

BRAZOS COUNTY, TEXAS

Comprehensive Annual Financial Report

For The Year Ended September 30, 2009



Prepared by:

Katie Conner, C. P. A.
County Auditor



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

200 East S. Texas Avenue – Suite 218
Bryan, Texas 77803
(979) 361-4350
Fax (979) 361-4188
Email: Auditor@co.brazos.tx.us

March 12, 2010

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 Wassermann, Commissioner, Precinct 1
Duane Peters, Commissioner, Precinct 2
G. Kenny Mallard Jr., Commissioner, Precinct 3
Irma Cauley, 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, 2009, 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, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used, and evaluating the overall financial statement presentation. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of Brazos County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are contained in 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 19 years the population in the County has grown 37% and the Texas State Data Center is projecting the population to increase up to 10% from now until the year 2015.

In September 2009, Brazos County had an unemployment estimate of 5,758 persons which represents a rate of 6.2% compared to a Texas statewide unemployment rate of 8.2% for the same month. The current labor force figures for the County as established by the Texas Workforce Commission are 92,900 of which 87,142 are currently employed.

The following schedule is an estimate of the number of employees and the corresponding percentage per industry as of September 2009.

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	34,100	37%
Trade, Transportation and Utilities	12,900	14%
Education and Health Services	10,600	11%
Leisure and Hospitality	10,000	11%
Natural Resources, Mining and Construction	7,300	8%
Professional and Business Services	5,600	6%
Manufacturing	5,000	5%
Financial Activities	3,300	4%
Other Services	3,000	3%
Information	<u>1,100</u>	<u>1%</u>
TOTAL	<u>92,900</u>	<u>100%</u>

Source: Texas Workforce Commission

From September 2008 to September 2009 the area has lost approximately 1,300 jobs in nonagricultural industries. The largest loss has been in the trade, transportation and utilities jobs (1,000 jobs) and manufacturing jobs (1,100 jobs). The largest growth has been in the state, local, federal government jobs (600 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 more than \$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 System based in Brazos County has more than \$2 billion overall economic impact on the county each year.

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.

Brazos County is a member of the Research Valley Partnership (the RVP, www.researchvalley.org), a private non-profit economic development corporation dedicated to promoting the seven county area surrounding Brazos County and the cities of Bryan and College Station. The RVP focuses its efforts on creating jobs and new 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 59 companies and organizations in selecting the RVP as a site for new and expanding facilities. These companies have created more than 10,598 direct and indirect jobs with \$2.25 billion salaries created. The economic impact of the RVP also includes about \$812 million in retail sales generated and \$270 million in property added to local tax rolls, as well as expansion of \$39 million in residential properties. 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:

September 2009 – A \$100 million research building, the largest construction in Texas A&M history, opened on September 24, 2009. The 220,000 square-foot building will house more than 30 laboratories, a gathering spot for researchers and several core facilities, including the Microscopy and Imaging Center and the X-Ray Diffraction Laboratory.

April 2009 – The RVP and Arena Clean Energy collaborate to make the Brazos Valley a leader in clean energy. By “Clean Energy”, Arena will seek to target and encompass wind, solar, ethanol,

biofuels, fuel cell, tidal, hydro and other emerging technologies for power generation, improved energy storage and transportation as well as more efficient technologies associated with traditional fossil fuels.

March 2009 – Governor Rick Perry has announced the state will invest \$50 million through the Texas Emerging Technology Fund (ETF) in the Texas A&M University System (TAMUS) to create the National Center for Therapeutics Manufacturing (NCTM). The center will be an international destination for research and development of medications to combat diseases such as cancer, diabetes and influenza, and will serve as a model for future national facilities that will protect the nation from bio-terror threats and attacks.

CAPITAL IMPROVEMENT PROGRAM

In 2009, 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 2009, the County continued construction of county roads to connect major thoroughfares. The County upgraded and reconstructed the County roads during the year at a cost of over \$3.8 million dollars and expended over \$6.3 million dollars in maintaining the 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 2009 to include \$9.5 million (includes personnel services, supplies and other charges, repairs and maintenance, minor acquisitions, contract services, and professional services) for routine maintenance, and \$4.1 million for improvements and upgrades.

The jail expansion project is in progress. 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 was started in February 2008 and is expected to be completed by the fall of 2010. The County issued \$55 million general obligation bonds in May 2008 to fund the project.

The County started the Expo Center expansion project in December 2008. The project is designed to increase the capacity of the Expo Center to handle national events that have expressed interest in coming to the Brazos Valley. The expansion will build a second covered arena, a stall barn, covered walkways between buildings, a covered warm-up area for horse shows and other events, additional parking and more offices. The County issued \$12 million Certificates of Obligation, Series 2009 in November 2009 to fund the project. The County has been collecting Hotel Occupancy Tax since fiscal year 2007. The tax revenue is to be used for the promotion of the Expo Center, the coverage of excess capital expenses in the Expo Center Expansion Fund and the debt service expenses on the Certificates of Obligation, Series 2009 in the Debt Service Fund. The construction will be completed by the summer of 2010.

The County also started the courthouse renovation in fiscal year 2009. The project will have three phases and is expected to be completed in 2011. The estimated cost in 2010 is about \$6 million to cover phase I and part of phase II. Once the renovation is finished, the courthouse building will

house three district courts, two county courts, the County Attorney's Office, the District Attorney's Office, the County Clerk's Office and the District Clerk's Office.

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. At September 30, 2009, the County has \$3.4 million reserved in the Debt Service Fund to meet future obligations. For the 2009-2010 fiscal year the County's debt service portion of its property tax rate is \$0.0834 per \$100 valuation, which represents a \$0.0021 increase from the rate of 2008-2009 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, 2009, the County had cash and cash equivalents of \$77.8 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, 2009, the County also had approximately \$4.4 million of agency funds invested in money market and time deposits and \$2.3 million invested in a state wide investment pool. During the fiscal year, the County earned approximately \$0.6 million interest over the funds invested, a decrease from fiscal year 2008 due to the effect of the overall decreasing interest rates.

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, 2009, 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,



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, 2008

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.



A stylized, handwritten signature in black ink.

President

A handwritten signature in black ink, reading "Jeffrey R. Emer".

Executive Director

BRAZOS COUNTY, TEXAS
PRINCIPAL OFFICIALS
September 30, 2009

Commissioners' Court:

Randy Sims	County Judge
Lloyd Wassermann	Commissioner, Precinct 1
Duane Peters	Commissioner, Precinct 2
G. Kenny Mallard, Jr.	Commissioner, Precinct 3
Irma Cauley*	Commissioner, Precinct 4

District Court:

J. D. Langley	Judge, 85th Judicial District
Travis Bryan, III	Judge, 272nd Judicial District
Steve Smith	Judge, 361st Judicial District

County Court-at-Law:

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

Law Enforcement and Correction:

Christopher C. Kirk	Sheriff
Rodney Anderson	County Attorney
Bill Turner	District Attorney
Doug Vance *	Chief Juvenile Probation Officer
Arlene Parchman *	Chief Adult Probation Officer

Financial Administration:

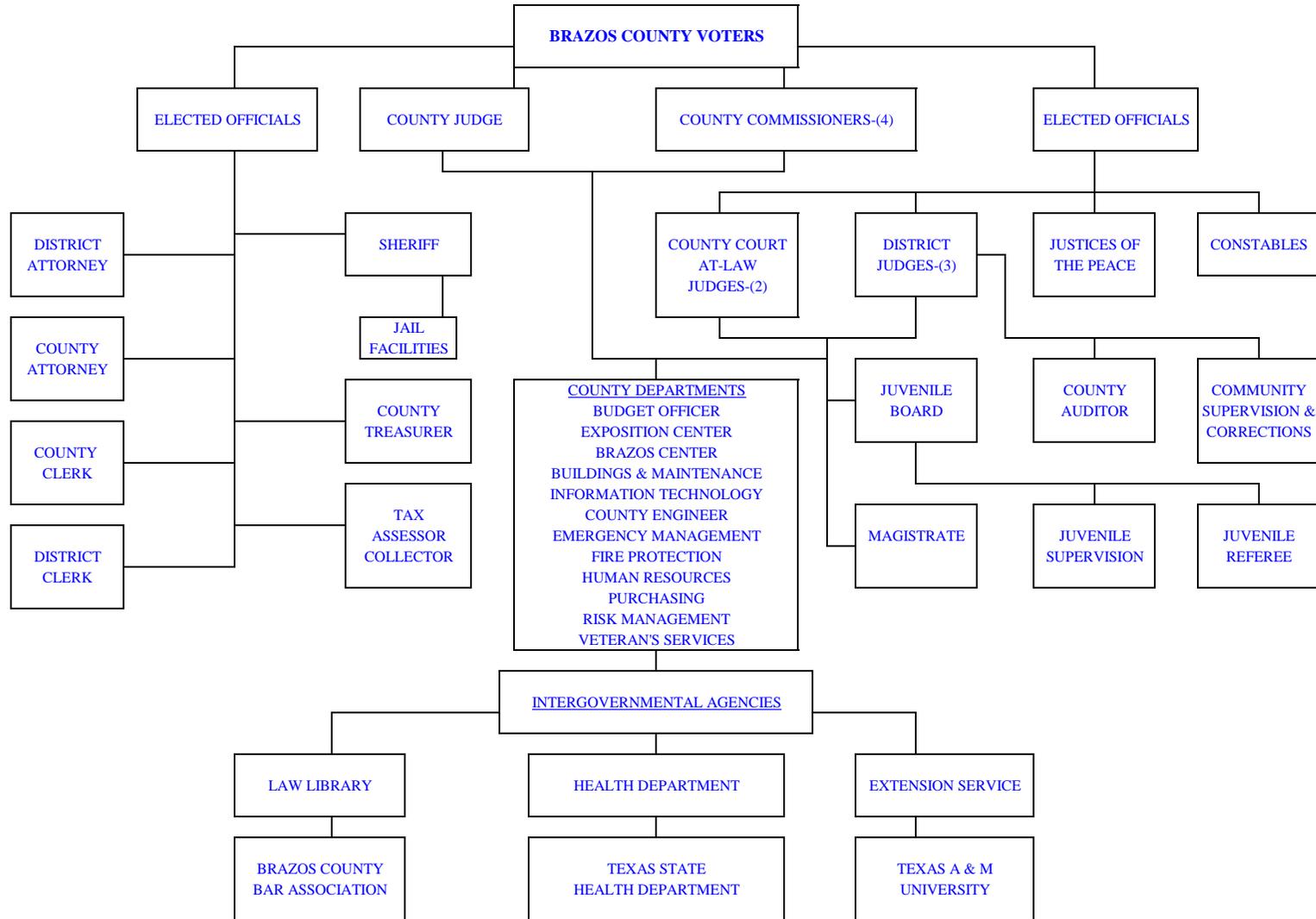
Kay Hamilton	Treasurer
Kristeen Roe	Tax Assessor-Collector
Katie Conner *	Auditor

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, 2009, 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 opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 2009, 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 report dated March 12, 2010, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in

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James D. Ingram, III Thomas A. Wallis James D. Ingram, IV Richard L. Webb
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accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, retirement system information and budgetary comparison information on pages 14 through 27 and 71 through 87, 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 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 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 of the County. The supplementary information as listed in the table of contents and the schedule of federal and state awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are 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 12, 2010

Dreyfus, Wallis & Company

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) For the Year Ending September 30, 2009

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, 2009. 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, 2009 by \$125,100,850, and are reported as total net assets of the primary government. This is comparable to the previous year when assets exceeded liabilities by \$123,409,641.
- The government-wide total net assets increased \$1,691,209 during the fiscal year ending September 30, 2009. The increase can be attributed to governmental activities (\$1,690,285) and to business-type activities (\$924).
- Total net assets of the primary government are comprised of the following:

<u>Net Assets by Category</u>	<u>September 30, 2009</u>	<u>% to Total</u>	<u>September 30, 2008</u>	<u>% to Total</u>
Capital Assets, Net of Related Debt	56,965,793	45%	21,611,253	18%
Restricted Net Assets	7,322,778	6%	6,420,810	5%
Unrestricted Net Assets	60,812,279	49%	95,377,578	77%
Total Net Assets	<u>125,100,850</u>	<u>100%</u>	<u>123,409,641</u>	<u>100%</u>

Fund Financial Statements

- As of September 30, 2009, the County governmental funds reported combined fund balances of \$70,333,225. This reflects a decrease of \$26,052,369 from the previous fiscal year, primarily due to the \$26,781,584 spent on the jail expansion project. Approximately 85% of the combined fund balances at September 30, 2009 (\$59,683,983) 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 \$28,183,999 or 46% of the General Fund's total expenditures and 44% of the revenues.
- The total fund balance for the nonmajor governmental funds was \$8,612,676 at September 30, 2009. Of this amount, \$3,853,157 is reserved for grant programs and the remaining \$4,759,519 is unreserved and designated for capital projects.

FINANCIAL HIGHLIGHTS (Continued)

Long-Term Debt

The total debt retired during the year was \$3,540,000, or 3.6% 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 28 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General, Debt Service, and Jail Expansion, 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 42-70 of this report.

Required Supplementary Information is presented concerning the County's General Fund budgetary schedule. The schedule, which includes the original and final amended budget and actual figures, has been provided to demonstrate compliance with this budget. Also presented in this section are the Schedule of Funding Progress for Other Post Employment Benefits and the Schedule of Funding Progress for Texas County and District Retirement System. The condition assessment information for county roads and bridges can also be found in this section. Required supplementary information can be found on pages 71-87 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 88-133 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 \$125,100,850 for fiscal year 2009 and \$123,409,641 for fiscal year 2008.

Condensed Statement of Net Assets September 30, 2009

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Current and other assets	\$ 89,991,954	\$ 404,008	\$ 90,395,962
Capital assets, net	151,779,417	26,502	151,805,919
Total assets	<u>241,771,371</u>	<u>430,510</u>	<u>242,201,881</u>
Current and other liabilities	14,073,040	27,837	14,100,877
Long-term liabilities	102,999,562	592	103,000,154
Total liabilities	<u>117,072,602</u>	<u>28,429</u>	<u>117,101,031</u>
Net assets:			
Invested in capital assets, net of related debt	56,939,291	26,502	56,965,793
Restricted net assets	7,322,778	-	7,322,778
Unrestricted net assets	60,436,700	375,579	60,812,279
Total net assets	<u>\$ 124,698,769</u>	<u>\$ 402,081</u>	<u>\$ 125,100,850</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Condensed Statement of Net Assets September 30, 2008

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Current and other assets	\$ 111,365,385	\$ 445,216	\$ 111,810,601
Capital assets, net	120,019,090	10,243	120,029,333
Total assets	<u>231,384,475</u>	<u>455,459</u>	<u>231,839,934</u>
Current and other liabilities	9,957,911	54,302	10,012,213
Long-term liabilities	98,418,080	-	98,418,080
Total liabilities	<u>108,375,991</u>	<u>54,302</u>	<u>108,430,293</u>
Net assets:			
Invested in capital assets, net of related debt	21,601,010	10,243	21,611,253
Restricted net assets	6,420,810	-	6,420,810
Unrestricted net assets	94,986,664	390,914	95,377,578
Total net assets	<u>\$ 123,008,484</u>	<u>\$ 401,157</u>	<u>\$ 123,409,641</u>

The largest portion of the County's current fiscal year net assets represents unrestricted net assets, which may be used to meet the County's ongoing obligations to citizens and creditors. The unrestricted net assets are \$60,812,279 (49% of the total net assets), which reflects a decrease of \$34,565,299 over the prior year mainly due to the construction in progress on the jail expansion project and Expo Center expansion project.

Another significant portion of the County's current fiscal year net assets reflects 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 2009 are \$56,965,793, which consists of 45% of the total net assets for the primary government. It increased \$35,354,540 over the prior year, which is due primarily to the construction in progress on the jail expansion project and Expo Center expansion project.

The remaining balance of \$7,322,778 represents resources that are subject to external restrictions on how they may be used, which consists of 6% of the total net assets of the County's governmental activities. The net increase of restricted net assets of \$901,968 is mainly due to the hotel occupancy taxes collection during the year, which is expected to be used for Expo Center expansion and marketing in fiscal year 2010.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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 \$1.7 million from the prior year, which consisted of a \$1,690,285 increase in governmental activities and \$924 increase in business-type activities.

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

**Condensed Statement of Activities
For the Year Ended September 30, 2009**

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 12,295,700	\$ 467,781	\$ 12,763,481
Operating grants and contributions	2,959,642	-	2,959,642
Capital grants and contributions	294,527	-	294,527
General revenues:			
Property taxes	47,182,845	-	47,182,845
Sales taxes	11,225,816	-	11,225,816
Motor vehicle taxes	1,259,992	-	1,259,992
Mixed drink taxes	528,915	-	528,915
Hotel occupancy taxes	1,075,806	-	1,075,806
Unrestricted investment earnings	593,961	1,827	595,788
Gain on sale of capital assets	54,503	-	54,503
Total revenues	<u>77,471,707</u>	<u>469,608</u>	<u>77,941,315</u>
Expenses:			
General Government	16,266,899	-	16,266,899
Justice System	15,654,079	33,681	15,687,760
Law Enforcement	20,208,475	435,003	20,643,478
Juvenile Services	5,933,794	-	5,933,794
Public Transportation	6,226,814	-	6,226,814
Public Health	2,206,618	-	2,206,618
Human Services	5,176,330	-	5,176,330
Interest and Other Fees	4,108,413	-	4,108,413
Total expenses	<u>75,781,422</u>	<u>468,684</u>	<u>76,250,106</u>
Change in net assets	1,690,285	924	1,691,209
Net assets - beginning	<u>123,008,484</u>	<u>401,157</u>	<u>123,409,641</u>
Net assets - ending	<u>\$124,698,769</u>	<u>\$ 402,081</u>	<u>\$ 125,100,850</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**Condensed Statement of Activities
For the Year Ended September 30, 2008**

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 11,112,812	\$ 468,890	\$ 11,581,702
Operating grants and contributions	3,579,957	-	3,579,957
Capital grants and contributions	3,129,863	-	3,129,863
General revenues:			
Property taxes	41,847,095	-	41,847,095
Sales taxes	11,396,068	-	11,396,068
Motor vehicle taxes	1,288,958	-	1,288,958
Mixed drink taxes	491,078	-	491,078
Hotel occupancy taxes	1,102,929	-	1,102,929
Unrestricted investment earnings	1,936,657	7,207	1,943,864
Total revenues	<u>75,885,417</u>	<u>476,097</u>	<u>76,361,514</u>
Expenses:			
General Government	15,690,144	-	15,690,144
Justice System	13,128,593	33,905	13,162,498
Law Enforcement	15,731,013	367,270	16,098,283
Juvenile Services	4,557,144	-	4,557,144
Public Transportation	5,410,967	-	5,410,967
Public Health	1,948,410	-	1,948,410
Human Services	4,028,992	-	4,028,992
Interest and Other Fees	2,895,119	-	2,895,119
Total expenses	<u>63,390,382</u>	<u>401,175</u>	<u>63,791,557</u>
Transfers	1,450	(1,450)	-
Change in net assets	12,496,485	73,472	12,569,957
Net assets - beginning	<u>110,511,999</u>	<u>327,685</u>	<u>110,839,684</u>
Net assets - ending	<u>\$123,008,484</u>	<u>\$ 401,157</u>	<u>\$ 123,409,641</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Revenue Analysis

For fiscal year ended September 30, 2009, revenues for the primary government totaled \$77,941,315. The revenues are categorized by activity type: governmental activities totaled \$77,471,707 and business-type activities totaled \$469,608.

Program revenues are derived from the program itself and thereby reduce the cost of the function to the County. Total program revenues were \$16,017,650, and 20% of total revenues. The largest portion of program revenues is charges for services of \$12,763,481 (16% of the total revenues). Of that \$12,295,700 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 \$467,781, which represents primarily commissary sales to the inmates held in County jails. The other portions of program revenues are operating grants and contributions of \$2,959,642 received from various federal, state, and local agencies. During the year the County accepted capital contributions of \$142,273 from local developers and individuals and capital grants of \$152,254 from various federal, state and local agencies.

General revenues are revenues that cannot be assigned to a specific function. Property taxes were the largest revenue source for governmental activities and 61% of total revenues. The tax rate was \$0.4800 per \$100 of assessed value for fiscal year 2009 and \$0.4650 for fiscal year 2008. The assessed value increased in tax year 2009 to \$10,762,638,113 from the assessed value in the prior tax year of \$10,172,482,136. Besides the property taxes, the general revenues also consist of sales taxes, motor vehicle taxes, mixed drink taxes, hotel occupancy taxes, investment earnings and gain on sale of capital assets, which in total are 19% of the total revenues.

