

# **BRAZOS COUNTY, TEXAS**

## **Comprehensive Annual Financial Report**

**For The Year Ended September 30, 2007**



Prepared by:

**Katie Conner, C. P. A.**  
**County Auditor**



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Brazos County Courthouse**

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**Bryan, Texas 77803**

**(979) 361-4350**

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March 19, 2008

The Honorable Board of District Judges

J. D. Langley, Judge, 85th Judicial District

Travis Bryan, III, Judge, 272nd Judicial District

Steve Smith, Judge, 361st Judicial District

The Honorable Commissioners' Court

Randy Sims, County Judge

Lloyd Wasserman, Commissioner, Precinct 1

Duane Peters, Commissioner, Precinct 2

G. Kenny Mallard Jr., Commissioner, Precinct 3

Carey Cauley, Jr., Commissioner, Precinct 4

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, 2007, 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 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, 2007, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used, and evaluating the overall financial statement presentation. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of Brazos County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal 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 awards. These reports are contained in this report in the section titled "Independent Auditors' Reports on Compliance and on Internal Control over Financial Reporting".

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

## **PROFILE OF BRAZOS COUNTY**

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. Approximately 75 percent of the Texas and 10 percent of the Louisiana populations, a combined total of 16 million people, reside within a 200-mile radius of Brazos County. 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 159,000.

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. The average elevation in the County is 300 feet above sea level.

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

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

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

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

The annual budget serves as the foundation of the County's planning and control. Budget hearings are posted annually in July with the final budget approved by the Commissioners' Court following the hearings. The final budget includes contingency and emergency reserves line items. Unencumbered appropriations lapse at fiscal year-end. 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.

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.

There are several entities that function under the umbrella and control of the Commissioners' Court, for which the Commissioners' Court has fiscal responsibility. The Brazos County Juvenile Services 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 Development Corporation are related organizations. 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.

**FACTORS AFFECTING FINANCIAL CONDITION**

The official census for 2000 established the population of the County at 152,415, with 55,202 households and approximately 108,000 persons between the ages of 18 and 65. Of the population that is over age 25, 81.3% are high school graduates and 37% have obtained a bachelor's degree or higher. These numbers compare to 75.7% and 23.2% respectively, for the state of Texas as a whole. Over the last 17 years the population in the County has grown 39% and the Texas State Data Center is projecting the population to increase by 13% from now until the year 2015.

In September 2007, Brazos County had an unemployment estimate of 3,218 persons which represents a rate of 3.6% compared to a Texas statewide unemployment rate of 4.4% for the same month. The current labor force figures for the County as established by the Texas Workforce Commission are 88,766 of which 85,548 are currently employed.

The following schedule is an estimate of the number of employees and the corresponding percentage per industry as of September 2007.

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

| <u>Employer Group</u>                      | <u>Number Of Employees</u> | <u>Percentage</u> |
|--|----------------------------|-------------------|
| State, Local, Federal Government           | 33,500                     | 36%               |
| Trade, Transportation and Utilities        | 13,200                     | 14%               |
| Leisure and Hospitality                    | 9,700                      | 11%               |
| Education and Health Services              | 9,500                      | 11%               |
| Natural Resources, Mining and Construction | 6,400                      | 7%                |
| Manufacturing                              | 6,300                      | 7%                |
| Professional and Business Services         | 5,900                      | 6%                |
| Financial Activities                       | 3,700                      | 4%                |
| Other Services                             | 2,800                      | 3%                |
| Information                                | <u>1,100</u>               | <u>1%</u>         |
| TOTAL                                      | <u>92,100</u>              | <u>100%</u>       |

*Source: Texas Workforce Commission*

From August 2006 to September 2007 the area has added approximately 5,000 jobs in nonagricultural industries which is 3,500 more, comparable to the increase in the period December 2005 to August 2006. The largest growth has been in the government jobs (3,900 jobs).

Brazos County is the home of Texas A&M University, the sixth largest university in enrollment in the United States. The University employs 16,248 permanent and part time employees and serves an enrollment of more than 46,000 students on a 5,200-acre campus. The University offers degrees in more than 170 fields through the various colleges on campus. Texas A&M University is ranked among the top ten research institutions in the nation. Each year, faculty and graduate students conduct approximately \$500 million in sponsored research projects. The permanent plant for the university is valued at more than \$1 billion. The University records in excess of 880,000 visitors annually. Texas A&M University and other members of The Texas A&M University System based in Brazos County had a record \$2.7 billion overall economic impact on the county during calendar year 2006, according to an in-house study. The \$2.7 billion overall economic impact is an increase of \$185.7 million from 2005, and includes a multiplier effect used in economic studies. The University has about 30 projects valued at nearly \$700 million under construction in College Station and Bryan in 2007, and it has roughly tripled the amount of construction that was under way in 2006.

The University 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 is hosting in excess of 300,000 visitors annually. This facility, along with the 324-acre University Research Park, provides an attraction for both national and international visitors. 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.

In addition to the four-year program Texas A&M offers, Blinn College offers two-year programs and two locations to choose from: the main campus in Brenham and a branch location in Bryan. Both locations offer various technical certificates and associates degrees in arts and sciences. The Bryan location offers the same programs and degrees as the main campus, but also takes part in a joint collaborative effort with Texas A&M University. The Blinn "TEAM" program allows select students to take courses at both Texas A&M and Blinn College in an effort to prepare them to become full-time students at TAMU ([www.researchvalley.org](http://www.researchvalley.org)).

Brazos County is a member of the Research Valley Partnership (the RVP), a private non-profit economic development corporation dedicated to promoting the seven county area surrounding Brazos County and the cities of Bryan and College Station. The RVP focuses its efforts on creating jobs and new investment 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. Since the early 90's, the RVP has assisted more than 52 companies and organizations in selecting The Research Valley as a site for new and expanding facilities. These companies have created more than 5,000 jobs and with capital investments of over \$250 million. One of the key factors in the progress of the RVP has been its ability to utilize and market the large skilled workforce in the areas surrounding Texas A&M University which includes students, faculty, researchers and technological innovators and entrepreneurs.

### **Some economic headlines for Brazos County, Texas:**

January 2008 - The Texas A&M Health Science Center broke ground on a 200-acre site donated by the City of Bryan. The construction is set to start in spring 2008 and the first buildings are expected to open in 2010. The Health Science Center campus is expected to double its enrollment to more than 2,000 students when the new facility opens, and plans call for the Texas A&M System to spend \$130 million in construction at the new site over the next five years. The expansion of the Health Science Center is expected to have total direct economic impact of over \$295.8 million by the year 2010.

October 2007 - Toyo Ink Manufacturing Company broke ground on a \$20 million facility in Bryan. Toyo Ink Manufacturing Co. will create 20 full-time jobs with a gross annual payroll of \$1 million at the local plant by the end of 2008. The facility will manufacture and sell specialty polymers and related products, such as coatings, fluid inks and adhesives for the US market.

May 2007 - The Texas A&M University System Board of Regents established the new Texas Institute for Preclinical Studies (TIPS) on the campus of Texas A&M University in College Station. The institute will help set the stage for Texas to expand its leadership role in biotech innovation. Along with companion activities at Texas A&M, including the Texas Institute for Genomic Medicine, currently under construction, TIPS is poised to elevate the A&M System's position as a major player in research and discovery leading to the commercialization of new technologies, products and start-up companies.

### **CAPITAL IMPROVEMENT PROGRAM**

In 2007, the Commissioners' Court of Brazos County continued the strategic planning program concerning capital improvements and expansion that was begun in 1996. This program focuses on meeting current and future needs of the County. During 2007, the County continued construction of county roads to connect major thoroughfares. The County upgraded and reconstructed miles of road during the year at a cost of over \$2.0 million dollars and expended over \$4.9 million dollars in maintaining County roads. The Commissioners' Court has continued to provide adequate funding so that the road and bridge improvement program to upgrade and widen rural County roads could be continued. The program has been in place since 1996 and Commissioners' Court appropriated a public transportation budget for fiscal year 2007 to include \$6.2 million (includes personnel services, supplies and other charges, repairs and maintenance, contract services, and professional services) for routine maintenance, and \$2.4 million for improvements and upgrades.

During the year the County took occupancy of the Sheriff's Administration Building. The building is a 28,000 square foot Sheriff's Administration facility next to the existing Detention Center on Sandy Point Road. It allows virtually all of the services under the responsibility of the Sheriff to be in one location and is expected to serve the office needs of the Sheriff for the next 10 years if not longer.

During 2007, the County substantially completed the construction of the Exposition Center. The facility includes an exhibit hall (50,000 square feet), a covered arena (70,000 square feet) and a pavilion (60,000 square feet) on a 150 acre site. The facility hosted its 1<sup>st</sup> event in July 2007, and to date it has had an estimated 16,000 people at its various events.

During the 2005 fiscal year the County contracted to purchase the First Baptist Church building and land located at 200 Texas Avenue, approximately one block from the location of the Brazos County Courthouse. The purchase included the Church building, a building known as Maxwell Center, two portable buildings, and the land. The County completed the renovation of the Maxwell Center in February 2007 to accommodate the County's Information Technology Department. The renovation of the Church Building started in August 2007 and is expected to be completed by July 2008 to accommodate all administration including the Auditor's Office, Treasurer's Office, Purchasing, the Commissioners' Court, the County Judge and Human Resources as well as the Justices of the Peace and Constable offices for Precinct 2, thereby freeing space in the Courthouse for expansion of the various judicial departments including the three District Courts, two County Courts, District Attorney, County Attorney and the Clerks of Court. The County also moved two portable buildings to accommodate the Juvenile Academy at the current Juvenile Detention site. The County anticipates remodeling the County Courthouse after the move-out of the administration in July 2008.

In November 2007 the voters of Brazos County approved a \$55 million expansion of the Detention Center on Sandy Point Road. The County plans to issue general obligation bonds in May 2008 for the jail expansion project. The main jail complex will be expanded by building three "pods" around it, creating a capacity of 960 beds, which should satisfy the County's needs until the population reaches about 218,000. The 15,000 square foot expansion is expected to start in the summer of 2008 and be completed by 2011.

## **DEBT ADMINISTRATION**

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. The County currently enjoys a Standard and Poor rating of AA. 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. The County has \$2.9 million reserved in the Debt Service Fund to meet future obligations. For the 2007-2008 fiscal year the County debt service portion of its property tax rate remains \$.0620 per \$100 valuation, the same as 2006-2007 fiscal year.

## **CASH MANAGEMENT**

The County has adopted an investment policy as required by state law and in conformity with state investment statutes. The investment policy as adopted by the County employs the prudent person concept in that priorities were established as to the investment vehicles the County would use. Safety was established as the first priority, followed by liquidity, low risk and diversification. The County Treasurer is responsible for administering all of the investment of idle funds in the County. At September 30, 2007, the County had cash and cash equivalents of \$49.9 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, 2007, the County also had approximately \$4.5 million of agency funds invested in money market and time deposits and \$2.2 million invested in a state wide investment pool. During the fiscal year, the County earned approximately \$3 million interest over the funds invested, a decrease from fiscal year 2006 due to the effect of

the overall improving interest rates and a decrease in cash and cash equivalents resulting from the completion of the construction projects during the year.

## **RISK MANAGEMENT**

The County's Risk Management Department is responsible for assessing exposure to risk that the County may have and is responsible for obtaining coverage against that risk. The County practices risk management through a combination of self-insurance and traditional insurance. The Commissioners' Court evaluates management risks and a prescribed direction is assessed. Property and casualty insurance are obtained at reasonable premium rates and purchased through traditional insurance carriers. The County's property and casualty insurance coverage includes general liability, auto liability, law enforcement, workers' compensation, fire, theft, and public officials' errors and omissions. The County, for the year ended September 30, 2007, did not reduce any of its insurance coverage, and all claims against the County had been settled or the underwriter had accepted responsibility for them. The County insures all its buildings at estimated replacement cost.

For several years, Brazos County has been self-insured with reinsurance available for major claims related to health insurance. This procedure allows the County to retain and invest all reserves and premium payments. The County has retained a third party administrator to handle all claims. The County's plan is similar to a preferred provider organization plan with a deductible applicable to some types of claims.

The County's workers' compensation insurance program is through the Texas Association of Counties. The program provides medical and indemnity payments as required by law for on-the-job related injuries. Each department is charged monthly for the cost to cover the employees. All department assessments are transferred to the Internal Service Fund (Health and Life Insurance). The Internal Service Fund is responsible for settling all claims.

The Commissioners' Court has developed a "safety loss control program" designed to reduce risks to County employees. Programs are developed and implemented by an established steering committee. To date, the programs (defensive driving, facility safety audits, preventive maintenance for all buildings and grounds, personnel training classes and incentives for loss prevention) have been successful in reducing the number of injuries and the County's worker's compensation reimbursement rate for the past three years. Industry forecasts of future increases in the cost of insurance have prompted the Commissioners' Court to obtain the services of a "risk management consultant." The consultant's expertise will help the County reduce and/or hold increases to a minimum by adjusting liability limits and levels of self-insurance.

## **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, Commissioners' Court, the County Auditor's staff, and the independent auditors, Ingram, Wallis & Company, P. C.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read 'Katie Conner', with a long horizontal flourish extending to the right.

Katie Conner  
County Auditor

# 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, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Oliver S. Cox*

President

*Jeffrey R. Emmer*

Executive Director

**BRAZOS COUNTY, TEXAS**  
**PRINCIPAL OFFICIALS**  
September 30, 2007

**Commissioners' Court:**

|                       |                          |
|-----------------------|--------------------------|
| Randy Sims            | County Judge             |
| Lloyd Wasserman       | Commissioner, Precinct 1 |
| Duane Peters          | Commissioner, Precinct 2 |
| G. Kenny Mallard, Jr. | Commissioner, Precinct 3 |
| Carey Cauley, Jr.     | Commissioner, Precinct 4 |

**District Court:**

|               |                                |
|---------------|--------------------------------|
| J. D. Langley | Judge, 85th Judicial District  |
| Rick Davis    | 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                          |
| James Kuboviak      | County Attorney                  |
| Bill Turner         | District Attorney                |
| Doug Vance *        | Chief Juvenile Probation Officer |
| Arlene Parchman *   | Chief Adult Probation Officer    |

**Financial Administration:**

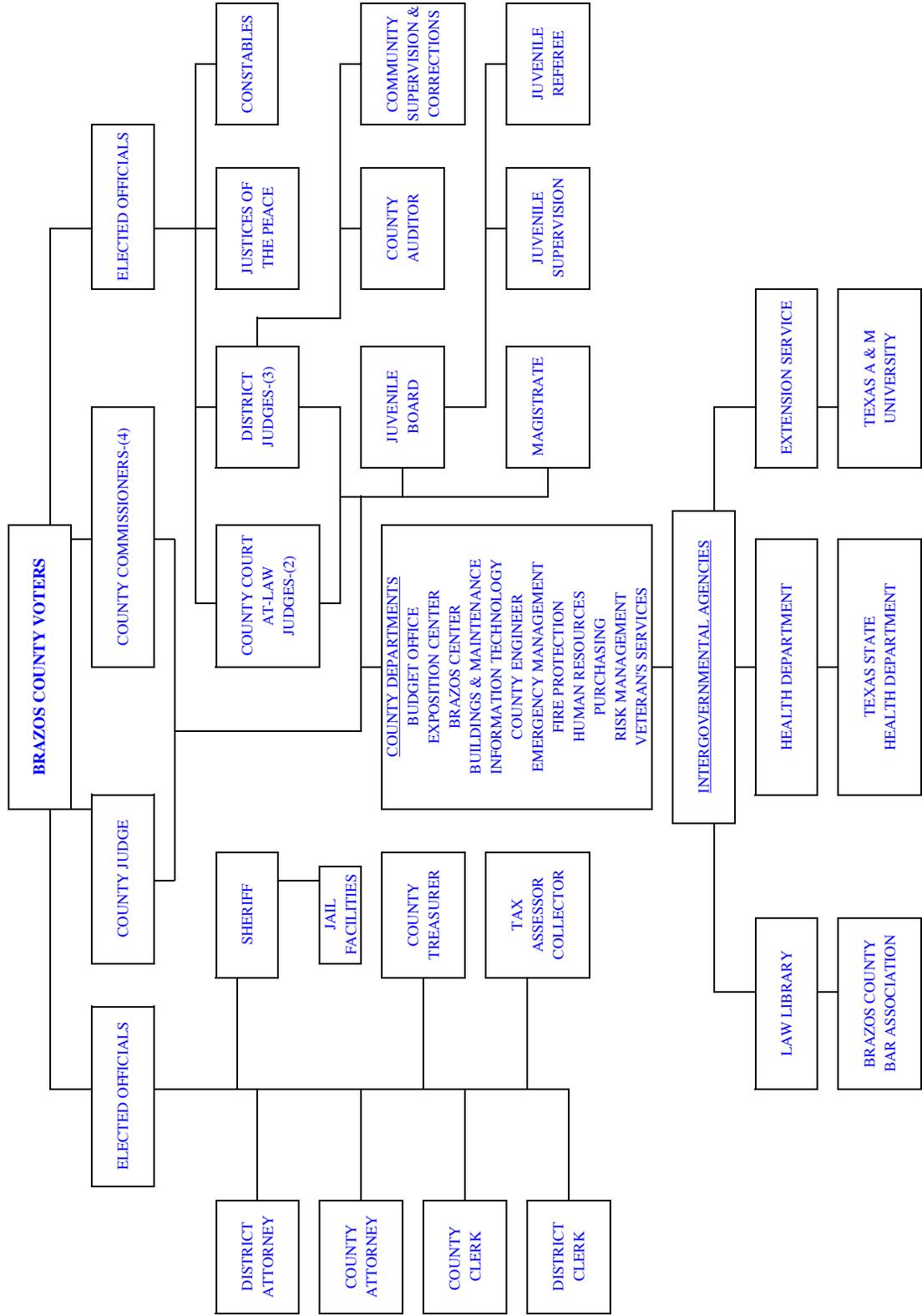
|                |                        |
|----------------|------------------------|
| Kay Hamilton   | Treasurer              |
| Kristeen Roe*  | Tax Assessor-Collector |
| Katie Conner * | Auditor                |

**Recording Offices:**

|               |                |
|---------------|----------------|
| Karen McQueen | County Clerk   |
| Marc Hamlin   | District Clerk |

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

# BRAZOS COUNTY ORGANIZATIONAL CHART



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# Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

Honorable Randy Sims, County Judge  
and the Honorable County Commissioners  
of Brazos County, Texas

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, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2007, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our reports dated March 19, 2008, 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 or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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James D. Ingram, III | Thomas A. Wallis | James D. Ingram, IV | Richard L. Webb

Jennifer A. Stillman • Melissa M. Suehs • Donald B. Browning • Diana K. Wagner • Rosanne P. Ely • Teja Templeton

The management's discussion and analysis, retirement system information and budgetary comparison information on pages 15 through 26 and 66 through 82, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the basic financial statements of the County taken as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State of Texas Single Audit Circular*, issued by the Office of the Governor of the State, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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, supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information as listed in the table of contents has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Bryan, Texas

March 19, 2008

Ingram, Wallis & Company

# MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

## For the Year Ending September 30, 2007

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, 2007. 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

- The total government-wide assets of the County exceeded the liabilities at September 30, 2007 by \$110,839,684, and are reported as total net assets of the primary government. This is comparable to the previous year when assets exceeded liabilities by \$100,514,479.
- The government-wide total net assets increased \$10,325,205 during the fiscal year ending September 30, 2007. The increase can be attributed to governmental activities (\$10,236,106) and to business-type activities (\$89,099).
- Total net assets of the primary government are comprised of the following:

| <u>Net Assets by Category</u>       | <u>September 30, 2007</u> | <u>% to Total</u> | <u>September 30, 2006</u> | <u>% to Total</u> |
|-------------------------------------|---------------------------|-------------------|---------------------------|-------------------|
| Capital Assets, Net of Related Debt | 63,809,415                | 57%               | 38,924,281                | 39%               |
| Restricted Net Assets               | 5,377,356                 | 5%                | 5,709,087                 | 6%                |
| Unrestricted Net Assets             | 41,652,913                | 38%               | 55,881,111                | 55%               |
| Total Net Assets                    | <u>110,839,684</u>        | <u>100%</u>       | <u>100,514,479</u>        | <u>100%</u>       |

#### Fund Financial Statements

- As of September 30, 2007, the County governmental funds reported combined fund balances of \$41,533,866. This reflects a decrease of \$13,475,952 from the previous fiscal years, primarily due to decreases in unreserved fund balances designated for capital project funds. Approximately 78% of the combined fund balances at September 30, 2007 (\$32,340,940) is available to meet the County's current and future needs (unreserved fund balances).
- At the end of the fiscal year, the unreserved fund balance of the County's General Fund was \$28,060,931 or 58% of the General Fund's total expenditures and 49% of the revenues.
- The total fund balance for the nonmajor governmental funds was \$2,564,672 at September 30, 2007. Of this amount, \$2,461,011 is reserved for grant programs and the remaining \$103,661 is unreserved and designated for capital projects.

## FINANCIAL HIGHLIGHTS (Continued)

### Long-Term Debt

- Brazos County's total debt decreased \$2,795,000, or 6% of the existing debt at the beginning of the fiscal year. Note 8 to the financial statements provides details of long-term debt.

## 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 Assets 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 assets presents information on all County assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will 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 County Attorney and the Jail Commissary activities.

## OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

**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.

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 balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 33 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 and Exposition Center, which are considered to be major funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules elsewhere in this report.

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

**Fiduciary funds** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The County's only fiduciary funds are agency funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

## OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

**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 41-65 of this report.

**Required Supplementary Information** is presented concerning the County's General Fund budgetary schedule, and valuation information about the County retirement system and condition assessment information for county roads and bridges. The County adopts an annual budget for the General Fund. A budgetary comparison schedule, which includes the original and final amended budget and actual figures, has been provided to demonstrate compliance with this budget. Required supplementary information can be found on pages 66-82 of this report.

**Combining and Individual Fund Schedules** provide information for nonmajor governmental funds, capital project funds, debt service fund, internal service funds and agency funds and are presented immediately following the required supplementary information. Additionally, the County legally adopts budgets for a number of other governmental funds. Budgetary comparison schedules and combining and individual fund statements and schedules can be found on pages 83-134 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as useful indicators of a government's financial position. Assets exceeded liabilities by \$110,839,684 for fiscal year 2007 and \$100,514,479 for fiscal year 2006.

### Condensed Statement of Net Assets September 30, 2007

|   | <u>Primary Government</u>          |                                     | <u>Total</u>          |
|---|------------------------------------|-------------------------------------|-----------------------|
|   | <u>Governmental<br/>Activities</u> | <u>Business-Type<br/>Activities</u> |                       |
| Current and other assets                        | \$ 61,147,288                      | \$ 341,609                          | \$ 61,488,897         |
| Capital assets, net                             | 109,954,382                        | 12,558                              | 109,966,940           |
| Total assets                                    | <u>171,101,670</u>                 | <u>354,167</u>                      | <u>171,455,837</u>    |
| Current and other liabilities                   | 17,890,976                         | 26,482                              | 17,917,458            |
| Long-term liabilities                           | 42,698,695                         | -                                   | 42,698,695            |
| Total liabilities                               | <u>60,589,671</u>                  | <u>26,482</u>                       | <u>60,616,153</u>     |
| Net assets:                                     |                                    |                                     |                       |
| Invested in capital assets, net of related debt | 63,796,857                         | 12,558                              | 63,809,415            |
| Restricted net assets                           | 5,377,356                          | -                                   | 5,377,356             |
| Unrestricted net assets                         | 41,337,786                         | 315,127                             | 41,652,913            |
| Total net assets                                | <u>\$ 110,511,999</u>              | <u>\$ 327,685</u>                   | <u>\$ 110,839,684</u> |

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

### Condensed Statement of Net Assets September 30, 2006

|   | Primary Government      |                          | Total                 |
|---|-------------------------|--------------------------|-----------------------|
|   | Governmental Activities | Business-Type Activities |                       |
| Current and other assets                        | \$ 71,245,043           | \$ 272,848               | \$ 71,517,891         |
| Capital assets, net                             | 87,891,367              | -                        | 87,891,367            |
| Total assets                                    | <u>159,136,410</u>      | <u>272,848</u>           | <u>159,409,258</u>    |
| Current and other liabilities                   | 12,702,545              | 34,262                   | 12,736,807            |
| Long-term liabilities                           | 46,157,972              | -                        | 46,157,972            |
| Total liabilities                               | <u>58,860,517</u>       | <u>34,262</u>            | <u>58,894,779</u>     |
| Net assets:                                     |                         |                          |                       |
| Invested in capital assets, net of related debt | 38,924,281              | -                        | 38,924,281            |
| Restricted net assets                           | 5,709,087               | -                        | 5,709,087             |
| Unrestricted net assets                         | 55,642,525              | 238,586                  | 55,881,111            |
| Total net assets                                | <u>\$ 100,275,893</u>   | <u>\$ 238,586</u>        | <u>\$ 100,514,479</u> |

The largest portion of the County's current fiscal year net assets represents its investment in capital assets (e.g. land, improvements, buildings, equipment, infrastructure), less any related debt used to acquire those assets that is still outstanding. The main use of these capital assets is 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 resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The County's net assets invested in capital assets, net of related debt for fiscal year 2007 are \$63,809,413, which consists of 58% of the total net assets for the primary government. It increased \$24,885,132 over the prior year, which is due primarily to the completion of the Sheriff's Administration Building and Exposition Center.

Another significant portion of the County's current fiscal year net assets reflects unrestricted net assets, which may be used to meet the County's ongoing obligations to citizens and creditors. The unrestricted net assets are \$41,652,913 (38% of the total net assets), which reflects a decrease of \$14,228,198 over the prior year, mainly because of the increased investment in capital assets, net of related debt.

The remaining balance represents resources that are subject to external restrictions on how they may be used, which consists of 4% of the total net assets of the County's governmental activities. The net decrease of restricted net assets of \$331,731 is mainly due to a sizable decrease in the net assets related to grant fund.

At the end of the current fiscal year, the County reported positive net assets in all three categories of net assets for its governmental and business-type activities. Total net assets of the County have increased by \$10.3 million from the prior year, which consisted of a \$10,236,106 increase in governmental activities and \$89,099 increase in business-type activities.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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

### Condensed Statement of Activities For the Year Ended September 30, 2007

|                                    | Governmental<br>Activities | Business-Type<br>Activities | Total                 |
|------------------------------------|----------------------------|-----------------------------|-----------------------|
| Revenues:                          |                            |                             |                       |
| Program revenues:                  |                            |                             |                       |
| Charges for services               | \$ 10,329,836              | \$ 439,167                  | \$ 10,769,003         |
| Operating grants and contributions | 3,326,407                  | -                           | 3,326,407             |
| Capital grants and contributions   | 176,516                    | -                           | 176,516               |
| General revenues:                  |                            |                             |                       |
| Property taxes                     | 37,131,017                 | -                           | 37,131,017            |
| Sales taxes                        | 10,429,681                 | -                           | 10,429,681            |
| Motor vehicle taxes                | 1,217,804                  | -                           | 1,217,804             |
| Mixed drink taxes                  | 440,482                    | -                           | 440,482               |
| Hotel occupancy taxes              | 84,594                     | -                           | 84,594                |
| Unrestricted investment earnings   | 3,021,597                  | 11,397                      | 3,032,994             |
| Gain on sale of capital assets     | 111,290                    | 2,000                       | 113,290               |
| Transfers                          | 5,000                      | (5,000)                     | -                     |
| Total revenues and transfers       | <u>66,274,224</u>          | <u>447,564</u>              | <u>66,721,788</u>     |
| Expenses:                          |                            |                             |                       |
| General Government                 | 12,631,298                 | -                           | 12,631,298            |
| Justice System                     | 11,522,627                 | 40,144                      | 11,562,771            |
| Law Enforcement                    | 14,054,470                 | 318,321                     | 14,372,791            |
| Juvenile Services                  | 4,288,459                  | -                           | 4,288,459             |
| Public Transportation              | 6,429,692                  | -                           | 6,429,692             |
| Public Health                      | 2,148,409                  | -                           | 2,148,409             |
| Human Services                     | 2,918,972                  | -                           | 2,918,972             |
| Interest and Other Fees            | 2,044,191                  | -                           | 2,044,191             |
| Total expenses                     | <u>56,038,118</u>          | <u>358,465</u>              | <u>56,396,583</u>     |
| Change in net assets               | 10,236,106                 | 89,099                      | 10,325,205            |
| Net assets - beginning             | <u>100,275,893</u>         | <u>238,586</u>              | <u>100,514,479</u>    |
| Net assets - ending                | <u>\$110,511,999</u>       | <u>\$ 327,685</u>           | <u>\$ 110,839,684</u> |

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Condensed Statement of Activities  
For the Year Ended September 30, 2006**

|                                    | Governmental<br>Activities | Business-Type<br>Activities | Total                 |
|------------------------------------|----------------------------|-----------------------------|-----------------------|
| Revenues:                          |                            |                             |                       |
| Program revenues:                  |                            |                             |                       |
| Charges for services               | \$ 9,807,168               | \$ 425,727                  | \$ 10,232,895         |
| Operating grants and contributions | 3,374,086                  | -                           | 3,374,086             |
| Capital grants and contributions   | 271,416                    | -                           | 271,416               |
| General revenues:                  |                            |                             |                       |
| Property taxes                     | 34,280,093                 | -                           | 34,280,093            |
| Sales taxes                        | 9,957,049                  | -                           | 9,957,049             |
| Motor vehicle taxes                | 1,212,367                  | -                           | 1,212,367             |
| Mixed drink taxes                  | 401,298                    | -                           | 401,298               |
| Unrestricted investment earnings   | 3,120,658                  | 8,048                       | 3,128,706             |
| Gain on sale of capital assets     | 38,820                     | -                           | 38,820                |
| Total revenues                     | <u>62,462,955</u>          | <u>433,775</u>              | <u>62,896,730</u>     |
| Expenses:                          |                            |                             |                       |
| General Government                 | 12,042,697                 | -                           | 12,042,697            |
| Justice System                     | 10,457,394                 | 67,342                      | 10,524,736            |
| Law Enforcement                    | 12,905,488                 | 299,883                     | 13,205,371            |
| Juvenile Services                  | 4,179,885                  | -                           | 4,179,885             |
| Public Transportation              | 4,900,621                  | -                           | 4,900,621             |
| Public Health                      | 1,705,958                  | -                           | 1,705,958             |
| Human Services                     | 2,469,378                  | -                           | 2,469,378             |
| Interest and Other Fees            | 2,326,392                  | -                           | 2,326,392             |
| Total expenses                     | <u>50,987,813</u>          | <u>367,225</u>              | <u>51,355,038</u>     |
| Change in net assets               | 11,475,142                 | 66,550                      | 11,541,692            |
| Net assets - beginning             | <u>88,800,751</u>          | <u>172,036</u>              | <u>88,972,787</u>     |
| Net assets - ending                | <u>\$100,275,893</u>       | <u>\$ 238,586</u>           | <u>\$ 100,514,479</u> |

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

### Revenue Analysis

For fiscal year ended September 30, 2007, revenues for the primary government totaled \$66,721,788. The revenues are categorized by activity type: governmental activities totaled \$66,269,224 and business-type activities totaled \$447,564.

Program revenues are derived from the program itself and thereby reduce the cost of the function to the County. Total program revenues were \$14,271,926, and 21% of total revenues. The largest portion of program revenues is charges for services of \$10,769,003(16% of the total revenues). Of that \$10,329,836 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 \$439,167, which represents primarily commissary sales to the inmates held in County jails. The other portions of program revenues are operating grants and contributions of \$3,326,407 and capital grants and contributions of \$176,516. They represent receipts from various federal, state, and local agencies and are comparable to the prior year.

General revenues are revenues that cannot be assigned to a specific function. Property taxes were the largest revenue source for governmental activities and 56% of total revenues. The tax rate was \$0.4550 per \$100 of assessed value for fiscal year 2007 and \$0.4650 for fiscal year 2006. The assessed value increased in fiscal year 2007 to \$9,227,810,179 from the assessed value in the prior fiscal year of \$8,303,352,544. Besides the property taxes, the general revenues also consist of sales taxes, motor vehicle taxes, mixed drink taxes, hotel occupancy taxes, investment earnings and gain on sale of capital assets, which in total are 23% of the total revenues. The County's hotel occupancy tax is a new tax imposed effective September 1, 2007 for the promotion of the Exposition Center.

|                                      | <u>Year Ended</u><br><u>September 30, 2007</u> |               | <u>Year Ended</u><br><u>September 30, 2006</u> |               |
|--------------------------------------|--|---------------|--|---------------|
| <b><u>Program Revenues</u></b>       |  |               |  |               |
| Charges for services - governmental  | \$ 10,329,836                                  | 15.4%         | \$ 9,807,168                                   | 15.6%         |
| Charges for services - business-type | 439,167  | 0.7%          | 425,727  | 0.7%          |
| Operating grants and contributions   | 3,326,407                                      | 5.0%          | 3,374,086                                      | 5.4%          |
| Capital grants and contributions     | 176,516  | 0.3%          | 271,416  | 0.4%          |
| <b><u>General Revenues</u></b>       |  |               |  |               |
| Property taxes                       | 37,131,017                                     | 55.7%         | 34,280,093                                     | 54.5%         |
| Sales taxes                          | 10,429,681                                     | 15.6%         | 9,957,049                                      | 15.8%         |
| Motor vehicle taxes                  | 1,217,804                                      | 1.8%          | 1,212,367                                      | 1.9%          |
| Mixed drink taxes                    | 440,482  | 0.7%          | 401,298  | 0.6%          |
| Hotel occupancy taxes                | 84,594   | 0.1%          | -  | -             |
| Unrestricted investment earnings     | 3,032,994                                      | 4.5%          | 3,128,706                                      | 5.0%          |
| Gain on sale of capital assets       | 113,290  | 0.2%          | 38,820   | 0.1%          |
| <b>Total Revenues</b>                | <u>\$ 66,721,788</u>                           | <u>100.0%</u> | <u>\$ 62,896,730</u>                           | <u>100.0%</u> |

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

### Expense Analysis

For the year ended September 30, 2007, the function and program costs for the primary government were \$56,038,118 for the governmental activities and \$358,465 for the business-type activities. A comparative overview of expenses for the County's primary government for the current and previous year is as follows:

| <u>Function</u>                        | <u>Year Ended</u>         |               | <u>Year Ended</u>         |               |
|--|---------------------------|---------------|---------------------------|---------------|
|  | <u>September 30, 2007</u> |               | <u>September 30, 2006</u> |               |
| General Government                     | \$12,631,298              | 22.5%         | \$ 12,042,697             | 23.6%         |
| Justice System                         | 11,522,627                | 20.6%         | 10,457,394                | 20.5%         |
| Law Enforcement                        | 14,054,470                | 25.1%         | 12,905,488                | 25.3%         |
| Juvenile Services                      | 4,288,459                 | 7.7%          | 4,179,885                 | 8.2%          |
| Public Transportation                  | 6,429,692                 | 11.5%         | 4,900,621                 | 9.6%          |
| Public Health                          | 2,148,409                 | 3.8%          | 1,705,958                 | 3.3%          |
| Human Services                         | 2,918,972                 | 5.2%          | 2,469,378                 | 4.9%          |
| Interest and Other Fees                | 2,044,191                 | 3.6%          | 2,326,392                 | 4.6%          |
| <b>Total Governmental Activities</b>   | <u>\$56,038,118</u>       | <u>100.1%</u> | <u>\$ 50,987,813</u>      | <u>100.0%</u> |
| <b><u>Business-Type Activities</u></b> |                           |               |                           |               |
| County Attorney                        | 40,144                    | 11.2%         | 67,342                    | 18.3%         |
| Jail Commissary                        | 318,321                   | 88.8%         | 299,883                   | 81.7%         |
| <b>Total Business-Type Activities</b>  | <u>\$ 358,465</u>         | <u>100.0%</u> | <u>\$ 367,225</u>         | <u>100.0%</u> |

## FINANCIAL ANALYSIS OF FUNDS

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

At September 30, 2007, the County's governmental funds reported combined fund balances of \$41,533,866, a decrease of \$13,475,952 or 25% in comparison with the prior year. The change was primarily due to an increase in expenditures which exceeded the increase in revenues in the current year. The increase in expenditures is a reflection of increased debt service payments and disbursements for the Sheriff's Administration Building and Exposition Center, which were both completed by the end of the current year. Approximately \$32,340,940 (78%) of the combined fund balance constitutes unreserved fund balance, which is available to meet the County's current and future needs including the County's capital project and the Court-designated corpus of the Health Endowment Fund (See page 48, Note 1-N).

## **FINANCIAL ANALYSIS OF FUNDS (Continued)**

### **The General Fund**

The General Fund is the chief operating fund of the County. At September 30, 2007, the General Fund reported revenues of \$57,554,685, an increase of \$5,623,335 or 10.8% over the prior year. The increase is due to a \$3,514,934 increase in ad valorem and sales taxes, an increase in charges for services of \$1,542,481, an increase in intergovernmental revenues of \$129,815, an increase in interest revenue of \$496,938 and a decrease of \$60,833 in other revenue.

Expenditures in the General Fund increased by approximately \$5,451,979 or about 12.6% over the prior year. Increases in the majority of functions are results of performance pay allowances and increased expenditures in different classifications as needed.

The ending budget for the General Fund reflected an anticipated excess of expenditures over revenues of \$2.9 million. Actual realized revenues exceeded budgeted revenues by \$6.0 million. Actual realized expenditures were \$5.8 million less than the appropriated budget for the fiscal period.

### **The 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 2007, the fund balance increased \$521,598 or 21.9% from fiscal year 2006. This increase is due to the realization of revenues in excess of anticipated for delinquent ad valorem taxes and the decreases in debt interest payment and agent fees. During the year ended September 30, 2007, the County retired principal on its outstanding bonded debt of \$2,795,000.

For fiscal year 2008 the County's debt service requirements for the governmental activities are \$3,445,000 in principal and \$1,912,580 in interest. Additional information is available to the readers in Note 8 (Long-Term Debt) to the Financial Statements.

### **The Exposition Center Fund**

The Exposition Center Fund accounts for receipts and disbursements relating to the acquisition and construction of the County Exposition Center. At the end of fiscal year 2007, the total fund balance for the fund was \$0 and the fund balance at the end of 2006 was \$10,398,706. The depletion of the fund balance represents the completion of the construction. The majority of the financing for the capital project was derived from the issuance of \$8,000,000 General Obligation Bonds in 2001 and \$10,500,000 in 2005. Additional funding was provided through the funds transferred from the General Fund and Capital Improvement Fund, and the interest earnings from the depository bank (Citibank) and TexPool investment.

### **The Capital Improvement Fund**

The Capital Improvement Fund accounts for disbursements relating to the County's Administration Building renovation, the Juvenile Department's portable buildings, the Jail Expansion, other building renovations, the Exposition Center fences, and capital asset additions to various departments. At September 30, 2007, the total fund balance for the fund was \$4,176,348 and the fund balance at the end of 2006 was \$379,178. The increase in the fund balance is due to the increased funding transferred from the General Fund.

## 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, 2007, amounted to \$109,966,940 (net of accumulated depreciation) and at September 30, 2006 it was \$87,891,367. Depreciation on capital assets is recognized in the government-wide financial statements. Depreciation provided for the current fiscal period was \$2,264,211 as compared to \$2,211,119 for the year ended September 30, 2006.

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

- The County has several ongoing capital improvement projects, including the Jail Expansion, the portable buildings for the Juvenile's Department and the renovation of the County's Administration Building.
- The Sheriff's Administration Building and the County's Exposition Center were completed during this fiscal year.

The County has elected to use the "Modified Approach" as defined by GASB 34 for reporting infrastructure assets, which include 470 miles of roads and 58 bridges.

For further information regarding capital assets, see Note 5 to the financial statements.

|  | <b>Balance</b>            | <b>Balance</b>            |
|--|---------------------------|---------------------------|
|  | <b>September 30, 2007</b> | <b>September 30, 2006</b> |
| <u>Governmental Activities:</u>              |                           |                           |
| Land   | \$ 10,434,806             | \$ 7,854,682              |
| Construction in progress                     | 2,043,763                 | 12,757,220                |
| Infrastructure                               | 42,234,977                | 40,773,998                |
| Buildings                                    | 58,007,245                | 28,721,029                |
| Improvements other than buildings            | 5,157,558                 | 5,039,804                 |
| Machinery and equipment                      | 16,899,055                | 16,168,794                |
|  | <u>134,777,404</u>        | <u>111,315,527</u>        |
| Less: Accumulated depreciation               | (24,823,022)              | (23,424,160)              |
| Governmental activities capital assets, net  | <u>\$ 109,954,382</u>     | <u>\$ 87,891,367</u>      |
| <u>Business-type activities:</u>             |                           |                           |
| Machinery and equipment                      | \$ 13,893                 | \$ 23,025                 |
|  | <u>13,893</u>             | <u>23,025</u>             |
| Less: Accumulated depreciation               | (1,335)                   | (23,025)                  |
| Business-type activities capital assets, net | <u>\$ 12,558</u>          | <u>\$ -</u>               |

## **CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)**

### **Long-Term Debt**

At September 30, 2007, the County had total long-term debt outstanding of \$46,125,000 as compared to \$48,920,000 in the prior year. Refer to Note 8 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 and is shown in the statistical section of this report.

