Taxes	349,736	-	349,736
Accounts and Other	8,838	-	8,838
Joint Venture	4,938,050	-	4,938,050
Capital Assets (net of accumulated depreciation)			
Land	31,854,032	-	31,854,032
Buildings	93,706,364	-	93,706,364
Improvements Other than Buildings	24,635,469	-	24,635,469
Intangible Assets - Computer Software	3,288,486	-	3,288,486
Machinery and Equipment	10,854,262	7,444	10,861,706
Infrastructure	96,303,148	-	96,303,148
Construction in Progress	10,598,959	-	10,598,959
TOTAL ASSETS	412,954,374	987,239	413,941,613
DEFERRED OUTFLOWS OF RESOURCES			
Change in Pension Assumptions or Inputs	1,081,414	1,840	1,083,254
Change in Pension Allocated Share	104,765	150	104,915
Differences Between Expected and Actual Pension Experience	261,166	329	261,495
Pension Contributions After the Measurement Date	4,541,988	6,555	4,548,543
Change in OPEB Allocated Share	11,993	18	12,011
OPEB Contributions After the Measurement Date	1,714,308	2,605	1,716,913
Deferred Charges - Refunding	1,747,308	-	1,747,308
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 9,462,942	$ 11,497	$ 9,474,439

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

BRAZOS COUNTY, TEXAS
STATEMENT OF NET POSITION - Continued
September 30, 2018

	Governmental Activities	Business-Type Activities	TOTAL
LIABILITIES			
Accounts Payable and Accrued Liabilities	$ 11,000,037	$ 33,786	$ 11,033,823
Accrued Salaries and Wages	988,881	3,135	992,016
Accrued Interest Payable	268,402	-	268,402
Unclaimed Funds	157,996	-	157,996
Unearned Revenue	136,391	-	136,391
Liabilities for Compensated Absences	1,355,018	4,197	1,359,215
Noncurrent Liabilities			
Due within one year	7,010,000	-	7,010,000
Due in more than one year	173,271,669	141,870	173,413,539
TOTAL LIABILITIES	194,188,394	182,988	194,371,382
DEFERRED INFLOWS OF RESOURCES			
Difference Between Projected and Actual Earnings on Pension Plan	1,599,956	4,407	1,604,363
Change in Pension Assumptions or Inputs	921,551	-	921,551
Differences Between Expected and Actual Pension Experience	-	1,575	1,575
Difference Between Projected and Actual Earnings on OPEB Plan	45,711	69	45,780
TOTAL DEFERRED INFLOWS OF RESOURCES	2,567,218	6,051	2,573,269
NET POSITION			
Net Investment in Capital Assets	195,488,585	7,444	195,496,029
Restricted for:			
Debt Service	6,865,053	-	6,865,053
Capital Projects	10,467,129	-	10,467,129
Legislative	25,023,277	-	25,023,277
Unrestricted	(12,182,340)	802,253	(11,380,087)
TOTAL NET POSITION	$ 225,661,704	$ 809,697	$ 226,471,401

BRAZOS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2018

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
Governmental Activities:			
General Government	$ 31,382,269	$ 6,323,078	$ 77,168
Justice System	22,416,788	6,491,017	917,211
Law Enforcement	26,720,546	1,391,040	272,935
Juvenile Services	7,728,384	151,935	1,525,457
Public Transportation	9,056,792	1,691,230	338,726
Public Health	30,341,381	35,590	72,171
Human Services	7,401,506	1,500,725	520,103
Interest and Other Fees	3,175,056	-	-
Total Governmental Activities	138,222,722	17,584,615	3,723,771
Business-Type Activities:			
County Attorney Operating Fund	3,827	10,055	-
Jail Commissary Fund	862,596	1,076,756	-
Total Business-Type Activities	866,423	1,086,811	-
Total Government	$ 139,089,145	$ 18,671,426	$ 3,723,771

General revenues:
Taxes:
Property taxes
Local health care provider assessments
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, as restated

Net position - ending

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

Program Revenues	Net (Expense) Revenue and Changes in Net Position		
Capital Grants and Contributions	Governmental Activities	Business - Type Activities	Total
$ -	$ (24,982,023)	$ -	$ (24,982,023)
-	(15,008,560)	-	(15,008,560)
-	(25,056,571)	-	(25,056,571)
-	(6,050,992)	-	(6,050,992)
7,833,843	807,007	-	807,007
-	(30,233,620)	-	(30,233,620)
-	(5,380,678)	-	(5,380,678)
-	(3,175,056)	-	(3,175,056)
7,833,843	(109,080,493)	-	(109,080,493)
-	-	6,228	6,228
-	-	214,160	214,160
-	-	220,388	220,388
$ 7,833,843	(109,080,493)	220,388	(108,860,105)
	81,748,351	-	81,748,351
	32,586,142	-	32,586,142
	17,936,733	-	17,936,733
	1,652,081	-	1,652,081
	907,029	-	907,029
	2,915,850	-	2,915,850
	1,162,968	6,022	1,168,990
	76,388	-	76,388
	236,000	(236,000)	-
	139,221,542	(229,978)	138,991,564
	30,141,049	(9,590)	30,131,459
	195,520,655	819,287	196,339,942
	$ 225,661,704	$ 809,697	$ 226,471,401

BRAZOS COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2018

	Major Funds	
	General	**Debt Service**
ASSETS		
Cash and Cash Equivalents	$ 10,318,987	$ 6,849,715
Investments	41,777,290	-
Prepaid Expenditures	867,086	-
Receivables		
Taxes, net	4,043,479	349,736
Officials	146,333	4,151
Interest	23,448	4,687
Accounts, net	1,254,357	-
State	663,792	-
Due from Other Funds	-	-
Inventories	1,184,464	-
TOTAL ASSETS	$ 60,279,236	$ 7,208,289
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES		
Liabilities		
Accounts Payable	$ 8,014,821	$ -
Accrued Salaries and Wages	942,819	-
Unclaimed Funds	-	-
Due To Other Funds	100,670	-
Unearned Revenues	81,356	-
Total Liabilities	9,139,666	-
Deferred Inflows of Resources		
Unavailable Revenues	2,913,022	343,236
Total Deferred Inflows of Resources	2,913,022	343,236
Fund Balances		
Nonspendable	2,051,550	-
Restricted	480,199	6,865,053
Committed	663,526	-
Assigned	1,023,141	-
Unassigned	44,008,132	-
Total Fund Balances	48,226,548	6,865,053
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	$ 60,279,236	$ 7,208,289

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

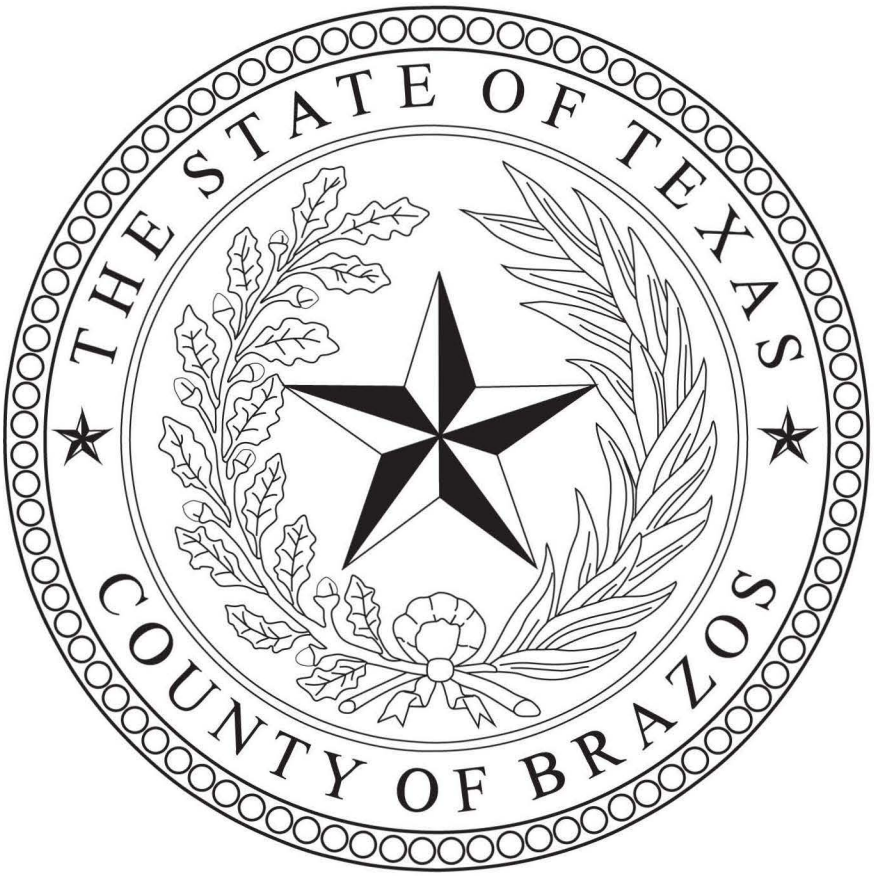
Capital Improvement	Juvenile Expansion	Local Provider Participation	Other Governmental Funds	Total Governmental Funds
$ 17,609,907	$ 18,937,678	$ 18,009,781	$ 6,878,031	$ 78,604,099
-	-	-	-	41,777,290
-	-	-	26,200	893,286
-	-	-	329,652	4,722,867
-	-		-	150,484
-	17,422	16,568	6,917	69,042
-	-	-	249,899	1,504,256
-	-	-	-	663,792
-	-	-	-	-
-	-	-	-	1,184,464
$ 17,609,907	$ 18,955,100	$ 18,026,349	$ 7,490,699	$ 129,569,580
$ 327,449	$ 187,971	$ -	$ 707,932	$ 9,238,173
-	-	-	39,635	982,454
-	-	-	157,996	157,996
-	-	-	-	100,670
-	-	-	42,207	123,563
327,449	187,971	-	947,770	10,602,856
-	-	-	-	3,256,258
-	-	-	-	3,256,258
-	-	-	26,200	2,077,750
-	10,467,129	18,026,349	6,516,729	42,355,459
-	-	-	-	663,526
17,282,458	8,300,000	-	-	26,605,599
-	-	-	-	44,008,132
17,282,458	18,767,129	18,026,349	6,542,929	115,710,466
$ 17,609,907	$ 18,955,100	$ 18,026,349	$ 7,490,699	$ 129,569,580

BRAZOS COUNTY, TEXAS
RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
September 30, 2018

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

Total fund balances - governmental funds		**$**	**115,710,466**
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.			271,240,720
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. Deferred outflows of resources are not reported in the governmental funds:			
Change in Pension Assumptions or Inputs	1,081,414		
Change in Pension Allocated Share	104,711		
Differences Between Expected and Actual Pension Experience	259,370		
Pension Contributions After the Measurement Date	4,530,058		
Change in OPEB Allocated Share	11,945		
OPEB Contributions After the Measurement Date	1,707,432		
Deferred Charges - Refunding	1,747,308		
			9,442,238
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.			3,256,258
Internal service funds are used by the County's management for self insurance. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the funds are included in governmental activities in the Statement of Net Position but are not included at the fund level.			5,222,161
The County's equity interest in a joint venture is included in the Statement of Net Position but is not included at the fund level.			4,938,050
Liabilities for compensated absences are considered current but are not reported as liabilities in the funds.			(1,349,435)
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	(87,551,193)		
Accrued Interest Payable	(268,402)		
Net OPEB Liability	(75,103,752)		
Net Pension Liability	(17,344,246)		
			(180,267,593)
Deferred inflows of resources represent an acquisition of net position that applies to future periods and therefore will not be recognized as an inflow of resources until then. Deferred inflows of resources are not reported in the governmental funds:			
Difference Between Projected and Actual Earnings on Pension Plan	(1,564,210)		
Change in Pension Assumptions or Inputs	(921,423)		
Difference Between Projected and Actual Earnings on OPEB Plan	(45,528)		
			(2,531,161)
Total net position - governmental activities		**$**	**225,661,704**

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


THE STATE OF TEXAS
COUNTY OF BRAZOS

BRAZOS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended September 30, 2018

	Major Funds	
	General	**Debt Service**
REVENUES		
Taxes	$ 90,802,676	$ 9,565,307
Charges for Services	12,092,704	-
Intergovernmental	1,551,170	-
Interest	694,114	186,198
Other Revenue	914,902	-
TOTAL REVENUES	106,055,566	9,751,505
EXPENDITURES		
Current		
General Government	22,314,653	-
Justice System	20,043,474	-
Law Enforcement	22,915,735	-
Juvenile Services	6,009,344	-
Public Transportation	9,406,932	-
Public Health	1,495,481	-
Human Services	4,774,079	-
Capital Outlay	3,750,193	-
Debt Service		
Principal Retirement	297,027	7,155,000
Interest and Other Fees	7,613	3,424,853
TOTAL EXPENDITURES	91,014,531	10,579,853
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,041,035	(828,348)
OTHER FINANCING SOURCES (USES)		
Premium on Debt Issuance	-	6,896,881
Debt Issuance	-	-
Debt Issuance - Refunding Bonds	-	39,895,000
Payment to Refunded Bond Escrow Agent	-	(46,442,820)
Transfers In	931,450	1,109,400
Transfers Out	(14,715,996)	-
Sale of Capital Assets	63,072	-
TOTAL OTHER FINANCING SOURCES (USES)	(13,721,474)	1,458,461
Net Change in Fund Balances	1,319,561	630,113
FUND BALANCES, OCTOBER 1	46,906,987	6,234,940
FUND BALANCES, SEPTEMBER 30	$ 48,226,548	$ 6,865,053

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

Capital Improvement	Juvenile Expansion	Local Provider Participation	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 32,586,142	$ 2,917,653	$ 135,871,778
-	-	-	1,160,251	13,252,955
-	-	-	2,202,739	3,753,909
-	144,737	78,133	59,786	1,162,968
-	-	-	13,500	928,402
-	144,737	32,664,275	6,353,929	154,970,012
-	-	-	253,184	22,567,837
-	-	-	935,407	20,978,881
-	-	-	613,320	23,529,055
-	-	-	1,234,984	7,244,328
-	-	-	338,726	9,745,658
-	-	28,839,158	-	30,334,639
-	-	-	1,170,942	5,945,021
3,567,327	1,686,268	-	1,290,488	10,294,276
-	-	-	-	7,452,027
-	134,358	-	-	3,566,824
3,567,327	1,820,626	28,839,158	5,837,051	141,658,546
(3,567,327)	(1,675,889)	3,825,117	516,878	13,311,466
-	493,018	-	-	7,389,899
-	11,650,000	-	-	11,650,000
-	-	-	-	39,895,000
-	-	-	-	(46,442,820)
13,379,163	8,300,000	-	1,009,399	24,729,412
(9,480,358)	-	(20,000)	(1,234,377)	(25,450,731)
15,925	-	-	-	78,997
3,914,730	20,443,018	(20,000)	(224,978)	11,849,757
347,403	18,767,129	3,805,117	291,900	25,161,223
16,935,055	-	14,221,232	6,251,029	90,549,243
$ 17,282,458	$ 18,767,129	$ 18,026,349	$ 6,542,929	$ 115,710,466

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, 2018

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

Net change in fund balances - total governmental funds		**$**	**25,161,223**
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	10,294,276		
Depreciation expense	(6,356,472)		
			3,937,804
Revenues and contributed assets in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			188,931
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, road annexations, and donations) is to affect net position.			8,780,337
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.			218,163
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.			(85,303)
The net OPEB liability per GASB 75 is 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.			(3,181,143)
The net pension liability per GASB 68 is 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.			(837,822)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net 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.			(4,648,284)
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.			607,143
Change in net position of governmental activities		**$**	**30,141,049**

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, 2018

	Business - Type Activities - Enterprise Funds			Governmental Activities
	County Attorney Operating	Jail Commissary	Totals	Internal Service Fund
ASSETS				
Current Assets				
Cash and Cash Equivalents	$ 61,329	$ 792,277	$ 853,606	$ 6,519,710
Prepaid Expenses	-	-	-	44,739
Accounts Receivable	-	598	598	742,245
Inventories	-	24,921	24,921	-
Due from Other Funds	474	100,196	100,670	-
Total Current Assets	61,803	917,992	979,795	7,306,694
Noncurrent Assets				
Property, Plant and Equipment	-	93,836	93,836	-
Less: Accumulated Depreciation	-	(86,392)	(86,392)	-
Total Noncurrent Assets	-	7,444	7,444	-
TOTAL ASSETS	61,803	925,436	987,239	7,306,694
DEFERRED OUTFLOWS OF RESOURCES				
Difference Between Projected and Actual Earnings on Pension Plan	675	-	675	-
Change in Pension Assumptions or Inputs	131	1,709	1,840	-
Change in Pension Allocated Share	17	133	150	54
Differences Between Expected and Actual Pension Experience	24	305	329	1,796
Pension Contributions After the Measurement Date	360	6,195	6,555	11,930
Change in OPEB Allocated Share	-	18	18	48
OPEB Contributions After the Measurement Date	-	2,605	2,605	6,876
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,207	10,965	12,172	20,704
LIABILITIES				
Current Liabilities				
Accounts Payable	-	33,786	33,786	1,761,864
Accrued Salaries and Wages	50	3,085	3,135	6,427
Compensated Absences	-	4,197	4,197	5,583
Unearned Revenues	-	-	-	12,828
Total Current Liabilities	50	41,068	41,118	1,786,702
Noncurrent Liabilities				
Due in more than one year	3,451	138,419	141,870	282,477
Total Noncurrent Liabilities	3,451	138,419	141,870	282,477
TOTAL LIABILITIES	3,501	179,487	182,988	2,069,179
DEFERRED INFLOWS OF RESOURCES				
Difference Between Projected and Actual Earnings on Pension Plan	-	5,082	5,082	35,746
Change in Pension Assumptions or Inputs	-	-	-	129
Differences Between Expected and Actual Pension Experience	157	1,418	1,575	-
Difference Between Projected and Actual Earnings on OPEB Plan	-	69	69	183
TOTAL DEFERRED INFLOWS OF RESOURCES	157	6,569	6,726	36,058
NET POSITION				
Net Investment in Capital Assets	-	7,444	7,444	-
Unrestricted	59,352	742,901	802,253	5,222,161
TOTAL NET POSITION	$ 59,352	$ 750,345	$ 809,697	$ 5,222,161

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, 2018

	Business - Type Activities - Enterprise Funds			Governmental Activities
	County Attorney Operating	Jail Commissary	Totals	Internal Service Fund
OPERATING REVENUES				
Charges for Services	$ 10,055	$ -	$ 10,055	$ -
Commissary Sales	-	1,075,799	1,075,799	-
Employee Dependents	-	-	-	2,560,940
Self Pays	-	-	-	22,255
Excess Risk Benefits	-	-	-	3,317,237
Participant Payments	-	-	-	81,559
Brazos County	-	-	-	11,674,540
Retirees	-	-	-	498,225
Other Revenue	-	957	957	153,552
TOTAL OPERATING REVENUES	10,055	1,076,756	1,086,811	18,308,308
OPERATING EXPENSES				
Personnel Services	2,705	141,802	144,507	293,061
Supplies and Other Charges	1,122	64,817	65,939	59,457
Cost of Goods Sold	-	579,372	579,372	-
Repairs and Maintenance	-	396	396	58
Life Insurance	-	-	-	37,352
Stop Loss Premiums	-	-	-	4,233,778
Benefit Claims	-	-	-	13,440,163
Administrative Fees	-	-	-	555,815
Minor Acquisitions	-	6,682	6,682	14,200
Contract Services	-	-	-	424
Professional Services	-	66,554	66,554	71,947
Depreciation	-	2,973	2,973	-
TOTAL OPERATING EXPENSES	3,827	862,596	866,423	18,706,255
OPERATING INCOME (LOSS)	6,228	214,160	220,388	(397,947)
NONOPERATING REVENUES				
Interest	-	6,022	6,022	47,771
TOTAL NONOPERATING REVENUES	-	6,022	6,022	47,771
INCOME BEFORE TRANSFERS	6,228	220,182	226,410	(350,176)
Transfers In	-	-	-	1,029,944
Transfers Out	-	(236,000)	(236,000)	(72,625)
CHANGE IN NET POSITION	6,228	(15,818)	(9,590)	607,143
TOTAL NET POSITION - OCTOBER 1, AS RESTATED	53,124	766,163	819,287	4,615,018
TOTAL NET POSITION - SEPTEMBER 30	$ 59,352	$ 750,345	$ 809,697	$ 5,222,161

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, 2018

	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	$ 9,952	$ 1,069,627	$ 1,079,579	$ 3,161,184
Receipts from interfund services provided	-	-	-	11,674,540
Payments to contractors and vendors	(1,122)	(812,399)	(813,521)	(4,767,354)
Claims paid	-	-	-	(9,316,583)
Payments to employees for services	(2,697)	(134,004)	(136,701)	(277,502)
NET CASH PROVIDED BY OPERATING ACTIVITIES	6,133	123,224	129,357	474,285
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from General Fund and Capital Improvement Fund	-	-	-	1,029,944
Transfer to General Fund and Capital Improvement Fund	-	(236,000)	(236,000)	(72,625)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	-	(236,000)	(236,000)	957,319
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	-	5,942	5,942	44,535
NET CASH PROVIDED BY INVESTING ACTIVITIES	-	5,942	5,942	44,535
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	6,133	(106,834)	(100,701)	1,476,139
CASH AND CASH EQUIVALENTS, OCTOBER 1	55,196	899,111	954,307	5,043,571
CASH AND CASH EQUIVALENTS, SEPTEMBER 30	$ 61,329	$ 792,277	$ 853,606	$ 6,519,710
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	$ 6,228	$ 214,160	$ 220,388	$ (397,947)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	-	2,973	2,973	-
Change in accounts receivable	-	-	-	642,724
Change in prepaid expenses	-	-	-	(44,423)
Change in due from other funds	(103)	(7,129)	(7,232)	-
Change in inventory	-	1,165	1,165	-
Change in pension/OPEB related deferred outflows of resources	167	6,555	6,722	1,120
Change in accounts payable	-	(95,743)	(95,743)	256,942
Change in accrued salaries and compensated absences	(38)	1,448	1,410	156
Change in unearned revenues	-	-	-	1,433
Change in noncurrent liabilities	(547)	(14,503)	(15,050)	(21,606)
Change in pension/OPEB related deferred inflows of resources	426	14,298	14,724	35,886
Total adjustments	(95)	(90,936)	(91,031)	872,232
Net cash provided by operating activities	$ 6,133	$ 123,224	$ 129,357	$ 474,285

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

BRAZOS COUNTY, TEXAS
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
September 30, 2018

	OPEB Trust Fund	Agency Funds
ASSETS		
Cash and Cash Equivalents	$ 6,609	$ 4,746,133
Investments		1,364,560
Fixed Income	977,544	
Domestic Equities	1,762,196	
Receivables	434	-
TOTAL ASSETS	$ 2,746,783	$ 6,110,693
LIABILITIES		
Funds Held for Others	$ -	$ 6,110,693
TOTAL LIABILITIES	$ -	$ 6,110,693
NET POSITION		
Assets held in trust for OPEB benefits	$ 2,746,783	

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

BRAZOS COUNTY, TEXAS
STATEMENT OF CHANGE IN NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2018

		OPEB Trust Fund
ADDITIONS		
Contributions:		
Employer	$	1,000,000
Investment Earnings:		
Interest and Dividends		57,937
Net Appreciation in the Fair Value of Investments		108,590
Total Additions		1,166,527
DEDUCTIONS		
Administrative Expenses		12,905
Total Deductions		12,905
CHANGE IN NET POSITION		1,153,622
NET POSITION - OCTOBER 1		1,593,161
NET POSITION - SEPTEMBER 30	$	2,746,783

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

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. Initially, the Executive Committee of the Fair consisted of seven members, all of which were appointed by the Brazos County Commissioners' Court. Currently, the Executive Committee consists of nine members, the last two added by the Committee in 2015. Future additions and replacements to the Board of Directors will be determined by the Executive Committee at the time the changes are made.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Related Organizations (Continued)

The start-up funding for the Fair came from the Hotel Occupancy Tax ("HOT") Fund, a special revenue fund of the County. The amount of annual funding is approved first by the HOT Committee and subsequently by the Brazos County Commissioners' Court. The HOT Fund has funded the Fair $590,000 from fiscal year 2011 to fiscal year 2018. In addition, the County pays the salaries and wages of the three 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 majority of 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 at the Brazos County Exposition Center.

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 funds 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 the 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 by a governmental entity for other parties (either as a trustee or as an agent) and cannot be used to finance the governmental entity’s own operating programs. They are accounted for using the accrual basis of accounting. These funds are not included in the government-wide financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Level Financial Statements (Continued)

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.

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 five major funds under this category for the year ended September 30, 2018:

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.

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

Juvenile Expansion Fund – The Juvenile Expansion Fund is used to account for the Juvenile Services building expansion. The expenditures are financed through the issuance of $11,650,000 of Certificates of Obligation, Series 2017 and a $8,300,000 transfer from the Capital Improvement Fund.

Local Provider Participation Fund – The Local Provider Participation Fund was established to account for the mandatory assessments collected from institutional health care providers located in the County that may be used to fund intergovernmental transfers, indigent programs, or other activities as allowed by State statute.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Level Financial Statements (Continued)

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 phrase "proceeds of specific revenue sources", establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

Certificates of Obligation 2015 Fund – The Certificates of Obligation 2015 Fund is used to account for the additional phases of the County courthouse renovation project and the Exposition Center expansion. The expenditures are financed through the issuance of $9,100,000 of Certificates of Obligation, Series 2015.

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. 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. Both enterprise funds are classified as major funds. They are used to account for the business-type operations of the County Attorney and Jail Commissary.

Fiduciary Funds

The County reports one Other Postemployment Benefit (OPEB) trust fund and four agency funds as nonmajor fiduciary funds. The OPEB trust fund is used to account for resources held in trust for employees and their beneficiaries based on other postemployment benefit arrangements. 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 2018, the County evaluated and/or implemented the following new standards:

GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", replaces the requirements of Statements No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions", as amended, and No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans", for OPEB. The implementation of GASB 75 had a significant impact on the County's financial statements for the year ended September 30, 2018. See Note 1-T for further information.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Implementation of New Standards (Continued)

GASB Statement No. 83, "Certain Asset Retirement Obligations", establishes standards of accounting and financial reporting for certain AROs. It was determined that GASB 83 did not have an impact on the County's financial statements for the year ended September 30, 2018.

GASB Statement No. 85, "Omnibus 2017", establishes standards of accounting and financial requirements for blending component units, goodwill, fair value measurement and application, and postemployment benefits. The implementation of GASB 85 did not have an impact on the County's financial statements for the year ended September 30, 2018.

GASB Statement No. 86, "Certain Debt Extinguishment Issues", establishes standards of accounting and financial reporting for in-substance defeasance transactions in which cash and other monetary assets acquired with only existing resources, that is, resources other than the proceeds of refunding debt, are placed in an irrevocable trust for the purpose of extinguishing debt. It was determined that GASB 86 did not have an impact on the County's financial statements for the year ended September 30, 2018.

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 3B).

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Property Taxes (Continued)

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, 2018, the tax rate to finance general governmental services was $0.4290 per $100.00 valuation. The tax rate for the payment of principal and interest on long-term debt was $0.0560 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 appraisal and recording 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 the general property checking account of the Tax Assessor-Collector and transferred to the appropriate entity.

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, which are presented as internal balances.