	<u>Year Ended</u> <u>September 30, 2009</u>		<u>Year Ended</u> <u>September 30, 2008</u>	
<u>Program Revenues</u>				
Charges for services - governmental	\$ 12,295,700	15.7%	\$ 11,112,812	14.6%
Charges for services - business-type	467,781	0.6%	468,890	0.6%
Operating grants and contributions	2,959,642	3.8%	3,579,957	4.7%
Capital grants and contributions	294,527	0.4%	3,129,863	4.1%
<u>General Revenues</u>				
Property taxes	47,182,845	60.5%	41,847,095	54.8%
Sales taxes	11,225,816	14.4%	11,396,068	14.9%
Motor vehicle taxes	1,259,992	1.6%	1,288,958	1.7%
Mixed drink taxes	528,915	0.7%	491,078	0.6%
Hotel occupancy taxes	1,075,806	1.4%	1,102,929	1.4%
Unrestricted investment earnings	595,788	0.8%	1,943,864	2.6%
Gain on sale of capital assets	54,503	0.1%	-	0.0%
Total Revenues	\$ 77,941,315	100.0%	\$ 76,361,514	100.0%

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Revenue Analysis (Continued)

In fiscal year of 2009, the County's revenues increased by \$1.6 million, or 2.1 percent. The key elements of this increase are as follows:

- Property tax revenue increased \$5.3 million mainly due to the Commissioners' Court approving a tax rate increase by \$0.015 or 3.2 percent for fiscal year 2009 over 2008. In addition, there was a 5.8 percent increase in the County's taxable assessed property values.
- Capital grants and contributions decreased \$2.8 million chiefly due to the fact that the County didn't accept as many roads contributed from local developers and individuals as the prior year.
- The unrestricted investment earnings decreased \$1.4 million from the prior year due to the very low interest rate.
- The charges for services increased \$1.2 million and the operating grants and contributions the County received decreased \$0.6 million.

Expense Analysis

For the year ended September 30, 2009, the function and program costs for the primary government were \$75,781,422 for the governmental activities and \$468,684 for the business-type activities. A comparative overview of expenses for the County's primary government for the current and previous year is as follows:

	<u>Year Ended</u> <u>September 30, 2009</u>		<u>Year Ended</u> <u>September 30, 2008</u>	
<u>Function</u>				
General Government	\$16,266,899	21.5%	\$ 15,690,144	24.7%
Justice System	15,654,079	20.7%	13,128,593	20.7%
Law Enforcement	20,208,475	26.7%	15,731,013	24.8%
Juvenile Services	5,933,794	7.8%	4,557,144	7.2%
Public Transportation	6,226,814	8.2%	5,410,967	8.5%
Public Health	2,206,618	2.9%	1,948,410	3.1%
Human Services	5,176,330	6.8%	4,028,992	6.4%
Interest and Other Fees	4,108,413	5.4%	2,895,119	4.6%
Total Governmental Activities	<u><u>\$75,781,422</u></u>	<u><u>100.0%</u></u>	<u><u>\$ 63,390,382</u></u>	<u><u>100.0%</u></u>
<u>Business-Type Activities</u>				
County Attorney	33,681	7.2%	33,905	8.5%
Jail Commissary	435,003	92.8%	367,270	91.5%
Total Business-Type Activities	<u><u>\$ 468,684</u></u>	<u><u>100.0%</u></u>	<u><u>\$ 401,175</u></u>	<u><u>100.0%</u></u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Expense Analysis (Continued)

In fiscal year 2009, the County's expenses increased \$12.5 million or 19.0 percent. The key elements of the increase are as follows:

- Salaries and benefits increased \$2.6 million mainly due to the County-wide cost-of-living salary increase of 5.0 percent.
- Depreciation expense increased \$0.4 million as a result of the increase in the County's capital assets.
- The County reported the net OPEB obligation of \$8.0 million as a result of the first-year implementation of GASB 45.
- The operating expenses, including department support costs, maintenance costs, contract services costs and minor requisition costs, increased \$1.9 million during the year.
- The \$1.2 million increase in interests and fees is directly related to the \$55,000,000 debt issuance in May 2008.
- In contrast to the loss of \$1.6 million in fiscal year 2008, the County didn't report any loss as a result of annexation of roads in fiscal year 2009.

FINANCIAL ANALYSIS OF MAJOR FUNDS

The County's major general governmental functions are contained in the General, Special Revenue, Debt Service, and Capital Project Funds. 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, 2009, the County's governmental funds reported combined fund balances of \$70,333,225, a decrease of \$26,052,369 or 27% in comparison with the prior year. The change was primarily due to the construction in progress expenditure for the jail expansion project. Approximately \$59,683,983 (85%) 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 50, Note 1- O).

The General Fund

The General Fund is the chief operating fund of the County. At September 30, 2009, the General Fund reported a net fund balance decrease of \$3,390,726. The General Fund total fund balance is \$31,551,196 for the fiscal year of which \$3,367,197 is reserved for prepaid expenditures, inventories and various programs. The remaining \$28,183,999 is unreserved, but \$2,767,788 is designated for Health Endowment Fund.

FINANCIAL ANALYSIS OF FUNDS (Continued)

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 2009, the fund balance increased \$597,510 or 21.1% from fiscal year 2008. This increase represents the realization of excess of ad valorem taxes over debt-related expenditures. During the year ended September 30, 2009, the County retired principal on its outstanding bonded debt of \$3,540,000.

For fiscal year 2010 the County's debt service requirements for the governmental activities are \$4,320,000 in principal and \$3,947,933 in interest. Additional information is available to the readers in Note 8 (Long-Term Debt) to the Financial Statements.

The Jail Expansion Fund

The County issued general obligation bonds of \$55,000,000 for the jail expansion project 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 started in February 2008 and is expected to be completed by 2011. At the end of fiscal year 2009, the total fund balance for the fund was \$26,740,465.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County adopts an annual budget for the General Fund. Budget amounts represent the original budget for 2009 as subsequently amended by the Commissioners' Court. Budgets are adopted on a basis consistent with GAAP (modified accrual basis). Budget variances are not expected to impact future services or liquidity.

The following table summarizes General Fund budgeted and actual amounts for fiscal year 2009:

Brazos County, Texas
FY 2009 General Fund Budget Vs. Actual Amounts - GAAP Basis

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>Revenues and Transfers In</u>			
Taxes	\$ 50,830,000	\$ 50,830,000	\$ 50,840,879
Charges for Services	9,701,500	9,703,201	10,579,665
Intergovernmental	1,233,430	1,257,584	1,470,468
Interest	1,065,000	1,065,000	263,248
Other	332,100	332,100	629,481
Sale of Capital Assets	40,000	40,000	48,404
Total	<u>63,202,030</u>	<u>63,227,885</u>	<u>63,832,145</u>
<u>Expenditures and Transfers Out</u>			
Expenditures	65,865,984	69,801,775	61,388,590
Transfers Out	5,560,686	5,869,140	5,834,281
Total	<u>71,426,670</u>	<u>75,670,915</u>	<u>67,222,871</u>
Net Change in Fund Balance	<u>\$ (8,224,640)</u>	<u>\$ (12,443,030)</u>	<u>\$ (3,390,726)</u>

GENERAL FUND BUDGETARY HIGHLIGHTS (Continued)

Differences between the original budget and the final amended budget reflected an increase of \$25,855 in available resources. Differences between the original budget and the final amended budget resulted in \$3,935,791 (5.9%) increase in appropriations.

Actual revenues and transfers in did not change significantly for the final budget, coming in only 0.9 percent (\$563,075) over the final budget. However, actual expenditures and transfers out were 11.2 percent (\$8,448,044) under the final budget. This is primarily due to the employee turnover (\$2.4 million), the Road & Bridge Department's contingency (\$2.0 million) and restrained spending of various departments (\$4.2 million).

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, 2009, amounted to \$151,805,919 (net of accumulated depreciation) and at September 30, 2008 it was \$120,029,333. Depreciation on capital assets is recognized in the government-wide financial statements. Depreciation provided for the current fiscal period was \$3,593,847 as compared to \$3,235,284 for the year ended September 30, 2008.

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

- In fiscal year 2009, the County spent \$26.8 million on the Jail Expansion project, which started in February 2008 and is expected to be completed by the fall of 2010. The estimated total cost of the project is about \$55 million.
- The County started the Expo Center Expansion project in December 2008 and a Certificate of Obligation of \$12 million was issued in November 2009 to fund the project.
- Approximately \$3.4 million in infrastructure were added during the year.

The County has elected to use the "Modified Approach" as defined by GASB 34 for reporting infrastructure assets, which include 472 miles of roads and 60 bridges. The County has adopted a minimum condition level of 80% for all County roads. In fiscal year 2009 over 98% of the County roads meet the targeted condition level. For the year ended September 30, 2009, the actual amounts of expense incurred for the annual maintenance and preservation of the roads and bridges at the targeted condition level is \$6.4 million and the amount estimated to be necessary for the purpose is \$9.5 million. The \$3.1 million variance is due to the delays in the acquisition of right-of-way, road preparation and weather delays.

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)

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

	Balance	Balance
	September 30, 2009	September 30, 2008
Governmental Activities:		
Land	\$ 11,822,036	\$ 11,430,407
Construction in progress	32,995,392	4,043,382
Infrastructure	49,253,232	45,857,586
Buildings	63,128,452	62,432,942
Improvements other than buildings	5,298,963	5,273,157
Machinery and equipment	19,980,046	18,754,064
	182,478,121	147,791,538
Less: Accumulated depreciation	(30,698,704)	(27,772,448)
Governmental activities capital assets, net	\$ 151,779,417	\$ 120,019,090
Business-type activities:		
Machinery and equipment	\$ 32,729	\$ 13,893
	32,729	13,893
Less: Accumulated depreciation	(6,227)	(3,650)
Business-type activities capital assets, net	\$ 26,502	\$ 10,243

Long-Term Debt

At September 30, 2009, the County had total long-term debt outstanding of \$94,140,000 as compared to \$97,680,000 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 fiscal year 2010 budget on August 21, 2009. The budget was adopted based on anticipated resources and estimated uses in fiscal year 2010. The total available resources for all funds are anticipated to be \$149,700,000. For the County's General Fund total resources are estimated to be \$75,200,000 including the appropriated fund balance of \$12,400,000.

ECONOMIC FACTORS (Continued)

For fiscal year 2010, the property tax rate will remain \$0.4800 per \$100 valuation as fiscal year 2009. 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 2009 was 6.2%. This is an unfavorable increase from the prior year rate of 4.1%. However the number of people employed with Brazos County increased by 12 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, 200 S. Texas Avenue, Suite 218, Bryan, Texas, 77803.

BASIC FINANCIAL STATEMENTS

BRAZOS COUNTY, TEXAS
STATEMENT OF NET ASSETS
September 30, 2009

	Governmental Activities	Business-Type Activities	TOTAL
ASSETS			
Cash and Cash Equivalents	\$ 74,114,284	\$ 377,572	\$ 74,491,856
Investments	2,338,472	-	2,338,472
Prepaid Expenses	1,448,670	-	1,448,670
Receivables, net of allowance for uncollectible amounts			
Taxes	2,839,162	-	2,839,162
Accounts and Other	4,963,986	112	4,964,098
Inventories	691,847	20,935	712,782
Internal Balances	(5,389)	5,389	-
Restricted Assets			
Cash and Cash Equivalents	3,321,107	-	3,321,107
Receivables			
Taxes	274,834	-	274,834
Accounts and Other	4,981	-	4,981
Capital Assets (net of accumulated depreciation)			
Land	11,822,036	-	11,822,036
Buildings	47,393,873	-	47,393,873
Improvements Other than Buildings	1,004,890	-	1,004,890
Machinery and Equipment	9,309,994	26,502	9,336,496
Infrastructure	49,253,232	-	49,253,232
Construction in Progress	32,995,392	-	32,995,392
TOTAL ASSETS	\$ 241,771,371	\$ 430,510	\$ 242,201,881

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

BRAZOS COUNTY, TEXAS
STATEMENT OF NET ASSETS - Continued
September 30, 2009

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>TOTAL</u>
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 10,268,441	\$ 21,904	\$ 10,290,345
Accrued Salaries and Wages	1,593,011	3,563	1,596,574
Accrued Interest Payable	332,803	-	332,803
Unclaimed Funds	211,046	-	211,046
Unearned Revenue	1,002,417	-	1,002,417
Liabilities for Compensated Absences	665,322	2,370	667,692
Noncurrent Liabilities			
Due within one year	4,487,620	592	4,488,212
Due in more than one year	98,511,942	-	98,511,942
TOTAL LIABILITIES	<u>117,072,602</u>	<u>28,429</u>	<u>117,101,031</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	56,939,291	26,502	56,965,793
Restricted for:			
Debt Service	4,181,157	-	4,181,157
Boonville Cemetery	7,952	-	7,952
Exposition Center Expansion	919,440	-	919,440
Justice System Support	1,180,282	-	1,180,282
Law Enforcement Support	413,376	-	413,376
Other Purposes	620,571	-	620,571
Unrestricted	60,436,700	375,579	60,812,279
TOTAL NET ASSETS	<u>\$ 124,698,769</u>	<u>\$ 402,081</u>	<u>\$ 125,100,850</u>

BRAZOS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2009

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Governmental Activities:			
General Government	\$ 16,266,899	\$ 2,809,396	\$ -
Justice System	15,654,079	6,683,452	662,369
Law Enforcement	20,208,475	800,126	299,401
Juvenile Services	5,933,794	81,834	1,075,481
Public Transportation	6,226,814	1,185,490	351,190
Public Health	2,206,618	28,807	161,037
Human Services	5,176,330	706,595	410,164
Interest and Other Fees	4,108,413	-	-
Total Governmental Activities	<u>75,781,422</u>	<u>12,295,700</u>	<u>2,959,642</u>
Business-Type Activities:			
County Attorney	33,681	36,911	-
Jail Commissary	435,003	430,870	-
Total Business-Type Activities	<u>468,684</u>	<u>467,781</u>	<u>-</u>
Total Government	<u>\$ 76,250,106</u>	<u>\$ 12,763,481</u>	<u>\$ 2,959,642</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

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.

Program Revenues	Net (Expense) Revenue and Changes in Net Assets		
	Capital Grants and Contributions	Governmental Activities	Business - Type Activities
\$ -	\$ (13,457,503)	\$ -	\$ (13,457,503)
-	(8,308,258)	-	(8,308,258)
16,346	(19,092,602)	-	(19,092,602)
-	(4,776,479)	-	(4,776,479)
147,273	(4,542,861)	-	(4,542,861)
-	(2,016,774)	-	(2,016,774)
130,908	(3,928,663)	-	(3,928,663)
-	(4,108,413)	-	(4,108,413)
<u>294,527</u>	<u>(60,231,553)</u>	<u>-</u>	<u>(60,231,553)</u>
-	-	3,230	3,230
-	-	(4,133)	(4,133)
-	-	(903)	(903)
<u>\$ 294,527</u>	<u>(60,231,553)</u>	<u>(903)</u>	<u>(60,232,456)</u>
	47,182,845	-	47,182,845
	11,225,816	-	11,225,816
	1,259,992	-	1,259,992
	528,915	-	528,915
	1,075,806	-	1,075,806
	593,961	1,827	595,788
	54,503	-	54,503
	<u>61,921,838</u>	<u>1,827</u>	<u>61,923,665</u>
	1,690,285	924	1,691,209
	<u>123,008,484</u>	<u>401,157</u>	<u>123,409,641</u>
	<u>\$ 124,698,769</u>	<u>\$ 402,081</u>	<u>\$ 125,100,850</u>

BRAZOS COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2009

	Major Funds	
	General	Debt Service
ASSETS		
Cash and Cash Equivalents	\$ 30,989,609	\$ 3,321,107
Investments	2,338,472	-
Prepaid Expenditures	510,229	-
Receivables:		
Taxes	2,575,732	267,775
Officials	209,250	3,733
Interest	17,353	1,248
Accounts	308,049	-
State	609,488	-
Federal	132,238	-
Due From Other Funds	644,159	96,300
Inventories	691,847	-
TOTAL ASSETS	\$ 39,026,426	\$ 3,690,163
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 3,158,061	\$ -
Accrued Salary and Compensated Leave	1,538,188	-
Unclaimed Funds	-	-
Due To Other Funds	101,931	-
Deferred Revenues	2,677,050	261,275
Total Liabilities	7,475,230	261,275
Fund Balances:		
Reserved		
For Debt Service	-	3,428,888
For Prepaid Expenditures	510,229	-
For Inventories	691,847	-
For Vital Statistics	29,406	-
For Boonville Cemetery	7,952	-
For Research Valley	321,654	-
For Title IV-E	901,968	-
For Indigent Health Care	904,141	-
For Special Purpose Programs	-	-
Unreserved		
Designated for Capital Project Funds	-	-
Designated for Health Endowment Fund	2,767,788	-
Undesignated	25,416,211	-
Total Fund Balances	31,551,196	3,428,888
TOTAL LIABILITIES AND FUND BALANCES	\$ 39,026,426	\$ 3,690,163

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

<u>Major Funds (Continued)</u> <u>Jail</u> <u>Expansion</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
\$ 32,197,241	\$ 8,845,748	\$ 75,353,705
-	-	2,338,472
-	9,018	519,247
-	-	2,843,507
-	-	212,983
12,984	1,789	33,374
-	119,487	427,536
-	838,122	1,447,610
-	-	132,238
-	242	740,701
-	-	691,847
<u>\$ 32,210,225</u>	<u>\$ 9,814,406</u>	<u>\$ 84,741,220</u>
\$ 5,469,760	\$ 198,444	\$ 8,826,265
-	54,822	1,593,010
-	211,046	211,046
-	644,159	746,090
-	93,259	3,031,584
<u>5,469,760</u>	<u>1,201,730</u>	<u>14,407,995</u>
-	-	3,428,888
-	-	510,229
-	-	691,847
-	-	29,406
-	-	7,952
-	-	321,654
-	-	901,968
-	-	904,141
-	3,853,157	3,853,157
26,740,465	4,759,519	31,499,984
-	-	2,767,788
-	-	25,416,211
<u>26,740,465</u>	<u>8,612,676</u>	<u>70,333,225</u>
<u>\$ 32,210,225</u>	<u>\$ 9,814,406</u>	<u>\$ 84,741,220</u>

BRAZOS COUNTY, TEXAS
RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
September 30, 2009

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

Total fund balances--governmental funds	\$	70,333,225
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		151,779,417
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.		4,269,658
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.		1,384,733
Liabilities for compensated absences are due within one year but are not reported as liabilities in the funds.		(831,653)
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	(1,289)	
Bonds payable	(94,140,000)	
Deferred charge for issuance cost (to be amortized as interest expense)	929,423	
Issuance premium (to be amortized as interest expense)	(698,837)	
Accrued interest payable	(332,803)	
OPEB Obligation	<u>(7,993,105)</u>	
		<u>(102,236,611)</u>
Total net assets--governmental activities	\$	<u>124,698,769</u>

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, 2009

	Major Funds	
	General	Debt Service
REVENUES		
Taxes	\$ 50,840,879	\$ 8,114,534
Charges for Services	10,579,665	-
Intergovernmental	1,470,468	-
Interest	263,248	26,450
Other Revenue	629,481	-
TOTAL REVENUES	63,783,741	8,140,984
EXPENDITURES		
Current		
General Government	12,611,200	-
Justice System	13,285,297	-
Law Enforcement	15,535,972	-
Juvenile Services	3,712,357	-
Public Transportation	6,349,394	-
Public Health	2,187,971	-
Human Services	3,549,855	-
Capital Outlay	4,156,544	-
Debt Service		
Principal Retirement	-	3,540,000
Interest and Other Fees	-	4,099,774
TOTAL EXPENDITURES	61,388,590	7,639,774
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,395,151	501,210
OTHER FINANCING SOURCES (USES)		
Transfers In	-	96,300
Transfers Out	(5,834,281)	-
Sale of Capital Assets	48,404	-
TOTAL OTHER FINANCING SOURCES (USES)	(5,785,877)	96,300
Net Change in Fund Balances	(3,390,726)	597,510
FUND BALANCES, OCTOBER 1	34,941,922	2,831,378
FUND BALANCES, SEPTEMBER 30	\$ 31,551,196	\$ 3,428,888

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

<u>Major Funds (Continued)</u> <u>Jail</u> <u>Expansion</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
\$ -	\$ 1,075,806	\$ 60,031,219
-	591,416	11,171,081
-	1,620,420	3,090,888
278,085	26,178	593,961
-	306	629,787
<u>278,085</u>	<u>3,314,126</u>	<u>75,516,936</u>
-	116,688	12,727,888
-	430,347	13,715,644
-	829,815	16,365,787
-	1,140,990	4,853,347
-	323,183	6,672,577
-	-	2,187,971
-	411,736	3,961,591
26,781,584	2,785,982	33,724,110
-	-	3,540,000
-	-	4,099,774
<u>26,781,584</u>	<u>6,038,741</u>	<u>101,848,689</u>
<u>(26,503,499)</u>	<u>(2,724,615)</u>	<u>(26,331,753)</u>
-	6,068,733	6,165,033
-	(330,752)	(6,165,033)
-	230,980	279,384
-	5,968,961	279,384
<u>(26,503,499)</u>	<u>3,244,346</u>	<u>(26,052,369)</u>
53,243,964	5,368,330	96,385,594
<u>\$ 26,740,465</u>	<u>\$ 8,612,676</u>	<u>\$ 70,333,225</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, 2009