### **ECONOMIC FACTORS**

The Commissioners' Court adopted the 2007-2008 budget on September 11, 2007. The budget was adopted based on anticipated resources and estimated uses in fiscal year 2008. The total available resources for all funds are anticipated to be \$148,200,000. For the County's General Fund total resources are estimated to be \$65,800,000 including the appropriated fund balance of \$7,100,000.

For 2007-2008, the property tax rate will increase from \$0.4550 to \$0.4650 per \$100 valuation. For the past three years, the County has maintained an estimated collection rate of 98% on property taxes.

The unemployment rate for Brazos County for calendar year 2007 was 3.6%. This is an unfavorable increase from the prior year rate of 3.5%. However the number of people employed with Brazos County increased by 39 during the year.

### **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, 300 East 26<sup>th</sup> Street, Suite 314, Bryan, Texas, 77803.

## **BASIC FINANCIAL STATEMENTS**

**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF NET ASSETS**  
**September 30, 2007**

|   | <b>Governmental<br/>Activities</b> | <b>Business-Type<br/>Activities</b> | <b>TOTAL</b>          |
|---|------------------------------------|-------------------------------------|-----------------------|
| <b>ASSETS</b>   |                                    |                                     |                       |
| Cash and Cash Equivalents                               | \$ 46,668,984                      | \$ 315,164                          | \$ 46,984,148         |
| Investments   | 2,245,623                          | -                                   | 2,245,623             |
| Prepaid Expenses  | 431,058                            | -                                   | 431,058               |
| Receivables, net of allowance for uncollectible amounts |                                    |                                     |                       |
| Taxes   | 3,122,044                          | -                                   | 3,122,044             |
| Accounts and Other                                      | 5,233,494                          | 1,017                               | 5,234,511             |
| Inventories   | 542,118                            | 20,768                              | 562,886               |
| Internal Balances                                       | (4,660)                            | 4,660                               | -                     |
| Restricted Assets                                       |                                    |                                     |                       |
| Cash and Cash Equivalents                               | 2,889,718                          | -                                   | 2,889,718             |
| Receivables   |                                    |                                     |                       |
| Taxes   | 6,549                              | -                                   | 6,549                 |
| Accounts and Other                                      | 12,360                             | -                                   | 12,360                |
| Capital Assets (net of accumulated depreciation)        |                                    |                                     |                       |
| Land  | 10,434,806                         | -                                   | 10,434,806            |
| Buildings   | 45,323,203                         | -                                   | 45,323,203            |
| Improvements Other than Buildings                       | 1,291,095                          | -                                   | 1,291,095             |
| Machinery and Equipment                                 | 8,626,538                          | 12,558                              | 8,639,096             |
| Infrastructure  | 42,234,977                         | -                                   | 42,234,977            |
| Construction in Progress                                | 2,043,763                          | -                                   | 2,043,763             |
| <b>TOTAL ASSETS</b>                                     | <b>\$ 171,101,670</b>              | <b>\$ 354,167</b>                   | <b>\$ 171,455,837</b> |

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

**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF NET ASSETS - Continued**  
**September 30, 2007**

|   | <u>Governmental<br/>Activities</u> | <u>Business-Type<br/>Activities</u> | <u>TOTAL</u>          |
|---|------------------------------------|-------------------------------------|-----------------------|
| <b>LIABILITIES</b>                              |                                    |                                     |                       |
| Accounts Payable and Accrued Liabilities        | \$ 11,851,324                      | \$ 21,346                           | \$ 11,872,670         |
| Accrued Salaries and Wages                      | 619,509                            | 2,183                               | 621,692               |
| Accrued Interest Payable                        | 166,384                            | -                                   | 166,384               |
| Unclaimed Funds                                 | 224,365                            | -                                   | 224,365               |
| Unearned Revenue                                | 874,246                            | -                                   | 874,246               |
| Liabilities for Compensated Absences            | 696,318                            | 2,953                               | 699,271               |
| Noncurrent Liabilities                          |                                    |                                     |                       |
| Due within one year                             | 3,458,830                          | -                                   | 3,458,830             |
| Due in more than one year                       | 42,698,695                         | -                                   | 42,698,695            |
| <b>TOTAL LIABILITIES</b>                        | <u>60,589,671</u>                  | <u>26,482</u>                       | <u>60,616,153</u>     |
| <b>NET ASSETS</b>                               |                                    |                                     |                       |
| Invested in Capital Assets, Net of Related Debt | 63,796,857                         | 12,558                              | 63,809,415            |
| Restricted for:                                 |                                    |                                     |                       |
| Debt Service                                    | 2,908,627                          | -                                   | 2,908,627             |
| Booneville Cemetery                             | 7,718                              | -                                   | 7,718                 |
| Special Purpose Programs                        | 2,461,011                          | -                                   | 2,461,011             |
| Unrestricted                                    | 41,337,786                         | 315,127                             | 41,652,913            |
| <b>TOTAL NET ASSETS</b>                         | <u>\$ 110,511,999</u>              | <u>\$ 327,685</u>                   | <u>\$ 110,839,684</u> |

**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2007**

| <u>Functions/Programs</u>      | <u>Expenses</u>      | <u>Program Revenues</u>         |   |
|--------------------------------|----------------------|---------------------------------|---|
|                                |                      | <u>Charges<br/>for Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> |
| Governmental Activities:       |                      |                                 |   |
| General Government             | \$ 12,631,298        | \$ 2,224,028                    | \$ 24,353   |
| Justice System                 | 11,522,627           | 5,862,626                       | 553,661   |
| Law Enforcement                | 14,054,470           | 786,796                         | 621,285   |
| Juvenile Services              | 4,288,459            | 21,955                          | 1,406,843   |
| Public Transportation          | 6,429,692            | 1,178,077                       | 296,211   |
| Public Health                  | 2,148,409            | 30,103                          | 166,419   |
| Human Services                 | 2,918,972            | 226,251                         | 257,635   |
| Interest and Other Fees        | 2,044,191            | -                               | -   |
| Total Governmental Activities  | <u>56,038,118</u>    | <u>10,329,836</u>               | <u>3,326,407</u>                                  |
| Business-Type Activities:      |                      |                                 |   |
| County Attorney                | 40,144               | 52,074                          | -   |
| Jail Commissary                | 318,321              | 387,093                         | -   |
| Total Business-Type Activities | <u>358,465</u>       | <u>439,167</u>                  | <u>-</u>  |
| Total Government               | <u>\$ 56,396,583</u> | <u>\$ 10,769,003</u>            | <u>\$ 3,326,407</u>                               |

**General revenues:**

## Taxes:

Property taxes

Sales taxes

Motor vehicle taxes

Mixed drink taxes

Hotel occupancy taxes

Unrestricted investment earnings

Gain on sale of capital assets

## Transfers

Total general revenues and transfers

Change in net assets

Net assets-beginning

Net assets-ending

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

| <b>Program Revenues</b> | <b>Net (Expense) Revenue and Changes in Net Assets</b> |                                |                                   |
|-------------------------|--|--------------------------------|-----------------------------------|
|                         | <b>Capital Grants and Contributions</b>                | <b>Governmental Activities</b> | <b>Business - Type Activities</b> |
| \$ -                    | \$ (10,382,917)  | \$ -                           | \$ (10,382,917)                   |
| -                       | (5,106,340)  | -                              | (5,106,340)                       |
| 77,494                  | (12,568,895)   | -                              | (12,568,895)                      |
| -                       | (2,859,661)  | -                              | (2,859,661)                       |
| -                       | (4,955,404)  | -                              | (4,955,404)                       |
| -                       | (1,951,887)  | -                              | (1,951,887)                       |
| 99,022                  | (2,336,064)  | -                              | (2,336,064)                       |
| -                       | (2,044,191)  | -                              | (2,044,191)                       |
| <u>176,516</u>          | <u>(42,205,359)</u>                                    | <u>-</u>                       | <u>(42,205,359)</u>               |
| -                       | -  | 11,930                         | 11,930                            |
| -                       | -  | 68,772                         | 68,772                            |
| -                       | -  | 80,702                         | 80,702                            |
| <u>\$ 176,516</u>       | <u>(42,205,359)</u>                                    | <u>80,702</u>                  | <u>(42,124,657)</u>               |
|                         | 37,131,017   | -                              | 37,131,017                        |
|                         | 10,429,681   | -                              | 10,429,681                        |
|                         | 1,217,804  | -                              | 1,217,804                         |
|                         | 440,482  | -                              | 440,482                           |
|                         | 84,594   | -                              | 84,594                            |
|                         | 3,021,597  | 11,397                         | 3,032,994                         |
|                         | 111,290  | 2,000                          | 113,290                           |
|                         | 5,000  | (5,000)                        | -                                 |
|                         | <u>52,441,465</u>                                      | <u>8,397</u>                   | <u>52,449,862</u>                 |
|                         | 10,236,106   | 89,099                         | 10,325,205                        |
|                         | <u>100,275,893</u>                                     | <u>238,586</u>                 | <u>100,514,479</u>                |
|                         | <u>\$ 110,511,999</u>                                  | <u>\$ 327,685</u>              | <u>\$ 110,839,684</u>             |

**BRAZOS COUNTY, TEXAS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**September 30, 2007**

|  | <b>Major Funds</b>   |                         |
|--|----------------------|-------------------------|
|  | <b>General</b>       | <b>Debt<br/>Service</b> |
| <b>ASSETS</b>                                  |                      |                         |
| Cash and Cash Equivalents                      | \$ 34,280,465        | \$ 2,889,718            |
| Investments                                    | 906,183              | -                       |
| Prepaid Expenditures                           | 196,378              | -                       |
| Receivables:                                   |                      |                         |
| Taxes  | 2,537,033            | 194,516                 |
| Officials                                      | 204,065              | 2,746                   |
| Interest                                       | 139,709              | 9,614                   |
| Accounts                                       | 137,765              | -                       |
| State  | 854,238              | -                       |
| Federal  | 139,711              | -                       |
| Due From Other Funds                           | 1,759                | -                       |
| Inventories                                    | 542,118              | -                       |
| <b>TOTAL ASSETS</b>                            | <b>\$ 39,939,424</b> | <b>\$ 3,096,594</b>     |
| <b>LIABILITIES AND FUND BALANCES</b>           |                      |                         |
| Liabilities:                                   |                      |                         |
| Accounts Payable                               | \$ 4,966,495         | \$ -                    |
| Accrued Salary and Compensated Leave           | 586,801              | -                       |
| Unclaimed Funds                                | -                    | -                       |
| Due To Other Funds                             | 4,660                | -                       |
| Deferred Revenues                              | 2,497,249            | 187,967                 |
| <b>Total Liabilities</b>                       | <b>8,055,205</b>     | <b>187,967</b>          |
| Fund Balances:                                 |                      |                         |
| Reserved                                       |                      |                         |
| For Debt Service                               | -                    | 2,908,627               |
| For Prepaid Expenditures                       | 196,378              | -                       |
| For Inventories                                | 542,118              | -                       |
| For Vital Statistics                           | 22,194               | -                       |
| For Boonville Cemetery                         | 7,718                | -                       |
| For Research Valley                            | 1,033,903            | -                       |
| For Title IV-E                                 | 1,116,836            | -                       |
| For Indigent Health Care                       | 904,141              | -                       |
| For Special Purpose Programs                   | -                    | -                       |
| Unreserved                                     |                      |                         |
| Designated for Capital Project Funds           | -                    | -                       |
| Designated for Health Endowment Fund           | 2,672,107            | -                       |
| Undesignated                                   | 25,388,824           | -                       |
| <b>Total Fund Balances</b>                     | <b>31,884,219</b>    | <b>2,908,627</b>        |
| <b>TOTAL LIABILITIES<br/>AND FUND BALANCES</b> | <b>\$ 39,939,424</b> | <b>\$ 3,096,594</b>     |

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

| <b>Major Funds (Continued)</b> |                     | <b>Other</b>        | <b>Total</b>         |
|--------------------------------|---------------------|---------------------|----------------------|
| <b>Capital</b>                 | <b>Exposition</b>   | <b>Governmental</b> | <b>Governmental</b>  |
| <b>Improvement</b>             | <b>Center</b>       | <b>Funds</b>        | <b>Funds</b>         |
| \$ 5,608,488                   | \$ 1,758,179        | \$ 3,492,639        | \$ 48,029,489        |
| -                              | 1,339,439           | -                   | 2,245,622            |
| -                              | -                   | 1,211               | 197,589              |
| -                              | -                   | -                   | 2,731,549            |
| -                              | -                   | -                   | 206,811              |
| -                              | 6,186               | 13,905              | 169,414              |
| -                              | -                   | 103,623             | 241,388              |
| -                              | -                   | 247,111             | 1,101,349            |
| -                              | -                   | -                   | 139,711              |
| -                              | -                   | -                   | 1,759                |
| -                              | -                   | -                   | 542,118              |
| <u>\$ 5,608,488</u>            | <u>\$ 3,103,804</u> | <u>\$ 3,858,489</u> | <u>\$ 55,606,799</u> |
| <br>                           |                     |                     |                      |
| \$ 1,432,140                   | \$ 3,103,804        | \$ 1,003,045        | \$ 10,505,484        |
| -                              | -                   | 32,708              | 619,509              |
| -                              | -                   | 224,365             | 224,365              |
| -                              | -                   | 1,759               | 6,419                |
| -                              | -                   | 31,940              | 2,717,156            |
| <u>1,432,140</u>               | <u>3,103,804</u>    | <u>1,293,817</u>    | <u>14,072,933</u>    |
| <br>                           |                     |                     |                      |
| -                              | -                   | -                   | 2,908,627            |
| -                              | -                   | -                   | 196,378              |
| -                              | -                   | -                   | 542,118              |
| -                              | -                   | -                   | 22,194               |
| -                              | -                   | -                   | 7,718                |
| -                              | -                   | -                   | 1,033,903            |
| -                              | -                   | -                   | 1,116,836            |
| -                              | -                   | -                   | 904,141              |
| -                              | -                   | 2,461,011           | 2,461,011            |
| 4,176,348                      | -                   | 103,661             | 4,280,009            |
| -                              | -                   | -                   | 2,672,107            |
| -                              | -                   | -                   | 25,388,824           |
| <u>4,176,348</u>               | <u>-</u>            | <u>2,564,672</u>    | <u>41,533,866</u>    |
| <br>                           |                     |                     |                      |
| <u>\$ 5,608,488</u>            | <u>\$ 3,103,804</u> | <u>\$ 3,858,489</u> | <u>\$ 55,606,799</u> |

**BRAZOS COUNTY, TEXAS**  
**RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET ASSETS**  
**September 30, 2007**

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

|   |              |                    |
|---|--------------|--------------------|
| <b>Total fund balances--governmental funds</b>  | <b>\$</b>    | <b>41,533,866</b>  |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.  |              | 109,954,382        |
| Certain receivables are not available and, therefore, are deferred in governmental funds.   |              | 3,543,545          |
| Certain receivables will be collected this year, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.  |              | 1,276,154          |
| Internal service funds are used by the County's management for self insurance. The assets and liabilities of the funds are included with governmental activities in the Statement of Net Assets but are not included at the fund level. |              | 990,809            |
| Liabilities for compensated absences are due within one year but are not reported as liabilities in the funds.  |              | (696,318)          |
| 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:   |              |                    |
| Capital lease payable   | (29,788)     |                    |
| Bonds payable   | (46,125,000) |                    |
| Deferred charge for issuance cost (to be amortized as interest expense)   | 233,469      |                    |
| Issuance premium (to be amortized as interest expense)  | (2,736)      |                    |
| Accrued interest payable  | (166,384)    |                    |
|   |              | (46,090,439)       |
| <b>Total net assets--governmental activities</b>  | <b>\$</b>    | <b>110,511,999</b> |

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



**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For The Year Ended September 30, 2007**

|  | <b>Major Funds</b>   |                         |
|--|----------------------|-------------------------|
|  | <b>General</b>       | <b>Debt<br/>Service</b> |
| <b>REVENUES</b>  |                      |                         |
| Taxes  | \$ 42,856,694        | \$ 5,151,059            |
| Charges for Services   | 10,211,663           | -                       |
| Intergovernmental  | 1,873,200            | -                       |
| Interest   | 2,147,196            | 200,074                 |
| Other Revenue  | 465,932              | -                       |
| <b>TOTAL REVENUES</b>  | <u>57,554,685</u>    | <u>5,351,133</u>        |
| <b>EXPENDITURES</b>  |                      |                         |
| Current  |                      |                         |
| General Government   | 10,427,299           | -                       |
| Justice System   | 11,086,923           | -                       |
| Law Enforcement  | 12,417,531           | -                       |
| Juvenile Services  | 3,397,272            | -                       |
| Public Transportation  | 4,872,636            | -                       |
| Public Health  | 2,113,704            | -                       |
| Human Services   | 2,221,963            | -                       |
| Capital Outlay   | 2,158,114            | -                       |
| Debt Service   |                      |                         |
| Principal Retirement   | -                    | 2,795,000               |
| Interest and Other Fees                                      | -                    | 2,034,535               |
| <b>TOTAL EXPENDITURES</b>                                    | <u>48,695,442</u>    | <u>4,829,535</u>        |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>8,859,243</u>     | <u>521,598</u>          |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                      |                         |
| Transfers In   | 1,208,502            | -                       |
| Transfers Out  | (11,147,625)         | -                       |
| Sale of Capital Assets                                       | 342,070              | -                       |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                  | <u>(9,597,053)</u>   | <u>-</u>                |
| Net Change in Fund Balances                                  | (737,810)            | 521,598                 |
| <b>FUND BALANCES, OCTOBER 1</b>                              | <u>32,622,029</u>    | <u>2,387,029</u>        |
| <b>FUND BALANCES, SEPTEMBER 30</b>                           | <u>\$ 31,884,219</u> | <u>\$ 2,908,627</u>     |

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

| <b>Major Funds</b>  |                     | <b>Other</b>        | <b>Total</b>         |
|---------------------|---------------------|---------------------|----------------------|
| <b>Capital</b>      | <b>Exposition</b>   | <b>Governmental</b> | <b>Governmental</b>  |
| <b>Improvement</b>  | <b>Center</b>       | <b>Funds</b>        | <b>Funds</b>         |
| \$ -                | \$ -                | \$ 87,604           | \$ 48,095,357        |
| -                   | -                   | 596,920             | 10,808,583           |
| -                   | -                   | 1,629,724           | 3,502,924            |
| -                   | 305,627             | 299,023             | 2,951,920            |
| -                   | -                   | -                   | 465,932              |
| -                   | <u>305,627</u>      | <u>2,613,271</u>    | <u>65,824,716</u>    |
| 15,038              | -                   | 76,213              | 10,518,550           |
| -                   | -                   | 298,503             | 11,385,426           |
| 159,129             | -                   | 781,021             | 13,357,681           |
| -                   | -                   | 722,833             | 4,120,105            |
| 1,088,887           | -                   | 268,998             | 6,230,521            |
| -                   | -                   | 14,859              | 2,128,563            |
| 387,217             | -                   | 133,573             | 2,742,753            |
| 3,143,020           | 12,396,613          | 6,654,064           | 24,351,811           |
| -                   | -                   | -                   | 2,795,000            |
| -                   | -                   | -                   | 2,034,535            |
| <u>4,793,291</u>    | <u>12,396,613</u>   | <u>8,950,064</u>    | <u>79,664,945</u>    |
| <u>(4,793,291)</u>  | <u>(12,090,986)</u> | <u>(6,336,793)</u>  | <u>(13,840,229)</u>  |
| 9,764,710           | 1,692,280           | 864,884             | 13,530,376           |
| (1,174,249)         | -                   | (1,203,502)         | (13,525,376)         |
| -                   | -                   | 17,207              | 359,277              |
| <u>8,590,461</u>    | <u>1,692,280</u>    | <u>(321,411)</u>    | <u>364,277</u>       |
| 3,797,170           | (10,398,706)        | (6,658,204)         | (13,475,952)         |
| 379,178             | 10,398,706          | 9,222,876           | 55,009,818           |
| <u>\$ 4,176,348</u> | <u>\$ -</u>         | <u>\$ 2,564,672</u> | <u>\$ 41,533,866</u> |

**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, 2007**

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

|  |           |                     |
|--|-----------|---------------------|
| <b>Net change in fund balances--total governmental funds</b>   | <b>\$</b> | <b>(13,475,952)</b> |
|  |           |                     |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount that expenditures for capital outlay exceeded depreciation expense.  |           | 22,063,014          |
| Revenues and contributed assets in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.  |           | (1,127,597)         |
| 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.   |           | (26,571)            |
| Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which proceeds exceeded repayments. |           | 2,803,187           |
| 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.   |           | 25                  |
| <b>Change in net assets of governmental activities</b>   | <b>\$</b> | <b>10,236,106</b>   |

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

**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**September 30, 2007**

|   | <b>Business - Type<br/>Activities -<br/>Enterprise<br/>Funds</b> |                            |                   | <b>Governmental<br/>Activities</b> |
|---|--|----------------------------|-------------------|------------------------------------|
|   | <b>County<br/>Attorney</b>                                       | <b>Jail<br/>Commissary</b> | <b>Totals</b>     | <b>Internal Service<br/>Fund</b>   |
| <b>ASSETS</b>                                   |  |                            |                   |                                    |
| <b>Current Assets</b>                           |  |                            |                   |                                    |
| Cash and Cash Equivalents                       | \$ 43,173  | \$ 271,991                 | \$ 315,164        | \$ 1,529,214                       |
| Accounts Receivable                             | -  | 1,017                      | 1,017             | 27,077                             |
| Inventories                                     | -  | 20,768                     | 20,768            | -                                  |
| Due From Other Funds                            | 4,590  | 70                         | 4,660             | -                                  |
| <b>Total Current Assets</b>                     | <b>47,763</b>  | <b>293,846</b>             | <b>341,609</b>    | <b>1,556,291</b>                   |
| <b>Noncurrent Assets</b>                        |  |                            |                   |                                    |
| Property, Plant and Equipment                   | -  | 13,893                     | 13,893            | -                                  |
| Less: Accumulated Depreciation                  | -  | (1,335)                    | (1,335)           | -                                  |
| <b>Total Noncurrent Assets</b>                  | <b>-</b>   | <b>12,558</b>              | <b>12,558</b>     | <b>-</b>                           |
| <b>TOTAL ASSETS</b>                             | <b>47,763</b>  | <b>306,404</b>             | <b>354,167</b>    | <b>1,556,291</b>                   |
| <b>LIABILITIES</b>                              |  |                            |                   |                                    |
| <b>Current Liabilities</b>                      |  |                            |                   |                                    |
| Accounts Payable                                | -  | 21,346                     | 21,346            | 559,098                            |
| Accrued Salaries and Wages                      | 773  | 1,410                      | 2,183             | -                                  |
| Liability for Compensated Absences              | -  | 2,953                      | 2,953             | -                                  |
| Deferred Revenues                               | -  | -                          | -                 | 6,384                              |
| <b>TOTAL LIABILITIES</b>                        | <b>773</b>   | <b>25,709</b>              | <b>26,482</b>     | <b>565,482</b>                     |
| <b>NET ASSETS</b>                               |  |                            |                   |                                    |
| Invested in Capital Assets, Net of Related Debt | -  | 12,558                     | 12,558            | -                                  |
| Unrestricted                                    | 46,990   | 268,137                    | 315,127           | 990,809                            |
| <b>TOTAL NET ASSETS</b>                         | <b>\$ 46,990</b>   | <b>\$ 280,695</b>          | <b>\$ 327,685</b> | <b>\$ 990,809</b>                  |

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 ASSETS**  
**PROPRIETARY FUNDS**  
**For The Year Ended September 30, 2007**

|  | <b>Business - Type<br/>Activities -<br/>Enterprise<br/>Funds</b> |                            |                   | <b>Governmental<br/>Activities</b> |
|--|--|----------------------------|-------------------|------------------------------------|
|  | <b>County<br/>Attorney</b>                                       | <b>Jail<br/>Commissary</b> | <b>Totals</b>     | <b>Internal Service<br/>Fund</b>   |
| <b>OPERATING REVENUES</b>              |  |                            |                   |                                    |
| Charges for Services                   | \$ 52,074  | \$ -                       | \$ 52,074         | \$ -                               |
| Commissary Sales                       | -  | 377,160                    | 377,160           | -                                  |
| Employee Dependents                    | -  | -                          | -                 | 884,760                            |
| Self Pays                              | -  | -                          | -                 | 23,227                             |
| Excess Risk Benefits                   | -  | -                          | -                 | 412,603                            |
| Participant Payments                   | -  | -                          | -                 | 225,781                            |
| Brazos County                          | -  | -                          | -                 | 3,723,358                          |
| Retirees                               | -  | -                          | -                 | 98,570                             |
| Other Revenue                          | -  | 9,933                      | 9,933             | -                                  |
| <b>TOTAL OPERATING REVENUES</b>        | <b>52,074</b>  | <b>387,093</b>             | <b>439,167</b>    | <b>5,368,299</b>                   |
| <b>OPERATING EXPENSES</b>              |  |                            |                   |                                    |
| Personnel Services                     | 34,972   | 77,310                     | 112,282           | -                                  |
| Departmental Support                   | 2,753  | 29,982                     | 32,735            | -                                  |
| Cost of Goods Sold                     | -  | 185,778                    | 185,778           | -                                  |
| Minor Acquisitions                     | 2,419  | -                          | 2,419             | -                                  |
| Life Insurance                         | -  | -                          | -                 | 40,107                             |
| Stop Loss Premiums                     | -  | -                          | -                 | 698,119                            |
| Benefit Claims                         | -  | -                          | -                 | 4,367,528                          |
| Administrative Fees                    | -  | -                          | -                 | 302,197                            |
| Professional Services                  | -  | 23,916                     | 23,916            | 30,000                             |
| Depreciation                           | -  | 1,335                      | 1,335             | -                                  |
| <b>TOTAL OPERATING EXPENSES</b>        | <b>40,144</b>  | <b>318,321</b>             | <b>358,465</b>    | <b>5,437,951</b>                   |
| <b>OPERATING INCOME (LOSS)</b>         | <b>11,930</b>  | <b>68,772</b>              | <b>80,702</b>     | <b>(69,652)</b>                    |
| <b>NONOPERATING REVENUES</b>           |  |                            |                   |                                    |
| Gain on Sale of Capital Assets         | 2,000  | -                          | 2,000             | -                                  |
| Interest                               | -  | 11,397                     | 11,397            | 69,677                             |
| <b>TOTAL NONOPERATING REVENUES</b>     | <b>2,000</b>   | <b>11,397</b>              | <b>13,397</b>     | <b>69,677</b>                      |
| <b>INCOME BEFORE TRANSFERS</b>         | <b>13,930</b>  | <b>80,169</b>              | <b>94,099</b>     | <b>25</b>                          |
| Transfers Out                          | (5,000)  | -                          | (5,000)           | -                                  |
| <b>CHANGE IN NET ASSETS</b>            | <b>8,930</b>   | <b>80,169</b>              | <b>89,099</b>     | <b>25</b>                          |
| <b>TOTAL NET ASSETS - OCTOBER 1</b>    | <b>38,060</b>  | <b>200,526</b>             | <b>238,586</b>    | <b>990,784</b>                     |
| <b>TOTAL NET ASSETS - SEPTEMBER 30</b> | <b>\$ 46,990</b>   | <b>\$ 280,695</b>          | <b>\$ 327,685</b> | <b>\$ 990,809</b>                  |

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, 2007**

|   | Business - Type<br>Activities -<br>Enterprise<br>Funds |                    |                   | Governmental<br>Activities |
|---|--|--------------------|-------------------|----------------------------|
|   | County<br>Attorney                                     | Jail<br>Commissary | Totals            | Internal Service<br>Fund   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |  |                    |                   |                            |
| Receipts from customers and users   | \$ 52,462  | \$ 392,956         | \$ 445,418        | \$ 1,236,267               |
| Receipts from interfund services provided   | -  | -                  | -                 | 3,645,094                  |
| Payments to contractors and vendors   | (5,172)  | (244,479)          | (249,651)         | (1,041,184)                |
| Claims paid   | -  | -                  | -                 | (3,815,035)                |
| Payments to employees for services  | (35,739)   | (80,084)           | (115,823)         | -                          |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  | <b>11,551</b>  | <b>68,393</b>      | <b>79,944</b>     | <b>25,142</b>              |
| <b>CASH FLOWS FROM NONCAPITAL<br/>FINANCING ACTIVITIES</b>  |  |                    |                   |                            |
| Transfers to General Fund   | (5,000)  | -                  | (5,000)           | -                          |
| <b>NET CASH USED BY NONCAPITAL<br/>FINANCING ACTIVITIES</b>                                       | <b>(5,000)</b>   | <b>-</b>           | <b>(5,000)</b>    | <b>-</b>                   |
| <b>CASH FLOWS FROM CAPITAL AND RELATED<br/>FINANCING ACTIVITIES</b>                               |  |                    |                   |                            |
| Purchase of capital assets  | -  | (13,893)           | (13,893)          | -                          |
| <b>NET CASH USED BY CAPITAL AND RELATED<br/>FINANCING ACTIVITIES</b>                              | <b>-</b>   | <b>(13,893)</b>    | <b>(13,893)</b>   | <b>-</b>                   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |  |                    |                   |                            |
| Interest received   | -  | 11,333             | 11,333            | 70,439                     |
| <b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>  | <b>-</b>   | <b>11,333</b>      | <b>11,333</b>     | <b>70,439</b>              |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>  | <b>6,551</b>   | <b>65,833</b>      | <b>72,384</b>     | <b>95,581</b>              |
| <b>CASH AND CASH EQUIVALENTS, OCTOBER 1</b>   | <b>36,622</b>  | <b>206,158</b>     | <b>242,780</b>    | <b>1,433,633</b>           |
| <b>CASH AND CASH EQUIVALENTS, SEPTEMBER 30</b>  | <b>\$ 43,173</b>                                       | <b>\$ 271,991</b>  | <b>\$ 315,164</b> | <b>\$ 1,529,214</b>        |
| Reconciliation of operating income to net cash provided<br>by operating activities:               |  |                    |                   |                            |
| Operating income (loss)   | \$ 11,930  | \$ 68,772          | \$ 80,702         | \$ (69,652)                |
| Adjustments to reconcile operating income (loss) to net cash<br>provided by operating activities: |  |                    |                   |                            |
| Depreciation expense  | -  | 1,335              | 1,335             | -                          |
| Decrease in accounts receivable   | -  | 5,863              | 5,863             | 35,677                     |
| Decrease in due from other funds  | 388  | -                  | 388               | -                          |
| (Increase) in inventory   | -  | (564)              | (564)             | -                          |
| Increase (Decrease) in accounts payable   | -  | (4,239)            | (4,239)           | 134,005                    |
| (Decrease) in accrued salaries and compensated absences   | (767)  | (2,774)            | (3,541)           | -                          |
| (Decrease) in deferred revenues   | -  | -                  | -                 | (74,888)                   |
| Total adjustments   | (379)  | (379)              | (758)             | 94,794                     |
| Net cash provided by operating activities   | \$ 11,551  | \$ 68,393          | \$ 79,944         | \$ 25,142                  |

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

**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**September 30, 2007**

|                           |                     |
|---------------------------|---------------------|
| <b>ASSETS</b>             |                     |
| Cash and Cash Equivalents | \$ 4,500,668        |
| Investments               | 1,141,100           |
| Accounts Receivable       | 429                 |
| <b>TOTAL ASSETS</b>       | <u>5,642,197</u>    |
| <b>LIABILITIES</b>        |                     |
| Accounts Payable          | 429                 |
| Funds Held in Trust       | 5,641,768           |
| <b>TOTAL LIABILITIES</b>  | <u>\$ 5,642,197</u> |

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

**BRAZOS COUNTY, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

**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. Government Accounting Standards Board Statement 14 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.

The relationship of the following corporations and the County meet the criteria of related organizations.

**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.

## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **B. Related Organizations (Continued)**

#### **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 Corporation Act. 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 three member Board of Directors which is comprised of three members of the Brazos County Commissioners’ Court.

#### **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. 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.

## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **C. Government-wide Financial Statements**

Government-wide financial statements consist of the Statement of Net Assets 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 effect of inter-fund activity has been eliminated for the government-wide financial statements.

### **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. 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 any un-liquidated items are reported at year-end as a reservation of fund balance.

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.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### D. Fund Level Financial Statements (Continued)

All proprietary funds, including the enterprise fund and internal service funds, 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 a cost of service or "capital maintenance" measurement focus. This means that all assets and liabilities (whether current or non-current) associated with their activity are included in the funds' balance sheets.

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

The County's accounts are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which are comprised of each fund's assets, liabilities, 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 four major funds under this category for the year ended September 30, 2007:

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. The fund accumulates reserves for future capital improvements and unforeseen catastrophic events.

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, interest and related costs.

Capital Improvement Fund – This fund is established to account for expenditures for new construction and acquisition of fixed assets to support the County's general governmental, judicial, law enforcement, and public transportation functions.

Exposition Center Fund – This fund is established to account for the purchase of land and the construction of the Brazos County Exposition Center.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### D. Fund Level Financial Statements (Continued)

#### *Proprietary Funds*

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

#### *Fiduciary Funds*

The Agency Funds are used to account for assets held by the County as agent for individuals, private organizations, and other governmental units and/or other funds. The County reports 4 agency funds as nonmajor fiduciary funds. Assets have been held in these funds on behalf of individuals involving certain legal processes, employees, victims of crimes, bail bondsmen, inmates and other governmental units.

### E. Proprietary Fund Accounting

The County has implemented Statement No. 20 of the Governmental Accounting Standards Board (GASB), "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting." Pursuant to this statement, the County has elected to follow alternative 1 as set out in GASB 20 for proprietary fund accounting. The County follows: (1) All GASB pronouncements and (2) Financial Accounting Standards Board Statements and Interpretations, APB Opinions, and Accounting Research Bulletins issued on or before November 30, 1989 except those that conflict with GASB pronouncements.

### F. Cash, Cash Equivalents and Investments

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

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

## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **G. 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.

### **H. 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, 2007. Accordingly, there are no current taxes receivable reported. On July 1, unpaid taxes are subject to additional penalties and collection expenses.

Taxes have been reported in the government-wide financial statements net of the allowance for uncollectible taxes. At the governmental fund level, taxes are recognized as revenue when they become available and the amount not yet available (not collectible within sixty days) has been reported as deferred revenue. For the year ended September 30, 2007, the tax rate to finance general governmental services was \$0.3930 per \$100.00 valuation. The tax rate for the payment of principal and interest on long-term debt was \$0.0620 per \$100.00 valuation. Under provisions adopted by the State, the maximum rate that can be set to service governmental services is \$0.80 per \$100 of assessed value.

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

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

### **I. Inventories and Prepaid Items**

Payments made to vendors for services that will benefit periods beyond September 30, 2007, are recorded as prepaid items, and amortized as expenditures as consumed.

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

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### J. 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. 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 capitalized and depreciated in the government-wide financial statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements.

Capital assets are valued at cost where historical records are available and at an estimated historical cost where no records exist. Donated capital assets are valued at their estimated fair market value on the date received.

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 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  |

The County uses the modified approach to report its infrastructure assets in the government-wide statement of net assets. 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.

### K. Compensated Absences

All full-time employees are granted vacation and sick leave benefits based on length of service. Non-exempt employees may earn compensatory time off for overtime worked. Employees are entitled to receive accumulated vacation pay in a lump sum payment if their employment is terminated. The related accrued vacation payable and accumulated compensatory time has been accrued as an expense and a liability at year-end in the government-wide statements as a liability for compensated absences. Accumulated sick leave benefits are not recorded, being lost upon termination of employment.

## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **K. Compensated Absences (Continued)**

Non-exempt, non-law enforcement employees earn compensatory time at one and one-half times the excess of 40 hours per week worked. These employees can accrue a maximum of 240 hours. Non-exempt, law enforcement employees earn compensatory time at one and one-half times the excess of 171 hours in a 28-day work cycle. Non-exempt, law enforcement employees can accrue a maximum of 480 hours. At termination, all compensatory time is paid at the wage rate in place at termination. The maximum amount of vacation time an employee can accrue is 240 hours. At termination, an employee is paid for all vacation time earned up to the date of separation at the current wage rate.

### **L. Revenues and Expenses**

Program revenues for governmental activities include those generated from general government, justice system, law enforcement, juvenile services, public transportation, public health and human services.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

### **M. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities. On new bond issues, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as prepaid expenses and amortized over the term of the related debt. Interest expenditures are reported in activities of the general government.

### **N. Fund Balance Designated for Health Endowment Fund**

The County elected to create the Brazos County Community Healthcare Endowment Fund with the funds received from the statewide "Tobacco Settlement." Commissioners' Court designated the corpus of the funds received (\$2,000,000) to be invested and the interest earned to be used to provide funding for various County health programs. Commissioners' Court has appropriated \$220,000 for anticipated program needs during the 2007-2008 fiscal year and has designated \$452,107 available for future programs.

## **NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

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.

## **NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

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

- Departmental annual budget requests are submitted by the department head to the budget officer during the third quarter of the current fiscal year, for the fiscal year beginning October 1.
- The County Auditor prepares an estimate of available resources for the coming fiscal year and presents the estimates to the budget officer by July 15 each year.
- Informal departmental hearings are held with the budget officer.
- The budget officer prepares the proposed annual operating budget to be presented to the Commissioners' Court for consideration. The budget represents the financial plan for the new fiscal year.
- Formal public hearings are held on the proposed budget.
- The adopted budget must be balanced; i.e., available resources must be sufficient to support annual appropriations. The adopted budget must be approved by a majority of the Commissioners' Court on or before November 1 each year.
- The budget is adopted using classifications within each department. The operating department is the legal level of budgetary control.
- The budget may not be increased through the use of supplemental appropriations each year, unless the County Auditor certifies to the Commissioners' Court that supplemental receipts have been realized, and are available to support disbursements, which were not included in the budget for the fiscal year.
- Transfer of appropriations between departments requires the expressed permission of 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 forecast by the County Auditor. This is the legal level of control for the County budget. Expenditures may not exceed budgeted appropriations at the fund level except for General Fund, which is appropriated at the classification level. Administrative control is maintained through the establishment of more detailed line-item budgets. Amendments increasing budget appropriations are restricted to those for "emergency expenditures, in case of grave public necessity, to meet unusual and unforeseen conditions that could not, by reasonably diligent thought and attention, have been included in the original budget." The Commissioners' Court must approve the original budget appropriations and subsequent amendments and adjustments. The County Auditor is required to monitor the expenditures of all the funds in comparison to that which has been appropriated. The following schedule of changes in the original budget appropriations includes those funds for which the Commissioners' Court has legally adopted a budget, as well as funds with managerial budgets.

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

|                  | Original Budgeted<br>Expenditures and Other<br>Financing Uses | Supplemental<br>Appropriations | Original As<br>Amended |
|------------------|---|--------------------------------|------------------------|
| General Fund     | \$ 63,034,033   | \$ 2,786,568                   | \$ 65,820,601          |
| Special Revenue  | 5,703,051   | 187,150                        | 5,890,201              |
| Debt Service     | 5,300,000   | -                              | 5,300,000              |
| Capital Projects | 26,230,058  | 2,784,384                      | 29,014,442             |
| Totals           | <u>\$ 100,267,142</u>   | <u>\$ 5,758,102</u>            | <u>\$ 106,025,244</u>  |

**NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS**

**A. Cash and Cash Equivalents**

Chapter 2257 of the Texas Government Code, also known as the Public Funds Collateral Act, provides guidelines for the amount of collateral that is required to secure the deposit of public funds. It requires that the deposit of public funds be collateralized in an amount not less than the total deposit, reduced by the amount of Federal Depository insurance (FDIC) available. FDIC is available for funds deposited at any one financial institution up to a maximum of \$100,000 each for demand deposits, time and savings deposits, and deposits pursuant to indenture. At September 30, 2007, the carrying amounts of the County's deposits were \$54,374,534. The County's deposits are not exposed to custodial credit risk since all deposits are either covered by FDIC insurance or 100% to 110% collateralized.

**B. Investments**

The County's investment policy is based on Section 116.112 of the Local Government Code and Government Code Chapter 2256, Subchapters A and B. Investments authorized by the investment policy are as follows:

- direct debt securities of the United States, its agencies and instrumentalities.
- fully collateralized security repurchase agreements with the County depository or with state or national banks domiciled in Texas.
- certificates of deposit if issued by a state or a national bank domiciled in this state, or a savings and loan association domiciled in this state, if the certificate is 102% collateralized.
- a bankers' acceptance if it has a stated maturity of 270 days or fewer from the date of issuance and is eligible for collateral for borrowing from a Federal Reserve Bank.
- commercial paper is an authorized investment if the commercial paper has a stated maturity of 90 days or fewer from the date of issuance and is rated not less than A-1 and P-1.
- money market funds if the Commissioners' Court by resolution authorizes investment in the fund with limitations.
- eligible investment pools if the Commissioners' Court by resolution authorizes investment in the particular pool.