I. Inventory

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, pellets and shavings, and road maintenance materials are maintained within the General Fund. Inventories of consumable food and personal items are maintained within the Jail Commissary Enterprise Fund.

J. Prepaids

Certain payments to vendors for services that will benefit future accounting periods are reported as prepaid items in both the government-wide and fund level financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. 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.

L. 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 disclosures concerning the joint venture are presented in Note 10.

M. 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 reported at their fair value. Capital assets are capitalized and depreciated in the government-wide financial statements and the proprietary fund statements.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has the following items that qualify for reporting in this category.

- Change in pension assumptions about future economic or demographic factors or of other inputs – This difference is deferred and amortized over a closed 5 year period.
- Change in pension allocated share – This change results from the disaggregation of the aggregated County results. It is deferred and recognized over a closed 5 year period.
- Difference between expected and actual pension experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Pension contributions after the measurement date – These contributions are deferred and recognized in the following fiscal year.
- OPEB contributions after the measurement date – These contributions are deferred and recognized in the following fiscal year.
- Change in OPEB allocated share – This change results from the disaggregation of the aggregated County results. It is deferred and recognized over a closed 7.9828 year period.
- Deferred charges on refunding – 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.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents 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 has the following items that qualify for reporting in this category.

- Unavailable revenues – The 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.
- Difference between projected and actual earnings on pension plan – This difference is deferred and amortized over a closed 5 year period.
- Change in pension assumptions about future economic or demographic factors or of other inputs – This difference is deferred and amortized over a closed 5 year period.
- Difference between expected and actual pension experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Difference between projected and actual earnings on OPEB benefit plan – This difference is deferred and amortized over a closed 5 year period.

O. Compensated Absences

All non-exempt employees except temporary employees may earn compensatory time based on Fair Labor Standards Act 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.

The County's policy provides 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.

P. Debt Related to Governmental Activities

In the government-wide financial statements, long-term debt is 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.

Q. Pensions

For purposes of measuring 1) the net pension liability, 2) pension related deferred inflows/outflows of resources, and 3) pension expense, County specific information about its fiduciary net position in the Texas County and District Retirement System ("TCDRS") and additions to/deductions from the County's fiduciary net position have been determined on the same basis as they are reported by TCDRS, administrator of the statewide agent multiple-employer pension plan system. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the County's total pension liability can be obtained from TCDRS through a report prepared for the County by TCDRS consulting actuary, Milliman, Inc., in compliance with Governmental Accounting Standards Board (GASB) Statement No. 67, Accounting and Financial Reporting for Pension Plans – An Amendment of GASB Statement No.25. The General Fund has been used to liquidate the pension liabilities in prior years.

R. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Brazos County Retiree Health Care Plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. Information regarding the County's net OPEB liability can be obtained from GRS Retirement Consulting Company, who prepared a report in compliance with Governmental Accounting Standards Board (GASB) Statement No. 74 and Statement No. 75. The address is 5605 North MacArthur Boulevard, Suite 870, Irving, Texas 75038-2631 and the telephone number is (469)524-0000. The Internal Service Fund has been used to liquidate the OPEB liabilities in prior years.

S. 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.

S. 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 amounts 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 are 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)

S. Fund Balances and Net Position (Continued)

The amount that represents the County's net position restricted by enabling legislation was $25,023,277 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.

T. Restatement of Beginning Net Position

As a result of the implementation of GASB 75, the beginning net position of the County at October 1, 2017, has been restated for the change in accounting principle.

	Government-Wide Statement of Activities		Fund Level
		Business-Type Activities	Statement of Revenues, Expenses and Changes in
	Governmental Activities	Jail Commissary	Net Position - Proprietary Func Internal Service Fund
Net position at September 30, 2017, as previously reported	$ 207,433,925	$ 791,927	$ 4,869,406
Eliminating GASB 45 Net OPEB Obligation as of September 30, 2017	58,618,388	81,395	28,510
Recording of net OPEB liability as of September 30, 2017	(72,913,658)	(110,778)	(292,452)
Deferral for OPEB contributions made after the measurement date	2,382,000	3,619	9,554
Net position at September 30, 2017, as restated	$ 195,520,655	$ 766,163	$ 4,615,018

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:

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgetary Policy and Procedures (Continued)

- 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.

- 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 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.

- 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 a 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. 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:

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgetary Policy and Procedures (Continued)

	Original Budgeted Expenditures and Other Financing Uses	Supplemental Appropriations	Original As Amended
General Fund	$ 121,255,249	$ 947,626	$ 122,202,875
Special Revenue	46,021,763	356,645	46,378,408
Debt Service	16,527,062	46,791,882	63,318,944
Capital Projects	50,227,414	902,030	51,129,444
Totals	$ 234,031,488	$ 48,998,183	$ 283,029,671

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. At September 30, 2018, the carrying amounts of the County's deposits were $85,977,415, 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 County had $88,945,292 on deposit with BBVA Compass Bank at September 30, 2018. The County's depository agreement with BBVA Compass Bank requires collateralization with a fair value of at least 102 percent up to 110 percent of County funds in excess of the FDIC coverage of $250,000. The collateralized fair value of the County's deposits at September 30, 2018, was $150,000,000. The collateral included two separate letters of credit in the amounts of $130,000,000 and $20,000,000 issued by Federal Home Loan Bank of Atlanta in favor of Brazos County.

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, 2018, the County's investments consisted of $25,159,727 in TexPool valued at amortized cost and $16,617,563 in Texas Cooperative Liquid Assets Securities System (Texas CLASS) valued at net asset value.

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.

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

B. Investments (Continued)

Texas CLASS is a local government investment pool that emphasizes safety, liquidity, convenience, and competitive yield and invests only in securities allowed by the Texas Public Funds Investment Act. It is subject to the general supervision of the Board of Trustees and its Advisory Board, both of which are elected by the participants. The portfolio's weighted average maturity to reset (WAM(R)) is kept under 60 days to enhance liquidity and limit market price exposure.

The investment pools do not have any limitations or restrictions on withdrawals and do not impose any liquidity fees or redemption gates.

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. Both TexPool and Texas CLASS are 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.

C. Investments of Other Postemployment Benefits Trust Fund

At the end of fiscal year 2016, the County Commissioners' Court approved the establishment of its Other Postemployment Benefits Trust Fund to partially fund the County's OPEB plan. A board of trustees comprised of the current members of the Brazos County Commissioners' Court was created. The County also appointed an OPEB Investment Plan Committee to oversee certain policies and procedures related to the operation and administration of the Trust. All Other Postemployment Benefits Trust investments are held by its trustee, US Bank. The trustee is contracted to manage the portfolio in accordance with the trust documents as approved by the Commissioners' Court. The investment policy mandates a diversified portfolio in growth assets and income assets.

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	Juvenile Expansion	Local Provider Participation	Nonmajor	Total
Property Taxes	$ 1,767,965	$ 255,724	$ -	$ -	$ -	$ 2,023,689
Property Tax Penalties & Interest	1,034,517	134,056	-	-	-	1,168,573
Hotel & Motel Taxes	-	-	-	-	329,652	329,652
Sales Taxes	1,550,080	-	-	-	-	1,550,080
Officials	146,333	4,151	-	-	-	150,484
Interest	23,448	4,687	17,422	16,568	6,917	69,042
Court Fines	15,233,804	-	-	-	-	15,233,804
Accounts	391,507	-	-	-	249,899	641,406
State	663,792	-	-	-	-	663,792
Gross Receivables	20,811,446	398,618	17,422	16,568	586,468	21,830,522
Less: Allowance for Uncollectibles	(14,680,037)	(40,044)	-	-	-	(14,720,081)
Net Receivables	$ 6,131,409	$ 358,574	$ 17,422	$ 16,568	$ 586,468	$ 7,110,441

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, 2018:

	Interfund Receivables	Interfund Payables
General Fund	$ 100,670	$ -
County Attorney Enterprise Fund	-	474
Jail Commissary Enterprise Fund	-	100,196
Total	$ 100,670	$ 100,670

The summary of the County's transfers for the year ended September 30, 2018, is as follows:

	General Fund	Debt Service Fund	Capital Improvement Fund	Juvenile Expansion	Nonmajor Governmental Funds	Internal Service Fund	Total
Transfer Out:							
General Fund	$ -	$ -	$13,143,163	$ -	$ 559,052	$ 1,013,781	$ 14,715,996
Capital Improvement Fund	713,848	-	-	8,300,000	450,347	16,163	9,480,358
Local Provider Participation Fund	20,000	-	-	-	-	-	20,000
Nonmajor Governmental Funds	124,977	1,109,400	-	-	-	-	1,234,377
Jail Commissary Enterprise Fund	-	-	236,000	-	-	-	236,000
Internal Service Fund	72,625	-	-	-	-	-	72,625
	$ 931,450	$ 1,109,400	$13,379,163	$ 8,300,000	$ 1,009,399	$ 1,029,944	$ 25,759,356

The General Fund transferred out $13,143,163 to the Capital Improvement Fund, $559,052 to other nonmajor governmental funds, and $1,013,781 to the Internal Service Fund for anticipated expenditures in various capital improvements, grant matching, healthcare costs and other requirements. In addition, the Hotel & Occupancy Tax Fund transferred out $1,109,400 to the Debt Service Fund for the anticipated debt principal and interest payments for the Exposition Center expansion project. The Capital Improvement Fund transferred $713,848 back to the General Fund, $450,347 to various nonmajor governmental funds, and $16,163 to the Internal Service Fund as corrections to the original budget. It also transferred $8,300,000 to the Juvenile Expansion Fund to support the Juvenile Services building expansion project. The Local Provider Participation Fund transferred $20,000 to the General Fund for the program support cost incurred. Two nonmajor governmental funds transferred $124,977 to the General Fund for fund closeout and computer hardware enhancements. The Internal Service Fund transferred $72,625 to the General Fund for the payroll expenditure of the clinic staff. The Jail Commissary Enterprise Fund transferred $236,000 to the Capital Improvement fund for an upgrade to the security system.

NOTE 6 – CAPITAL ASSETS

Depreciation expense for fiscal year 2018 was charged to functions as follows:

Governmental Activities:	
General Government	$ 1,375,480
Justice System	901,712
Law Enforcement	2,379,489
Juvenile Services	209,435
Public Transportation	120,526
Public Health	6,742
Human Services	1,363,088
Total depreciation expense - governmental activities	$ 6,356,472

Capital Asset activity for the year ended September 30, 2018, was as follows:

	Balance at September 30, 2017	Additions	Deletions & Adjustments	Balance at September 30, 2018
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 28,791,943	$ 3,063,889	$ (1,800)	$ 31,854,032
Construction in progress	15,839,800	8,815,492	(14,056,333)	10,598,959
Infrastructure	89,379,781	6,913,327	10,040	96,303,148
Total capital assets, not being depreciated	134,011,524	18,792,708	(14,048,093)	138,756,139
Capital assets, being depreciated:				
Buildings	131,555,834	4,671,669	-	136,227,503
Improvements other than buildings	24,388,918	7,479,325	-	31,868,243
Machinery and equipment	23,029,670	2,157,733	(322,514)	24,864,889
Intangible assets - computer software	7,361,467	22,080	-	7,383,547
Total capital assets, being depreciated	186,335,889	14,330,807	(322,514)	200,344,182
Less accumulated depreciation for:				
Buildings	(39,230,752)	(3,290,387)	-	(42,521,139)
Improvements other than buildings	(6,140,169)	(1,092,605)	-	(7,232,774)
Machinery and equipment	(12,926,523)	(1,405,809)	321,705	(14,010,627)
Intangible assets - computer software	(3,527,390)	(567,671)	-	(4,095,061)
Total accumulated depreciation	(61,824,834)	(6,356,472)	321,705	(67,859,601)
Total capital assets, being depreciated, net	124,511,055	7,974,335	(809)	132,484,581
Governmental activities capital assets, net	$ 258,522,579	$ 26,767,043	$ (14,048,902)	$ 271,240,720
Business-type activities:				
Capital assets, being depreciated:				
Machinery and equipment	$ 93,836	$ -	$ -	$ 93,836
Total capital assets, being depreciated	93,836	-	-	93,836
Less accumulated depreciation for:				
Machinery and equipment	(83,419)	(2,973)	-	(86,392)
Total accumulated depreciation	(83,419)	(2,973)	-	(86,392)
Total capital assets, being depreciated, net	10,417	(2,973)	-	7,444
Business-type activities capital assets, net	$ 10,417	$ (2,973)	$ -	$ 7,444

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 $81,484. At September 30, 2018, 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 $12,000 per year with a lease agreement renewable biennially. The current lease was renewed on June 1, 2017. The County has also purchased property with an existing lease renewable yearly, allowing Lamar Companies to maintain a billboard on the County's property at $1,200 per year.

The County has five non-cancelable operating leases remaining for the use of photocopying equipment. The leases are each for a 60 month period and all expired in 2018. Expenditures for these operating leases were $2,412 in 2018. There are no future minimum lease payments remaining.

B. Capital Leases

The County has entered into seven capital lease agreements for the acquisition of heavy equipment. The amounts capitalized total $1,141,750. Principal payments during fiscal year 2018 totaled $297,027. Depreciation expense of $25,133 was recorded for the year on the equipment. The following is a summary of capital lease activity and outstanding balances at September 30, 2018:

Governmental Activities:	Beginning Balance	Additions	Reductions	Outstanding September 30, 2018
Capital Leases	$ 297,027	$ -	$ 297,027	$ -

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 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 2018 is $1,359,215. Changes in compensated absences for the year were as follows:

NOTE 8 – COMPENSATED ABSENCES (Continued)

	Balance Outstanding October 1, 2017	Earned	Taken/ Paid	Balance Outstanding September 30, 2018
Governmental Activities	$ 1,269,410	$ 3,716,154	$ (3,630,546)	$ 1,355,018
Business-type Activities	3,084	4,559	(3,446)	4,197
Total	$ 1,272,494	$ 3,720,713	$ (3,633,992)	$ 1,359,215

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 these obligations. 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, 2018:

Description	Original Amount	Interest Rates (%)	Year of Issue	Year of Maturity	Outstanding at 9/30/18
Certificates of Obligation					
Series 2009 - Expo Expansion	$ 12,000,000	3.0 - 4.5	2009	2034	$ 465,000
Series 2012 - Various	9,700,000	2.0 - 5.0	2012	2032	7,930,000
Series 2015 - Courthouse Renovation & Expo Expansion	9,100,000	1.92	2015	2025	7,210,000
Series 2017 - Juvenile Expansion	11,650,000	2.0 - 4.0	2017	2037	11,245,000
Limited Tax Refunding Bonds					
Series 2009 - Debt Refunding	7,365,000	3.0 - 4.0	2009	2021	1,860,000
Series 2012 - Debt Refunding	14,640,000	2.0 - 5.0	2012	2025	10,530,000
Series 2017 - Debt Refunding	39,895,000	2.25 - 5.0	2017	2034	39,895,000
Limited Tax Bond					
Series 2008 - Jail Expansion	$ 55,000,000	3.25 - 5.0	2008	2028	-
Total Certificates of Obligation and Bonds Payable					$ 79,135,000

NOTE 9 – LONG-TERM DEBT (Continued)

A. Bonded Debt (Continued)

Activity for long-term debt of the County for the year ended September 30, 2018, was as follows:

Description	Balance Outstanding 10/1/2017	Additions	Reductions	Balance Outstanding 9/30/2018	Amount Due Within One Year
Certificates of Obligation					
Series 2009 - Expo Expansion	$ 8,870,000	$ -	$ 8,405,000	$ 465,000	$ 465,000
Series 2012 - Various	8,360,000	-	430,000	7,930,000	440,000
Series 2015 - Courthouse Renovation & Expo Expansion	8,165,000	-	955,000	7,210,000	970,000
Series 2017 - Juvenile Expansion	-	11,650,000	405,000	11,245,000	435,000
Limited Tax Refunding Bonds					
Series 2009 - Debt Refunding	2,425,000	-	565,000	1,860,000	590,000
Series 2012 - Debt Refunding	12,020,000	-	1,490,000	10,530,000	1,555,000
Series 2017 - Debt Refunding	-	39,895,000	-	39,895,000	2,555,000
Limited Tax Bond					
Series 2008 - Jail Expansion	39,625,000	-	39,625,000	-	-
Premium	2,073,703	7,389,899	1,047,409	8,416,193	-
Total Bonds Payable	$ 81,538,703	$ 58,934,899	$ 52,922,409	$ 87,551,193	$ 7,010,000

Annual debt service requirements as of September 30, 2018, are as follows:

Fiscal Year	Principal	Interest	Total
2019	$ 7,010,000	$ 3,209,027	$ 10,219,027
2020	7,270,000	2,931,353	10,201,353
2021	7,575,000	2,617,445	10,192,445
2022	7,230,000	2,298,403	9,528,403
2023	7,525,000	1,978,027	9,503,027
2024-2028	30,145,000	5,764,845	35,909,845
2029-2033	8,830,000	1,314,100	10,144,100
2034-2037	3,550,000	243,450	3,793,450
Totals	$ 79,135,000	$ 20,356,650	$ 99,491,650

In November 2017, the County issued $11,650,000 Certificates of Obligation, Series 2017 to fund the County Juvenile Services building expansion. The annual interest rates range from 2.00% to 4.00%. The issuance had a premium of $493,018. Interest accrues semiannually and the bonds mature in fiscal year 2037.

The County also issued $39,895,000 Limited Tax Refunding Bonds, Series 2017 to refund and defease a portion of the County's outstanding bonded debt. The refunded bonds include Certificates of Obligation, Series 2009 ($7,960,000) and the Limited Tax Bonds, Series 2008 ($36,760,000). The annual interest rates range from 2.25% to 5.00%. The issuance had a premium of $6,896,881. Interest accrues semiannually and the bonds mature in fiscal year 2034. The refunding resulted in a decrease in cash flow requirements of $6,453,059 and had an economic gain of $5,637,355.

NOTE 9 – LONG-TERM DEBT (Continued)

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 2018.

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 2018 are presented as follows:

NOTE 10 – INVESTMENT IN JOINT VENTURE (Continued)

CITY OF BRYAN AND BRAZOS COUNTY
ECONOMIC DEVELOPMENT FOUNDATION, INC.
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

Assets		
Cash and cash equivalents	$	1,778,285
Prepaid expenses		4,375
Capital assets		
Land		6,953,406
Total Assets		8,736,066
Liabilities		
Accounts payable and accrued expenses		400
Unearned revenue		1,238
Total Liabilities		1,638
Net Position		
Net investment in capital assets		6,953,406
Unrestricted		1,781,022
Total Net Position	$	8,734,428

CITY OF BRYAN AND BRAZOS COUNTY
ECONOMIC DEVELOPMENT FOUNDATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2018

		Program Revenues			Net (Expenses) Revenue and Changes in Net Position
Program Activities	**Expenses**	**Fees, Fines and Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**
Governmental activities					
General government and administration	$ 411,140	$ -	$ 275,000	$ -	$ (136,140)
Total primary government	$ 411,140	$ -	$ 275,000	$ -	(136,140)
General Revenues					
Investment earnings					738
Lease revenue					67,049
Gain on disposition of capital assets					504,678
Total general revenues					572,465
Change in net position					436,325
Net position - beginning of year					8,298,103
Net position - end of year					$ 8,734,428

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 reports $4,938,050 as its share of the Foundation's net position for fiscal year 2018. 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 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.

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 purposes. The County has purchased reinsurance that provides a $175,000 per individual specific stop loss deductible and an additional aggregating specific annual deductible of $60,000. After the $175,000 per individual deductible and the annual $60,000 aggregating specific deductible have been met, the County is reimbursed by the reinsurer for claims over the deductibles. There is also aggregate protection included in the policy which means if the County exceeds the aggregate attachment point, the County will be reimbursed up to a maximum of $1,000,000. The minimum aggregate attachment point is $14,126,158. The County experienced claims of $12,779,366 and $10,072,853 for fiscal year 2018 and 2017 respectively. At September 30, 2018, the County had accrued $1,342,666 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, 2018.

Changes in the balance of unpaid liability during fiscal years 2017 and 2018 were as follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimated	Claims Paid	Balance at Fiscal Year End	Amount Due Within One Year
2017	$ 1,167,533	$ 10,072,853	$ (10,090,660)	$ 1,149,726	$ 1,149,726
2018	1,149,726	12,779,366	(12,586,426)	1,342,666	1,342,666

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.

NOTE 11 – RISK MANAGEMENT (Continued)

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, 2018, 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 – PENSION PLAN

A. General Information about the Pension Plan

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. 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.

Benefits Provided

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. Retirement benefits are based on the members' final account balance and employer matching. Current employer matching is 225%. Members who withdraw their personal contributions in a lump sum are not entitled to any employer matching. Disability retirement benefits are determined in the same manner as retirement benefits. Death benefits are available to the beneficiaries of the members with four or more years of service. Cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date are at the discretion of the County Commissioners' Court.

NOTE 12 - PENSION PLAN (Continued)

A. General Information about the Pension Plan (Continued)

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.

Employees Covered by Benefit Terms

At December 31, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	374
Inactive employees entitled to but not yet receiving benefits	572
Active employees	811
	1,757

Contributions

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. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Brazos County's contribution rate was 14.25% for calendar year 2018 and is 14.50% for calendar year 2019. The employee's member contribution rate remained at 7% for 2018. Contributions to the pension plan from the County were $5,902,627 for the year ended September 30, 2018.

B. Net Pension Liability

The County's net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Payroll growth	3.25 percent, including inflation
Investment rate of return	8.10 percent

NOTE 12 - PENSION PLAN (Continued)

B. Net Pension Liability (Continued)

New mortality assumptions were reflected in the 2017 actuarial valuation as a result of adopting a new projection scale. They are 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate Scale.

All other actuarial assumptions used in the December 31, 2017, valuation were based on the results of an actuarial experience study for the period January 1, 2013– December 31, 2016, except where required to be different by GASB 68.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The building-block method allows the development of the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimate of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Geometric Real Rate of Return (Expected - Inflation) (2)
US Equities	11.50%	4.55%
Private Equity	16.00%	7.55%
Global Equities	1.50%	4.85%
International Equities - Developed Markets	11.00%	4.55%
International Equities - Emerging Markets	8.00%	5.55%
Investment-Grade Bonds	3.00%	0.75%
Strategic Credit	8.00%	4.12%
Direct Lending	10.00%	8.06%
Distressed Debt	2.00%	6.30%
REIT Equities	2.00%	4.05%
Master Limited Partnerships (MLPs)	3.00%	6.00%
Private Real Estate Partnerships	6.00%	6.25%
Hedge Funds	18.00%	4.10%
	100.00%	

(1) Target asset allocation adopted at the April 2018 TCDRS Board meeting.
(2) Geometric real rates of return equal the expected return minus the assumed inflation rate of 1.95%, per Cliffwater's 2018 capital market assumptions.

Discount Rate

The discount rate used to measure the total pension liability was 8.10 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 12 – PENSION PLAN (Continued)

B. Net Pension Liability (Continued)

Changes in Net Pension Liability / (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) – (b)
Balances as of December 31, 2016	$184,723,577	$157,102,677	$27,620,900
Changes for the year:			
Service cost	5,538,125	-	5,538,125
Interest on total pension liability	15,239,878	-	15,239,878
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(206,958)	-	(206,958)
Effect of assumptions changes or inputs	463,166	-	463,166
Refund of contributions	(488,055)	(488,055)	-
Benefit payments	(7,421,081)	(7,421,081)	-
Administrative expenses	-	(121,208)	121,208
Member contributions	-	2,741,978	(2,741,978)
Net investment income	-	23,193,898	(23,193,898)
Employer contributions	-	5,483,953	(5,483,953)
Other	-	4,910	(4,910)
Net Changes	13,125,075	23,394,395	(10,269,320)
Balances as of December 31, 2017	$197,848,652	$180,497,072	$17,351,580

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the County, calculated using the discount rate of 8.10 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percent-point lower (7.10 percent) or 1-percent-point higher (9.10 percent) than the current rate:

	1% Decrease 7.10%	Current Discount Rate 8.10%	1% Increase 9.10%
County's net pension liability / (asset)	$ 44,846,877	$ 17,351,580	$ (5,646,068)

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

For the year ended September 30, 2018, the County recognized pension expense of $6,744,584. At September 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions or inputs	$ 1,083,254	$ 921,551
Change in pension allocated share	104,915	-
Differences between expected and actual pension experience	261,495	1,575
Difference between projected and actual earnings on pension plan	-	1,604,363
Pension contributions made after the measurement date	4,548,543	-
Total	$ 5,998,207	$ 2,527,489

NOTE 12 – PENSION PLAN (Continued)

C. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Deferred outflows of resources related to pensions resulting from pension contributions made after the measurement date of $4,548,543 will be recognized as a reduction of the net pension liability in the County's financial statements for the fiscal year ending September 30, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding pension contributions made after the measurement date, will be recognized in pension expense as follows:

Year ended September 30,	
2019	$ 1,468,305
2020	1,144,959
2021	(1,678,760)
2022	(2,012,329)
Thereafter	-

D. Payable to the Pension Plan

As of September 30, 2018, the County reported a short-term payable of $749,804 for the outstanding pension contributions to TCDRS. The amount represents the legally required contributions from both employee member and the employer based on the covered payroll of employee members for the month of September 2018, which was due by October 15, 2018.

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, 2018, the County had been fully reimbursed for costs related to COBRA participants.

B. Post-Retirement Benefits

General Information about the OPEB Plan

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 through the Brazos County Retiree Health Care Plan. 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 County's post-retirement benefit plan is a single-employer defined benefit plan. It includes 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. The County's post-retirement benefit plan does not issue a stand-alone financial report. The plan is administered through an OPEB trust. See pages 41 and 42 for the OPEB trust financial statements as of and for the year ended September 30, 2018.

As of December 31, 2017, the membership of the County's self-insured plan consists of:

Inactive Employees or Beneficiaries Currently Receiving OPEB Benefit Payments	176
Inactive Employees Entitled to but not yet Receiving OPEB Benefit Payments	-
Active Employees	781
Total	957

Funding Policy

The County uses the Health and Life Insurance Internal Service fund to liquidate the OPEB liabilities. 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 to Medicare automatically.

The County established an OPEB Trust Fund to partially fund its OPEB Plan in 2016. The County contributed $3,184,152 in total toward its OPEB obligation for the year ended September 30, 2018, including $1,000,000 to the OPEB Trust.

B. Post-Retirement Benefits (Continued)

Net OPEB Liability

The County's net OPEB liability was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial Methods and Assumptions

The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation Rate	2.50 percent
Salary Increases	0.50 to 5.00 percent, not including wage inflation of 3.25 percent
Investment Rate of Return	6.50 percent
Healthcare Cost Trend Rate	initial rate of 7.50 percent decling to ultimate rates of 5.25 percent after 11 years. ultimate trend rate includes a 1.00 percent adjustment for the excise tax.

For healthy retirees, the gender-distinct RP-2014 Healthy Annuitant Mortality Tables are used with male rates multiplied by 130% and female rates multiplied by 110%. Those rates are projected on a fully generational basis based on 110% of the ultimate rates of Scale MP-2014.

For disabled retirees, the gender-distinct RP-2014 Disabled Retiree Mortality Tables are used with male rates multiplied by 130% and female rates multiplied by 115%. Those rates are projected on a fully generational basis based on 110% of the ultimate rates of Scale MP-2014.

For active employees, the gender-distinct RP-2014 Employee Mortality Tables are used for males and females multiplied by 90%. Those rates are projected on a fully generational basis based on 110% of the ultimate rates of Scale MP-2014.