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

Net change in fund balances--total governmental funds	\$	(26,052,369)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount that expenditures for capital outlay exceeded depreciation expense.</p>		
Capital outlay	35,429,205	
Acceptance of subdivision roads from other governmental entity	147,273	
Depreciation expense	<u>(3,591,270)</u>	31,985,208
Revenues and contributed assets in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(281,493)
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.		(67,701)
The OPEB obligation per GASB 45 are accrued at the government-wide level but not at the fund level. This is the current year change in those liabilities, reported as expense in the statement of activities.		(7,993,105)
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.		3,546,965
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.		<u>552,780</u>
Change in net assets of governmental activities	\$	<u>1,690,285</u>

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, 2009

	Business - Type Activities - Enterprise Funds			Governmental Activities
	County Attorney	Jail Commissary	Totals	Internal Service Fund
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 72,249	\$ 305,323	\$ 377,572	\$ 2,081,686
Accounts Receivable	-	112	112	22,637
Inventories	-	20,935	20,935	-
Due From Other Funds	953	4,436	5,389	-
Total Current Assets	73,202	330,806	404,008	2,104,323
Noncurrent Assets				
Property, Plant and Equipment	-	32,729	32,729	-
Less: Accumulated Depreciation	-	(6,227)	(6,227)	-
Total Noncurrent Assets	-	26,502	26,502	-
TOTAL ASSETS	73,202	357,308	430,510	2,104,323
LIABILITIES				
Current Liabilities				
Accounts Payable	-	21,904	21,904	714,401
Accrued Salaries and Wages	1,146	2,417	3,563	-
Liability for Compensated Absences	-	2,962	2,962	-
Deferred Revenues	-	-	-	5,189
TOTAL LIABILITIES	1,146	27,283	28,429	719,590
NET ASSETS				
Invested in Capital Assets	-	26,502	26,502	-
Unrestricted	72,056	303,523	375,579	1,384,733
TOTAL NET ASSETS	\$ 72,056	\$ 330,025	\$ 402,081	\$ 1,384,733

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, 2009

	Business - Type Activities - Enterprise Funds			Governmental Activities
	County Attorney	Jail Commissary	Totals	Internal Service Fund
OPERATING REVENUES				
Charges for Services	\$ 36,911	\$ -	\$ 36,911	\$ -
Commissary Sales	-	430,036	430,036	-
Employee Dependents	-	-	-	1,184,220
Self Pays	-	-	-	18,446
Excess Risk Benefits	-	-	-	98,403
Participant Payments	-	-	-	311,666
Brazos County	-	-	-	4,775,404
Retirees	-	-	-	146,845
Other Revenue	-	834	834	-
TOTAL OPERATING REVENUES	36,911	430,870	467,781	6,534,984
OPERATING EXPENSES				
Personnel Services	33,022	91,358	124,380	-
Departmental Support	659	68,509	69,168	-
Cost of Goods Sold	-	239,173	239,173	-
Repairs & Maintenance	-	-	-	-
Life Insurance	-	-	-	29,415
Stop Loss Premiums	-	-	-	868,796
Benefit Claims	-	-	-	4,783,432
Administrative Fees	-	-	-	292,795
Professional Services	-	33,386	33,386	18,000
Depreciation	-	2,577	2,577	-
TOTAL OPERATING EXPENSES	33,681	435,003	468,684	5,992,438
OPERATING INCOME (LOSS)	3,230	(4,133)	(903)	542,546
NONOPERATING REVENUES				
Interest	-	1,827	1,827	10,234
TOTAL NONOPERATING REVENUES	-	1,827	1,827	10,234
CHANGE IN NET ASSETS	3,230	(2,306)	924	552,780
TOTAL NET ASSETS - OCTOBER 1	68,826	332,331	401,157	831,953
TOTAL NET ASSETS - SEPTEMBER 30	\$ 72,056	\$ 330,025	\$ 402,081	\$ 1,384,733

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, 2009

	Business - Type Activities - Enterprise Funds			Governmental Activities
	County	Jail	Totals	Internal Service Fund
	Attorney	Commissary		
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 38,331	\$ 426,957	\$ 465,288	\$ 1,661,123
Receipts from interfund services provided	-	-	-	4,775,404
Payments to contractors and vendors	(659)	(362,553)	(363,212)	(1,225,986)
Claims paid	-	-	-	(4,642,050)
Payments to employees for services	(32,718)	(90,862)	(123,580)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>4,954</u>	<u>(26,458)</u>	<u>(21,504)</u>	<u>568,491</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	-	2,224	2,224	11,545
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>-</u>	<u>2,224</u>	<u>2,224</u>	<u>11,545</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	-	(18,836)	(18,836)	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>-</u>	<u>(18,836)</u>	<u>(18,836)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,954	(43,070)	(38,116)	580,036
CASH AND CASH EQUIVALENTS, OCTOBER 1	<u>67,295</u>	<u>348,393</u>	<u>415,688</u>	<u>1,501,650</u>
CASH AND CASH EQUIVALENTS, SEPTEMBER 30	<u>\$ 72,249</u>	<u>\$ 305,323</u>	<u>\$ 377,572</u>	<u>\$ 2,081,686</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 3,230	\$ (4,133)	\$ (903)	\$ 542,546
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	-	2,577	2,577	-
(Increase) Decrease in accounts receivable	-	471	471	(9,975)
(Increase) Decrease in due from other funds	1,457	(4,384)	(2,927)	-
Decrease in inventory	-	5,151	5,151	-
Increase (Decrease) in accounts payable	-	(26,636)	(26,636)	37,152
Increase in accrued salaries and compensated absences	267	496	763	-
(Decrease)in deferred revenues	-	-	-	(1,232)
Total adjustments	<u>1,724</u>	<u>(22,325)</u>	<u>(20,601)</u>	<u>25,945</u>
Net cash provided (used) by operating activities	<u>\$ 4,954</u>	<u>\$ (26,458)</u>	<u>\$ (21,504)</u>	<u>\$ 568,491</u>

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, 2009

ASSETS	
Cash and Cash Equivalents	\$ 4,375,308
Investments	1,238,100
TOTAL ASSETS	<u><u>\$ 5,613,408</u></u>
LIABILITIES	
Funds Held in Trust	\$ 5,613,408
TOTAL LIABILITIES	<u><u>\$ 5,613,408</u></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, 2009

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 three major funds under this category for the year ended September 30, 2009:

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.

Jail Expansion – This fund is established to account for the construction of the expanded jail facility. The project started in February 2008 and is expected to be completed by the fall of 2010.

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. Implementation of New Standards

In fiscal year 2009, the County implemented the following new standard:

GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions" ("GASB 45"), provides guidance on all aspects of OPEB reporting by employers. Currently the County has established a post employment healthcare plan for qualified full-time regular employees that retire after January 1, 2000. By implementing the Statement, the County measures and recognizes the cost of OPEB during the periods when employees render the services and provides relevant information about OPEB obligations and the extent to which progress is being made in funding those obligations. The impact of the implementation of GASB 45 will be discussed in detail in Note 13-B.

GASB Statement 49, "Accounting and Financial Reporting for Pollution Remediation Obligations" ("GASB 49"), provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts. Implementation of GASB 49 did not have an impact on the County's financial statements for the year ended September 30, 2009.

GASB Statement 52, "Land and Other Real Estate Held as Investments by Endowments" ("GASB 52"), established consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. Implementation of GASB 52 did not have an impact on the County's financial statements for the year ended September 30, 2009.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. 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.

G. 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).

H. Interfund Transactions

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

I. 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, 2009. Accordingly, there are no current taxes receivable reported. On July 1, unpaid taxes are subject to additional penalties and collection expenses.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Property Taxes (Continued)

Taxes have been reported in the government-wide financial statements net of the allowance for uncollectible taxes. At the governmental fund level, taxes are recognized as revenue when they become available and the amount not yet available (not collectible within sixty days) has been reported as deferred revenue. For the year ended September 30, 2009, the tax rate to finance general governmental services was \$0.3987 per \$100.00 valuation. The tax rate for the payment of principal and interest on long-term debt was \$0.0813 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.

J. Inventories and Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2009, 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.

K. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets (Continued)

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

Buildings and improvements	20 - 40 years
Machinery and equipment	3 - 10 years

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.

L. Compensated Absences

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

All employees except temporary employees of the County are granted vacation benefits in varying annual amounts up to a maximum allowable accumulation of 240 hours. Sick leave benefits are earned by all employees except temporary employees at a rate up to twelve days per year and may be accumulated without limit. In the event of termination, an employee is entitled to receive accumulated vacation pay but not the accumulated sick leave pay. 80% of the vacation payable is accrued as "liability for compensated absences" in the government-wide statements at year-end, while 20% is reported as a "noncurrent liability due within one year". 80% is classified as a current liability because the County's policy requires that the vacation hours accumulated from the previous year must be used up first in the current year and 20% represents the maximum possibly accrued in the prior year but not used up in the current year.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. 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.

N. 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 expense is reported in activities of the general government.

O. 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 \$200,000 for anticipated program needs during the 2009-2010 fiscal year and has designated \$567,789 available for future programs.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Policy and Procedures

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

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

- Departmental annual budget requests are submitted by the department head to the budget officer during the third quarter of the current fiscal year, for the fiscal year beginning October 1.
- The County Auditor prepares an estimate of available resources for the coming fiscal year and presents the estimates to the budget officer by July 15 each year.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgetary Policy and Procedures (Continued)

- 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.

	Original Budgeted Expenditures and Other Financing Uses	Supplemental Appropriations	Original As Amended
General Fund	\$ 71,426,670	\$ 4,718,414	\$ 76,145,084
Special Revenue	6,670,152	(4,098)	6,666,054
Debt Service	7,840,000	-	7,840,000
Capital Projects	64,585,678	784,575	65,370,253
Totals	\$ 150,522,500	\$ 5,498,891	\$ 156,021,391

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

A. Cash and Cash Equivalents

Chapter 2257 of the Texas Government Code, also known as the Public Funds Collateral Act, provides guidelines for the amount of collateral that is required to secure the deposit of public funds. It requires that the deposit of public funds be collateralized in an amount not less than the total deposit, reduced by the amount of Federal Depository insurance (FDIC) available. The County's depository agreement with Citibank requires collateralization with a fair market value equal to at least 102 percent of County funds in excess of \$250,000 on deposit in the bank. At September 30, 2009, the carrying amounts of the County's deposits were \$77,812,963, reported as "Cash and Cash Equivalents" on the balance sheets.

B. Investments

The County is authorized to invest its funds in accordance with the Texas Public Funds Act, Government Code Chapter 2256 and its subsequent amendments. The County's investment policy is strictly based on the State law. During the year ended September 30, 2009, County investments consisted of participation in TexPool solely. TexPool is a local government investment pool under the oversight of the State Comptroller of Public Accounts of Texas.

Interest-Rate Risk. TexPool's portfolio has low interest rate risk due to restrictions on weighted average maturity and maximum maturity of any one investment. It maintains the weighted average maturity at sixty (60) days or less and no security will exceed thirteen (13) months in maturity.

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

Investments at September 30, 2009 are as follows:

Pooled Investments	\$ 2,338,472
Property	<u>1,238,100</u>
Total Investments	<u>\$ 3,576,572</u>

The \$2,338,472 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:

	General	Debt Service	Jail Expansion	Nonmajor	Jail Commissary	Internal Service	Total
Taxes	\$ 2,575,732	\$267,775	\$ -	\$ -	\$ -	\$ -	\$ 2,843,507
Officials	209,250	3,733	-	-	-	-	212,983
Interest	17,353	1,248	12,984	1,789	112	-	33,486
Accounts	308,049	-	-	119,487	-	839	428,375
State	609,488	-	-	838,122	-	21,798	1,469,408
Federal	132,238	-	-	-	-	-	132,238
Total Receivable	\$ 3,852,110	\$272,756	\$12,984	\$959,398	\$ 112	\$22,637	\$ 5,119,997

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NOTE 5 – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2009 was as follows:

	Balance at September 30, 2008	Additions	Deletions & Adjustments	Balance at September 30, 2009
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 11,430,407	\$ 371,584	\$ 20,045	\$ 11,822,036
Construction in progress	4,043,382	30,175,436	(1,223,426)	32,995,392
Infrastructure	45,857,586	3,396,646	(1,000)	49,253,232
Total capital assets, not being depreciated	<u>61,331,375</u>	<u>33,943,666</u>	<u>(1,204,381)</u>	<u>94,070,660</u>
Capital assets, being depreciated:				
Buildings	62,432,942	695,510	-	63,128,452
Improvements other than buildings	5,273,157	25,806	-	5,298,963
Machinery and equipment	18,754,064	2,064,696	(838,714)	19,980,046
Total capital assets, being depreciated	<u>86,460,163</u>	<u>2,786,012</u>	<u>(838,714)</u>	<u>88,407,461</u>
Less accumulated depreciation for:				
Buildings	(14,160,955)	(1,573,624)	-	(15,734,579)
Improvements other than buildings	(4,059,479)	(234,594)	-	(4,294,073)
Machinery and equipment	(9,552,014)	(1,783,052)	665,014	(10,670,052)
Total accumulated depreciation	<u>(27,772,448)</u>	<u>(3,591,270)</u>	<u>665,014</u>	<u>(30,698,704)</u>
Total capital assets, being depreciated, net	<u>58,687,715</u>	<u>(805,258)</u>	<u>(173,700)</u>	<u>57,708,757</u>
Governmental activities capital assets, net	<u>\$ 120,019,090</u>	<u>\$ 33,138,408</u>	<u>\$ (1,378,081)</u>	<u>\$ 151,779,417</u>
<u>Business-type activities:</u>				
Capital assets, being depreciated:				
Machinery and equipment	\$ 13,893	\$ 18,836	\$ -	\$ 32,729
Total capital assets, being depreciated	<u>13,893</u>	<u>18,836</u>	<u>-</u>	<u>32,729</u>
Less accumulated depreciation for:				
Machinery and equipment	(3,650)	(2,577)	-	(6,227)
Total accumulated depreciation	<u>(3,650)</u>	<u>(2,577)</u>	<u>-</u>	<u>(6,227)</u>
Total capital assets, being depreciated, net	<u>10,243</u>	<u>16,259</u>	<u>-</u>	<u>26,502</u>
Business-type activities capital assets, net	<u>\$ 10,243</u>	<u>\$ 16,259</u>	<u>\$ -</u>	<u>\$ 26,502</u>

NOTE 5 – CAPITAL ASSETS (Continued)

Depreciation expense for FY 2009 was charged to functions as follows:

Governmental Activities:	
General Government	\$ 619,985
Justice System	290,882
Law Enforcement	1,095,360
Juvenile Services	216,679
Public Transportation	482,831
Public Health	18,647
Human Services	866,886
	<hr/>
Total depreciation expense - governmental activities	\$ 3,591,270
	<hr/>

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 \$185,876. At September 30, 2009, 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 1st, 2009. 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 thirty non-cancelable operating leases for the use of photocopying equipment. The leases are for a 48 to 60 month period. Expenditures for these operating leases were \$132,285 in 2009. The County has also entered into one non-cancelable operating lease for facility rental with a 5-year term. Expenditures for this lease were \$13,920 in 2009. The future minimum lease payments for these leases are as follows:

<u>Year Ended September 30,</u>	<u>Amount</u>
2010	\$ 132,875
2011	114,603
2012	91,423
2013	57,967
2014	<u>4,270</u>
Total	<u>\$ 401,138</u>

B. Capital Leases

The County currently has one capital lease agreement for the purchase of an electronic monitoring system. Payments during the fiscal year ended September 30, 2009 totaled \$15,604. Interest rate is 10% per annum for the electronic monitoring system. The following is a summary of capital lease transactions for the year ended September 30, 2009:

	<u>Beginning</u>			<u>Ending</u>	<u>Due Within</u>
<u>Governmental Activities:</u>	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>One Year</u>
Capital Leases	\$ 15,958	-	14,669	\$ 1,289	\$ 1,289

As of September 30, 2009, the County had recorded equipment under capital lease obligations of approximately \$1,300, net of accumulated depreciation.

<u>Asset Under Capital Lease:</u>	<u>Governmental</u>
	<u>Activities</u>
Equipment	\$ 123,840
Less: Accumulated Depreciation	<u>(122,540)</u>
Total	<u>\$ 1,300</u>

Future minimum payments, including interest under this capital lease are:

2010	<u>\$ 1,300</u>
Total Minimum Lease Payments	1,300
Less Amount Representing Interest	<u>(11)</u>
Total Present Value of Net Minimum Lease Payment	<u>\$ 1,289</u>

NOTE 8 - LONG-TERM DEBT

The following are debt issues with activity or outstanding balances at September 30, 2009:

Description	Original Amount	Interest Rates (%)	Year of Issue	Year of Maturity	Outstanding at 9/30/09
<u>Certificates of Obligation</u>					
Series 1998 - Various	10,000,000	4.63	1998	2013	\$ 3,870,000
Series 2001 - Judicial Software	1,000,000	3.4 - 5.5	2001	2009	-
Series 2002 - Various	2,995,000	2.8 - 3.85	2002	2013	815,000
Series 2003 - Various	10,000,000	2.5 - 4.55	2003	2023	7,700,000
Series 2004 - Various	5,000,000	2.6 - 4.55	2004	2024	4,400,000
Series 2005 - Various	2,750,000	3.25 - 3.75	2005	2015	1,755,000
<u>Limited Tax Refunding Bonds</u>					
Series 2005 - Debt Refunding	6,005,000	4.0	2005	2016	4,630,000
<u>Limited Tax Bond</u>					
Series 2008 - Jail Expansion	55,000,000	3.25 - 5.0	2008	2028	55,000,000
<u>General Obligation Bonds</u>					
Series 2001 - Exposition Center	8,000,000	4.3 - 6.5	2001	2021	6,230,000
Series 2005 - Exposition Center	10,500,000	4.0 - 6.0	2005	2025	9,740,000
Total Certificate of Obligation and Bonds Payable					<u>\$ 94,140,000</u>

Activity for long-term debt of the County for the year ended September 30, 2009 was as follows:

Description	Balance Outstanding 10/1/2008	Issued During Year	Retired During Year	Balance Outstanding 9/30/2009	Amount Due Within One Year
<u>Certificates of Obligation</u>					
Series 1998 - Various	\$ 4,900,000	\$ -	\$ 1,030,000	\$ 3,870,000	\$ 1,095,000
Series 2001 - Judicial Software	125,000	-	125,000	-	-
Series 2002 - Various	1,045,000	-	230,000	815,000	230,000
Series 2003 - Various	8,120,000	-	420,000	7,700,000	430,000
Series 2004 - Various	4,605,000	-	205,000	4,400,000	215,000
Series 2005 - Various	2,015,000	-	260,000	1,755,000	270,000
<u>Limited Tax Refunding Bonds</u>					
Series 2005 - Debt Refunding	5,185,000	-	555,000	4,630,000	580,000
<u>Limited Tax Bond</u>					
Series 2008 - Jail Expansion	55,000,000	-	-	55,000,000	640,000
<u>General Obligation Bonds</u>					
Series 2001 - Exposition Center	6,610,000	-	380,000	6,230,000	400,000
Series 2005 - Exposition Center	10,075,000	-	335,000	9,740,000	460,000
Total Certificate of Obligation and Bonds Payable	<u>\$ 97,680,000</u>	<u>\$ -</u>	<u>\$ 3,540,000</u>	<u>\$ 94,140,000</u>	<u>\$ 4,320,000</u>

NOTE 8 - LONG-TERM DEBT (Continued)

Annual debt service requirements as of September 30, 2009 are as follows:

Fiscal Year	Principal	Interest	Total
2010	4,320,000	3,947,933	8,267,933
2011	4,640,000	3,768,261	8,408,261
2012	5,290,000	3,577,024	8,867,024
2013	5,485,000	3,387,511	8,872,511
2014-2018	25,385,000	13,999,474	39,384,474
2019-2023	26,655,000	8,838,001	35,493,001
2024-2028	22,365,000	3,013,364	25,378,364
Totals	<u>\$ 94,140,000</u>	<u>\$ 40,531,568</u>	<u>\$134,671,568</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 liquidated its arbitrage rebate liability of \$98,864 in December, 2008.

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 vacation hours earned but not taken. 80% of the cost is reported as a current liability to the County and 20% is reported as noncurrent liability due within one year in the governmental-wide financial statements.

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, 2009, were as follows:

	Balance Outstanding September 30, 2008	Earned	Taken/ Paid	Balance Outstanding September 30, 2009	Amount Due Within One Year
Governmental Activities	\$ 763,952	\$ 1,674,359	\$ (1,606,658)	\$ 831,653	\$ 831,653
Business-type Activities	2,859	2,551	(2,448)	2,962	2,962
Total	<u>\$ 766,811</u>	<u>\$ 1,676,910</u>	<u>\$ (1,609,106)</u>	<u>\$ 834,615</u>	<u>\$ 834,615</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, 2009:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 101,931	\$ 644,159
Debt Service Fund	-	96,300
Nonmajor Governmental Funds	644,159	242
County Attorney Enterprise Fund	-	953
Jail Commissary Enterprise Fund	-	4,436
Total	<u>\$ 746,090</u>	<u>\$ 746,090</u>

The summary of the County’s transfers for the year ended September 30, 2009 is as follows:

	<u>Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<u>Transfer Out:</u>			
General Fund	\$ 96,300	\$ 5,737,981	\$ 5,834,281
Nonmajor Governmental Fund	-	330,752	330,752
	<u>\$ 96,300</u>	<u>\$ 6,068,733</u>	<u>\$ 6,165,033</u>

The General Fund transferred out a net of \$5,152,394 to the Capital Improvement Fund and \$585,587 to other nonmajor governmental funds for anticipated expenditures in various capital improvements, grant matching and other requirements. It also transferred \$96,300 to Debt Service Fund on the anticipated debt principal and interest payment for Expo Center expansion. In addition, \$330,752 was transferred from the Hotel & Occupancy Tax Fund to the Expo Center Expansion Fund to cover the expenditures incurred before the debt issuance.