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

**B. Investments (Continued)**

During the year ended September 30, 2007, County investments included funds deposited in TexPool. TexPool is a local government investment pool under the oversight of the State Comptroller of Public Accounts of Texas. It is rated AAAM by Standard & Poor's, the highest rating a local government investment pool can achieve. The pools seek to maintain a \$1.00 value per share as required by the Texas Public Funds Investment Act. 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.

Investments at September 30, 2007 are as follows:

|                    |                     |
|--------------------|---------------------|
| Pooled Investments | \$ 2,245,623        |
| Property           | <u>1,141,100</u>    |
| Total Investments  | <u>\$ 3,386,723</u> |

The \$2,245,623 pooled investments are reflected as investments on the balance sheet at its fair value, which is the same as the value of the pool shares.

The listed property is the property recorded in the Bail Bond Board Agency Fund. The property is held by the County as security for the bail bondsman operating in the County and is not classified in accordance with GASB Statement 3.

**NOTE 4 – TAXES AND OTHER RECEIVABLES**

The following is a summary of the gross delinquent taxes receivable, penalties and interest on taxes receivable, and other receivables at year-end for the County's individual major funds and nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts:

|                            | General             | Debt<br>Service   | Major<br>Capital<br>Projects | Nonmajor          | Internal<br>Service | Fiduciary     | Total               |
|----------------------------|---------------------|-------------------|------------------------------|-------------------|---------------------|---------------|---------------------|
| Taxes                      | \$ 2,330,695        | \$ 205,694        | \$ -                         | \$ -              | \$ -                | \$ -          | \$ 2,536,389        |
| Penalty & Interest - Taxes | 852,420             | 101,156           | -                            | -                 | -                   | -             | 953,576             |
| Court Fines & Fees         | 11,706,015          | -                 | -                            | -                 | -                   | -             | 11,706,015          |
| Interest                   | 139,709             | 9,614             | 6,186                        | 13,905            | 5,381               | -             | 174,795             |
| Accounts                   | 1,335,778           | 2,746             | -                            | 350,734           | 21,696              | 429           | 1,711,383           |
| Gross Receivables          | <u>16,364,617</u>   | <u>319,210</u>    | <u>6,186</u>                 | <u>364,639</u>    | <u>27,077</u>       | <u>429</u>    | <u>17,082,158</u>   |
| Less:                      |                     |                   |                              |                   |                     |               |                     |
| Allowance                  | <u>(8,667,803)</u>  | <u>(39,479)</u>   | <u>-</u>                     | <u>-</u>          | <u>-</u>            | <u>-</u>      | <u>(8,707,282)</u>  |
| Net Receivable             | <u>\$ 7,696,814</u> | <u>\$ 279,731</u> | <u>\$ 6,186</u>              | <u>\$ 364,639</u> | <u>\$ 27,077</u>    | <u>\$ 429</u> | <u>\$ 8,374,876</u> |

## NOTE 5 – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2007 was as follows:

|   | Balance at<br>October 1,<br>2006 | Additions           | Deletions<br>& Adjustments | Balance at<br>September 30,<br>2007 |
|---|----------------------------------|---------------------|----------------------------|-------------------------------------|
| <b>Governmental activities:</b>                     |                                  |                     |                            |                                     |
| <b>Capital assets, not being depreciated:</b>       |                                  |                     |                            |                                     |
| Land  | \$ 7,854,682                     | \$ 246,992          | \$ 2,333,132               | \$ 10,434,806                       |
| Construction in progress                            | 12,757,220                       | 21,048,645          | (31,762,102)               | 2,043,763                           |
| Infrastructure                                      | 40,773,998                       | 1,460,979           | -                          | 42,234,977                          |
| <b>Total capital assets, not being depreciated</b>  | <b>61,385,900</b>                | <b>22,756,616</b>   | <b>(29,428,970)</b>        | <b>54,713,546</b>                   |
| <b>Capital assets, being depreciated:</b>           |                                  |                     |                            |                                     |
| Buildings   | 28,721,029                       | -                   | 29,286,216                 | 58,007,245                          |
| Improvements other than buildings                   | 5,039,804                        | -                   | 117,754                    | 5,157,558                           |
| Machinery and equipment                             | 16,168,794                       | 1,817,262           | (1,087,001)                | 16,899,055                          |
| <b>Total capital assets, being depreciated</b>      | <b>49,929,627</b>                | <b>1,817,262</b>    | <b>28,316,969</b>          | <b>80,063,858</b>                   |
| <b>Less accumulated depreciation for:</b>           |                                  |                     |                            |                                     |
| Buildings   | (11,998,789)                     | (685,253)           | -                          | (12,684,042)                        |
| Improvements other than buildings                   | (3,665,421)                      | (201,042)           | -                          | (3,866,463)                         |
| Machinery and equipment                             | (7,759,950)                      | (1,376,581)         | 864,014                    | (8,272,517)                         |
| <b>Total accumulated depreciation</b>               | <b>(23,424,160)</b>              | <b>(2,262,876)</b>  | <b>864,014</b>             | <b>(24,823,022)</b>                 |
| <b>Total capital assets, being depreciated, net</b> | <b>26,505,467</b>                | <b>(445,614)</b>    | <b>29,180,983</b>          | <b>55,240,836</b>                   |
| <b>Governmental activities capital assets, net</b>  | <b>\$ 87,891,367</b>             | <b>\$22,311,002</b> | <b>\$ (247,987)</b>        | <b>\$ 109,954,382</b>               |
| <b>Business-type activities:</b>                    |                                  |                     |                            |                                     |
| <b>Capital assets, being depreciated:</b>           |                                  |                     |                            |                                     |
| Machinery and equipment                             | \$ 23,025                        | \$ 13,893           | \$ (23,025)                | \$ 13,893                           |
| <b>Total capital assets, being depreciated</b>      | <b>23,025</b>                    | <b>13,893</b>       | <b>(23,025)</b>            | <b>13,893</b>                       |
| <b>Less accumulated depreciation for:</b>           |                                  |                     |                            |                                     |
| Machinery and equipment                             | (23,025)                         | (1,335)             | 23,025                     | (1,335)                             |
| <b>Total accumulated depreciation</b>               | <b>(23,025)</b>                  | <b>(1,335)</b>      | <b>23,025</b>              | <b>(1,335)</b>                      |
| <b>Total capital assets, being depreciated, net</b> | <b>-</b>                         | <b>12,558</b>       | <b>-</b>                   | <b>12,558</b>                       |
| <b>Business-type activities capital assets, net</b> | <b>\$ -</b>                      | <b>\$ 12,558</b>    | <b>\$ -</b>                | <b>\$ 12,558</b>                    |

**NOTE 5 – CAPITAL ASSETS (Continued)**

Depreciation expense for FY 2007 was charged to functions as follows:

|  |                            |
|--|----------------------------|
| Governmental Activities:                             |                            |
| General Government                                   | \$ 545,897                 |
| Justice System                                       | 154,203                    |
| Law Enforcement                                      | 743,028                    |
| Juvenile Services                                    | 199,591                    |
| Public Transportation                                | 428,125                    |
| Public Health  | 19,846                     |
| Human Services                                       | 172,186                    |
|  | <hr/>                      |
| Total depreciation expense - governmental activities | <u><u>\$ 2,262,876</u></u> |

**NOTE 6 – RESTRICTED ASSETS AND LIABILITIES**

The government-wide and business-type activities financial statements utilize a net assets presentation. Net assets are categorized as invested in capital assets (net of related debt), restricted and unrestricted.

In the fund financial statements, reserves and designations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. The various designations are established by actions of the Commissioners' Court and management and can be increased, reduced or eliminated by similar actions.

**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 \$81,183. At September 30, 2007, 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 Service League of Bryan/College Station at \$7,800 per year with a lease agreement renewable every two years. The current lease was renewed on June 1<sup>st</sup>, 2007. The County has also purchased property with an existing lease, allowing Lamar Companies to set up billboards on the County's property at \$1,200 per year. The lease will expire in 2010.

**NOTE 7 – LEASES (Continued)**

**A. Operating Leases (Continued)**

The County had entered into twenty non-cancelable operating leases for the use of photocopying equipment. The leases are for a 36 to 60 month period. Expenditures for these operating leases were \$96,125 in 2007. The County has also entered three non-cancelable operating leases for facility rental with various terms. Expenditures for such leases were \$76,684 in 2007. The future minimum lease payments for these leases are as follows:

| <u>Year Ended September 30,</u> | <u>Amount</u>     |
|---------------------------------|-------------------|
| 2008                            | 143,229           |
| 2009                            | 61,844            |
| 2010                            | 47,341            |
| 2011                            | 20,556            |
| 2012                            | <u>4,441</u>      |
| Total                           | <u>\$ 277,411</u> |

**B. Capital Leases**

The County currently has two capital lease agreements for the purchase of one electronic monitoring system and one metal detector. Payments during the fiscal year ended September 30, 2007 totaled \$17,844. Interest rates are 10% per annum for the electronic monitoring system and 8.5% per annum for the metal detector. Payments, including interest, are due as follows as of September 30, 2007:

| <u>Fiscal Year</u>          | <u>Equipments</u> |
|-----------------------------|-------------------|
| 2008                        | 16,164            |
| 2009                        | 15,604            |
| 2010                        | <u>1,300</u>      |
| Total Future Lease Payments | 33,068            |
| Less: Interest              | <u>(3,280)</u>    |
|                             | <u>\$ 29,788</u>  |

As of September 30, 2007, the County had recorded equipment under capital lease obligations of approximately \$33,068, net of accumulated depreciation.

| <u>Governmental Activities:</u> | <u>Asset Balance<br/>September 30, 2007</u> | <u>Accumulated<br/>Depreciation</u> | <u>Net</u> |
|---------------------------------|---|-------------------------------------|------------|
| Equipment                       | \$123,840                                   | \$90,772                            | \$33,068   |

## NOTE 8 - LONG-TERM DEBT

The following are debt issues with activity or outstanding balances at September 30, 2007.

| Description                        | Original Amount | Interest Rates (%) | Year of Issue | Year of Maturity | Outstanding at 9/30/07 |
|------------------------------------|-----------------|--------------------|---------------|------------------|------------------------|
| <u>Certificates of Obligation</u>  |                 |                    |               |                  |                        |
| Series 1998 - Various              | 10,000,000      | 4.63               | 1998          | 2013             | 5,865,000              |
| Series 2001 - Judicial Software    | 1,000,000       | 3.4 - 5.5          | 2001          | 2009             | 250,000                |
| Series 2002 - Various              | 2,995,000       | 2.8 - 3.85         | 2002          | 2013             | 1,315,000              |
| Series 2003 - Various              | 10,000,000      | 2.5 - 4.55         | 2003          | 2023             | 8,530,000              |
| Series 2004 - Various              | 5,000,000       | 2.6 - 4.55         | 2004          | 2024             | 4,805,000              |
| Series 2005 - Various              | 2,750,000       | 3.25 - 3.75        | 2005          | 2015             | 2,270,000              |
| <u>Limited Tax Refunding Bonds</u> |                 |                    |               |                  |                        |
| Series 2005 - Debt Refunding       | 6,005,000       | 4.0                | 2005          | 2016             | 5,715,000              |
| <u>General Obligation Bonds</u>    |                 |                    |               |                  |                        |
| Series 2001 - Exposition Center    | 8,000,000       | 4.3 - 6.5          | 2001          | 2021             | 6,975,000              |
| Series 2005 - Exposition Center    | 10,500,000      | 4.0 - 6.0          | 2005          | 2025             | 10,400,000             |
| Total General Obligation Debt      |                 |                    |               |                  | <u>\$ 46,125,000</u>   |

Activity for long-term debt of the County for the year ended September 30, 2007 was as follows:

| Description                        | Balance Outstanding 10/1/2006 | Issued During Year | Retired During Year | Balance Outstanding 9/30/2007 | Amount Due Within One Year |
|------------------------------------|-------------------------------|--------------------|---------------------|-------------------------------|----------------------------|
| <u>Certificates of Obligation</u>  |                               |                    |                     |                               |                            |
| Series 1998 - Various              | \$ 6,775,000                  | \$ -               | \$ 910,000          | \$ 5,865,000                  | \$ 965,000                 |
| Series 2001 - Judicial Software    | 375,000                       | -                  | 125,000             | 250,000                       | 125,000                    |
| Series 2002 - Various              | 1,615,000                     | -                  | 300,000             | 1,315,000                     | 270,000                    |
| Series 2003 - Various              | 8,935,000                     | -                  | 405,000             | 8,530,000                     | 410,000                    |
| Series 2004 - Various              | 5,000,000                     | -                  | 195,000             | 4,805,000                     | 200,000                    |
| Series 2005 - Various              | 2,515,000                     | -                  | 245,000             | 2,270,000                     | 255,000                    |
| <u>Limited Tax Refunding Bonds</u> |                               |                    |                     |                               |                            |
| Series 2005 - Debt Refunding       | 5,925,000                     | -                  | 210,000             | 5,715,000                     | 530,000                    |
| <u>General Obligation Bonds</u>    |                               |                    |                     |                               |                            |
| Series 2001 - Exposition Center    | 7,330,000                     | -                  | 355,000             | 6,975,000                     | 365,000                    |
| Series 2005 - Exposition Center    | 10,450,000                    | -                  | 50,000              | 10,400,000                    | 325,000                    |
| Total General Obligation Debt      | <u>\$ 48,920,000</u>          | <u>\$ -</u>        | <u>\$ 2,795,000</u> | <u>\$ 46,125,000</u>          | <u>\$ 3,445,000</u>        |

**NOTE 8 - LONG-TERM DEBT (Continued)**

Annual debt service requirements as of September 30, 2007 are as follows:

| Fiscal<br>Year | Principal            | Interest             | Total                |
|----------------|----------------------|----------------------|----------------------|
| 2008           | \$ 3,445,000         | \$ 1,912,580         | \$ 5,357,580         |
| 2009           | 3,540,000            | 1,766,639            | 5,306,639            |
| 2010           | 3,680,000            | 1,616,415            | 5,296,415            |
| 2011           | 3,800,000            | 1,457,542            | 5,257,542            |
| 2012           | 3,965,000            | 1,293,606            | 5,258,606            |
| 2013-2017      | 13,385,000           | 4,581,288            | 17,966,288           |
| 2018-2022      | 10,515,000           | 2,158,474            | 12,673,474           |
| 2023-2025      | 3,795,000            | 290,328              | 4,085,328            |
| Totals         | <u>\$ 46,125,000</u> | <u>\$ 15,076,872</u> | <u>\$ 61,201,872</u> |

**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 incurred a liability of \$97,858 to be remitted in the fall of 2010.

**NOTE 9 – 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 hours earned but not taken. It is reported as an obligation on the statement of net assets of the government-wide financial statements. It is considered a current liability due to the following facts:

- The County’s policy for vacation limits the hours that can be retained from one calendar year to the next on a first earned first used basis;
- The County’s policy for compensatory time requires that earned compensatory time be used or cashed out by the last paycheck in September of each fiscal year.

The County began accruing the associated benefits for compensated absences since fiscal year 2005. Typically, the General Fund, Jail Commissary Fund and some Special Revenue Funds have been used during the year to liquidate the liability for compensated absences. Changes in compensated absences for the year ended September 30, 2007, were as follows:

|                          | Balance<br>Outstanding<br>September 30, 2006 | Earned              | Taken/<br>Paid        | Balance<br>Outstanding<br>September 30, 2007 | Amount<br>Due Within<br>One Year |
|--------------------------|--|---------------------|-----------------------|--|----------------------------------|
| Governmental Activities  | \$ 669,747                                   | \$ 1,451,993        | \$ (1,425,422)        | \$ 696,318                                   | \$ 696,318                       |
| Business-type Activities | 2,546  | 2,296               | (1,889)               | 2,953  | 2,953                            |
| Total                    | <u>\$ 672,293</u>                            | <u>\$ 1,454,289</u> | <u>\$ (1,427,311)</u> | <u>\$ 699,271</u>                            | <u>\$ 699,271</u>                |

**NOTE 10 – 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, 2007:

|                                 | <u>Due From</u> | <u>Due To</u>   |
|---------------------------------|-----------------|-----------------|
| General Fund                    | \$ 4,660        | \$ 1,759        |
| Nonmajor Governmental Funds     | 1,759           | -               |
| County Attorney Enterprise Fund | -               | 4,590           |
| Jail Commissary Enterprise Fund | -               | 70              |
| Total                           | <u>\$ 6,419</u> | <u>\$ 6,419</u> |

The summary of the County’s transfers for the year ended September 30, 2007 is as follows:

|                                 | <u>Transfer In:</u> |                                 |                               |                                    | <u>Total</u>         |
|---------------------------------|---------------------|---------------------------------|-------------------------------|------------------------------------|----------------------|
|                                 | <u>General Fund</u> | <u>Capital Improvement Fund</u> | <u>Exposition Center Fund</u> | <u>Nonmajor Governmental Funds</u> |                      |
| <u>Transfer Out:</u>            |                     |                                 |                               |                                    |                      |
| General Fund                    | \$ -                | \$ 9,764,710                    | \$ 900,000                    | \$ 482,915                         | \$ 11,147,625        |
| Nonmajor Governmental Funds     | 1,203,502           | -                               | -                             | -                                  | 1,203,502            |
| County Attorney Enterprise Fund | 5,000               | -                               | -                             | -                                  | 5,000                |
| Capital Improvement Fund        | -                   | -                               | 792,280                       | 381,969                            | 1,174,249            |
|                                 | <u>\$ 1,208,502</u> | <u>\$ 9,764,710</u>             | <u>\$ 1,692,280</u>           | <u>\$ 864,884</u>                  | <u>\$ 13,530,376</u> |

The General Fund transferred out a net of \$9,764,710 to the Capital Improvement Fund for anticipated expenditures in various capital improvements for the County. It also transferred \$482,915 to some nonmajor funds for grant matching and other requirements. \$1,164,502 was transferred from Grants Fund to the General Fund due to the findings of internal audits. The General Fund also received a transfer of \$39,000 from the Time Payment Fund. In addition to the \$900,000 transferred from the General Fund, the Exposition Center Fund received \$792,280 from the Capital Improvement Fund for the construction of the Exposition Center.

**NOTE 11 – RISK MANAGEMENT**

The County participates in a worker’s 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 worker’s 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 worker’s 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 is self-insured for medical claims only.

**NOTE 11 – RISK MANAGEMENT (Continued)**

The County has established a Health and Life Insurance Internal Service Fund to account for the costs associated with various health-related insurance programs. The County currently provides medical and dental programs for its employees with basic prescription and life benefits attached. The County pays the full cost for all qualifying employees. The individual pays for dependent and retiree premium expenses (Note 13).

The Internal Service Fund acts as a clearing account to collect the premium payments from the County, the employee, and the retiree. The fund pays all claims and administrative fees. The County has purchased reinsurance that provides a \$75,000 stop loss on an individual claim, and an aggregate at \$60,000 after the initial individual claim has reached the \$75,000. All funds are available to pay claims and have been reserved for such purpose. The County experienced premium cost and claims of \$3,919,801, and \$3,458,653 for 2007 and 2006 respectively. At September 30, 2007, the County had accrued \$464,725 for anticipated claims that had not been filed at year-end. This estimate is based on the number of claims filed subsequent to year-end that were for services rendered prior to year-end. The three months subsequent to the end of the fiscal year were used in this review.

Changes in the balances of unpaid liability during fiscal years 2006 and 2007 were as follows:

|      | Beginning of<br>Fiscal Year<br><u>Liability</u> | Current Year<br>Claims and<br>Changes in<br><u>Estimates</u> | <u>Claims<br/>Paid</u> | Balance at<br>Fiscal<br><u>Year End</u> |
|------|---|--|------------------------|---|
| 2006 | \$352,222                                       | 3,250,015  | 3,242,278              | 359,959                                 |
| 2007 | 359,959   | 3,919,801  | 3,815,035              | 464,725                                 |

The Commissioners’ Court of Brazos County is aware that the County has risk of loss exposure to liability and accidental loss of real and personal property as well as human resources. County operations involve a variety of high-risk activities including, but not limited to, cash collections, road and bridge maintenance, law enforcement, and construction. The Commissioners’ Court has created the office of Risk Management, whose responsibility it 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, 2007, all claims against the County had been paid or accrued for payment, or the County’s underwriter had accepted responsibility for the claim.

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

## **NOTE 12 - RETIREMENT PLAN**

### **A. Plan Description**

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

The Commissioners’ Court of Brazos County adopts the plan provisions, within the options available in the Texas State statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service or with 30 years of service regardless of age or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but accumulated contributions must be left in the plan. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

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

### **B. Funding Policy**

Brazos County has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. Brazos County contributed using the actuarially determined rate of 11.80% for fiscal year 2007. For 2008, the County’s rate is anticipated to remain the same. The employee’s member contribution rate remained at 7.00% for 2007.

### **C. Annual Pension Cost**

For the County’s fiscal year ending September 30, 2007, the County’s annual pension cost for the TCDRS plan for its employees was \$2,761,603. The County’s annual required contributions were \$2,761,603, and the County’s actual contributions were \$2,761,603. The County’s annual pension cost for the fiscal year ended September 30, 2006, was \$2,361,751. The annual required contribution for 2007 was actuarially determined as a percent of the covered payroll of the participating employees, and was in compliance with the GASB

**NOTE 12 - RETIREMENT PLAN (Continued)**

**C. Annual Pension Cost (Continued)**

Statement No. 27 parameters based on the actuarial valuation as of December 31, 2004, and December 31, 2005, which is the basis for determining the contribution rate for calendar year 2006 and 2007 respectively. The December 31, 2006 actuarial valuation is the most recent valuation.

|                               |  |  |   |
|-------------------------------|--|--|---|
| Actuarial valuation date      | <u>12/31/04</u>                        | <u>12/31/05</u>                        | <u>12/31/06</u>                             |
| Actuarial cost method         | Entry Age                              | Entry Age                              | Entry Age                                   |
| Amortization method           | Level percentage of payroll, open      | Level percentage of payroll, open      | Level percentage of payroll, closed         |
| Remaining amortization period | 20 years                               | 16.5 years                             | 11.6 years                                  |
| Asset valuation method        | Long-term appreciation with adjustment | Long-term appreciation with adjustment | SAF: 10-year smoothed value ESF: Fund value |
| Actuarial assumptions:        |  |  |   |
| Investment return             | 8.0%                                   | 8.0%                                   | 8.0%  |
| Projected salary increases    | 5.5%                                   | 5.3%                                   | 5.3%  |
| Includes inflation at         | 3.5%                                   | 3.5%                                   | 3.5%  |
| Cost-of-living adjustments    | 0.0%                                   | 0.0%                                   | 0.0%  |

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

| <b>Fiscal Year</b> | <b>Annual Pension Cost (APC)</b> | <b>Percentage of APC Contributed</b> | <b>Net Pension Obligation</b> |
|--------------------|----------------------------------|--------------------------------------|-------------------------------|
| 09/30/00           | \$ 1,669,144                     | 100%                                 | None                          |
| 09/30/01           | \$ 1,741,765                     | 100%                                 | None                          |
| 09/30/02           | \$ 1,910,033                     | 100%                                 | None                          |
| 09/30/03           | \$ 2,040,628                     | 100%                                 | None                          |
| 09/30/04           | \$ 2,224,886                     | 100%                                 | None                          |
| 09/30/05           | \$ 2,214,209                     | 100%                                 | None                          |
| 09/30/06           | \$ 2,361,751                     | 100%                                 | None                          |
| 09/30/07           | \$ 2,761,603                     | 100%                                 | None                          |

## **NOTE 13 - OTHER EMPLOYMENT BENEFITS**

### **A. Post Employment Benefits**

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. COBRA participants are reimbursed at the same levels as active employees. At September 30, 2007, the County had been fully reimbursed for costs related to COBRA participants. The County also permits employees to accumulate unused vacation and compensatory time to be added at the employee's final pay level upon termination of employment.

### **B. Post Retirement Benefits**

Brazos County has elected to offer post-retirement health care benefits to certain retirees. County policy allows employees to become eligible for post retirement health care benefits after meeting the service and retirement age requirements of the TCDRS retirement plan.

County policy restricts post retirement health care benefits to those employees that qualified for health coverage during employment. Health care benefits are available to full-time employees that normally work 2,080 or more hours annually. The County opted to extend health care benefits to retirees that maintained coverage through the County's health care plan as of January 1, 2000. Employees who retire after January 1, 2007 with eight years of cumulative service may have their premiums paid by the County. The County provides funding for the post retirement health care benefits. The County recognizes expenditures for post retirement health care benefits as paid, which during fiscal year 2007 totaled \$336,150. At September 30, 2007, there were 78 retirees receiving benefits and 52 employees that qualify for retirement and health related benefits.

### **C. Deferred Compensation**

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

## **NOTE 14 - COMMITMENTS AND CONTINGENCIES**

### **A. Construction Contracts**

The County has contracted with Patterson Architects and Madison Construction for the renovations of the First Baptist Church building to accommodate all administration departments. The renovations started in August 2007 and are expected to be completed by July 2008. The County has spent \$416,344 on the renovations as of the end of the fiscal year, and the remaining commitment to contractors totals \$3.6 million.

**NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)**

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

As of September 30, 2007, the County had entered into several inter-local agreements with the cities of Bryan and College Station for the creation of Tax Increment Financing Zones as allowed by Chapter 311 of the Texas Tax Code. Tax Increment Financing Zones (TIFZ) are statutory tools available to municipalities in Texas to promote development or redevelopment in an area that would not occur in the foreseeable future solely through private investment. TIFZ are also means to allow a community, both city and county, to enhance their ability to attract economic development or to allow businesses currently located within their area to expand. Once a city has designated a TIFZ, the Commissioners' Court must decide whether the County is to participate in the TIFZ and to what extent.

After the County has elected to participate, a base value for the property located within the TIFZ is established. At the date of creation the appraised value is normally accepted as the base value. As the property within the TIFZ develops the County collects taxes based on the appreciated appraised values at the rate established annually by 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 Tax Increment Financing Zone 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.

*City of College Station*

Brazos County has entered into one inter-local agreement with the City of College Station to create Reinvestment Zone Number One - "Wolf Pen Creek Corridor". It is scheduled for a 20-year duration. The following is a schedule of relevant data with regards to this TIFZ for the fiscal year ended September 30, 2007:

| Zone                           | Base Value    | Captured Value | Tax Rate* | Captured Tax Revenue |
|--------------------------------|---------------|----------------|-----------|----------------------|
| <b>Wolf Pen Creek Corridor</b> |               |                |           |                      |
| 2007                           | \$ 18,502,607 | \$ 50,133,589  | 0.4550    | \$ 196,932           |
| 2006                           | 18,502,607    | 45,752,018     | 0.4650    | 179,293              |
| 2005                           | 18,502,607    | 40,776,091     | 0.4725    | 166,170              |
| 2004                           | 18,502,607    | 39,950,673     | 0.3839    | 151,815              |
| 2003                           | 18,502,607    | 30,533,129     | 0.3723    | 113,675              |
| 2002                           | 18,502,607    | 25,325,687     | 0.4200    | 106,368              |
| 2001                           | 18,502,607    | 25,325,687     | 0.4200    | 106,368              |
| 2000                           | 18,502,607    | 23,743,340     | 0.4100    | 97,348               |

\* per \$100 valuation

**NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)**

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

*City of Bryan*

Brazos County has entered into two inter-local agreements with the City of Bryan to create Reinvestment Zone Number Eight -“Park Hudson” and Reinvestment Zone Number Ten – “Traditions”. Park Hudson represents approximately 450 acres located on the east side of the City of Bryan and is a 20-year contract. The Traditions zone is approximately 790 acres on the west side of the City of Bryan and is scheduled for 15 years of County participation. The following is a schedule of relevant data with regards to these TIFZ's for the fiscal year ended September 30, 2007:

| Zone               | Base Value | Captured Value | Tax Rate* | Captured Tax Revenue |
|--------------------|------------|----------------|-----------|----------------------|
| <b>Park Hudson</b> |            |                |           |                      |
| 2007               | \$ 35,803  | \$ 82,925,277  | 0.4550    | \$ 319,598           |
| 2006               | 35,803     | 69,874,197     | 0.4650    | 290,405              |
| 2005               | 35,803     | 60,087,186     | 0.4725    | 255,574              |
| 2004               | 35,803     | 50,717,536     | 0.3839    | 198,180              |
| 2003               | 35,803     | 45,966,540     | 0.3723    | 172,732              |
| 2002               | 35,803     | 35,356,812     | 0.3857    | 137,567              |
| 2001               | 35,803     | 34,357,265     | 0.3857    | 132,516              |
| 2000               | 35,803     | 15,387,041     | 0.3736    | 57,486               |
| <b>Traditions</b>  |            |                |           |                      |
| 2007               | 598,490    | 39,106,875     | 0.4550    | 150,912              |
| 2006               | 598,490    | 21,109,164     | 0.4650    | 82,829               |
| 2005               | 598,490    | 3,477,835      | 0.4725    | 14,829               |
| 2004               | 598,490    | 55,473         | 0.3839    | 213                  |
| 2003               | 598,490    | -              | 0.3723    | -                    |
| 2002               | 598,490    | -              | 0.3857    | -                    |
| 2001               | 598,490    | -              | 0.3857    | -                    |
| 2000               | -          | -              | 0.3736    | -                    |

\* per \$100 valuation

## NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)

### C. Tax Abatements

Chapter 312 of the Texas Tax Code authorizes the County to provide property tax abatements for limited time periods to encourage development or expansion of property. The terms of each agreement are limited by the guidelines and criteria established by Commissioners' Court. At September 30, 2007 the County had established abatement agreements with the following property owners.

| <u>Property Owner</u>          | <u>Date of Abatement</u> | <u>2006 Appraised Value</u> | <u>2006 Taxable Value</u> | <u>2007 Taxes Levied</u> |
|--------------------------------|--------------------------|-----------------------------|---------------------------|--------------------------|
| Dealer Computer Services, Inc. | 1997                     | 37,694,450                  | 5,378,912                 | \$ 24,474                |
| Rental Systems, Inc.           | 1997                     | 2,082,680                   | 300,085                   | \$ 1,365                 |
| Hy-Line International          | 1998                     | 3,809,585                   | 3,495,807                 | \$ 15,906                |
| Stata Corporation              | 1999                     | 5,504,105                   | 3,865,461                 | \$ 17,588                |
| Betco                          | 2000                     | 4,891,050                   | 4,573,572                 | \$ 20,810                |
| Heat Transfer Research         | 2001                     | 3,397,040                   | 2,735,932                 | \$ 12,448                |
| Hewlett Packard Company        | 2003                     | 131,140                     | 65,570                    | \$ 298                   |
| Bryan Lumber Remanufacturing   | 2003                     | 2,682,460                   | 2,158,766                 | \$ 9,822                 |
| Coca-Cola Enterprises          | 2003                     | 4,982,151                   | 3,326,745                 | \$ 15,137                |
| CW CS 1                        | 2003                     | 8,741,890                   | 4,551,285                 | \$ 20,708                |
| Kent Moore                     | 2005                     | 6,325,496                   | 1,893,512                 | \$ 8,615                 |
| Schulumberger IPM              | 2005                     | 343,285                     | 171,643                   | \$ 781                   |
| Key-Trak Inc.                  | 2005                     | 2,423,280                   | 760,183                   | \$ 3,459                 |

### D. Contingent Liabilities

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

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

#### **NOTE 15 – SUBSEQUENT EVENT**

In November 2007, the voters of Brazos County approved the County to issue general obligation bonds of \$55,000,000 for the jail expansion project. The County is anticipating the issuance of these bonds in May 2008. The 15,000 square foot project is to expand the current jail facility located on Sandy Point Road. The expansion will create a capacity of 960 beds, which should satisfy the County's needs until the population reaches about 218,000. The project is expected to start in the summer of 2008 and be completed by 2011. Subsequent to the year end, the County has committed to construction contracts for the jail expansion project totaling \$3,653,375.

#### **NOTE 16 – NEW ACCOUNTING PRONOUNCEMENT**

The Governmental Accounting Standards Board has issued Statement No. 45 (“GASB 45”), “Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions” which will be effective for the County in the fiscal year ending September 30, 2009. GASB 45 establishes financial reporting standards for other post employment benefit plans. Currently the County has established a post employment healthcare plan for full-time regular employees that retire after January 1, 2000. This statement will require the County to accumulate assets for the payment of post-employment healthcare benefits. The County is currently in the process of determining the financial impact of this requirement.



**REQUIRED SUPPLEMENTARY INFORMATION**



**BRAZOS COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**For The Year Ended September 30, 2007**

|                                   | Budgeted Amounts    |                     | Actual               |
|-----------------------------------|---------------------|---------------------|----------------------|
|                                   | Original            | Final               |                      |
| <b>REVENUES</b>                   |                     |                     |                      |
| <b>Taxes</b>                      |                     |                     |                      |
| Current Ad Valorem Taxes          | \$ 31,391,396       | \$ 31,391,396       | \$ 31,259,258        |
| Delinquent Ad Valorem Taxes       | 400,000             | 400,000             | 437,517              |
| Penalties & Interest - Taxes      | 250,000             | 250,000             | 289,756              |
| Mixed Drink Taxes                 | 375,000             | 375,000             | 440,482              |
| County Sales Taxes                | 9,445,000           | 9,445,000           | 10,429,681           |
| <b>Total Taxes</b>                | <b>41,861,396</b>   | <b>41,861,396</b>   | <b>42,856,694</b>    |
| <b>Charges For Services</b>       |                     |                     |                      |
| Contracted Detention Services     | 30,000              | 30,000              | 1,100                |
| Contracted Jail Services          | 105,000             | 105,000             | 100,900              |
| Arrest Fees                       | 67,000              | 67,000              | 77,168               |
| Brazos Center                     | 180,000             | 180,000             | 208,892              |
| Exposition Center                 | -                   | -                   | 17,359               |
| Bond Service/Forfeitures          | 185,100             | 185,100             | 288,516              |
| County Clerk                      | 600,000             | 600,000             | 1,177,096            |
| Vital Statistics Preservation     | 5,000               | 5,000               | 7,229                |
| County Attorney                   | 55,000              | 55,000              | 79,561               |
| General Administration Fees       | 13,000              | 13,000              | 47,592               |
| Constables                        | 110,000             | 110,000             | 145,635              |
| Court Reporter                    | 30,000              | 30,000              | 37,710               |
| Magistrate                        | 75,000              | 75,000              | 134,711              |
| District Clerk                    | 350,750             | 350,750             | 466,027              |
| District Attorney                 | 7,000               | 7,000               | 18,486               |
| Family Protection                 | -                   | -                   | 615                  |
| Motor Carrier Weight              | 10,000              | 10,000              | 29,791               |
| Inmate Medical Fees               | 6,000               | 6,000               | 14,736               |
| Justice of the Peace              | 1,200,000           | 1,200,000           | 2,133,297            |
| Juvenile Probation Fees           | 15,000              | 15,000              | 14,863               |
| License and Weights               | 7,500               | 7,500               | 8,550                |
| Omnibus Crime Control Fees        | 70,000              | 70,000              | 108,694              |
| Judicial Support Fees             | 200                 | 200                 | 1,511                |
| Optional License Fees             | 1,150,000           | 1,150,000           | 1,169,027            |
| Probate Fees                      | 1,000               | 1,000               | 3,442                |
| School Crossing Fees              | 20,000              | 20,000              | 22,792               |
| Sheriff                           | 80,000              | 80,000              | 78,091               |
| Landfill Fees                     | 30,000              | 30,000              | 30,103               |
| Tax Assessor-Collector            | 550,000             | 550,000             | 598,227              |
| Vehicle Registration Fees         | 1,125,000           | 1,125,000           | 1,042,445            |
| Motor Vehicle Sales Taxes         | 80,000              | 80,000              | 175,359              |
| Licenses and Permits              | 22,000              | 22,000              | 27,483               |
| Court Fines                       | 1,000,000           | 1,000,000           | 1,944,655            |
| <b>Total Charges For Services</b> | <b>\$ 7,179,550</b> | <b>\$ 7,179,550</b> | <b>\$ 10,211,663</b> |

**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, 2007**

|  | Budgeted Amounts     |                      | Actual               |
|--|----------------------|----------------------|----------------------|
|  | Original             | Final                |                      |
| <b>REVENUES (continued)</b>              |                      |                      |                      |
| <b>Intergovernmental - Federal</b>       |                      |                      |                      |
| Department of Justice                    | \$ 70,000            | \$ 71,300            | \$ 144,845           |
| Department of Health & Human Services    | 55,000               | 55,000               | 96,026               |
| Emergency Management Agency              | 39,975               | 39,975               | 42,979               |
| <b>Total Intergovernmental - Federal</b> | <b>164,975</b>       | <b>166,275</b>       | <b>283,850</b>       |
| <b>Intergovernmental - State</b>         |                      |                      |                      |
| Attorney General                         | 175,000              | 176,500              | 236,642              |
| Department of Justice                    | 164,588              | 164,588              | 198,479              |
| D. A. Salary Supplement                  | 34,430               | 34,430               | 20,096               |
| Secretary of State - HAVA                | -                    | 5,707                | 5,707                |
| Secretary of State                       | -                    | -                    | 22,260               |
| Office of the Court Administrator        | -                    | -                    | 151,139              |
| Texas Juvenile Probation Commission      | 265,000              | 265,000              | 622,210              |
| Texas Youth Commission                   | 40,000               | 40,000               | 98,896               |
| Texas Department of Transportation       | -                    | 70,439               | 15,721               |
| Juror Reimbursement                      | 50,000               | 50,000               | 66,640               |
| Tobacco Settlement                       | 50,000               | 50,000               | 151,560              |
| <b>Total Intergovernmental - State</b>   | <b>779,018</b>       | <b>856,664</b>       | <b>1,589,350</b>     |
| <b>Total Intergovernmental</b>           | <b>943,993</b>       | <b>1,022,939</b>     | <b>1,873,200</b>     |
| <b>Interest</b>                          | <b>1,130,000</b>     | <b>1,130,000</b>     | <b>2,147,196</b>     |
| <b>Other Revenue</b>                     |                      |                      |                      |
| Donations                                | 500                  | 1,926                | 1,426                |
| Road Crossing                            | 100                  | 100                  | 500                  |
| State Traffic Fee                        | 10,000               | 10,000               | 14,412               |
| Reimbursements                           | 85,000               | 85,000               | 132,149              |
| Leases and Rentals                       | 9,500                | 9,500                | 10,998               |
| Other                                    | 12,700               | 12,700               | 28,810               |
| Estray Animal Sale/Fee                   | 100                  | 100                  | 319                  |
| Inmate Phone System                      | 200,000              | 200,000              | 269,856              |
| Oil and Gas Lease                        | 3,500                | 3,500                | 3,043                |
| Informal Adjudication Probation          | 6,000                | 6,000                | 4,419                |
| <b>Total Other Revenue</b>               | <b>327,400</b>       | <b>328,826</b>       | <b>465,932</b>       |
| <b>TOTAL REVENUES</b>                    | <b>\$ 51,442,339</b> | <b>\$ 51,522,711</b> | <b>\$ 57,554,685</b> |

**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, 2007**

| <b>EXPENDITURES</b>        | <b>Budgeted Amounts</b> |              | <b>Actual</b> |
|----------------------------|-------------------------|--------------|---------------|
|                            | <b>Original</b>         | <b>Final</b> |               |
| <b>General Government</b>  |                         |              |               |
| County Judge               |                         |              |               |
| Personnel Services         | \$ 272,712              | \$ 265,711   | \$ 195,634    |
| Supplies and Other Charges | 11,055                  | 11,055       | 4,199         |
| Repairs and Maintenance    | 650                     | 650          | 67            |
| Contract Services          | 3,550                   | 3,550        | 2,850         |
|                            | 287,967                 | 280,966      | 202,750       |
| Commissioners' Court       |                         |              |               |
| Personnel Services         | 916,618                 | 931,684      | 874,348       |
| Supplies and Other Charges | 31,600                  | 38,405       | 38,096        |
| Repairs and Maintenance    | 100                     | 100          | -             |
| Minor Acquisitions         | -                       | 750          | 750           |
| Contract Services          | 2,810                   | 2,810        | -             |
|                            | 951,128                 | 973,749      | 913,194       |
| Non-Departmental           |                         |              |               |
| Personnel Services         | -                       | 6,930        | 4,093         |
| Supplies and Other Charges | 1,180,000               | 1,180,112    | 967,193       |
| Repairs and Maintenance    | 575                     | 2,626        | 2,626         |
| Contract Services          | -                       | 867          | 867           |
| Professional Services      | 125,000                 | 122,262      | 113,414       |
|                            | 1,305,575               | 1,312,797    | 1,088,193     |
| Community Support          |                         |              |               |
| Contract Services          | 3,046,417               | 3,046,417    | 2,570,097     |
|                            | 3,046,417               | 3,046,417    | 2,570,097     |
| County Treasurer           |                         |              |               |
| Personnel Services         | 340,838                 | 340,838      | 326,798       |
| Discretionary Funding      | -                       | 6,585        | -             |
| Supplies and Other Charges | 13,375                  | 13,635       | 8,949         |
| Repairs and Maintenance    | 450                     | 450          | 410           |
| Contract Services          | 3,000                   | 3,000        | -             |
|                            | 357,663                 | 364,508      | 336,157       |
| Risk Management            |                         |              |               |
| Personnel Services         | 107,627                 | 107,627      | 106,831       |
| Discretionary Funding      | -                       | 2,480        | -             |
| Supplies and Other Charges | 10,890                  | 8,390        | 4,775         |
| Repairs and Maintenance    | 500                     | 500          | -             |
| Minor Acquisitions         | -                       | 2,500        | 1,672         |
|                            | \$ 119,017              | \$ 121,497   | \$ 113,278    |