The demographic assumptions were based on the assumptions that were developed for the defined benefit plan in which the County participates. The assumptions were based on the experience study covering the four-year period ending December 31, 2016 as conducted for the Texas County and District Retirement System (TCDRS).

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) and developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

B. Post-Retirement Benefits (Continued)

Asset Classes	Target Allocation	Long-Term Expected Real Rate of Return
Growth Assets		
Domestic Equity	39%	5.39%
International Equity	21%	5.20%
Income Assets		
Fixed Income	40%	1.98%
Total	100%	

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 6.50%; the municipal bond rate is 3.31% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"); and the resulting single discount rate is 6.50%. The County's current funding policy is to pay the benefits using its own assets and to contribute $1,000,000 per year into the OPEB trust. Based on this funding policy, the plan's projected assets are never depleted in the projection required to determine the single discount rate. Under this policy, the County does not calculate an actuarially determined contribution. In addition, the contribution requirements are not established statutorily or contractually.

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the year ended December 31, 2017, the annual money-weighted rate of return on investments, net of investment expense, was 14.15%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Changes in the Net OPEB Liability

Changes in Net OPEB Liability / (Asset)

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability / (Asset) (a) – (b)
Balances as of December 31, 2016	$73,510,061	$485,625	$73,024,436
Changes for the year:			
Service cost	1,708,643	-	1,708,643
Interest on total OPEB liability	4,772,561	-	4,772,561
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Benefit payments	(1,880,728)	(1,880,728)	-
Administrative expenses	-	(6,482)	6,482
Employer contributions	-	3,839,128	(3,839,128)
Net investment income	-	152,228	(152,228)
Other	-	-	-
Net Changes	4,600,476	2,104,146	2,496,330
Balances as of December 31, 2017	$78,110,537	$2,589,771	$75,520,766

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

B. Post-Retirement Benefits (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of the County, calculated using the discount rate of 6.50 percent, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percent-point lower (5.50 percent) or 1-percent-point higher (7.50 percent) than the current rate:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
County's net OPEB liability / (asset)	$ 88,008,321	$ 75,520,766	$ 65,416,676

The following presents the net OPEB liability of the County, calculated using the assumed trend rates as well as what the County's net OPEB liability would be if it were calculated using a trend rate that is 1-percent-point lower or 1-percent-point higher than the current rates:

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
County's net OPEB liability / (asset)	$ 64,293,884	$ 75,520,766	$ 89,736,822

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 has 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.

GAAP requires governmental organizations to recognize an actuarially calculated net 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 75) and does not constitute or imply that the County is legally obligated to provide OPEB benefits.

B. Post-Retirement Benefits (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2018, the County recognized OPEB expense of $6,382,959. At September 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in OPEB plan allocated share	$ 12,011	$ -
Difference between projected and actual earnings on OPEB plan	-	45,780
OPEB contributions made after the measurement date	1,716,913	-
Total	$ 1,728,924	$ 45,780

Deferred outflows of resources related to OPEB resulting from OPEB contributions made after the measurement date of $1,716,913 will be recognized as a reduction of the net OPEB liability in the County's financial statements for the fiscal year ending September 30, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB, excluding OPEB contributions made after the measurement date, will be recognized in OPEB expense as follows:

Year ended September 30,	
2019	$ (9,725)
2020	(9,725)
2021	(9,725)
2022	(9,725)
2023	1,720
Thereafter	3,411

D. 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 nor 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 $45.1 million for various contracts in connection with the construction and renovation of County facilities, buildings and the rehabilitation of County roads for fiscal year 2019. They are allocated as follows:

- $0.4 million for the construction of a new storage building to store the files of the County Clerk's Office.
- $19.1 million for the rehabilitation of County roads.
- $1.8 million for the construction of the new building for the Justice of the Peace and Constable of precinct 1.
- $19.1 million for the Juvenile Services building expansion.
- $2.5 million for the construction of the new building for Agriculture Extension.
- $1.8 million for the kitchen upgrade of the County Jail.
- $0.4 million for smaller improvement projects to various departments such as parking lots, bathrooms, kitchen expansions, etc.

The County also has budgeted $3.6 million for the acquisition of the new financial software in fiscal year 2019.

B. Tax Increment Financing Zones (TIFZ's)

As of September 30, 2018, 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 will 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.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)

B. Tax Increment Financing Zones (TIFZ's) (Continued)

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 was originally scheduled for 15 years of County participation. It was extended to 24 years ending May 2025. The Bryan Towne Center on the east side of the City is scheduled for 20 years of County participation ending April 2027. During fiscal year 2018 (for the tax year ended 12/31/2017), the County reimbursed $1,240,857 to the City of Bryan on the TIFZ's.

C. Tax Rebates

As of September 30, 2018, the County had entered into seven inter-local agreements with various entities to stimulate business and commercial activity in the County as allowed by Chapter 381 of the Texas Local Government Code. The entities are entitled to the ad valorem tax rebates under different terms. During fiscal year 2018 (for the tax year ended 12/31/2017), the County rebated $15,380 to a local business entity.

D. 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. The County may recapture the abated taxes in case the property owner is in default of the agreement.

For the fiscal year ended September 30, 2018, the County abated property taxes totaling $989,298 through a tax abatement agreement with Axis Pipe and Tube Inc. According to the agreement, an 80 percent property tax abatement is given on increased value of the facility of Axis Pipe and Tube Inc. for expanding their facility, increasing investment valuation, and increasing employment. The tax abatement percentage will gradually decrease through the ten-year term of the agreement.

E. Contingent Liabilities

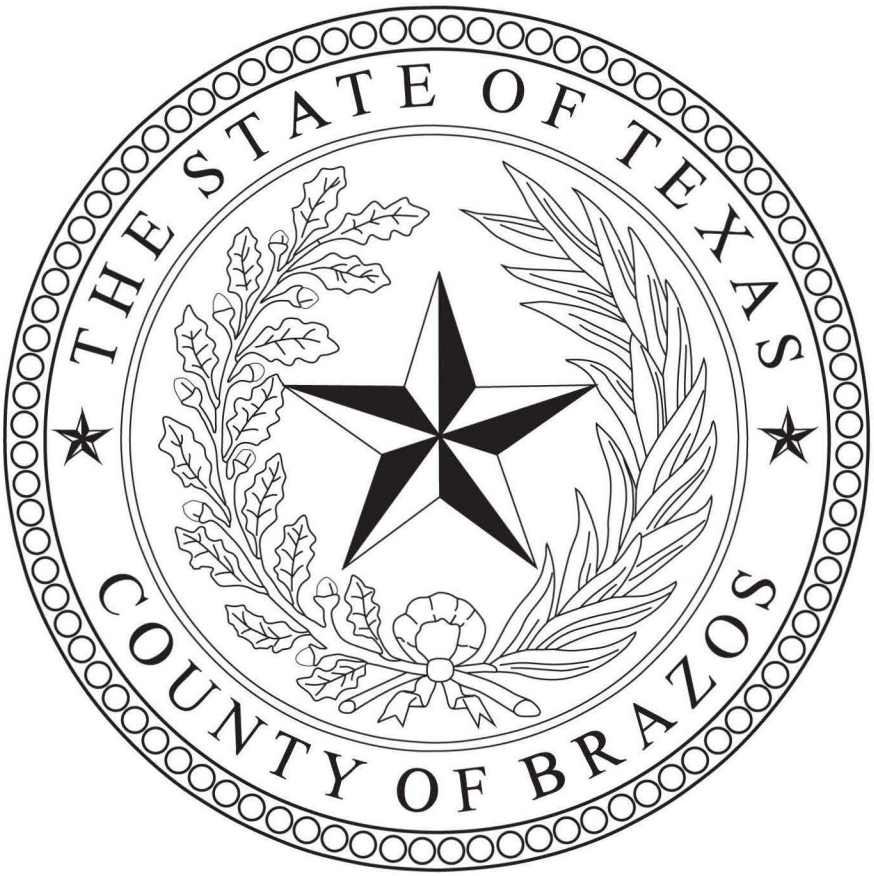
The County is a defendant in various lawsuits. All are matters that are pending and have arisen in the normal course of the County's operations. Although the outcome of these lawsuits is not presently determinable, the County's various legal counsels are of the opinion that the settlement of these claims 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.

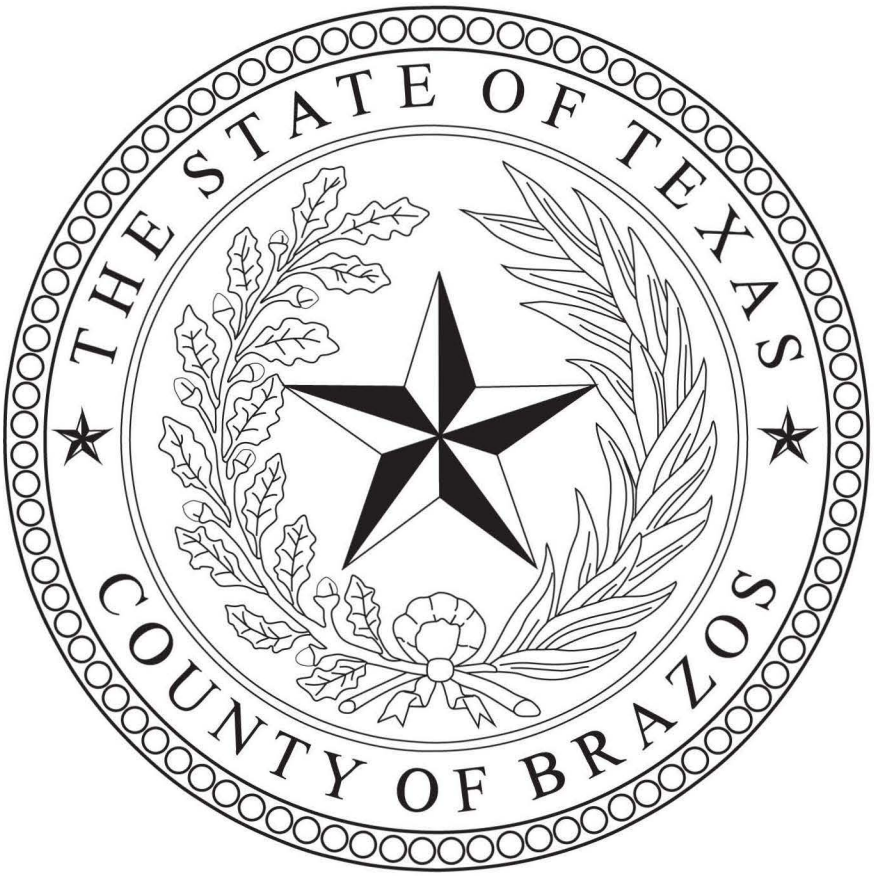
NOTE 15 – FUND BALANCES

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned as described in Note 1-S. The following is a detail of fund balances for all the major and nonmajor governmental funds at September 30, 2018:

	General Fund	Debt Service Fund	Capital Improvement Fund	Juvenile Expansion Fund	Local Provider Participation Fund	Nonmajor Funds	Total
Fund Balances:							
Nonspendable:							
Prepaids	$ 867,086	$ -	$ -	$ -	$ -	$ 26,200	$ 893,286
Inventories	1,184,464	-	-	-	-	-	1,184,464
Total Nonspendable	2,051,550	-	-	-	-	26,200	2,077,750
Restricted for:							
Debt Service	-	6,865,053	-	-	-	-	6,865,053
Juvenile Services	30,103	-	-	-	-	-	30,103
Election Services	-	-	-	-	-	82,855	82,855
Human Services	-	-	-	-	-	2,092,577	2,092,577
State Lateral Road Fund	-	-	-	-	-	60,880	60,880
Unclaimed Property	-	-	-	-	-	58,852	58,852
Administration of Justice	449,079	-	-	-	-	297,087	746,166
Health Care Provider Part	-	-	-	-	18,026,349	-	18,026,349
Records Management	-	-	-	-	-	3,111,174	3,111,174
Special Forfeitures	-	-	-	-	-	28,216	28,216
Law Enforcement	1,017	-	-	-	-	161,197	162,214
DA Hot Check Collection	-	-	-	-	-	3,705	3,705
Bail Bond Board Fees	-	-	-	-	-	94,484	94,484
Admin. of Tax Office	-	-	-	-	-	200,320	200,320
SO Crime Fund	-	-	-	-	-	185,533	185,533
DA Crime Fund	-	-	-	-	-	139,849	139,849
Capital Projects	-	-	-	10,467,129	-	-	10,467,129
Total Restricted	480,199	6,865,053	-	10,467,129	18,026,349	6,516,729	42,355,459
Committed to:							
Health Endowment Fund	663,526	-	-	-	-	-	663,526
Total Committed	663,526	-	-	-	-	-	663,526
Assigned to:							
Capital Improvements	-	-	17,282,458	8,300,000	-	-	25,582,458
Research Valley	119,000	-	-	-	-	-	119,000
Indigent Health Care	904,141	-	-	-	-	-	904,141
Total Assigned	1,023,141	-	17,282,458	8,300,000	-	-	26,605,599
Unassigned	44,008,132	-	-	-	-	-	44,008,132
Total Fund Balances	$48,226,548	$6,865,053	$17,282,458	$ 18,767,129	$18,026,349	$6,542,929	$ 115,710,466


THE STATE OF TEXAS
COUNTY OF BRAZOS

REQUIRED SUPPLEMENTARY INFORMATION


THE STATE OF TEXAS
COUNTY OF BRAZOS

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes				
Current Ad Valorem Taxes	$ 71,180,000	$ 71,180,000	$ 71,034,274	$ (145,726)
Delinquent Ad Valorem Taxes	525,000	525,000	511,614	(13,386)
Penalties & Interest - Taxes	350,000	350,000	413,026	63,026
Mixed Drink Taxes	800,000	800,000	907,029	107,029
County Sales Taxes	15,650,000	15,650,000	17,936,733	2,286,733
Total Taxes	88,505,000	88,505,000	90,802,676	2,297,676
Charges For Services				
Contracted Detention Services	60,000	60,000	73,899	13,899
JJAEP Service Fee	50,000	50,000	71,245	21,245
Contracted Jail Services	130,000	130,000	172,855	42,855
Arrest/Warrant Fees	177,000	177,000	162,978	(14,022)
Brazos Center	185,000	185,000	211,928	26,928
Exposition Center	1,025,000	1,025,000	1,287,699	262,699
Bond Service/Forfeitures	195,000	195,000	261,247	66,247
County Clerk	1,100,000	1,100,000	1,013,718	(86,282)
Vital Statistics Preservation	7,500	7,500	7,939	439
County Attorney	48,000	48,000	34,442	(13,558)
Hot Check Fees	3,000	3,000	5,481	2,481
Collections	41,000	41,000	33,434	(7,566)
Constables	207,000	207,000	227,868	20,868
Court Reporter	38,000	38,000	40,597	2,597
Magistrate	5,000	5,000	2,919	(2,081)
Specialty Court Fees	40,000	40,000	29,959	(10,041)
District Clerk	360,500	360,500	331,802	(28,698)
District Attorney	13,000	13,000	21,762	8,762
Family Protection	8,500	8,500	8,809	309
Election Services	60,000	60,000	71,070	11,070
Motor Carrier Weight	30,000	30,000	66,607	36,607
Inmate Medical Fees	25,000	25,000	29,963	4,963
Justice of the Peace	1,858,550	1,858,550	1,822,495	(36,055)
Juvenile Probation Fees	6,000	6,000	6,192	192
License and Weights	2,000	2,000	18,940	16,940
Omnibus Crime Control Fees	115,000	115,000	91,680	(23,320)
Judicial Support Fees	2,500	2,500	1,346	(1,154)
Optional License Fees	1,460,000	1,460,000	1,548,003	88,003
Probate Fees	3,000	3,000	4,442	1,442
Road & Bridge Fees	16,000	16,000	70,565	54,565
School Crossing Fees	25,000	25,000	49,763	24,763
Sheriff	512,419	512,419	521,427	9,008
Solid Waste Fees	35,000	35,000	35,590	590
Tax Assessor-Collector	603,000	603,000	671,154	68,154
Vehicle Registration Fees	325,000	325,000	344,950	19,950
Motor Vehicle Sales Taxes	1,300,000	1,300,000	1,307,131	7,131
Licenses and Permits	50,000	50,000	93,941	43,941
Pretrial Bond Supervision	80,000	80,000	87,890	7,890
Court Fines	1,020,000	1,020,000	1,248,974	228,974
Total Charges For Services	$ 11,221,969	$ 11,221,969	$ 12,092,704	$ 870,735

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES (continued)				
Intergovernmental - Federal				
Department of Justice	$ 40,000	$ 40,000	$ 92,822	$ 52,822
Department of Agriculture	45,000	45,086	74,730	29,644
Department of Health & Human Services	131,500	131,500	161,856	30,356
Emergency Management Agency	-	-	320,840	320,840
Total Intergovernmental - Federal	216,500	216,586	650,248	433,662
Intergovernmental - State & Local				
Attorney General	131,000	131,000	161,293	30,293
Department of Justice	303,000	303,000	315,737	12,737
D. A. Salary Supplement	26,950	26,950	26,943	(7)
Office of the Court Administrator	200,000	200,000	180,172	(19,828)
Texas Juvenile Justice Department	30,000	30,000	67,868	37,868
Juror Reimbursement	65,000	65,000	76,738	11,738
Tobacco Settlement	62,000	62,000	72,171	10,171
Total Intergovernmental - State	817,950	817,950	900,922	82,972
Total Intergovernmental	1,034,450	1,034,536	1,551,170	516,634
Interest	201,200	201,200	694,114	492,914
Other Revenue				
Donations	20,000	33,289	45,892	12,603
Road Crossing	3,000	3,000	-	(3,000)
State Traffic Fee	10,000	10,000	9,781	(219)
Reimbursements	380,200	380,200	407,811	27,611
Leases and Rentals	10,000	10,000	70,276	60,276
Other	20,200	43,001	190,006	147,005
Jail Workcrew	25,000	25,000	42,420	17,420
Inmate Phone/Video Visitation System	90,000	90,000	140,610	50,610
Oil and Gas Lease	500	500	385	(115)
Informal Adjudication Probation	7,000	7,000	7,721	721
Total Other Revenue	565,900	601,990	914,902	312,912
TOTAL REVENUES	$ 101,528,519	$ 101,564,695	$ 106,055,566	$ 4,490,871

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
EXPENDITURES				
General Government				
County Judge				
Personnel Services	$ 505,092	$ 505,092	$ 329,841	$ 175,251
Supplies and Other Charges	13,356	13,828	8,363	5,465
Repairs and Maintenance	370	370	270	100
Minor Acquisitions	-	3,571	3,571	-
Contract Services	-	6,000	2,000	4,000
	518,818	528,861	344,045	184,816
Budget Office				
Personnel Services	234,428	234,428	232,212	2,216
Supplies and Other Charges	5,850	5,850	4,666	1,184
Minor Acquisitions	-	1,508	1,508	-
	240,278	241,786	238,386	3,400
Commissioners' Court				
Personnel Services	2,898,500	2,898,500	2,888,521	9,979
Supplies and Other Charges	33,025	32,666	18,004	14,662
Repairs and Maintenance	796	1,155	1,062	93
Minor Acquisitions	-	645	645	-
	2,932,321	2,932,966	2,908,232	24,734
Non-Departmental				
Personnel Services	1,000,000	1,000,000	1,000,000	-
Supplies and Other Charges	1,692,082	1,648,536	1,112,605	535,931
Repairs and Maintenance	324,280	120,813	1,851	118,962
Minor Acquisitions	836,127	71,995	29,745	42,250
Contract Services	361,985	461,985	287,861	174,124
Professional Services	800,000	541,199	161,376	379,823
	5,014,474	3,844,528	2,593,438	1,251,090
Community Support				
Community Support	3,260,300	3,295,300	3,055,709	239,591
	3,260,300	3,295,300	3,055,709	239,591
Fleet Maintenance				
Personnel Services	457,052	457,052	454,434	2,618
Supplies and Other Charges	16,950	16,950	10,773	6,177
Repairs and Maintenance	192,880	192,880	122,047	70,833
Minor Acquisitions	-	5,727	5,727	-
Contract Services	2,520	2,520	1,874	646
	$ 669,402	$ 675,129	$ 594,855	$ 80,274

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
General Government (continued)				
Elections				
Personnel Services	$ 502,667	$ 502,667	$ 473,030	$ 29,637
Outside Labor Costs	125,000	125,000	94,474	30,526
Supplies and Other Charges	54,550	54,100	43,856	10,244
Repairs and Maintenance	20,650	20,650	3,440	17,210
Minor Acquisitions	-	11,399	11,393	6
Contract Services	119,250	119,250	112,360	6,890
	822,117	833,066	738,553	94,513
County Treasurer				
Personnel Services	528,456	528,456	495,948	32,508
Discretionary Funding	-	480	-	480
Supplies and Other Charges	13,930	13,683	10,989	2,694
Repairs and Maintenance	3,766	513	457	56
Minor Acquisitions	-	12,061	12,061	-
Contract Services	30	30	-	30
	546,182	555,223	519,455	35,768
Risk Management				
Personnel Services	177,893	177,893	131,165	46,728
Discretionary Funding	-	538	-	538
Supplies and Other Charges	23,125	27,125	15,900	11,225
Repairs and Maintenance	1,104	1,104	39	1,065
Minor Acquisitions	-	3,203	3,180	23
Contract Services	800	800	-	800
Professional Services	4,000	-	-	-
	206,922	210,663	150,284	60,379
Tax Assessor-Collector				
Personnel Services	2,052,298	2,052,298	1,997,595	54,703
Supplies and Other Charges	86,415	84,805	71,631	13,174
Repairs and Maintenance	1,500	1,500	968	532
Minor Acquisitions	-	17,228	17,175	53
Contract Services	61,849	63,849	57,934	5,915
	2,202,062	2,219,680	2,145,303	74,377
Information Technology				
Personnel Services	2,432,308	2,432,308	2,262,318	169,990
Supplies and Other Charges	157,855	213,395	184,898	28,497
Repairs and Maintenance	38,722	62,386	59,205	3,181
Minor Acquisitions	-	147,792	47,119	100,673
Contract Services	1,108,732	1,090,529	1,056,634	33,895
Community Support	140,687	8,552	2,332	6,220
	3,878,304	3,954,962	3,612,506	342,456
Human Resources				
Personnel Services	360,526	360,526	354,203	6,323
Discretionary Funding	-	848	-	848
Supplies and Other Charges	36,000	36,927	29,975	6,952
Repairs and Maintenance	1,620	1,620	810	810
Minor Acquisitions	-	5,753	5,732	21
Contract Services	30,000	30,000	7,085	22,915
Professional Services	25,000	21,524	-	21,524
	$ 453,146	$ 457,198	$ 397,805	$ 59,393

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
General Government (continued)				
County Auditor				
Personnel Services	$ 1,008,590	$ 1,008,590	$ 947,846	$ 60,744
Supplies and Other Charges	15,485	15,485	10,774	4,711
Repairs and Maintenance	676	676	375	301
Minor Acquisitions	-	2,954	2,954	-
	1,024,751	1,027,705	961,949	65,756
Purchasing				
Personnel Services	591,436	591,436	563,082	28,354
Discretionary Funding	-	283	-	283
Supplies and Other Charges	19,750	19,790	13,510	6,280
Repairs and Maintenance	1,750	1,750	1,378	372
Minor Acquisitions	-	7,143	7,143	-
Contract Services	1,700	1,700	1,275	425
Community Support	10,250	10,250	5,833	4,417
	624,886	632,352	592,221	40,131
Facilities Services				
Personnel Services	2,103,791	2,103,791	2,044,515	59,276
Discretionary Funding	-	11,157	-	11,157
Supplies and Other Charges	112,950	124,650	111,326	13,324
Repairs and Maintenance	428,700	707,933	654,250	53,683
Minor Acquisitions	-	6,119	6,089	30
Contract Services	280,600	284,600	189,507	95,093
Professional Services	4,000	-	-	-
	2,930,041	3,238,250	3,005,687	232,563
Landscaping				
Personnel Services	400,642	400,642	361,138	39,504
Supplies and Other Charges	5,020	5,020	4,174	846
Repairs and Maintenance	82,100	82,100	51,787	30,313
Contract Services	70,500	70,500	39,126	31,374
	558,262	558,262	456,225	102,037
Total General Government	25,882,266	25,205,931	22,314,653	2,891,278
Justice System				
Pre-Trial Bond Supervision				
Personnel Services	52,491	52,491	51,933	558
Supplies and Other Charges	2,000	2,000	-	2,000
	54,491	54,491	51,933	2,558
County Attorney				
Personnel Services	3,167,698	3,167,698	3,030,056	137,642
Discretionary Funding	-	41	-	41
Supplies and Other Charges	130,450	129,757	89,097	40,660
Repairs and Maintenance	10,238	10,238	7,437	2,801
Minor Acquisitions	-	10,867	10,608	259
Contract Services	-	415	355	60
Community Support	-	3,368	3,368	-
	$ 3,308,386	$ 3,322,384	$ 3,140,921	$ 181,463

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Justice System (continued)				
District Attorney				
Personnel Services	$ 3,760,782	$ 3,760,782	$ 3,449,590	$ 311,192
Supplies and Other Charges	173,900	170,039	81,652	88,387
Repairs and Maintenance	11,820	11,820	11,001	819
Minor Acquisitions	-	34,333	34,333	-
Community Support	-	1,036	1,036	-
	3,946,502	3,978,010	3,577,612	400,398
D.A. - Child Protective Services				
Personnel Services	174,834	174,834	152,851	21,983
Supplies and Other Charges	8,900	8,900	370	8,530
	183,734	183,734	153,221	30,513
District Clerk				
Personnel Services	1,066,805	1,066,805	985,969	80,836
Discretionary Funding	-	1,613	-	1,613
Supplies and Other Charges	50,225	48,477	19,524	28,953
Repairs and Maintenance	7,500	7,500	6,930	570
Minor Acquisitions	-	4,784	4,222	562
	1,124,530	1,129,179	1,016,645	112,534
Court and Jury Services				
Personnel Services	133,409	133,409	132,323	1,086
Discretionary Funding	-	9,190	-	9,190
Supplies and Other Charges	184,800	179,800	160,659	19,141
Repairs and Maintenance	266	266	60	206
Minor Acquisitions	-	2,281	2,280	1
Contract Services	12,700	17,700	11,758	5,942
	331,175	342,646	307,080	35,566
Collections				
Personnel Services	404,964	404,964	398,395	6,569
Discretionary Funding	-	2,083	-	2,083
Supplies and Other Charges	15,079	15,079	11,359	3,720
Repairs and Maintenance	375	375	202	173
Minor Acquisitions	-	1,292	1,292	-
	420,418	423,793	411,248	12,545
County Clerk				
Personnel Services	911,703	911,703	901,245	10,458
Discretionary Funding	-	16,489	-	16,489
Supplies and Other Charges	33,542	36,370	27,362	9,008
Repairs and Maintenance	2,850	3,200	2,017	1,183
Minor Acquisitions	-	4,208	4,208	-
Contract Services	89,716	89,716	64,724	24,992
	1,037,811	1,061,686	999,556	62,130
Vital Statistics Preservation				
Supplies and Other Charges	9,700	9,700	6,771	2,929
	$ 9,700	$ 9,700	$ 6,771	$ 2,929