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 \$4,697,593, and \$3,929,717 for 2009 and 2008 respectively. At September 30, 2009, the County had accrued \$602,428 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 2008 and 2009 were as follows:

	Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Paid	Balance at Fiscal Year End
2008	\$464,725	3,929,717	3,829,557	564,885
2009	546,885	4,697,593	4,642,050	602,428

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, 2009, 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 2009. For 2010, the County’s rate is anticipated to increase to 11.93%. The employee’s member contribution rate remained at 7.00% for 2009.

C. Annual Pension Cost

For the County’s fiscal year ending September 30, 2009, the County’s annual pension cost for the TCDRS plan for its employees was \$3,340,775. The County’s annual required contributions were \$3,340,775, and the County’s actual contributions were \$3,340,775. The County’s annual pension cost for the fiscal year ended September 30, 2008, was \$3,098,290.

NOTE 12 - RETIREMENT PLAN (Continued)

C. Annual Pension Cost (Continued)

The annual required contribution for 2009 was actuarially determined as a percent of the covered payroll of the participating employees, and was in compliance with the GASB Statement No. 27 parameters based on the actuarial valuation as of December 31, 2006, and December 31, 2007, which is the basis for determining the contribution rate for calendar year 2008 and 2009 respectively. The December 31, 2008 actuarial valuation is the most recent valuation.

Actuarial valuation date	<u>12/31/06</u>	<u>12/31/07</u>	<u>12/31/08</u>
Actuarial cost method	Entry Age	Entry Age	Entry Age
Amortization method	Level percentage of payroll, closed	Level percentage of payroll, closed	Level percentage of payroll, closed
Remaining amortization period	12.8 years	11.1 years	20.0 years
Asset valuation method	SAF: 10-year smoothed value ESF: Fund value	SAF: 10-year smoothed value ESF: Fund value	SAF: 10-year smoothed value ESF: Fund value
Actuarial assumptions:			
Investment return	8.0%	8.0%	8.0%
Projected salary increases	5.3%	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

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
09/30/07	\$ 2,761,603	100%	None
09/30/08	\$ 3,098,290	100%	None
09/30/09	\$ 3,340,775	100%	None

Schedule of Funding

Actuarial Valuation Date	12/31/2008
Actuarial Value of Assets	\$72,672,746
Actuarial Accrued Liability (AAL)	\$91,172,263
Unfunded Actuarial Accrued Liability (UAAL)	\$18,499,517
Funded Ratio	79.71%
Annual Covered Payroll (Actuarial)	\$29,841,851
UAAL as Percentage of Covered Payroll	61.99%

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

NOTE 13 - OTHER 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, 2009, 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

The County implemented the requirements of GASB Statement No. 45 by applying the standards on a prospective basis to the basic financial statements presented herein and, as such, no net OPEB liability existed at the transition date.

Plan Description

Local Government Code Section 157.101 assigns the authority to establish and amend benefit provisions to Commissioners’ Court. Brazos County has elected to offer post-retirement healthcare benefits to certain retirees. County policy allows employees to become eligible for post retirement healthcare benefits after meeting the service and retirement age requirements of the TCDRS retirement plan.

County policy restricts post retirement healthcare benefits to those employees that qualified for healthcare coverage during employment. Healthcare benefits are available to full-time employees that normally work 2,080 or more hours annually. The County opted to extend healthcare benefits to retirees that maintained coverage through the County’s healthcare 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. All healthcare benefits are provided through the County’s self-insured health plan. The benefit levels are the same as those afforded to active employees.

As of September 30, 2009, Membership Consisted of:	
Retirees and Beneficiaries Receiving Benefits	108
Active Employees	<u>575</u>
Total	<u><u>683</u></u>
Participating Employers	<u><u>1</u></u>

Funding Policy

Local Government Code Section 157.102 assigns to Commissioners’ Court the authority to establish and amend contribution requirements of the plan members and the participating employers. The Plan rates charged to retirees are set annually by Commissioners’ Court based on the combination of premiums and prior year costs of the self-funded portion of the plan. The Plan is funded on a pay-as-you-go basis. The total contributions for the year ended September 30, 2009 was \$798,838.

NOTE 13 - OTHER EMPLOYMENT BENEFITS (Continued)

C. Post Retirement Benefits (Continued)

Annual OPEB Costs and Net OPEB Obligation

The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal year ended September 30, 2009 were as follows:

Annual Required Contribution	\$	8,791,943
Add interest on Net OPEB Obligation		-
Less adjustment to Annual Required Contribution		-
Annual OPEB Cost		<u>8,791,943</u>
Less Contributions made		<u>(798,838)</u>
Change in Net OPEB Obligation		7,993,105
Net OPEB Obligation beginning of the year		-
Net OPEB Obligation end of the year	<u>\$</u>	<u>7,993,105</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 were as follows:

Trend Information				
Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net Ending OPEB Obligation
9/30/2009	\$ 8,791,943	\$ 798,838	9.1%	\$ 7,993,105

Note that this is the first year of implementation of GASB 45, which requires three years of data in the trend information table.

Funded Status and Funding Progress

The funded status of the plan as of October 1, 2007 (most recent actuarial valuation) was as follows:

Actuarial value of assets	-
Actuarial accrued liability (AAL)	55,216,379
Unfunded actuarial accrued liability (UAAL)	55,216,379
Funded ratio (actuarial value of plan assets /AAL)	0%
Covered payroll (active plan members)	21,352,864
UAAL as percentage of covered payroll	259%

NOTE 13 - OTHER EMPLOYMENT BENEFITS (Continued)

B. Post Retirement Benefits (Continued)

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The actuarial assumptions used in calculating the County's UAAL and ARC are elaborated later in this note. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are made on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In order to perform the valuation, it was necessary for the County and the actuary to make certain assumptions regarding such items as rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare trend and interest rates. Significant methods and assumptions used for this fiscal year valuation were as follows:

Actuarial Valuation Date	October 1, 2007
Actuarial Cost Method	Unit Credit
Amortization Method	Closed
Remaining Amortization period	29 years
Asset Valuation Method	N/A
Actuarial Assumptions:	
Discount Rate for Valuing Liabilities	4%
Projected Salary Increases	N/A
Healthcare Inflation Rate (5-year) - Medical	6.5% initial rate, 6.2% ultimate rate
Healthcare Inflation Rate (5-year) - Dental	5.8% initial rate, 5.3% ultimate rate

Additional Disclosure

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

NOTE 13 - OTHER EMPLOYMENT BENEFITS (Continued)

B. Post Retirement Benefits (Continued)

Because the County is given the authority to pay OPEB for its retired employees, it may incur a debt obligation to pay for OPEB so long as the County follows the constitutional requirement that it have sufficient taxing authority available at the time such debt is incurred to provide for the payment of the debt and has in fact levied a tax for such purpose concurrently with the incurrence of the debt. Any debt incurred in contravention of this constitutional requirement is considered void and payment will not be due. Brazos County has not incurred a legal debt obligation for OPEB and has not levied a tax for the same. The County funds the cost associated with OPEB on a current “pay as you go” basis for a single fiscal year through an annual appropriation authorized by Commissioners’ Court during the County’s annual budget adoption process. GAAP requires governmental organizations to recognize an actuarially calculated accrued liability for OPEB, even though it may not have a legally enforceable obligation to pay OPEB benefits.

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

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

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 is committed under various contracts in connection with the construction of County facilities, buildings and roads of \$51,430,448. The remaining commitment to contractors totals \$29 million on the Jail Expansion Project, which started in February 2008 and is expected to be completed by the fall of 2010. The commitment on the Expo Center expansion project is about \$13 million. The expansion started in December 2008 and will be completed in the summer of 2010. \$6 million is committed to the phase II of the renovation of the County’s courthouse building and \$3 million is committed to the new construction of the County roads and other small scale building renovations.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)

B. Tax Increment Financing Zones (TIFZ's)

As of September 30, 2009, 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, 2009:

Zone	Base Value	Captured Value	Tax Rate*	Captured Tax Revenue
Wolf Pen Creek Corridor				
2009	\$ 18,502,607	\$ 57,996,963	0.4800	\$ 230,684
2008	18,502,607	56,077,343	0.4650	226,247
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 four inter-local agreements with the City of Bryan to create Reinvestment Zone Number Eight -“Park Hudson”, Reinvestment Zone Number Ten – “Traditions”, Reinvestment Zone Number Nineteen – “Burton Creek” and Reinvestment Zone Number Twenty-Two – “Bryan Towne Center”. 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 122-acre Burton Creek zone is located on the east side of the City of Bryan and is scheduled for 8 years of County participation. The Bryan Towne Center on the east side of the City is scheduled for 20 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, 2009:

Zone	Base Value	Captured Value	Tax Rate*	Captured Tax Revenue
Park Hudson				
2009	\$ 35,803	\$ 119,750,197	0.4800	\$ 407,440
2008	35,803	97,189,147	0.4650	413,813
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
Traditions				
2009	598,490	80,176,875	0.4800	301,003
2008	598,490	65,465,365	0.4650	256,638
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	-
Burton Creek				
2009	2,045,352	8,366,308	0.4800	30,685
2008	2,045,352	5,786,398	0.4650	22,539
Bryan Towne Center				
2009	2,038,090	6,349,970	0.4800	25,317

* 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, 2009 the County had established abatement agreements with the following property owners.

<u>Property Owner</u>	<u>Year of Abatement</u>	<u>2008 Appraised Value</u>	<u>2008 Taxable Value</u>	<u>2009 Taxes Levied</u>
Dealer Computer Services, Inc.	1997	\$ 9,942,458	\$ 1,954,593	9,382
Stata Corporation	1999	5,712,445	5,186,743	24,896
Betco	2000	327,530	300,399	1,442
Hewlett Packard Company	2003	1,068,615	748,030	3,591
Coca-Cola Enterprises	2003	6,014,569	4,817,160	23,122
CW CS 1	2003	8,784,410	6,257,291	30,035
Kent Moore	2005	7,046,305	3,526,258	16,926
Schulumberger IPM	2005	129,560	90,692	435
Readfield Meats Inc.	2007	813,415	581,984	2,794
West Telemarketing	2007	943,300	565,980	2,717
Toyo Ink International	2008	295,981	221,094	1,061
Weatherford Artificial Lift System	2008	22,214,065	4,880,205	23,425

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 2009, the County issued \$7,365,000 Limited Tax Refunding Bonds, Series 2009 to refund and defease a portion of the County's outstanding Certificate of Obligation, Series 1998 (\$2,775,000) and General Obligation Improvement Bonds, Series 2001 (\$4,525,000) and to pay costs of such issuance. The annual interest rates range from 3.0% to 4.0%. The issuance had a premium of \$307,439. Interest accrues semiannually and the bonds mature in fiscal year 2021. The refunding resulted in a decrease in cash flow requirements of \$344,785 and had an economic gain of \$279,709.

NOTE 15 – SUBSEQUENT EVENT (Continued)

The County also issued \$12,000,000 Certificate of Obligation, Series 2009 in November 2009 for the Expo Center expansion project. The issuance had a premium of \$146,133. The annual interest rates range from 3.0% to 4.5%. Interest accrues semiannually and the bonds mature in fiscal year 2034.

NOTE 16 – NEW ACCOUNTING PRONOUNCEMENT

The Governmental Accounting Standards Board has issued Statement No. 51 (“GASB 51”), “Accounting and Financial Reporting for Intangible Assets” which will be effective for the County in the fiscal year ending September 30, 2010. GASB 51 establishes financial reporting requirements for intangible assets including easements, water rights, timber rights, patents, trademarks, and computer software. The County does not believe the implementation of this standard will have a material impact on its financial statements.

The Governmental Accounting Standards Board has issued Statement No. 53 (“GASB 53”), “Accounting and Financial Reporting for Derivative Instruments” which will be effective for the County in the fiscal year ending September 30, 2010. GASB 53 establishes financial reporting requirements for derivative instruments entered into by state and local governments. The County does not believe the implementation of this standard will have a material impact on its financial statements.

The Governmental Accounting Standards Board has issued Statement No. 54 (“GASB 54”), “Fund Balance Reporting and Governmental Fund Type Definitions” which will be effective for the County in the fiscal year ending September 30, 2011. GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. The impact of the implementation of GASB 54 has not yet been determined.



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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Current Ad Valorem Taxes	\$ 38,850,000	\$ 38,850,000	\$ 38,350,719	\$ (499,281)
Delinquent Ad Valorem Taxes	350,000	350,000	412,726	62,726
Penalties & Interest - Taxes	250,000	250,000	322,703	72,703
Mixed Drink Taxes	400,000	400,000	528,915	128,915
County Sales Taxes	10,980,000	10,980,000	11,225,816	245,816
Total Taxes	50,830,000	50,830,000	50,840,879	10,879
Charges For Services				
JJAEP Service Fee	-	-	61,544	61,544
Contracted Jail Services	80,000	80,000	111,615	31,615
Arrest Fees	63,000	63,000	67,411	4,411
Brazos Center	200,000	200,000	197,413	(2,587)
Exposition Center	320,000	320,000	448,569	128,569
Bond Service/Forfeitures	217,500	217,500	150,255	(67,245)
County Clerk	1,000,000	1,000,000	1,015,188	15,188
Vital Statistics Preservation	6,000	6,000	7,156	1,156
County Attorney	65,000	65,000	70,957	5,957
General Administration Fees	45,000	45,000	49,142	4,142
Constables	160,000	160,000	200,476	40,476
Court Reporter	33,000	33,000	36,780	3,780
Magistrate	100,000	100,000	127,450	27,450
County Drug Court Fees	14,000	15,701	15,532	(169)
District Clerk	430,500	430,500	415,178	(15,322)
District Attorney	10,000	10,000	16,519	6,519
Family Protection	5,000	5,000	8,422	3,422
Election Parties	-	-	32,781	32,781
Motor Carrier Weight	20,000	20,000	27,069	7,069
Inmate Medical Fees	12,500	12,500	12,227	(273)
Justice of the Peace	1,683,500	1,683,500	2,130,687	447,187
Juvenile Probation Fees	13,000	13,000	13,978	978
License and Weights	7,500	7,500	11,920	4,420
Omnibus Crime Control Fees	100,000	100,000	106,543	6,543
Judicial Support Fees	500	500	2,636	2,136
Optional License Fees	1,200,000	1,200,000	1,178,880	(21,120)
Probate Fees	2,500	2,500	3,303	803
Road & Bridge Fees	3,000	3,000	97	(2,903)
School Crossing Fees	20,000	20,000	22,615	2,615
Sheriff	80,000	80,000	75,095	(4,905)
Landfill Fees	30,000	30,000	28,808	(1,192)
Tax Assessor-Collector	570,000	570,000	579,737	9,737
Vehicle Registration Fees	1,125,000	1,125,000	891,525	(233,475)
Motor Vehicle Sales Taxes	300,000	300,000	368,467	68,467
Licenses and Permits	25,000	25,000	60,447	35,447
Court Fines	1,760,000	1,760,000	2,033,243	273,243
Total Charges For Services	\$ 9,701,500	\$ 9,703,201	\$ 10,579,665	\$ 876,464

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES (continued)				
Intergovernmental - Federal				
Department of Justice	\$ 70,000	\$ 86,329	\$ 68,288	\$ (18,041)
Department of Health & Human Services	50,500	50,500	85,135	34,635
Emergency Management Agency	38,000	38,000	91,534	53,534
Total Intergovernmental - Federal	<u>158,500</u>	<u>174,829</u>	<u>244,957</u>	<u>70,128</u>
Intergovernmental - State				
Attorney General	178,000	178,000	204,820	26,820
Department of Justice	262,500	262,500	276,809	14,309
D. A. Salary Supplement	34,430	34,430	45,933	11,503
Office of the Court Administrator	50,000	50,000	137,861	87,861
Texas Juvenile Probation Commission	305,000	305,000	267,871	(37,129)
Texas Youth Commission	75,000	75,000	39,007	(35,993)
Texas Department of Transportation	-	7,825	5,541	(2,284)
Juror Reimbursement	50,000	50,000	86,632	36,632
Tobacco Settlement	120,000	120,000	161,037	41,037
Total Intergovernmental - State	<u>1,074,930</u>	<u>1,082,755</u>	<u>1,225,511</u>	<u>142,756</u>
Total Intergovernmental	<u>1,233,430</u>	<u>1,257,584</u>	<u>1,470,468</u>	<u>212,884</u>
Interest	<u>1,065,000</u>	<u>1,065,000</u>	<u>263,248</u>	<u>(801,752)</u>
Other Revenue				
Donations	500	500	-	(500)
Road Crossing	500	500	-	(500)
State Traffic Fee	12,500	12,500	13,400	900
Reimbursements	110,000	110,000	191,524	81,524
Leases and Rentals	8,500	8,500	11,406	2,906
Other	17,100	17,100	203,286	186,186
Estray Animal Sale/Fee	500	500	-	(500)
Inmate Phone System	175,000	175,000	203,238	28,238
Oil and Gas Lease	3,000	3,000	2,191	(809)
Informal Adjudication Probation	4,500	4,500	4,436	(64)
Total Other Revenue	<u>332,100</u>	<u>332,100</u>	<u>629,481</u>	<u>297,381</u>
TOTAL REVENUES	<u>\$ 63,162,030</u>	<u>\$ 63,187,885</u>	<u>\$ 63,783,741</u>	<u>\$ 595,856</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, 2009