**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, 2007**

|                                       | Budgeted Amounts  |                   | Actual            |
|---------------------------------------|-------------------|-------------------|-------------------|
|                                       | Original          | Final             |                   |
| <b>General Government (continued)</b> |                   |                   |                   |
| Tax Assessor-Collector                |                   |                   |                   |
| Personnel Services                    | \$ 1,400,391      | \$ 1,400,391      | \$ 1,267,821      |
| Discretionary Funding                 | -                 | 17,824            | -                 |
| Supplies and Other Charges            | 59,850            | 59,850            | 41,843            |
| Repairs and Maintenance               | 1,700             | 1,700             | 1,453             |
| Minor Acquisitions                    | -                 | 1,600             | 1,489             |
| Contract Services                     | 12,500            | 12,500            | 5,240             |
|                                       | <u>1,474,441</u>  | <u>1,493,865</u>  | <u>1,317,846</u>  |
| <br>                                  |                   |                   |                   |
| Information Technology                |                   |                   |                   |
| Personnel Services                    | 1,087,123         | 1,087,123         | 990,259           |
| Discretionary Funding                 | -                 | 142,778           | -                 |
| Supplies and Other Charges            | 75,400            | 84,200            | 81,596            |
| Repairs and Maintenance               | 17,850            | 38,168            | 31,140            |
| Minor Acquisitions                    | 217,350           | 197,212           | 190,841           |
| Contract Services                     | 407,750           | 417,450           | 415,327           |
|                                       | <u>1,805,473</u>  | <u>1,966,931</u>  | <u>1,709,163</u>  |
| <br>                                  |                   |                   |                   |
| Personnel                             |                   |                   |                   |
| Personnel Services                    | 177,386           | 177,386           | 162,012           |
| Discretionary Funding                 | -                 | 4,149             | -                 |
| Supplies and Other Charges            | 15,150            | 27,266            | 21,439            |
| Repairs and Maintenance               | 150               | 150               | -                 |
| Contract Services                     | 5,400             | 5,400             | 5,400             |
|                                       | <u>198,086</u>    | <u>214,351</u>    | <u>188,851</u>    |
| <br>                                  |                   |                   |                   |
| County Auditor                        |                   |                   |                   |
| Personnel Services                    | 581,924           | 581,924           | 568,503           |
| Supplies and Other Charges            | 18,280            | 18,850            | 18,277            |
| Repairs and Maintenance               | 200               | 200               | -                 |
| Contract Services                     | 4,860             | 4,860             | 4,419             |
|                                       | <u>605,264</u>    | <u>605,834</u>    | <u>591,199</u>    |
| <br>                                  |                   |                   |                   |
| Purchasing                            |                   |                   |                   |
| Personnel Services                    | 171,933           | 171,933           | 170,991           |
| Discretionary Funding                 | -                 | 751               | -                 |
| Supplies and Other Charges            | 12,015            | 12,015            | 7,851             |
| Repairs and Maintenance               | 2,100             | 2,100             | 1,762             |
|                                       | <u>\$ 186,048</u> | <u>\$ 186,799</u> | <u>\$ 180,604</u> |

**BRAZOS COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)**  
**For The Year Ended September 30, 2007**

|                                       | <b>Budgeted Amounts</b> |                   | <b>Actual</b>     |
|---------------------------------------|-------------------------|-------------------|-------------------|
|                                       | <b>Original</b>         | <b>Final</b>      |                   |
| <b>General Government (continued)</b> |                         |                   |                   |
| Buildings and Grounds                 |                         |                   |                   |
| Personnel Services                    | \$ 1,047,622            | \$ 1,047,622      | \$ 930,179        |
| Discretionary Funding                 | -                       | 14,028            | -                 |
| Supplies and Other Charges            | 56,997                  | 56,997            | 55,065            |
| Repairs and Maintenance               | 261,640                 | 261,640           | 204,574           |
| Minor Acquisitions                    | 7,200                   | 7,200             | 3,374             |
| Contract Services                     | 27,510                  | 27,510            | 22,775            |
|                                       | <u>1,400,969</u>        | <u>1,414,997</u>  | <u>1,215,967</u>  |
| <b>Total General Government</b>       | <u>11,738,048</u>       | <u>11,982,711</u> | <u>10,427,299</u> |
| <b>Justice System</b>                 |                         |                   |                   |
| County Attorney                       |                         |                   |                   |
| Personnel Services                    | 1,982,975               | 1,987,639         | 1,819,592         |
| Discretionary Funding                 | -                       | 8,745             | -                 |
| Supplies and Other Charges            | 60,520                  | 59,320            | 56,967            |
| Repairs and Maintenance               | 15,527                  | 20,027            | 18,756            |
| Minor Acquisitions                    | -                       | 1,324             | 1,324             |
| Contract Services                     | 5,550                   | 5,950             | 5,928             |
|                                       | <u>2,064,572</u>        | <u>2,083,005</u>  | <u>1,902,567</u>  |
| District Attorney                     |                         |                   |                   |
| Personnel Services                    | 1,980,094               | 1,980,094         | 1,925,054         |
| Discretionary Funding                 | -                       | 27,736            | -                 |
| Supplies and Other Charges            | 109,755                 | 119,435           | 90,682            |
| Repairs and Maintenance               | 7,600                   | 7,600             | 5,277             |
| Minor Acquisitions                    | 1,000                   | 2,300             | 2,153             |
| Contract Services                     | 6,000                   | 6,000             | 5,046             |
|                                       | <u>2,104,449</u>        | <u>2,143,165</u>  | <u>2,028,212</u>  |
| Child Protective Services             |                         |                   |                   |
| Personnel Services                    | 63,036                  | 63,036            | 45,808            |
| Supplies and Other Charges            | 8,100                   | 8,100             | 5,462             |
|                                       | <u>71,136</u>           | <u>71,136</u>     | <u>51,270</u>     |
| District Clerk                        |                         |                   |                   |
| Personnel Services                    | 779,372                 | 779,372           | 719,021           |
| Discretionary Funding                 | -                       | 5,281             | -                 |
| Supplies and Other Charges            | 32,695                  | 36,205            | 36,122            |
| Repairs and Maintenance               | 100                     | 100               | -                 |
| Minor Acquisitions                    | 450                     | 450               | -                 |
| Contract Services                     | 15,000                  | 15,000            | 10,285            |
|                                       | <u>\$ 827,617</u>       | <u>\$ 836,408</u> | <u>\$ 765,428</u> |

**BRAZOS COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)**  
**For The Year Ended September 30, 2007**

|                                   | <b>Budgeted Amounts</b> |                   | <b>Actual</b>     |
|-----------------------------------|-------------------------|-------------------|-------------------|
|                                   | <b>Original</b>         | <b>Final</b>      |                   |
| <b>Justice System (continued)</b> |                         |                   |                   |
| Court and Jury Services           |                         |                   |                   |
| Personnel Services                | \$ 87,052               | \$ 87,052         | \$ 86,693         |
| Discretionary Funding             | -                       | 11,295            | -                 |
| Supplies and Other Charges        | 79,850                  | 101,010           | 98,754            |
| Repairs and Maintenance           | 100                     | 100               | -                 |
|                                   | <u>167,002</u>          | <u>199,457</u>    | <u>185,447</u>    |
| <br>                              |                         |                   |                   |
| Collections                       |                         |                   |                   |
| Personnel Services                | 188,698                 | 188,698           | 171,581           |
| Discretionary Funding             | -                       | 1,110             | -                 |
| Supplies and Other Charges        | 10,550                  | 9,644             | 8,914             |
| Minor Acquisitions                | -                       | 446               | -                 |
| Contract Services                 | 2,000                   | 2,000             | 1,156             |
|                                   | <u>201,248</u>          | <u>201,898</u>    | <u>181,651</u>    |
| <br>                              |                         |                   |                   |
| County Clerk                      |                         |                   |                   |
| Personnel Services                | 397,355                 | 423,785           | 401,591           |
| Discretionary Funding             | -                       | 30,403            | -                 |
| Supplies and Other Charges        | 131,610                 | 135,010           | 118,653           |
| Repairs and Maintenance           | 1,850                   | 1,850             | -                 |
| Minor Acquisitions                | -                       | 1,200             | 1,098             |
| Contract Services                 | 4,620                   | 4,620             | 3,600             |
|                                   | <u>535,435</u>          | <u>596,868</u>    | <u>524,942</u>    |
| <br>                              |                         |                   |                   |
| Vital Statistics Preservation     |                         |                   |                   |
| Supplies and Other Charges        | 6,500                   | 6,500             | 2,071             |
| Contract Services                 | 9,000                   | 9,000             | -                 |
|                                   | <u>15,500</u>           | <u>15,500</u>     | <u>2,071</u>      |
| <br>                              |                         |                   |                   |
| 85th District Court               |                         |                   |                   |
| Personnel Services                | 233,579                 | 233,579           | 223,621           |
| Employment Services               | 2,500                   | 7,800             | 7,534             |
| Discretionary Funding             | -                       | 107               | -                 |
| Supplies and Other Charges        | 20,450                  | 21,200            | 20,592            |
| Repairs and Maintenance           | 1,000                   | 900               | 790               |
|                                   | <u>257,529</u>          | <u>263,586</u>    | <u>252,537</u>    |
| <br>                              |                         |                   |                   |
| 272nd District Court              |                         |                   |                   |
| Personnel Services                | 232,228                 | 216,066           | 212,903           |
| Employment Services               | 700                     | 2,200             | 2,134             |
| Supplies and Other Charges        | 12,990                  | 37,985            | 37,545            |
| Repairs and Maintenance           | 950                     | 850               | 660               |
|                                   | <u>\$ 246,868</u>       | <u>\$ 257,101</u> | <u>\$ 253,242</u> |

**BRAZOS COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)**  
**For The Year Ended September 30, 2007**

|                                   | <b>Budgeted Amounts</b> |                   | <b>Actual</b>     |
|-----------------------------------|-------------------------|-------------------|-------------------|
|                                   | <b>Original</b>         | <b>Final</b>      |                   |
| <b>Justice System (continued)</b> |                         |                   |                   |
| 361st District Court              |                         |                   |                   |
| Personnel Services                | \$ 228,511              | \$ 226,511        | \$ 217,084        |
| Employment Services               | 1,500                   | 3,500             | 2,786             |
| Discretionary Funding             | -                       | 10,176            | -                 |
| Supplies and Other Charges        | 22,900                  | 22,900            | 17,322            |
| Repairs and Maintenance           | 1,000                   | 1,000             | 255               |
| Professional Services             | -                       | 220               | 220               |
|                                   | <u>253,911</u>          | <u>264,307</u>    | <u>237,667</u>    |
| Juvenile Court Referee            |                         |                   |                   |
| Personnel Services                | 95,638                  | 95,638            | 92,715            |
| Discretionary Funding             | -                       | 131               | -                 |
| Supplies and Other Charges        | 5,409                   | 5,409             | 2,262             |
|                                   | <u>101,047</u>          | <u>101,178</u>    | <u>94,977</u>     |
| Magistrate                        |                         |                   |                   |
| Personnel Services                | 194,772                 | 194,772           | 185,675           |
| Supplies and Other Charges        | 4,832                   | 4,832             | 4,246             |
| Repairs and Maintenance           | 100                     | 100               | -                 |
| Minor Acquisitions                | -                       | 1,461             | 1,392             |
| Contract Services                 | 4,860                   | 4,860             | 4,024             |
| Professional Services             | -                       | 220               | 220               |
|                                   | <u>204,564</u>          | <u>206,245</u>    | <u>195,557</u>    |
| County Court At Law #1            |                         |                   |                   |
| Personnel Services                | 371,095                 | 371,095           | 364,524           |
| Employment Services               | 2,000                   | 2,000             | 1,687             |
| Discretionary Funding             | -                       | 824               | -                 |
| Supplies and Other Charges        | 19,075                  | 21,791            | 15,329            |
| Repairs and Maintenance           | 940                     | 940               | 402               |
|                                   | <u>393,110</u>          | <u>396,650</u>    | <u>381,942</u>    |
| County Court At Law #2            |                         |                   |                   |
| Personnel Services                | 371,867                 | 371,867           | 367,407           |
| Employment Services               | 800                     | 800               | 668               |
| Discretionary Funding             | -                       | 1,191             | -                 |
| Supplies and Other Charges        | 12,660                  | 14,637            | 14,480            |
| Repairs and Maintenance           | 450                     | 450               | 274               |
| Professional Services             | -                       | 220               | 220               |
|                                   | <u>\$ 385,777</u>       | <u>\$ 389,165</u> | <u>\$ 383,049</u> |

**BRAZOS COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)**  
**For The Year Ended September 30, 2007**

|   | <b>Budgeted Amounts</b> |                   | <b>Actual</b>     |
|---|-------------------------|-------------------|-------------------|
|   | <b>Original</b>         | <b>Final</b>      |                   |
| <b>Justice System (continued)</b>       |                         |                   |                   |
| Justice of the Peace Precinct 1         |                         |                   |                   |
| Personnel Services                      | \$ 185,221              | \$ 199,224        | \$ 182,882        |
| Discretionary Funding                   | -                       | 14,233            | -                 |
| Supplies and Other Charges              | 18,760                  | 19,931            | 19,902            |
| Repairs and Maintenance                 | 500                     | 529               | 511               |
| Minor Acquisitions                      | 600                     | -                 | -                 |
| Contract Services                       | 19,925                  | 19,925            | 19,921            |
|   | <u>225,006</u>          | <u>253,842</u>    | <u>223,216</u>    |
| Justice of the Peace Precinct 2 Place 1 |                         |                   |                   |
| Personnel Services                      | 175,161                 | 164,562           | 155,235           |
| Discretionary Funding                   | -                       | 5,550             | -                 |
| Supplies and Other Charges              | 5,590                   | 6,722             | 6,175             |
| Repairs and Maintenance                 | 50                      | -                 | -                 |
| Contract Services                       | 2,760                   | 2,678             | 1,710             |
|   | <u>183,561</u>          | <u>179,512</u>    | <u>163,120</u>    |
| Justice of the Peace Precinct 2 Place 2 |                         |                   |                   |
| Personnel Services                      | 176,773                 | 187,372           | 178,871           |
| Discretionary Funding                   | -                       | 1,454             | -                 |
| Supplies and Other Charges              | 15,795                  | 20,805            | 20,705            |
| Repairs and Maintenance                 | 1,000                   | 827               | 827               |
| Minor Acquisition                       | -                       | 1,337             | 1,337             |
| Contract Services                       | 20,800                  | 20,800            | 20,796            |
|   | <u>214,368</u>          | <u>232,595</u>    | <u>222,536</u>    |
| Justice of the Peace Precinct 3         |                         |                   |                   |
| Personnel Services                      | 266,875                 | 266,875           | 259,246           |
| Discretionary Funding                   | -                       | 15,548            | -                 |
| Supplies and Other Charges              | 15,140                  | 15,940            | 14,007            |
| Repairs and Maintenance                 | 200                     | 200               | -                 |
| Contract Services                       | 6,910                   | 6,910             | 6,830             |
|   | <u>289,125</u>          | <u>305,473</u>    | <u>280,083</u>    |
| Justice of the Peace Precinct 4         |                         |                   |                   |
| Personnel Services                      | 148,179                 | 148,179           | 147,348           |
| Discretionary Funding                   | -                       | 1,669             | -                 |
| Supplies and Other Charges              | 6,885                   | 7,655             | 7,640             |
| Repairs and Maintenance                 | 75                      | -                 | -                 |
| Minor Acquisitions                      | -                       | 699               | 699               |
| Contract Services                       | 1,400                   | 1,392             | 1,392             |
|   | <u>\$ 156,539</u>       | <u>\$ 159,594</u> | <u>\$ 157,079</u> |

**BRAZOS COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)**  
**For The Year Ended September 30, 2007**

|                                   | <b>Budgeted Amounts</b> |                     | <b>Actual</b>       |
|-----------------------------------|-------------------------|---------------------|---------------------|
|                                   | <b>Original</b>         | <b>Final</b>        |                     |
| <b>Justice System (continued)</b> |                         |                     |                     |
| Community Supervision Support     |                         |                     |                     |
| Supplies and Other Charges        | \$ 35,300               | \$ 38,678           | \$ 34,527           |
| Repairs and Maintenance           | 100                     | 100                 | -                   |
| Minor Acquisitions                | 2,400                   | -                   | -                   |
| Contract Services                 | 5,951                   | 5,951               | 5,855               |
|                                   | <u>43,751</u>           | <u>44,729</u>       | <u>40,382</u>       |
| Judicial Court Support            |                         |                     |                     |
| Supplies and Other Charges        | 225,500                 | 230,400             | 227,457             |
| Minor Acquisitions                | -                       | 4,200               | 1,941               |
| Contract Services                 | 600,000                 | 858,700             | 858,604             |
| Professional Services             | 1,212,000               | 1,541,900           | 1,471,946           |
|                                   | <u>2,037,500</u>        | <u>2,635,200</u>    | <u>2,559,948</u>    |
| <b>Total Justice System</b>       | <u>10,979,615</u>       | <u>11,836,614</u>   | <u>11,086,923</u>   |
| <b>Law Enforcement</b>            |                         |                     |                     |
| Sheriff Administration            |                         |                     |                     |
| Personnel Services                | 3,182,572               | 3,180,997           | 3,125,228           |
| Employment Services               | -                       | 1,575               | 1,575               |
| Discretionary Funding             | -                       | 1,605               | -                   |
| Supplies and Other Charges        | 84,312                  | 86,623              | 67,640              |
| Repairs and Maintenance           | 199,805                 | 233,805             | 225,130             |
| Minor Acquisitions                | 50,220                  | 52,071              | 50,745              |
| Contract Services                 | 7,820                   | 7,820               | 5,621               |
| Professional Services             | 2,000                   | 3,500               | 2,534               |
|                                   | <u>3,526,729</u>        | <u>3,567,996</u>    | <u>3,478,473</u>    |
| Joint Terrorism Task Force        |                         |                     |                     |
| Personnel Services                | -                       | 1,300               | 1,122               |
|                                   | <u>-</u>                | <u>1,300</u>        | <u>1,122</u>        |
| Sheriff Jail Administration       |                         |                     |                     |
| Personnel Services                | 6,869,277               | 6,869,277           | \$ 6,662,843        |
| Discretionary Funding             | -                       | 4,668               | -                   |
| Supplies and Other Charges        | 838,600                 | 892,432             | 892,248             |
| Repairs and Maintenance           | 60,370                  | 61,761              | 61,723              |
| Minor Acquisitions                | 24,650                  | 20,980              | 20,756              |
| Contract Services                 | 8,500                   | 11,150              | 10,815              |
| Professional Services             | 50,750                  | 55,200              | 53,833              |
|                                   | <u>\$ 7,852,147</u>     | <u>\$ 7,915,468</u> | <u>\$ 7,702,218</u> |

**BRAZOS COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)**  
**For The Year Ended September 30, 2007**

|                                    | <b>Budgeted Amounts</b> |                      | <b>Actual</b>        |
|------------------------------------|-------------------------|----------------------|----------------------|
|                                    | <b>Original</b>         | <b>Final</b>         |                      |
| <b>Law Enforcement (continued)</b> |                         |                      |                      |
| Constable Precinct 1               |                         |                      |                      |
| Personnel Services                 | \$ 229,735              | \$ 229,735           | \$ 228,308           |
| Discretionary Funding              | -                       | 797                  | -                    |
| Supplies and Other Charges         | 19,007                  | 17,970               | 16,863               |
| Repairs and Maintenance            | 20,100                  | 21,100               | 20,931               |
| Minor Acquisitions                 | 950                     | 4,057                | 4,057                |
| Contract Services                  | 6,700                   | 6,700                | 6,641                |
|                                    | <u>276,492</u>          | <u>280,359</u>       | <u>276,800</u>       |
| <br>TxDot Support Agreement        |                         |                      |                      |
| Personnel Services                 | -                       | 58,758               | 13,723               |
| Supplies and Other Charges         | -                       | 11,681               | 1,998                |
|                                    | <u>-</u>                | <u>70,439</u>        | <u>15,721</u>        |
| <br>Constable Precinct 2           |                         |                      |                      |
| Personnel Services                 | 343,965                 | 343,965              | 339,164              |
| Discretionary Funding              | -                       | 71                   | -                    |
| Supplies and Other Charges         | 15,490                  | 17,165               | 16,641               |
| Repairs and Maintenance            | 22,435                  | 26,231               | 24,806               |
| Minor Acquisitions                 | 1,200                   | -                    | -                    |
|                                    | <u>383,090</u>          | <u>387,432</u>       | <u>380,611</u>       |
| <br>Constable Precinct 3           |                         |                      |                      |
| Personnel Services                 | 235,100                 | 235,100              | 232,776              |
| Discretionary Funding              | -                       | 3,651                | -                    |
| Supplies and Other Charges         | 17,910                  | 18,100               | 17,832               |
| Repairs and Maintenance            | 13,795                  | 16,897               | 16,663               |
| Minor Acquisitions                 | 1,275                   | 1,896                | 1,737                |
| Contract Services                  | 3,410                   | 3,410                | 3,410                |
|                                    | <u>271,490</u>          | <u>279,054</u>       | <u>272,418</u>       |
| <br>Constable Precinct 4           |                         |                      |                      |
| Personnel Services                 | 262,312                 | 262,312              | 260,350              |
| Discretionary Funding              | -                       | 177                  | -                    |
| Supplies and Other Charges         | 10,245                  | 12,245               | 10,744               |
| Repairs and Maintenance            | 12,600                  | 17,501               | 15,863               |
| Minor Acquisitions                 | 4,800                   | 2,380                | 1,819                |
| Contract Services                  | 1,400                   | 1,400                | 1,392                |
|                                    | <u>291,357</u>          | <u>296,015</u>       | <u>290,168</u>       |
| <br><b>Total Law Enforcement</b>   | <u>\$ 12,601,305</u>    | <u>\$ 12,798,063</u> | <u>\$ 12,417,531</u> |

**BRAZOS COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)**  
**For The Year Ended September 30, 2007**

|  | <b>Budgeted Amounts</b> |                     | <b>Actual</b>       |
|--|-------------------------|---------------------|---------------------|
|  | <b>Original</b>         | <b>Final</b>        |                     |
| <b>Juvenile Services</b>               |                         |                     |                     |
| Juvenile Services                      |                         |                     |                     |
| Personnel Services                     | \$ 2,625,793            | \$ 2,625,793        | \$ 2,401,588        |
| Employment Services                    | 8,000                   | 8,000               | -                   |
| Discretionary Funding                  | -                       | 25,234              | -                   |
| Supplies and Other Charges             | 293,335                 | 287,443             | 240,429             |
| Repairs and Maintenance                | 11,300                  | 12,860              | 12,215              |
| Minor Acquisitions                     | 1,250                   | 13,645              | 3,208               |
| Contract Services                      | 42,230                  | 41,930              | 41,385              |
| Professional Services                  | 49,741                  | 55,021              | 52,405              |
|  | <u>3,031,649</u>        | <u>3,069,926</u>    | <u>2,751,230</u>    |
| <br>                                   |                         |                     |                     |
| TYC - Parole                           |                         |                     |                     |
| Personnel Services                     | 111,874                 | 111,874             | 111,337             |
| Supplies and Other Charges             | 2,300                   | 2,300               | 2,125               |
| Repairs and Maintenance                | 3,500                   | 6,400               | 6,158               |
| Minor Acquisitions                     | -                       | 1,600               | 1,435               |
| Contract Services                      | 35,000                  | 18,700              | 18,167              |
|  | <u>152,674</u>          | <u>140,874</u>      | <u>139,222</u>      |
| <br>                                   |                         |                     |                     |
| Juvenile Justice Alternative Education |                         |                     |                     |
| Personnel Services                     | 82,577                  | 82,577              | 82,267              |
| Supplies and Other Charges             | 1,000                   | 1,010               | 1,007               |
|  | <u>83,577</u>           | <u>83,587</u>       | <u>83,274</u>       |
| <br>                                   |                         |                     |                     |
| Juvenile - Title IV E                  |                         |                     |                     |
| Personnel Services                     | 387,523                 | 387,523             | 309,488             |
| Supplies and Other Charges             | 57,400                  | 57,600              | 25,383              |
| Repairs and Maintenance                | 5,250                   | 5,250               | 3,474               |
| Minor Acquisitions                     | 2,700                   | 2,500               | 985                 |
| Contract Services                      | 8,400                   | 8,400               | 8,315               |
| Professional Services                  | 116,200                 | 108,200             | 74,116              |
|  | <u>577,473</u>          | <u>569,473</u>      | <u>421,761</u>      |
| <br>                                   |                         |                     |                     |
| TDHS - Commodities                     |                         |                     |                     |
| Supplies and Other Charges             | 3,000                   | 3,000               | 1,785               |
|  | <u>3,000</u>            | <u>3,000</u>        | <u>1,785</u>        |
| <br>                                   |                         |                     |                     |
| <b>Total Juvenile Services</b>         | <b>\$ 3,848,373</b>     | <b>\$ 3,866,860</b> | <b>\$ 3,397,272</b> |

**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, 2007**

|                                    | <b>Budgeted Amounts</b> |                  | <b>Actual</b>    |
|------------------------------------|-------------------------|------------------|------------------|
|                                    | <b>Original</b>         | <b>Final</b>     |                  |
| <b>Public Transportation</b>       |                         |                  |                  |
| Road and Bridge Administration     |                         |                  |                  |
| Personnel Services                 | \$ 2,849,590            | \$ 2,849,590     | \$ 2,674,761     |
| Supplies and Other Charges         | 966,630                 | 1,013,017        | 78,609           |
| Repairs and Maintenance            | 2,120,510               | 2,116,788        | 1,975,641        |
| Minor Acquisitions                 | 7,650                   | 17,407           | 17,220           |
| Contract Services                  | 62,000                  | 65,750           | 59,414           |
| Professional Services              | 103,000                 | 103,000          | 66,991           |
| <b>Total Public Transportation</b> | <b>6,109,380</b>        | <b>6,165,552</b> | <b>4,872,636</b> |
| <b>Public Health</b>               |                         |                  |                  |
| Environmental Protection           |                         |                  |                  |
| Supplies and Other Charges         | 8,000                   | 10,000           | 9,823            |
| Contract Services                  | 176,400                 | 186,400          | 183,357          |
|                                    | <u>184,400</u>          | <u>196,400</u>   | <u>193,180</u>   |
| Indigent Health Care               |                         |                  |                  |
| Supplies and Other Charges         | 600,000                 | 675,000          | 618,743          |
| Professional Services              | 1,525,000               | 1,450,000        | 1,075,081        |
| Community Contracts                | 96,700                  | 96,700           | 96,700           |
|                                    | <u>2,221,700</u>        | <u>2,221,700</u> | <u>1,790,524</u> |
| Community Public Health            |                         |                  |                  |
| Contract Services                  | 130,000                 | 130,000          | 130,000          |
|                                    | <u>130,000</u>          | <u>130,000</u>   | <u>130,000</u>   |
| <b>Total Public Health</b>         | <b>2,536,100</b>        | <b>2,548,100</b> | <b>2,113,704</b> |
| <b>Human Services</b>              |                         |                  |                  |
| Veteran Services                   |                         |                  |                  |
| Personnel Services                 | 15,423                  | 15,423           | 15,382           |
| Discretionary Funding              | -                       | 1,081            | -                |
| Supplies and Other Charges         | 1,575                   | 1,575            | 1,237            |
| Repairs and Maintenance            | 200                     | 200              | 49               |
|                                    | <u>17,198</u>           | <u>18,279</u>    | <u>16,668</u>    |
| County Fire Protection             |                         |                  |                  |
| Contract Services                  | 416,000                 | 416,000          | 416,000          |
|                                    | <u>416,000</u>          | <u>416,000</u>   | <u>416,000</u>   |
| County Welfare                     |                         |                  |                  |
| Supplies and Other Charges         | 5,000                   | 5,000            | 2,240            |
|                                    | <u>\$ 5,000</u>         | <u>\$ 5,000</u>  | <u>\$ 2,240</u>  |

**BRAZOS COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)**  
**For The Year Ended September 30, 2007**

|                                   | <b>Budgeted Amounts</b> |                   | <b>Actual</b>     |
|-----------------------------------|-------------------------|-------------------|-------------------|
|                                   | <b>Original</b>         | <b>Final</b>      |                   |
| <b>Human Services (continued)</b> |                         |                   |                   |
| Elections                         |                         |                   |                   |
| Personnel Services                | \$ 90,040               | \$ 96,040         | \$ 95,297         |
| Outside Labor Costs               | 87,579                  | 81,579            | 54,333            |
| Supplies and Other Charges        | 18,550                  | 19,175            | 12,618            |
| Contract Services                 | 1,150                   | 1,950             | 1,928             |
| Professional Services             | 22,500                  | 32,475            | 32,455            |
|                                   | <u>219,819</u>          | <u>231,219</u>    | <u>196,631</u>    |
| <br>                              |                         |                   |                   |
| Health Department                 |                         |                   |                   |
| Supplies and Other Charges        | 40,950                  | 43,935            | 43,935            |
| Professional Services             | 9,000                   | 7,470             | 7,465             |
|                                   | <u>49,950</u>           | <u>51,405</u>     | <u>51,400</u>     |
| <br>                              |                         |                   |                   |
| Emergency Management              |                         |                   |                   |
| Personnel Services                | 123,672                 | 123,672           | 123,149           |
| Employment Services               | 10,384                  | 10,384            | -                 |
| Supplies and Other Charges        | 15,000                  | 14,993            | 11,514            |
| Repairs and Maintenance           | 5,650                   | 2,750             | 1,859             |
| Minor Acquisitions                | 300                     | 6,744             | 6,444             |
| Contract Services                 | 70,200                  | 73,100            | 6,950             |
| Professional Services             | 1,700                   | 1,700             | 410               |
|                                   | <u>226,906</u>          | <u>233,343</u>    | <u>150,326</u>    |
| <br>                              |                         |                   |                   |
| Brazos Center                     |                         |                   |                   |
| Personnel Services                | 455,547                 | 455,547           | 421,488           |
| Discretionary Funding             | -                       | 31,652            | -                 |
| Supplies and Other Charges        | 150,984                 | 143,673           | 113,168           |
| Repairs and Maintenance           | 60,597                  | 65,302            | 63,348            |
| Minor Acquisitions                | -                       | 1,457             | 1,457             |
| Contract Services                 | 49,000                  | 50,400            | 36,847            |
|                                   | <u>716,128</u>          | <u>748,031</u>    | <u>636,308</u>    |
| <br>                              |                         |                   |                   |
| Exposition Center                 |                         |                   |                   |
| Personnel Services                | 397,924                 | 398,424           | 243,913           |
| Employment Services               | 17,500                  | 17,500            | 4,097             |
| Supplies and Other Charges        | 212,700                 | 194,477           | 68,861            |
| Repairs and Maintenance           | 79,400                  | 89,400            | 53,126            |
| Minor Acquisitions                | 74,500                  | 65,337            | 58,209            |
| Contract Services                 | 22,500                  | 22,500            | 7,217             |
| Professional Services             | -                       | 2,000             | 357               |
|                                   | <u>\$ 804,524</u>       | <u>\$ 789,638</u> | <u>\$ 435,780</u> |

**BRAZOS COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)**  
**For The Year Ended September 30, 2007**

|   | <b>Budgeted Amounts</b> |                      | <b>Actual</b>        |
|---|-------------------------|----------------------|----------------------|
|   | <b>Original</b>         | <b>Final</b>         |                      |
| <b>Human Services (continued)</b>                         |                         |                      |                      |
| Agricultural Extension                                    |                         |                      |                      |
| Personnel Services  | \$ 211,541              | \$ 211,541           | \$ 202,057           |
| Employment Services                                       | 4,000                   | 4,000                | 566                  |
| Discretionary Funding                                     | -                       | 63                   | -                    |
| Supplies and Other Charges                                | 45,100                  | 47,215               | 45,674               |
| Repairs and Maintenance                                   | 400                     | 485                  | 430                  |
| Minor Acquisitions  | 2,000                   | -                    | -                    |
| Contract Services   | 17,260                  | 18,790               | 18,541               |
|   | <u>280,301</u>          | <u>282,094</u>       | <u>267,268</u>       |
| <br>  |                         |                      |                      |
| Child Protective Services                                 |                         |                      |                      |
| Supplies and Other Charges                                | 50,000                  | 50,000               | 49,342               |
|   | <u>50,000</u>           | <u>50,000</u>        | <u>49,342</u>        |
| <br>  |                         |                      |                      |
| <b>Total Human Services</b>                               | <u>2,785,826</u>        | <u>2,825,009</u>     | <u>2,221,963</u>     |
| <br>  |                         |                      |                      |
| <b>Capital Outlay</b>                                     | <u>2,150,000</u>        | <u>2,438,633</u>     | <u>2,158,114</u>     |
| <br>  |                         |                      |                      |
| <b>TOTAL EXPENDITURES</b>                                 | <u>52,748,647</u>       | <u>54,461,542</u>    | <u>48,695,442</u>    |
| <br>  |                         |                      |                      |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(1,306,308)</u>      | <u>(2,938,831)</u>   | <u>8,859,243</u>     |
| <br>  |                         |                      |                      |
| <b>Other Financing Sources (Uses)</b>                     |                         |                      |                      |
| Transfers In  | 1,245,131               | 1,250,131            | 1,208,502            |
| Transfers Out   | (10,285,386)            | (11,359,059)         | (11,147,625)         |
| Sale of Capital Assets                                    | 20,000                  | 20,000               | 342,070              |
| <b>Total Other Financing (Uses)</b>                       | <u>(9,020,255)</u>      | <u>(10,088,928)</u>  | <u>(9,597,053)</u>   |
| <br>  |                         |                      |                      |
| Net Change in Fund Balances                               | (10,326,563)            | (13,027,759)         | (737,810)            |
| <br>  |                         |                      |                      |
| <b>FUND BALANCE, OCTOBER 1</b>                            | <u>32,622,029</u>       | <u>32,622,029</u>    | <u>32,622,029</u>    |
| <br>  |                         |                      |                      |
| <b>FUND BALANCE, SEPTEMBER 30</b>                         | <u>\$ 22,295,466</u>    | <u>\$ 19,594,270</u> | <u>\$ 31,884,219</u> |

**BRAZOS COUNTY, TEXAS**

Required Supplementary Information - Retirement System

September 30, 2007

| <u>Actuarial<br/>Valuation<br/>Date</u> | <u>Actuarial<br/>Value of<br/>Assets</u> | <u>Actuarial<br/>Accrued<br/>Liability (AAL)</u> | <u>Unfunded<br/>AAL<br/>(UAAL)</u> | <u>Funded<br/>Ratio</u> | <u>Annual<br/>Covered<br/>Payroll (1)</u> | <u>UAAL as a<br/>Percentage of<br/>Covered<br/>Payroll</u> |
|---|--|--|------------------------------------|-------------------------|---|--|
| 12/31/97 (2)                            | 25,596,813                               | 34,465,968                                       | 8,869,155                          | 74.27%                  | 14,554,927                                | 60.94%   |
| 12/31/98                                | 28,670,100                               | 38,192,134                                       | 9,522,034                          | 75.07%                  | 15,418,101                                | 61.76%   |
| 12/31/99                                | 32,951,466                               | 42,652,282                                       | 9,700,816                          | 77.26%                  | 16,620,858                                | 58.37%   |
| 12/31/00                                | 37,287,534                               | 47,146,262                                       | 9,858,728                          | 79.09%                  | 17,804,155                                | 55.37%   |
| 12/31/01                                | 40,804,100                               | 51,952,718                                       | 11,148,618                         | 78.54%                  | 19,149,679                                | 58.22%   |
| 12/31/02                                | 44,733,516                               | 57,057,239                                       | 12,323,723                         | 78.40%                  | 20,610,362                                | 59.79%   |
| 12/31/03                                | 50,448,656                               | 62,151,023                                       | 11,702,367                         | 81.17%                  | 21,311,160                                | 54.91%   |
| 12/31/04                                | 53,265,455                               | 65,034,345                                       | 11,768,890                         | 81.90%                  | 22,451,645                                | 52.42%   |
| 12/31/05                                | 58,722,885                               | 71,434,678                                       | 12,711,793                         | 82.21%                  | 22,848,273                                | 55.64%   |
| 12/31/06                                | 66,364,299                               | 77,158,127                                       | 10,793,828                         | 86.01%                  | 25,073,917                                | 43.05%   |

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

(2) Valuation reflects revised economic and demographic assumptions due to experience review.

**BRAZOS COUNTY, TEXAS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2007**

**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 2007 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, 2007, annual maintenance and preservation costs of \$4,872,636 for both roads and bridges were less than the estimated amount needed of \$6,165,552. This variance is due to the delays in the acquisition of right of way, road preparation and weather delays.

| For the Fiscal<br>Year Ended: | Estimated Dollars to<br>Maintain Roads and<br>Bridges at Required<br>Condition Level | Actual Dollars<br>Spent to Maintain<br>Roads and Bridges at<br>Required Condition Level |
|-------------------------------|--|---|
| September 30, 2000            | \$5,904,354  | \$5,904,354   |
| September 30, 2001            | \$5,619,725  | \$5,619,725   |
| September 30, 2002            | \$5,957,282  | \$5,957,282   |
| September 30, 2003            | \$7,221,496  | \$6,082,584   |
| September 30, 2004            | \$5,430,676  | \$4,620,767   |
| September 30, 2005            | \$5,715,345  | \$4,248,681   |
| September 30, 2006            | \$5,958,103  | \$4,769,113   |

**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 and 4 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 2007 condition assessment are as follows:

| Precinct | 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        | 98%   | 1%  | 1%  |
| 2        | 97%   | 0%  | 3%  |
| 3        | 98%   | 1%  | 1%  |
| 4        | 99%   | 1%  | 0%  |

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 58 bridges in the County were rated. Brazos County policy requires that bridges be maintained at a minimum of good condition. The chart below shows that the County’s bridges are well maintained and in good or very good condition.