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Justice System (continued)				
85th District Court				
Personnel Services	$ 369,808	$ 369,808	$ 368,184	$ 1,624
Discretionary Funding	-	679	-	679
Supplies and Other Charges	26,825	28,943	22,327	6,616
Repairs and Maintenance	980	980	857	123
Minor Acquisitions	-	8,264	8,264	-
Professional Services	-	970	970	-
	397,613	409,644	400,602	9,042
272nd District Court				
Personnel Services	355,121	358,260	355,475	2,785
Discretionary Funding	-	467	-	467
Supplies and Other Charges	17,917	25,413	14,753	10,660
Repairs and Maintenance	1,114	1,114	264	850
Minor Acquisitions	-	18,263	18,038	225
Professional Services	-	3,400	3,400	-
	374,152	406,917	391,930	14,987
361st District Court				
Personnel Services	364,801	364,801	360,428	4,373
Discretionary Funding	-	6,763	-	6,763
Supplies and Other Charges	31,500	38,861	28,429	10,432
Repairs and Maintenance	544	544	147	397
Minor Acquisitions	-	18,263	18,038	225
Professional Services	-	3,490	3,490	-
	396,845	432,722	410,532	22,190
Juvenile Court Referee				
Personnel Services	171,560	171,560	168,358	3,202
Discretionary Funding	-	1,195	-	1,195
Supplies and Other Charges	4,670	5,777	5,198	579
Minor Acquisitions	-	5,062	5,030	32
	176,230	183,594	178,586	5,008
Associate Judge #1				
Personnel Services	308,735	308,735	305,725	3,010
Supplies and Other Charges	7,582	13,837	13,647	190
Repairs and Maintenance	636	986	707	279
Minor Acquisitions	-	21,509	21,509	-
Contract Services	780	780	380	400
Professional Services	-	4,170	4,170	-
	317,733	350,017	346,138	3,879
Specialty Court Program				
Personnel Services	23,286	27,416	24,216	3,200
Supplies and Other Charges	36,230	32,700	11,556	21,144
	59,516	60,116	35,772	24,344
Associate Judge #2				
Personnel Services	394,245	394,245	383,702	10,543
Supplies and Other Charges	12,025	16,207	9,876	6,331
Repairs and Maintenance	314	314	264	50
Minor Acquisitions	-	13,594	13,594	-
Professional Services	-	4,170	4,170	-
	$ 406,584	$ 428,530	$ 411,606	$ 16,924

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Justice System (continued)				
County Court At Law #1				
Personnel Services	$ 641,411	$ 643,459	$ 633,246	$ 10,213
Discretionary Funding	-	4,471	-	4,471
Supplies and Other Charges	15,960	17,529	11,642	5,887
Repairs and Maintenance	447	447	129	318
Minor Acquisitions	-	16,930	16,930	-
	657,818	682,836	661,947	20,889
County Court At Law #2				
Personnel Services	636,788	636,788	625,821	10,967
Discretionary Funding	-	1,196	-	1,196
Supplies and Other Charges	22,050	24,868	14,026	10,842
Repairs and Maintenance	131	481	423	58
Minor Acquisitions	-	15,883	15,883	-
Contract Services	695	695	238	457
	659,664	679,911	656,391	23,520
Justice of the Peace Precinct 1				
Personnel Services	346,644	346,641	343,451	3,190
Discretionary Funding	-	20,356	-	20,356
Supplies and Other Charges	28,100	28,100	18,036	10,064
Repairs and Maintenance	841	841	187	654
Contract Services	32,022	32,022	30,761	1,261
	407,607	427,960	392,435	35,525
Justice of the Peace Precinct 2				
Personnel Services	334,367	334,367	330,222	4,145
Supplies and Other Charges	13,289	13,289	8,557	4,732
Repairs and Maintenance	465	465	280	185
Contract Services	421	421	-	421
Professional Services	150	150	-	150
	348,692	348,692	339,059	9,633
Justice of the Peace Precinct 3				
Personnel Services	402,875	402,875	377,835	25,040
Discretionary Funding	-	7,794	-	7,794
Supplies and Other Charges	18,975	19,975	14,476	5,499
Repairs and Maintenance	302	652	579	73
Contract Services	5,500	5,500	1,577	3,923
	427,652	436,796	394,467	42,329
Justice of the Peace Precinct 4				
Personnel Services	278,515	278,515	267,300	11,215
Supplies and Other Charges	9,030	9,030	3,912	5,118
Repairs and Maintenance	182	182	132	50
	$ 287,727	$ 287,727	$ 271,344	$ 16,383

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Justice System (continued)				
Community Supervision Support				
Supplies and Other Charges	$ 74,450	$ 74,450	$ 59,023	$ 15,427
Repairs and Maintenance	3,006	3,366	3,066	300
Minor Acquisitions	6,744	16,908	15,862	1,046
Professional Services	-	2,000	2,000	-
Community Support	-	1,036	1,036	-
	84,200	97,760	80,987	16,773
Judicial Court Support				
Personnel Services	4,655	5,775	5,723	52
Supplies and Other Charges	590,975	625,784	565,507	60,277
Contract Services	800,000	1,479,171	1,463,750	15,421
Professional Services	3,933,000	3,984,600	3,371,711	612,889
	5,328,630	6,095,330	5,406,691	688,639
Total Justice System	20,747,410	21,834,175	20,043,474	1,790,701
Law Enforcement				
Sheriff Administration				
Personnel Services	5,765,828	5,765,828	5,651,816	114,012
Supplies and Other Charges	231,725	274,002	254,621	19,381
Repairs and Maintenance	122,254	165,098	164,045	1,053
Minor Acquisitions	-	166,144	165,597	547
Contract Services	5,640	5,640	5,221	419
Professional Services	4,400	6,650	6,550	100
Community Support	-	55,963	55,963	-
	6,129,847	6,439,325	6,303,813	135,512
Sheriff Jail Administration				
Personnel Services	11,116,344	11,116,344	10,727,046	389,298
Supplies and Other Charges	1,492,210	1,494,382	1,310,293	184,089
Repairs and Maintenance	69,744	202,583	120,625	81,958
Minor Acquisitions	-	70,685	70,659	26
Contract Services	14,080	395,065	390,115	4,950
Professional Services	16,350	23,350	22,619	731
	12,708,728	13,302,409	12,641,357	661,052
Jail Medical Services				
Personnel Services	878,605	940,793	862,345	78,448
Supplies and Other Charges	48,900	48,900	34,177	14,723
Repairs and Maintenance	-	350	350	-
Minor Acquisitions	-	4,646	4,646	-
Contract Services	3,280	3,280	2,653	627
Professional Services	30,375	30,375	24,780	5,595
	961,160	1,028,344	928,951	99,393
SO-CSISD School Security				
Personnel Services	425,803	432,908	430,723	2,185
Supplies and Other Charges	23,808	17,451	14,347	3,104
Repairs and Maintenance	2,422	2,422	227	2,195
Minor Acquisitions	5,126	4,378	-	4,378
Professional Services	260	260	-	260
Community Support	-	9,327	9,327	-
	$ 457,419	$ 466,746	$ 454,624	$ 12,122

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Law Enforcement (continued)				
Constable Precinct 1				
Personnel Services	$ 424,885	$ 424,885	$ 421,587	$ 3,298
Supplies and Other Charges	27,464	25,917	23,221	2,696
Repairs and Maintenance	9,126	10,450	10,449	1
Minor Acquisitions	-	22,760	22,760	-
Contract Services	24,691	25,018	24,190	828
Community Support	-	3,368	3,368	-
	486,166	512,398	505,575	6,823
Constable Precinct 2				
Personnel Services	670,723	670,723	658,541	12,182
Supplies and Other Charges	25,800	30,113	25,248	4,865
Repairs and Maintenance	22,818	27,030	25,043	1,987
Minor Acquisitions	-	18,344	18,151	193
Community Support	-	4,405	4,405	-
	719,341	750,615	731,388	19,227
Constable Precinct 3				
Personnel Services	500,864	500,864	491,808	9,056
Discretionary Funding	-	49	-	49
Supplies and Other Charges	23,075	34,104	28,528	5,576
Repairs and Maintenance	6,200	10,550	10,354	196
Contract Services	-	1,700	1,577	123
Community Support	-	2,850	2,850	-
	530,139	550,117	535,117	15,000
Constable Precinct 4				
Personnel Services	758,157	761,162	756,465	4,697
Supplies and Other Charges	23,065	21,340	17,484	3,856
Repairs and Maintenance	16,182	21,111	21,002	109
Minor Acquisitions	-	15,345	15,345	-
Contract Services	1,750	245	209	36
Community Support	-	4,405	4,405	-
	799,154	823,608	814,910	8,698
Total Law Enforcement	22,791,954	23,873,562	22,915,735	957,827
Juvenile Services				
Juvenile Services				
Personnel Services	5,548,143	5,558,580	5,104,374	454,206
Discretionary Funding	-	11,135	-	11,135
Supplies and Other Charges	441,557	446,677	347,003	99,674
Repairs and Maintenance	16,290	15,522	12,410	3,112
Minor Acquisitions	-	42,503	42,503	-
Contract Services	4,600	8,150	6,215	1,935
Professional Services	53,540	52,696	34,479	18,217
	6,064,130	6,135,263	5,546,984	588,279
TYC - Parole				
Personnel Services	183,649	183,649	170,457	13,192
Supplies and Other Charges	2,746	3,346	2,686	660
Repairs and Maintenance	1,850	1,250	-	1,250
Contract Services	54,495	52,017	45,300	6,717
	$ 242,740	$ 240,262	$ 218,443	$ 21,819

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Juvenile Services (continued)				
Juvenile Justice Alternative Education				
Personnel Services	$ 243,268	$ 243,268	$ 240,431	$ 2,837
Supplies and Other Charges	1,100	400	400	-
	244,368	243,668	240,831	2,837
TDHS - Commodities				
Supplies and Other Charges	3,000	3,086	3,086	-
	3,000	3,086	3,086	-
Total Juvenile Services	6,554,238	6,622,279	6,009,344	612,935
Public Transportation				
Road and Bridge Administration				
Personnel Services	5,173,311	5,173,311	4,648,866	524,445
Supplies and Other Charges	1,356,878	1,353,229	73,620	1,279,609
Repairs and Maintenance	5,538,692	5,529,922	4,324,057	1,205,865
Minor Acquisitions	-	26,784	26,605	179
Contract Services	261,032	268,020	252,960	15,060
Professional Services	90,000	92,318	80,824	11,494
Total Public Transportation	12,419,913	12,443,584	9,406,932	3,036,652
Public Health				
Environmental Protection				
Supplies and Other Charges	9,191	10,791	9,628	1,163
Repairs and Maintenance	3,000	2,600	-	2,600
Contract Services	300,886	300,886	287,418	13,468
	313,077	314,277	297,046	17,231
Indigent Health Care				
Supplies and Other Charges	810,000	810,000	448,952	361,048
Professional Services	3,145,000	3,145,000	521,589	2,623,411
Community Support	907,259	907,259	164,463	742,796
	4,862,259	4,862,259	1,135,004	3,727,255
Community Public Health				
Community Support	63,200	63,200	-	63,200
	63,200	63,200	-	63,200
Health Department Support				
Supplies and Other Charges	52,125	50,125	47,931	2,194
Professional Services	13,000	15,500	15,500	-
	65,125	65,625	63,431	2,194
Total Public Health	$ 5,303,661	$ 5,305,361	$ 1,495,481	$ 3,809,880

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Human Services				
Veteran Services				
Personnel Services	$ 73,419	$ 73,419	$ 58,924	$ 14,495
Supplies and Other Charges	1,500	1,500	174	1,326
Repairs and Maintenance	310	310	39	271
	75,229	75,229	59,137	16,092
County Fire Protection				
Community Support	675,162	675,162	675,162	-
	675,162	675,162	675,162	-
County Welfare				
Supplies and Other Charges	5,000	5,000	500	4,500
	5,000	5,000	500	4,500
Emergency Management				
Personnel Services	195,324	195,324	194,354	970
Discretionary Funding	-	1,552	-	1,552
Supplies and Other Charges	15,985	18,059	4,211	13,848
Repairs and Maintenance	3,350	3,350	1,784	1,566
Minor Acquisitions	-	7,005	7,005	-
Contract Services	106,875	106,875	97,261	9,614
Community Support	-	46,377	46,377	-
	321,534	378,542	350,992	27,550
Brazos Center				
Personnel Services	482,319	482,319	451,395	30,924
Supplies and Other Charges	146,775	160,452	132,401	28,051
Repairs and Maintenance	16,766	102,411	91,412	10,999
Minor Acquisitions	-	18,609	18,609	-
Contract Services	710,820	767,648	701,069	66,579
	1,356,680	1,531,439	1,394,886	136,553
Exposition Center				
Personnel Services	1,437,264	1,437,264	1,285,736	151,528
Supplies and Other Charges	447,750	522,273	435,045	87,228
Repairs and Maintenance	60,700	48,450	40,040	8,410
Minor Acquisitions	-	25,365	25,097	268
Contract Services	60,500	52,500	29,394	23,106
Professional Services	-	5,780	5,780	-
	2,006,214	2,091,632	1,821,092	270,540
Agricultural Extension				
Personnel Services	344,529	344,529	327,220	17,309
Discretionary Funding	-	75	-	75
Supplies and Other Charges	43,600	45,850	42,938	2,912
Repairs and Maintenance	6,500	6,500	5,309	1,191
Minor Acquisitions	-	1,000	976	24
Contract Services	41,530	38,280	37,959	321
	$ 436,159	$ 436,234	$ 414,402	$ 21,832

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, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Human Services (continued)				
Boonville Cemetery				
Repairs and Maintenance	$ 300	$ 300	$ -	$ 300
	300	300	-	300
Child Protective Services				
Supplies and Other Charges	50,000	50,000	49,908	92
	50,000	50,000	49,908	92
Family Protection Services				
Community Support	8,000	8,000	8,000	-
	8,000	8,000	8,000	-
Total Human Services	4,934,278	5,251,538	4,774,079	477,459
Contingency	2,817,779	748,050	-	748,050
Capital Outlay	5,799,000	5,820,175	3,750,193	2,069,982
Debt Services				
Capital Lease - Principal	304,640	304,640	297,027	7,613
Capital Lease - Interest	7,616	7,616	7,613	3
TOTAL EXPENDITURES	107,562,755	107,416,911	91,014,531	16,402,380
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,034,236)	(5,852,216)	15,041,035	20,893,251
OTHER FINANCING SOURCES (USES)				
Transfers In	-	911,450	931,450	20,000
Transfers Out	(13,692,494)	(14,785,964)	(14,715,996)	69,968
Sale of Capital Assets	-	-	63,072	63,072
TOTAL OTHER FINANCING USES	(13,692,494)	(13,874,514)	(13,721,474)	153,040
Net Change in Fund Balances	(19,726,730)	(19,726,730)	1,319,561	21,046,291
FUND BALANCE, OCTOBER 1	46,906,987	46,906,987	46,906,987	-
FUND BALANCE, SEPTEMBER 30	$ 27,180,257	$ 27,180,257	$ 48,226,548	$ 21,046,291

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
LOCAL PROVIDER PARTICIPATION
For the Year Ended September 30, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
REVENUES				
Taxes	$ 34,476,000	$ 34,476,000	$ 32,586,142	$ (1,889,858)
Interest	14,000	14,000	78,133	64,133
TOTAL REVENUES	34,490,000	34,490,000	32,664,275	(1,825,725)
EXPENDITURES				
Public Health				
Community Support	37,490,000	37,470,000	28,839,158	8,630,842
TOTAL EXPENDITURES	37,490,000	37,470,000	28,839,158	8,630,842
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,000,000)	(2,980,000)	3,825,117	6,805,117
OTHER FINANCING USES				
Transfers Out	-	(20,000)	(20,000)	-
TOTAL OTHER FINANCING USES	-	(20,000)	(20,000)	-
Net Change in Fund Balance	(3,000,000)	(3,000,000)	3,805,117	6,805,117
FUND BALANCE, OCTOBER 1	14,221,232	14,221,232	14,221,232	-
FUND BALANCE, SEPTEMBER 30	$ 11,221,232	$ 11,221,232	$ 18,026,349	$ 6,805,117

BRAZOS COUNTY, TEXAS

Required Supplementary Information

Schedule of Changes in the County's Net Pension Liability and Related Ratios

September 30, 2018

	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Total pension liability				
Service cost	$ 5,538,125	$ 5,458,140	$ 4,924,972	$ 4,799,043
Interest on total pension liability	15,239,878	13,990,940	13,101,037	12,180,043
Effect of plan changes	-	-	(994,692)	-
Effect of economic/demographic gains or losses	(206,958)	435,824	(1,634,734)	(509,172)
Effect of assumptions changes or inputs	463,166	-	1,777,888	-
Benefit payments/refunds of contributions	(7,909,136)	(6,769,254)	(6,136,013)	(5,502,073)
Net change in total pension liability	13,125,075	13,115,650	11,038,458	10,967,841
Total pension liability - beginning	184,723,577	171,607,927	160,569,469	149,601,628
Total pension liability - ending (a)	$ 197,848,652	$ 184,723,577	$ 171,607,927	$ 160,569,469
Plan fiduciary net position				
Contributions - employer	$ 5,483,953	$ 6,048,390	$ 4,795,371	$ 4,525,390
Contributions - employee	2,741,978	2,582,026	2,426,133	2,262,096
Net investment income	23,193,898	10,801,592	(1,901,404)	9,163,233
Benefit payments/refunds of contributions	(7,909,136)	(6,769,254)	(6,136,013)	(5,502,073)
Administrative expenses	(121,208)	(117,506)	(105,209)	(108,831)
Effect of change in proportion	-	(60,030)	(25,413)	-
Other	4,910	261,584	93,156	(232,905)
Net change in plan fiduciary net position	23,394,395	12,746,802	(853,379)	10,106,910
Plan fiduciary net position - beginning	157,102,677	144,355,875	145,209,254	135,102,344
Plan fiduciary net position - ending (b)	$ 180,497,072	$ 157,102,677	$ 144,355,875	$ 145,209,254
County's net pension liability - ending (a) - (b)	$ 17,351,580	$ 27,620,900	$ 27,252,052	$ 15,360,215
Plan fiduciary net position as a percentage of the total pension liability	91.23%	85.05%	84.12%	90.43%
Covered payroll	$ 39,171,115	$ 36,702,824	$ 34,252,648	$ 32,321,377
County's net pension liability as a percentage of covered payroll	44.30%	75.26%	79.56%	47.52%

NOTE: The schedule represents only the years for which the new GASB statements have been implemented.

BRAZOS COUNTY, TEXAS

Required Supplementary Information

Schedule of Pension Contributions

September 30, 2018

Year Ending September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2009	$ 3,015,587	$ 3,334,647	$ (319,060)	$ 28,259,720	11.8%
2010	3,292,380	3,469,321	(176,941)	29,153,958	11.9%
2011	3,525,572	3,535,465	(9,893)	29,709,790	11.9%
2012	3,479,077	3,618,448	(139,371)	29,181,032	12.4%
2013	3,747,336	4,979,169	(1,231,833)	38,301,300	13.0%
2014	4,053,792	4,357,815	(304,023)	31,127,250	14.0%
2015	4,389,243	4,692,679	(303,436)	33,519,136	14.0%
2016	4,586,430	5,254,156	(667,726)	37,529,686	14.0%
2017	4,863,125	6,378,368	(1,515,243)	38,656,776	16.5%
2018	$ 5,346,857	$ 5,902,627	$ (555,770)	$ 42,161,621	14.0%

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age

Amortization method Level percentage of payroll, closed

Remaining amortization period 12.0 years (based on contribution rate calculated in 12/31/2017 valuation)

Asset valuation method 5-year smoothed market

Inflation 2.75%

Salary increases Varies by age and service. 4.9% average over career including inflation

Investment rate of return 8.00%, net of administrative and investment expenses, including inflation

Retirement age Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.

Mortality 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

Changes in assumptions and methods reflected in the schedule of employer contributions New mortality assumptions were reflected.

Changes in plan provisions reflected in the schedule New Annuity Purchase Rates were reflected for benefits earned after 2017.

BRAZOS COUNTY, TEXAS

Required Supplementary Information

Schedule of Changes in the County's Net OPEB Liability and Related Ratios

September 30, 2018

		Year Ended December 31, 2017
Total OPEB liability		
Service cost	$	1,708,643
Interest on total OPEB liability		4,772,561
Changes of benefit terms		-
Difference between expected and actual experience		-
Changes of assumptions		-
Benefit payments		(1,880,728)
Net change in total OPEB liability		4,600,476
Total OPEB liability - beginning		73,510,061
Total OPEB liability - ending (a)	$	78,110,537
Plan fiduciary net position		
Employer contributions	$	3,839,128
Net investment income		152,228
Benefit payments		(1,880,728)
Administrative expense		(6,482)
Other		-
Net change in plan fiduciary net position		2,104,146
Plan fiduciary net position - beginning		485,625
Plan fiduciary net position - ending (b)	$	2,589,771
County's net OPEB liability - ending (a) - (b)	$	75,520,766
Plan fiduciary net position as a percentage of the total OPEB liability		3.32%
Covered-employee payroll	$	37,138,215
County's net OPEB liability as a percentage of covered-employee payroll		203.35%

NOTE: The schedule represents only the years for which the new GASB statements have been implemented.

BRAZOS COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2018

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 2018 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, 2018, annual maintenance and preservation costs of $9,406,932 for both roads and bridges were less than the estimated amount needed of $12,443,584. This variance is mainly due to a contingency budget (roll-over of prior years' positive variance), employee turnover, and the delays in road preparation and weather conditions.

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, 2014	$9,923,116	$8,045,933
September 30, 2015	$11,291,350	$9,231,560
September 30, 2016	$11,863,222	$9,881,970
September 30, 2017	$12,102,201	$9,542,395
September 30, 2018	$12,443,584	$9,406,932

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	2016	89%	8%	3%
2	2016	87%	10%	3%
4	2016	91%	7%	2%
1	2017	93%	5%	2%
2	2017	96%	3%	1%
4	2017	91%	7%	2%
1	2018	93%	6%	1%
2	2018	92%	5%	3%
4	2018	95%	3%	2%

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 69 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 very good condition.

Year of Inspection	Condition	Rating	Number	%
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	67	100%
2015	Very Good	6.0 - 9.0	69	100%
2015	Good	4.0 - 5.9	0	0%
2015	Fair	3.0 - 3.9	0	0%
2015	Poor	0.0 - 2.9	0	0%
		Total	69	100%
2017	Very Good	6.0 - 9.0	69	100%
2017	Good	4.0 - 5.9	0	0%
2017	Fair	3.0 - 3.9	0	0%
2017	Poor	0.0 - 2.9	0	0%
		Total	69	100%

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
September 30, 2018

	Special Revenue	Capital Project	Total Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 6,555,574	$ 322,457	$ 6,878,031
Prepaid Expenditures	26,200	-	26,200
Receivables			-
Taxes	329,652	-	329,652
Interest	6,506	411	6,917
Accounts	249,899	-	249,899
TOTAL ASSETS	$ 7,167,831	$ 322,868	$ 7,490,699
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	$ 385,064	$ 322,868	$ 707,932
Accrued Salaries and Wages	39,635	-	39,635
Unclaimed Funds	157,996	-	157,996
Unearned Revenue	42,207	-	42,207
Total Liabilities	624,902	322,868	947,770
Fund Balances			
Nonspendable	26,200	-	26,200
Restricted	6,516,729	-	6,516,729
Total Fund Balances	6,542,929	-	6,542,929
TOTAL LIABILITIES AND FUND BALANCES	$ 7,167,831	$ 322,868	$ 7,490,699

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
For The Year Ended September 30, 2018

	Special Revenue	Capital Project	Total Nonmajor Governmental Funds
REVENUES			
Taxes	$ 2,917,653	$ -	$ 2,917,653
Charges for Services	1,160,251	-	1,160,251
Intergovernmental	2,202,739	-	2,202,739
Interest	53,871	5,915	59,786
Other Revenue	13,500	-	13,500
TOTAL REVENUES	6,348,014	5,915	6,353,929
EXPENDITURES			
General Government	253,184	-	253,184
Justice System	935,407	-	935,407
Law Enforcement	613,320	-	613,320
Juvenile Services	1,234,984	-	1,234,984
Public Transportation	338,726	-	338,726
Human Services	1,170,942	-	1,170,942
Capital Outlay	174,901	1,115,587	1,290,488
TOTAL EXPENDITURES	4,721,464	1,115,587	5,837,051
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,626,550	(1,109,672)	516,878
OTHER FINANCING SOURCES (USES)			
Transfers In	565,915	443,484	1,009,399
Transfers Out	(1,110,393)	(123,984)	(1,234,377)
TOTAL OTHER FINANCING SOURCES (USES)	(544,478)	319,500	(224,978)
Net Change in Fund Balances	1,082,072	(790,172)	291,900
FUND BALANCES, OCTOBER 1	5,460,857	790,172	6,251,029
FUND BALANCES, SEPTEMBER 30	$ 6,542,929	$ -	$ 6,542,929

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 District and 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 Elections Administrator of 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.

Grant Fund – A fund established to account for the revenues and expenditures related to grant activities.