EXPENDITURES	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government				
County Judge				
Personnel Services	\$ 206,749	\$ 206,749	\$ 174,907	\$ 31,842
Supplies and Other Charges	7,150	7,150	3,562	3,588
Repairs and Maintenance	100	100	-	100
Contract Services	3,200	3,200	3,058	142
	<u>217,199</u>	<u>217,199</u>	<u>181,527</u>	<u>35,672</u>
Budget Office				
Personnel Services	93,872	93,872	93,268	604
Supplies and Other Charges	4,788	5,201	4,129	1,072
	<u>98,660</u>	<u>99,073</u>	<u>97,397</u>	<u>1,676</u>
Commissioners' Court				
Personnel Services	1,002,447	1,100,447	1,085,113	15,334
Discretionary Funding	-	9	-	9
Supplies and Other Charges	32,600	35,519	31,986	3,533
Repairs and Maintenance	100	100	-	100
Contract Services	3,000	3,000	2,977	23
	<u>1,038,147</u>	<u>1,139,075</u>	<u>1,120,076</u>	<u>18,999</u>
Non-Departmental				
Supplies and Other Charges	1,177,475	1,282,430	1,112,695	169,735
Repairs and Maintenance	20,000	20,000	1,575	18,425
Contract Services	900	19,425	19,422	3
Professional Services	151,000	151,000	82,226	68,774
	<u>1,349,375</u>	<u>1,472,855</u>	<u>1,215,918</u>	<u>256,937</u>
Community Support				
Contract Services	3,816,364	3,936,364	3,438,821	497,543
	<u>3,816,364</u>	<u>3,936,364</u>	<u>3,438,821</u>	<u>497,543</u>
County Treasurer				
Personnel Services	399,449	399,449	392,997	6,452
Discretionary Funding	-	7,962	-	7,962
Supplies and Other Charges	12,625	12,625	10,488	2,137
Repairs and Maintenance	500	500	449	51
Contract Services	3,000	3,000	2,756	244
	<u>415,574</u>	<u>423,536</u>	<u>406,690</u>	<u>16,846</u>
Risk Management				
Personnel Services	120,202	120,202	119,634	568
Discretionary Funding	-	7,026	-	7,026
Supplies and Other Charges	17,125	17,575	10,458	7,117
Minor Acquisitions	300	1,100	800	300
Professional Services	6,000	6,000	1,456	4,544
	<u>\$ 143,627</u>	<u>\$ 151,903</u>	<u>\$ 132,348</u>	<u>\$ 19,555</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government (continued)				
Tax Assessor-Collector				
Personnel Services	\$ 1,551,783	\$ 1,551,783	\$ 1,402,703	\$ 149,080
Discretionary Funding	-	30,015	-	30,015
Supplies and Other Charges	57,250	58,320	49,941	8,379
Repairs and Maintenance	1,950	1,950	1,203	747
Minor Acquisitions	500	900	352	548
Contract Services	12,500	12,500	9,964	2,536
	<u>1,623,983</u>	<u>1,655,468</u>	<u>1,464,163</u>	<u>191,305</u>
Information Technology				
Personnel Services	1,263,941	1,263,941	1,233,915	30,026
Discretionary Funding	-	23,115	-	23,115
Supplies and Other Charges	102,950	102,950	97,203	5,747
Repairs and Maintenance	33,900	41,915	35,952	5,963
Minor Acquisitions	213,721	123,353	89,705	33,648
Contract Services	494,850	494,850	488,032	6,818
	<u>2,109,362</u>	<u>2,050,124</u>	<u>1,944,807</u>	<u>105,317</u>
Human Resources				
Personnel Services	254,160	254,160	232,069	22,091
Discretionary Funding	-	848	-	848
Supplies and Other Charges	32,500	31,975	17,227	14,748
Repairs and Maintenance	150	150	-	150
Minor Acquisitions	1,375	1,375	919	456
Contract Services	5,400	5,925	5,903	22
	<u>293,585</u>	<u>294,433</u>	<u>256,118</u>	<u>38,315</u>
County Auditor				
Personnel Services	657,219	657,219	643,240	13,979
Supplies and Other Charges	15,610	13,860	12,857	1,003
Minor Acquisitions	-	1,750	1,366	384
Contract Services	4,450	4,450	4,188	262
	<u>677,279</u>	<u>677,279</u>	<u>661,651</u>	<u>15,628</u>
Purchasing				
Personnel Services	231,846	231,846	218,056	13,790
Discretionary Funding	-	283	-	283
Supplies and Other Charges	13,532	14,121	12,427	1,694
Repairs and Maintenance	2,000	2,572	2,232	340
Minor Acquisitions	-	3,415	3,199	216
Professional Services	2,436	1,936	1,621	315
	<u>\$ 249,814</u>	<u>\$ 254,173</u>	<u>\$ 237,535</u>	<u>\$ 16,638</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government (continued)				
Buildings and Grounds Maintenance				
Personnel Services	\$ 1,188,299	\$ 1,188,299	\$ 1,151,372	\$ 36,927
Discretionary Funding	-	38,098	-	38,098
Supplies and Other Charges	64,000	51,400	50,726	674
Repairs and Maintenance	228,300	225,397	186,642	38,755
Minor Acquisitions	5,000	6,255	5,394	861
Contract Services	64,815	77,415	58,747	18,668
Professional Services	2,400	2,400	1,268	1,132
	<u>1,552,814</u>	<u>1,589,264</u>	<u>1,454,149</u>	<u>135,115</u>
Total General Government	<u>13,585,783</u>	<u>13,960,746</u>	<u>12,611,200</u>	<u>1,349,546</u>
Justice System				
County Attorney				
Personnel Services	2,326,042	2,329,392	2,104,456	224,936
Discretionary Funding	-	14,041	-	14,041
Supplies and Other Charges	65,544	66,354	61,768	4,586
Repairs and Maintenance	22,032	21,222	14,846	6,376
Contract Services	5,550	5,550	5,472	78
	<u>2,419,168</u>	<u>2,436,559</u>	<u>2,186,542</u>	<u>250,017</u>
District Attorney				
Personnel Services	2,300,743	2,305,385	2,183,414	121,971
Discretionary Funding	-	16,751	-	16,751
Supplies and Other Charges	121,326	129,951	126,922	3,029
Repairs and Maintenance	8,840	8,840	5,891	2,949
Minor Acquisitions	-	1,375	1,368	7
Contract Services	6,000	6,000	5,936	64
	<u>2,436,909</u>	<u>2,468,302</u>	<u>2,323,531</u>	<u>144,771</u>
D.A. - Child Protective Services				
Personnel Services	96,954	96,954	70,905	26,049
Supplies and Other Charges	9,400	9,400	2,224	7,176
	<u>106,354</u>	<u>106,354</u>	<u>73,129</u>	<u>33,225</u>
District Clerk				
Personnel Services	879,037	877,222	844,952	32,270
Discretionary Funding	-	5,943	-	5,943
Supplies and Other Charges	49,558	41,483	40,042	1,441
Repairs and Maintenance	100	100	-	100
Minor Acquisitions	-	765	762	3
Contract Services	15,000	13,902	10,251	3,651
	<u>\$ 943,695</u>	<u>\$ 939,415</u>	<u>\$ 896,007</u>	<u>\$ 43,408</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Justice System (continued)				
Court and Jury Services				
Personnel Services	\$ 104,350	\$ 104,350	\$ 103,547	\$ 803
Discretionary Funding	-	12,241	-	12,241
Supplies and Other Charges	143,050	172,060	172,030	30
Repairs and Maintenance	100	100	-	100
Minor Acquisitions	-	5,120	3,478	1,642
Contract Services	-	5,598	5,494	104
	<u>247,500</u>	<u>299,469</u>	<u>284,549</u>	<u>14,920</u>
Collections				
Personnel Services	214,824	216,639	206,414	10,225
Discretionary Funding	-	4,868	-	4,868
Supplies and Other Charges	13,650	13,250	12,207	1,043
Repairs and Maintenance	-	254	-	254
Minor Acquisitions	-	400	325	75
Contract Services	2,000	1,746	1,384	362
	<u>230,474</u>	<u>237,157</u>	<u>220,330</u>	<u>16,827</u>
County Clerk				
Personnel Services	566,619	566,619	532,049	34,570
Discretionary Funding	-	32,723	-	32,723
Supplies and Other Charges	127,060	128,060	110,046	18,014
Repairs and Maintenance	150	150	-	150
Minor Acquisitions	-	500	-	500
Contract Services	4,620	4,620	3,356	1,264
	<u>698,449</u>	<u>732,672</u>	<u>645,451</u>	<u>87,221</u>
Vital Statistics Preservation				
Supplies and Other Charges	5,100	5,600	5,092	508
Minor Acquisitions	-	1,400	1,343	57
Contract Services	5,000	3,100	-	3,100
	<u>10,100</u>	<u>10,100</u>	<u>6,435</u>	<u>3,665</u>
85th District Court				
Personnel Services	272,430	274,383	266,491	7,892
Discretionary Funding	-	679	-	679
Supplies and Other Charges	22,650	28,043	25,865	2,178
Repairs and Maintenance	1,000	1,000	881	119
Minor Acquisitions	-	919	919	-
	<u>296,080</u>	<u>305,024</u>	<u>294,156</u>	<u>10,868</u>
272nd District Court				
Personnel Services	262,611	263,827	263,827	-
Discretionary Funding	-	467	-	467
Supplies and Other Charges	20,070	18,544	18,123	421
Repairs and Maintenance	1,000	1,310	992	318
	<u>\$ 283,681</u>	<u>\$ 284,148</u>	<u>\$ 282,942</u>	<u>\$ 1,206</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Justice System (continued)				
361st District Court				
Personnel Services	\$ 262,360	\$ 267,271	\$ 259,493	\$ 7,778
Discretionary Funding	-	11,038	-	11,038
Supplies and Other Charges	25,030	25,026	18,430	6,596
Repairs and Maintenance	100	640	540	100
Contract Services	3,282	2,742	2,741	1
	<u>290,772</u>	<u>306,717</u>	<u>281,204</u>	<u>25,513</u>
Juvenile Court Referee				
Personnel Services	107,161	107,161	102,466	4,695
Discretionary Funding	-	1,705	-	1,705
Supplies and Other Charges	4,506	4,506	2,985	1,521
	<u>111,667</u>	<u>113,372</u>	<u>105,451</u>	<u>7,921</u>
Magistrate				
Personnel Services	220,679	220,679	213,417	7,262
Discretionary Funding	-	982	-	982
Supplies and Other Charges	5,182	3,190	2,740	450
Repairs and Maintenance	300	50	-	50
Minor Acquisitions	-	2,242	442	1,800
Contract Services	4,860	4,860	4,781	79
	<u>231,021</u>	<u>232,003</u>	<u>221,380</u>	<u>10,623</u>
County Drug Court Program				
Personnel Services	-	7,966	6,794	1,172
Supplies and Other Charges	3,100	6,399	5,896	503
Minor Acquisitions	1,000	-	-	-
	<u>4,100</u>	<u>14,365</u>	<u>12,690</u>	<u>1,675</u>
County Court At Law #1				
Personnel Services	427,592	427,592	424,483	3,109
Discretionary Funding	-	4,471	-	4,471
Supplies and Other Charges	14,575	11,444	9,670	1,774
Repairs and Maintenance	340	371	370	1
Minor Acquisitions	-	3,100	3,067	33
	<u>442,507</u>	<u>446,978</u>	<u>437,590</u>	<u>9,388</u>
County Court At Law #2				
Personnel Services	416,611	416,611	415,863	748
Discretionary Funding	-	1,196	-	1,196
Supplies and Other Charges	12,500	13,445	12,297	1,148
Repairs and Maintenance	450	450	259	191
	<u>\$ 429,561</u>	<u>\$ 431,702</u>	<u>\$ 428,419</u>	<u>\$ 3,283</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Justice System (continued)				
Justice of the Peace Precinct 1				
Personnel Services	\$ 256,667	\$ 256,667	\$ 242,182	\$ 14,485
Discretionary Funding	-	22,456	-	22,456
Supplies and Other Charges	26,880	30,080	26,571	3,509
Repairs and Maintenance	800	800	-	800
Contract Services	32,565	32,565	31,977	588
	<u>316,912</u>	<u>342,568</u>	<u>300,730</u>	<u>41,838</u>
Justice of the Peace Precinct 2 Place 1				
Personnel Services	199,081	199,081	186,478	12,603
Discretionary Funding	-	4,271	-	4,271
Supplies and Other Charges	6,365	7,441	7,398	43
Minor Acquisitions	-	1,169	1,169	-
Contract Services	2,760	2,760	2,080	680
	<u>208,206</u>	<u>214,722</u>	<u>197,125</u>	<u>17,597</u>
Justice of the Peace Precinct 2 Place 2				
Personnel Services	218,166	218,166	208,744	9,422
Discretionary Funding	-	4,560	-	4,560
Supplies and Other Charges	10,975	11,220	9,818	1,402
Repairs and Maintenance	2,125	125	-	125
Contract Services	-	2,000	1,992	8
	<u>231,266</u>	<u>236,071</u>	<u>220,554</u>	<u>15,517</u>
Justice of the Peace Precinct 3				
Personnel Services	298,279	298,279	285,969	12,310
Discretionary Funding	-	21,635	-	21,635
Supplies and Other Charges	10,865	17,747	17,327	420
Repairs and Maintenance	150	-	-	-
Contract Services	6,910	6,616	6,616	-
	<u>316,204</u>	<u>344,277</u>	<u>309,912</u>	<u>34,365</u>
Justice of the Peace Precinct 4				
Personnel Services	165,258	171,023	169,308	1,715
Discretionary Funding	-	1	-	1
Supplies and Other Charges	7,550	11,070	9,149	1,921
Repairs and Maintenance	75	80	80	-
Contract Services	1,400	1,400	1,372	28
	<u>\$ 174,283</u>	<u>\$ 183,574</u>	<u>\$ 179,909</u>	<u>\$ 3,665</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Justice System (continued)				
Community Supervision Support				
Supplies and Other Charges	\$ 35,700	\$ 33,700	\$ 26,886	\$ 6,814
Repairs and Maintenance	100	100	-	100
Minor Acquisitions	-	2,000	2,000	-
Contract Services	5,951	5,951	5,951	-
	<u>41,751</u>	<u>41,751</u>	<u>34,837</u>	<u>6,914</u>
Judicial Court Support				
Personnel Services	2,000	4,000	3,675	325
Supplies and Other Charges	264,200	271,700	270,791	909
Minor Acquisitions	-	8,169	6,859	1,310
Contract Services	600,000	1,093,930	995,631	98,299
Professional Services	1,820,000	2,066,173	2,065,468	705
	<u>2,686,200</u>	<u>3,443,972</u>	<u>3,342,424</u>	<u>101,548</u>
Total Justice System	<u>13,156,860</u>	<u>14,171,272</u>	<u>13,285,297</u>	<u>885,975</u>
Law Enforcement				
Sheriff Administration				
Personnel Services	3,794,278	3,791,219	3,703,573	87,646
Discretionary Funding	-	5,504	-	5,504
Supplies and Other Charges	162,615	182,115	180,122	1,993
Repairs and Maintenance	337,345	404,648	316,882	87,766
Minor Acquisitions	16,000	16,000	9,670	6,330
Contract Services	17,700	17,700	15,348	2,352
Professional Services	4,500	4,500	3,087	1,413
	<u>4,332,438</u>	<u>4,421,686</u>	<u>4,228,682</u>	<u>193,004</u>
Joint Terrorism Task Force				
Personnel Services	-	16,329	4,375	11,954
	<u>-</u>	<u>16,329</u>	<u>4,375</u>	<u>11,954</u>
Sheriff Jail Administration				
Personnel Services	8,321,009	8,321,009	8,024,291	296,718
Discretionary Funding	-	4,382	-	4,382
Supplies and Other Charges	985,350	1,019,350	1,010,994	8,356
Repairs and Maintenance	89,950	75,450	67,333	8,117
Minor Acquisitions	48,325	46,485	42,900	3,585
Contract Services	11,820	560,820	530,722	30,098
Professional Services	58,500	73,167	73,106	61
	<u>\$ 9,514,954</u>	<u>\$ 10,100,663</u>	<u>\$ 9,749,346</u>	<u>\$ 351,317</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Law Enforcement (continued)				
Constable Precinct 1				
Personnel Services	\$ 318,475	\$ 320,767	\$ 312,615	\$ 8,152
Discretionary Funding	-	464	-	464
Supplies and Other Charges	19,435	17,735	16,032	1,703
Repairs and Maintenance	27,093	29,043	23,124	5,919
Minor Acquisitions	500	3,365	3,075	290
Contract Services	24,300	21,000	19,793	1,207
	<u>389,803</u>	<u>392,374</u>	<u>374,639</u>	<u>17,735</u>
 TxDot Support Agreement				
Personnel Services	-	6,268	4,937	1,331
Supplies and Other Charges	-	1,557	604	953
	<u>-</u>	<u>7,825</u>	<u>5,541</u>	<u>2,284</u>
 Constable Precinct 2				
Personnel Services	446,053	446,053	437,657	8,396
Discretionary Funding	-	657	-	657
Supplies and Other Charges	17,539	18,394	16,237	2,157
Repairs and Maintenance	29,990	29,905	26,293	3,612
Minor Acquisitions	3,200	3,425	3,409	16
	<u>496,782</u>	<u>498,434</u>	<u>483,596</u>	<u>14,838</u>
 Constable Precinct 3				
Personnel Services	262,244	262,244	261,035	1,209
Discretionary Funding	-	49	-	49
Supplies and Other Charges	18,970	17,900	17,470	430
Repairs and Maintenance	22,250	22,225	16,821	5,404
Minor Acquisitions	3,400	5,595	5,300	295
Contract Services	3,410	3,410	3,191	219
	<u>310,274</u>	<u>311,423</u>	<u>303,817</u>	<u>7,606</u>
 Constable Precinct 4				
Personnel Services	355,057	355,643	353,197	2,446
Supplies and Other Charges	14,595	12,655	12,008	647
Repairs and Maintenance	20,000	21,218	18,970	2,248
Minor Acquisitions	790	859	428	431
Contract Services	1,400	1,400	1,373	27
	<u>391,842</u>	<u>391,775</u>	<u>385,976</u>	<u>5,799</u>
 Total Law Enforcement	\$ 15,436,093	\$ 16,140,509	\$ 15,535,972	\$ 604,537

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Juvenile Services				
Juvenile Services				
Personnel Services	\$ 2,993,763	\$ 2,987,854	\$ 2,641,625	\$ 346,229
Discretionary Funding	-	16,420	-	16,420
Supplies and Other Charges	298,570	300,750	254,046	46,704
Repairs and Maintenance	17,900	26,790	21,165	5,625
Minor Acquisitions	3,280	5,400	1,034	4,366
Contract Services	22,730	24,544	17,948	6,596
Professional Services	52,000	43,540	37,332	6,208
	<u>3,388,243</u>	<u>3,405,298</u>	<u>2,973,150</u>	<u>432,148</u>
TYC - Parole				
Personnel Services	125,053	125,053	124,739	314
Supplies and Other Charges	2,650	2,650	2,143	507
Repairs and Maintenance	3,780	3,780	2,382	1,398
Contract Services	18,500	18,500	18,167	333
	<u>149,983</u>	<u>149,983</u>	<u>147,431</u>	<u>2,552</u>
Juvenile Justice Alternative Education				
Personnel Services	188,686	188,686	139,055	49,631
Supplies and Other Charges	1,000	1,000	924	76
	<u>189,686</u>	<u>189,686</u>	<u>139,979</u>	<u>49,707</u>
Juvenile - Title IV E				
Personnel Services	440,676	440,676	410,789	29,887
Supplies and Other Charges	48,780	42,630	26,801	15,829
Repairs and Maintenance	5,250	5,250	4,044	1,206
Contract Services	10,400	10,400	8,543	1,857
	<u>505,106</u>	<u>498,956</u>	<u>450,177</u>	<u>48,779</u>
TDHS - Commodities				
Supplies and Other Charges	3,000	3,000	1,620	1,380
	<u>3,000</u>	<u>3,000</u>	<u>1,620</u>	<u>1,380</u>
Total Juvenile Services	<u>\$ 4,236,018</u>	<u>\$ 4,246,923</u>	<u>\$ 3,712,357</u>	<u>\$ 534,566</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Public Transportation				
Road and Bridge Administration				
Personnel Services	\$ 3,452,783	\$ 3,452,783	\$ 3,255,952	\$ 196,831
Supplies and Other Charges	1,410,800	2,108,251	88,994	2,019,257
Repairs and Maintenance	3,647,438	3,661,438	2,848,035	813,403
Minor Acquisitions	11,100	9,578	2,686	6,892
Contract Services	85,000	85,000	77,912	7,088
Professional Services	175,000	175,000	75,815	99,185
Total Public Transportation	8,782,121	9,492,050	6,349,394	3,142,656
Public Health				
Environmental Protection				
Supplies and Other Charges	7,900	7,900	7,304	596
Contract Services	263,900	263,900	218,196	45,704
	<u>271,800</u>	<u>271,800</u>	<u>225,500</u>	<u>46,300</u>
Indigent Health Care				
Supplies and Other Charges	700,000	645,205	487,471	157,734
Professional Services	2,108,820	1,563,615	659,257	904,358
Community Contracts	96,700	696,700	650,743	45,957
	<u>2,905,520</u>	<u>2,905,520</u>	<u>1,797,471</u>	<u>1,108,049</u>
Community Public Health				
Contract Services	215,000	215,000	165,000	50,000
	<u>215,000</u>	<u>215,000</u>	<u>165,000</u>	<u>50,000</u>
Total Public Health	3,392,320	3,392,320	2,187,971	1,204,349
Human Services				
Veteran Services				
Personnel Services	15,183	17,164	17,161	3
Discretionary Funding	-	1,742	-	1,742
Supplies and Other Charges	1,625	1,625	590	1,035
Repairs and Maintenance	200	192	18	174
	<u>17,008</u>	<u>20,723</u>	<u>17,769</u>	<u>2,954</u>
County Fire Protection				
Contract Services	854,457	854,457	854,457	-
	<u>854,457</u>	<u>854,457</u>	<u>854,457</u>	<u>-</u>
County Welfare				
Supplies and Other Charges	5,000	5,000	2,300	2,700
	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 2,300</u>	<u>\$ 2,700</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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Human Services (continued)				
Elections				
Personnel Services	\$ 100,664	\$ 104,224	\$ 97,385	\$ 6,839
Outside Labor Costs	87,579	84,019	83,952	67
Supplies and Other Charges	20,100	28,835	17,638	11,197
Repairs and Maintenance	-	4,000	3,900	100
Contract Services	4,000	7,740	7,505	235
Professional Services	30,000	25,825	25,825	-
	<u>242,343</u>	<u>254,643</u>	<u>236,205</u>	<u>18,438</u>
Health Department				
Supplies and Other Charges	46,050	51,304	51,299	5
Professional Services	9,000	6,800	6,800	-
	<u>55,050</u>	<u>58,104</u>	<u>58,099</u>	<u>5</u>
Emergency Management				
Personnel Services	138,054	138,654	138,250	404
Discretionary Funding	-	26,507	-	26,507
Supplies and Other Charges	20,925	20,925	13,630	7,295
Repairs and Maintenance	2,200	3,100	2,752	348
Minor Acquisitions	-	12,700	3,900	8,800
Contract Services	70,653	69,453	66,370	3,083
	<u>231,832</u>	<u>271,339</u>	<u>224,902</u>	<u>46,437</u>
Emergency Relief				
Supplies and Other Charges	-	1,205	708	497
Repairs and Maintenance	-	200	-	200
	<u>-</u>	<u>1,405</u>	<u>708</u>	<u>697</u>
Brazos Center				
Personnel Services	589,156	589,156	565,105	24,051
Supplies and Other Charges	102,379	126,288	120,600	5,688
Repairs and Maintenance	105,244	90,526	80,246	10,280
Minor Acquisitions	10,264	22,350	21,750	600
Contract Services	59,185	59,185	50,691	8,494
	<u>866,228</u>	<u>887,505</u>	<u>838,392</u>	<u>49,113</u>
Exposition Center				
Personnel Services	703,121	665,271	558,639	106,632
Discretionary Funding	-	3	-	3
Supplies and Other Charges	330,250	274,095	219,252	54,843
Repairs and Maintenance	109,250	200,880	129,460	71,420
Minor Acquisitions	55,000	26,774	18,821	7,953
Contract Services	47,500	25,200	18,291	6,909
Professional Services	5,000	-	-	-
	<u>\$ 1,250,121</u>	<u>\$ 1,192,223</u>	<u>\$ 944,463</u>	<u>\$ 247,760</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Human Services (continued)				
Agricultural Extension				
Personnel Services	\$ 251,565	\$ 251,565	\$ 246,199	\$ 5,366
Discretionary Funding	-	3,443	-	3,443
Supplies and Other Charges	52,750	52,954	51,733	1,221
Repairs and Maintenance	1,250	1,646	1,610	36
Contract Services	41,185	40,585	34,181	6,404
	<u>346,750</u>	<u>350,193</u>	<u>333,723</u>	<u>16,470</u>
Child Protective Services				
Supplies and Other Charges	50,000	50,000	38,837	11,163
	<u>50,000</u>	<u>50,000</u>	<u>38,837</u>	<u>11,163</u>
Total Human Services	<u>3,918,789</u>	<u>3,945,592</u>	<u>3,549,855</u>	<u>395,737</u>
Capital Outlay	<u>3,358,000</u>	<u>4,452,363</u>	<u>4,156,544</u>	<u>295,819</u>
TOTAL EXPENDITURES	<u>65,865,984</u>	<u>69,801,775</u>	<u>61,388,590</u>	<u>8,413,185</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,703,954)</u>	<u>(6,613,890)</u>	<u>2,395,151</u>	<u>9,009,041</u>
Other Financing Sources (Uses)				
Transfers Out	(5,560,686)	(5,869,140)	(5,834,281)	34,859
Sale of Capital Assets	40,000	40,000	48,404	8,404
Total Other Financing Sources (Uses)	<u>(5,520,686)</u>	<u>(5,829,140)</u>	<u>(5,785,877)</u>	<u>43,263</u>
Net Change in Fund Balances	(8,224,640)	(12,443,030)	(3,390,726)	9,052,304
FUND BALANCE, OCTOBER 1	<u>34,941,922</u>	<u>34,941,922</u>	<u>34,941,922</u>	<u>-</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 26,717,282</u>	<u>\$ 22,498,893</u>	<u>\$ 31,551,196</u>	<u>\$ 9,052,304</u>

BRAZOS COUNTY, TEXAS
Required Supplementary Information
Texas County and District Retirement System
Schedule of Funding Progress
September 30, 2009

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c) (1)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/06	66,364,299	77,913,376	11,549,077	85.18%	25,073,917	46.06%
12/31/07	72,770,098	84,396,350	11,626,252	86.22%	27,418,935	42.40%
12/31/08	72,672,746	91,172,263	18,499,517	79.71%	29,841,851	61.99%

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

BRAZOS COUNTY, TEXAS
Required Supplementary Information
Other Post Employment Benefits
Schedule of Funding Progress
September 30, 2009

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/2007	-	55,216,379	55,216,379	0.00%	21,352,864	258.6%

Note: This is the first year of implementation of GASB45, which requires 3 years of data in this table. Additional years will be added to the disclosure as they become available.