Total Bridges : 58

|           | Rating    | Number | %    |
|-----------|-----------|--------|------|
| Very Good | 6.0 - 9.0 | 54     | 93%  |
| Good      | 4.0 - 5.9 | 4      | 7%   |
| Fair      | 3.0 - 3.9 | 0      | 0%   |
| Poor      | 0.0 - 2.9 | 0      | 0%   |
|           | Total     | 58     | 100% |



**NONMAJOR GOVERNMENTAL FUNDS**



**BRAZOS COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS - SUMMARY**  
**September 30, 2007**

|  | <b>Special<br/>Revenue</b> | <b>Capital<br/>Projects</b> | <b>Total Nonmajor<br/>Governmental<br/>Funds</b> |
|--|----------------------------|-----------------------------|--|
| <b>ASSETS</b>                              |                            |                             |  |
| Cash and Cash Equivalents                  | \$ 2,599,751               | \$ 892,888                  | \$ 3,492,639                                     |
| Prepaid Expenditures                       | 1,211                      | -                           | 1,211  |
| Receivables                                |                            |                             |  |
| Interest                                   | 10,798                     | 3,107                       | 13,905   |
| Accounts                                   | 103,623                    | -                           | 103,623  |
| State                                      | 247,111                    | -                           | 247,111  |
| <b>TOTAL ASSETS</b>                        | <b>2,962,494</b>           | <b>895,995</b>              | <b>3,858,489</b>                                 |
| <b>LIABILITIES AND FUND BALANCES</b>       |                            |                             |  |
| <b>Liabilities</b>                         |                            |                             |  |
| Accounts Payable                           | 210,711                    | 792,334                     | 1,003,045  |
| Accrued Salary and Compensated Leave       | 32,708                     | -                           | 32,708   |
| Unclaimed Funds                            | 224,365                    | -                           | 224,365  |
| Due to Other Funds                         | 1,759                      | -                           | 1,759  |
| Deferred Revenues                          | 31,940                     | -                           | 31,940   |
| <b>Total Liabilities</b>                   | <b>501,483</b>             | <b>792,334</b>              | <b>1,293,817</b>                                 |
| <b>Fund Balances</b>                       |                            |                             |  |
| Reserved                                   |                            |                             |  |
| For Special Purpose Programs               | 2,461,011                  | -                           | 2,461,011  |
| Unreserved                                 |                            |                             |  |
| Designated for Capital Improvements        | -                          | 103,661                     | 103,661  |
| <b>Total Fund Balances</b>                 | <b>2,461,011</b>           | <b>103,661</b>              | <b>2,564,672</b>                                 |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 2,962,494</b>        | <b>\$ 895,995</b>           | <b>\$ 3,858,489</b>                              |

**BRAZOS COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - SUMMARY**  
**For The Year Ended September 30, 2007**

|   | <u>Special<br/>Revenue</u> | <u>Capital<br/>Projects</u> | <u>Total Nonmajor<br/>Governmental<br/>Funds</u> |
|---|----------------------------|-----------------------------|--|
| <b>REVENUES</b>                             |                            |                             |  |
| Taxes                                       | \$ 87,604                  | \$ -                        | \$ 87,604  |
| Charges for Services                        | 596,920                    | -                           | 596,920  |
| Intergovernmental                           | 1,629,724                  | -                           | 1,629,724  |
| Interest                                    | 138,571                    | 160,452                     | 299,023  |
| <b>TOTAL REVENUES</b>                       | <u>2,452,819</u>           | <u>160,452</u>              | <u>2,613,271</u>                                 |
| <b>EXPENDITURES</b>                         |                            |                             |  |
| General Government                          | 23,547                     | 52,666                      | 76,213   |
| Justice System                              | 298,503                    | -                           | 298,503  |
| Law Enforcement                             | 781,021                    | -                           | 781,021  |
| Juvenile Services                           | 722,833                    | -                           | 722,833  |
| Public Transportation                       | 268,998                    | -                           | 268,998  |
| Public Health                               | 14,859                     | -                           | 14,859   |
| Human Services                              | 133,573                    | -                           | 133,573  |
| Capital Outlay                              | 250,127                    | 6,403,937                   | 6,654,064  |
| <b>TOTAL EXPENDITURES</b>                   | <u>2,493,461</u>           | <u>6,456,603</u>            | <u>8,950,064</u>                                 |
| Deficiency of Revenues Under Expenditures   | <u>(40,642)</u>            | <u>(6,296,151)</u>          | <u>(6,336,793)</u>                               |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                            |                             |  |
| Transfers In                                | 373,398                    | 491,486                     | 864,884  |
| Transfers Out                               | (1,203,502)                | -                           | (1,203,502)                                      |
| Sale of Capital Assets                      | 17,207                     | -                           | 17,207   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <u>(812,897)</u>           | <u>491,486</u>              | <u>(321,411)</u>                                 |
| Net Change in Fund Balances                 | (853,539)                  | (5,804,665)                 | (6,658,204)                                      |
| <b>FUND BALANCES, OCTOBER 1</b>             | <u>3,314,550</u>           | <u>5,908,326</u>            | <u>9,222,876</u>                                 |
| <b>FUND BALANCES, SEPTEMBER 30</b>          | <u>\$ 2,461,011</u>        | <u>\$ 103,661</u>           | <u>\$ 2,564,672</u>                              |

## **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:**

**Hotel Occupancy Tax** – A fund established to account for the funds received from the local hotels for supporting the Exposition Center programs.

**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.

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

**Law Library Fund** - A fund established to account for fees (assessed and collected by various County Courts) that are used to maintain the County Law Library that is available to the public.

**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.

**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 expressed purpose of records management and preservation.

**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. 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.

**Time Payment Fund** – A fund established to account for fees assessed and collected by the District, County and Justice Courts for cases in which the defendant has opted to pay the ordered amounts in installments. These funds can be used to improve the efficiency of the administration of justice.

**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.

**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.

## **SPECIAL REVENUE FUNDS (continued)**

**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. Monies are used for records management and preservation services performed by the District Clerk's office.

**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.

**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.

**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.

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

**Chapter 19 State Fund** - A fund established to account for funds received from the State to aid in purchasing items or services that will enhance voter registration.

**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. 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 in support of the law enforcement grant activities administered by the Sheriff.

**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 for the litigation of seizures incurred in law enforcement activities.

**Child Abuse Prevention Fund** – A fund established to account for the revenues and expenditures related to the child abuse prevention programs provided by the County.

**Grants 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, 2007**

|  | <b>Hotel<br/>Occupancy<br/>Tax</b> | <b>State<br/>Lateral<br/>Road</b> | <b>Unclaimed<br/>Property</b> | <b>Law<br/>Library</b> |
|--|------------------------------------|-----------------------------------|-------------------------------|------------------------|
| <b>ASSETS</b>                              |                                    |                                   |                               |                        |
| Cash and Cash Equivalents                  | \$ -                               | \$ 41,523                         | \$ 271,458                    | \$ 366,550             |
| Prepaid Expenditures                       | -                                  | -                                 | -                             | -                      |
| Receivables                                |                                    |                                   |                               |                        |
| Interest                                   | -                                  | 146                               | 955                           | 1,290                  |
| Accounts                                   | 84,594                             | -                                 | -                             | -                      |
| State                                      | -                                  | -                                 | -                             | -                      |
| <b>TOTAL ASSETS</b>                        | <b>84,594</b>                      | <b>41,669</b>                     | <b>272,413</b>                | <b>367,840</b>         |
| <b>LIABILITIES AND FUND BALANCES</b>       |                                    |                                   |                               |                        |
| <b>Liabilities</b>                         |                                    |                                   |                               |                        |
| Accounts Payable                           | -                                  | -                                 | 7,102                         | 4,508                  |
| Accrued Salary and Compensated Leave       | -                                  | -                                 | -                             | -                      |
| Unclaimed Funds                            | -                                  | -                                 | 221,378                       | -                      |
| Due to Other Funds                         | -                                  | -                                 | 1,759                         | -                      |
| Deferred Revenues                          | -                                  | -                                 | -                             | -                      |
| <b>Total Liabilities</b>                   | <b>-</b>                           | <b>-</b>                          | <b>230,239</b>                | <b>4,508</b>           |
| <b>Fund Balances</b>                       |                                    |                                   |                               |                        |
| Reserved                                   |                                    |                                   |                               |                        |
| For Special Purpose Programs               | 84,594                             | 41,669                            | 42,174                        | 363,332                |
| <b>Total Fund Balances</b>                 | <b>84,594</b>                      | <b>41,669</b>                     | <b>42,174</b>                 | <b>363,332</b>         |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 84,594</b>                   | <b>\$ 41,669</b>                  | <b>\$ 272,413</b>             | <b>\$ 367,840</b>      |

| <b>Alternative<br/>Dispute<br/>Resolution</b> | <b>Law<br/>Enforcement<br/>Education</b> | <b>County<br/>Records<br/>Management<br/>and<br/>Preservation</b> | <b>County Clerk<br/>Records<br/>Management<br/>and<br/>Preservation</b> | <b>Time<br/>Payment<br/>Fee</b> | <b>Courthouse<br/>Security</b> |
|---|--|---|---|---------------------------------|--------------------------------|
| \$ 5,940                                      | \$ 23,476                                | \$ 430,984  | \$ 571,323  | \$ 7,908                        | \$ 36,669                      |
| -   | -  | -   | -   | -                               | -                              |
| -   | -  | 1,517   | 2,011   | 28                              | 129                            |
| -   | -  | -   | -   | -                               | -                              |
| -   | -  | -   | -   | -                               | -                              |
| <u>5,940</u>                                  | <u>23,476</u>                            | <u>432,501</u>  | <u>573,334</u>  | <u>7,936</u>                    | <u>36,798</u>                  |
| 5,940   | 4,200                                    | 13,748  | 5,675   | -                               | -                              |
| -   | -  | 170   | 1,548   | -                               | 3,208                          |
| -   | -  | -   | -   | -                               | -                              |
| -   | -  | -   | -   | -                               | -                              |
| -   | -  | -   | -   | -                               | -                              |
| <u>5,940</u>                                  | <u>4,200</u>                             | <u>13,918</u>   | <u>7,223</u>  | <u>-</u>                        | <u>3,208</u>                   |
| -   | 19,276                                   | 418,583   | 566,111   | 7,936                           | 33,590                         |
| -   | 19,276                                   | 418,583   | 566,111   | 7,936                           | 33,590                         |
| <u>\$ 5,940</u>                               | <u>\$ 23,476</u>                         | <u>\$ 432,501</u>   | <u>\$ 573,334</u>   | <u>\$ 7,936</u>                 | <u>\$ 36,798</u>               |

(continued)

**BRAZOS COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)**  
**September 30, 2007**

|  | <b>Justice Court<br/>Security</b> | <b>District Clerk<br/>Records<br/>Management<br/>and<br/>Preservation</b> | <b>J. P.<br/>Technology</b> | <b>Special<br/>Forfeitures</b> |
|--|-----------------------------------|---|-----------------------------|--------------------------------|
| <b>ASSETS</b>                              |                                   |   |                             |                                |
| Cash and Cash Equivalents                  | \$ 16,678                         | \$ 53,083   | \$ 188,396                  | \$ 4,176                       |
| Prepaid Expenditures                       | -                                 | -   | -                           | -                              |
| Receivables                                |                                   |   |                             |                                |
| Interest                                   | 59                                | 186   | 663                         | 15                             |
| Accounts                                   | -                                 | -   | -                           | -                              |
| State                                      | -                                 | -   | -                           | -                              |
| <b>TOTAL ASSETS</b>                        | <b>16,737</b>                     | <b>53,269</b>   | <b>189,059</b>              | <b>4,191</b>                   |
| <b>LIABILITIES AND FUND BALANCES</b>       |                                   |   |                             |                                |
| <b>Liabilities</b>                         |                                   |   |                             |                                |
| Accounts Payable                           | -                                 | -   | 943                         | -                              |
| Accrued Salary and Compensated Leave       | -                                 | -   | -                           | -                              |
| Unclaimed Funds                            | -                                 | -   | -                           | -                              |
| Due to Other Funds                         | -                                 | -   | -                           | -                              |
| Deferred Revenues                          | -                                 | -   | -                           | -                              |
| <b>Total Liabilities</b>                   | <b>-</b>                          | <b>-</b>  | <b>943</b>                  | <b>-</b>                       |
| <b>Fund Balances</b>                       |                                   |   |                             |                                |
| Reserved                                   |                                   |   |                             |                                |
| For Special Purpose Programs               | 16,737                            | 53,269  | 188,116                     | 4,191                          |
| <b>Total Fund Balances</b>                 | <b>16,737</b>                     | <b>53,269</b>   | <b>188,116</b>              | <b>4,191</b>                   |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 16,737</b>                  | <b>\$ 53,269</b>  | <b>\$ 189,059</b>           | <b>\$ 4,191</b>                |

| <b>District<br/>Attorney<br/>Hot Check<br/>Collection</b> | <b>Bail Bond<br/>Board<br/>Fees</b> | <b>Voter<br/>Registration</b> | <b>Chapter 19<br/>State<br/>Fund</b> | <b>Vehicle<br/>Inventory<br/>Tax<br/>Interest</b> | <b>Sheriff<br/>Department<br/>Crime<br/>Fund</b> | <b>District<br/>Attorney<br/>Crime Fund</b> |
|---|-------------------------------------|-------------------------------|--------------------------------------|---|--|---|
| \$ 1,955  | \$ 70,039                           | \$ 22,971                     | \$ -                                 | \$ 100,005  | \$ 356,829                                       | \$ 29,692                                   |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| 6   | 247                                 | 81                            | -                                    | 2,059   | 1,191  | 93  |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| <u>1,961</u>  | <u>70,286</u>                       | <u>23,052</u>                 | <u>-</u>                             | <u>102,064</u>                                    | <u>358,020</u>                                   | <u>29,785</u>                               |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| -   | -                                   | -                             | -                                    | 27  | -  | -   |
| -   | -                                   | -                             | -                                    | -   | 2,987  | -   |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| <u>-</u>  | <u>-</u>                            | <u>-</u>                      | <u>-</u>                             | <u>27</u>   | <u>2,987</u>                                     | <u>-</u>                                    |
| <u>1,961</u>  | <u>70,286</u>                       | <u>23,052</u>                 | <u>-</u>                             | <u>102,037</u>                                    | <u>355,033</u>                                   | <u>29,785</u>                               |
| <u>1,961</u>  | <u>70,286</u>                       | <u>23,052</u>                 | <u>-</u>                             | <u>102,037</u>                                    | <u>355,033</u>                                   | <u>29,785</u>                               |
| <u>\$ 1,961</u>   | <u>\$ 70,286</u>                    | <u>\$ 23,052</u>              | <u>\$ -</u>                          | <u>\$ 102,064</u>                                 | <u>\$ 358,020</u>                                | <u>\$ 29,785</u>                            |

(continued)

**BRAZOS COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)**  
**September 30, 2007**

|  | <b>Child Abuse<br/>Prevention<br/>Fund</b> | <b>Grants</b>     | <b>Totals</b>       |
|--|--|-------------------|---------------------|
| <b>ASSETS</b>                              |  |                   |                     |
| Cash and Cash Equivalents                  | \$ -                                       | \$ 96             | \$ 2,599,751        |
| Prepaid Expenditures                       | -  | 1,211             | 1,211               |
| Receivables                                |  |                   |                     |
| Interest                                   | -  | 122               | 10,798              |
| Accounts                                   | -  | 19,029            | 103,623             |
| State                                      | -  | 247,111           | 247,111             |
| <b>TOTAL ASSETS</b>                        | <b>-</b>                                   | <b>267,569</b>    | <b>2,962,494</b>    |
| <b>LIABILITIES AND FUND BALANCES</b>       |  |                   |                     |
| <b>Liabilities</b>                         |  |                   |                     |
| Accounts Payable                           | -  | 168,595           | 210,711             |
| Accrued Salary and Compensated Leave       | -  | 27,755            | 32,708              |
| Unclaimed Funds                            | -  | -                 | 224,365             |
| Due to Other Funds                         | -  | -                 | 1,759               |
| Deferred Revenues                          | -  | 31,940            | 31,940              |
| <b>Total Liabilities</b>                   | <b>-</b>                                   | <b>228,290</b>    | <b>501,483</b>      |
| <b>Fund Balances</b>                       |  |                   |                     |
| Reserved                                   |  |                   |                     |
| For Special Purpose Programs               | -  | 39,279            | 2,461,011           |
| <b>Total Fund Balances</b>                 | <b>-</b>                                   | <b>39,279</b>     | <b>2,461,011</b>    |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ -</b>                                | <b>\$ 267,569</b> | <b>\$ 2,962,494</b> |



**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, 2007**

|  | <b>Hotel<br/>Occupancy<br/>Tax</b> | <b>State<br/>Lateral<br/>Road</b> | <b>Unclaimed<br/>Property</b> | <b>Law<br/>Library</b> |
|--|------------------------------------|-----------------------------------|-------------------------------|------------------------|
| <b>REVENUES</b>  |                                    |                                   |                               |                        |
| Taxes  | \$ 84,594                          | \$ -                              | \$ -                          | \$ -                   |
| Charges for Services   | -                                  | -                                 | -                             | 50,548                 |
| Intergovernmental  | -                                  | 28,152                            | -                             | -                      |
| Interest   | -                                  | 1,992                             | 10,416                        | 16,680                 |
| <b>TOTAL REVENUES</b>  | <b>84,594</b>                      | <b>30,144</b>                     | <b>10,416</b>                 | <b>67,228</b>          |
| <b>EXPENDITURES</b>  |                                    |                                   |                               |                        |
| General Government   | -                                  | -                                 | 84                            | -                      |
| Justice System   | -                                  | -                                 | -                             | 28,825                 |
| Law Enforcement  | -                                  | -                                 | -                             | -                      |
| Juvenile Services  | -                                  | -                                 | -                             | -                      |
| Public Transportation  | -                                  | -                                 | -                             | -                      |
| Public Health  | -                                  | -                                 | -                             | -                      |
| Human Services   | -                                  | -                                 | -                             | -                      |
| Capital Outlay   | -                                  | -                                 | -                             | -                      |
| <b>TOTAL EXPENDITURES</b>                                    | <b>-</b>                           | <b>-</b>                          | <b>84</b>                     | <b>28,825</b>          |
| Excess (Deficiency) of<br>Revenues Over (Under) Expenditures | 84,594                             | 30,144                            | 10,332                        | 38,403                 |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                    |                                   |                               |                        |
| Transfers In   | -                                  | -                                 | -                             | -                      |
| Transfers Out  | -                                  | -                                 | -                             | -                      |
| Sale of Capital Assets                                       | -                                  | -                                 | -                             | -                      |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                  | <b>-</b>                           | <b>-</b>                          | <b>-</b>                      | <b>-</b>               |
| Net Change in Fund Balances                                  | 84,594                             | 30,144                            | 10,332                        | 38,403                 |
| <b>FUND BALANCES, OCTOBER 1</b>                              | <b>-</b>                           | <b>11,525</b>                     | <b>31,842</b>                 | <b>324,929</b>         |
| <b>FUND BALANCES, SEPTEMBER 30</b>                           | <b>\$ 84,594</b>                   | <b>\$ 41,669</b>                  | <b>\$ 42,174</b>              | <b>\$ 363,332</b>      |

| <b>Alternative<br/>Dispute<br/>Resolution</b> | <b>Law<br/>Enforcement<br/>Education</b> | <b>County<br/>Records<br/>Management<br/>and<br/>Preservation</b> | <b>County Clerk<br/>Records<br/>Management<br/>and<br/>Preservation</b> | <b>Time<br/>Payment<br/>Fee</b> | <b>Courthouse<br/>Security</b> |
|---|--|---|---|---------------------------------|--------------------------------|
| \$ -  | \$ -                                     | \$ -  | \$ -  | \$ -                            | \$ -                           |
| 37,790  | -  | 94,776  | 191,838   | 6,165                           | 102,764                        |
| -   | 17,933                                   | -   | -   | -                               | -                              |
| -   | -  | 18,743  | 27,670  | 410                             | 3,460                          |
| <u>37,790</u>                                 | <u>17,933</u>                            | <u>113,519</u>  | <u>219,508</u>  | <u>6,575</u>                    | <u>106,224</u>                 |
| -   | -  | 7,626   | -   | -                               | -                              |
| 45,290  | -  | -   | 126,080   | -                               | -                              |
| -   | 9,764                                    | -   | -   | -                               | 182,348                        |
| -   | -  | -   | -   | -                               | -                              |
| -   | -  | -   | -   | -                               | -                              |
| -   | -  | -   | -   | -                               | -                              |
| -   | -  | 12,998  | 52,439  | -                               | -                              |
| <u>45,290</u>                                 | <u>9,764</u>                             | <u>20,624</u>   | <u>178,519</u>  | <u>-</u>                        | <u>182,348</u>                 |
| <u>(7,500)</u>                                | <u>8,169</u>                             | <u>92,895</u>   | <u>40,989</u>   | <u>6,575</u>                    | <u>(76,124)</u>                |
| 7,500   | -  | -   | -   | -                               | 28,819                         |
| -   | -  | -   | -   | (39,000)                        | -                              |
| -   | -  | -   | -   | -                               | -                              |
| <u>7,500</u>                                  | <u>-</u>                                 | <u>-</u>  | <u>-</u>  | <u>(39,000)</u>                 | <u>28,819</u>                  |
| -   | 8,169                                    | 92,895  | 40,989  | (32,425)                        | (47,305)                       |
| -   | 11,107                                   | 325,688   | 525,122   | 40,361                          | 80,895                         |
| <u>\$ -</u>                                   | <u>\$ 19,276</u>                         | <u>\$ 418,583</u>   | <u>\$ 566,111</u>   | <u>\$ 7,936</u>                 | <u>\$ 33,590</u>               |

(continued)

**BRAZOS COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS -SPECIAL REVENUE FUNDS (Continued)**  
**For The Year Ended September 30, 2007**

|  | <u>Justice Court<br/>Security</u> | <u>District Clerk<br/>Records<br/>Management<br/>and<br/>Preservation</u> | <u>J. P.<br/>Technology</u> | <u>Special<br/>Forfeitures</u> |
|--|-----------------------------------|---|-----------------------------|--------------------------------|
| <b>REVENUES</b>  |                                   |   |                             |                                |
| Taxes  | \$ -                              | \$ -  | \$ -                        | \$ -                           |
| Charges for Services   | 11,167                            | 18,719  | 50,841                      | 5,264                          |
| Intergovernmental  | -                                 | -   | -                           | -                              |
| Interest   | 540                               | 2,269   | 7,931                       | 204                            |
| <b>TOTAL REVENUES</b>  | <u>11,707</u>                     | <u>20,988</u>   | <u>58,772</u>               | <u>5,468</u>                   |
| <b>EXPENDITURES</b>  |                                   |   |                             |                                |
| General Government   | -                                 | 56  | -                           | -                              |
| Justice System   | -                                 | -   | 5,187                       | -                              |
| Law Enforcement  | -                                 | -   | -                           | 1,379                          |
| Juvenile Services  | -                                 | -   | -                           | -                              |
| Public Transportation  | -                                 | -   | -                           | -                              |
| Public Health  | -                                 | -   | -                           | -                              |
| Human Services   | -                                 | -   | -                           | -                              |
| Capital Outlay   | -                                 | 5,175   | -                           | 2,041                          |
| <b>TOTAL EXPENDITURES</b>                                    | <u>-</u>                          | <u>5,231</u>  | <u>5,187</u>                | <u>3,420</u>                   |
| Excess (Deficiency) of<br>Revenues Over (Under) Expenditures | <u>11,707</u>                     | <u>15,757</u>   | <u>53,585</u>               | <u>2,048</u>                   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                   |   |                             |                                |
| Transfers In   | -                                 | -   | -                           | -                              |
| Transfers Out  | -                                 | -   | -                           | -                              |
| Sale of Capital Assets                                       | -                                 | -   | -                           | -                              |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                  | <u>-</u>                          | <u>-</u>  | <u>-</u>                    | <u>-</u>                       |
| Net Change in Fund Balances                                  | 11,707                            | 15,757  | 53,585                      | 2,048                          |
| <b>FUND BALANCES, OCTOBER 1</b>                              | <u>5,030</u>                      | <u>37,512</u>   | <u>134,531</u>              | <u>2,143</u>                   |
| <b>FUND BALANCES, SEPTEMBER 30</b>                           | <u>\$ 16,737</u>                  | <u>\$ 53,269</u>  | <u>\$ 188,116</u>           | <u>\$ 4,191</u>                |

| <b>District<br/>Attorney<br/>Hot Check<br/>Collection</b> | <b>Bail Bond<br/>Board<br/>Fees</b> | <b>Voter<br/>Registration</b> | <b>Chapter 19<br/>State<br/>Fund</b> | <b>Vehicle<br/>Inventory<br/>Tax<br/>Interest</b> | <b>Sheriff<br/>Department<br/>Crime<br/>Fund</b> | <b>District<br/>Attorney<br/>Crime Fund</b> |
|---|-------------------------------------|-------------------------------|--------------------------------------|---|--|---|
| \$ -  | \$ -                                | \$ -                          | \$ -                                 | \$ 3,010  | \$ -   | \$ -  |
| 1,275   | 3,500                               | -                             | -                                    | -   | 8,496  | 13,777                                      |
| -   | -                                   | -                             | 2,094                                | -   | -  | -   |
| 160   | 3,321                               | 1,140                         | -                                    | 24,689  | 15,198   | 1,174                                       |
| 1,435   | 6,821                               | 1,140                         | 2,094                                | 27,699  | 23,694   | 14,951                                      |
| -   | -                                   | 2,235                         | 2,094                                | 11,452  | -  | -   |
| 3,017   | 1,617                               | -                             | -                                    | -   | -  | 6,704                                       |
| -   | -                                   | -                             | -                                    | -   | 1,299  | -   |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| 3,017   | 1,617                               | 2,235                         | 2,094                                | 11,452  | 1,299  | 6,704                                       |
| (1,582)   | 5,204                               | (1,095)                       | -                                    | 16,247  | 22,395   | 8,247                                       |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| -   | -                                   | -                             | -                                    | -   | -  | -   |
| -   | -                                   | -                             | -                                    | -   | 17,207   | -   |
| -   | -                                   | -                             | -                                    | -   | 17,207   | -   |
| (1,582)   | 5,204                               | (1,095)                       | -                                    | 16,247  | 39,602   | 8,247                                       |
| 3,543   | 65,082                              | 24,147                        | -                                    | 85,790  | 315,431  | 21,538                                      |
| \$ 1,961  | \$ 70,286                           | \$ 23,052                     | \$ -                                 | \$ 102,037  | \$ 355,033                                       | \$ 29,785                                   |

(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, 2007**

|  | <b>Child Abuse<br/>Prevention<br/>Fund</b> | <b>Grants</b>    | <b>Totals</b>       |
|--|--|------------------|---------------------|
| <b>REVENUES</b>  |  |                  |                     |
| Taxes  | \$ -                                       | \$ -             | \$ 87,604           |
| Charges for Services   | -  | -                | 596,920             |
| Intergovernmental  | -  | 1,581,545        | 1,629,724           |
| Interest   | -  | 2,574            | 138,571             |
| <b>TOTAL REVENUES</b>  | <b>-</b>                                   | <b>1,584,119</b> | <b>2,452,819</b>    |
| <b>EXPENDITURES</b>  |  |                  |                     |
| General Government   | -  | -                | 23,547              |
| Justice System   | -  | 81,783           | 298,503             |
| Law Enforcement  | -  | 586,231          | 781,021             |
| Juvenile Services  | -  | 722,833          | 722,833             |
| Public Transportation  | -  | 268,998          | 268,998             |
| Public Health  | -  | 14,859           | 14,859              |
| Human Services   | -  | 133,573          | 133,573             |
| Capital Outlay   | -  | 177,474          | 250,127             |
| <b>TOTAL EXPENDITURES</b>                                    | <b>-</b>                                   | <b>1,985,751</b> | <b>2,493,461</b>    |
| Excess (Deficiency) of<br>Revenues Over (Under) Expenditures | -  | (401,632)        | (40,642)            |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |  |                  |                     |
| Transfers In   | -  | 337,079          | 373,398             |
| Transfers Out  | -  | (1,164,502)      | (1,203,502)         |
| Sale of Capital Assets                                       | -  | -                | 17,207              |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                  | <b>-</b>                                   | <b>(827,423)</b> | <b>(812,897)</b>    |
| Net Change in Fund Balances                                  | -  | (1,229,055)      | (853,539)           |
| <b>FUND BALANCES, OCTOBER 1</b>                              | <b>-</b>                                   | <b>1,268,334</b> | <b>3,314,550</b>    |
| <b>FUND BALANCES, SEPTEMBER 30</b>                           | <b>\$ -</b>                                | <b>\$ 39,279</b> | <b>\$ 2,461,011</b> |

**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, 2007**

|                                      | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b> |
|--------------------------------------|--|---------------|
| <b>REVENUES</b>                      |  |               |
| Taxes                                | \$ -                                     | \$ 84,594     |
| <b>TOTAL REVENUES</b>                | -  | 84,594        |
| <b>EXPENDITURES</b>                  | -  | -             |
| <b>TOTAL EXPENDITURES</b>            | -  | -             |
| Excess of Revenues Over Expenditures | -  | 84,594        |
| <b>FUND BALANCE, OCTOBER 1</b>       | -  | -             |
| <b>FUND BALANCE, SEPTEMBER 30</b>    | \$ -                                     | \$ 84,594     |

\* A budget was not legally adopted for this fund.

**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, 2007**

|  | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b>           |
|--|--|-------------------------|
| <b>REVENUES</b>  |  |                         |
| Intergovernmental  | \$ 28,000                                | \$ 28,152               |
| Interest   | 500                                      | 1,992                   |
| <b>TOTAL REVENUES</b>  | <u>28,500</u>                            | <u>30,144</u>           |
| <b>EXPENDITURES</b>  |  |                         |
| <b>Public Transportation</b>                                 |  |                         |
| Repairs and Maintenance                                      | 36,500                                   | -                       |
| <b>TOTAL EXPENDITURES</b>                                    | <u>36,500</u>                            | <u>-</u>                |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (8,000)                                  | 30,144                  |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>11,525</u>                            | <u>11,525</u>           |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u><u>\$ 3,525</u></u>                   | <u><u>\$ 41,669</u></u> |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
UNCLAIMED PROPERTY  
For the Year Ended September 30, 2007**

|  | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b>           |
|--|--|-------------------------|
| <b>REVENUES</b>  |  |                         |
| Interest   | \$ 5,000                                 | \$ 10,416               |
| <b>TOTAL REVENUES</b>  | <u>5,000</u>                             | <u>10,416</u>           |
| <b>EXPENDITURES</b>  |  |                         |
| <b>General Government</b>                                    |  |                         |
| Supplies and Other Charges                                   | 36,000                                   | 84                      |
| <b>TOTAL EXPENDITURES</b>                                    | <u>36,000</u>                            | <u>84</u>               |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (31,000)                                 | 10,332                  |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>31,842</u>                            | <u>31,842</u>           |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u><u>\$ 842</u></u>                     | <u><u>\$ 42,174</u></u> |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
LAW LIBRARY  
For the Year Ended September 30, 2007**

|  | <b>Budgeted Amounts</b> |                         | <b>Actual</b>            |
|--|-------------------------|-------------------------|--------------------------|
|  | <b>Original</b>         | <b>Final</b>            |                          |
| <b>REVENUES</b>  |                         |                         |                          |
| Charges for Services   | \$ 47,000               | \$ 47,000               | \$ 50,548                |
| Interest   | 10,000                  | 10,000                  | 16,680                   |
| <b>TOTAL REVENUES</b>  | <u>57,000</u>           | <u>57,000</u>           | <u>67,228</u>            |
| <b>EXPENDITURES</b>  |                         |                         |                          |
| <b>Justice System</b>  |                         |                         |                          |
| Supplies and Other Charges                                   | 222,000                 | 221,090                 | 21,116                   |
| Repairs and Maintenance                                      | -                       | 910                     | 909                      |
| Minor Acquisitions   | 30,000                  | 30,000                  | -                        |
| Contract Services  | 8,000                   | 8,000                   | 6,800                    |
| <b>Capital Outlay</b>  | <u>50,000</u>           | <u>50,000</u>           | <u>-</u>                 |
| <b>TOTAL EXPENDITURES</b>                                    | <u>310,000</u>          | <u>310,000</u>          | <u>28,825</u>            |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (253,000)               | (253,000)               | 38,403                   |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>324,929</u>          | <u>324,929</u>          | <u>324,929</u>           |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u><u>\$ 71,929</u></u> | <u><u>\$ 71,929</u></u> | <u><u>\$ 363,332</u></u> |

**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, 2007**

|   | <u>Budgeted Amounts</u> |               | <u>Actual</u> |
|---|-------------------------|---------------|---------------|
|   | <u>Original</u>         | <u>Final</u>  |               |
| <b>REVENUES</b>                           |                         |               |               |
| Charges for Services                      | \$ 33,000               | \$ 37,790     | \$ 37,790     |
| <b>TOTAL REVENUES</b>                     | <u>33,000</u>           | <u>37,790</u> | <u>37,790</u> |
| <b>EXPENDITURES</b>                       |                         |               |               |
| <b>Justice System</b>                     |                         |               |               |
| Contractual Services                      | 40,500                  | 45,290        | 45,290        |
| <b>TOTAL EXPENDITURES</b>                 | <u>40,500</u>           | <u>45,290</u> | <u>45,290</u> |
| Deficiency of Revenues Under Expenditures | (7,500)                 | (7,500)       | (7,500)       |
| <b>OTHER FINANCING SOURCES</b>            |                         |               |               |
| Transfers In                              | 7,500                   | 7,500         | 7,500         |
| <b>TOTAL OTHER FINANCING SOURCES</b>      | <u>7,500</u>            | <u>7,500</u>  | <u>7,500</u>  |
| Net Change in Fund Balance                | -                       | -             | -             |
| <b>FUND BALANCE, OCTOBER 1</b>            | <u>-</u>                | <u>-</u>      | <u>-</u>      |
| <b>FUND BALANCE, SEPTEMBER 30</b>         | <u>\$ -</u>             | <u>\$ -</u>   | <u>\$ -</u>   |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
LAW ENFORCEMENT EDUCATION  
For the Year Ended September 30, 2007**

|  | <b>Budgeted Amounts</b> |                    | <b>Actual</b>           |
|--|-------------------------|--------------------|-------------------------|
|  | <b>Original</b>         | <b>Final</b>       |                         |
| <b>REVENUES</b>  |                         |                    |                         |
| Intergovernmental  | \$ 17,000               | \$ 17,933          | \$ 17,933               |
| <b>TOTAL REVENUES</b>  | <u>17,000</u>           | <u>17,933</u>      | <u>17,933</u>           |
| <b>EXPENDITURES</b>  |                         |                    |                         |
| <b>Law Enforcement</b>                                       |                         |                    |                         |
| Supplies and Other Charges                                   | <u>27,000</u>           | <u>29,040</u>      | <u>9,764</u>            |
| <b>TOTAL EXPENDITURES</b>                                    | <u>27,000</u>           | <u>29,040</u>      | <u>9,764</u>            |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (10,000)                | (11,107)           | 8,169                   |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>11,107</u>           | <u>11,107</u>      | <u>11,107</u>           |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u><u>\$ 1,107</u></u>  | <u><u>\$ -</u></u> | <u><u>\$ 19,276</u></u> |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
COUNTY RECORDS MANAGEMENT AND PRESERVATION  
For the Year Ended September 30, 2007**

|  | <b>Budgeted Amounts</b> |                         | <b>Actual</b>            |
|--|-------------------------|-------------------------|--------------------------|
|  | <b>Original</b>         | <b>Final</b>            |                          |
| <b>REVENUES</b>  |                         |                         |                          |
| Charges for Services   | \$ 60,000               | \$ 60,000               | \$ 94,776                |
| Interest   | 10,000                  | 10,000                  | 18,743                   |
| <b>TOTAL REVENUES</b>  | <u>70,000</u>           | <u>70,000</u>           | <u>113,519</u>           |
| <b>EXPENDITURES</b>  |                         |                         |                          |
| <b>General Government</b>                                    |                         |                         |                          |
| Personnel Services   | -                       | 10,000                  | 950                      |
| Supplies and Other Charges                                   | 150,000                 | 135,617                 | 5,448                    |
| Minor Acquisitions   | -                       | 1,385                   | 1,228                    |
| Contract Services  | 70,000                  | 70,000                  | -                        |
| Professional Services  | 150,000                 | 140,000                 | -                        |
| Capital Outlay   | -                       | 12,998                  | 12,998                   |
| <b>TOTAL EXPENDITURES</b>                                    | <u>370,000</u>          | <u>370,000</u>          | <u>20,624</u>            |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (300,000)               | (300,000)               | 92,895                   |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>325,688</u>          | <u>325,688</u>          | <u>325,688</u>           |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u><u>\$ 25,688</u></u> | <u><u>\$ 25,688</u></u> | <u><u>\$ 418,583</u></u> |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION  
For the Year Ended September 30, 2007**

|  | <u>Budgeted Amounts</u>  |                          | <u>Actual</u>            |
|--|--------------------------|--------------------------|--------------------------|
|  | <u>Original</u>          | <u>Final</u>             |                          |
| <b>REVENUES</b>  |                          |                          |                          |
| Charges for Services   | \$ 170,000               | \$ 170,000               | \$ 191,838               |
| Interest   | 19,000                   | 19,000                   | 27,670                   |
| <b>TOTAL REVENUES</b>  | <u>189,000</u>           | <u>189,000</u>           | <u>219,508</u>           |
| <b>EXPENDITURES</b>  |                          |                          |                          |
| <b>Justice System</b>  |                          |                          |                          |
| Personnel Services   | 60,216                   | 60,216                   | 59,770                   |
| Supplies and Other Charges                                   | 102,053                  | 49,356                   | 1,946                    |
| Repairs and Maintenance                                      | 1,500                    | 1,500                    | -                        |
| Minor Acquisitions   | 12,200                   | 12,200                   | -                        |
| Contract Services  | 94,500                   | 94,500                   | 64,364                   |
| Capital Outlay   | -                        | 52,697                   | 52,439                   |
| <b>TOTAL EXPENDITURES</b>                                    | <u>270,469</u>           | <u>270,469</u>           | <u>178,519</u>           |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (81,469)                 | (81,469)                 | 40,989                   |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>525,122</u>           | <u>525,122</u>           | <u>525,122</u>           |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u><u>\$ 443,653</u></u> | <u><u>\$ 443,653</u></u> | <u><u>\$ 566,111</u></u> |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
TIME PAYMENT FEE  
For the Year Ended September 30, 2007**

|                                      | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b> |
|--------------------------------------|--|---------------|
| <b>REVENUES</b>                      |  |               |
| Charges for Services                 | \$ 4,000                                 | \$ 6,165      |
| Interest                             | 1,500                                    | 410           |
| <b>TOTAL REVENUES</b>                | 5,500                                    | 6,575         |
| <b>EXPENDITURES</b>                  |  |               |
| <b>Justice System</b>                |  |               |
| Supplies and Other Charges           | 5,500                                    | -             |
| <b>TOTAL EXPENDITURES</b>            | 5,500                                    | -             |
| Excess of Revenues Over Expenditures | -  | 6,575         |
| <b>OTHER FINANCING USES</b>          |  |               |
| Transfers Out                        | (39,000)                                 | (39,000)      |
| <b>TOTAL OTHER FINANCING USES</b>    | (39,000)                                 | (39,000)      |
| Net Change in Fund Balance           | (39,000)                                 | (32,425)      |
| <b>FUND BALANCE, OCTOBER 1</b>       | 40,361                                   | 40,361        |
| <b>FUND BALANCE, SEPTEMBER 30</b>    | \$ 1,361                                 | \$ 7,936      |

**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, 2007**

|   | <b>Budgeted Amounts</b> |                         | <b>Actual</b>           |
|---|-------------------------|-------------------------|-------------------------|
|   | <b>Original</b>         | <b>Final</b>            |                         |
| <b>REVENUES</b>                           |                         |                         |                         |
| Charges for Services                      | \$ 85,000               | \$ 85,000               | \$ 102,764              |
| Interest                                  | 4,000                   | 4,000                   | 3,460                   |
| <b>TOTAL REVENUES</b>                     | <u>89,000</u>           | <u>89,000</u>           | <u>106,224</u>          |
| <b>EXPENDITURES</b>                       |                         |                         |                         |
| <b>Law Enforcement</b>                    |                         |                         |                         |
| Personnel Services                        | 167,752                 | 169,906                 | 169,554                 |
| Supplies and Other Charges                | 5,137                   | 5,137                   | 2,519                   |
| Repairs and Maintenance                   | 10,190                  | 8,036                   | 7,535                   |
| Minor Acquisitions                        | 500                     | 2,740                   | 2,740                   |
| Capital Outlay                            | 8,000                   | -                       | -                       |
| <b>TOTAL EXPENDITURES</b>                 | <u>191,579</u>          | <u>185,819</u>          | <u>182,348</u>          |
| Deficiency of Revenues Under Expenditures | (102,579)               | (96,819)                | (76,124)                |
| <b>OTHER FINANCING SOURCES</b>            |                         |                         |                         |
| Transfers In                              | <u>34,579</u>           | <u>28,819</u>           | <u>28,819</u>           |
| <b>TOTAL OTHER FINANCING SOURCES</b>      | <u>34,579</u>           | <u>28,819</u>           | <u>28,819</u>           |
| Net Change in Fund Balance                | (68,000)                | (68,000)                | (47,305)                |
| <b>FUND BALANCE, OCTOBER 1</b>            | <u>80,895</u>           | <u>80,895</u>           | <u>80,895</u>           |
| <b>FUND BALANCE, SEPTEMBER 30</b>         | <u><u>\$ 12,895</u></u> | <u><u>\$ 12,895</u></u> | <u><u>\$ 33,590</u></u> |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
JUSTICE COURT SECURITY  
For the Year Ended September 30, 2007**

|                                      | <u>Budgeted Amounts</u> |              | <u>Actual</u>    |
|--------------------------------------|-------------------------|--------------|------------------|
|                                      | <u>Original</u>         | <u>Final</u> |                  |
| <b>REVENUES</b>                      |                         |              |                  |
| Charges for Services                 | \$ -                    | \$ 7,700     | \$ 11,167        |
| Interest                             | -                       | 300          | 540              |
| <b>TOTAL REVENUES</b>                | <u>-</u>                | <u>8,000</u> | <u>11,707</u>    |
| <b>EXPENDITURES</b>                  |                         |              |                  |
| <b>Justice System</b>                |                         |              |                  |
| Repairs and Maintenance              | -                       | 229          | -                |
| Minor Acquisitions                   | -                       | 93           | -                |
| Capital Outlay                       | -                       | 7,678        | -                |
| <b>TOTAL EXPENDITURES</b>            | <u>-</u>                | <u>8,000</u> | <u>-</u>         |
| Excess of Revenues Over Expenditures | -                       | -            | 11,707           |
| <b>FUND BALANCE, OCTOBER 1</b>       | <u>-</u>                | <u>-</u>     | <u>5,030</u>     |
| <b>FUND BALANCE, SEPTEMBER 30</b>    | <u>\$ -</u>             | <u>\$ -</u>  | <u>\$ 16,737</u> |