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
September 30, 2018

	Hotel Occupancy Tax	State Lateral Road	Unclaimed Property	Law Library
ASSETS				
Cash and Cash Equivalents	$ 1,982,551	$ 60,824	$ 213,665	$ 66,705
Prepaid Expenditures	-	-	-	-
Receivables				
Taxes	329,652	-	-	-
Interest	1,824	56	196	62
Accounts	1,796	-	-	-
TOTAL ASSETS	$ 2,315,823	$ 60,880	$ 213,861	$ 66,767
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	$ 220,374	$ -	$ -	$ 10,213
Accrued Salaries and Wages	2,872	-	-	-
Unclaimed Funds	-	-	155,009	-
Unearned Revenue	-	-	-	-
Total Liabilities	223,246	-	155,009	10,213
Fund Balances				
Nonspendable	-	-	-	-
Restricted	2,092,577	60,880	58,852	56,554
Total Fund Balances	2,092,577	60,880	58,852	56,554
TOTAL LIABILITIES AND FUND BALANCES	$ 2,315,823	$ 60,880	$ 213,861	$ 66,767

Alternative Dispute Resolution	Law Enforcement Education	County Records Management and Preservation	County Clerk Records Management and Preservation	County Clerk Archival
$ 3,585	$ 41,865	$ 322,283	$ 894,994	$ 1,623,383
-	-	-	-	-
-	-	-	-	-
-	-	297	823	1,493
-	-	-	-	-
$ 3,585	$ 41,865	$ 322,580	$ 895,817	$ 1,624,876
$ 3,585	$ 90	$ -	$ 11,955	$ 10,690
-	-	2,395	2,054	-
-	-	-	-	-
-	-	-	-	-
3,585	90	2,395	14,009	10,690
-	-	-	-	-
-	41,775	320,185	881,808	1,614,186
-	41,775	320,185	881,808	1,614,186
$ 3,585	$ 41,865	$ 322,580	$ 895,817	$ 1,624,876

(continued)

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
September 30, 2018

	Courthouse Security	Justice Court Security	District Clerk Records Management and Preservation
ASSETS			
Cash and Cash Equivalents	$ 40,341	$ 86,072	$ 205,003
Prepaid Expenditures	3,533	-	-
Receivables			
Taxes	-	-	-
Interest	36	79	188
Accounts	-	-	-
TOTAL ASSETS	$ 43,910	$ 86,151	$ 205,191
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	$ 154	$ -	$ -
Accrued Salaries and Wages	6,952	-	-
Unclaimed Funds	-	-	-
Unearned Revenue	-	-	-
Total Liabilities	7,106	-	-
Fund Balances			
Nonspendable	3,533	-	-
Restricted	33,271	86,151	205,191
Total Fund Balances	36,804	86,151	205,191
TOTAL LIABILITIES AND FUND BALANCES	$ 43,910	$ 86,151	$ 205,191

District Clerk Archival	Justice of the Peace Technology	County & District Court Technology	Special Forfeitures	District Attorney Hot Check Collection	Bail Bond Board Fees
$ 89,721	$ 172,889	$ 71,692	$ 28,190	$ 3,702	$ 94,397
-	-	-	-	-	-
-	-	-	-	-	-
83	162	66	26	3	87
-	-	-	-	-	-
$ 89,804	$ 173,051	$ 71,758	$ 28,216	$ 3,705	$ 94,484
$ -	$ 4,276	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	4,276	-	-	-	-
-	-	-	-	-	-
89,804	168,775	71,758	28,216	3,705	94,484
89,804	168,775	71,758	28,216	3,705	94,484
$ 89,804	$ 173,051	$ 71,758	$ 28,216	$ 3,705	$ 94,484

(continued)

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
September 30, 2018

	Voter Registration	Vehicle Inventory Tax Interest	Sheriff Department Crime
ASSETS			
Cash and Cash Equivalents	$ 11,489	$ 199,548	$ 188,414
Prepaid Expenditures	-	180	-
Receivables			
Taxes	-	-	-
Interest	10	772	106
Accounts	-	-	-
TOTAL ASSETS	$ 11,499	$ 200,500	$ 188,520
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	$ -	$ -	$ -
Accrued Salaries and Wages	-	-	-
Unclaimed Funds	-	-	2,987
Unearned Revenue	-	-	-
Total Liabilities	-	-	2,987
Fund Balances			
Nonspendable	-	180	-
Restricted	11,499	200,320	185,533
Total Fund Balances	11,499	200,500	185,533
TOTAL LIABILITIES AND FUND BALANCES	$ 11,499	$ 200,500	$ 188,520

District Attorney Crime	Primary Election Service	Grants	Totals
$ 139,938	$ 9,426	$ 4,897	$ 6,555,574
-	-	22,487	26,200
-	-	-	329,652
128	9	-	6,506
-	33,368	214,735	249,899
$ 140,066	$ 42,803	$ 242,119	$ 7,167,831
$ -	$ -	$ 123,727	$ 385,064
217	-	25,145	39,635
-	-	-	157,996
-	-	42,207	42,207
217	-	191,079	624,902
-	-	22,487	26,200
139,849	42,803	28,553	6,516,729
139,849	42,803	51,040	6,542,929
$ 140,066	$ 42,803	$ 242,119	$ 7,167,831

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, 2018

	Hotel Occupancy Tax	State Lateral Road	Unclaimed Property	Law Library
REVENUES				
Taxes	$ 2,915,850	$ -	$ -	$ -
Charges for Services	-	-	-	54,549
Intergovernmental	-	30,138	-	-
Interest	13,200	513	1,622	575
Other Revenue	5,500	-	-	-
TOTAL REVENUES	2,934,550	30,651	1,622	55,124
EXPENDITURES				
General Government	-	-	-	-
Justice System	-	-	-	87,000
Law Enforcement	-	-	-	-
Juvenile Services	-	-	-	-
Public Transportation	-	-	-	-
Human Services	1,151,851	-	-	-
Capital Outlay	154,437	-	-	-
TOTAL EXPENDITURES	1,306,288	-	-	87,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,628,262	30,651	1,622	(31,876)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(1,109,400)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,109,400)	-	-	-
Net Change in Fund Balances	518,862	30,651	1,622	(31,876)
FUND BALANCES, OCTOBER 1	1,573,715	30,229	57,230	88,430
FUND BALANCES, SEPTEMBER 30	$ 2,092,577	$ 60,880	$ 58,852	$ 56,554

Alternative Dispute Resolution	Law Enforcement Education	County Records Management and Preservation	County Clerk Records Management and Preservation	County Clerk Archival
$ -	$ -	$ -	$ -	$ -
38,395	-	94,607	351,784	332,451
-	18,727	-	-	-
-	-	2,716	6,501	11,433
-	-	-	-	-
38,395	18,727	97,323	358,285	343,884
-	-	160,382	-	-
63,395	-	-	228,969	6,718
-	26,362	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	2,995	-	7,600
63,395	26,362	163,377	228,969	14,318
(25,000)	(7,635)	(66,054)	129,316	329,566
25,000	-	82,889	-	7,334
-	-	-	-	-
25,000	-	82,889	-	7,334
-	(7,635)	16,835	129,316	336,900
-	49,410	303,350	752,492	1,277,286
$ -	$ 41,775	$ 320,185	$ 881,808	$ 1,614,186

(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, 2018

	Courthouse Security	Justice Court Security	District Clerk Records Management and Preservation
REVENUES			
Taxes	$ -	$ -	$ -
Charges for Services	85,021	13,883	16,500
Intergovernmental	-	-	-
Interest	1,424	628	1,536
Other Revenue	-	-	-
TOTAL REVENUES	86,445	14,511	18,036
EXPENDITURES			
General Government	-	-	-
Justice System	-	4,079	1,634
Law Enforcement	410,810	-	-
Juvenile Services	-	-	-
Public Transportation	-	-	-
Human Services	-	-	-
Capital Outlay	-	-	-
TOTAL EXPENDITURES	410,810	4,079	1,634
Excess (Deficiency) of Revenues Over (Under) Expenditures	(324,365)	10,432	16,402
OTHER FINANCING SOURCES (USES)			
Transfers In	312,525	-	-
Transfers Out	(993)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	311,532	-	-
Net Change in Fund Balances	(12,833)	10,432	16,402
FUND BALANCES, OCTOBER 1	49,637	75,719	188,789
FUND BALANCES, SEPTEMBER 30	$ 36,804	$ 86,151	$ 205,191

District Clerk Archival	Justice of the Peace Technology	County & District Court Technology	Special Forfeitures	District Attorney Hot Check Collection	Bail Bond Board Fees
$ -	$ -	$ -	$ -	$ -	$ -
19,958	43,001	7,553	9,109	757	3,500
-	-	-	-	-	-
686	1,297	530	189	24	726
-	-	-	-	-	-
20,644	44,298	8,083	9,298	781	4,226
-	-	-	-	-	-
18,857	29,787	-	-	-	1,543
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
18,857	29,787	-	-	-	1,543
1,787	14,511	8,083	9,298	781	2,683
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,787	14,511	8,083	9,298	781	2,683
88,017	154,264	63,675	18,918	2,924	91,801
$ 89,804	$ 168,775	$ 71,758	$ 28,216	$ 3,705	$ 94,484

(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, 2018

	Voter Registration	Vehicle Inventory Tax Interest	Sheriff Department Crime
REVENUES			
Taxes	$ -	$ 1,803	$ -
Charges for Services	-	-	-
Intergovernmental	12,772	-	-
Interest	83	6,478	1,337
Other Revenue	-	-	8,000
TOTAL REVENUES	12,855	8,281	9,337
EXPENDITURES			
General Government	16,376	4,916	-
Justice System	-	-	-
Law Enforcement	-	-	18,728
Juvenile Services	-	-	-
Public Transportation	-	-	-
Human Services	-	-	-
Capital Outlay	-	-	9,869
TOTAL EXPENDITURES	16,376	4,916	28,597
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,521)	3,365	(19,260)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
Net Change in Fund Balances	(3,521)	3,365	(19,260)
FUND BALANCES, OCTOBER 1	15,020	197,135	204,793
FUND BALANCES, SEPTEMBER 30	$ 11,499	$ 200,500	$ 185,533

District Attorney Crime	Primary Election Service	Grants	Totals
$ -	$ -	$ -	$ 2,917,653
53,620	15,391	20,172	1,160,251
-	64,396	2,076,706	2,202,739
1,126	165	1,082	53,871
-	-	-	13,500
54,746	79,952	2,097,960	6,348,014
-	71,510	-	253,184
41,773	-	451,652	935,407
-	-	157,420	613,320
-	-	1,234,984	1,234,984
-	-	338,726	338,726
-	-	19,091	1,170,942
-	-	-	174,901
41,773	71,510	2,201,873	4,721,464
12,973	8,442	(103,913)	1,626,550
-	13,000	125,167	565,915
-	-	-	(1,110,393)
-	13,000	125,167	(544,478)
12,973	21,442	21,254	1,082,072
126,876	21,361	29,786	5,460,857
$ 139,849	$ 42,803	$ 51,040	$ 6,542,929

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Taxes	$ 2,480,000	$ 2,594,871	$ 2,915,850
Interest	7,000	7,000	13,200
Other Revenue	-	-	5,500
TOTAL REVENUES	2,487,000	2,601,871	2,934,550
EXPENDITURES			
Human Services			
Personnel Services	177,626	179,082	177,999
Supplies and Other Charges	52,200	41,232	37,925
Repairs and Maintenance	1,000	1,000	-
Minor Acquisitions	10,000	26,386	26,386
Contract Services	185,500	186,520	77,120
Professional Services	5,300	12,550	12,550
Community Support	705,000	819,871	819,871
Capital Outlay	169,667	154,523	154,437
TOTAL EXPENDITURES	1,306,293	1,421,164	1,306,288
Excess of Revenues Over Expenditures	1,180,707	1,180,707	1,628,262
OTHER FINANCING USES			
Transfers Out	(1,188,062)	(1,188,062)	(1,109,400)
TOTAL OTHER FINANCING USES	(1,188,062)	(1,188,062)	(1,109,400)
Net Change in Fund Balance	(7,355)	(7,355)	518,862
FUND BALANCE, OCTOBER 1	1,573,715	1,573,715	1,573,715
FUND BALANCE, SEPTEMBER 30	$ 1,566,360	$ 1,566,360	$ 2,092,577

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, 2018

	Original and Final Budget	Actual
REVENUES		
Intergovernmental	$ 30,000	$ 30,138
Interest	50	513
TOTAL REVENUES	30,050	30,651
EXPENDITURES		
Capital Outlay	60,050	-
TOTAL EXPENDITURES	60,050	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,000)	30,651
FUND BALANCE, OCTOBER 1	30,229	30,229
FUND BALANCE, SEPTEMBER 30	$ 229	$ 60,880

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, 2018

	Original and Final Budget	Actual
REVENUES		
Interest	$ 650	$ 1,622
TOTAL REVENUES	650	1,622
EXPENDITURES		
General Government		
Supplies and Other Charges	57,650	-
TOTAL EXPENDITURES	57,650	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(57,000)	1,622
FUND BALANCE, OCTOBER 1	57,230	57,230
FUND BALANCE, SEPTEMBER 30	$ 230	$ 58,852

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, 2018

	Original and Final Budget	Actual
REVENUES		
Charges for Services	$ 51,000	$ 54,549
Interest	300	575
TOTAL REVENUES	51,300	55,124
EXPENDITURES		
Justice System		
Supplies and Other Charges	126,400	87,000
Repairs and Maintenance	600	-
Minor Acquisitions	5,000	-
Contract Services	3,000	-
TOTAL EXPENDITURES	135,000	87,000
Deficiency of Revenues Under Expenditures	(83,700)	(31,876)
FUND BALANCE, OCTOBER 1	88,430	88,430
FUND BALANCE, SEPTEMBER 30	$ 4,730	$ 56,554

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Charges for Services	$ 37,000	$ 38,395	$ 38,395
TOTAL REVENUES	37,000	38,395	38,395
EXPENDITURES			
Justice System			
Community Support	62,000	63,395	63,395
TOTAL EXPENDITURES	62,000	63,395	63,395
Deficiency of Revenues Under Expenditures	(25,000)	(25,000)	(25,000)
OTHER FINANCING SOURCES			
Transfers In	25,000	25,000	25,000
TOTAL OTHER FINANCING SOURCES	25,000	25,000	25,000
Net Change in Fund Balance	-	-	-
FUND BALANCE, OCTOBER 1	-	-	-
FUND BALANCE, SEPTEMBER 30	$ -	$ -	$ -

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Intergovernmental	$ 15,950	$ 18,727	$ 18,727
TOTAL REVENUES	15,950	18,727	18,727
EXPENDITURES			
Law Enforcement			
Supplies and Other Charges	65,950	68,137	26,362
TOTAL EXPENDITURES	65,950	68,137	26,362
Deficiency of Revenues Under Expenditures	(50,000)	(49,410)	(7,635)
FUND BALANCE, OCTOBER 1	49,410	49,410	49,410
FUND BALANCE, SEPTEMBER 30	$ (590)	$ -	$ 41,775

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Charges for Services	$ 116,000	$ 116,000	$ 94,607
Interest	550	550	2,716
TOTAL REVENUES	116,550	116,550	97,323
EXPENDITURES			
General Government			
Personnel Services	171,166	171,166	154,549
Supplies and Other Charges	200	200	176
Repairs and Maintenance	97	2,992	2,907
Minor Acquisitions	329,476	323,356	1,282
Contract Services	1,500	1,730	1,468
Capital Outlay	-	2,995	2,995
TOTAL EXPENDITURES	502,439	502,439	163,377
Deficiency of Revenues Under Expenditures	(385,889)	(385,889)	(66,054)
OTHER FINANCING SOURCES			
Transfers In	82,889	82,889	82,889
TOTAL OTHER FINANCING SOURCES	82,889	82,889	82,889
Net Change in Fund Balance	(303,000)	(303,000)	16,835
FUND BALANCE, OCTOBER 1	303,350	303,350	303,350
FUND BALANCE, SEPTEMBER 30	$ 350	$ 350	$ 320,185

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Charges for Services	$ 300,000	$ 300,000	$ 351,784
Interest	1,100	1,100	6,501
TOTAL REVENUES	301,100	301,100	358,285
EXPENDITURES			
Justice System			
Personnel Services	140,559	140,559	137,370
Supplies and Other Charges	75,541	65,541	6,283
Minor Acquisitions	4,000	4,000	-
Contract Services	81,000	91,000	85,316
TOTAL EXPENDITURES	301,100	301,100	228,969
Excess of Revenues Over Expenditures	-	-	129,316
FUND BALANCE, OCTOBER 1	752,492	752,492	752,492
FUND BALANCE, SEPTEMBER 30	$ 752,492	$ 752,492	$ 881,808

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Charges for Services	$ 300,000	$ 300,000	$ 332,451
Interest	2,500	2,500	11,433
TOTAL REVENUES	302,500	302,500	343,884
EXPENDITURES			
Justice System			
Supplies and Other Charges	250,000	250,000	-
Contract Services	75,000	75,000	6,718
Capital Outlay	440,000	447,334	7,600
TOTAL EXPENDITURES	765,000	772,334	14,318
Excess (Deficiency) of Revenues Over (Under) Expenditures	(462,500)	(469,834)	329,566
OTHER FINANCING SOURCES			
Transfers In	-	7,334	7,334
TOTAL OTHER FINANCING SOURCES	-	7,334	7,334
Net Change in Fund Balance	(462,500)	(462,500)	336,900
FUND BALANCE, OCTOBER 1	1,277,286	1,277,286	1,277,286
FUND BALANCE, SEPTEMBER 30	$ 814,786	$ 814,786	$ 1,614,186

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Charges for Services	$ 83,750	$ 83,750	$ 85,021
Interest	500	500	1,424
TOTAL REVENUES	84,250	84,250	86,445
EXPENDITURES			
Law Enforcement			
Personnel Services	442,259	442,259	397,820
Supplies and Other Charges	4,100	4,723	2,556
Repairs and Maintenance	10,600	10,600	10,434
TOTAL EXPENDITURES	456,959	457,582	410,810
Deficiency of Revenues Under Expenditures	(372,709)	(373,332)	(324,365)
OTHER FINANCING SOURCES (USES)			
Transfers In	310,909	312,525	312,525
Transfers Out	-	(993)	(993)
TOTAL OTHER FINANCING SOURCES	310,909	311,532	311,532
Net Change in Fund Balance	(61,800)	(61,800)	(12,833)
FUND BALANCE, OCTOBER 1	49,637	49,637	49,637
FUND BALANCE, SEPTEMBER 30	$ (12,163)	$ (12,163)	$ 36,804

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Charges for Services	$ 20,500	$ 20,500	$ 13,883
Interest	150	150	628
TOTAL REVENUES	20,650	20,650	14,511
EXPENDITURES			
Justice System			
Repairs and Maintenance	4,650	570	-
Minor Acquisitions	-	4,080	4,079
Contract Services	3,000	3,000	-
Professional Services	30,000	30,000	-
Capital Outlay	60,000	60,000	-
TOTAL EXPENDITURES	97,650	97,650	4,079
Excess (Deficiency) of Revenues Over (Under) Expenditures	(77,000)	(77,000)	10,432
FUND BALANCE, OCTOBER 1	75,719	75,719	75,719
FUND BALANCE, SEPTEMBER 30	$ (1,281)	$ (1,281)	$ 86,151

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, 2018

	Original and Final Budget	Actual
REVENUES		
Charges for Services	$ 15,000	$ 16,500
Interest	400	1,536
TOTAL REVENUES	15,400	18,036
EXPENDITURES		
Justice System		
Supplies and Other Charges	129,100	-
Minor Acquisitions	10,000	843
Contract Services	23,000	791
Professional Services	29,300	-
Capital Outlay	12,000	-
TOTAL EXPENDITURES	203,400	1,634
Excess (Deficiency) of Revenues Over (Under) Expenditures	(188,000)	16,402
FUND BALANCE, OCTOBER 1	188,789	188,789
FUND BALANCE, SEPTEMBER 30	$ 789	$ 205,191

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, 2018

	Original and Final Budget	Actual
REVENUES		
Charges for Services	$ 19,000	$ 19,958
Interest	150	686
TOTAL REVENUES	19,150	20,644
EXPENDITURES		
Justice System		
Personnel Services	26,320	18,857
Professional Services	79,830	-
TOTAL EXPENDITURES	106,150	18,857
Excess (Deficiency) of Revenues Over (Under) Expenditures	(87,000)	1,787
FUND BALANCE, OCTOBER 1	88,017	88,017
FUND BALANCE, SEPTEMBER 30	$ 1,017	$ 89,804

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Charges for Services	$ 45,500	$ 45,500	$ 43,001
Interest	350	350	1,297
TOTAL REVENUES	45,850	45,850	44,298
EXPENDITURES			
Justice System			
Personnel Services	4,124	4,124	3,655
Supplies and Other Charges	72,239	74,739	11,448
Repairs and Maintenance	1,600	1,600	-
Minor Acquisitions	24,880	26,268	14,684
Contract Services	27,007	23,119	-
Capital Outlay	75,000	75,000	-
TOTAL EXPENDITURES	204,850	204,850	29,787
Excess (Deficiency) of Revenues Over (Under) Expenditures	(159,000)	(159,000)	14,511
FUND BALANCE, OCTOBER 1	154,264	154,264	154,264
FUND BALANCE, SEPTEMBER 30	$ (4,736)	$ (4,736)	$ 168,775

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, 2018

	Original and Final Budget	Actual
REVENUES		
Charges for Services	$ 10,000	$ 7,553
Interest	100	530
TOTAL REVENUES	10,100	8,083
EXPENDITURES		
Justice System		
Supplies and Other Charges	5,000	-
Minor Acquisitions	69,100	-
TOTAL EXPENDITURES	74,100	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(64,000)	8,083
FUND BALANCE, OCTOBER 1	63,675	63,675
FUND BALANCE, SEPTEMBER 30	$ (325)	$ 71,758

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, 2018

	Original and Final Budget	Actual
REVENUES		
Charges for Services	$ -	$ 9,109
Interest	-	189
TOTAL REVENUES	-	9,298
EXPENDITURES		
Law Enforcement		
Supplies and Other Charges	3,236	-
Repairs and Maintenance	1,568	-
Minor Acquisitions	8,616	-
Capital Outlay	6,000	-
TOTAL EXPENDITURES	19,420	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,420)	9,298
FUND BALANCE, OCTOBER 1	18,918	18,918
FUND BALANCE, SEPTEMBER 30	$ (502)	$ 28,216

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, 2018

	Original and Final Budget	Actual
REVENUES		
Charges for Services	$ -	$ 757
Interest	250	24
TOTAL REVENUES	250	781
EXPENDITURES		
Justice System		
Supplies and Other Charges	3,050	-
TOTAL EXPENDITURES	3,050	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,800)	781
FUND BALANCE, OCTOBER 1	2,924	2,924
FUND BALANCE, SEPTEMBER 30	$ 124	$ 3,705

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, 2018

	Original and Final Budget	Actual
REVENUES		
Charges for Services	$ 1,000	$ 3,500
Interest	150	726
TOTAL REVENUES	1,150	4,226
EXPENDITURES		
Justice System		
Personnel Services	4,900	1,325
Supplies and Other Charges	87,250	218
TOTAL EXPENDITURES	92,150	1,543
Excess (Deficiency) of Revenues Over (Under) Expenditures	(91,000)	2,683
FUND BALANCE, OCTOBER 1	91,801	91,801
FUND BALANCE, SEPTEMBER 30	$ 801	$ 94,484

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Intergovernmental	$ -	$ -	$ 12,772
Interest	50	50	83
TOTAL REVENUES	50	50	12,855
EXPENDITURES			
General Government			
Supplies and Other Charges	11,150	10,550	10,071
Minor Acquisitions	900	2,900	2,531
Contract Services	5,000	4,000	3,774
Professional Services	900	500	-
TOTAL EXPENDITURES	17,950	17,950	16,376
Deficiency of Revenues Under Expenditures	(17,900)	(17,900)	(3,521)
FUND BALANCE, OCTOBER 1	15,020	15,020	15,020
FUND BALANCE, SEPTEMBER 30	$ (2,880)	$ (2,880)	$ 11,499

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, 2018

	Original and Final Budget	Actual
REVENUES		
Taxes	$ 3,000	$ 1,803
Interest	1,300	6,478
TOTAL REVENUES	4,300	8,281
EXPENDITURES		
General Government		
Personnel Services	13,547	-
Supplies and Other Charges	131,853	4,916
Repairs and Maintenance	1,000	-
Minor Acquisitions	23,000	-
Contract Services	1,500	-
Professional Services	10,000	-
Capital Outlay	20,000	-
TOTAL EXPENDITURES	200,900	4,916
Excess (Deficiency) of Revenues Over (Under) Expenditures	(196,600)	3,365
FUND BALANCE, OCTOBER 1	197,135	197,135
FUND BALANCE, SEPTEMBER 30	$ 535	$ 200,500

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, 2018

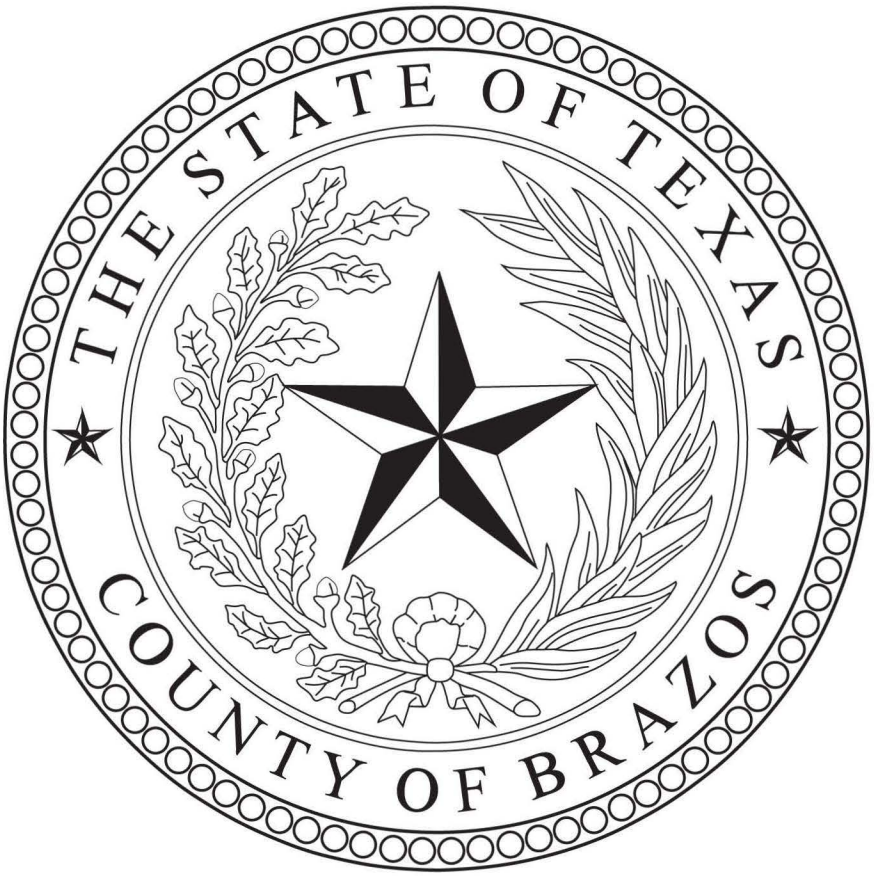
	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Interest	$ 500	$ 500	$ 1,337
Other Revenue	-	8,000	8,000
TOTAL REVENUES	500	8,500	9,337
EXPENDITURES			
Law Enforcement			
Supplies and Other Charges	84,700	92,700	18,728
Repairs and Maintenance	4,000	4,000	-
Minor Acquisitions	85,800	85,800	-
Capital Outlay	30,000	30,000	9,869
TOTAL EXPENDITURES	204,500	212,500	28,597
Deficiency of Revenues Under Expenditures	(204,000)	(204,000)	(19,260)
FUND BALANCE, OCTOBER 1	204,793	204,793	204,793
FUND BALANCE, SEPTEMBER 30	$ 793	$ 793	$ 185,533

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Charges for Services	$ -	$ -	$ 53,620
Interest	100	100	1,126
TOTAL REVENUES	100	100	54,746
EXPENDITURES			
Justice System			
Personnel Services	17,320	17,320	16,930
Supplies and Other Charges	105,280	104,388	24,157
Minor Acquisitions	5,500	5,500	-
Contract Services	-	892	686
TOTAL EXPENDITURES	128,100	128,100	41,773
Excess (Deficiency) of Revenues Over (Under) Expenditures	(128,000)	(128,000)	12,973
FUND BALANCE, OCTOBER 1	126,876	126,876	126,876
FUND BALANCE, SEPTEMBER 30	$ (1,124)	$ (1,124)	$ 139,849

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Charges for Services	$ 57,500	$ 57,500	$ 15,391
Intergovernmental	-	-	64,396
Interest	-	-	165
TOTAL REVENUES	57,500	57,500	79,952
EXPENDITURES			
General Government			
Supplies and Other Charges	21,400	21,400	1,470
Repairs and Maintenance	1,000	1,000	-
Minor Acquisitions	1,000	1,000	-
Contract Services	57,100	70,100	70,040
TOTAL EXPENDITURES	80,500	93,500	71,510
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,000)	(36,000)	8,442
OTHER FINANCING SOURCES			
Transfers In	-	13,000	13,000
TOTAL OTHER FINANCING SOURCES	-	13,000	13,000
Net Change in Fund Balance	(23,000)	(23,000)	21,442
FUND BALANCE, OCTOBER 1	21,361	21,361	21,361
FUND BALANCE, SEPTEMBER 30	$ (1,639)	$ (1,639)	$ 42,803