BRAZOS COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2009

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 2009 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, 2009, annual maintenance and preservation costs of \$6,349,394 for both roads and bridges were less than the estimated amount needed of \$9,492,050. This variance is mainly due to a contingency budget of \$2.0 million (roll-over of prior years' positive variance), the delays in maintenance work and employee turnover \$1.1 million.

For the Fiscal Year Ended:	Estimated Dollars to Maintain Roads and Bridges at Required Condition Level	Actual Dollars Spent to Maintain Roads and Bridges at Required Condition Level
September 30, 2005	\$5,715,345	\$4,248,681
September 30, 2006	\$5,958,103	\$4,769,113
September 30, 2007	\$6,165,552	\$4,872,636
September 30, 2008	\$6,918,307	\$5,836,721
September 30, 2009	\$9,492,050	\$6,349,394

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 2009 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	99%	0%	1%
2	96%	0%	4%
3	97%	0%	3%
4	99%	0%	1%

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 60 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 : 60

	Rating	Number	%
Very Good	6.0 - 9.0	59	98%
Good	4.0 - 5.9	1	2%
Fair	3.0 - 3.9	0	0%
Poor	0.0 - 2.9	0	0%
	Total	60	100%



NONMAJOR GOVERNMENTAL FUNDS



**BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
September 30, 2009**

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 4,046,628	\$ 4,799,120	\$ 8,845,748
Prepaid Expenditures	9,018	-	9,018
Receivables			
Interest	1,789	-	1,789
Accounts	119,487	-	119,487
State	838,122	-	838,122
Due from Other Funds	242	-	242
TOTAL ASSETS	\$ 5,015,286	\$ 4,799,120	\$ 9,814,406
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 158,843	\$ 39,601	\$ 198,444
Accrued Salary and Compensated Leave	54,822	-	54,822
Unclaimed Funds	211,046	-	211,046
Due to Other Funds	644,159	-	644,159
Deferred Revenues	93,259	-	93,259
Total Liabilities	1,162,129	39,601	1,201,730
Fund Balances			
Reserved			
For Special Purpose Programs	3,853,157	-	3,853,157
Unreserved			
Designated for Capital Improvements	-	4,759,519	4,759,519
Total Fund Balances	3,853,157	4,759,519	8,612,676
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,015,286	\$ 4,799,120	\$ 9,814,406

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
For The Year Ended September 30, 2009

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 1,075,806	\$ -	\$ 1,075,806
Charges for Services	591,416	-	591,416
Intergovernmental	1,620,420	-	1,620,420
Interest	26,178	-	26,178
Other Revenue	-	306	306
TOTAL REVENUES	3,313,820	306	3,314,126
EXPENDITURES			
General Government	76,713	39,975	116,688
Justice System	382,724	47,623	430,347
Law Enforcement	655,937	173,878	829,815
Juvenile Services	978,945	162,045	1,140,990
Public Transportation	323,183	-	323,183
Public Health	-	-	-
Human Services	405,383	6,353	411,736
Capital Outlay	474,137	2,311,845	2,785,982
TOTAL EXPENDITURES	3,297,022	2,741,719	6,038,741
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,798	(2,741,413)	(2,724,615)
OTHER FINANCING SOURCES (USES)			
Transfers In	585,587	5,483,146	6,068,733
Transfers Out	(330,752)	-	(330,752)
Sale of Capital Assets	-	230,980	230,980
TOTAL OTHER FINANCING SOURCES (USES)	254,835	5,714,126	5,968,961
Net Change in Fund Balances	271,633	2,972,713	3,244,346
FUND BALANCES, OCTOBER 1	3,581,524	1,786,806	5,368,330
FUND BALANCES, SEPTEMBER 30	\$ 3,853,157	\$ 4,759,519	\$ 8,612,676

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.

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.

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

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, 2009

	Hotel Occupancy Tax	State Lateral Road	Unclaimed Property	Law Library
ASSETS				
Cash and Cash Equivalents	\$ 1,558,119	\$ 99,959	\$ 277,683	\$ 369,231
Prepaid Expenditures	1,755	-	-	-
Receivables				
Interest	644	40	112	149
Accounts	117,949	-	-	-
State	-	-	-	-
Due from Other Funds	-	-	-	-
TOTAL ASSETS	<u>\$ 1,678,467</u>	<u>\$ 99,999</u>	<u>\$ 277,795</u>	<u>\$ 369,380</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 2,900	\$ -	\$ 16,917	\$ 8,552
Accrued Salary and Compensated Leave	3,858	-	-	-
Unclaimed Funds	-	-	208,059	-
Due to Other Funds	-	-	2,707	-
Deferred Revenues	-	-	-	-
Total Liabilities	<u>6,758</u>	<u>-</u>	<u>227,683</u>	<u>8,552</u>
Fund Balances				
Reserved				
For Special Purpose Programs	1,671,709	99,999	50,112	360,828
Total Fund Balances	<u>1,671,709</u>	<u>99,999</u>	<u>50,112</u>	<u>360,828</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,678,467</u>	<u>\$ 99,999</u>	<u>\$ 277,795</u>	<u>\$ 369,380</u>

Alternative Dispute Resolution	Law Enforcement Education	County Records Management and Preservation	County Clerk Records Management and Preservation	Courthouse Security
\$ 3,000	\$ 24,493	\$ 180,562	\$ 599,044	\$ 16,757
-	2,218	-	-	-
-	-	73	242	7
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 3,000</u>	<u>\$ 26,711</u>	<u>\$ 180,635</u>	<u>\$ 599,286</u>	<u>\$ 16,764</u>
\$ 3,000	\$ 34	\$ 1,139	\$ 34,989	\$ 394
-	-	955	2,806	8,919
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>3,000</u>	<u>34</u>	<u>2,094</u>	<u>37,795</u>	<u>9,313</u>
-	26,677	178,541	561,491	7,451
-	26,677	178,541	561,491	7,451
<u>\$ 3,000</u>	<u>\$ 26,711</u>	<u>\$ 180,635</u>	<u>\$ 599,286</u>	<u>\$ 16,764</u>

(continued)

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
September 30, 2009

	Justice Court Security	District Clerk Records Management and Preservation	J. P. Technology	Special Forfeitures
ASSETS				
Cash and Cash Equivalents	\$ 41,024	\$ 74,120	\$ 158,506	\$ 13,423
Prepaid Expenditures	-	-	-	-
Receivables				
Interest	17	30	64	5
Accounts	-	-	-	-
State	-	-	-	-
Due from Other Funds	-	-	-	-
TOTAL ASSETS	\$ 41,041	\$ 74,150	\$ 158,570	\$ 13,428
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 38,000	\$ 4,602	\$ 15,209	\$ -
Accrued Salary and Compensated Leave	-	-	-	-
Unclaimed Funds	-	-	-	-
Due to Other Funds	-	-	-	-
Deferred Revenues	-	-	-	-
Total Liabilities	38,000	4,602	15,209	-
Fund Balances				
Reserved				
For Special Purpose Programs	3,041	69,548	143,361	13,428
Total Fund Balances	3,041	69,548	143,361	13,428
TOTAL LIABILITIES AND FUND BALANCES	\$ 41,041	\$ 74,150	\$ 158,570	\$ 13,428

District Attorney Hot Check Collection	Bail Bond Board Fees	Voter Registration	Chapter 19 State Fund	Vehicle Inventory Tax Interest	Sheriff Department Crime Fund	District Attorney Crime Fund
\$ 1,883	\$ 75,773	\$ 22,341	\$ -	\$ 117,526	\$ 365,878	\$ 36,646
-	-	-	-	-	-	-
15	31	9	-	184	137	12
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	242
<u>\$ 1,898</u>	<u>\$ 75,804</u>	<u>\$ 22,350</u>	<u>\$ -</u>	<u>\$ 117,710</u>	<u>\$ 366,015</u>	<u>\$ 36,900</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 249	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	2,987	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	3,236	-
1,898	75,804	22,350	-	117,710	362,779	36,900
1,898	75,804	22,350	-	117,710	362,779	36,900
<u>\$ 1,898</u>	<u>\$ 75,804</u>	<u>\$ 22,350</u>	<u>\$ -</u>	<u>\$ 117,710</u>	<u>\$ 366,015</u>	<u>\$ 36,900</u>

(continued)

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
September 30, 2009

	Primary Election Service Fund	Grants	Totals
ASSETS			
Cash and Cash Equivalents	\$ 10,660	\$ -	\$ 4,046,628
Prepaid Expenditures	-	5,045	9,018
Receivables			
Interest	18	-	1,789
Accounts	-	1,538	119,487
State	-	838,122	838,122
Due from Other Funds	-	-	242
TOTAL ASSETS	\$ 10,678	\$ 844,705	\$ 5,015,286
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	-	\$ 32,858	\$ 158,843
Accrued Salary and Compensated Leave	-	38,284	54,822
Unclaimed Funds	-	-	211,046
Due to Other Funds	-	641,452	644,159
Deferred Revenues	-	93,259	93,259
Total Liabilities	-	805,853	1,162,129
Fund Balances			
Reserved			
For Special Purpose Programs	10,678	38,852	3,853,157
Total Fund Balances	10,678	38,852	3,853,157
TOTAL LIABILITIES AND FUND BALANCES	\$ 10,678	\$ 844,705	\$ 5,015,286



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, 2009

	Hotel Occupancy Tax	State Lateral Road	Unclaimed Property	Law Library
REVENUES				
Taxes	\$ 1,075,806	\$ -	\$ -	\$ -
Charges for Services	-	-	-	49,262
Intergovernmental	-	28,006	-	-
Interest	8,310	584	1,579	2,216
TOTAL REVENUES	1,084,116	28,590	1,579	51,478
EXPENDITURES				
General Government	-	-	319	-
Justice System	-	-	-	72,487
Law Enforcement	-	-	-	-
Juvenile Services	-	-	-	-
Public Transportation	-	-	-	-
Human Services	226,484	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	226,484	-	319	72,487
Excess (Deficiency) of Revenues Over (Under) Expenditures	857,632	28,590	1,260	(21,009)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(330,752)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(330,752)	-	-	-
Net Change in Fund Balances	526,880	28,590	1,260	(21,009)
FUND BALANCES, OCTOBER 1	1,144,829	71,409	48,852	381,837
FUND BALANCES, SEPTEMBER 30	\$ 1,671,709	\$ 99,999	\$ 50,112	\$ 360,828

Alternative Dispute Resolution	Law Enforcement Education	County Records Management and Preservation	County Clerk Records Management and Preservation	Courthouse Security
\$ -	\$ -	\$ -	\$ -	\$ -
36,855	-	83,339	165,427	93,738
-	17,900	-	-	-
-	-	2,119	3,474	372
<u>36,855</u>	<u>17,900</u>	<u>85,458</u>	<u>168,901</u>	<u>94,110</u>
-	-	75,366	-	-
44,355	-	-	190,286	-
-	10,222	-	-	319,157
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	208,251	11,304	-
<u>44,355</u>	<u>10,222</u>	<u>283,617</u>	<u>201,590</u>	<u>319,157</u>
<u>(7,500)</u>	<u>7,678</u>	<u>(198,159)</u>	<u>(32,689)</u>	<u>(225,047)</u>
7,500	-	-	-	226,304
-	-	-	-	-
<u>7,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>226,304</u>
-	7,678	(198,159)	(32,689)	1,257
-	18,999	376,700	594,180	6,194
<u>\$ -</u>	<u>\$ 26,677</u>	<u>\$ 178,541</u>	<u>\$ 561,491</u>	<u>\$ 7,451</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, 2009

	Justice Court Security	District Clerk Records Management and Preservation	J. P. Technology	Special Forfeitures
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	12,492	17,783	50,341	25,775
Intergovernmental	-	-	-	-
Interest	202	377	1,126	122
TOTAL REVENUES	12,694	18,160	51,467	25,897
EXPENDITURES				
General Government	-	-	-	-
Justice System	-	-	57,583	-
Law Enforcement	-	-	-	25,598
Juvenile Services	-	-	-	-
Public Transportation	-	-	-	-
Human Services	-	-	-	-
Capital Outlay	38,000	4,602	64,726	-
TOTAL EXPENDITURES	38,000	4,602	122,309	25,598
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,306)	13,558	(70,842)	299
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balances	(25,306)	13,558	(70,842)	299
FUND BALANCES, OCTOBER 1	28,347	55,990	214,203	13,129
FUND BALANCES, SEPTEMBER 30	\$ 3,041	\$ 69,548	\$ 143,361	\$ 13,428

District Attorney Hot Check Collection	Bail Bond Board Fees	Voter Registration	Chapter 19 State Fund	Vehicle Inventory Tax Interest	Sheriff Department Crime Fund	District Attorney Crime Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,981	2,500	-	-	-	157	22,706
-	-	-	-	-	-	-
5	436	130	-	2,685	2,061	165
1,986	2,936	130	-	2,685	2,218	22,871
-	-	-	-	1,028	-	-
305	962	-	-	-	-	16,746
-	-	-	-	-	2,660	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
305	962	-	-	1,028	2,660	16,746
1,681	1,974	130	-	1,657	(442)	6,125
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,681	1,974	130	-	1,657	(442)	6,125
217	73,830	22,220	-	116,053	363,221	30,775
\$ 1,898	\$ 75,804	\$ 22,350	\$ -	\$ 117,710	\$ 362,779	\$ 36,900

(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, 2009

	Primary Election Service Fund	Grants	Totals
REVENUES			
Taxes	\$ -	\$ -	\$ 1,075,806
Charges for Services	3,434	25,626	591,416
Intergovernmental	-	1,574,514	1,620,420
Interest	173	42	26,178
TOTAL REVENUES	3,607	1,600,182	3,313,820
EXPENDITURES			
General Government	-	-	76,713
Justice System	-	-	382,724
Law Enforcement	-	298,300	655,937
Juvenile Services	-	978,945	978,945
Public Transportation	-	323,183	323,183
Human Services	-	178,899	405,383
Capital Outlay	-	147,254	474,137
TOTAL EXPENDITURES	-	1,926,581	3,297,022
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,607	(326,399)	16,798
OTHER FINANCING SOURCES (USES)			
Transfers In	-	351,783	585,587
Transfers Out	-	-	(330,752)
TOTAL OTHER FINANCING SOURCES (USES)	-	351,783	254,835
Net Change in Fund Balances	3,607	25,384	271,633
FUND BALANCES, OCTOBER 1	7,071	13,468	3,581,524
FUND BALANCES, SEPTEMBER 30	\$ 10,678	\$ 38,852	\$ 3,853,157

**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, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Taxes	\$ 1,000,000	\$ 1,000,000	\$ 1,075,806
Interest	10,000	10,000	8,310
TOTAL REVENUES	<u>1,010,000</u>	<u>1,010,000</u>	<u>1,084,116</u>
EXPENDITURES			
Human Services			
Personnel Services	138,694	135,672	95,289
Supplies and Other Charges	1,811,306	1,453,707	95,291
Repairs & Maintenance	-	29,941	29,940
Minor Acquisitions	-	3,494	2,809
Contract Services	-	2,604	2,604
Professional Services	10,000	3,830	551
TOTAL EXPENDITURES	<u>1,960,000</u>	<u>1,629,248</u>	<u>226,484</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(950,000)	(619,248)	857,632
OTHER FINANCING USES			
Transfers Out	-	(330,752)	(330,752)
TOTAL OTHER FINANCING USES	<u>-</u>	<u>(330,752)</u>	<u>(330,752)</u>
Net Change in Fund Balance	(950,000)	(950,000)	526,880
FUND BALANCE, OCTOBER 1	<u>1,144,829</u>	<u>1,144,829</u>	<u>1,144,829</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 194,829</u>	<u>\$ 194,829</u>	<u>\$ 1,671,709</u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
STATE LATERAL ROAD
For the Year Ended September 30, 2009**

	Original and Final Budget	Actual
REVENUES		
Intergovernmental	\$ 28,000	\$ 28,006
Interest	1,800	584
TOTAL REVENUES	29,800	28,590
EXPENDITURES		
Public Transportation		
Repairs and Maintenance	100,800	-
TOTAL EXPENDITURES	100,800	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(71,000)	28,590
FUND BALANCE, OCTOBER 1	71,409	71,409
FUND BALANCE, SEPTEMBER 30	\$ 409	\$ 99,999

**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, 2009**

	Original and Final Budget	Actual
REVENUES		
Interest	\$ 6,300	\$ 1,579
TOTAL REVENUES	<u>6,300</u>	<u>1,579</u>
EXPENDITURES		
General Government		
Supplies and Other Charges	<u>54,300</u>	<u>319</u>
TOTAL EXPENDITURES	<u>54,300</u>	<u>319</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(48,000)	1,260
FUND BALANCE, OCTOBER 1	<u>48,852</u>	<u>48,852</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 852</u>	<u>\$ 50,112</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, 2009**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 45,500	\$ 45,500	\$ 49,262
Interest	9,500	9,500	2,216
TOTAL REVENUES	55,000	55,000	51,478
EXPENDITURES			
Justice System			
Supplies and Other Charges	50,000	63,761	63,760
Repairs and Maintenance	2,000	1,945	1,204
Minor Acquisitions	24,000	10,294	323
Contract Services	10,000	10,000	7,200
TOTAL EXPENDITURES	86,000	86,000	72,487
Deficiency of Revenues Under Expenditures	(31,000)	(31,000)	(21,009)
FUND BALANCE, OCTOBER 1	381,837	381,837	381,837
FUND BALANCE, SEPTEMBER 30	\$ 350,837	\$ 350,837	\$ 360,828