**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, 2007**

|  | <u>Budgeted Amounts</u> |                 | <u>Actual</u>    |
|--|-------------------------|-----------------|------------------|
|  | <u>Original</u>         | <u>Final</u>    |                  |
| <b>REVENUES</b>  |                         |                 |                  |
| Charges for Services   | \$ 14,000               | \$ 14,000       | \$ 18,719        |
| Interest   | 1,000                   | 1,000           | 2,269            |
| <b>TOTAL REVENUES</b>  | <u>15,000</u>           | <u>15,000</u>   | <u>20,988</u>    |
| <b>EXPENDITURES</b>  |                         |                 |                  |
| <b>Justice System</b>  |                         |                 |                  |
| Contract Services  | -                       | 500             | 56               |
| Professional Services  | 50,000                  | 44,300          | -                |
| Capital Outlay   | -                       | 5,200           | 5,175            |
| <b>TOTAL EXPENDITURES</b>                                    | <u>50,000</u>           | <u>50,000</u>   | <u>5,231</u>     |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | (35,000)                | (35,000)        | 15,757           |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>37,512</u>           | <u>37,512</u>   | <u>37,512</u>    |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u>\$ 2,512</u>         | <u>\$ 2,512</u> | <u>\$ 53,269</u> |

**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, 2007**

|  | <u>Budgeted Amounts</u> |                 | <u>Actual</u>     |
|--|-------------------------|-----------------|-------------------|
|  | <u>Original</u>         | <u>Final</u>    |                   |
| <b>REVENUES</b>  |                         |                 |                   |
| Charges for Services   | \$ 35,000               | \$ 35,000       | \$ 50,841         |
| Interest   | 4,000                   | 4,000           | 7,931             |
| <b>TOTAL REVENUES</b>  | <u>39,000</u>           | <u>39,000</u>   | <u>58,772</u>     |
| <b>EXPENDITURES</b>  |                         |                 |                   |
| <b>Justice System</b>  |                         |                 |                   |
| Supplies and Other Charges                                   | 129,000                 | 129,300         | 2,689             |
| Minor Acquisitions   | 45,000                  | 44,700          | 2,498             |
| <b>TOTAL EXPENDITURES</b>                                    | <u>174,000</u>          | <u>174,000</u>  | <u>5,187</u>      |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | (135,000)               | (135,000)       | 53,585            |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>134,531</u>          | <u>134,531</u>  | <u>134,531</u>    |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u>\$ (469)</u>         | <u>\$ (469)</u> | <u>\$ 188,116</u> |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
SPECIAL FORFEITURES  
For the Year Ended September 30, 2007**

|  | <b>Budgeted Amounts</b> |               | <b>Actual</b>   |
|--|-------------------------|---------------|-----------------|
|  | <b>Original</b>         | <b>Final</b>  |                 |
| <b>REVENUES</b>  |                         |               |                 |
| Charges for Services   | \$ -                    | \$ 2,925      | \$ 5,264        |
| Interest   | -                       | -             | 204             |
| <b>TOTAL REVENUES</b>  | <u>-</u>                | <u>2,925</u>  | <u>5,468</u>    |
| <b>EXPENDITURES</b>  |                         |               |                 |
| <b>Law Enforcement</b>                                       |                         |               |                 |
| Supplies and Other Charges                                   | 365                     | -             | -               |
| Repairs and Maintenance                                      | -                       | 110           | -               |
| Minor Acquisitions   | 1,405                   | 2,529         | 1,379           |
| Capital Outlay   | -                       | 2,056         | 2,041           |
| <b>TOTAL EXPENDITURES</b>                                    | <u>1,770</u>            | <u>4,695</u>  | <u>3,420</u>    |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | (1,770)                 | (1,770)       | 2,048           |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>2,143</u>            | <u>2,143</u>  | <u>2,143</u>    |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u>\$ 373</u>           | <u>\$ 373</u> | <u>\$ 4,191</u> |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
DISTRICT ATTORNEY HOT CHECK COLLECTION  
For the Year Ended September 30, 2007**

|   | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b> |
|---|--|---------------|
| <b>REVENUES</b>                           |  |               |
| Charges for Services                      | \$ 600                                   | \$ 1,275      |
| Interest                                  | 200                                      | 160           |
| <b>TOTAL REVENUES</b>                     | 800                                      | 1,435         |
| <b>EXPENDITURES</b>                       |  |               |
| <b>Justice System</b>                     |  |               |
| Employment Services                       | 500                                      | -             |
| Supplies and Other Charges                | 4,500                                    | 3,017         |
| Minor Acquisitions                        | 1,000                                    | -             |
| <b>TOTAL EXPENDITURES</b>                 | 6,000                                    | 3,017         |
| Deficiency of Revenues Under Expenditures | (5,200)                                  | (1,582)       |
| <b>FUND BALANCE, OCTOBER 1</b>            | 3,543                                    | 3,543         |
| <b>FUND BALANCE, SEPTEMBER 30</b>         | \$ (1,657)                               | \$ 1,961      |

**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, 2007**

|  | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b> |
|--|--|---------------|
| <b>REVENUES</b>  |  |               |
| Charges for Services   | \$ 2,000                                 | \$ 3,500      |
| Interest   | 2,500                                    | 3,321         |
| <b>TOTAL REVENUES</b>  | 4,500                                    | 6,821         |
| <b>EXPENDITURES</b>  |  |               |
| <b>Justice System</b>  |  |               |
| Personnel Services   | 6,200                                    | 1,113         |
| Supplies and Other Charges                                   | 62,800                                   | 504           |
| <b>TOTAL EXPENDITURES</b>                                    | 69,000                                   | 1,617         |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | (64,500)                                 | 5,204         |
| <b>FUND BALANCE, OCTOBER 1</b>                               | 65,082                                   | 65,082        |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | \$ 582                                   | \$ 70,286     |

**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, 2007**

|   | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b> |
|---|--|---------------|
| <b>REVENUES</b>                           |  |               |
| Interest                                  | \$ 1,000                                 | \$ 1,140      |
| <b>TOTAL REVENUES</b>                     | 1,000                                    | 1,140         |
| <b>EXPENDITURES</b>                       |  |               |
| <b>General Government</b>                 |  |               |
| Employment Services                       | 2,500                                    | -             |
| Supplies and Other Charges                | 17,500                                   | 2,889         |
| Minor Acquisitions                        | -  | (654)         |
| Capital Outlay                            | 4,000                                    | -             |
| <b>TOTAL EXPENDITURES</b>                 | 24,000                                   | 2,235         |
| Deficiency of Revenues Under Expenditures | (23,000)                                 | (1,095)       |
| <b>FUND BALANCE, OCTOBER 1</b>            | 24,147                                   | 24,147        |
| <b>FUND BALANCE, SEPTEMBER 30</b>         | \$ 1,147                                 | \$ 23,052     |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
CHAPTER 19 STATE FUND  
For the Year Ended September 30, 2007**

|  | <b>Budgeted Amounts</b> |                    | <b>Actual</b>      |
|--|-------------------------|--------------------|--------------------|
|  | <b>Original</b>         | <b>Final</b>       |                    |
| <b>REVENUES</b>  |                         |                    |                    |
| Intergovernmental  | \$ -                    | \$ 2,094           | \$ 2,094           |
| <b>TOTAL REVENUES</b>  | <u>-</u>                | <u>2,094</u>       | <u>2,094</u>       |
| <b>EXPENDITURES</b>  |                         |                    |                    |
| <b>Law Enforcement</b>                                       |                         |                    |                    |
| Supplies and Other Charges                                   | -                       | 2,094              | 2,094              |
| <b>TOTAL EXPENDITURES</b>                                    | <u>-</u>                | <u>2,094</u>       | <u>2,094</u>       |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | -                       | -                  | -                  |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>-</u>                | <u>-</u>           | <u>-</u>           |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u><u>\$ -</u></u>      | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
VEHICLE INVENTORY TAX INTEREST  
For the Year Ended September 30, 2007**

|  | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b> |
|--|--|---------------|
| <b>REVENUES</b>  |  |               |
| Taxes  | \$ 2,500                                 | \$ 3,010      |
| Interest   | 17,500                                   | 24,689        |
| <b>TOTAL REVENUES</b>  | 20,000                                   | 27,699        |
| <b>EXPENDITURES</b>  |  |               |
| <b>General Government</b>                                    |  |               |
| Personnel Services   | 13,127                                   | 11,202        |
| Supplies and Other Charges                                   | 60,873                                   | 250           |
| Minor Acquisitions   | 10,000                                   | -             |
| Professional Services  | 20,000                                   | -             |
| <b>TOTAL EXPENDITURES</b>                                    | 104,000                                  | 11,452        |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | (84,000)                                 | 16,247        |
| <b>FUND BALANCE, OCTOBER 1</b>                               | 85,790                                   | 85,790        |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | \$ 1,790                                 | \$ 102,037    |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
SHERIFF DEPARTMENT CRIME FUND  
For the Year Ended September 30, 2007**

|  | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b>     |
|--|--|-------------------|
| <b>REVENUES</b>  |  |                   |
| Charges for Services   | \$ -                                     | \$ 8,496          |
| Interest   | -  | 15,198            |
| <b>TOTAL REVENUES</b>  | <u>-</u>                                 | <u>23,694</u>     |
| <b>EXPENDITURES</b>  |  |                   |
| <b>Law Enforcement</b>                                       |  |                   |
| Supplies and Other Charges                                   | 45,000                                   | 1,299             |
| Repairs and Maintenance                                      | 5,000                                    | -                 |
| Minor Acquisitions   | 35,000                                   | -                 |
| Contract Services  | 2,500                                    | -                 |
| Professional Services  | 2,500                                    | -                 |
| <b>TOTAL EXPENDITURES</b>                                    | <u>90,000</u>                            | <u>1,299</u>      |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (90,000)                                 | 22,395            |
| <b>OTHER FINANCING SOURCES</b>                               |  |                   |
| Sale of Capital Assets                                       | -  | 17,207            |
| <b>TOTAL OTHER FINANCING SOURCES</b>                         | <u>-</u>                                 | <u>17,207</u>     |
| Net Change in Fund Balance                                   | (90,000)                                 | 39,602            |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>315,431</u>                           | <u>315,431</u>    |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u>\$ 225,431</u>                        | <u>\$ 355,033</u> |

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
DISTRICT ATTORNEY CRIME FUND  
For the Year Ended September 30, 2007**

|  | <u>Budgeted Amounts</u> |                         | <u>Actual</u>           |
|--|-------------------------|-------------------------|-------------------------|
|  | <u>Original</u>         | <u>Final</u>            |                         |
| <b>REVENUES</b>  |                         |                         |                         |
| Charges for Services   | \$ 1,000                | \$ 8,600                | \$ 13,777               |
| Interest   | 400                     | 400                     | 1,174                   |
| <b>TOTAL REVENUES</b>  | <u>1,400</u>            | <u>9,000</u>            | <u>14,951</u>           |
| <b>EXPENDITURES</b>  |                         |                         |                         |
| <b>Justice System</b>  |                         |                         |                         |
| Personnel Services   | 2,690                   | 7,890                   | 3,900                   |
| Supplies and Other Charges                                   | 1,310                   | 3,710                   | 2,804                   |
| <b>TOTAL EXPENDITURES</b>                                    | <u>4,000</u>            | <u>11,600</u>           | <u>6,704</u>            |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | (2,600)                 | (2,600)                 | 8,247                   |
| <b>FUND BALANCE, OCTOBER 1</b>                               | <u>21,538</u>           | <u>21,538</u>           | <u>21,538</u>           |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | <u><u>\$ 18,938</u></u> | <u><u>\$ 18,938</u></u> | <u><u>\$ 29,785</u></u> |

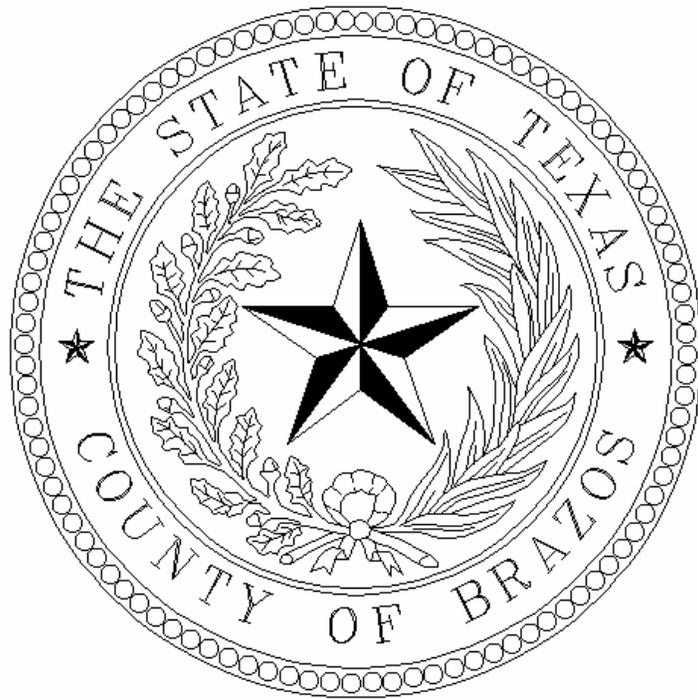
**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
CHILD ABUSE PREVENTION FUND  
For the Year Ended September 30, 2007**

|  | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b> |
|--|--|---------------|
| <b>REVENUES</b>  |  |               |
| Charges for Services   | \$ 100                                   | \$ -          |
| <b>TOTAL REVENUES</b>  | 100                                      | -             |
| <b>EXPENDITURES</b>  |  |               |
| <b>General Government</b>                                    |  |               |
| Supplies and Other Charges                                   | 100                                      | -             |
| <b>TOTAL EXPENDITURES</b>                                    | 100                                      | -             |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | -  | -             |
| <b>FUND BALANCE, OCTOBER 1</b>                               | -  | -             |
| <b>FUND BALANCE, SEPTEMBER 30</b>                            | \$ -                                     | \$ -          |

**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, 2007**

|   | <b>Budgeted Amounts</b> |                  | <b>Actual</b>    |
|---|-------------------------|------------------|------------------|
|   | <b>Original</b>         | <b>Final</b>     |                  |
| <b>REVENUES</b>                             |                         |                  |                  |
| <b>Intergovernmental - Federal</b>          |                         |                  |                  |
| Department of Justice                       | \$ 517,407              | \$ 668,822       | \$ 544,083       |
| Department of Transportation                | 428,636                 | 426,646          | 306,200          |
| Federal Election Assistance Commission      | 543,816                 | 543,816          | 3,254            |
| <b>Total Intergovernmental - Federal</b>    | <u>1,489,859</u>        | <u>1,639,284</u> | <u>853,537</u>   |
| <b>Intergovernmental - State</b>            |                         |                  |                  |
| Texas Juvenile Probation Commission         | 601,727                 | 601,727          | 589,711          |
| Texas Office of the Attorney General        | 30,108                  | 30,108           | 30,108           |
| Texas Commission on Environmental Quality   | -                       | 16,036           | 14,859           |
| <b>Total Intergovernmental - State</b>      | <u>631,835</u>          | <u>647,871</u>   | <u>634,678</u>   |
| <b>Intergovernmental - Other</b>            |                         |                  |                  |
| Matching Funds                              | -                       | -                | 68,515           |
| Program Income                              | -                       | -                | 24,815           |
| <b>Total Intergovernmental - Other</b>      | <u>-</u>                | <u>-</u>         | <u>93,330</u>    |
| <b>Interest</b>                             | -                       | -                | 2,574            |
| <b>TOTAL REVENUES</b>                       | <u>2,121,694</u>        | <u>2,287,155</u> | <u>1,584,119</u> |
| <b>EXPENDITURES</b>                         |                         |                  |                  |
| <b>Justice System</b>                       | -                       | -                | 81,783           |
| <b>Law Enforcement</b>                      | 884,732                 | 887,448          | 586,231          |
| <b>Juvenile Services</b>                    | 792,318                 | 792,318          | 722,833          |
| <b>Public Transportation</b>                | 393,636                 | 394,092          | 268,998          |
| <b>Public Health</b>                        | -                       | 16,036           | 14,859           |
| <b>Human Services</b>                       | 543,816                 | 543,816          | 133,573          |
| <b>Capital Outlay</b>                       | 33,000                  | 179,253          | 177,474          |
| <b>TOTAL EXPENDITURES</b>                   | <u>2,647,502</u>        | <u>2,812,963</u> | <u>1,985,751</u> |
| Deficiency of Revenues Under Expenditures   | (525,808)               | (525,808)        | (401,632)        |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                         |                  |                  |
| Transfers Out                               | (1,206,131)             | (1,206,131)      | (1,164,502)      |
| Transfers In                                | 525,808                 | 525,808          | 337,079          |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <u>(680,323)</u>        | <u>(680,323)</u> | <u>(827,423)</u> |
| Net Change in Fund Balance                  | (1,206,131)             | (1,206,131)      | (1,229,055)      |
| <b>FUND BALANCE, OCTOBER 1</b>              | <u>1,268,334</u>        | <u>1,268,334</u> | <u>1,268,334</u> |
| <b>FUND BALANCE, SEPTEMBER 30</b>           | <u>\$ 62,203</u>        | <u>\$ 62,203</u> | <u>\$ 39,279</u> |



## **DEBT SERVICE FUND**

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

**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, 2007**

|   | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b>       |
|---|--|---------------------|
| <b>REVENUES</b>   |  |                     |
| Taxes   | \$ 4,879,003                             | \$ 5,151,059        |
| Interest  | 130,000                                  | 200,074             |
| <b>TOTAL REVENUES</b>                                     | <b>5,009,003</b>                         | <b>5,351,133</b>    |
| <b>EXPENDITURES</b>                                       |  |                     |
| Debt Service:   |  |                     |
| Principal   | 2,795,000                                | 2,795,000           |
| Interest  | 2,500,000                                | 2,032,490           |
| Agent Fees  | 5,000                                    | 2,045               |
| <b>TOTAL EXPENDITURES</b>                                 | <b>5,300,000</b>                         | <b>4,829,535</b>    |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (290,997)                                | 521,598             |
| <b>FUND BALANCE, OCTOBER 1</b>                            | <b>2,387,029</b>                         | <b>2,387,029</b>    |
| <b>FUND BALANCE, SEPTEMBER 30</b>                         | <b>\$ 2,096,032</b>                      | <b>\$ 2,908,627</b> |

## **CAPITAL PROJECT FUNDS**

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

### **NONMAJOR GOVERNMENTAL FUNDS**

**Judicial Software Fund** – This fund was established to account for the expenditures for acquisition and installation of the criminal justice software system. The expenditures are financed through the issuance of \$1,000,000 Certificates of Obligation in 2001 and other financial resources.

**Certificates of Obligation 2003** – This fund was established to account for the expenditures for the construction of the Sheriff's Administration building. The expenditures are financed through the issuance of \$10,000,000 Certificates of Obligation in 2003.

**Certificates of Obligation 2004** – This fund was established in 2005 to account for various capital projects including the purchase of land, the construction of the Justice of Peace Building, capital road improvements, and the acquisition of heavy equipment for the Road & Bridge Department. The expenditures are financed through the issuance of \$5,000,000 Certificates of Obligation in 2004. In 2007, the funds remaining in this fund were used to purchase heavy equipment for the Road & Bridge Department.

**Certificates of Obligation 2005** – This fund was established to provide funding for various capital projects. Funds will be used to support capital road improvements and to fund building improvements, replacement and modifications. The expenditures are financed through the issuance of \$2,750,000 Certificates of Obligation in 2005.

## **CAPITAL PROJECT FUNDS (continued)**

### **MAJOR GOVERNMENTAL FUNDS**

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

**Exposition Center Fund** – This fund was established to account for the expenditures for the purchase of land and the construction of the Brazos County Exposition Center. The expenditures are financed through the issuance of \$8,000,000 General Obligation Bonds in 2001 and \$10,500,000 in 2005.



**BRAZOS COUNTY, TEXAS  
COMBINING BALANCE SHEET  
CAPITAL PROJECT FUNDS  
September 30, 2007**

|  | <b>Nonmajor Funds</b>        |  |
|--|------------------------------|--|
|  | <b>Judicial<br/>Software</b> | <b>Certificates<br/>of Obligation<br/>2003</b> |
| <b>ASSETS</b>                              |                              |  |
| Cash and Cash Equivalents                  | \$ 135,920                   | \$ 706,762                                     |
| Receivables                                |                              |  |
| Interest                                   | 478                          | 2,526  |
| <b>TOTAL ASSETS</b>                        | <b>136,398</b>               | <b>709,288</b>                                 |
| <b>LIABILITIES AND FUND BALANCES</b>       |                              |  |
| <b>Liabilities</b>                         |                              |  |
| Accounts Payable                           | 46,320                       | 709,288  |
| <b>Total Liabilities</b>                   | <b>46,320</b>                | <b>709,288</b>                                 |
| <b>Fund Balances</b>                       |                              |  |
| Unreserved                                 |                              |  |
| Designated for Capital Improvements        | 90,078                       | -  |
| <b>Total Fund Balances</b>                 | <b>90,078</b>                | <b>-</b>                                       |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 136,398</b>            | <b>\$ 709,288</b>                              |

| <b>Nonmajor Funds (Continued)</b>              |  |                                     |
|--|--|-------------------------------------|
| <b>Certificates<br/>of Obligation<br/>2004</b> | <b>Certificates<br/>of Obligation<br/>2005</b> | <b>Total<br/>Nonmajor<br/>Funds</b> |
| \$ 13,536                                      | \$ 36,670                                      | \$ 892,888                          |
| 47   | 56   | 3,107                               |
| <u>13,583</u>                                  | <u>36,726</u>                                  | <u>895,995</u>                      |
| -  | 36,726   | 792,334                             |
| <u>-</u>                                       | <u>36,726</u>                                  | <u>792,334</u>                      |
| 13,583   | -  | 103,661                             |
| <u>13,583</u>                                  | <u>-</u>                                       | <u>103,661</u>                      |
| <u>\$ 13,583</u>                               | <u>\$ 36,726</u>                               | <u>\$ 895,995</u>                   |

**BRAZOS COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECT FUNDS**  
**For The Year Ended September 30, 2007**

|  | <b>Nonmajor Funds</b>        |  |
|--|------------------------------|--|
|  | <b>Judicial<br/>Software</b> | <b>Certificates<br/>of Obligation<br/>2003</b> |
| <b>REVENUES</b>  |                              |  |
| Interest   | \$ 6,680                     | \$ 142,978                                     |
| <b>TOTAL REVENUES</b>  | <b>6,680</b>                 | <b>142,978</b>                                 |
| <b>EXPENDITURES</b>  |                              |  |
| Personnel Seivces  | -                            | -  |
| Supplies and Other Charges                                   | -                            | -  |
| Minor Acquisitions   | -                            | -  |
| Contract Services  | 6,406                        | -  |
| Capital Outlay   | -                            | 5,553,463                                      |
| <b>TOTAL EXPENDITURES</b>                                    | <b>6,406</b>                 | <b>5,553,463</b>                               |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | 274                          | (5,410,485)                                    |
| <b>OTHER FINANCING SOURCES</b>                               |                              |  |
| Transfers In   | -                            | 381,969  |
| <b>TOTAL OTHER FINANCING SOURCES</b>                         | <b>-</b>                     | <b>381,969</b>                                 |
| Net Change in Fund Balances                                  | 274                          | (5,028,516)                                    |
| <b>FUND BALANCES, OCTOBER 1</b>                              | <b>89,804</b>                | <b>5,028,516</b>                               |
| <b>FUND BALANCES, SEPTEMBER 30</b>                           | <b>\$ 90,078</b>             | <b>\$ -</b>                                    |

| <b>Nonmajor Funds (Continued)</b>              |  |                                     |
|--|--|-------------------------------------|
| <b>Certificates<br/>of Obligation<br/>2004</b> | <b>Certificates<br/>of Obligation<br/>2005</b> | <b>Total<br/>Nonmajor<br/>Funds</b> |
| \$ 1,751                                       | \$ 9,043                                       | \$ 160,452                          |
| 1,751  | 9,043  | 160,452                             |
| -  | 2,416  | 2,416                               |
| -  | 40,442   | 40,442                              |
| -  | 3,402  | 3,402                               |
| -  | -  | 6,406                               |
| 102,580  | 747,894  | 6,403,937                           |
| 102,580  | 794,154  | 6,456,603                           |
| (100,829)                                      | (785,111)                                      | (6,296,151)                         |
| -  | 109,517  | 491,486                             |
| -  | 109,517  | 491,486                             |
| (100,829)                                      | (675,594)                                      | (5,804,665)                         |
| 114,412  | 675,594  | 5,908,326                           |
| \$ 13,583                                      | \$ -   | \$ 103,661                          |

**BRAZOS COUNTY, TEXAS  
CAPITAL PROJECT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
JUDICIAL SOFTWARE  
For The Year Ended September 30, 2007**

|                                   | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b> |
|-----------------------------------|--|---------------|
| <b>REVENUES</b>                   |  |               |
| Interest                          | \$ 1,000                                 | \$ 6,680      |
| <b>TOTAL REVENUES</b>             | 1,000                                    | 6,680         |
| <b>EXPENDITURES</b>               |  |               |
| <b>General Government</b>         |  |               |
| Contract Services                 | 74,000                                   | 6,406         |
| <b>TOTAL EXPENDITURES</b>         | 74,000                                   | 6,406         |
| Excess (Deficiency) of Revenues   |  |               |
| Over (Under) Expenditures         | (73,000)                                 | 274           |
| <b>FUND BALANCE, OCTOBER 1</b>    | 89,804                                   | 89,804        |
| <b>FUND BALANCE, SEPTEMBER 30</b> | \$ 16,804                                | \$ 90,078     |

**BRAZOS COUNTY, TEXAS  
CAPITAL PROJECT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
CERTIFICATES OF OBLIGATION 2003  
For The Year Ended September 30, 2007**

|   | <b>Budgeted Amounts</b>    |                            | <b>Actual</b>      |
|---|----------------------------|----------------------------|--------------------|
|   | <b>Original</b>            | <b>Final</b>               |                    |
| <b>REVENUES</b>                           |                            |                            |                    |
| Interest                                  | \$ 25,000                  | \$ 25,000                  | \$ 142,978         |
| <b>TOTAL REVENUES</b>                     | <u>25,000</u>              | <u>25,000</u>              | <u>142,978</u>     |
| <b>EXPENDITURES</b>                       |                            |                            |                    |
| <b>General Government</b>                 |                            |                            |                    |
| Personnel Services                        | 20,000                     | -                          | -                  |
| Capital Outlay                            | 5,193,000                  | 5,606,022                  | 5,553,463          |
| <b>TOTAL EXPENDITURES</b>                 | <u>5,213,000</u>           | <u>5,606,022</u>           | <u>5,553,463</u>   |
| Deficiency of Revenues Under Expenditures | (5,188,000)                | (5,581,022)                | (5,410,485)        |
| <b>OTHER FINANCING SOURCES</b>            |                            |                            |                    |
| Transfers In                              | -                          | 393,022                    | 381,969            |
| <b>TOTAL OTHER FINANCING SOURCES</b>      | <u>-</u>                   | <u>393,022</u>             | <u>381,969</u>     |
| Net Change in Fund Balance                | (5,188,000)                | (5,188,000)                | (5,028,516)        |
| <b>FUND BALANCE, OCTOBER 1</b>            | <u>5,028,516</u>           | <u>5,028,516</u>           | <u>5,028,516</u>   |
| <b>FUND BALANCE, SEPTEMBER 30</b>         | <u><u>\$ (159,484)</u></u> | <u><u>\$ (159,484)</u></u> | <u><u>\$ -</u></u> |

**BRAZOS COUNTY, TEXAS  
CAPITAL PROJECT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
CERTIFICATES OF OBLIGATION 2004  
For The Year Ended September 30, 2007**

|   | <b>Original<br/>and Final<br/>Budget</b> | <b>Actual</b> |
|---|--|---------------|
| <b>REVENUES</b>                           |  |               |
| Interest                                  | \$ -                                     | \$ 1,751      |
| <b>TOTAL REVENUES</b>                     | -  | 1,751         |
| <b>EXPENDITURES</b>                       |  |               |
| <b>General Government</b>                 |  |               |
| Capital Outlay                            | 102,580                                  | 102,580       |
| <b>TOTAL EXPENDITURES</b>                 | 102,580                                  | 102,580       |
| Deficiency of Revenues Under Expenditures | (102,580)                                | (100,829)     |
| <b>FUND BALANCE, OCTOBER 1</b>            | 114,412                                  | 114,412       |
| <b>FUND BALANCE, SEPTEMBER 30</b>         | \$ 11,832                                | \$ 13,583     |

**BRAZOS COUNTY, TEXAS  
CAPITAL PROJECT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
CERTIFICATES OF OBLIGATION 2005  
For The Year Ended September 30, 2007**

|   | <b>Budgeted Amounts</b>   |                           | <b>Actual</b>      |
|---|---------------------------|---------------------------|--------------------|
|   | <b>Original</b>           | <b>Final</b>              |                    |
| <b>REVENUES</b>                           |                           |                           |                    |
| Interest                                  | \$ -                      | \$ -                      | \$ 9,043           |
| <b>TOTAL REVENUES</b>                     | <u>-</u>                  | <u>-</u>                  | <u>9,043</u>       |
| <b>EXPENDITURES</b>                       |                           |                           |                    |
| <b>General Government</b>                 |                           |                           |                    |
| Personnel Services                        | -                         | 2,416                     | 2,416              |
| Supplies and Other Charges                | -                         | 40,442                    | 40,442             |
| Minor Acquisitions                        | -                         | 3,402                     | 3,402              |
| Capital Outlay                            | 707,000                   | 770,257                   | 747,894            |
| <b>TOTAL EXPENDITURES</b>                 | <u>707,000</u>            | <u>816,517</u>            | <u>794,154</u>     |
| Deficiency of Revenues Under Expenditures | (707,000)                 | (816,517)                 | (785,111)          |
| <b>OTHER FINANCING SOURCES</b>            |                           |                           |                    |
| Transfers In                              | -                         | 109,517                   | 109,517            |
| <b>TOTAL OTHER FINANCING SOURCES</b>      | <u>-</u>                  | <u>109,517</u>            | <u>109,517</u>     |
| Net Change in Fund Balance                | (707,000)                 | (707,000)                 | (675,594)          |
| <b>FUND BALANCE, OCTOBER 1</b>            | <u>675,594</u>            | <u>675,594</u>            | <u>675,594</u>     |
| <b>FUND BALANCE, SEPTEMBER 30</b>         | <u><u>\$ (31,406)</u></u> | <u><u>\$ (31,406)</u></u> | <u><u>\$ -</u></u> |

**BRAZOS COUNTY, TEXAS  
CAPITAL PROJECT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
CAPITAL IMPROVEMENT  
For The Year Ended September 30, 2007**

|   | <u>Budgeted Amounts</u> |                   | <u>Actual</u>       |
|---|-------------------------|-------------------|---------------------|
|   | <u>Original</u>         | <u>Final</u>      |                     |
| <b>REVENUES</b>                           | \$ -                    | \$ -              | \$ -                |
| <b>TOTAL REVENUES</b>                     | <u>-</u>                | <u>-</u>          | <u>-</u>            |
| <b>EXPENDITURES</b>                       |                         |                   |                     |
| <b>General Government</b>                 |                         |                   |                     |
| Supplies and Other Charges                | 195,674                 | 384,230           | 359,333             |
| Repairs & Maintenance                     | 80,500                  | 194,186           | 192,842             |
| Minor Acquisitions                        | 147,078                 | 204,304           | 198,096             |
| Contract Services                         | -                       | 900,000           | 900,000             |
| Capital Outlay                            | 9,259,226               | 7,150,688         | 3,143,020           |
| <b>TOTAL EXPENDITURES</b>                 | <u>9,682,478</u>        | <u>8,833,408</u>  | <u>4,793,291</u>    |
| Deficiency of Revenues Under Expenditures | (9,682,478)             | (8,833,408)       | (4,793,291)         |
| <b>OTHER FINANCING SOURCES (USES)</b>     |                         |                   |                     |
| Transfers In                              | 9,428,478               | 9,764,710         | 9,764,710           |
| Transfers Out                             | -                       | (1,185,302)       | (1,174,249)         |
| <b>TOTAL OTHER FINANCING SOURCES</b>      | <u>9,428,478</u>        | <u>8,579,408</u>  | <u>8,590,461</u>    |
| Net Change in Fund Balance                | (254,000)               | (254,000)         | 3,797,170           |
| <b>FUND BALANCE, OCTOBER 1</b>            | <u>379,178</u>          | <u>379,178</u>    | <u>379,178</u>      |
| <b>FUND BALANCE, SEPTEMBER 30</b>         | <u>\$ 125,178</u>       | <u>\$ 125,178</u> | <u>\$ 4,176,348</u> |

**BRAZOS COUNTY, TEXAS  
CAPITAL PROJECT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
EXPOSITION CENTER  
For The Year Ended September 30, 2007**

|   | <b>Budgeted Amounts</b> |                   | <b>Actual</b>     |
|---|-------------------------|-------------------|-------------------|
|   | <b>Original</b>         | <b>Final</b>      |                   |
| <b>REVENUES</b>                           |                         |                   |                   |
| Interest                                  | \$ 75,000               | \$ 305,628        | \$ 305,627        |
| <b>TOTAL REVENUES</b>                     | <u>75,000</u>           | <u>305,628</u>    | <u>305,627</u>    |
| <b>EXPENDITURES</b>                       |                         |                   |                   |
| <b>General Government</b>                 |                         |                   |                   |
| Personnel Services                        | 8,500                   | -                 | -                 |
| Capital Outlay                            | 10,442,500              | 12,396,613        | 12,396,613        |
| <b>TOTAL EXPENDITURES</b>                 | <u>10,451,000</u>       | <u>12,396,613</u> | <u>12,396,613</u> |
| Deficiency of Revenues Under Expenditures | (10,376,000)            | (12,090,985)      | (12,090,986)      |
| <b>OTHER FINANCING SOURCES</b>            |                         |                   |                   |
| Transfers In                              | -                       | 1,714,985         | 1,692,280         |
| <b>TOTAL OTHER FINANCING SOURCES</b>      | <u>-</u>                | <u>1,714,985</u>  | <u>1,692,280</u>  |
| Net Change in Fund Balance                | (10,376,000)            | (10,376,000)      | (10,398,706)      |
| <b>FUND BALANCE, OCTOBER 1</b>            | <u>10,398,706</u>       | <u>10,398,706</u> | <u>10,398,706</u> |
| <b>FUND BALANCE, SEPTEMBER 30</b>         | <u>\$ 22,706</u>        | <u>\$ 22,706</u>  | <u>\$ -</u>       |



## **PROPRIETARY FUND TYPE**

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

**BRAZOS COUNTY, TEXAS  
INTERNAL SERVICE FUND  
HEALTH AND LIFE INSURANCE  
STATEMENT OF NET ASSETS  
September 30, 2007**

**ASSETS**

**Current Assets**

|                           |    |           |
|---------------------------|----|-----------|
| Cash and Cash Equivalents | \$ | 1,529,214 |
| Accounts Receivable       |    | 27,077    |

|                     |  |           |
|---------------------|--|-----------|
| <b>TOTAL ASSETS</b> |  | 1,556,291 |
|---------------------|--|-----------|

**LIABILITIES**

**Current Liabilities**

|                  |  |         |
|------------------|--|---------|
| Accounts Payable |  | 559,098 |
| Deferred Revenue |  | 6,384   |

|                          |  |         |
|--------------------------|--|---------|
| <b>TOTAL LIABILITIES</b> |  | 565,482 |
|--------------------------|--|---------|

**NET ASSETS**

|              |  |         |
|--------------|--|---------|
| Unrestricted |  | 990,809 |
|--------------|--|---------|

|                         |  |            |
|-------------------------|--|------------|
| <b>TOTAL NET ASSETS</b> |  | \$ 990,809 |
|-------------------------|--|------------|

**BRAZOS COUNTY, TEXAS  
INTERNAL SERVICE FUND  
HEALTH AND LIFE INSURANCE  
SCHEDULE OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS - BUDGET (GAAP BASIS) AND ACTUAL  
For The Year Ended September 30, 2007**

|                                     | <b>Budgeted Amounts</b> |                  | <b>Actual</b>     |
|-------------------------------------|-------------------------|------------------|-------------------|
|                                     | <b>Original</b>         | <b>Final</b>     |                   |
| <b>OPERATING REVENUES</b>           |                         |                  |                   |
| Employee Dependents                 | \$ 832,550              | \$ 875,934       | \$ 884,760        |
| Self Pays                           | 8,000                   | 23,000           | 23,227            |
| Excess Risk Benefits                | -                       | 412,000          | 412,603           |
| Participant Payments                | 31,000                  | 217,000          | 225,781           |
| Brazos County                       | 3,491,750               | 3,746,269        | 3,723,358         |
| Retirees                            | 87,500                  | 95,500           | 98,570            |
| <b>TOTAL OPERATING REVENUES</b>     | <b>4,450,800</b>        | <b>5,369,703</b> | <b>5,368,299</b>  |
| <b>OPERATING EXPENSES</b>           |                         |                  |                   |
| Life Insurance                      | 36,000                  | 36,000           | 40,107            |
| Stop Loss Premiums                  | 550,000                 | 550,000          | 698,119           |
| Benefit Claims                      | 3,596,800               | 4,493,703        | 4,367,528         |
| Administrative Fees                 | 275,000                 | 328,248          | 302,197           |
| Professional Services               | 18,000                  | 30,000           | 30,000            |
| <b>TOTAL OPERATING EXPENSES</b>     | <b>4,475,800</b>        | <b>5,437,951</b> | <b>5,437,951</b>  |
| <b>OPERATING LOSS</b>               | <b>(25,000)</b>         | <b>(68,248)</b>  | <b>(69,652)</b>   |
| <b>NONOPERATING REVENUES</b>        |                         |                  |                   |
| Interest                            | 25,000                  | 68,248           | 69,677            |
| <b>TOTAL NONOPERATING REVENUES</b>  | <b>25,000</b>           | <b>68,248</b>    | <b>69,677</b>     |
| <b>CHANGE IN NET ASSETS</b>         | <b>-</b>                | <b>-</b>         | <b>25</b>         |
| <b>TOTAL NET ASSETS - BEGINNING</b> | <b>-</b>                | <b>-</b>         | <b>990,784</b>    |
| <b>TOTAL NET ASSETS - ENDING</b>    | <b>\$ -</b>             | <b>\$ -</b>      | <b>\$ 990,809</b> |

**BRAZOS COUNTY, TEXAS  
INTERNAL SERVICE FUND  
HEALTH AND LIFE INSURANCE  
STATEMENT OF CASH FLOWS  
For The Year Ended September 30, 2007**

**CASH FLOWS FROM OPERATING ACTIVITIES**

|   |               |
|---|---------------|
| Receipts from customers and users         | \$ 1,236,267  |
| Receipts from interfund services provided | 3,645,094     |
| Payments to contractors                   | (1,041,184)   |
| Claims paid                               | (3,815,035)   |
|   | <u>25,142</u> |

**NET CASH PROVIDED BY OPERATING ACTIVITIES**

**CASH FLOWS FROM INVESTING ACTIVITIES**

|                   |               |
|-------------------|---------------|
| Interest Received | 70,439        |
|                   | <u>70,439</u> |

**NET CASH PROVIDED BY INVESTING ACTIVITIES**

**NET INCREASE IN CASH AND CASH EQUIVALENTS**

**CASH AND CASH EQUIVALENTS, OCTOBER 1**

**CASH AND CASH EQUIVALENTS, SEPTEMBER 30**

|                     |
|---------------------|
| 95,581              |
| <u>1,433,633</u>    |
| <u>\$ 1,529,214</u> |

Reconciliation of operating loss to net cash provided by operating activities:

|                |                 |
|----------------|-----------------|
| Operating Loss | \$ (69,652)     |
|                | <u>(69,652)</u> |

Adjustments to reconcile operating loss to net cash provided by operating activities:

|                                 |               |
|---------------------------------|---------------|
| Decrease in accounts receivable | 35,677        |
| Increase in accounts payable    | 134,005       |
| Decrease in deferred revenue    | (74,888)      |
| Total adjustments               | 94,794        |
|                                 | <u>94,794</u> |

|   |               |
|---|---------------|
| Net cash provided by operating activities | \$ 25,142     |
|   | <u>25,142</u> |

## **FIDUCIARY FUNDS**

### **AGENCY FUNDS**

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

**District Clerk Trust** - A statutory fund used to account for monies placed with the District Clerk by the District Court(s) and to be held until the Court(s) direct the distribution of the funds.