THE STATE OF TEXAS
COUNTY OF BRAZOS

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
GRANTS
For the Year Ended September 30, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Intergovernmental - Federal			
Department of Justice	$ 161,174	$ 173,165	$ 199,802
Department of Homeland Security	20,000	20,000	19,091
Department of Transportation	354,202	354,202	338,726
Total Intergovernmental - Federal	535,376	547,367	557,619
Intergovernmental - State			
Texas Juvenile Justice Department	1,262,464	1,304,370	1,205,880
Texas Office of the Governor	147,233	147,233	257,751
Texas Office of the Attorney General	28,547	147,627	28,547
Total Intergovernmental - State	1,438,244	1,599,230	1,492,178
Intergovernmental - Other			
National Rifle Association	-	12,265	11,786
Texas Education Agency	-	21,000	15,123
Post Oak Resource Conservation & Development	-	2,000	-
Charges for Services	-	-	20,172
Interest	-	-	1,082
Total Intergovernmental - Other	-	35,265	48,163
TOTAL REVENUES	1,973,620	2,181,862	2,097,960
EXPENDITURES			
General Government			
Supplies and Other Charges	29,785	29,785	-
	29,785	29,785	-
Justice System			
Personnel Services	421,554	421,554	419,349
Minor Acquisitions	-	11,904	11,904
Contract Services	14,000	14,000	14,639
Professional Services	11,500	11,500	5,760
	447,054	458,958	451,652
Law Enforcement			
Supplies and Other Charges	7,174	11,826	4,652
Minor Acquisitions	-	126,780	124,221
Contract Services	28,547	28,547	28,547
	$ 35,721	$ 167,153	$ 157,420

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
GRANTS
For the Year Ended September 30, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
EXPENDITURES (Continued)			
Juvenile Services			
Personnel Services	$ 1,124,618	$ 1,123,444	$ 1,004,307
Supplies and Other Charges	-	25,268	19,390
Contract Services	187,160	225,972	211,287
	1,311,778	1,374,684	1,234,984
Public Transportation			
Personnel Services	263,561	263,561	261,535
Supplies and Other Charges	28,387	23,987	15,547
Repairs and Maintenance	1,800	2,075	1,368
Minor Acquisitions	2,700	2,425	730
Contract Services	57,754	64,154	59,546
	354,202	356,202	338,726
Human Services			
Contract Services	20,000	20,000	19,091
	20,000	20,000	19,091
TOTAL EXPENDITURES	2,198,540	2,406,782	2,201,873
Deficiency of Revenues Under Expenditures	(224,920)	(224,920)	(103,913)
OTHER FINANCING SOURCES			
Transfers In	195,135	195,135	125,167
TOTAL OTHER FINANCING SOURCES	195,135	195,135	125,167
Net Change in Fund Balance	(29,785)	(29,785)	21,254
FUND BALANCE, OCTOBER 1	29,786	29,786	29,786
FUND BALANCE, SEPTEMBER 30	$ 1	$ 1	$ 51,040

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Taxes	$ 9,016,000	$ 9,016,000	$ 9,565,307
Interest	23,000	23,000	186,198
TOTAL REVENUES	9,039,000	9,039,000	9,751,505
EXPENDITURES			
Debt Service			
Principal	10,040,872	10,040,872	7,155,000
Interest	6,481,190	6,481,190	3,081,182
Bond Issuance Cost	-	349,061	341,841
Agent Fees	5,000	5,000	1,830
TOTAL EXPENDITURES	16,527,062	16,876,123	10,579,853
Deficiency of Revenues Under Expenditures	(7,488,062)	(7,837,123)	(828,348)
OTHER FINANCING SOURCES (USES)			
Transfers In	1,188,062	1,188,062	1,109,400
Premium on Debt Issuance	-	6,896,882	6,896,881
Debt Issuance - Refunding Bonds	-	39,895,000	39,895,000
Payment to Refunded Bond Escrow Agent	-	(46,442,821)	(46,442,820)
TOTAL OTHER FINANCING SOURCES	1,188,062	1,537,123	1,458,461
Net Change in Fund Balance	(6,300,000)	(6,300,000)	630,113
FUND BALANCE, OCTOBER 1	6,234,940	6,234,940	6,234,940
FUND BALANCE, SEPTEMBER 30	$ (65,060)	$ (65,060)	$ 6,865,053

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:

MAJOR 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, juvenile, public transportation, and human services functions. Resources for the fund have been provided by transfers from the General Fund.

Juvenile Expansion Fund – This fund was established to account for the Juvenile Services building expansion. The expenditures are financed through the issuance of $11,650,000 of Certificates of Obligation, Series 2017, and a $8,300,000 transfer from the Capital Improvement Fund.

NONMAJOR GOVERNMENTAL FUND

Certificates of Obligation 2015 Fund – This fund was established to account for the additional phases of the County courthouse renovation project and the Exposition Center expansion. The expenditures are financed through the issuance of $9,100,000 of Certificates of Obligation, Series 2015.

BRAZOS COUNTY, TEXAS
BALANCE SHEET
CAPITAL PROJECT FUNDS
September 30, 2018

	Nonmajor Fund	
		Certificates of Obligation 2015
ASSETS		
Cash and Cash Equivalents	$	322,457
Receivables		
Interest		411
TOTAL ASSETS	$	322,868
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts Payable	$	322,868
Total Liabilities		322,868
Fund Balance		
Restricted		-
Total Fund Balance		-
TOTAL LIABILITIES AND FUND BALANCE	$	322,868

BRAZOS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
CAPITAL PROJECT FUNDS
For The Year Ended September 30, 2018

	Nonmajor Fund
	Certificates of Obligation 2015
REVENUES	
Interest	$ 5,915
TOTAL REVENUES	5,915
EXPENDITURES	
Capital Outlay	1,115,587
TOTAL EXPENDITURES	1,115,587
Deficiency of Revenues Under Expenditures	(1,109,672)
OTHER FINANCING SOURCES (USES)	
Transfers In	443,484
Transfers Out	(123,984)
TOTAL OTHER FINANCING SOURCES	319,500
Net Change in Fund Balance	(790,172)
FUND BALANCE, OCTOBER 1	790,172
FUND BALANCE, SEPTEMBER 30	$ -

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, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES	$ -	$ -	$ -
TOTAL REVENUES	-	-	-
EXPENDITURES			
Capital Outlay	20,413,561	19,548,730	3,567,327
TOTAL EXPENDITURES	20,413,561	19,548,730	3,567,327
Deficiency of Revenues Under Expenditures	(20,413,561)	(19,548,730)	(3,567,327)
OTHER FINANCING SOURCES (USES)			
Transfers In	13,078,561	13,379,163	13,379,163
Transfers Out	(8,300,000)	(9,480,358)	(9,480,358)
Sale of Capital Assets	-	14,925	15,925
TOTAL OTHER FINANCING SOURCES	4,778,561	3,913,730	3,914,730
Net Change in Fund Balance	(15,635,000)	(15,635,000)	347,403
FUND BALANCE, OCTOBER 1	16,935,055	16,935,055	16,935,055
FUND BALANCE, SEPTEMBER 30	$ 1,300,055	$ 1,300,055	$ 17,282,458

BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
JUVENILE EXPANSION
For The Year Ended September 30, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Interest	$ -	$ -	$ 144,737
TOTAL REVENUES	-	-	144,737
EXPENDITURES			
Capital Outlay	20,300,000	20,300,000	1,686,268
Debt Service			
Bond Issuance Costs	-	143,019	134,358
TOTAL EXPENDITURES	20,300,000	20,443,019	1,820,626
Deficiency of Revenues Under Expenditures	(20,300,000)	(20,443,019)	(1,675,889)
OTHER FINANCING SOURCES			
Premium on Debt Issuance	-	493,019	493,018
Debt Issuance	12,000,000	11,650,000	11,650,000
Transfers In	8,300,000	8,300,000	8,300,000
TOTAL OTHER FINANCING SOURCES	20,300,000	20,443,019	20,443,018
Net Change in Fund Balance	-	-	18,767,129
FUND BALANCE, OCTOBER 1	-	-	-
FUND BALANCE, SEPTEMBER 30	$ -	$ -	$ 18,767,129

BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
CERTIFICATES OF OBLIGATION 2015
For The Year Ended September 30, 2018

	Budgeted Amounts		
	Original	**Final**	**Actual**
REVENUES			
Interest	$ 5,000	$ 5,000	$ 5,915
TOTAL REVENUES	5,000	5,000	5,915
EXPENDITURES			
Discretionary Funding	-	361,860	-
Capital Outlay	1,213,853	1,171,493	1,115,587
TOTAL EXPENDITURES	1,213,853	1,533,353	1,115,587
Deficiency of Revenues Under Expenditures	(1,208,853)	(1,528,353)	(1,109,672)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	443,484	443,484
Transfers Out	-	(123,984)	(123,984)
TOTAL OTHER FINANCING SOURCES	-	319,500	319,500
Net Change in Fund Balance	(1,208,853)	(1,208,853)	(790,172)
FUND BALANCE, OCTOBER 1	790,172	790,172	790,172
FUND BALANCE, SEPTEMBER 30	$ (418,681)	$ (418,681)	$ -

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, 2018

ASSETS		
Current Assets		
Cash and Cash Equivalents	$	6,519,710
Prepaid Expenditures		44,739
Accounts Receivable		742,245
Total Current Assets		7,306,694
TOTAL ASSETS		7,306,694
DEFERRED OUTFLOWS OF RESOURCES		
Change in Pension Allocated Share		54
Differences Between Expected and Actual Pension Experience		1,796
Pension Contributions After the Measurement Date		11,930
Change in OPEB Allocated Share		48
OPEB Contributions After the Measurement Date		6,876
TOTAL DEFERRED OUTFLOWS OF RESOURCES		20,704
LIABILITIES		
Current Liabilities		
Accounts Payable		1,761,864
Accrued Salaries and Wages		6,427
Compensated Absences		5,583
Unearned Revenue		12,828
Total Current Liabilities		1,786,702
Noncurrent Liabilities		
Due in more than one year		282,477
Total Noncurrent Liabilities		282,477
TOTAL LIABILITIES		2,069,179
DEFERRED INFLOWS OF RESOURCES		
Difference Between Projected and Actual Earnings on Pension Plan		35,746
Change in Pension Assumptions or Inputs		129
Difference Between Projected and Actual Earnings on OPEB Plan		183
TOTAL DEFERRED INFLOWS OF RESOURCES		36,058
NET POSITION		
Unrestricted		5,222,161
TOTAL NET POSITION	$	5,222,161

BRAZOS COUNTY, TEXAS
INTERNAL SERVICE FUND
HEALTH AND LIFE INSURANCE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
For The Year Ended September 30, 2018

OPERATING REVENUES		
Employee Dependents	$	2,560,940
Self Pays		22,255
Excess Risk Benefits		3,317,237
Participant Payments		81,559
Brazos County		11,674,540
Retirees		498,225
Other Revenue		153,552
TOTAL OPERATING REVENUES		18,308,308
OPERATING EXPENSES		
Personnel Services		293,061
Supplies and Other Charges		59,457
Repairs and Maintenance		58
Minor Acquisitions		14,200
Life Insurance		37,352
Stop Loss Premiums		4,233,778
Benefit Claims		13,440,163
Administrative Fees		555,815
Contract Services		424
Professional Services		71,947
TOTAL OPERATING EXPENSES		18,706,255
OPERATING LOSS		(397,947)
NONOPERATING REVENUES		
Interest		47,771
TOTAL NONOPERATING REVENUES		47,771
LOSS BEFORE TRANSFERS		(350,176)
Transfers In		1,029,944
Transfers Out		(72,625)
CHANGE IN NET POSITION		607,143
TOTAL NET POSITION - BEGINNING, AS RESTATED		4,615,018
TOTAL NET POSITION - ENDING	$	5,222,161

BRAZOS COUNTY, TEXAS
INTERNAL SERVICE FUND
HEALTH AND LIFE INSURANCE
STATEMENT OF CASH FLOWS
For The Year Ended September 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 3,161,184
Receipts from interfund services provided	11,674,540
Payments to contractors	(4,767,354)
Claims paid	(9,316,583)
Payments to employees for services	(277,502)
NET CASH PROVIDED BY OPERATING ACTIVITIES	474,285
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from General Fund and Capital Improvement Fund	1,029,944
Transfers to General Fund	(72,625)
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	957,319
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	44,535
NET CASH PROVIDED BY INVESTING ACTIVITIES	44,535
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,476,139
CASH AND CASH EQUIVALENTS, OCTOBER 1	5,043,571
CASH AND CASH EQUIVALENTS, SEPTEMBER 30	$ 6,519,710

Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	$ (397,947)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Change in accounts receivable	642,724
Change in prepaid expenditure	(44,423)
Change in pension/OPEB related deferred outflows of resources	1,120
Change in accounts payable	256,942
Change in accrued salaries and compensated absences	156
Change in unearned revenue	1,433
Change in noncurrent liabilities	(21,606)
Change in pension/OPEB related deferred inflows of resources	35,886
Total adjustments	872,232
Net cash provided by operating activities	$ 474,285

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, 2018

	Narcotics Seizure	District Clerk Trust	County Clerk Trust	Bail Bond Board Trust	Total
ASSETS					
Cash and Cash Equivalents	$ 225,696	$ 1,929,523	$ 1,113,214	$ 1,477,700	$ 4,746,133
Investments	-	-	-	1,364,560	1,364,560
Receivables	-	-	-	-	-
TOTAL ASSETS	$ 225,696	$ 1,929,523	$ 1,113,214	$ 2,842,260	$ 6,110,693
LIABILITIES					
Funds Held for Others	$ 225,696	$ 1,929,523	$ 1,113,214	$ 2,842,260	$ 6,110,693
TOTAL LIABILITIES	$ 225,696	$ 1,929,523	$ 1,113,214	$ 2,842,260	$ 6,110,693

BRAZOS COUNTY, TEXAS
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For The Year Ended September 30, 2018

	Balance October 1, 2017	Additions	Deductions	Balance September 30, 2018
NARCOTICS SEIZURE				
Assets				
Cash and Cash Equivalents	$ 291,547	$ 179,933	$ 245,784	$ 225,696
Total Assets	291,547	179,933	245,784	225,696
Liabilities				
Funds Held for Others	291,547	80,525	146,376	225,696
Total Liabilities	291,547	80,525	146,376	225,696
DISTRICT CLERK TRUST				
Assets				
Cash and Cash Equivalents	1,920,865	662,789	654,131	1,929,523
Total Assets	1,920,865	662,789	654,131	1,929,523
Liabilities				
Funds Held for Others	1,920,865	662,648	653,990	1,929,523
Total Liabilities	1,920,865	662,648	653,990	1,929,523
COUNTY CLERK TRUST				
Assets				
Cash and Cash Equivalents	1,413,283	4,329,417	4,629,486	1,113,214
Receivables	2,862	-	2,862	-
Total Assets	1,416,145	4,329,417	4,632,348	1,113,214
Liabilities				
Funds Held for Others	1,416,145	2,133,241	2,436,172	1,113,214
Total Liabilities	1,416,145	2,133,241	2,436,172	1,113,214
BAIL BOND BOARD TRUST				
Assets				
Cash and Cash Equivalents	1,477,700	50,000	50,000	1,477,700
Investments	1,184,740	179,820	-	1,364,560
Total Assets	2,662,440	229,820	50,000	2,842,260
Liabilities				
Funds Held for Others	2,662,440	229,820	50,000	2,842,260
Total Liabilities	$ 2,662,440	$ 229,820	$ 50,000	$ 2,842,260
COMBINED AGENCY FUNDS				
Assets				
Cash and Cash Equivalents	$ 5,103,395	$ 5,222,139	$ 5,579,401	$ 4,746,133
Investments	1,184,740	179,820	-	1,364,560
Receivables	2,862	-	2,862	-
Total Assets	6,290,997	5,401,959	5,582,263	6,110,693
Liabilities				
Funds Held for Others	6,290,997	3,106,234	3,286,538	6,110,693
Total Liabilities	$ 6,290,997	$ 3,106,234	$ 3,286,538	$ 6,110,693

STATISTICAL SECTION

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

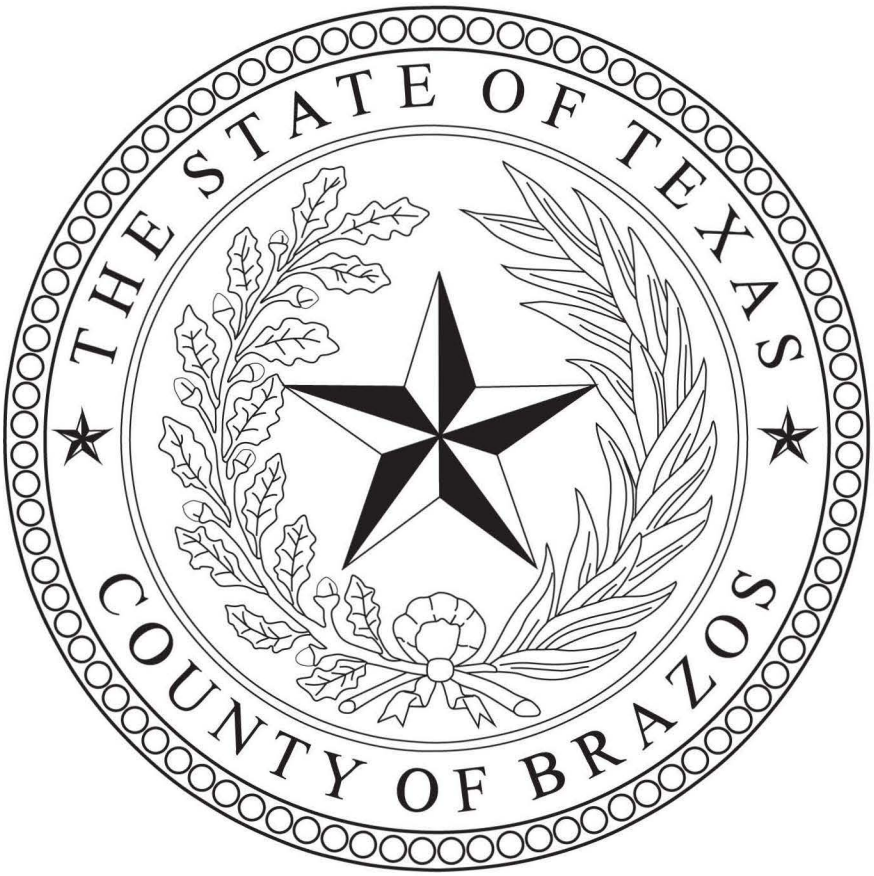

THE STATE OF TEXAS
COUNTY OF BRAZOS

Table I

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net Investment in Capital Assets	$ 56,939,291	$ 92,821,982	$ 103,660,227	$ 116,826,933	$ 130,240,967	$ 135,556,068	$ 148,523,220	$ 165,688,494	$ 177,668,707	$ 195,488,585
Restricted	7,322,778	18,214,659	13,561,350	11,759,611	19,544,730	15,302,060	11,485,488	18,520,831	27,162,985	42,355,459
Unrestricted	60,436,700	15,378,001	8,277,036	9,322,387	1,604,629	10,438,783	3,716,212	529,860	2,602,233	(12,182,340)
Total governmental activities net position	$ 124,698,769	$ 126,414,642	$ 125,498,613	$ 137,908,931	$ 151,390,326	$ 161,296,911	$ 163,724,920	$ 184,739,185	$ 207,433,925	$ 225,661,704
Business-type activities										
Net Investment in Capital Assets	$ 26,502	$ 44,919	$ 65,749	$ 53,093	$ 41,774	$ 39,176	$ 27,547	$ 17,535	$ 10,417	$ 7,444
Unrestricted	375,579	341,601	327,551	346,496	476,430	481,236	517,221	631,977	834,634	802,253
Total business-type activities net position	$ 402,081	$ 386,520	$ 393,300	$ 399,589	$ 518,204	$ 520,412	$ 544,768	$ 649,512	$ 845,051	$ 809,697
Primary government										
Net Investment in Capital Assets	$ 56,965,793	$ 92,866,901	$ 103,725,976	$ 116,880,026	$ 130,282,741	$ 135,595,244	$ 148,550,767	$ 165,706,029	$ 177,679,124	$ 195,496,029
Restricted	7,322,778	18,214,659	13,561,350	11,759,611	19,544,730	15,302,060	11,485,488	18,520,831	27,162,985	42,355,459
Unrestricted	60,812,279	15,719,602	8,604,587	9,668,883	2,081,059	10,920,019	4,233,433	1,161,837	3,436,867	(11,380,087)
Total primary government net position	$ 125,100,850	$ 126,801,162	$ 125,891,913	$ 138,308,520	$ 151,908,530	$ 161,817,323	$ 164,269,688	$ 185,388,697	$ 208,278,976	$ 226,471,401

Note 1: The County implemented GASB Statement 68 and 71 in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of these standards.
Note 2: The County implemented GASB Statement 75 in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this standard.

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
General Government	$ 16,266,899	$ 15,959,538	$ 18,757,895	$ 18,247,125	$ 21,362,907	$ 22,017,696	$ 23,815,316	$ 25,910,488	$ 31,100,282	$ 31,382,269
Justice System	15,654,079	16,190,532	17,270,039	17,146,680	18,083,021	21,308,471	18,957,600	21,043,405	21,535,081	22,416,788
Law Enforcement	20,208,475	20,922,115	21,980,672	21,030,239	21,880,880	22,530,372	23,565,577	24,660,534	25,749,013	26,720,546
Juvenile Services	5,933,794	6,053,405	5,970,962	5,795,413	5,978,536	6,022,762	6,776,468	7,085,119	7,514,809	7,728,384
Public Transportation	6,226,814	7,110,355	7,863,178	7,955,778	6,457,965	8,831,911	9,063,760	10,296,317	9,639,763	9,056,792
Public Health	2,206,618	2,460,827	2,596,961	2,124,420	1,798,582	1,756,849	1,501,080	30,955,550	17,085,298	30,341,381
Human Services	5,176,330	4,992,850	5,770,963	5,858,924	5,523,897	5,993,599	6,018,603	6,387,498	6,751,237	7,401,506
Interest and Other Fees	4,108,413	4,601,773	4,165,066	3,980,198	4,318,458	3,501,978	3,564,033	3,583,015	3,299,310	3,175,056
Total governmental activities expenses	75,781,422	78,291,395	84,375,736	82,138,777	85,404,246	91,963,638	93,262,437	129,921,926	122,674,793	138,222,722
Business-type activities:										
County Attorney	33,681	39,959	39,799	36,515	19,401	18,378	8,391	5,216	4,796	3,827
Jail Commissary	435,003	436,447	479,243	480,762	558,746	624,465	622,769	767,630	878,921	862,596
Total business-type activities expenses	468,684	476,406	519,042	517,277	578,147	642,843	631,160	772,846	883,717	866,423
Total primary government expenses	$ 76,250,106	$ 78,767,801	$ 84,894,778	$ 82,656,054	$ 85,982,393	$ 92,606,481	$ 93,893,597	$ 130,694,772	$ 123,558,510	$ 139,089,145
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	$ 2,809,396	$ 2,880,925	$ 2,900,343	$ 3,864,014	$ 4,634,471	$ 4,372,292	$ 4,625,773	$ 5,063,446	$ 6,332,205	$ 6,323,078
Justice System	6,683,452	6,880,940	5,903,931	6,417,437	7,024,080	6,878,641	6,861,890	6,905,882	6,406,160	6,491,017
Law Enforcement	800,126	804,839	879,719	946,508	976,397	1,012,604	1,055,354	936,249	945,191	1,391,040
Juvenile Services	81,834	89,261	43,110	83,648	66,167	48,659	50,739	75,180	72,876	151,935
Public Transportation	1,185,490	1,179,615	1,247,410	1,301,302	1,373,881	1,892,026	1,507,870	1,650,541	1,541,481	1,691,230
Public Health	28,807	30,748	37,608	34,711	39,853	37,300	36,554	38,291	32,629	35,590
Human Services	706,595	786,699	979,624	1,078,279	1,250,832	1,405,713	1,371,538	1,220,405	1,203,763	1,500,725
Operating grants and contributions:										
General Government	-	110,940	2,145,051	33,576	23,269	2,713	6,080	40,670	33,514	77,168
Justice System	662,369	649,216	631,839	584,036	589,818	546,226	548,180	913,365	897,496	917,211
Law Enforcement	299,401	261,014	90,710	122,515	132,673	100,897	118,864	127,472	70,552	272,935
Juvenile Services	1,075,481	998,850	1,256,263	1,211,533	1,241,821	1,366,626	1,345,059	1,288,901	1,583,410	1,525,457
Public Transportation	351,190	342,202	306,537	293,621	376,007	252,180	340,822	265,606	542,273	338,726
Public Health	161,037	81,026	82,188	82,226	74,248	62,926	67,357	52,454	62,087	72,171
Human Services	410,164	407,909	367,511	291,671	297,275	437,269	384,422	305,062	373,572	520,103
Capital grants and contributions:										
Law Enforcement	16,346	190,645	72,015	138,441	-	10,084	-	-	-	-
Juvenile Services	-	-	-	5,164	-	-	-	-	-	-
Public Transportation	147,273	10,015	-	7,188,416	7,124,595	3,372,154	2,516,041	9,357,573	3,011,592	7,833,843
Public Health	-	2,100	-	-	-	-	-	-	-	-
Human Services	130,908	153,302	323,396	68,012	-	-	-	361,000	-	-
Total governmental activities program revenue	$ 15,549,869	$ 15,860,246	$ 17,267,255	$ 23,745,110	$ 25,225,387	$ 21,798,310	$ 20,836,543	$ 28,602,097	$ 23,108,801	$ 29,142,229

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Business-type activities:										
Charges for services:										
County Attorney	$ 36,911	$ 37,909	$ 30,052	$ 22,565	$ 21,750	$ 14,824	$ 11,217	$ 8,649	$ 8,484	$ 10,055
Jail Commissary	430,870	421,748	494,837	500,061	673,784	729,172	720,953	867,491	1,068,218	1,076,756
Total business-type activities program revenue	467,781	459,657	524,889	522,626	695,534	743,996	732,170	876,140	1,076,702	1,086,811
Total primary government program revenues	$ 16,017,650	$ 16,319,903	$ 17,792,144	$ 24,267,736	$ 25,920,921	$ 22,542,306	$ 21,568,713	$ 29,478,237	$ 24,185,503	$ 30,229,040
Net (Expense)/Revenue										
Governmental activities	$ (60,231,553)	$ (62,431,149)	$ (67,108,481)	$ (58,393,667)	$ (60,178,859)	$ (70,165,328)	$ (72,425,894)	$ (101,319,829)	$ (99,565,992)	$ (109,080,493)
Business-type activities	(903)	(16,749)	5,847	5,349	117,387	101,153	101,010	103,294	192,985	220,388
Total primary government net expense	$ (60,232,456)	$ (62,447,898)	$ (67,102,634)	$ (58,388,318)	$ (60,061,472)	$ (70,064,175)	$ (72,324,884)	$ (101,216,535)	$ (99,373,007)	$ (108,860,105)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	$ 47,182,845	$ 49,915,485	$ 51,538,444	$ 55,591,539	$ 57,572,056	$ 60,333,777	$ 65,242,899	$ 68,183,460	$ 74,085,095	$ 81,748,351
Local Health Care Provider Assessments	-	-	-	-	-	-	-	33,156,574	26,168,492	32,586,142
Sales taxes	11,225,816	11,175,994	11,559,363	12,039,620	13,230,652	14,900,374	15,351,017	15,615,643	16,375,071	17,936,733
Motor vehicle taxes	1,259,992	1,098,278	1,188,768	1,290,727	1,409,741	1,519,577	1,644,229	1,660,890	1,660,706	1,652,081
Mixed drink taxes	528,915	505,783	524,240	460,710	534,150	532,822	966,894	812,216	809,516	907,029
Hotel occupancy taxes	1,075,806	1,064,670	1,130,582	1,172,567	1,527,027	2,441,385	2,612,474	2,505,617	2,681,077	2,915,850
Unrestricted investment earnings	593,961	386,812	251,055	248,822	414,701	209,089	204,186	243,769	347,258	1,162,968
Gain (loss) on disposal of assets	54,503	-	-	-	-	34,889	-	155,925	133,517	76,388
Transfers:	-	-	-	-	-	100,000	-	-	-	236,000
Total governmental activities	61,921,838	64,147,022	66,192,452	70,803,985	74,688,327	80,071,913	86,021,699	122,334,094	122,260,732	139,221,542
Business-type activities:										
Unrestricted investment earnings	1,827	1,188	933	940	1,228	1,055	1,120	1,450	2,554	6,022
Gain on disposal of assets	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	(100,000)	-	-	-	(236,000)
Total business-type activities	1,827	1,188	933	940	1,228	(98,945)	1,120	1,450	2,554	(229,978)
Total primary government	$ 61,923,665	$ 64,148,210	$ 66,193,385	$ 70,804,925	$ 74,689,555	$ 79,972,968	$ 86,022,819	$ 122,335,544	$ 122,263,286	$ 138,991,564
Change in Net Position										
Governmental activities	$ 1,690,285	$ 1,715,873	$ (916,029)	$ 12,410,318	$ 14,509,468	$ 9,906,585	$ 13,595,805	$ 21,014,265	$ 22,694,740	$ 30,141,049
Business-type activities	924	(15,561)	6,780	6,289	118,615	2,208	102,130	104,744	195,539	(9,590)
Total primary government	$ 1,691,209	$ 1,700,312	$ (909,249)	$ 12,416,607	$ 14,628,083	$ 9,908,793	$ 13,697,935	$ 21,119,009	$ 22,890,279	$ 30,131,459

Note 1: The County implemented GASB Statement 68 and 71 in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of these standards.
Note 2: The County implemented GASB Statement 75 in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this standard.