**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, 2009**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 34,000	\$ 36,855	\$ 36,855
TOTAL REVENUES	<u>34,000</u>	<u>36,855</u>	<u>36,855</u>
EXPENDITURES			
Justice System			
Contractual Services	41,500	44,355	44,355
TOTAL EXPENDITURES	<u>41,500</u>	<u>44,355</u>	<u>44,355</u>
Deficiency of Revenues Under Expenditures	(7,500)	(7,500)	(7,500)
OTHER FINANCING SOURCES			
Transfers In	7,500	7,500	7,500
TOTAL OTHER FINANCING SOURCES	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>
Net Change in Fund Balance	-	-	-
FUND BALANCE, OCTOBER 1	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
LAW ENFORCEMENT EDUCATION
For the Year Ended September 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Intergovernmental	\$ 17,750	\$ 17,900	\$ 17,900
TOTAL REVENUES	<u>17,750</u>	<u>17,900</u>	<u>17,900</u>
EXPENDITURES			
Law Enforcement			
Supplies and Other Charges	<u>31,750</u>	<u>36,899</u>	<u>10,222</u>
TOTAL EXPENDITURES	<u>31,750</u>	<u>36,899</u>	<u>10,222</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,000)	(18,999)	7,678
FUND BALANCE, OCTOBER 1	<u>18,999</u>	<u>18,999</u>	<u>18,999</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 4,999</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 26,677</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, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 85,000	\$ 85,000	\$ 83,339
Interest	11,000	11,000	2,119
TOTAL REVENUES	<u>96,000</u>	<u>96,000</u>	<u>85,458</u>
EXPENDITURES			
General Government			
Personnel Services	51,015	51,015	42,002
Supplies and Other Charges	225,055	21,296	2,621
Repairs & Maintenance	-	704	704
Minor Acquisitions	45,000	45,000	30,039
Contract Services	10,000	10,000	-
Professional Services	10,000	10,000	-
Capital Outlay	145,930	348,985	208,251
TOTAL EXPENDITURES	<u>487,000</u>	<u>487,000</u>	<u>283,617</u>
Deficiency of Revenues Under Expenditures	(391,000)	(391,000)	(198,159)
FUND BALANCE, OCTOBER 1	<u>376,700</u>	<u>376,700</u>	<u>376,700</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ (14,300)</u>	<u>\$ (14,300)</u>	<u>\$ 178,541</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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 165,000	\$ 165,000	\$ 165,427
Interest	14,000	14,000	3,474
TOTAL REVENUES	<u>179,000</u>	<u>179,000</u>	<u>168,901</u>
EXPENDITURES			
Justice System			
Personnel Services	97,680	97,680	95,272
Supplies and Other Charges	59,400	23,192	1,594
Repairs and Maintenance	1,000	1,000	-
Minor Acquisitions	12,200	12,200	1,621
Contract Services	85,500	85,500	67,091
Professional Services	-	24,708	24,708
Capital Outlay	-	11,500	11,304
TOTAL EXPENDITURES	<u>255,780</u>	<u>255,780</u>	<u>201,590</u>
Deficiency of Revenues Under Expenditures	(76,780)	(76,780)	(32,689)
FUND BALANCE, OCTOBER 1	<u>594,180</u>	<u>594,180</u>	<u>594,180</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 517,400</u></u>	<u><u>\$ 517,400</u></u>	<u><u>\$ 561,491</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COURTHOUSE SECURITY
For the Year Ended September 30, 2009**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 93,000	\$ 93,000	\$ 93,738
Interest	1,200	1,200	372
TOTAL REVENUES	<u>94,200</u>	<u>94,200</u>	<u>94,110</u>
EXPENDITURES			
Law Enforcement			
Personnel Services	301,778	304,837	302,274
Supplies and Other Charges	5,377	5,377	4,231
Repairs and Maintenance	10,190	10,190	7,873
Minor Acquisitions	5,100	5,100	4,779
TOTAL EXPENDITURES	<u>322,445</u>	<u>325,504</u>	<u>319,157</u>
Deficiency of Revenues Under Expenditures	(228,245)	(231,304)	(225,047)
OTHER FINANCING SOURCES			
Transfers In	<u>223,245</u>	<u>226,304</u>	<u>226,304</u>
TOTAL OTHER FINANCING SOURCES	<u>223,245</u>	<u>226,304</u>	<u>226,304</u>
Net Change in Fund Balance	(5,000)	(5,000)	1,257
FUND BALANCE, OCTOBER 1	<u>6,194</u>	<u>6,194</u>	<u>6,194</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 1,194</u></u>	<u><u>\$ 1,194</u></u>	<u><u>\$ 7,451</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, 2009**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 11,000	\$ 12,492
Interest	500	202
TOTAL REVENUES	11,500	12,694
EXPENDITURES		
Justice System		
Capital Outlay	38,000	38,000
TOTAL EXPENDITURES	38,000	38,000
Deficiency of Revenues Under Expenditures	(26,500)	(25,306)
FUND BALANCE, OCTOBER 1	28,347	28,347
FUND BALANCE, SEPTEMBER 30	\$ 1,847	\$ 3,041

**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, 2009**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 17,000	\$ 17,000	\$ 17,783
Interest	1,400	1,400	377
TOTAL REVENUES	18,400	18,400	18,160
EXPENDITURES			
Justice System			
Supplies and Other Charges	26,000	19,290	-
Minor Acquisitions	-	710	-
Contract Services	1,000	1,000	-
Professional Services	44,400	44,400	-
Capital Outlay	-	6,000	4,602
TOTAL EXPENDITURES	71,400	71,400	4,602
Excess (Deficiency) of Revenues Over (Under) Expenditures	(53,000)	(53,000)	13,558
FUND BALANCE, OCTOBER 1	55,990	55,990	55,990
FUND BALANCE, SEPTEMBER 30	\$ 2,990	\$ 2,990	\$ 69,548

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, 2009

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 50,500	\$ 50,500	\$ 50,341
Interest	5,000	5,000	1,126
TOTAL REVENUES	<u>55,500</u>	<u>55,500</u>	<u>51,467</u>
EXPENDITURES			
Justice System			
Supplies and Other Charges	35,600	25,223	10,821
Minor Acquisitions	35,050	58,142	46,762
Contract Services	25,000	25,000	-
Capital Outlay	174,032	161,317	64,726
TOTAL EXPENDITURES	<u>269,682</u>	<u>269,682</u>	<u>122,309</u>
Deficiency of Revenues Under Expenditures	(214,182)	(214,182)	(70,842)
FUND BALANCE, OCTOBER 1	<u>214,203</u>	<u>214,203</u>	<u>214,203</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 21</u></u>	<u><u>\$ 21</u></u>	<u><u>\$ 143,361</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL FORFEITURES
For the Year Ended September 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ -	\$ 20,490	\$ 25,775
Interest	-	-	122
TOTAL REVENUES	<u>-</u>	<u>20,490</u>	<u>25,897</u>
EXPENDITURES			
Law Enforcement			
Supplies and Other Charges	3,000	3,000	2,180
Repairs and Maintenance	2,500	2,500	-
Minor Acquisitions	<u>5,500</u>	<u>25,990</u>	<u>23,418</u>
TOTAL EXPENDITURES	<u>11,000</u>	<u>31,490</u>	<u>25,598</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,000)	(11,000)	299
FUND BALANCE, OCTOBER 1	<u>13,129</u>	<u>13,129</u>	<u>13,129</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 2,129</u>	<u>\$ 2,129</u>	<u>\$ 13,428</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, 2009**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 300	\$ 1,981
Interest	50	5
TOTAL REVENUES	350	1,986
EXPENDITURES		
Justice System		
Supplies and Other Charges	350	305
TOTAL EXPENDITURES	350	305
Excess of Revenues Over Expenditures	-	1,681
FUND BALANCE, OCTOBER 1	217	217
FUND BALANCE, SEPTEMBER 30	\$ 217	\$ 1,898

**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, 2009**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 1,500	\$ 2,500
Interest	1,802	436
TOTAL REVENUES	<u>3,302</u>	<u>2,936</u>
EXPENDITURES		
Justice System		
Personnel Services	4,602	607
Supplies and Other Charges	71,700	355
TOTAL EXPENDITURES	<u>76,302</u>	<u>962</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(73,000)	1,974
FUND BALANCE, OCTOBER 1	<u>73,830</u>	<u>73,830</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 830</u>	<u>\$ 75,804</u>

**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, 2009**

	Original and Final Budget	Actual
REVENUES		
Interest	\$ 500	\$ 130
TOTAL REVENUES	500	130
EXPENDITURES		
General Government		
Supplies and Other Charges	12,500	-
TOTAL EXPENDITURES	12,500	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,000)	130
FUND BALANCE, OCTOBER 1	22,220	22,220
FUND BALANCE, SEPTEMBER 30	\$ 10,220	\$ 22,350

**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, 2009**

	Original and Final Budget	Actual
REVENUES		
Intergovernmental	\$ 32,182	\$ -
TOTAL REVENUES	32,182	-
EXPENDITURES		
Law Enforcement		
Supplies and Other Charges	20,182	-
Minor Acquisition	12,000	-
TOTAL EXPENDITURES	32,182	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-
FUND BALANCE, OCTOBER 1	-	-
FUND BALANCE, SEPTEMBER 30	\$ -	\$ -

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
VEHICLE INVENTORY TAX INTEREST
For the Year Ended September 30, 2009**

	Original and Final Budget	Actual
REVENUES		
Taxes	\$ 1,200	\$ -
Interest	12,000	2,685
TOTAL REVENUES	13,200	2,685
EXPENDITURES		
General Government		
Personnel Services	13,275	6
Supplies and Other Charges	82,925	1,022
Minor Acquisitions	10,000	-
Professional Services	20,000	-
TOTAL EXPENDITURES	126,200	1,028
Excess (Deficiency) of Revenues Over (Under) Expenditures	(113,000)	1,657
FUND BALANCE, OCTOBER 1	116,053	116,053
FUND BALANCE, SEPTEMBER 30	\$ 3,053	\$ 117,710

**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, 2009**

	Original and Final Budget	Actual
REVENUES		
Other Revenue	\$ 1,000	\$ 157
Interest	8,000	2,061
TOTAL REVENUES	9,000	2,218
EXPENDITURES		
Law Enforcement		
Personnel Services		
Supplies and Other Charges	265,200	2,660
Repairs and Maintenance	43,500	-
Minor Acquisitions	22,800	-
Contract Services	37,000	-
Professional Services	500	-
TOTAL EXPENDITURES	369,000	2,660
Deficiency of Revenues Under Expenditures	(360,000)	(442)
FUND BALANCE, OCTOBER 1	363,221	363,221
FUND BALANCE, SEPTEMBER 30	\$ 3,221	\$ 362,779

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, 2009

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 10,000	\$ 10,000	\$ 22,706
Interest	500	500	165
TOTAL REVENUES	<u>10,500</u>	<u>10,500</u>	<u>22,871</u>
EXPENDITURES			
Justice System			
Personnel Services	15,468	15,968	13,564
Supplies and Other Charges	13,032	12,532	3,182
TOTAL EXPENDITURES	<u>28,500</u>	<u>28,500</u>	<u>16,746</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,000)	(18,000)	6,125
FUND BALANCE, OCTOBER 1	<u>30,775</u>	<u>30,775</u>	<u>30,775</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 12,775</u>	<u>\$ 12,775</u>	<u>\$ 36,900</u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
PRIMARY ELECTION SERVICES FUND
For the Year Ended September 30, 2009**

	<u>Original and Final Budget</u>	<u>Actual</u>
REVENUES		
Charges for Services	\$ -	\$ 3,434
Interest	-	173
TOTAL REVENUES	<u>-</u>	<u>3,607</u>
EXPENDITURES	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	-	3,607
FUND BALANCE, OCTOBER 1	<u>7,071</u>	<u>7,071</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 7,071</u></u>	<u><u>\$ 10,678</u></u>

**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, 2009**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Intergovernmental - Federal			
Department of Justice	\$ 296,833	\$ 296,833	\$ 184,940
Department of Transportation	426,193	441,193	309,629
Department of Public Safety	-	188,800	186,074
Federal Election Assistance Commission	397,848	172,145	125,603
Total Intergovernmental - Federal	1,120,874	1,098,971	806,246
Intergovernmental - State			
Texas Juvenile Probation Commission	684,089	684,089	683,468
Texas Office of the Attorney General	30,108	30,108	30,108
Total Intergovernmental - State	714,197	714,197	713,576
Intergovernmental - Other			
MPO Contribution	60,000	60,000	54,692
Program Income	-	-	25,626
Total Intergovernmental - Other	60,000	60,000	80,318
Interest	-	-	42
TOTAL REVENUES	1,895,071	1,873,168	1,600,182
EXPENDITURES			
Law Enforcement	326,941	439,875	298,300
Juvenile Services	1,017,686	1,015,886	978,945
Public Transportation	552,986	440,052	323,183
Human Services	397,848	231,264	178,899
Capital Outlay	-	132,733	147,254
TOTAL EXPENDITURES	2,295,461	2,259,810	1,926,581
Deficiency of Revenues Under Expenditures	(400,390)	(386,642)	(326,399)
OTHER FINANCING SOURCES (USES)			
Transfers In	400,390	386,642	351,783
TOTAL OTHER FINANCING SOURCES (USES)	400,390	386,642	351,783
Net Change in Fund Balance	-	-	25,384
FUND BALANCE, OCTOBER 1	13,468	13,468	13,468
FUND BALANCE, SEPTEMBER 30	\$ 13,468	\$ 13,468	\$ 38,852

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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Taxes	\$ 7,720,000	\$ 7,720,000	\$ 8,114,534
Interest	120,000	23,700	26,450
TOTAL REVENUES	<u>7,840,000</u>	<u>7,743,700</u>	<u>8,140,984</u>
EXPENDITURES			
Debt Service:			
Principal	3,540,000	3,540,000	3,540,000
Interest	4,200,000	4,200,000	4,097,627
Agent Fees	5,000	5,000	2,147
Professional Fees - Other	95,000	95,000	-
TOTAL EXPENDITURES	<u>7,840,000</u>	<u>7,840,000</u>	<u>7,639,774</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	-	(96,300)	501,210
OTHER FINANCING SOURCES			
Transfers In	-	96,300	96,300
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>96,300</u>	<u>96,300</u>
Net Change in Fund Balance	-	-	597,510
FUND BALANCE, OCTOBER 1	<u>2,831,378</u>	<u>2,831,378</u>	<u>2,831,378</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 2,831,378</u>	<u>\$ 2,831,378</u>	<u>\$ 3,428,888</u>

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

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.

Expo 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.

Expo Center Expansion Fund – This fund was established to account for the expansion of the Brazos County Exposition Center. The expenditures will be financed through the issuance of a \$12,000,000 Certificates of Obligation in November 2009 and a portion of the hotel occupancy taxes collected in a Special Revenue Fund (Hotel Occupancy Tax).

MAJOR GOVERNMENTAL FUNDS

Jail Expansion Fund – This fund was established to account for the expenditures for the expansion of the County's jail facility. The expenditures are financed through the issuance of \$55,000,000 General Obligation Bonds in 2008.

**BRAZOS COUNTY, TEXAS
 COMBINING BALANCE SHEET
 CAPITAL PROJECT FUNDS
 September 30, 2009**

	<u>Nonmajor Funds</u>			<u>Total Nonmajor Funds</u>
	<u>Capital Improvement</u>	<u>Expo Center</u>	<u>Expo Center Expansion</u>	
ASSETS				
Cash and Cash Equivalents	\$ 4,796,641	\$ 1,479	\$ 1,000	\$ 4,799,120
TOTAL ASSETS	<u>\$ 4,796,641</u>	<u>\$ 1,479</u>	<u>\$ 1,000</u>	<u>\$ 4,799,120</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 37,122	\$ 1,479	\$ 1,000	\$ 39,601
Total Liabilities	<u>37,122</u>	<u>1,479</u>	<u>1,000</u>	<u>39,601</u>
Fund Balances				
Unreserved				
Designated for Capital Improvements	4,759,519	-	-	4,759,519
Total Fund Balances	<u>4,759,519</u>	<u>-</u>	<u>-</u>	<u>4,759,519</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,796,641</u>	<u>\$ 1,479</u>	<u>\$ 1,000</u>	<u>\$ 4,799,120</u>

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
CAPITAL PROJECT FUNDS
For The Year Ended September 30, 2009

	<u>Nonmajor Funds</u>		Total Nonmajor Funds
	<u>Capital Improvement</u>	<u>Expo Center Expansion</u>	
REVENUES			
Other Revenue	\$ 306	\$ -	\$ 306
TOTAL REVENUES	<u>306</u>	<u>-</u>	<u>306</u>
EXPENDITURES			
General Government	39,975	-	39,975
Justice System	47,623	-	47,623
Law Enforcement	173,878	-	173,878
Juvenile Services	162,045	-	162,045
Human Services	6,353	-	6,353
Capital Outlay	1,981,093	330,752	2,311,845
TOTAL EXPENDITURES	<u>2,410,967</u>	<u>330,752</u>	<u>2,741,719</u>
Deficiency of Revenues Under Expenditures	<u>(2,410,661)</u>	<u>(330,752)</u>	<u>(2,741,413)</u>
OTHER FINANCING SOURCES			
Sale of Capital Assets	230,980	-	230,980
Transfers In	5,152,394	330,752	5,483,146
TOTAL OTHER FINANCING SOURCES	<u>5,383,374</u>	<u>330,752</u>	<u>5,714,126</u>
Net Change in Fund Balances	2,972,713	-	2,972,713
FUND BALANCES, OCTOBER 1	<u>1,786,806</u>	<u>-</u>	<u>1,786,806</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 4,759,519</u>	<u>\$ -</u>	<u>\$ 4,759,519</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, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Other Revenue	\$ -	\$ -	\$ 306
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>306</u>
EXPENDITURES			
Supplies and Other Charges	64,700	61,633	53,680
Repairs & Maintenance	14,020	38,795	33,758
Minor Acquisitions	15,700	43,919	40,343
Contract Services	396,750	399,098	302,093
Capital Outlay	6,438,381	6,839,929	1,981,093
TOTAL EXPENDITURES	<u>6,929,551</u>	<u>7,383,374</u>	<u>2,410,967</u>
Deficiency of Revenues Under Expenditures	(6,929,551)	(7,383,374)	(2,410,661)
OTHER FINANCING SOURCES (USES)			
Sale of Capital Assets	-	230,980	230,980
Transfers In	4,929,551	5,152,394	5,152,394
TOTAL OTHER FINANCING SOURCES	<u>4,929,551</u>	<u>5,383,374</u>	<u>5,383,374</u>
Net Change in Fund Balance	(2,000,000)	(2,000,000)	2,972,713
FUND BALANCE, OCTOBER 1	<u>1,786,806</u>	<u>1,786,806</u>	<u>1,786,806</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ (213,194)</u>	<u>\$ (213,194)</u>	<u>\$ 4,759,519</u>

**BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
EXPO CENTER EXPANSION
For The Year Ended September 30, 2009**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-
EXPENDITURES			
Capital Outlay	4,500,000	4,830,752	330,752
TOTAL EXPENDITURES	4,500,000	4,830,752	330,752
Deficiency of Revenues Under Expenditures	(4,500,000)	(4,830,752)	(330,752)
OTHER FINANCING SOURCES			
Debt Issuance	4,500,000	4,500,000	-
Transfers In		330,752	330,752
TOTAL OTHER FINANCING SOURCES	4,500,000	4,830,752	330,752
Net Change in Fund Balance	-	-	-
FUND BALANCE, OCTOBER 1	-	-	-
FUND BALANCE, SEPTEMBER 30	\$ -	\$ -	\$ -

BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
JAIL EXPANSION
For The Year Ended September 30, 2009

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Interest	\$ -	\$ -	\$ 278,085
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>278,085</u>
EXPENDITURES			
Supplies and Other Charges	-	9,090	-
Minor Acquisition	-	910	-
Capital Outlay	53,156,127	53,146,127	26,781,584
TOTAL EXPENDITURES	<u>53,156,127</u>	<u>53,156,127</u>	<u>26,781,584</u>
Deficiency of Revenues Under Expenditures	(53,156,127)	(53,156,127)	(26,503,499)
OTHER FINANCING SOURCES (USES)			
Debt Issuance	53,156,127	-	-
TOTAL OTHER FINANCING SOURCES	<u>53,156,127</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	(53,156,127)	(26,503,499)
FUND BALANCE, OCTOBER 1	<u>53,243,964</u>	<u>53,243,964</u>	<u>53,243,964</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 53,243,964</u>	<u>\$ 87,837</u>	<u>\$ 26,740,465</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
For The Year Ended September 30, 2009**

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 2,081,686
Accounts Receivable	22,637

TOTAL ASSETS	2,104,323
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LIABILITIES

Current Liabilities

Accounts Payable	714,401
Deferred Revenue	5,189

TOTAL LIABILITIES	719,590
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NET ASSETS

Unrestricted	1,384,733
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TOTAL NET ASSETS	\$ 1,384,733
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**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, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
OPERATING REVENUES			
Employee Dependents	\$ 1,003,000	\$ 1,003,000	\$ 1,184,220
Self Pays	12,000	12,000	18,446
Excess Risk Benefits	-	-	98,403
Participant Payments	256,500	256,500	311,666
Brazos County	4,401,350	4,401,350	4,775,404
Retirees	120,000	120,000	146,845
TOTAL OPERATING REVENUES	<u>5,792,850</u>	<u>5,792,850</u>	<u>6,534,984</u>
OPERATING EXPENSES			
Life Insurance	30,000	30,000	29,415
Stop Loss Premiums	750,000	750,000	868,796
Benefit Claims	5,365,850	5,365,850	4,783,432
Administrative Fees	400,000	400,000	292,795
Professional Services	32,000	32,000	18,000
TOTAL OPERATING EXPENSES	<u>6,577,850</u>	<u>6,577,850</u>	<u>5,992,438</u>
OPERATING GAIN (LOSS)	<u>(785,000)</u>	<u>(785,000)</u>	<u>542,546</u>
NONOPERATING REVENUES			
Interest	35,000	35,000	10,234
TOTAL NONOPERATING REVENUES	<u>35,000</u>	<u>35,000</u>	<u>10,234</u>
CHANGE IN NET ASSETS	<u>(750,000)</u>	<u>(750,000)</u>	<u>552,780</u>
TOTAL NET ASSETS - BEGINNING	<u>831,953</u>	<u>831,953</u>	<u>831,953</u>
TOTAL NET ASSETS - ENDING	<u>\$ 81,953</u>	<u>\$ 81,953</u>	<u>\$ 1,384,733</u>