**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. 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, 2007**

|                           | <u>Narcotics<br/>Seizure</u> | <u>District<br/>Clerk<br/>Trust</u> | <u>County<br/>Clerk<br/>Trust</u> | <u>Bail Bond<br/>Board<br/>Trust</u> | <u>Total</u>        |
|---------------------------|------------------------------|-------------------------------------|-----------------------------------|--------------------------------------|---------------------|
| <b>ASSETS</b>             |                              |                                     |                                   |                                      |                     |
| Cash and Cash Equivalents | \$ 149,630                   | \$ 2,270,088                        | \$ 1,215,371                      | \$ 865,579                           | \$ 4,500,668        |
| Investments               | -                            | -                                   | -                                 | 1,141,100                            | 1,141,100           |
| Accounts Receivable       | -                            | 429                                 | -                                 | -                                    | 429                 |
| <b>TOTAL ASSETS</b>       | <u>149,630</u>               | <u>2,270,517</u>                    | <u>1,215,371</u>                  | <u>2,006,679</u>                     | <u>5,642,197</u>    |
| <b>LIABILITIES</b>        |                              |                                     |                                   |                                      |                     |
| Accounts Payable          | -                            | 429                                 | -                                 | -                                    | 429                 |
| Funds Held in Trust       | 149,630                      | 2,270,088                           | 1,215,371                         | 2,006,679                            | 5,641,768           |
| <b>TOTAL LIABILITIES</b>  | <u>\$ 149,630</u>            | <u>\$ 2,270,517</u>                 | <u>\$ 1,215,371</u>               | <u>\$ 2,006,679</u>                  | <u>\$ 5,642,197</u> |

**BRAZOS COUNTY, TEXAS**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**For The Year Ended September 30, 2007**

|                              | <u>Balance<br/>October 1,<br/>2006</u> | <u>Additions</u>  | <u>Deductions</u> | <u>Balance<br/>September 30,<br/>2007</u> |
|------------------------------|--|-------------------|-------------------|---|
| <b>NARCOTICS SEIZURE</b>     |  |                   |                   |   |
| <b>Assets</b>                |  |                   |                   |   |
| Cash and Cash Equivalents    | \$ 89,155                              | \$ 146,314        | \$ 85,839         | \$ 149,630                                |
| Accounts Receivable          | 333                                    | -                 | 333               | -   |
| Total Assets                 | <u>89,488</u>                          | <u>146,314</u>    | <u>86,172</u>     | <u>149,630</u>                            |
| <b>Liabilities</b>           |  |                   |                   |   |
| Funds Held In Trust          | 89,488                                 | 88,121            | 27,979            | 149,630                                   |
| Total Liabilities            | <u>89,488</u>                          | <u>88,121</u>     | <u>27,979</u>     | <u>149,630</u>                            |
| <b>DISTRICT CLERK TRUST</b>  |  |                   |                   |   |
| <b>Assets</b>                |  |                   |                   |   |
| Cash and Cash Equivalents    | 2,618,331                              | 1,995,883         | 2,344,126         | 2,270,088                                 |
| Accounts Receivable          | 429                                    | -                 | -                 | 429                                       |
| Total Assets                 | <u>2,618,760</u>                       | <u>1,995,883</u>  | <u>2,344,126</u>  | <u>2,270,517</u>                          |
| <b>Liabilities</b>           |  |                   |                   |   |
| Accounts Payable             | 429                                    | -                 | -                 | 429                                       |
| Funds Held In Trust          | 2,618,331                              | 465,854           | 814,097           | 2,270,088                                 |
| Total Liabilities            | <u>2,618,760</u>                       | <u>465,854</u>    | <u>814,097</u>    | <u>2,270,517</u>                          |
| <b>COUNTY CLERK TRUST</b>    |  |                   |                   |   |
| <b>Assets</b>                |  |                   |                   |   |
| Cash and Cash Equivalents    | 1,734,830                              | 2,077,138         | 2,596,597         | 1,215,371                                 |
| Total Assets                 | <u>1,734,830</u>                       | <u>2,077,138</u>  | <u>2,596,597</u>  | <u>1,215,371</u>                          |
| <b>Liabilities</b>           |  |                   |                   |   |
| Funds Held In Trust          | 1,734,830                              | 513,746           | 1,033,205         | 1,215,371                                 |
| Total Liabilities            | <u>1,734,830</u>                       | <u>513,746</u>    | <u>1,033,205</u>  | <u>1,215,371</u>                          |
| <b>BAIL BOND BOARD TRUST</b> |  |                   |                   |   |
| <b>Assets</b>                |  |                   |                   |   |
| Cash and Cash Equivalents    | 956,379                                | 917,400           | 1,008,200         | 865,579                                   |
| Investments                  | 678,100                                | 463,000           | -                 | 1,141,100                                 |
| Total Assets                 | <u>1,634,479</u>                       | <u>1,380,400</u>  | <u>1,008,200</u>  | <u>2,006,679</u>                          |
| <b>Liabilities</b>           |  |                   |                   |   |
| Funds Held In Trust          | 1,634,479                              | 372,200           | -                 | 2,006,679                                 |
| Total Liabilities            | <u>\$ 1,634,479</u>                    | <u>\$ 372,200</u> | <u>\$ -</u>       | <u>\$ 2,006,679</u>                       |

**BRAZOS COUNTY, TEXAS**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)**  
**For The Year Ended September 30, 2007**

|                              | <u>Balance<br/>October 1,<br/>2006</u> | <u>Additions</u>    | <u>Deductions</u>   | <u>Balance<br/>September 30,<br/>2007</u> |
|------------------------------|--|---------------------|---------------------|---|
| <b>COMBINED AGENCY FUNDS</b> |  |                     |                     |   |
| <b>Assets</b>                |  |                     |                     |   |
| Cash and Cash Equivalents    | \$ 5,398,695                           | \$ 5,136,735        | \$ 6,034,762        | \$ 4,500,668                              |
| Investments                  | 678,100                                | 463,000             | -                   | 1,141,100                                 |
| Accounts Receivable          | 762                                    | -                   | 333                 | 429                                       |
| Total Assets                 | <u>6,077,557</u>                       | <u>5,599,735</u>    | <u>6,035,095</u>    | <u>5,642,197</u>                          |
| <b>Liabilities</b>           |  |                     |                     |   |
| Accounts Payable             | 429                                    | -                   | -                   | 429                                       |
| Funds Held In Trust          | 6,077,128                              | 1,439,921           | 1,875,281           | 5,641,768                                 |
| Total Liabilities            | <u>\$ 6,077,557</u>                    | <u>\$ 1,439,921</u> | <u>\$ 1,875,281</u> | <u>\$ 5,642,197</u>                       |



**CAPITAL ASSETS USED IN OPERATION OF**  
**GOVERNMENTAL FUNDS**



**BRAZOS COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**BY SOURCE**  
**September 30, 2007**

|  | <b>2007</b>           | <b>2006</b>           |
|--|-----------------------|-----------------------|
| <b>GOVERNMENTAL FUNDS CAPITAL ASSETS</b>                             |                       |                       |
| Land   | \$ 10,434,806         | \$ 7,854,682          |
| Buildings  | 58,007,245            | 28,721,029            |
| Improvements   | 5,157,558             | 5,039,804             |
| Machinery and Equipment  | 16,899,055            | 16,168,794            |
| Infrastructure   | 42,234,977            | 40,773,998            |
| Construction Work in Progress  | 2,043,763             | 12,757,220            |
| <b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b>                       | <b>\$ 134,777,404</b> | <b>\$ 111,315,527</b> |
| <br><b>INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE</b> |                       |                       |
| General Fund   | \$ 9,151,442          | \$ 7,776,994          |
| Special Revenue Funds  | 1,041,927             | 856,609               |
| Capital Project Funds  | 124,525,949           | 102,623,838           |
| Donations  | 58,086                | 58,086                |
| <b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b>                       | <b>\$ 134,777,404</b> | <b>\$ 111,315,527</b> |

**BRAZOS COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**  
**For The Year Ended September 30, 2007**

| <b>FUNCTION AND ACTIVITY</b>       | <b>Governmental<br/>Funds Capital<br/>Assets<br/>10/01/06</b> | <b>Additions</b>    | <b>Retirements</b> | <b>Adjustments<br/>And<br/>Transfers</b> | <b>Governmental<br/>Funds Capital<br/>Assets<br/>9/30/07</b> |
|------------------------------------|---|---------------------|--------------------|--|--|
| <b>General Government</b>          |   |                     |                    |  |  |
| County Judge                       | \$ 60,363   | \$ -                | \$ -               | \$ -                                     | \$ 60,363  |
| Commissioners' Court               | 2,135,473   | 444,739             | -                  | -  | 2,580,212  |
| Community Support                  | 87,500  | -                   | -                  | -  | 87,500   |
| County Treasurer                   | 224,490   | 5,527               | 7,628              | -  | 222,389  |
| Risk Management                    | 67,552  | -                   | 7,189              | -  | 60,363   |
| Tax Assessor-Collector             | 707,607   | -                   | -                  | -  | 707,607  |
| Information Technology             | 4,727,567   | 721,712             | 31,522             | -  | 5,417,757  |
| Human Resources                    | 120,721   | -                   | -                  | -  | 120,721  |
| County Auditor                     | 362,168   | -                   | -                  | -  | 362,168  |
| Purchasing Administration          | 133,797   | -                   | -                  | -  | 133,797  |
| Building Maintenance               | 586,693   | 39,515              | 10,791             | 16,946                                   | 632,363  |
| <b>Total General Government</b>    | <b>9,213,931</b>  | <b>1,211,493</b>    | <b>57,130</b>      | <b>16,946</b>                            | <b>10,385,240</b>  |
| <b>Justice System</b>              |   |                     |                    |  |  |
| County Attorney                    | 1,203,250   | 31,189              | 35,764             | -  | 1,198,675  |
| District Attorney                  | 879,992   | -                   | -                  | -  | 879,992  |
| District Clerk                     | 869,203   | -                   | 6,931              | -  | 862,272  |
| District Clerk Management          | -   | 5,175               | -                  | -  | 5,175  |
| County Clerk                       | 358,536   | -                   | -                  | -  | 358,536  |
| County Records Management          | -   | 12,998              | -                  | -  | 12,998   |
| County Clerk Records Preservation  | 15,396  | 52,439              | -                  | -  | 67,835   |
| District Courts                    | 496,396   | -                   | -                  | -  | 496,396  |
| County Courts At Law               | 583,841   | -                   | -                  | -  | 583,841  |
| Justices of the Peace (5)          | 959,600   | 38,944              | 14,909             | (88,320)                                 | 895,315  |
| Community Supervision              | 706,879   | -                   | -                  | -  | 706,879  |
| Court Master                       | 60,363  | -                   | -                  | -  | 60,363   |
| Law Library                        | 20,093  | -                   | -                  | -  | 20,093   |
| <b>Total Justice System</b>        | <b>6,153,549</b>  | <b>140,745</b>      | <b>57,604</b>      | <b>(88,320)</b>                          | <b>6,148,370</b>   |
| <b>Law Enforcement</b>             |   |                     |                    |  |  |
| Sheriff/Jail                       | 18,863,297  | 6,647,558           | 386,218            | 15,757                                   | 25,140,394   |
| Courthouse Security                | 183,959   | -                   | -                  | -  | 183,959  |
| Constables (4)                     | 1,002,782   | 166,312             | 107,601            | 88,320                                   | 1,149,813  |
| Clear Team                         | 208,376   | 59,789              | 59,468             | -  | 208,697  |
| <b>Total Law Enforcement</b>       | <b>20,258,414</b>   | <b>6,873,659</b>    | <b>553,287</b>     | <b>104,077</b>                           | <b>26,682,863</b>  |
| <b>Juvenile Services</b>           |   |                     |                    |  |  |
| Juvenile Probation                 | 6,801,249   | 227,724             | -                  | -  | 7,028,973  |
| <b>Total Juvenile Services</b>     | <b>6,801,249</b>  | <b>227,724</b>      | <b>-</b>           | <b>-</b>                                 | <b>7,028,973</b>   |
| <b>Public Transportation</b>       |   |                     |                    |  |  |
| Metropolitan Planning              | 999,521   | -                   | -                  | (5,341)                                  | 994,180  |
| Road & Bridge                      | 12,491,854  | 848,735             | 408,139            | (33,805)                                 | 12,898,645   |
| Infrastructure                     | 41,326,947  | 2,245,073           | -                  | 1,102                                    | 43,573,122   |
| <b>Total Public Transportation</b> | <b>\$ 54,818,322</b>  | <b>\$ 3,093,808</b> | <b>\$ 408,139</b>  | <b>\$ (38,044)</b>                       | <b>\$ 57,465,947</b>   |

**BRAZOS COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY (Continued)**  
**For The Year Ended September 30, 2007**

| FUNCTION AND ACTIVITY                              | Governmental<br>Funds Capital<br>Assets<br><u>10/01/06</u> | <u>Additions</u>     | <u>Retirements</u>  | Adjustments<br>And<br>Transfers | Governmental<br>Funds Capital<br>Assets<br><u>09/30/07</u> |
|--|--|----------------------|---------------------|---------------------------------|--|
| <b>Public Health</b>                               |  |                      |                     |                                 |  |
| Environmental Protection                           | \$ 811,955   | \$ -                 | \$ -                | \$ -                            | \$ 811,955   |
| Health Department                                  | 400,774  | -                    | -                   | -                               | 400,774  |
| <b>Total Public Health</b>                         | <u>1,212,729</u>   | <u>-</u>             | <u>-</u>            | <u>-</u>                        | <u>1,212,729</u>   |
| <b>Human Services</b>                              |  |                      |                     |                                 |  |
| Emergency Management                               | 209,814  | -                    | -                   | -                               | 209,814  |
| Brazos Center                                      | 2,297,196  | 11,105               | 30,500              | (16,980)                        | 2,260,821  |
| Agricultural Extension                             | 92,908   | -                    | -                   | -                               | 92,908   |
| Elections  | 1,161,505  | -                    | -                   | -                               | 1,161,505  |
| Exposition Center                                  | 9,095,910  | 13,015,344           | -                   | 16,980                          | 22,128,234   |
| <b>Total Human Services</b>                        | <u>12,857,333</u>  | <u>13,026,449</u>    | <u>30,500</u>       | <u>-</u>                        | <u>25,853,282</u>  |
| <b>TOTAL GOVERNMENTAL FUNDS<br/>CAPITAL ASSETS</b> | <u>\$111,315,527</u>                                       | <u>\$ 24,573,878</u> | <u>\$ 1,106,660</u> | <u>\$ (5,341)</u>               | <u>\$134,777,404</u>                                       |

**BRAZOS COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY**  
**September 30, 2007**

| FUNCTION AND ACTIVITY              | Land                | Buildings         | Improvements        | Machinery<br>And<br>Equipment | Infrastructure       | Construction<br>Work in<br>Progress | Total                |
|------------------------------------|---------------------|-------------------|---------------------|-------------------------------|----------------------|-------------------------------------|----------------------|
| <b>General Government</b>          |                     |                   |                     |                               |                      |                                     |                      |
| County Judge                       | \$ 748              | \$ 50,207         | \$ 9,408            | \$ -                          | \$ -                 | \$ -                                | \$ 60,363            |
| Commissioners' Court               | 411,892             | 1,638,033         | 42,331              | -                             | -                    | 487,957                             | 2,580,213            |
| Community Support                  | 25,375              | 62,125            | -                   | -                             | -                    | -                                   | 87,500               |
| County Treasurer                   | 2,618               | 175,724           | 32,924              | 11,123                        | -                    | -                                   | 222,389              |
| Risk Management                    | 748                 | 50,207            | 9,408               | -                             | -                    | -                                   | 60,363               |
| Tax Assessor-Collector             | 16,321              | 119,689           | 517,281             | 54,316                        | -                    | -                                   | 707,607              |
| Information Technology             | 62,500              | 1,133,612         | 243,821             | 3,977,823                     | -                    | -                                   | 5,417,756            |
| Human Resources                    | 1,496               | 100,414           | 18,811              | -                             | -                    | -                                   | 120,721              |
| County Auditor                     | 4,488               | 301,242           | 56,438              | -                             | -                    | -                                   | 362,168              |
| Purchasing Administration          | 1,496               | 100,414           | 18,811              | 13,076                        | -                    | -                                   | 133,797              |
| Building Maintenance               | 170,556             | 244,553           | 59,376              | 157,878                       | -                    | -                                   | 632,363              |
| <b>Total General Government</b>    | <b>698,238</b>      | <b>3,976,220</b>  | <b>1,008,609</b>    | <b>4,214,216</b>              | <b>-</b>             | <b>487,957</b>                      | <b>10,385,240</b>    |
| <b>Justice System</b>              |                     |                   |                     |                               |                      |                                     |                      |
| County Attorney                    | 12,342              | 828,415           | 155,210             | 202,708                       | -                    | -                                   | 1,198,675            |
| District Attorney                  | 9,725               | 652,691           | 122,288             | 95,288                        | -                    | -                                   | 879,992              |
| District Clerk                     | 10,098              | 677,794           | 126,992             | 47,388                        | -                    | -                                   | 862,272              |
| District Clerk Management          | -                   | -                 | -                   | 5,175                         | -                    | -                                   | 5,175                |
| County Clerk                       | 4,114               | 276,138           | 51,737              | 26,547                        | -                    | -                                   | 358,536              |
| County Records Management          | -                   | -                 | -                   | 12,998                        | -                    | -                                   | 12,998               |
| County Clerk Rec. Preservation     | -                   | -                 | -                   | 67,835                        | -                    | -                                   | 67,835               |
| District Courts                    | 5,610               | 376,551           | 70,552              | 43,683                        | -                    | -                                   | 496,396              |
| County Courts At Law               | 4,114               | 522,858           | 51,737              | 5,132                         | -                    | -                                   | 583,841              |
| Justices of the Peace (5)          | 265,304             | 607,574           | 22,437              | -                             | -                    | -                                   | 895,315              |
| Community Supervision              | 187,500             | 56,250            | 463,129             | -                             | -                    | -                                   | 706,879              |
| Court Master                       | 748                 | 50,207            | 9,408               | -                             | -                    | -                                   | 60,363               |
| Law Library                        | -                   | -                 | -                   | 20,093                        | -                    | -                                   | 20,093               |
| <b>Total Justice System</b>        | <b>499,555</b>      | <b>4,048,478</b>  | <b>1,073,490</b>    | <b>526,847</b>                | <b>-</b>             | <b>-</b>                            | <b>6,148,370</b>     |
| <b>Law Enforcement</b>             |                     |                   |                     |                               |                      |                                     |                      |
| Sheriff/Jail                       | 587,253             | 21,088,129        | 474,642             | 2,369,752                     | -                    | 620,618                             | 25,140,394           |
| Courthouse Security                | 1,122               | 75,310            | 14,110              | 93,417                        | -                    | -                                   | 183,959              |
| Constables (4)                     | 30,172              | 560,170           | 31,844              | 527,627                       | -                    | -                                   | 1,149,813            |
| Clear Team                         | -                   | -                 | -                   | 208,697                       | -                    | -                                   | 208,697              |
| <b>Total Law Enforcement</b>       | <b>618,547</b>      | <b>21,723,609</b> | <b>520,596</b>      | <b>3,199,493</b>              | <b>-</b>             | <b>620,618</b>                      | <b>26,682,863</b>    |
| <b>Juvenile Services</b>           |                     |                   |                     |                               |                      |                                     |                      |
| Juvenile Probation                 | 81,169              | 6,319,673         | 32,173              | 376,189                       | -                    | 219,769                             | 7,028,973            |
| <b>Total Juvenile Services</b>     | <b>81,169</b>       | <b>6,319,673</b>  | <b>32,173</b>       | <b>376,189</b>                | <b>-</b>             | <b>219,769</b>                      | <b>7,028,973</b>     |
| <b>Public Transportation</b>       |                     |                   |                     |                               |                      |                                     |                      |
| Metropolitan Planning              | -                   | -                 | 994,180             | -                             | -                    | -                                   | 994,180              |
| Road & Bridge                      | 5,878,837           | 352,390           | 549,785             | 6,740,359                     | 42,234,977           | 715,419                             | 56,471,767           |
| <b>Total Public Transportation</b> | <b>\$ 5,878,837</b> | <b>\$ 352,390</b> | <b>\$ 1,543,965</b> | <b>\$ 6,740,359</b>           | <b>\$ 42,234,977</b> | <b>\$ 715,419</b>                   | <b>\$ 57,465,947</b> |

**BRAZOS COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY (Continued)**  
**September 30, 2007**

| FUNCTION AND ACTIVITY                              | <u>Land</u>         | <u>Buildings</u>     | <u>Improvements</u> | <u>Machinery<br/>And<br/>Equipment</u> | <u>Infrastructure</u> | <u>Construction<br/>Work in<br/>Progress</u> | <u>Total</u>         |
|--|---------------------|----------------------|---------------------|--|-----------------------|--|----------------------|
| <b>Public Health</b>                               |                     |                      |                     |  |                       |  |                      |
| Environmental Protection                           | \$ 569,042          | \$ 90,908            | \$ 152,005          | \$ -                                   | \$ -                  | \$ -   | \$ 811,955           |
| Health Department                                  | 122,213             | 139,824              | 138,737             | -                                      | -                     | -  | 400,774              |
| <b>Total Public Health</b>                         | <u>691,255</u>      | <u>230,732</u>       | <u>290,742</u>      | <u>-</u>                               | <u>-</u>              | <u>-</u>                                     | <u>1,212,729</u>     |
| <b>Human Services</b>                              |                     |                      |                     |  |                       |  |                      |
| Emergency Management                               | -                   | -                    | -                   | 209,814                                | -                     | -  | 209,814              |
| Brazos Center                                      | 3,084               | 1,532,411            | 610,324             | 115,002                                | -                     | -  | 2,260,821            |
| Agricultural Extension                             | -                   | 63,441               | 29,467              | -                                      | -                     | -  | 92,908               |
| Elections  | -                   | -                    | -                   | 1,161,505                              | -                     | -  | 1,161,505            |
| Exposition Center                                  | 1,964,121           | 19,760,291           | 48,192              | 355,630                                | -                     | -  | 22,128,234           |
| <b>Total Human Services</b>                        | <u>1,967,205</u>    | <u>21,356,143</u>    | <u>687,983</u>      | <u>1,841,951</u>                       | <u>-</u>              | <u>-</u>                                     | <u>25,853,282</u>    |
| <b>TOTAL GOVERNMENTAL FUNDS<br/>CAPITAL ASSETS</b> | <u>\$10,434,806</u> | <u>\$ 58,007,245</u> | <u>\$ 5,157,558</u> | <u>\$ 16,899,055</u>                   | <u>\$ 42,234,977</u>  | <u>\$ 2,043,763</u>                          | <u>\$134,777,404</u> |



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# Statistical Section

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

## Contents

## Table No.

### **Financial Trends**

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

**I, II, III, IV**

### **Revenue Capacity**

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

**V, VI, VII, VIII**

### **Debt Capacity**

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.

**IX, X, XI, XII, XIII**

### **Demographic and Economic Information**

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

**XIV, XV**

### **Operating Information**

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.

**XVI, XVII, XVIII**

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The county implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

# **FINANCIAL TRENDS**



Table I

**Brazos County, Texas**  
**Net Assets by Component,**  
**Last Five Fiscal Years**  
 (Accrual Basis of Accounting)

|   | 2003                 | 2004                 | 2005                 | 2006                  | 2007                  |
|---|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| Governmental activities                         |                      |                      |                      |                       |                       |
| Invested in capital assets, net of related debt | \$ 41,438,037        | \$ 30,404,623        | \$ 24,099,251        | \$ 38,924,281         | \$ 63,796,857         |
| Restricted                                      | 2,989,935            | 3,328,283            | 4,997,987            | 5,709,087             | 5,377,356             |
| Unrestricted                                    | 29,244,870           | 43,253,082           | 59,703,513           | 55,642,525            | 41,337,786            |
| Total governmental activities net assets        | <u>\$ 73,672,842</u> | <u>\$ 76,985,988</u> | <u>\$ 88,800,751</u> | <u>\$ 100,275,893</u> | <u>\$ 110,511,999</u> |
| Business-type activities                        |                      |                      |                      |                       |                       |
| Invested in capital assets, net of related debt | \$ 1,612             | \$ -                 | \$ -                 | \$ -                  | \$ 12,558             |
| Unrestricted                                    | 95,996               | 146,935              | 172,036              | 238,586               | 315,127               |
| Total business-type activities net assets       | <u>\$ 97,608</u>     | <u>\$ 146,935</u>    | <u>\$ 172,036</u>    | <u>\$ 238,586</u>     | <u>\$ 327,685</u>     |
| Primary government                              |                      |                      |                      |                       |                       |
| Invested in capital assets, net of related debt | \$ 41,439,649        | \$ 30,404,623        | \$ 24,099,251        | \$ 38,924,281         | \$ 63,809,415         |
| Restricted                                      | 2,989,935            | 3,328,283            | 4,997,987            | 5,709,087             | 5,377,356             |
| Unrestricted                                    | 29,340,866           | 43,400,017           | 59,875,549           | 55,881,111            | 41,652,913            |
| Total primary government net assets             | <u>\$ 73,770,450</u> | <u>\$ 77,132,923</u> | <u>\$ 88,972,787</u> | <u>\$ 100,514,479</u> | <u>\$ 110,839,684</u> |

**Brazos County, Texas**  
**Changes in Net Assets, Last Five Fiscal Years**  
**(Accrual Basis of Accounting)**

Page 1 of 2

|   | <u>2003</u>          | <u>2004</u>          | <u>2005</u>          | <u>2006</u>          | <u>2007</u>          |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Expenses</b>                               |                      |                      |                      |                      |                      |
| Governmental activities:                      |                      |                      |                      |                      |                      |
| General Government                            | \$ 11,890,781        | \$ 12,633,863        | \$ 11,371,667        | \$ 12,042,697        | \$ 12,631,298        |
| Justice System                                | 8,684,058            | 9,392,776            | 8,860,448            | 10,457,394           | 11,522,627           |
| Law Enforcement                               | 11,271,954           | 11,956,232           | 11,894,495           | 12,905,488           | 14,054,470           |
| Juvenile Services                             | 3,802,706            | 3,739,205            | 3,809,998            | 4,179,885            | 4,288,459            |
| Public Transportation                         | 6,394,828            | 5,360,370            | 4,764,927            | 4,900,621            | 6,429,692            |
| Public Health                                 | 1,761,796            | 1,726,770            | 1,693,371            | 1,705,958            | 2,148,409            |
| Human Services                                | 1,578,544            | 1,826,466            | 2,266,518            | 2,469,378            | 2,918,972            |
| Interest and Other Fees                       | 1,349,227            | 1,648,665            | 1,831,044            | 2,326,392            | 2,044,191            |
| Total governmental activities expenses        | <u>46,733,894</u>    | <u>48,284,347</u>    | <u>46,492,468</u>    | <u>50,987,813</u>    | <u>56,038,118</u>    |
| Business-type activities:                     |                      |                      |                      |                      |                      |
| County Attorney                               | 93,125               | 96,878               | 81,788               | 67,342               | 40,144               |
| Jail Commissary                               | 226,559              | 207,164              | 246,840              | 299,883              | 318,321              |
| Total business-type activities expenses       | <u>319,684</u>       | <u>304,042</u>       | <u>328,628</u>       | <u>367,225</u>       | <u>358,465</u>       |
| Total primary government expenses             | <u>\$ 47,053,578</u> | <u>\$ 48,588,389</u> | <u>\$ 46,821,096</u> | <u>\$ 51,355,038</u> | <u>\$ 56,396,583</u> |
| <b>Program Revenues</b>                       |                      |                      |                      |                      |                      |
| Governmental activities:                      |                      |                      |                      |                      |                      |
| Charges for services:                         |                      |                      |                      |                      |                      |
| General Government                            | \$ 1,782,138         | \$ 2,801,415         | \$ 2,161,854         | \$ 1,802,420         | \$ 2,224,028         |
| Justice System                                | 5,637,540            | 5,609,315            | 5,083,409            | 5,509,185            | 5,862,626            |
| Law Enforcement                               | 492,034              | 673,692              | 768,454              | 846,828              | 786,796              |
| Juvenile Services                             | 52,034               | 18,103               | 53,903               | 81,922               | 21,955               |
| Public Transportation                         | 33,905               | 1,119,824            | 1,187,532            | 1,251,841            | 1,178,077            |
| Public Health                                 | 25,827               | 31,209               | 30,844               | 33,060               | 30,103               |
| Human Services                                | 182,297              | 212,895              | 268,443              | 281,912              | 226,251              |
| Operating grants and contributions:           |                      |                      |                      |                      |                      |
| General Government                            | -                    | -                    | -                    | -                    | 24,353               |
| Justice System                                | 498,507              | 562,706              | 504,157              | 438,130              | 553,661              |
| Law Enforcement                               | 1,130,276            | 1,027,000            | 997,417              | 744,033              | 621,285              |
| Juvenile Services                             | 1,121,345            | 1,266,617            | 1,261,927            | 1,212,847            | 1,406,843            |
| Public Transportation                         | 206,525              | 286,801              | 260,270              | 252,928              | 296,211              |
| Public Health                                 | 38,064               | 59,520               | 86,432               | 153,360              | 166,419              |
| Human Services                                | 95,473               | 91,318               | 1,586,721            | 572,788              | 257,635              |
| Capital grants and contributions:             |                      |                      |                      |                      |                      |
| Law Enforcement                               | 58,911               | 37,938               | 8,386                | 41,372               | 77,494               |
| Human Services                                | -                    | 253,473              | 248,295              | 230,044              | 99,022               |
| Total governmental activities program revenue | <u>\$ 11,354,876</u> | <u>\$ 14,051,826</u> | <u>\$ 14,508,044</u> | <u>\$ 13,452,670</u> | <u>\$ 13,832,759</u> |

**Brazos County, Texas**  
**Changes in Net Assets, Last Five Fiscal Years**  
**(Accrual Basis of Accounting)**

|   | <u>2003</u>            | <u>2004</u>            | <u>2005</u>            | <u>2006</u>            | <u>2007</u>            |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| Business-type activities:                               |                        |                        |                        |                        |                        |
| Charges for services:                                   |                        |                        |                        |                        |                        |
| County Attorney   | \$ 114,592             | \$ 107,360             | \$ 76,778              | \$ 74,948              | \$ 52,074              |
| Jail Commissary   | 234,411                | 243,476                | 269,809                | 350,779                | 387,093                |
| Total business-type activities program revenue          | <u>349,003</u>         | <u>350,836</u>         | <u>346,587</u>         | <u>425,727</u>         | <u>439,167</u>         |
| Total primary government program revenues               | <u>\$ 11,703,879</u>   | <u>\$ 14,402,662</u>   | <u>\$ 14,854,631</u>   | <u>\$ 13,878,397</u>   | <u>\$ 14,271,926</u>   |
| <b>Net (Expense)/Revenue</b>                            |                        |                        |                        |                        |                        |
| Governmental activities                                 | \$ (35,379,018)        | \$ (34,232,521)        | \$ (31,984,424)        | \$ (37,535,143)        | \$ (42,205,359)        |
| Business-type activities                                | 29,319                 | 46,794                 | 17,959                 | 58,502                 | 80,702                 |
| Total primary government net expense                    | <u>\$ (35,349,699)</u> | <u>\$ (34,185,727)</u> | <u>\$ (31,966,465)</u> | <u>\$ (37,476,641)</u> | <u>\$ (42,124,657)</u> |
| <b>General Revenues and Other Changes in Net Assets</b> |                        |                        |                        |                        |                        |
| Governmental activities:                                |                        |                        |                        |                        |                        |
| Taxes:  |                        |                        |                        |                        |                        |
| Property taxes  | \$ 24,127,005          | \$ 26,932,638          | \$ 31,751,992          | \$ 34,280,093          | \$ 37,131,017          |
| Sales taxes   | 7,723,285              | 8,413,179              | 8,942,049              | 9,957,049              | 10,429,681             |
| Motor vehicle taxes                                     | 1,147,480              | 1,136,744              | 1,126,011              | 1,212,367              | 1,217,804              |
| Mixed drink taxes                                       | 317,091                | 348,790                | 374,123                | 401,298                | 440,482                |
| Hotel occupancy taxes                                   | -                      | -                      | -                      | -                      | 84,594                 |
| Unrestricted investment earnings                        | 594,314                | 684,525                | 1,592,819              | 3,120,658              | 3,021,597              |
| Gain (loss) on disposal of assets                       | (4,647,004)            | 29,791                 | 12,193                 | 38,820                 | 111,290                |
| Transfers:  | 636,775                | -                      | -                      | -                      | 5,000                  |
| Total governmental activities                           | <u>29,898,946</u>      | <u>37,545,667</u>      | <u>43,799,187</u>      | <u>49,010,285</u>      | <u>52,441,465</u>      |
| Business-type activities:                               |                        |                        |                        |                        |                        |
| Unrestricted investment earnings                        | -                      | 933                    | 3,292                  | 8,048                  | 11,397                 |
| Gain on disposal of assets                              | -                      | 1,600                  | 3,850                  | -                      | 2,000                  |
| Transfers   | -                      | -                      | -                      | -                      | (5,000)                |
| Total business-type activities                          | <u>-</u>               | <u>2,533</u>           | <u>7,142</u>           | <u>8,048</u>           | <u>8,397</u>           |
| Total primary government                                | <u>\$ 29,898,946</u>   | <u>\$ 37,548,200</u>   | <u>\$ 43,806,329</u>   | <u>\$ 49,018,333</u>   | <u>\$ 52,449,862</u>   |
| <b>Change in Net Assets</b>                             |                        |                        |                        |                        |                        |
| Governmental activities                                 | \$ (5,480,072)         | \$ 3,313,146           | \$ 11,814,763          | \$ 11,475,142          | \$ 10,236,106          |
| Business-type activities                                | 29,319                 | 49,327                 | 25,101                 | 66,550                 | 89,099                 |
| Total primary government                                | <u>\$ (5,450,753)</u>  | <u>\$ 3,362,473</u>    | <u>\$ 11,839,864</u>   | <u>\$ 11,541,692</u>   | <u>\$ 10,325,205</u>   |

NOTE: The requirement for this schedule is 10 Years. Since conversion to GASB 34 occurred in 2003, the information will be reflected back to 2003 until we meet the 10 year criteria.

Table III

**Brazos County, Texas**  
**Fund Balances, Governmental Funds**  
**Last Five Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

|                                    | 2003                 | 2004                 | 2005                 | 2006                 | 2007                |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| General Fund                       |                      |                      |                      |                      |                     |
| Reserved                           | \$ 2,418,081         | \$ 2,483,109         | \$ 2,703,506         | \$ 3,263,084         | \$ 3,823,288        |
| Unreserved                         | 15,729,973           | 17,161,250           | 23,734,561           | 29,358,945           | 28,060,931          |
| Total General Fund                 | <u>18,148,054</u>    | <u>19,644,359</u>    | <u>26,438,067</u>    | <u>32,622,029</u>    | <u>31,884,219</u>   |
| All Other Governmental Funds       |                      |                      |                      |                      |                     |
| Reserved                           |                      |                      |                      |                      |                     |
| Debt Service Fund                  | 1,612,877            | 1,623,742            | 1,881,705            | 2,387,029            | 2,908,627           |
| Special Purpose Programs           | 1,405,115            | 1,698,278            | 3,109,950            | 3,314,550            | 2,461,011           |
| Other Governmental Funds           | 5,592                | -                    | -                    | -                    | -                   |
| Unreserved                         |                      |                      |                      |                      |                     |
| Capital Improvements               | 8,011,657            | 19,040,142           | 27,440,184           | 16,686,210           | 4,280,009           |
| Total All Other Governmental Funds | <u>\$ 11,035,241</u> | <u>\$ 22,362,162</u> | <u>\$ 32,431,839</u> | <u>\$ 22,387,789</u> | <u>\$ 9,649,647</u> |

Table IV

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

|  | <u>2003</u>         | <u>2004</u>          | <u>2005</u>          | <u>2006</u>           | <u>2007</u>            |
|--|---------------------|----------------------|----------------------|-----------------------|------------------------|
| <b>Revenues</b>  |                     |                      |                      |                       |                        |
| Taxes  | \$ 32,152,880       | \$ 35,680,824        | \$ 41,005,538        | \$ 44,572,996         | \$ 48,095,357          |
| Charges for Services   | 7,171,392           | 7,736,038            | 8,016,868            | 9,267,257             | 10,808,583             |
| Intergovernmental  | 3,149,101           | 3,578,354            | 4,953,605            | 3,645,503             | 3,502,924              |
| Interest   | 601,297             | 674,177              | 1,571,892            | 3,050,275             | 2,951,920              |
| Other Revenue  | 636,775             | 589,461              | 931,107              | 533,322               | 465,932                |
| Total Revenue  | <u>43,711,445</u>   | <u>48,258,854</u>    | <u>56,479,010</u>    | <u>61,069,353</u>     | <u>65,824,716</u>      |
| <b>Expenditures</b>  |                     |                      |                      |                       |                        |
| Current  |                     |                      |                      |                       |                        |
| General Government   | 8,331,368           | 9,398,660            | 9,459,149            | 10,329,448            | 10,518,550             |
| Justice System   | 8,492,929           | 9,460,213            | 9,658,261            | 10,405,154            | 11,385,426             |
| Law Enforcement  | 10,542,502          | 11,550,365           | 11,544,576           | 12,282,765            | 13,357,681             |
| Juvenile Services  | 3,614,194           | 3,650,819            | 3,717,184            | 4,064,113             | 4,120,105              |
| Public Transportation  | 6,345,972           | 4,878,592            | 4,481,106            | 5,080,480             | 6,230,521              |
| Public Health  | 1,747,062           | 1,533,065            | 1,673,525            | 1,686,112             | 2,128,563              |
| Human Services   | 1,397,062           | 1,831,381            | 2,089,260            | 2,265,385             | 2,742,753              |
| Capital Outlay   | 3,188,316           | 4,338,542            | 5,580,780            | 13,980,609            | 24,351,811             |
| Debt Service   |                     |                      |                      |                       |                        |
| Principal Retirement   | 1,664,880           | 2,031,142            | 2,390,000            | 2,785,000             | 2,795,000              |
| Interest and Fiscal Agent Fees                               | 1,380,272           | 1,602,689            | 1,787,895            | 2,322,768             | 2,034,535              |
| Total Expenditures   | <u>46,704,557</u>   | <u>50,275,468</u>    | <u>52,381,736</u>    | <u>65,201,834</u>     | <u>79,664,945</u>      |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (2,993,112)         | (2,016,614)          | 4,097,274            | (4,132,481)           | (13,840,229)           |
| <b>Other Financing Sources (Uses)</b>                        |                     |                      |                      |                       |                        |
| Transfers In   | 905,192             | 529,838              | 345,969              | 2,637,411             | 13,530,376             |
| Transfers Out  | (1,835,492)         | (729,838)            | (845,969)            | (2,637,411)           | (13,525,376)           |
| Sale of Capital Assets                                       | 61,628              | 39,840               | 16,111               | 77,393                | 359,277                |
| Redemption of Certificates of Obligation                     | -                   | -                    | -                    | (5,810,000)           | -                      |
| Issuance of Debt   | 2,995,000           | 15,000,000           | 13,250,000           | 6,005,000             | -                      |
| Total Other Financing Sources (Uses)                         | <u>2,126,328</u>    | <u>14,839,840</u>    | <u>12,766,111</u>    | <u>272,393</u>        | <u>364,277</u>         |
| Net Change in Fund Balances                                  | <u>\$ (866,784)</u> | <u>\$ 12,823,226</u> | <u>\$ 16,863,385</u> | <u>\$ (3,860,088)</u> | <u>\$ (13,475,952)</u> |
| Debt service as a percentage of<br>noncapital expenditures   | 7.00%               | 7.91%                | 8.93%                | 9.97%                 | 8.73%                  |

NOTE: Implementation of GASB 34 occurred in 2003.



# **REVENUE CAPACITY INFORMATION**



**Brazos County, Texas**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Five Fiscal Years**

| Fiscal Year<br>Ended<br>Sept. 30, | Residential<br>Property | Commercial<br>Property | Industrial<br>Property | Personal<br>Property | Minerals    | Less:                  |          | Total Taxable<br>Assessed Value | Total<br>Direct<br>Tax<br>Rate |
|-----------------------------------|-------------------------|------------------------|------------------------|----------------------|-------------|------------------------|----------|---------------------------------|--------------------------------|
|                                   |                         |                        |                        |                      |             | Tax-Exempt<br>Property | Property |                                 |                                |
| 2003                              | 3,443,514,250           | 3,133,357,857          | 478,976,879            | 866,349,323          | 115,279,900 | (1,846,508,484)        |          | 6,190,969,725                   | \$ 0.4146                      |
| 2004                              | 3,815,683,939           | 3,341,559,461          | 509,172,760            | 953,147,220          | 123,817,227 | (1,994,142,969)        |          | 6,749,237,638                   | \$ 0.4350                      |
| 2005                              | 4,132,023,358           | 3,737,402,092          | 584,305,230            | 994,411,852          | 143,039,148 | (2,141,945,933)        |          | 7,449,235,747                   | \$ 0.4725                      |
| 2006                              | 4,662,875,098           | 4,009,134,429          | 630,812,160            | 1,090,082,565        | 186,746,987 | (2,276,298,695)        |          | 8,303,352,544                   | \$ 0.4650                      |
| 2007                              | 5,092,640,911           | 4,503,381,487          | 715,213,160            | 1,154,789,218        | 206,807,369 | (2,445,021,966)        |          | 9,227,810,179                   | \$ 0.4550                      |

**Source:** Brazos County Appraisal District

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

This information is reflected back to the conversion to GASB 34. Information will be added each year to reflect 10 years.