Table III

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Nonspendable	$ 1,202,076	$ 927,025	$ 1,061,363	$ 1,348,027	$ 1,299,861	$ 1,413,753	$ 1,432,240	$ 1,544,658	$ 1,431,335	$ 2,051,550
Restricted	931,374	566,820	422,407	333,381	481,273	378,273	360,140	404,289	455,784	480,199
Committed	2,767,788	2,695,145	208,122	261,295	336,738	400,586	469,028	522,705	586,470	663,526
Assigned	1,814,061	1,070,279	1,169,208	1,131,333	1,067,142	1,023,141	1,023,141	1,023,141	1,023,141	1,023,141
Unassigned	24,835,897	22,265,677	20,299,844	26,456,580	31,664,348	40,130,516	39,747,932	41,766,524	43,410,257	44,008,132
Total General Fund	$ 31,551,196	$ 27,524,946	$ 23,160,944	$ 29,530,616	$ 34,849,362	$ 43,346,269	$ 43,032,481	$ 45,261,317	$ 46,906,987	$ 48,226,548
All Other Governmental Funds										
Nonspendable	$ -	$ 5,299	$ 30,443	$ 24,630	$ 7,340	$ 9,764	$ 14,508	$ 6,870	$ 21,354	$ 26,200
Restricted	33,097,814	16,478,759	12,047,137	10,053,573	19,063,457	14,923,787	11,125,348	21,771,899	26,685,847	41,875,260
Assigned	5,684,215	7,002,711	8,811,083	6,814,553	5,564,864	6,344,841	13,703,250	12,262,289	16,935,055	25,582,458
Unassigned	-	-	-	(18,740)	-	-	-	-	-	-
Total All Other Governmental Funds	$ 38,782,029	$ 23,486,769	$ 20,888,663	$ 16,874,016	$ 24,635,661	$ 21,278,392	$ 24,843,106	$ 34,041,058	$ 43,642,256	$ 67,483,918

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

	2009	2010	2011	2012	2013
Revenues					
Taxes	$ 60,031,219	$ 62,547,299	$ 64,771,195	$ 69,130,347	$ 72,356,721
Charges for Services	11,171,081	11,427,158	11,245,990	11,858,804	12,392,689
Intergovernmental	3,090,888	3,060,220	5,275,509	2,813,922	2,735,115
Interest	593,961	377,477	242,214	240,668	402,889
Other Revenue	629,787	505,872	491,785	534,401	743,250
Total Revenue	75,516,936	77,918,026	82,026,693	84,578,142	88,630,664
Expenditures					
Current					
General Government	12,727,888	12,374,024	14,476,472	13,225,501	15,493,215
Justice System	13,715,644	14,322,604	15,550,105	15,653,508	16,529,689
Law Enforcement	16,365,787	17,004,568	17,005,275	16,822,613	17,672,957
Juvenile Services	4,853,347	5,023,328	5,014,270	4,995,530	5,151,366
Public Transportation	6,672,577	7,127,922	7,268,102	7,579,399	7,903,452
Public Health	2,187,971	2,442,180	2,582,618	2,110,077	1,784,239
Human Services	3,961,591	3,919,455	4,483,716	4,269,698	4,020,385
Capital Outlay	33,724,110	38,225,031	13,491,806	8,003,022	7,659,526
Debt Service					
Principal Retirement	3,540,000	4,710,000	5,035,000	5,675,000	6,438,183
Interest and Other Fees	4,099,774	4,679,134	4,168,000	3,984,699	4,415,107
Total Expenditures	101,848,689	109,828,246	89,075,364	82,319,047	87,068,119
Excess (Deficiency) of Revenues Over (Under) Expenditures	(26,331,753)	(31,910,220)	(7,048,671)	2,259,095	1,562,545
Other Financing Sources (Uses)					
Transfers In	6,165,033	8,817,971	8,929,636	2,634,022	3,333,880
Transfers Out	(6,165,033)	(9,017,971)	(8,929,636)	(2,634,022)	(3,333,880)
Premium on Debt Issuance	-	453,572	-	-	2,214,527
Debt Issuance - Refunding Bonds	-	7,365,000	-	-	24,340,000
Sale of Capital Assets	279,384	270,138	86,563	95,930	104,757
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)	279,384	12,588,710	86,563	95,930	11,517,846
Net Change in Fund Balances	$ (26,052,369)	$ (19,321,510)	$ (6,962,108)	$ 2,355,025	$ 13,080,391
Debt service as a percentage of noncapital expenditures	11.21%	13.14%	12.17%	13.00%	13.67%

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

	2014	2015	2016	2017	2018
Revenues					
Taxes	$ 77,810,567	$ 84,089,178	$ 121,184,515	$ 120,033,611	$ 135,871,778
Charges for Services	12,533,506	12,643,739	12,955,942	12,547,042	13,252,955
Intergovernmental	3,068,059	4,292,557	3,651,076	3,929,985	3,753,909
Interest	199,121	204,186	243,768	335,455	1,162,968
Other Revenue	1,231,518	949,034	1,191,392	1,063,129	928,402
Total Revenue	94,842,771	102,178,694	139,226,693	137,909,222	154,970,012
Expenditures					
Current					
General Government	15,600,712	17,323,019	23,060,957	23,158,034	22,567,837
Justice System	17,189,395	17,655,201	19,094,481	18,959,585	20,978,881
Law Enforcement	18,363,182	19,559,520	20,368,720	21,375,987	23,529,055
Juvenile Services	5,243,254	5,978,401	6,250,884	6,627,267	7,244,328
Public Transportation	8,649,898	9,825,736	10,786,197	10,084,667	9,745,658
Public Health	1,748,952	1,493,183	30,948,673	17,078,556	30,334,639
Human Services	4,639,453	4,729,399	5,014,680	5,416,677	5,945,021
Capital Outlay	9,217,395	13,367,750	10,509,004	14,124,621	10,294,276
Debt Service					
Principal Retirement	5,464,244	5,938,365	6,379,974	6,658,957	7,452,027
Interest and Other Fees	3,873,250	3,680,854	3,695,506	3,437,849	3,566,824
Total Expenditures	89,989,735	99,551,428	136,109,076	126,922,200	141,658,546
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,853,036	2,627,266	3,117,617	10,987,022	13,311,466
Other Financing Sources (Uses)					
Transfers In	4,285,885	15,634,687	8,595,961	15,927,327	24,729,412
Transfers Out	(4,185,885)	(15,634,687)	(9,595,961)	(15,944,522)	(25,450,731)
Premium on Debt Issuance	-	-	-	-	7,389,899
Debt Issuance - Refunding Bonds	-	-	-	-	39,895,000
Sale of Capital Assets	186,602	148,560	209,171	348,171	78,997
Payments to Refunded Bonds Escrow Agent	-	-	-	-	(46,442,820)
Debt Issuance	-	-	9,100,000	-	11,650,000
Capital Leases	-	475,100	-	-	-
Total Other Financing Sources (Uses)	286,602	623,660	8,309,171	330,976	11,849,757
Net Change in Fund Balances	$ 5,139,638	$ 3,250,926	$ 11,426,788	$ 11,317,998	$ 25,161,223
Debt service as a percentage of noncapital expenditures	11.56%	11.16%	8.02%	8.95%	8.39%

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
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
2014	7,671,541,666	6,703,964,362	1,081,705,297	1,467,186,020	803,117,541	(3,979,622,909)	13,747,891,977	0.4850
2015	8,255,450,446	7,148,091,112	1,282,416,713	1,689,484,380	684,601,480	(5,485,679,819)	13,574,364,312	0.4850
2016	9,176,837,735	7,814,664,721	1,272,513,322	1,722,905,634	480,000,679	(5,986,800,803)	14,480,121,288	0.4850
2017	$ 10,058,916,917	$ 8,773,265,063	$ 1,379,733,675	$ 1,715,761,612	$ 523,739,529	$ (6,488,266,420)	$ 15,963,150,376	0.4850

Source: Brazos County Appraisal District for Tax Years 2007-2012. Brazos County Tax Assessor Collector for Tax Year 2013-2017.

Note:
(1) Property in the County is assessed each tax year based on calendar year.
(2) Property is assessed at actual value; therefore, the assessed values are equal to actual values. Tax rates are per $100 of assessed value.
(3) The taxes to be levied and collected in the succeeding fiscal year are included in the estimate of funds available to cover the proposed budget.

Table VI

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

	Fiscal Years									
Name of Government	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
County Direct Rate:										
Debt Service	$ 0.0813	$ 0.0834	$ 0.0844	$ 0.0813	$ 0.0779	$ 0.0707	$ 0.0624	$ 0.0603	$ 0.0592	$ 0.0560
Basic Rate	0.3987	0.3966	0.4012	0.4037	0.4071	0.4168	0.4226	0.4247	0.4258	0.4290
Total Direct Rate:	0.4800	0.4800	0.4856	0.4850	0.4850	0.4875	0.4850	0.4850	0.4850	0.4850
Overlapping Rates:										
City and Town Rate:										
City of Bryan	0.6364	0.6364	0.6364	0.6364	0.6333	0.6299	0.6299	0.6299	0.6299	0.6299
City of College Station	0.4394	0.4394	0.4475	0.4380	0.4307	0.4259	0.4525	0.4525	0.4725	0.4975
City of Kurten	0.1560	0.1560	0.1400	0.1350	0.1300	0.1300	0.1200	0.1200	0.1179	0.1065
School District Rates:										
Bryan I. S. D.	1.2900	1.2900	1.2900	1.2900	1.2900	1.2900	1.2900	1.3500	1.3500	1.3400
College Station I. S. D.	1.2534	1.2534	1.3099	1.3350	1.3350	1.3200	1.3800	1.3629	1.396	1.3980
Navasota I.S.D.	1.2677	1.2362	1.2395	1.2289	1.2110	1.1914	1.1799	1.1634	1.1634	1.1840
Emergency Service Districts Rates:										
ESD #1	0.0300	0.0300	0.0300	0.0296	0.0300	0.0288	0.0279	0.0262	0.0263	0.0300
ESD #2	0.0236	0.0234	0.0234	0.0208	0.0186	0.0186	0.0186	0.0238	0.0270	0.0259
ESD #3	0.0279	0.0279	0.0279	0.0275	0.0269	0.0280	0.0290	0.0288	0.0297	0.0290
ESD #4	0.0287	0.0290	0.0299	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0578
Total Overlapping Rate:	5.1531	5.1217	5.1745	5.1712	5.1355	5.0926	5.1578	5.1875	5.2427	5.2986
Total Property Tax Rate - Direct and Overlapping Governments:	$ 5.6331	$ 5.6017	$ 5.6601	$ 5.6562	$ 5.6205	$ 5.5801	$ 5.6428	$ 5.6725	$ 5.7277	$ 5.7836

Source: Brazos County Central Appraisal District

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.

Note: In FY 2017, added City of Kurten, Navasota ISD and the Emergency Service District rates to the schedule.

All property tax rates are expressed in dollars per $100 assessed valuation.

Table VII

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

	2018			2009		
Taxpayer	**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)**
Carver Wesley H	$ 119,754,740	2	0.75%	$ -		0.00%
Hawkwood Energy Operating LLC	104,296,713	3	0.65%			
Jamespoint Management Co	77,193,291	5	0.48%	88,990,441	1	0.83%
SW Meadows Point LP	80,476,810	4	0.50%	59,661,100	4	0.55%
SHP - The Callaway House LP	74,997,208	6	0.47%	67,069,480	2	0.62%
Axis Pipe & Tube Inc	271,318,100	1	1.70%	-		0.00%
CPP College Station I LLC	74,768,400	7	0.47%	-		0.00%
College Station Hospital L.P.	-		0.00%	60,273,470	3	0.56%
POM - College Station LLC	-		0.00%	55,547,960	5	0.52%
Woodridge College Station Phase II LLC	68,000,000	9	0.43%	-		0.00%
Woodridge College Station I LLC	69,000,000	8	0.43%	-		0.00%
Verizon Southwest	-		0.00%	44,152,215	9	0.41%
Sanderson Farms	-		0.00%	51,643,210	8	0.48%
Wal-Mart Stores East, Inc	-		0.00%	53,207,690	7	0.49%
Weinberg, Israel, et al.	63,779,016	10	0.40%	54,262,250	6	0.50%
Jefferson Enclave L.P.	-		0.00%	43,603,750	10	0.41%
	$ 1,003,584,278		6.28%	$ 578,411,566		5.37%

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 - $15,963,150,376
(3) Total adjusted assessed valuation net of exempt properties as certified by the Appraisal Review Board - $10,762,638,113

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		Delinquent Tax Changes & Collections in Subsequent Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008 / 2009	$ 48,091,960	$ 47,365,802	98.49%	$ 674,318	$ 48,040,120	99.89%
2009 / 2010	50,744,743	50,008,637	98.55%	679,270	50,687,907	99.89%
2010 / 2011	52,321,297	51,559,230	98.54%	692,167	52,251,397	99.87%
2011 / 2012	55,212,341	54,467,213	98.65%	667,969	55,135,182	99.86%
2012 / 2013	56,989,658	56,317,318	98.82%	581,327	56,898,645	99.84%
2013 / 2014	60,353,143	59,556,004	98.68%	659,521	60,215,525	99.77%
2014 / 2015	65,620,648	65,063,971	99.15%	392,890	65,456,861	99.75%
2015 / 2016	69,877,152	69,053,277	98.82%	598,702	69,651,979	99.68%
2016 / 2017	74,655,201	73,926,719	99.02%	430,711	74,357,430	99.60%
2017 / 2018	$ 82,530,277	$ 81,678,518	98.97%	$ 171,336	$ 81,849,854	99.18%

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**	**Premium** (2)	**Capital Leases**	**Total Primary Government**	**Percentage of Personal Income** (1)	**Per Capita** (1)
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	2,745,392	444,223	89,164,223	2.70%	488
2015	18,915,000	64,075,000	2,519,312	710,958	86,220,270	2.46%	409
2016	27,190,000	58,785,000	2,295,477	445,984	88,716,461	2.95%	413
2017	25,395,000	54,070,000	2,073,703	297,027	81,835,730	2.03%	365
2018	$ 26,850,000	$ 52,285,000	$ 8,416,193	$ -	$ 87,551,193	2.17%	390

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

(1) See Table XIV for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
(2) Premium was added in FY 2014.

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** (1)
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	71,630,392 (2)	6,160,188	65,470,204	12,549,073,259	0.52%	210,570	310.92
2015	66,594,312 (2)	5,840,178	60,754,134	13,747,891,977	0.44%	214,672	283.01
2016	61,080,477 (2)	5,778,404	55,302,073	13,574,364,312	0.41%	219,410	252.05
2017	56,143,703 (2)	6,234,940	49,908,763	14,480,121,288	0.34%	224,255	222.55
2018	$ 60,701,193 (2)	$ 6,865,053	$ 53,836,140	$ 15,963,150,376	0.34%	229,259	$ 234.83

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

(1) Population data can be found in Table XIV.
(2) Includes premium

Table XI

Brazos County, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2018
(Unaudited)

Direct Debt	**Debt Outstanding**	**Estimated Percentage Applicable**	**Estimated Share of Overlapping Debt**
Brazos County	$ 87,551,193	100%	$ 87,551,193
Overlapping Debt			
Cities:			
Bryan	81,861,822	100%	81,861,822
College Station	175,420,000	100%	175,420,000
Kurten	-	100%	-
Independent School Districts:			
College Station School District	342,500,000	100%	342,500,000
Bryan Independent School District	213,345,000	100%	213,345,000
Navasota Independent School District	$ 87,355,433	0.84% (1)	733,786
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:	813,860,608
		Total Direct and Overlapping Debt:	$ 901,411,801
		Percentage of Direct Debt to Total Direct and Overlapping Debt:	9.71%
		Assessed Value:	$ 15,963,150,376
			$ 1,550,448,816

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.

(1) 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				
	2009	**2010**	**2011**	**2012**	**2013**
Debt Limit	$ 2,169,592,185	$ 2,302,922,924	$ 2,372,671,645	$ 2,490,377,965	$ 2,557,904,601
Total net debt applicable to limit	72,171,112	72,244,814	67,854,183	63,115,623	67,039,649
Legal debt margin	$ 2,241,763,297	$ 2,375,167,738	$ 2,440,525,828	$ 2,553,493,588	$ 2,624,944,250
Total net debt applicable to the limit as a percentage of debt limit	3.33%	3.14%	2.86%	2.53%	2.62%

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 - $13,723,649,235 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 2018

Assessed Value (1)		$ 13,723,649,235
Debt limit (25% of assessed value) (2)		3,430,912,309
Debt applicable to limit:		
Gross bonded debt (3)	60,701,193	
Less: Amount available from Debt Service Fund	6,865,053	
Total net debt applicable to limit		53,836,140
Legal debt margin		$ 3,484,748,449

Fiscal Year				
2014	**2015**	**2016**	**2017**	**2018**
$ 2,691,118,168	$ 2,869,397,104	$ 2,800,069,613	$ 3,069,303,744	$ 3,430,912,309
62,724,812	58,234,822	53,006,596	49,908,763	53,836,140
$ 2,753,842,980	$ 2,927,631,926	$ 2,853,076,209	$ 3,119,212,507	$ 3,484,748,449
2.33%	2.03%	1.89%	1.63%	1.57%

Table XIII

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

	Certificates of Obligation						Capital Leases			
				Debt Service				Debt Service		
Fiscal Year	Property Tax Revenue	Interest	Less: Agent Fees & Issuance Cost	Principal	Interest	Coverage	Property Tax Revenue	Principal	Interest	Coverage
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
2015	1,792,681	5,004	1,800	920,000	755,908	1.07	118,330	106,903	11,280	1.00
2016	3,303,001	8,775	2,766	825,000	875,994	1.95	346,238	264,974	18,267	1.22
2017	2,948,051	$ 10,210	1,500	1,795,000	867,378	1.11	253,531	148,957	11,431	1.58
2018	$ 9,793,918 (1)	$ 190,648	$ 1,830	$ 2,235,000	$ 789,957	3.30	$ 309,423	$ 297,027	$ 7,613	1.02

(1) Revenue for 2018 includes fund balance in anticipation of October 2018 debt issuance.

DEMOGRAPHIC AND ECONOMIC INFORMATION

Table XIV

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

Year	Population (1)	Personal Income (2)	Per Capita Personal Income	Public School Enrollment (3)	Texas A & M Enrollment (4)	Blinn College Enrollment (5)	Unemployment Rate (6)
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%
2015	214,672	3,011,585,876	14,029	29,598	61,279	13,207	3.30%
2016	219,410	3,829,254,965	17,453	29,976	60,438	12,338	3.60%
2017	224,255	4,031,205,612	17,976	30,130	63,293	11,955	2.80%
2018	229,259	$ 4,273,935,364	$ 18,642	30,680	64,126	10,321	2.80%

Sources:

(1) For year 2008 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 - 2018 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.

(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)

2018	2009
Employer (1)	**Employer** (2)
Baylor Scott & White Health	Brazos County
Blinn College	Bryan Independent School District
Brazos County	City of Bryan
Bryan Independent School District	City of College Station
CHI St. Joseph Health System	College Station Independent School District
City of Bryan	Reynolds & Reynolds
City of College Station	Sanderson Farms
College Station Independent School District	St. Joseph Regional Health Center
College Station Medical Center	Texas A&M University & System
HEB Grocery	Wal-Mart
Ply Gem Windows	
Reynolds & Reynolds	
Sanderson Farms	
Texas A&M Health Science Center	
Texas A&M University System	
Wal-Mart	

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) Brazos Valley Economic Development Corporation (2) Brazos County CAFR

OPERATING INFORMATION

Table XVI

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

	Employees as of September 30,									
Function	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
General Government	135	138	138	138	138	148	146	164	162	169
Justice System	168	172	176	172	177	176	181	175	178	183
Law Enforcement	257	265	264	256	259	262	266	269	282	295
Juvenile Services	97	98	93	92	92	94	93	94	101	104
Human Services	46	50	58	59	60	54	59	68	69	70
Public Transportation	75	75	81	80	80	75	76	75	79	82
Total	778	798	810	797	806	809	821	845	871	903

Source: County Auditor's Office

Note: Information compiled from Brazos County Budget Ten Year Trend Report.

Table XVII

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

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Justice System										
Birth Certificates Filed (1)	3,254	2,853	2,480	2,652	2,611	2,871	3,211	3,247	3,537	3,394
Marriage License Applications (1)	1,289	1,275	1,149	1,088	1,528	1,277	1,377	1,478	1,405	1,324
Death Certificates Issued	801	883	967	936	479	580	563	580	648	704
Registered Voters (1)	82,674	88,851	80,834	91,498	88,600	88,388	91,751	102,000	104,091	107,458
Court Activity: (2)										
District Court:										
Cases Added	6,774	6,843	6,341	4,920	5,439	5,135	5,675	6,189	5,247	5,316
Cases Disposed	6,291	6,283	6,300	4,817	6,251	5,666	5,791	6,242	4,999	4,869
Cases Pending	6,598	7,113	4,361	2,299	4,507	4,655	4,704	5,825	6,111	6,955
County Court at Law Courts:										
Cases Added	7,137	7,000	5,159	7,347	6,270	6,059	5,818	6,122	5,075	5,390
Cases Disposed	7,403	6,768	4,712	3,761	5,960	5,356	5,558	5,466	3,608	4,393
Cases Pending	3,664	3,250	3,119	1,244	4,132	4,418	4,051	4,409	5,193	5,522
Justice of the Peace Courts:										
Cases Added	23,008	19,583	19,783	13,557	10,198	13,678	14,107	17,831	17,180	16,462
Cases Disposed	20,605	18,111	19,322	15,237	9,926	16,087	16,019	19,324	16,846	16,732
Law Enforcement										
Sheriff's Department:										
Average Daily Inmate Population (3)	594 (7)	538	584	554	592	619	604	605	675	656
Arrest Totals (3)	13,944	10,040	15,058	14,841	14,558	14,649	13,673	12,960	11,838	11,602
Human Services										
Cooperative Agricultural Extension Office: (4)										
Number of Educational Programs Conducted	623	573	383	414	719	731	719	903	1,050	980
Number of Participants in Educational Programs	220,900	1,104,930	1,515,696	987,046	301,892	414,025	317,850	359,003	390,165	219,252
Brazos Center:										
No. of Events held: (5)	466	458	581	497	630	649	990	748	764	656
Exposition Center:										
No. of Events held: (6)	108	118	126	140	155	158	163	175	167	197
No. of Events Days: (6)	0	0	0	258	309	377	342	373	367	453
Public Transportation										
Miles of Roads:										
Paved	348	364	368	357	356	370	371	376	384	387
Unpaved	124	110	103	103	123	102	101	108	97	97

(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 -Each event is counted as a day. For example, if there are 3 events in one day, each event is counted as a day.