Table VI

**Brazos County, Texas**  
**Direct and Overlapping Property Tax Rates**  
 Last Ten Years

| Name of Government               | 1998   | 1999   | 2000   | 2001   | 2002   | 2003   | 2004   | 2005   | 2006   | 2007   |
|----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>County Direct Rate:</b>       |        |        |        |        |        |        |        |        |        |        |
| General Obligation               |        |        |        |        |        |        |        |        |        |        |
| Debt Service                     | 0.0452 | 0.0432 | 0.0397 | 0.0364 | 0.0343 | 0.0423 | 0.0511 | 0.0632 | 0.0701 | 0.0620 |
| Basic Rate                       | 0.3722 | 0.3742 | 0.3777 | 0.3736 | 0.3857 | 0.3723 | 0.3839 | 0.4093 | 0.3949 | 0.3930 |
| <b>Total Direct Rate:</b>        | 0.4174 | 0.4174 | 0.4174 | 0.4100 | 0.4200 | 0.4146 | 0.4350 | 0.4725 | 0.4650 | 0.4550 |
| <b>Overlapping Rates:</b>        |        |        |        |        |        |        |        |        |        |        |
| <b>City and Town Rate:</b>       |        |        |        |        |        |        |        |        |        |        |
| City of Bryan                    | 0.6295 | 0.6367 | 0.6367 | 0.6364 | 0.6364 | 0.6364 | 0.6364 | 0.6364 | 0.6364 | 0.6364 |
| City of College Station          | 0.4293 | 0.4293 | 0.4293 | 0.4293 | 0.4777 | 0.4777 | 0.4653 | 0.4640 | 0.4394 | 0.4394 |
| <b>School District Rates:</b>    |        |        |        |        |        |        |        |        |        |        |
| Bryan I. S. D.                   | 1.6440 | 1.6820 | 1.5880 | 1.6150 | 1.6680 | 1.7120 | 1.6800 | 1.6700 | 1.7800 | 1.6300 |
| College Station I. S. D.         | 1.7400 | 1.7500 | 1.7500 | 1.7500 | 1.7900 | 1.7900 | 1.7700 | 1.7700 | 1.6750 | 1.4800 |
| <b>Total Overlapping Rate:</b>   | 4.4428 | 4.4980 | 4.4040 | 4.4307 | 4.5721 | 4.6161 | 4.5517 | 4.5404 | 4.5308 | 4.1858 |
| <b>Total Property Tax Rate -</b> |        |        |        |        |        |        |        |        |        |        |
| <b>Direct and Overlapping</b>    |        |        |        |        |        |        |        |        |        |        |
| <b>Governments:</b>              | 4.8602 | 4.9154 | 4.8214 | 4.8407 | 4.9921 | 5.0307 | 4.9867 | 5.0129 | 4.9958 | 4.6408 |

**Source:** Brazos County Tax Office

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

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**

| Taxpayer   | 2007                        |      |  | 1998                        |      |  |
|--|-----------------------------|------|--|-----------------------------|------|--|
|  | 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) |
| Anadarko E & P Co. LP                                    | \$ 77,146,772               | 1    | 0.84%  | \$ --                       |      | 0.00%  |
| Verizon Communications                                   | 62,763,010                  | 2    | 0.68%  | --                          |      | 0.00%  |
| College Station Hospital, L.P.                           | 61,794,710                  | 3    | 0.67%  | --                          |      | 0.00%  |
| C B L & Associates                                       | 54,557,025                  | 4    | 0.59%  | --                          |      | 0.00%  |
| Wal-Mart Stores East Inc                                 | 48,998,450                  | 5    | 0.53%  | 34,803,590                  | 5    | 0.85%  |
| Alkossler, David / Weinberg                              | 44,229,100                  | 6    | 0.48%  | 23,723,460                  | 7    | 0.58%  |
| Sanderson Farms  | 38,638,137                  | 7    | 0.42%  | --                          |      | 0.00%  |
| Adam Development Properties, LP                          | 35,424,323                  | 8    | 0.38%  | --                          |      | 0.00%  |
| ACC OP (Callaway Villas) LP                              | 30,384,640                  | 9    | 0.33%  | --                          |      | 0.00%  |
| University Heights - College Station Acquisition LP ETAL | 30,347,570                  | 10   | 0.33%  | --                          |      | 0.00%  |
| GTE Southwest Inc.                                       | --                          |      | 0.00%  | 89,812,780                  | 1    | 2.20%  |
| CBL Management   | --                          |      | 0.00%  | 50,059,180                  | 2    | 1.23%  |
| Union Pacific Resources                                  | --                          |      | 0.00%  | 48,763,960                  | 3    | 1.20%  |
| Ferguson-Burleson  | --                          |      | 0.00%  | 38,083,830                  | 4    | 0.93%  |
| W9/JP-M Real Estate Limited                              | --                          |      | 0.00%  | 24,417,115                  | 6    | 0.60%  |
| Scott & White Hospital/Clinic                            | --                          |      | 0.00%  | 21,794,530                  | 8    | 0.53%  |
| G G Enterprises  | --                          |      | 0.00%  | 20,792,120                  | 9    | 0.51%  |
| Columbia Medical Center                                  | --                          |      | 0.00%  | 17,684,862                  | 10   | 0.43%  |
|  | <u>\$ 484,283,737</u>       |      | <u>5.25%</u>                                     | <u>\$ 369,935,427</u>       |      | <u>9.06%</u>                                     |

Source: Brazos County Appraisal District

- NOTE: (1) Brazos County Appraisal District  
(2) Total adjusted assessed valuation net of exempt properties as certified by the Appraisal Review Board - \$ 9,227,810,179  
(3) Total adjusted assessed valuation net of exempt properties as certified by the Appraisal Review Board - \$4,080,587,991

Table VIII

**BRAZOS COUNTY, TEXAS**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

| Fiscal Year<br>Ended June 30, | Taxes Levied<br>for the<br>Fiscal Year | Collected within the              |                       | Collections<br>in Subsequent<br>Years (1) | Total Collections to Date |                       |
|-------------------------------|--|-----------------------------------|-----------------------|---|---------------------------|-----------------------|
|                               |  | Fiscal Year of the Levy<br>Amount | Percentage<br>of Levy |   | Amount                    | Percentage<br>of Levy |
| 1998                          | 17,061,045                             | 16,625,071                        | 97.44%                | 233,344                                   | 16,858,415                | 98.81%                |
| 1999                          | 17,749,856                             | 17,360,005                        | 97.80%                | 358,030                                   | 17,718,035                | 99.82%                |
| 2000                          | 18,933,265                             | 18,552,512                        | 97.99%                | 342,196                                   | 18,894,708                | 99.80%                |
| 2001                          | 20,732,000                             | 20,004,504                        | 96.49%                | 681,360                                   | 20,685,864                | 99.78%                |
| 2002                          | 22,629,312                             | 21,988,027                        | 97.17%                | 589,216                                   | 22,577,243                | 99.77%                |
| 2003                          | 24,066,065                             | 22,721,649                        | 94.41%                | 1,277,100                                 | 23,998,749                | 99.72%                |
| 2004                          | 26,929,514                             | 26,564,663                        | 98.65%                | 263,615                                   | 26,828,278                | 99.62%                |
| 2005                          | 31,890,149                             | 31,394,200                        | 98.44%                | 344,850                                   | 31,739,050                | 99.53%                |
| 2006                          | 34,562,219                             | 34,018,184                        | 98.43%                | 209,452                                   | 34,227,636                | 99.03%                |
| 2007                          | 37,528,035                             | 36,914,865                        | 98.37%                | (118,220)                                 | 36,796,645                | 98.05%                |

NOTE: (1) Changes in tax since issued.

Source: Brazos County Tax Office and Brazos County Auditor's Office

**DEBT CAPACITY INFORMATION**



Table IX

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

| <u>Governmental Activities</u> |   |                                 |                       |                                 |   |                                |
|--------------------------------|---|---------------------------------|-----------------------|---------------------------------|---|--------------------------------|
| <u>Fiscal Year</u>             | <u>Certificates of Obligation Bonds</u> | <u>General Obligation Bonds</u> | <u>Capital Leases</u> | <u>Total Primary Government</u> | <u>Percentage of Personal Income <sup>a</sup></u> | <u>Per Capita <sup>a</sup></u> |
| 1998                           | 20,420,000                              | -                               | -                     | 20,420,000                      | N/A   | N/A                            |
| 1999                           | 19,735,000                              | -                               | -                     | 19,735,000                      | N/A   | N/A                            |
| 2000                           | 18,935,000                              | -                               | -                     | 18,935,000                      | N/A   | N/A                            |
| 2001                           | 18,075,000                              | -                               | -                     | 18,075,000                      | N/A   | N/A                            |
| 2002                           | 18,015,000                              | 8,000,000                       | 354,926               | 26,369,926                      | 1.36%   | 170                            |
| 2003                           | 19,510,000                              | 8,000,000                       | 177,643               | 27,687,643                      | 1.40%   | 177                            |
| 2004                           | 32,650,000                              | 8,000,000                       | -                     | 40,650,000                      | 1.97%   | 250                            |
| 2005                           | 33,340,000                              | 18,170,000                      | 59,726                | 51,569,726                      | 2.39%   | 319                            |
| 2006                           | 31,140,000                              | 17,780,000                      | 43,902                | 48,963,902                      | 2.08%   | 303                            |
| 2007                           | 28,750,000                              | 17,375,000                      | 29,788                | 46,154,788                      | 1.89%   | 287                            |

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

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

Table X

**Brazos County, Texas**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

| Fiscal Year | General Bonded Debt Outstanding |                              |                 | Assessed Value | Percentage of Actual Taxable Value | Per Capita <sup>a</sup> |
|-------------|---------------------------------|------------------------------|-----------------|----------------|------------------------------------|-------------------------|
|             | General Obligation Bonded Debt  | Debt Service Funds Available | Net Bonded Debt |                |                                    |                         |
| 1998        | -                               | -                            | -               | 4,080,587,991  | -                                  | -                       |
| 1999        | -                               | -                            | -               | 4,252,470,333  | -                                  | -                       |
| 2000        | -                               | -                            | -               | 4,532,209,513  | -                                  | -                       |
| 2001        | -                               | -                            | -               | 4,947,154,148  | -                                  | -                       |
| 2002        | 8,000,000                       | 1,961,310                    | 6,038,690       | 5,387,860,063  | 0.11%                              | 38.61                   |
| 2003        | 8,000,000                       | 1,612,877                    | 6,387,123       | 6,190,969,725  | 0.10%                              | 39.24                   |
| 2004        | 8,000,000                       | 1,623,742                    | 6,376,258       | 6,749,237,638  | 0.09%                              | 39.41                   |
| 2005        | 18,170,000                      | 1,881,705                    | 16,288,295      | 7,449,235,747  | 0.22%                              | 100.93                  |
| 2006        | 17,780,000                      | 2,387,029                    | 15,392,971      | 8,303,352,544  | 0.19%                              | 95.81                   |
| 2007        | 17,375,000                      | 2,908,627                    | 14,466,373      | 9,227,810,179  | 0.16%                              | 84.88                   |

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

**a** Population data can be found in Table XIV.

Table XI

**Brazos County, Texas**  
**Direct and Overlapping Governmental Activities Debt**  
**As of September 30, 2007**

| <u>Taxing Jurisdiction</u>                        | <u>Total<br/>Direct and<br/>Overlapping<br/>Funded Debt</u> | <u>Estimated<br/>Percentage<br/>Applicable</u> |
|---|---|--|
| Brazos County                                     | \$ 46,125,000   | 100%   |
| City of Bryan                                     | 86,290,000  | 100%   |
| City of College Station                           | 202,675,000   | 100%   |
| Independent School Districts:                     |   |  |
| College Station School District                   | 117,635,000   | 100%   |
| Bryan Independent School District                 | 3,092,650   | 100%   |
| Total estimated overlapping funded debt           | <u>\$ 455,817,650</u>                                       |  |
| Ratio overlapping debt to 100% assessed valuation | <u>4.94%</u>  |  |
| Per capita overlapping funded debt                | <u>\$ 2,674.42</u>  |  |

Sources: Assessed value data used to estimate applicable percentages provided by the Brazos County Appraisal District. Debt outstanding provided by each governmental unit.

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 government's ability to issue and repay long-term debt, the entire debt 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.

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

|   | <u>1998</u>           | <u>1999</u>           | <u>2000</u>           | <u>2001</u>             |
|---|-----------------------|-----------------------|-----------------------|-------------------------|
| <b>Debt Limit</b>   | \$ 808,632,741        | \$ 849,047,316        | \$ 916,386,735        | \$ 1,006,650,123        |
| <b>Total net debt applicable to limit</b>                                       | -                     | -                     | -                     | -                       |
| <b>Legal debt margin</b>  | <u>\$ 808,632,741</u> | <u>\$ 849,047,316</u> | <u>\$ 916,386,735</u> | <u>\$ 1,006,650,123</u> |
| <b>Total net debt applicable to the limit<br/>as a percentage of debt limit</b> | 0.00%                 | 0.00%                 | 0.00%                 | 0.00%                   |

- NOTE: (1) Total adjusted assessed valuation net of exempt properties as certified by the Appraisal Review Board.  
 (2) Debt Limit 25% of assessed value of real property - \$7,866,213,592 Article 3, Section 52, of the Texas Constitution.  
 (3) Includes only general obligation bonds.



Table XIII

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

| Fiscal<br>Year | Certificates of Obligation |          |  |              |           |          | Capital Leases <sup>a</sup> |           |              |          |
|----------------|----------------------------|----------|--|--------------|-----------|----------|-----------------------------|-----------|--------------|----------|
|                | Property<br>Tax            |          | Less: Agent<br>Fees &<br>Issuance Cost | Debt Service |           |          | Property<br>Tax             |           | Debt Service |          |
|                | Revenue                    | Interest |  | Principal    | Interest  | Coverage | Revenue                     | Principal | Interest     | Coverage |
| 1998           | 859,562                    | 46,138   | 2,722                                  | 320,000      | 641,555   | 0.94     | -                           | -         | -            | -        |
| 1999           | 1,890,375                  | 98,340   | 1,854                                  | 685,000      | 1,122,989 | 1.10     | -                           | -         | -            | -        |
| 2000           | 1,825,609                  | 132,604  | 2,018                                  | 800,000      | 1,025,123 | 1.07     | -                           | -         | -            | -        |
| 2001           | 1,833,954                  | 109,633  | 5,425                                  | 860,000      | 972,192   | 1.06     | -                           | -         | -            | -        |
| 2002           | 1,632,535                  | 65,376   | 2,047                                  | 1,060,000    | 943,021   | 0.85     | 166,086                     | 161,880   | 15,763       | 0.93     |
| 2003           | 2,124,621                  | 41,785   | 1,707                                  | 1,500,000    | 969,344   | 0.88     | 173,136                     | 164,880   | 12,763       | 0.97     |
| 2004           | 2,943,715                  | 61,974   | 1,758                                  | 1,860,000    | 1,197,974 | 0.98     | 166,034                     | 171,142   | 6,502        | 0.93     |
| 2005           | 3,351,610                  | 108,359  | 2,408                                  | 2,060,000    | 1,399,755 | 1.00     | 27,392                      | 18,737    | 6,304        | 1.09     |
| 2006           | 4,025,812                  | 142,074  | 1,745                                  | 2,395,000    | 1,429,040 | 1.09     | 26,375                      | 15,823    | 5,102        | 1.26     |
| 2007           | 4,326,890                  | 168,062  | 2,045                                  | 2,390,000    | 1,233,526 | 1.24     | 24,949                      | 14,114    | 3,730        | 1.40     |

<sup>a</sup> The County has two capital lease agreements for the purchase of two electronic monitoring systems and one metal detector. Payments during the fiscal year ended September 30, 2007 totaled \$17,844. Interest rates are 10% per annum for the two electronic monitoring systems and 8.5% per annum for the metal detector.

# **DEMOGRAPHIC AND ECONOMIC INFORMATION**



Table XIV

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

| Year | Population <sup>(1)</sup> | Personal <sup>(2)</sup><br>Income | Per<br>Capita<br>Personal<br>Income | Public School<br>Enrollment <sup>(3)</sup> | Texas A & M<br>Enrollment <sup>(4)</sup> | Blinn College<br>Enrollment <sup>(5)</sup> | Unemployment<br>Rate <sup>(6)</sup> |
|------|---------------------------|-----------------------------------|-------------------------------------|--|--|--|-------------------------------------|
|      |                           |                                   |                                     |  |  |  |                                     |
| 1998 | 140,025                   | N/A                               | N/A                                 | 20,569                                     | 43,389                                   | 22,162                                     | 1.80%                               |
| 1999 | 143,436                   | N/A                               | N/A                                 | 20,901                                     | 43,442                                   | 23,102                                     | 1.80%                               |
| 2000 | 152,415                   | N/A                               | N/A                                 | 20,689                                     | 44,026                                   | 24,471                                     | 1.60%                               |
| 2001 | 155,449                   | 1,933,590,718                     | 12,439                              | 21,015                                     | 44,618                                   | 26,438                                     | 1.60%                               |
| 2002 | 156,415                   | 1,973,780,282                     | 12,619                              | 20,858                                     | 45,143                                   | 29,006                                     | 1.80%                               |
| 2003 | 162,787                   | 2,058,880,973                     | 12,648                              | 21,610                                     | 44,813                                   | 31,682                                     | 2.30%                               |
| 2004 | 161,779                   | 2,162,050,461                     | 13,364                              | 21,549                                     | 44,435                                   | 32,787                                     | 1.70%                               |
| 2005 | 161,380                   | 2,356,388,400                     | 14,601                              | 21,712                                     | 45,089                                   | 30,483                                     | 4.10%                               |
| 2006 | 160,661                   | 2,437,361,696                     | 15,171                              | 22,149                                     | 45,487                                   | 29,609                                     | 3.50%                               |
| 2007 | 170,436                   | 2,647,397,704                     | 15,533                              | 22,357                                     | 46,540                                   | 29,482                                     | 3.60%                               |

**Sources:**

- <sup>(1)</sup> Population information provided by the Texas State Data Center. The information is an estimation.
  - <sup>(2)</sup> Personal Income and unemployment rate information provided by the Texas Workforce Commission.
  - <sup>(3)</sup> Enrollment information is for Bryan ISD and College Station ISD. Current enrollment information is from the school districts websites and previous years enrollment information is from the Cities CAFR's from previous years and from schools.
  - <sup>(4)</sup> Current year is based on TAMU Enrollment profile. Years 1998 to 2005 enrollment information is from City of College Station CAFR.
  - <sup>(5)</sup> Year 2006 from Wikipedia. Enrollment information is based on fall semesters.
  - <sup>(6)</sup> Years 2006-2007 are from Blinn College Administration. Years 1998 to 2005 enrollment information obtained from Blinn's Financial Report.
- <sup>(6)</sup> Source: Texas Workforce Commission

Table XV

Brazos County, Texas  
Principal Employers  
Current Year and Nine Years Ago

| Employer <sup>(1)</sup>             | 2007          |      |  | 1998          |      |                                       |
|-------------------------------------|---------------|------|--|---------------|------|---------------------------------------|
|                                     | Employees     | Rank | Percentage of Total County Employment <sup>(2)</sup> | Employees     | Rank | Percentage of Total County Employment |
| Texas A&M University & System       | 16,248        | 1    | 16.01%   | 20,140        | 1    | 28.53%                                |
| Bryan ISD                           | 1,949         | 2    | 1.92%  | 1,800         | 2    | 2.55%                                 |
| St. Joseph's Regional Health Center | 1,590         | 3    | 1.57%  | 1,170         | 3    | 1.66%                                 |
| Sanderson Farms                     | 1,539         | 4    | 1.52%  | 900           | 5    | 1.28%                                 |
| College Station ISD                 | 1,400         | 5    | 1.38%  | 1,010         | 4    | 1.43%                                 |
| Reynolds & Reynolds                 | 959           | 6    | 0.94%  | -             | -    | 0.00%                                 |
| City of Bryan                       | 889           | 7    | 0.88%  | 859           | 7    | 1.22%                                 |
| City of College Station             | 865           | 8    | 0.85%  | 630           | 9    | 0.89%                                 |
| Brazos County                       | 751           | 9    | 0.74%  | 634           | 8    | 0.90%                                 |
| Wal-Mart                            | 650           | 10   | 0.64%  | -             | -    | 0.00%                                 |
| Hamilton State School               | -             | -    | 0.00%  | 520           | 10   | 0.74%                                 |
| Alenco Division, Redman Industries  | -             | -    | 0.00%  | 900           | 6    | 1.28%                                 |
|                                     | <u>26,840</u> |      | <u>26.45%</u>  | <u>28,563</u> |      | <u>40.48%</u>                         |

Source: <sup>(1)</sup> Research Valley Partnership as of December 6, 2007.

<sup>(2)</sup> Employment no. from Texas Workforce Commission.

# **OPERATING INFORMATION**



Table XVI

**Brazos County, Texas**  
**County Employees by Function <sup>(1)</sup>**  
**Last Ten Fiscal Years**

| <b>Function</b>       | Employees as of September 30 |             |             |             |             |             |             |             |             |             |
|-----------------------|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                       | <b>1998</b>                  | <b>1999</b> | <b>2000</b> | <b>2001</b> | <b>2002</b> | <b>2003</b> | <b>2004</b> | <b>2005</b> | <b>2006</b> | <b>2007</b> |
| General Government    | 103                          | 105         | 106         | 110         | 120         | 121         | 124         | 124         | 126         | 133         |
| Justice System        | 134                          | 137         | 139         | 142         | 143         | 145         | 153         | 153         | 158         | 164         |
| Law Enforcement       | 156                          | 164         | 173         | 185         | 200         | 215         | 217         | 222         | 223         | 234         |
| Juvenile Services     | 77                           | 77          | 85          | 86          | 88          | 88          | 90          | 91          | 89          | 91          |
| Human Services        | 26                           | 25          | 24          | 24          | 24          | 24          | 25          | 26          | 26          | 39          |
| Public Transportation | 70                           | 69          | 69          | 69          | 69          | 70          | 70          | 70          | 70          | 70          |
| Total                 | <u>566</u>                   | <u>577</u>  | <u>596</u>  | <u>616</u>  | <u>644</u>  | <u>663</u>  | <u>679</u>  | <u>686</u>  | <u>692</u>  | <u>731</u>  |

**Source:** County Auditor's Office

<sup>(1)</sup> Information compiled from Brazos County Budget position control

Note: Positions fully funded by grants are not included in calculations. The numbers of positions are a reflection of approved budgeted positions.

Table XVII

**Brazos County, Texas  
Operating Indicators by Function/Program  
Last Five Fiscal Years**

| <b>Function</b>  | <b>2003</b> | <b>2004</b> | <b>2005</b> | <b>2006</b> | <b>2007</b> |
|--|-------------|-------------|-------------|-------------|-------------|
| <b>Justice System</b>  |             |             |             |             |             |
| Birth Certificates Filed <sup>(1)</sup>                          | 2,795       | 2,972       | 2,978       | 2,971       | 3,276       |
| Marriage License Applications <sup>(1)</sup>                     | 1,435       | 1,419       | 1,374       | 1,444       | 1,493       |
| Death Certificates Issued  | 375         | 743         | 713         | 812         | 757         |
| Registered Voters <sup>(1)</sup>                                 | 86,558      | 86,283      | 83,894      | 86,771      | 82,180      |
| <b>Court Activity: <sup>(2)</sup></b>                            |             |             |             |             |             |
| <b>District Court:</b>   |             |             |             |             |             |
| Cases Added  | 9,496       | 7,679       | 8,047       | 7,863       | 8,241       |
| Cases Disposed   | 8,314       | 6,763       | 6,295       | 8,041       | 8,120       |
| Cases Pending  | 5,649       | 6,009       | 8,013       | 8,281       | 8,814       |
| <b>County Court at Law Courts:</b>                               |             |             |             |             |             |
| Cases Added  | 181         | 3,658       | 6,019       | 5,706       | 6,820       |
| Cases Disposed   | 113         | 3,072       | 4,560       | 4,856       | 5,999       |
| Cases Pending  | 230         | 1,185       | 2,342       | 3,142       | 3,948       |
| <b>Justice of the Peace Courts:</b>                              |             |             |             |             |             |
| Cases Added  | 18,179      | 20,105      | 22,085      | 19,387      | 22,965      |
| Cases Disposed   | 13,783      | 16,272      | 16,868      | 18,497      | 21,117      |
| <b>Law Enforcement</b>   |             |             |             |             |             |
| <b>Sheriff's Department:</b>                                     |             |             |             |             |             |
| Average Daily Inmate Population <sup>(3)</sup>                   | 445         | 425         | 492         | 550         | 553         |
| Arrest Totals <sup>(3)</sup>                                     | 12,369      | 13,915      | 14,328      | 15,541      | 15,769      |
| <b>Human Services</b>  |             |             |             |             |             |
| <b>Cooperative Agricultural Extension Office: <sup>(4)</sup></b> |             |             |             |             |             |
| Number of Educational Programs Conducted                         | 356         | 602         | 622         | 779         | 772         |
| Number of Participants in Educational Programs                   | 12,540      | 21,660      | 22,487      | 49,229      | 16,850      |
| <b>Brazos Center:</b>  |             |             |             |             |             |
| No. of Events held: <sup>(5)</sup>                               | 582         | 531         | 532         | 578         | 522         |
| <b>Exposition Center:</b>  |             |             |             |             |             |
| No. of Events held: <sup>(6)</sup>                               | 0           | 0           | 0           | 0           | 3           |
| <b>Public Transportation</b>                                     |             |             |             |             |             |
| <b>Miles of Roads:</b>   |             |             |             |             |             |
| Paved  | N/A         | N/A         | N/A         | 330         | 341         |
| Unpaved  | N/A         | N/A         | N/A         | 146         | 137         |

(1) Source: Brazos County Clerk and Brazos County Treasurer.

(2) Source: Office of Court Administration

(3) Source: Sheriff's Office

(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

Table XVIII

**Brazos County, Texas**  
**Capital Asset and Infrastructure Statistics by Function**  
**Last Five Fiscal Years**

| <u>Function</u>                 | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|
| General Government              |             |             |             |             |             |
| Office Buildings / Courthouse   | 4           | 4           | 4           | 4           | 5           |
| Maintenance Vehicles            | 5           | 4           | 5           | 7           | 8           |
| IT Vehicles                     | 1           | 1           | 1           | 1           | 1           |
| Justice System                  |             |             |             |             |             |
| Office Buildings                | 0           | 0           | 0           | 1           | 2           |
| County Attorney Vehicles        | 2           | 5           | 6           | 8           | 10          |
| District Attorney Vehicles      | 3           | 3           | 4           | 7           | 4           |
| Law Enforcement                 |             |             |             |             |             |
| Sheriff's Detention Facility    | 1           | (1)         | 1           | (1)         | 1           |
| Vehicles:                       |             |             |             |             |             |
| Sheriff's                       | 36          | 47          | 53          | 63          | 62          |
| Sheriff's - Jail Division       | 5           | 6           | 6           | 7           | 9           |
| Constable                       | 13          | 18          | 18          | 21          | 24          |
| Heavy Equipment:                |             |             |             |             |             |
| Sheriff                         | 1           | 1           | 1           | 1           | 1           |
| Sheriff's - Jail Division       | 1           | 1           | 3           | 3           | 4           |
| Juvenile Services               |             |             |             |             |             |
| Juvenile Facilities             | 1           | 1           | 1           | 1           | 1           |
| Juvenile Dept Vehicles          | 7           | 6           | 8           | 8           | 8           |
| Human Services                  |             |             |             |             |             |
| Buildings                       | 3           | 3           | 3           | 3           | 4           |
| Emergency Management Vehicles   | 1           | 1           | 1           | 1           | 1           |
| Brazos Center:                  |             |             |             |             |             |
| Vehicles                        | 2           | 2           | 2           | 3           | 2           |
| Equipment                       | 3           | 4           | 4           | 4           | 3           |
| Exposition Center:              |             |             |             |             |             |
| Vehicles                        | 0           | 0           | 0           | 0           | 1           |
| Equipment                       | 0           | 0           | 0           | 0           | 2           |
| Collection Citizen Sites        | 7           | 7           | 7           | 7           | 7           |
| Public Transportation           |             |             |             |             |             |
| Road and Bridge Building        | 1           | 1           | 1           | 1           | 1           |
| Road and Bridge Vehicles        | 38          | 40          | 41          | 44          | 46          |
| Road and Bridge Heavy Equipment | 83          | 84          | 94          | 95          | 95          |
| County Roads (miles)            | 461         | 450         | 453         | 476         | 477.5       |
| Bridges                         | 58          | 58          | 58          | 63          | 59          |

Note: Implementation of GASB 34 was in 2003. Therefore, the information only reflects five years of data.

(1) The Sheriff's Administration and maximum security jail facility are located in the courthouse.



**INDEPENDENT AUDITORS' REPORTS ON  
COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING  
SEPTEMBER 30, 2007**



# Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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 Randy Sims, County Judge  
and the Honorable County Commissioners  
Brazos County, Texas

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, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 19, 2008. 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.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

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

We noted certain matters that we reported to management of the County in a separate letter dated March 19, 2008.

This report is intended solely for the information and use of management, the audit committee, Commissioners' Court, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Bryan, Texas  
March 19, 2008

A handwritten signature in cursive script that reads "Ingram, Wallis & Company". The signature is written in dark ink and is positioned to the right of the typed date.



# Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

To the Honorable Randy Sims, County Judge  
and the Honorable County Commissioners  
Brazos County, Texas

## Compliance

We have audited the compliance of Brazos County, Texas (the "County") with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* and the *State of Texas Single Audit Circular* that are applicable to each of its major federal and state programs for the year ended September 30, 2007. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State of Texas Single Audit Circular*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal 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. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended September 30, 2007. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with

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James D. Ingram, III | Thomas A. Wallis | James D. Ingram, IV | Richard L. Webb

Jennifer A. Stillman • Melissa M. Suehs • Donald B. Browning • Diana K. Wagner • Rosanne P. Ely • Teja Templeton

OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2007-01 and 2007-02.

### Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as 2007-01 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the audit committee, Commissioners' Court, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Bryan, Texas  
March 19, 2008

*Johnson, Wallis; Canyon*

**BRAZOS COUNTY, TEXAS**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended September 30, 2007**

| Federal CFDA Number                                    | Federal Grantor/Pass-Through Grantor/Program Title | Pass-Through Grantor/State Number | Program/Award Amount | Accounts Receivable (Payable) October 1, 2006 | Receipts   | Expenditures | Grant Funds Refunded in 2007 | Accounts Receivable (Payable) September 30, 2007 |
|--|--|-----------------------------------|----------------------|---|------------|--------------|------------------------------|--|
| <u>U. S. Department of Justice</u>                     |  |                                   |                      |   |            |              |                              |  |
| 16.738   | Edward Byrne Memorial Justice Assistance Grant     | 2005-DJ-BX-0351                   | 23,056               | \$ --   | \$ 23,056  | \$ 23,056    | \$ --                        | --   |
| 16.738   | Edward Byrne Memorial Justice Assistance Grant     | 2006-DJ-BX-0107                   | 17,818               | --  | 17,818     | 16,373       | --                           | (1,445)  |
| 16.607   | Bulletproof Vest Partnership Program               | 2002                              | 217                  | 217   | 217        | --           | --                           | --   |
| 16.607   | Bulletproof Vest Partnership Program               | 2004                              | 4,826                | 4,826   | 4,826      | --           | --                           | --   |
| 16.607   | Bulletproof Vest Partnership Program               | 2005                              | 1,804                | 1,804   | 1,804      | --           | --                           | --   |
| 16.606   | State Criminal Alien Assistance Program            | 2007-AP-BX-0723                   | 92,405               | --  | 82,882     | 92,445       | --                           | 9,563  |
|  |  | 07/01/04-06/30/05                 |                      |   |            |              |                              |  |
| 16.606   | State Criminal Alien Assistance Program            | 2008-AP-BX-0229                   | 81,211               | --  | --         | 81,211       | --                           | 81,211   |
|  |  | 07/01/05-06/30/06                 |                      |   |            |              |                              |  |
|  |  |                                   |                      | 6,847   | 130,603    | 213,085      | --                           | 89,329   |
| <u>Passed through Office of the Governor of Texas,</u> |  |                                   |                      |   |            |              |                              |  |
| <u>Criminal Justice Division</u>                       |  |                                   |                      |   |            |              |                              |  |
| 16.738   | CLEAR Team   | DJ-05-A10-18448-01                | 743,777              | 222,275                                       | 525,605    | 396,238      | --                           | 92,908   |
|  |  | 04/01/06-09/30/07                 |                      |   |            |              |                              |  |
|  |  |                                   |                      | 222,275                                       | 525,605    | 396,238      | --                           | 92,908   |
| <u>U. S. Department of Transportation</u>              |  |                                   |                      |   |            |              |                              |  |
| <u>Passed through State Department of</u>              |  |                                   |                      |   |            |              |                              |  |
| <u>Highways and Public Transportation</u>              |  |                                   |                      |   |            |              |                              |  |
| 20.205   | Metropolitan Planning Organization                 | 507XXF0024                        | 394,092              | --  | 234,285    | 266,191      | --                           | 31,906   |
| 20.205   | Metropolitan Planning Organization                 | 506XXF0024                        | 355,387              | 41,605  | 41,605     | --           | --                           | --   |
| 20.600   | Comprehensive Underage Drinking Education Program  | 587XXF5002                        | 50,000               | --  | 28,493     | 38,032       | --                           | 9,539  |
| 20.600   | Comprehensive Underage Drinking Education Program  | 586XXF5002                        | 50,000               | 14,381  | 14,381     | --           | --                           | --   |
| 20.600   | Comprehensive Underage Drinking Education Program  | 585XXF5009                        | 50,000               | 45  | 45         | --           | --                           | --   |
| 20.205   | Local Rail Economic Feasibility & Location Study   | 2000-014                          | 1,131,345            | 67,882  | --         | --           | --                           | 67,882   |
|  |  |                                   |                      | 123,913                                       | 318,809    | 304,223      | --                           | 109,327  |
| <u>Federal Election Assistance Commission</u>          |  |                                   |                      |   |            |              |                              |  |
| <u>Passed through Secretary of State of Texas</u>      |  |                                   |                      |   |            |              |                              |  |
| 39.011   | Help America Vote Act - County Education Fund      |                                   | 9,000                | 779   | 779        | 962          | --                           | 962  |
| 90.401   | Help America Vote Act - General HAVA Compliance    |                                   | 1,132,036            | 167,169                                       | 167,169    | --           | --                           | --   |
| 39.011   | Help America Vote Act - TEAM Compatibility         |                                   | 8,000                | --  | 5,707      | 8,000        | --                           | 2,293  |
|  |  |                                   |                      | \$ 167,948                                    | \$ 173,655 | \$ 8,962     | \$ --                        | \$ 3,255   |



**BRAZOS COUNTY, TEXAS**  
**Schedule of Expenditures of Federal and State Awards (Continued)**  
**For the Year Ended September 30, 2007**

| State Grant or Program Title   | Federal CFDA Number | Pass-Through Grantor/State Number    | Program/Award Amount | Accounts Receivable (Payable) |                    | Receipts     | Expenditures | Grant Funds Refunded in 2007 | Accounts Receivable (Payable) September 30, 2007 |
|--|---------------------|--------------------------------------|----------------------|-------------------------------|--------------------|--------------|--------------|------------------------------|--|
|  |                     |                                      |                      | October 1, 2006               | September 30, 2007 |              |              |                              |  |
| <u>Texas Juvenile Probation Commission</u>   |                     |                                      |                      |                               |                    |              |              |                              |  |
| State Aid  | N/A                 | TJPC-A-2007-021<br>09/01/06-08/31/07 | 119,859              | \$ 7,486                      | \$ 112,373         | \$           | \$           | --                           | --   |
| State Aid  | N/A                 | TJPC-A-2008-021<br>09/01/07-08/31/08 | 119,859              | --                            | 6,787              | --           | 6,787        | --                           | 6,787  |
| Community Corrections Assistance Program   | N/A                 | TJPC-Y-2007-021<br>09/01/06-08/31/07 | 198,024              | 11,878                        | 186,146            | 198,024      | 186,146      | --                           | --   |
| Community Corrections Assistance Program   | N/A                 | TJPC-Y-2008-021<br>09/01/07-08/31/08 | 198,024              | --                            | 10,505             | --           | 10,505       | --                           | 10,505   |
| State Supplement   | N/A                 | TJPC-Z-2007-021                      | 123,975              | 7,001                         | 106,302            | 123,975      | 106,302      | 10,672                       | --   |
| State Supplement   | N/A                 | TJPC-Z-2008-021<br>09/01/07-08/31/08 | 123,975              | --                            | 6,331              | --           | 6,331        | --                           | 6,331  |
| JJAEP  | N/A                 | TJPC - P - 2007 - 021                | 11,146               | (13,929)                      | 16,520             | 2,591        | 16,520       | --                           | --   |
| JJAEP  | N/A                 | TJPC - P - 2008 - 021                | 11,146               | --                            | 1,106              | --           | 1,106        | --                           | 1,106  |
| Progressive Sanctions Juvenile Probation Officers  | N/A                 | TJPC-F-2007-021<br>09/01/06-08/31/07 | 94,104               | 10,217                        | 83,887             | 94,104       | 83,887       | --                           | --   |
| Progressive Sanctions Juvenile Probation Officers  | N/A                 | TJPC-F-2008-021<br>09/01/07-08/31/08 | 94,104               | --                            | 11,139             | --           | 11,139       | --                           | 11,139   |
| Progressive Sanctions Level 1-2-3 Program  | N/A                 | TJPC-G-2007-021<br>09/01/06-08/31/07 | 38,525               | --                            | 38,525             | 38,525       | 38,525       | --                           | --   |
| Progressive Sanctions ISJPO  | N/A                 | TJPC-O-2007-021<br>09/01/06-08/31/07 | 27,240               | 2,401                         | 24,839             | 27,240       | 24,839       | --                           | --   |
| Progressive Sanctions ISJPO  | N/A                 | TJPC-O-2008-021<br>09/01/07-08/31/08 | 27,240               | --                            | 2,879              | --           | 2,879        | --                           | 2,879  |
| <u>Office of Attorney General</u><br>VINE Program  | N/A                 | 06-05834<br>09/01/06-08/31/07        | 30,108               | --                            | 30,108             | 30,108       | 30,108       | --                           | --   |
| <u>Texas Commission on Environmental Quality</u><br>Passed through Brazos Valley Council of Governments<br>Regional Solid Waste Grants Program | N/A                 | 06-13-G02<br>3/3/2006-7/31/2007      | 16,036               | --                            | 14,859             | 14,859       | 14,859       | --                           | --   |
| Total State Assistance   |                     |                                      |                      | 25,054                        | 652,306            | 649,285      | 652,306      | 10,672                       | 38,747   |
| Total Federal and State Assistance   |                     |                                      |                      | \$ 1,048,545                  | \$ 2,446,970       | \$ 2,565,922 | \$ 2,446,970 | \$ 10,672                    | \$ 940,265                                       |

BRAZOS COUNTY, TEXAS  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2007

SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

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

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

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

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

SUMMARY OF NON-CASH ASSISTANCE

The County receives non-cash assistance in the form of commodities from the U.S. Department of Health and Human Services passed through the Texas Department of Human Services. In fiscal year ended September 30, 2007, the County received \$1,687 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 INSURANCE 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 - CONTINUED  
FOR THE YEAR ENDED SEPTEMBER 30, 2007

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2007-01      Criteria – When employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages need to be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. The certifications need to be prepared at least semi-annually and signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

Condition – During testing of payroll for the Edward Byrne Memorial Justice Assistance (CLEAR) grant and the Highway Planning & Construction grant for the Brazos County MPO, we noted that certifications that employees worked solely on a single Federal award were not obtained on at least a semi-annual basis.

Recommendation - We recommend that certifications be performed on at least a semi-annual basis when employees are expected to spend their time working solely on a single Federal award in order to comply with OMB Circular A-87.

2007-02      Criteria – Costs charged to a grant need to be for actual costs and need to be adequately documented.

Condition – During testing of expenditures charged to the Edward Byrne Memorial Justice Assistance grant, we found where vehicle insurance was charged to the grant based on a spreadsheet calculation of costs per vehicle. When insurance costs per vehicle were agreed to amounts per policy documentation, we found that incorrect cost amounts were used in the spreadsheet calculation resulting in an overcharge to the grant of \$1,846.58.

Recommendation – We recommend that all amounts to be charged to a grant be vouched to supporting documentation of actual costs before requesting reimbursement for charges.

BRAZOS COUNTY, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006  
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

- 2006-01      Criteria – Expenditures charged to grant must be incurred during period of availability.
- Condition - During review of invoice, we noted long distance phone charges totaling \$45.38 charged to the Edward Byrne Memorial Justice Assistance (CLEAR) grant that were not incurred during the grant period of availability.
- Recommendation - We recommend that all expenditures be reviewed for incurrence in proper period of availability prior to submission of the reimbursement request.
- Status - This recommendation has been implemented and the condition has been resolved. Current year request for reimbursement was reduced by the \$45.38 as instructed by CJD.