(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

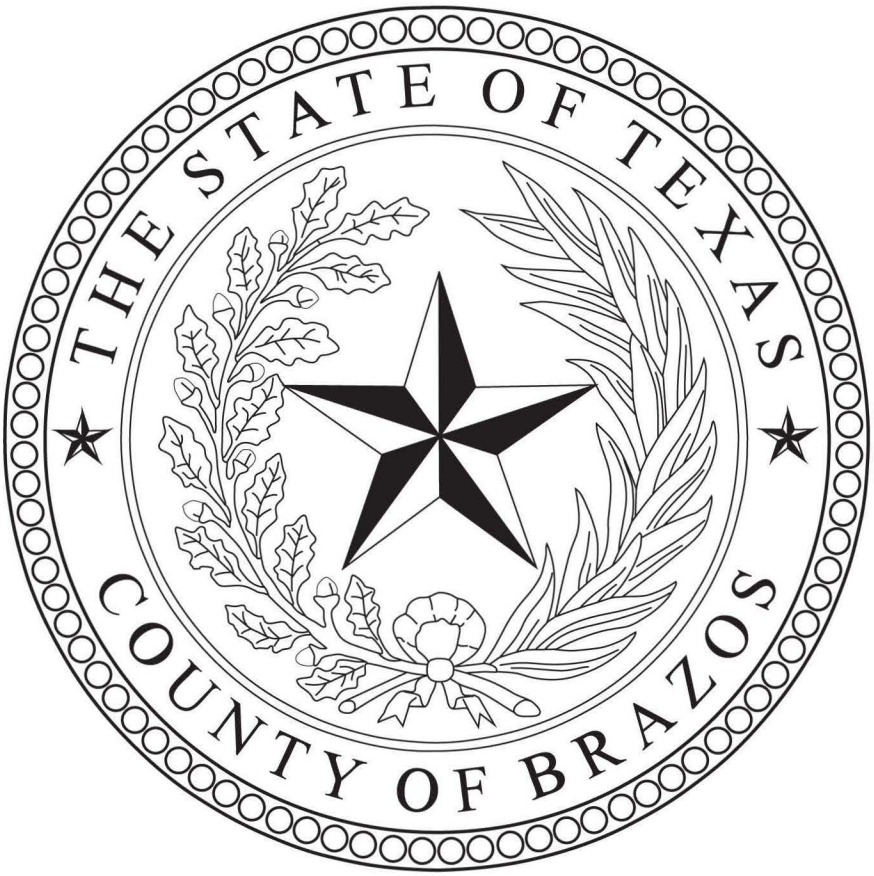
Brazos County, Texas
Capital Asset and Infrastructure Statistics by Function
Last Ten Fiscal Years
(Unaudited)

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Office Buildings / Courthouse	5	5	5	4	4	4	6	6	7	6
Commissioner's Court:										
Vehicles	0	0	0	0	0	0	0	2	2	2
Facility Services:										
Vehicles	9	11	12	12	17 (2)	17	19	22	23	17
Equipment	0	0	0	0	1	0	1	1	1	1
IT Vehicles	2	2	2	2	2	2	2	2	2	2
Fleet Vehicles	0	0	0	0	0	0	0	0	9	22 (3)
Purchasing (Surplus) Vehicle	0	0	0	0	0	0	0	0	2	2
Justice System										
Office Buildings / Courthouse	2	2	2	2	2	2	2	2	3	4
County Attorney Vehicles	8	9	8	8	9	9	8	8	8	8
District Attorney Vehicles	4	4	4	4	4	4	4	4	4	4
Law Enforcement										
Sheriff's Administration Facility	1	1	1	1	1	1	1	1	1	1
Sheriff's Detention Facility (1)	1	2	2	2	2	2	1	1	1	1
Vehicles:										
Sheriff's	62	66	63	54	60	52	62	55	55	51
Sheriff's - Jail Division	11	17	27	24	25	23	28	24	21	21
Constable	22	23	26	26	27	27	26	27	26	27
Heavy Equipment:										
Sheriff's	1	0	2	2	2	2	2	2	2	2
Sheriff's - Jail Division	4	5	1	1	1	0	1	1	1	1
Juvenile Services										
Juvenile Facilities	1	1	1	1	1	1	1	1	1	1
Juvenile Dept. Vehicles	7	7	7	7	7	7	7	7	7	7
Human Services										
Buildings	5	5	5	5	5	5	5	6	6	5
Emergency Management Vehicles	1	0	0	0	0	0	0	0	0	0
Brazos Center:										
Vehicles	4	4	5	5	0 (2)	0	0	0	0	0
Equipment	4	4	1	1	0	0	0	0	0	1
Exposition Center:										
Vehicles	3	4	4	4	4	4	4	4	4	4
Equipment	12	13	11	12	12	12	13	13	14	15
Collection Citizen Sites	7	7	7	7	7	7	8	8	8	8
Public Transportation										
Road and Bridge Building	1	1	1	1	1	1	1	1	2	2
Road and Bridge Vehicles	48	53	54	55	54	54	54	54	53	58
Road and Bridge Heavy Equipment	93	95	75	77	83	76	77	82	84	84
County Roads (miles)	472	474	471	460	479	472	472	484	481	484
Bridges	60	60	61	61	67	67	69	69	69	69

(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.

(3) All vehicles pass through Fleet Services while having equipment installed or removed prior to being transferred to the department or sent to auction.


THE STATE OF TEXAS
COUNTY OF BRAZOS

DEBT SERVICE

Brazos County, Texas
General Long Term Debt Payable by Issue
September 30, 2018
(Unaudited)

Debt Issue	Interest Rates (%) And Dates	Final Issue Date	Debt Maturity Date	Debt Authorized And Issued
Certificates of Obligation				
2009 Series, Issued For: Exposition Center Expansion and Costs of issuance of Certificates	3.00 - 4.50 3/1 and 9/1	10/15/2009	9/1/2034	$ 12,000,000
2012 Series, Issued For: Courthouse Renovation, Tax Office, Fleet Maintenance Building, Renovations of Brazos Center and Juvenile Detention Center	2.00 - 5.00 3/1 and 9/1	9/1/2012	9/1/2032	9,700,000
2015 Series, Issued For: Courthouse Renovation & Exposition Center Expansion	1.92 3/1 and 9/1	10/13/2015	9/1/2025	9,100,000
2017 Series, Issued For: Remodel and Juvenile Expansion	2.00 - 4.00 3/1 and 9/1	11/1/2017	9/1/2037	11,650,000
Limited Tax Bonds				
Series 2008, Issued For: Jail Expansion	3.25 - 5.00 3/1 and 9/1	5/1/2008	9/1/2028	55,000,000
Limited Tax Refunding Bonds				
Series 2009, Issued For: Exposition Center Expansion and Costs of issuance of Certificates	3.00 - 4.00 3/1 and 9/1	10/15/2009	9/1/2021	7,365,000
Series 2012, Issued for : Refund portions of the outstanding debt payable from ad valorem taxes	2.00 - 5.00 3/1 and 9/1	9/1/2012	9/1/2025	14,640,000
Series 2017, Issued for: Refund portions of the outstanding debt payable from ad valorem taxes	2.25 - 5.00 3/1 and 9/1	11/1/2017	9/1/2034	39,895,000
Total Long Term Debt				$ 159,350,000

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 2017-2018		
Principal	**Interest**	**Totals**	**Principal**	**Interest**	**Totals**
$ 465,000	$ 18,600	$ 483,600	$ 445,000	$ 36,400	$ 481,400
7,930,000	2,082,747	10,012,747	430,000	285,748	715,748
7,210,000	564,482	7,774,482	955,000	156,768	1,111,768
11,245,000	3,949,450	15,194,450	405,000	311,042	716,042
-	-	-	2,865,000	114,600	2,979,600
1,860,000	114,000	1,974,000	565,000	85,700	650,700
10,530,000	1,487,060	12,017,060	1,490,000	490,560	1,980,560
39,895,000	12,140,312	52,035,312	-	1,600,365	1,600,365
$ 79,135,000	$ 20,356,651	$ 99,491,651	$ 7,155,000	$ 3,081,183	$ 10,236,183

(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, 2018
(Unaudited)

Fiscal Year	Total Required Principal	Total Required Interest	Total Required
2019	7,010,000	3,209,027	10,219,027
2020	7,270,000	2,931,353	10,201,353
2021	7,575,000	2,617,445	10,192,445
2022	7,230,000	2,298,403	9,528,403
2023	7,525,000	1,978,027	9,503,027
2024-2028	30,145,000	5,764,845	35,909,845
2029-2033	8,830,000	1,314,100	10,144,100
2034-2037	3,550,000	243,450	3,793,450
	$ 79,135,000	$ 20,356,650	$ 99,491,650

Brazos County, Texas
Debt Retirement by Years
September 30, 2018
(Unaudited)

Fiscal Year	Certificates of Obligation Principal				Limited Tax Refunding Bonds Principal			Total
	2009 Issue	2012 Issue	2015 Issue	2017 Issue	2009 Issue	2012 Issue	2017 Issue	
2019	465,000	440,000	970,000	435,000	590,000	1,555,000	2,555,000	7,010,000
2020	-	460,000	990,000	445,000	620,000	1,615,000	3,140,000	7,270,000
2021	-	480,000	1,010,000	455,000	650,000	1,695,000	3,285,000	7,575,000
2022	-	500,000	1,030,000	470,000	-	1,785,000	3,445,000	7,230,000
2023	-	525,000	1,050,000	485,000	-	1,875,000	3,590,000	7,525,000
2024-2028	-	2,885,000	2,160,000	2,730,000	-	2,005,000	20,365,000	30,145,000
2029-2033	-	2,640,000	-	3,255,000	-	-	2,935,000	8,830,000
2034-2037	-	-	-	2,970,000	-	-	580,000	3,550,000
	$ 465,000	$ 7,930,000	$ 7,210,000	$ 11,245,000	$ 1,860,000	$ 10,530,000	$ 39,895,000	$ 79,135,000

Brazos County, Texas
Debt Retirement by Years
September 30, 2018
(Unaudited)

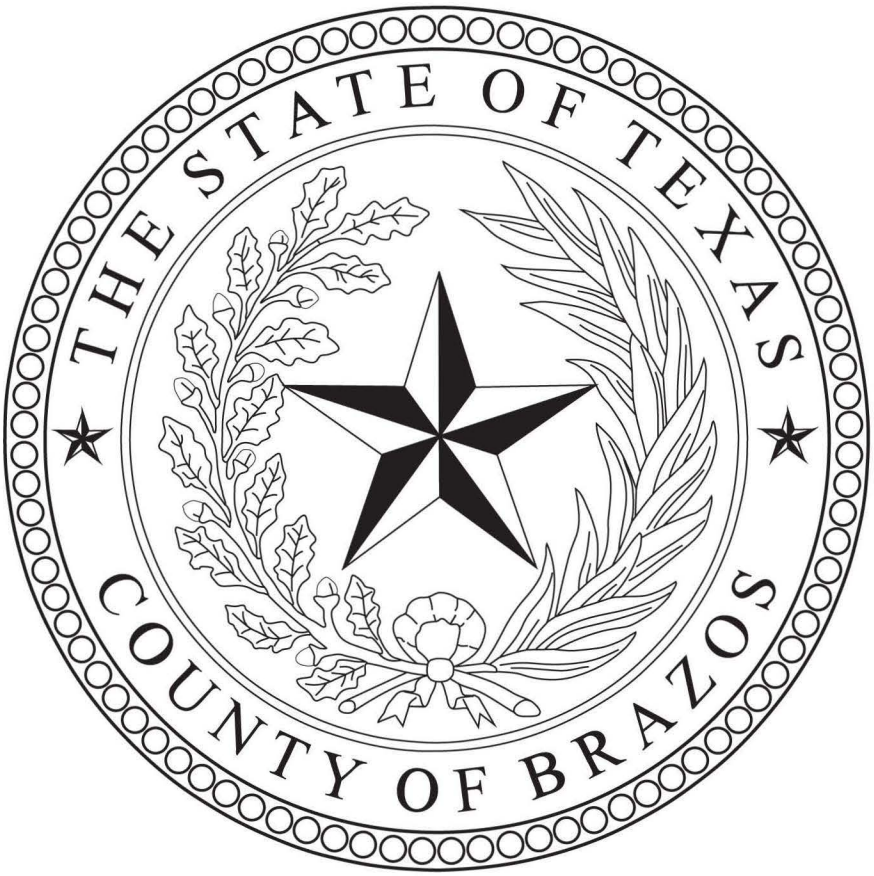
Fiscal	Certificates of Obligation Interest				Limited Tax Refunding Bond Interest			
Year	2009 Issue	2012 Issue	2015 Issue	2017 Issue	2009 Issue	2012 Issue	2017 Issue	Total
2019	18,600	272,848	138,432	365,149	62,600	430,960	1,920,438	3,209,027
2020	-	255,247	119,808	356,450	38,400	368,760	1,792,688	2,931,353
2021	-	236,847	100,800	343,100	13,000	288,010	1,635,688	2,617,445
2022	-	212,847	81,408	329,450	-	203,260	1,471,438	2,298,403
2023	-	187,847	61,632	315,350	-	114,010	1,299,188	1,978,027
2024-2028	-	696,695	62,402	1,269,748	-	82,060	3,653,940	5,764,845
2029-2033	-	220,416	-	744,150	-	-	349,534	1,314,100
2034-2037	-	-	-	226,052	-	-	17,398	243,450
	$ 18,600	$ 2,082,747	$ 564,482	$ 3,949,449	$ 114,000	$ 1,487,060	$ 12,140,312	$ 20,356,650

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 (1)
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
2015	9,079,564	9,399,574	5,840,178	0.0624
2016	9,668,302	9,730,076	5,778,404	0.0603
2017	10,392,954	9,936,418	6,234,940	0.0592
2018	$ 57,652,786	$ 57,022,673	$ 6,865,053	0.0560

(1) I&S tax rates are presented as cents per $100 of assessed value.


THE STATE OF TEXAS
COUNTY OF BRAZOS

INDEPENDENT AUDITORS' REPORTS ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
SEPTEMBER 30, 2018

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, 2018, 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 22, 2019.

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.

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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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2018-001 and 2018-002.

County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Bryan, Texas
March 22, 2019

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 THE UNIFORM GUIDANCE 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 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, 2018. 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 federal and state statutes, regulations, and the terms and conditions of its federal and state awards 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200,*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the *State of Texas Single Audit Circular*. Those standards, Uniform Guidance, and the *State of Texas Single Audit Circular* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and 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.

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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, 2018.

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 the Uniform Guidance 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. . We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2018-001 and 2018-002 that we consider to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 the Uniform Guidance and the *State of Texas Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.

Ingram, Wallis & Company

Bryan, Texas
March 22, 2019

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2018

Federal Grantor/Pass -Through Grantor/Program Title	Federal CFDA Number	Grant Number	Program/ Award Amount	Accounts Receivable (Payable) October 1, 2017	Receipts	Expenditures	Grant Funds Refunded in 2018	Accounts Receivable (Payable) September 30, 2018
U. S. Department of Justice								
State Criminal Alien Assistance Program	16.606	2018-H0411-TX-AP	46,708	$ -	$ -	$ 46,708	$ -	$ 46,708
State Criminal Alien Assistance Program	16.606	2019-H0348-TX-AP	46,114			46,114	-	46,114
Total CFDA - 16.606				-	-	92,822	-	92,822
Passed through City of Bryan								
Edward Byrne Memorial Justice Assistance Grant	16.738	2016-DJ-BX-0271	8,307	8,220	8,307	87	-	-
Edward Byrne Memorial Justice Assistance Grant	16.738	2017-DJ-BX-0577	7,174	-	-	-	-	-
Total CFDA - 16.738				8,220	8,307	87	-	-
Passed through Office of the Governor of Texas, Criminal Justice Division								
Crimes Against Women Prosecution Unit	16.588	2909702	135,000	7,799	7,799	-	-	-
Crimes Against Women Prosecution Unit	16.588	2909703	145,000	6,746	145,000	138,254	-	-
Crimes Against Women Prosecution Unit	16.588	2909704	145,000	-	-	13,616	-	13,616
Total CFDA - 16.588				14,545	152,799	151,870	-	13,616
Victim Assistance Coordinator	16.575	2862602	86,000	10,367	46,308	35,941	-	-
TCFV Domestic Violence High Risk	16.575		11,904	-	11,904	11,904	-	-
Total CFDA - 16.575				10,367	58,212	47,845	-	-
Total U.S. Department of Justice				33,132	219,318	292,624	-	106,438
U. S. Department of Transportation								
Passed through State Department of Highways and Public Transportation								
Metropolitan Planning Organization	20.205	50-17XF0024	385,247	120,869	120,869	-	-	-
Metropolitan Planning Organization SPR	20.205	11156	60,000	18,702	18,702	-	-	-
Metropolitan Planning Organization	20.205	50-18XF0024	338,726	-	253,755	338,726	-	84,971
Total CFDA - 20.205				139,571	393,326	338,726	-	84,971
Total U.S. Department of Transportation				139,571	393,326	338,726	-	84,971
Department of Homeland Security								
Passed through Texas Department of Public Safety								
Division of Emergency Management	97.042	17TX-EMPG-1440	55,539	51,889	51,889	-	-	-
Division of Emergency Management	97.042	EMT-2018-EP-00008	48,334	-	-	48,334	-	48,334
Total CFDA - 97.042				51,889	51,889	48,334	-	48,334
Passed through Office of the Governor								
WEBEOC	97.067	2957603	19,091	-	19,091	19,091	-	-
Total Department of Homeland Security				$ 51,889	$ 70,980	$ 67,425	$ -	$ 48,334

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended September 30, 2018

Federal Grantor/Pass -Through Grantor/Program Title	Federal CFDA Number	Grant Number	Program/ Award Amount	Accounts Receivable (Payable) October 1, 2017	Receipts	Expenditures	Grant Funds Refunded in 2018	Accounts Receivable (Payable) September 30, 2018
U. S. Department of Health and Human Services								
Passed through the Texas Department of Family and Protective Services								
Title IV-E-Legal (CPS)	93.658	10/01/15-09/30/17	40,456	$ 9,444	$ 9,444	$ -	$ -	$ -
Title IV-E-Legal (CPS)	93.658	10/1/17-9/30/18	38,711	-	18,441	23,441		5,000
Title IV-E-Foster Care Maintenance	93.658	10/01/16-09/30/17	14,394	854	864	10	-	-
Title IV-E-Foster Care Maintenance	93.658	10/1/17-9/30/18	13,595	-	1,529	2,029	-	500
Passed through the Texas Juvenile Justice Department								
Title IV-E - Administration - Juvenile	93.658	TJJD-E-2017-021	-	209	209	-	-	-
Title IV-E - Administration - Juvenile	93.658	TJJD-E-2018-021	-	-	441	822	-	381
Title IV-E - Maintenance - Juvenile	93.658	TJJD-E-2017-021	-	20,944	21,021	77	-	-
Title IV-E - Maintenance - Juvenile	93.658	TJJD-E-2018-021	-	-	20,650	135,475	-	114,825
Total U.S Department of Health and Human Services				31,451	72,599	161,854	-	120,706
U.S Department of Agriculture								
Passed through the Texas Department of Agriculture								
National School Lunch Program	10.555	07/01/17-06/30/18	-	6,295	6,295	-	-	-
National School Lunch Program	10.555	07/01/18-06/30/19	-		40,293	43,467	-	3,174
Food Services Division Commodities	10.555	07/01/17-06/30/18	-	-	3,086	3,086	-	-
Total CFDA - 10.555				6,295	49,674	46,553	-	3,174
School Breakfast Program	10.553	07/01/17-06/30/18	-	4,092	4,092	-	-	-
School Breakfast Program	10.553	07/01/18-06/30/19	-		26,116	28,178	-	2,062
Total CFDA - 10.553				4,092	30,208	28,178	-	2,062
Total U.S Department of Agriculture				10,387	79,882	74,731	-	5,236
Total Federal Assistance				$ 266,430	$ 836,105	$ 935,360	$ -	$ 365,685

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended September 30, 2018

State Grant or Program Title	Federal CFDA Number	Grant Number	Program/ Award Amount	Accounts Receivable (Payable) October 1, 2017	Receipts	Expenditures	Grant Funds Refunded in 2018	Accounts Receivable (Payable) September 30, 2018
Texas Office of the Governor								
Criminal Justice Division								
Brazos County Drug Court	N/A	1803312	159,089	$ 42,974	$ 42,974	$ -	$ -	$ -
Brazos County Drug Court	N/A	1803313	147,233	6,238	110,414	134,438	-	30,262
Brazos County Drug Court	N/A	1803314	147,233	-	-	6,313	-	6,313
Rifle-Resistant Body Armor	N/A	3481901	119,080	-	117,000	117,000		-
				49,212	270,388	257,751	-	36,575
Texas Juvenile Justice Department								
State Aid	N/A	TJJD-A-2018-021 09/01/17-08/31/18	1,262,464	56,709	1,262,464	1,133,931	71,824	-
State Aid	N/A	TJJD-A-2019-021 09/01/17-08/31/18	1,262,464	-	-	59,120	-	59,120
JJAEP - Computer Software	N/A	TJJD-W-2017-021 09/01/16-08/31/18	4,268	-	4,268	4,267	-	(1)
JJAEP - Computer Software		TJJD-W-2018-021 09/01/18-08/31/19	4,521	-	-	-	-	-
JJAEP	N/A	TJJD-P-2018-021 08/01/17-5/31/18	15,527	-	15,817	15,817	-	-
Regional Diversion Alternatives Program	N/A	TJJD-R-2017-021 09/01/16-08/31/17	-	4,529	4,529	-	-	-
Regional Diversion Alternatives Program	N/A	TJJD-R-2018-021 09/01/17-08/31/18	-	1,799	32,522	37,616	-	6,893
Regional Diversion Alternatives Program	N/A	TJJD-R-2018-021 09/01/17-08/31/18		-	-	5,910	-	5,910
Regionalization	N/A	TJJD Regionalization 09/01/17-08/31/19	23,247	-	23,247	8,562	-	(14,685)
				63,037	1,342,847	1,265,223	71,824	57,237
Office of the Attorney General								
SAVNS Program	N/A	1876614	28,547	-	28,547	28,547	-	-
				-	28,547	28,547	-	-
Total State Assistance				112,249	1,641,782	1,551,521	71,824	93,812
Total Federal and State Assistance				$ 378,679	$ 2,477,887	$ 2,486,881	$ 71,824	$ 459,497

BRAZOS COUNTY, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

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 and State 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.

Indirect Cost Rate – The County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

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, 2018, the County received $3,086 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, 2018

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? ____ yes __X__ none 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? __X__ yes _____ none 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 2 CFR 200.516(a) and section 510(a) of the *State of Texas Single Audit Circular*? __X__ yes _____ no

Identification of major programs:

CFDA Number(s)	*Name of Federal or State Program or Cluster*
20.205	Highway Planning and Construction (Major Federal Program)
N/A	TJJD Grant A – State Aid (Major State of Texas Program)

Dollar threshold used to distinguish between type A and type B federal programs: $750,000

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

Auditee qualified as low-risk auditee for Federal Single Audit? __X__ yes _____ no

Auditee qualified as low-risk auditee for State of Texas Single Audit? __X__ yes _____ no

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 award findings and questioned costs which are required to be reported in accordance with the Uniform Guidance.

The following are State award findings and questioned costs which are required to be reported in accordance with the *State of Texas Single Audit Circular*.

2018-001 Periodic Certification of Time

Grant Number: TJJD-A-2018-021
Program Title: State Aid
State Agency: Texas Juvenile Justice Department (TJJD)
Contract Period: 9/1/17-8/31/18

Criteria: The State of Texas Uniform Grant Management Standards (UGMS) Attachment B paragraph 11(h)(3) states that where employees are expected to work solely on a single Federal or State award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.

Condition: During fiscal year 2018, there were multiple employees whose salaries and benefits were funded 100% by the grant. The Brazos County Juvenile Department did not obtain the semi-annual certifications that the employees worked solely on the program.

Questioned Costs: This finding did not result in any questioned costs.

Context: The certifications were not obtained as required by UGMS Attachment B paragraph 11(h)(3). There were approximately 20 employees whose salary and benefits were paid 100% by the grant for which the certification was not obtained.

Effect: The requirements of UGMS regarding certification were not adhered to which could result in termination of the grant and repayment of grant funds.

Cause: In years past, a portion of the salary and benefits of employees charging to the grant was paid by Brazos County local funds and was not funded solely by the grant. However, in fiscal year 2018, there was some restructuring of the positions and a position remained open for a portion of the year resulting in the Juvenile Department not using all of the grant funds and the County not being required to use local funds for salary and benefits of the employees who charge to the grant. As a result, these employees were funded 100% by the grant.

Recommendation: We recommend that semi-annual certifications for the period 9/1-2/28 and 3/1-8/31 of employees working solely on the grant be obtained and signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.

Response & Planned Corrective Action: The Juvenile Department will complete certified assurance documents on all employees who work solely on the grant semi-annually.

2018-002 Documentation of Procurement Contract

Grant Number: TJJD-A-2018-021; TJJD-A-2019-021
Program Title: State Aid
State Agency: Texas Juvenile Justice Department (TJJD)
Contract Period: 9/1/17-8/31/18; 9/1/18-8/31/19

Criteria: The State of Texas Uniform Grant Management Standards (UGMS) require in Part III Subpart C Section _.36 that grantees and subgrantees maintain records sufficient to detail the significant history of procurement. These records include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection and rejection, and the basis for the contract price. All procurement transactions will be conducted in a manner providing full and open competition consistent with the standards of _.36.

Condition: The Brazos County Juvenile Department failed to maintain records documenting the procurement and the awarding of the contract for reintegration services for Brazos County youth and families.

Questioned Costs: This finding did not result in any questioned costs.

Context: We noted that the contract was awarded for reintegration services to Youth Advocate Programs, Inc. (YAP) without formal documentation of the procurement process. The County's purchasing policy includes the requirements of UGMS related to procurement; however, the Juvenile Department did not follow the County's policy and as a result failed to follow the requirements of UGMS as they relate to procurement.

Effect: The requirements of UGMS regarding procurement and the County's purchasing policy were not adhered to which could result in termination of the grant and repayment of grant funds.

Cause: In the past, the grant funds had primarily been used to pay for salary and benefits of Juvenile employees working on the grant. In a prior fiscal year, the Juvenile Department received notification of discretionary funding that was available from TJJD. They applied for the funding and did not consider that the funds were being used for a service that would require the use of the County's purchasing policy.

Recommendation: We recommend that the Juvenile Department ensure that it follows the requirements of UGMS as it relates to procurement contracts and consult the Brazos County Purchasing Department when they are planning to engage in any procurement contracts.

Response & Planned Corrective Action: There was no formal procedure. YAP was selected to join us in the grant application because it is an agency that follows best practices in wraparound service delivery to not only youth, but the entire family. More importantly, YAP has a "No Reject, No Eject" policy. They will never reject a youth referral and never eject a youth out of the program. Considering the target population is high risk, high needs youth, we had no knowledge of any other service provided in Texas with the expertise and willingness to provide the services needed in Brazos County.

The Juvenile Services Department will follow all Brazos County purchasing protocols, including sending our Requests for Proposals (RFPs) for contract services. In instances where there is only one vendor who can provide the necessary services, a sole source form will be completed and submitted to the purchasing department prior to entering into a contract for services.

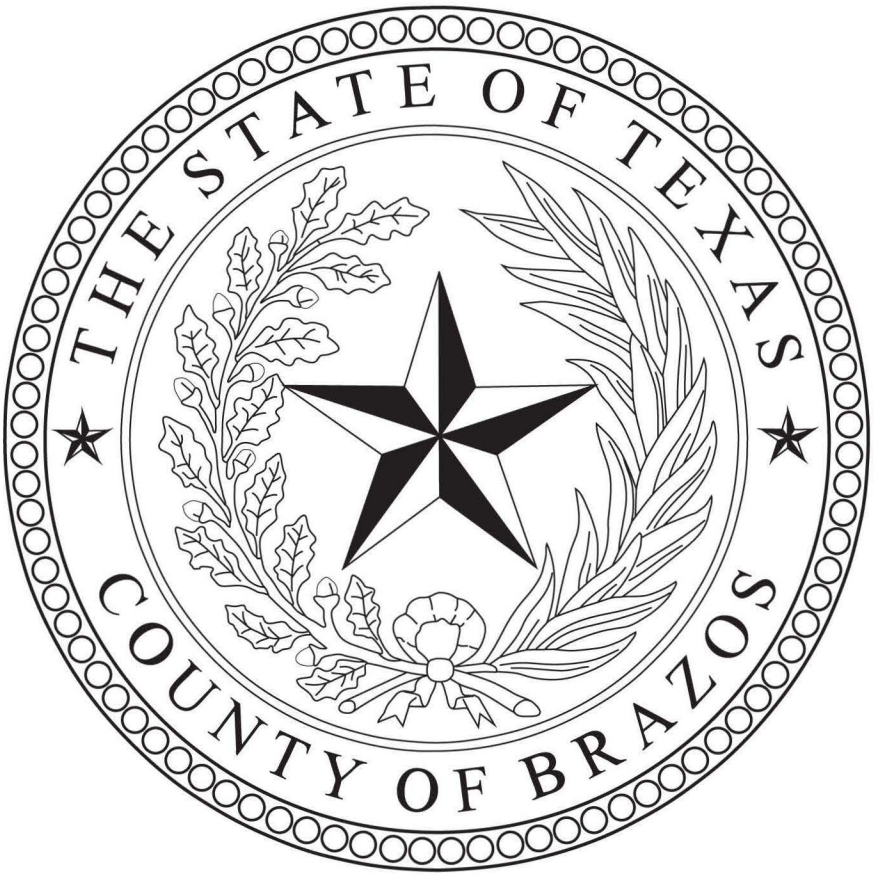
BRAZOS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

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 the Uniform Guidance or the *State of Texas Single Audit Circular*.


THE STATE OF TEXAS
COUNTY OF BRAZOS