**BRAZOS COUNTY, TEXAS
INTERNAL SERVICE FUND
HEALTH AND LIFE INSURANCE
STATEMENT OF CASH FLOWS
For The Year Ended September 30, 2009**

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 1,661,123
Receipts from interfund services provided	4,775,404
Payments to contractors	(1,225,986)
Claims paid	(4,642,050)
	<u>568,491</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	11,545
	<u>11,545</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	
NET INCREASE IN CASH AND CASH EQUIVALENTS	
	580,036
CASH AND CASH EQUIVALENTS, OCTOBER 1	
	<u>1,501,650</u>
CASH AND CASH EQUIVALENTS, SEPTEMBER 30	
	<u>\$ 2,081,686</u>
Reconciliation of operating gain to net cash provided by operating activities:	
Operating gain	\$ 542,546
Adjustments to reconcile operating gain to net cash provided by operating activities:	
(Increase) in accounts receivable	(9,975)
Increase in accounts payable	37,152
(Decrease) in deferred revenue	(1,232)
Total adjustments	<u>25,945</u>
Net cash provided by operating activities	<u>\$ 568,491</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, 2009**

	<u>Narcotics Seizure</u>	<u>District Clerk Trust</u>	<u>County Clerk Trust</u>	<u>Bail Bond Board Trust</u>	<u>Total</u>
ASSETS					
Cash and Cash Equivalents	\$ 292,394	\$ 2,119,271	\$ 1,023,236	\$ 940,407	\$ 4,375,308
Investments	-	-	-	1,238,100	1,238,100
TOTAL ASSETS	<u>\$ 292,394</u>	<u>\$ 2,119,271</u>	<u>\$ 1,023,236</u>	<u>\$ 2,178,507</u>	<u>\$ 5,613,408</u>
LIABILITIES					
Funds Held in Trust	\$ 292,394	\$ 2,119,271	\$ 1,023,236	\$ 2,178,507	\$ 5,613,408
TOTAL LIABILITIES	<u>\$ 292,394</u>	<u>\$ 2,119,271</u>	<u>\$ 1,023,236</u>	<u>\$ 2,178,507</u>	<u>\$ 5,613,408</u>

BRAZOS COUNTY, TEXAS
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For The Year Ended September 30, 2009

	<u>Balance October 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2009</u>
NARCOTICS SEIZURE				
Assets				
Cash and Cash Equivalents	\$ 221,710	\$ 197,813	\$ 127,129	\$ 292,394
Total Assets	<u>221,710</u>	<u>197,813</u>	<u>127,129</u>	<u>292,394</u>
Liabilities				
Funds Held In Trust	221,710	128,180	57,496	292,394
Total Liabilities	<u>221,710</u>	<u>128,180</u>	<u>57,496</u>	<u>292,394</u>
DISTRICT CLERK TRUST				
Assets				
Cash and Cash Equivalents	2,279,075	1,294,287	1,454,091	2,119,271
Accounts Receivable	429	-	429	-
Total Assets	<u>2,279,504</u>	<u>1,294,287</u>	<u>1,454,520</u>	<u>2,119,271</u>
Liabilities				
Accounts Payable	429	-	429	-
Funds Held In Trust	2,279,075	130,098	289,902	2,119,271
Total Liabilities	<u>2,279,504</u>	<u>130,098</u>	<u>290,331</u>	<u>2,119,271</u>
COUNTY CLERK TRUST				
Assets				
Cash and Cash Equivalents	1,080,200	620,904	677,868	1,023,236
Total Assets	<u>1,080,200</u>	<u>620,904</u>	<u>677,868</u>	<u>1,023,236</u>
Liabilities				
Funds Held In Trust	1,080,200	193,892	250,856	1,023,236
Total Liabilities	<u>1,080,200</u>	<u>193,892</u>	<u>250,856</u>	<u>1,023,236</u>
BAIL BOND BOARD TRUST				
Assets				
Cash and Cash Equivalents	904,798	266,500	230,891	940,407
Investments	1,233,860	82,240	78,000	1,238,100
Total Assets	<u>2,138,658</u>	<u>348,740</u>	<u>308,891</u>	<u>2,178,507</u>
Liabilities				
Funds Held In Trust	2,138,658	398,740	358,891	2,178,507
Total Liabilities	<u>\$ 2,138,658</u>	<u>\$ 398,740</u>	<u>\$ 358,891</u>	<u>\$ 2,178,507</u>

BRAZOS COUNTY, TEXAS
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
For The Year Ended September 30, 2009

	<u>Balance October 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2009</u>
COMBINED AGENCY FUNDS				
Assets				
Cash and Cash Equivalents	\$ 4,485,783	\$ 2,379,504	\$ 2,489,979	\$ 4,375,308
Investments	1,233,860	82,240	78,000	1,238,100
Accounts Receivable	429	-	429	-
Total Assets	<u>\$ 5,720,072</u>	<u>\$ 2,461,744</u>	<u>\$ 2,568,408</u>	<u>\$ 5,613,408</u>
Liabilities				
Accounts Payable	\$ 429	\$ -	\$ 429	\$ -
Funds Held In Trust	5,719,643	850,910	957,145	5,613,408
Total Liabilities	<u>\$ 5,720,072</u>	<u>\$ 850,910</u>	<u>\$ 957,574</u>	<u>\$ 5,613,408</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, 2009

	2009	2008
GOVERNMENTAL FUNDS CAPITAL ASSETS		
Land	\$ 11,822,036	\$ 11,430,407
Buildings	63,128,452	62,432,942
Improvements	5,298,963	5,273,157
Machinery and Equipment	19,980,046	18,754,064
Infrastructure	49,253,232	45,857,586
Construction Work in Progress	32,995,392	4,043,382
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	\$ 182,478,121	\$ 147,791,538
 INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE		
General Fund	\$ 18,139,846	\$ 11,562,898
Special Revenue Funds	1,949,794	1,475,656
Capital Project Funds	159,067,708	131,590,184
Donations	3,320,773	3,162,800
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	\$ 182,478,121	\$ 147,791,538

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, 2009

FUNCTION AND ACTIVITY	Governmental Funds Capital Assets 10/1/08	Additions	Retirements	Adjustments And Transfers	Governmental Funds Capital Assets 09/30/09
General Government					
County Judge	\$ 117,130	\$ -	\$ -	\$ 86,151	\$ 203,281
Commissioners' Court	6,308,353	567,054	-	(5,149,417)	1,725,990
County Records Management	12,998	-	-	100,983	113,981
Veterans' Office	-	-	-	5,435	5,435
Budget Office	28,470	-	-	72,513	100,983
County Treasurer	421,098	-	-	296,593	717,691
Risk Management	117,131	-	-	86,149	203,280
Tax Assessor-Collector	699,996	-	-	81,849	781,845
Information Technology	5,350,059	275,910	(12,150)	18,194	5,632,013
Human Resources	262,751	-	-	244,817	507,568
County Auditor	645,880	-	-	373,203	1,019,083
Purchasing Administration	218,887	-	-	194,508	413,395
Building Maintenance	744,068	-	-	258,925	1,002,993
Total General Government	14,913,823	842,964	(12,150)	(3,330,097)	12,427,538
Justice System					
County Attorney	1,195,931	-	-	482,575	1,678,506
District Attorney	870,366	-	-	733,382	1,603,748
District Clerk	860,020	-	(6,931)	483,009	1,336,098
District Clerk Records Management	5,175	-	-	-	5,175
County Clerk	369,880	11,304	-	255,381	636,565
County Clerk Records Management	67,835	-	-	116,675	184,510
District Courts	495,181	-	(6,285)	261,775	750,671
County Courts At Law	582,944	-	-	145,300	728,244
Justices of the Peace (5)	978,903	52,892	-	462,355	1,494,150
Community Supervision	998,316	-	-	14,909	1,013,225
Magistrate	60,191	-	-	81,572	141,763
Law Library	20,093	-	-	-	20,093
Total Justice System	6,517,833	64,196	(13,216)	3,036,933	9,592,748
Law Enforcement					
Sheriff/Jail	25,846,307	27,145,345	(284,895)	(618,522)	52,088,235
Courthouse Security	183,700	-	(5,616)	143,258	321,342
Constables (4)	1,530,833	324,963	(66,634)	508,671	2,297,833
SIU	198,288	16,346	-	10,907	225,541
Total Law Enforcement	27,759,128	27,486,654	(357,145)	44,314	54,932,951
Juvenile Services					
Juvenile Probation	7,421,265	35,492	-	(7,460)	7,449,297
Total Juvenile Services	7,421,265	35,492	-	(7,460)	7,449,297
Public Transportation					
Metropolitan Planning	994,180	-	-	-	994,180
Road & Bridge	13,699,495	1,184,645	(300,914)	(5,243,098)	9,340,128
Infrastructure	48,749,554	6,087,979	-	4,482,199	59,319,732
Total Public Transportation	\$ 63,443,229	\$ 7,272,624	\$ (300,914)	\$ (760,899)	\$ 69,654,040

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, 2009

FUNCTION AND ACTIVITY	Governmental Funds Capital Assets 10/1/08	Additions	Retirements	Adjustments And Transfers	Governmental Funds Capital Assets 9/30/09
Public Health					
Environmental Protection	\$ 811,955	\$ -	\$ -	\$ -	\$ 811,955
Health Department	400,774	-	-	-	400,774
Total Public Health	<u>1,212,729</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,212,729</u>
Human Services					
Emergency Management	246,628	57,475	(25,630)	89,592	368,065
Brazos Center	2,752,353	568,055	(36,768)	(446,606)	2,837,034
Agricultural Extension	92,908	-	-	-	92,908
Elections	1,161,505	-	-	70,245	1,231,750
Exposition Center	22,270,137	402,218	-	6,706	22,679,061
Total Human Services	<u>26,523,531</u>	<u>1,027,748</u>	<u>(62,398)</u>	<u>(280,063)</u>	<u>27,208,818</u>
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	<u>\$147,791,538</u>	<u>\$ 36,729,678</u>	<u>\$ (745,823)</u>	<u>\$(1,297,272)</u>	<u>\$182,478,121</u>

BRAZOS COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
September 30, 2009

FUNCTION AND ACTIVITY	Land	Buildings	Improvements	Machinery And Equipment	Infrastructure	Construction Work in Progress	Total
General Government							
County Judge	\$ 11,010	\$ 189,565	\$ 2,706	\$ -	\$ -	\$ -	\$ 203,281
Commissioners' Court	110,541	948,262	28,275	176,166	-	462,746	1,725,990
County Records Management	5,504	95,001	478	12,998	-	-	113,981
Veterans' Office	-	-	-	5,435	-	-	5,435
Budget Office	5,504	95,001	478	-	-	-	100,983
County Treasurer	38,529	664,132	9,502	5,528	-	-	717,691
Risk Management	11,009	189,565	2,706	-	-	-	203,280
Tax Assessor-Collector	16,321	119,689	612,989	32,846	-	-	781,845
Information Technology	26,777	1,211,893	40,859	4,352,484	-	-	5,632,013
Human Resources	27,520	474,131	5,917	-	-	-	507,568
County Auditor	55,041	948,699	15,343	-	-	-	1,019,083
Purchasing Administration	22,016	379,567	5,441	6,371	-	-	413,395
Building Maintenance	187,191	530,763	57,982	227,057	-	-	1,002,993
Total General Government	516,963	5,846,268	782,676	4,818,885	-	462,746	12,427,538
Justice System							
County Attorney	19,311	1,255,327	201,160	202,708	-	-	1,678,506
District Attorney	19,935	1,295,821	200,546	87,446	-	-	1,603,748
District Clerk	17,442	1,133,845	179,215	5,596	-	-	1,336,098
District Clerk Management	-	-	-	5,175	-	-	5,175
County Clerk	7,787	506,180	79,075	43,523	-	-	636,565
County Clerk Rec. Preservation	1,557	101,237	13,881	67,835	-	-	184,510
District Courts	9,345	607,416	96,514	37,396	-	-	750,671
County Courts At Law	6,230	651,662	65,219	5,133	-	-	728,244
Justices of the Peace (5)	189,900	1,223,988	16,794	63,468	-	-	1,494,150
Community Supervision	250,000	75,000	673,316	14,909	-	-	1,013,225
Magistrate	1,869	121,483	18,411	-	-	-	141,763
Law Library	-	-	-	20,093	-	-	20,093
Total Justice System	523,376	6,971,959	1,544,131	553,282	-	-	9,592,748
Law Enforcement							
Sheriff/Jail	784,095	19,856,253	250,719	2,598,279	-	28,598,889	52,088,235
Courthouse Security	3,115	202,472	30,392	85,363	-	-	321,342
Constables (4)	184,397	1,104,371	18,067	990,998	-	-	2,297,833
SIU	-	-	-	225,541	-	-	225,541
Total Law Enforcement	971,607	21,163,096	299,178	3,900,181	-	28,598,889	54,932,951
Juvenile Services							
Juvenile Probation	106,544	6,926,756	37,527	378,470	-	-	7,449,297
Total Juvenile Services	106,544	6,926,756	37,527	378,470	-	-	7,449,297
Public Transportation							
Metropolitan Planning Road & Bridge	-	-	994,180	-	-	-	994,180
	7,023,795	586,308	560,008	7,651,962	49,253,232	3,584,555	68,659,860
Total Public Transportation	\$ 7,023,795	\$ 586,308	\$ 1,554,188	\$ 7,651,962	\$ 49,253,232	\$ 3,584,555	\$ 69,654,040

BRAZOS COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY (Continued)
September 30, 2009

	<u>Land</u>	<u>Buildings</u>	<u>Improvements</u>	<u>Machinery And Equipment</u>	<u>Infrastructure</u>	<u>Construction Work in Progress</u>	<u>Total</u>
Public Health							
Environmental Protection	\$ 569,042	\$ 90,908	\$ 152,005	\$ -	\$ -	\$ -	\$ 811,955
Health Department	122,213	139,824	138,737	-	-	-	400,774
Total Public Health	<u>691,255</u>	<u>230,732</u>	<u>290,742</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,212,729</u>
Human Services							
Emergency Management	-	-	36,814	331,251	-	-	368,065
Brazos Center	23,129	1,987,587	664,943	161,375	-	-	2,837,034
Agricultural Extension	-	63,441	29,467	-	-	-	92,908
Elections	1,246	80,989	11,105	1,138,410	-	-	1,231,750
Exposition Center	1,964,121	19,271,316	48,192	1,046,230	-	349,202	22,679,061
Total Human Services	<u>1,988,496</u>	<u>21,403,333</u>	<u>790,521</u>	<u>2,677,266</u>	<u>-</u>	<u>349,202</u>	<u>27,208,818</u>
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	<u>\$ 11,822,036</u>	<u>\$ 63,128,452</u>	<u>\$ 5,298,963</u>	<u>\$ 19,980,046</u>	<u>\$ 49,253,232</u>	<u>\$ 32,995,392</u>	<u>\$182,478,121</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 Seven Fiscal Years
(Accrual Basis of Accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
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	\$ 21,601,010	\$ 56,939,291
Restricted	2,989,935	3,328,283	4,997,987	5,709,087	5,377,356	6,420,810	7,322,778
Unrestricted	29,244,870	43,253,082	59,703,513	55,642,525	41,337,786	94,986,664	60,436,700
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>	<u>\$ 123,008,484</u>	<u>\$ 124,698,769</u>
Business-type activities							
Invested in capital assets, net of related debt	\$ 1,612	\$ -	\$ -	\$ -	\$ 12,558	\$ 10,243	\$ 26,502
Unrestricted	95,996	146,935	172,036	238,586	315,127	390,914	375,579
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>	<u>\$ 401,157</u>	<u>\$ 402,081</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	\$ 21,611,253	\$ 56,965,793
Restricted	2,989,935	3,328,283	4,997,987	5,709,087	5,377,356	6,420,810	7,322,778
Unrestricted	29,340,866	43,400,017	59,875,549	55,881,111	41,652,913	95,377,578	60,812,279
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>	<u>\$ 123,409,641</u>	<u>\$ 125,100,850</u>

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

	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental activities:							
General Government	\$ 11,890,781	\$ 12,633,863	\$ 11,371,667	\$ 12,042,697	\$ 12,631,298	\$ 15,690,144	\$ 16,266,899
Justice System	8,684,058	9,392,776	8,860,448	10,457,394	11,522,627	13,128,593	15,654,079
Law Enforcement	11,271,954	11,956,232	11,894,495	12,905,488	14,054,470	15,731,013	20,208,475
Juvenile Services	3,802,706	3,739,205	3,809,998	4,179,885	4,288,459	4,557,144	5,933,794
Public Transportation	6,394,828	5,360,370	4,764,927	4,900,621	6,429,692	5,410,967	6,226,814
Public Health	1,761,796	1,726,770	1,693,371	1,705,958	2,148,409	1,948,410	2,206,618
Human Services	1,578,544	1,826,466	2,266,518	2,469,378	2,918,972	4,028,992	5,176,330
Interest and Other Fees	1,349,227	1,648,665	1,831,044	2,326,392	2,044,191	2,895,119	4,108,413
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>	<u>63,390,382</u>	<u>75,781,422</u>
Business-type activities:							
County Attorney	93,125	96,878	81,788	67,342	40,144	33,905	33,681
Jail Commissary	226,559	207,164	246,840	299,883	318,321	367,270	435,003
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>	<u>401,175</u>	<u>468,684</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>	<u>\$ 63,791,557</u>	<u>\$ 76,250,106</u>
Program Revenues							
Governmental activities:							
Charges for services:							
General Government	\$ 1,782,138	\$ 2,801,415	\$ 2,161,854	\$ 1,802,420	\$ 2,224,028	\$ 2,317,212	\$ 2,809,396
Justice System	5,637,540	5,609,315	5,083,409	5,509,185	5,862,626	6,202,462	6,683,452
Law Enforcement	492,034	673,692	768,454	846,828	786,796	791,070	800,126
Juvenile Services	52,034	18,103	53,903	81,922	21,955	17,057	81,834
Public Transportation	33,905	1,119,824	1,187,532	1,251,841	1,178,077	1,220,213	1,185,490
Public Health	25,827	31,209	30,844	33,060	30,103	30,545	28,807
Human Services	182,297	212,895	268,443	281,912	226,251	534,253	706,595
Operating grants and contributions:							
General Government	-	-	-	-	24,353	27,668	-
Justice System	498,507	562,706	504,157	438,130	553,661	612,443	662,369
Law Enforcement	1,130,276	1,027,000	997,417	744,033	621,285	446,537	299,401
Juvenile Services	1,121,345	1,266,617	1,261,927	1,212,847	1,406,843	1,356,927	1,075,481
Public Transportation	206,525	286,801	260,270	252,928	296,211	333,597	351,190
Public Health	38,064	59,520	86,432	153,360	166,419	167,373	161,037
Human Services	95,473	91,318	1,586,721	572,788	257,635	635,412	410,164
Capital grants and contributions:							
Law Enforcement	58,911	37,938	8,386	41,372	77,494	8,230	16,346
Public Transportation	-	-	-	-	-	3,104,713	147,273
Human Services	-	253,473	248,295	230,044	99,022	16,920	130,908
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>	<u>\$ 17,822,632</u>	<u>\$ 15,549,869</u>

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Business-type activities:							
Charges for services:							
County Attorney	\$ 114,592	\$ 107,360	\$ 76,778	\$ 74,948	\$ 52,074	\$ 57,191	\$ 36,911
Jail Commissary	234,411	243,476	269,809	350,779	387,093	411,699	430,870
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>	<u>468,890</u>	<u>467,781</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>	<u>\$ 18,291,522</u>	<u>\$ 16,017,650</u>
Net (Expense)/Revenue							
Governmental activities	\$ (35,379,018)	\$ (34,232,521)	\$ (31,984,424)	\$ (37,535,143)	\$ (42,205,359)	\$ (45,567,750)	\$ (60,231,553)
Business-type activities	29,319	46,794	17,959	58,502	80,702	67,715	(903)
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>	<u>\$ (45,500,035)</u>	<u>\$ (60,232,456)</u>
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Taxes:							
Property taxes	\$ 24,127,005	\$ 26,932,638	\$ 31,751,992	\$ 34,280,093	\$ 37,131,017	\$ 41,847,095	\$ 47,182,845
Sales taxes	7,723,285	8,413,179	8,942,049	9,957,049	10,429,681	11,396,068	11,225,816
Motor vehicle taxes	1,147,480	1,136,744	1,126,011	1,212,367	1,217,804	1,288,958	1,259,992
Mixed drink taxes	317,091	348,790	374,123	401,298	440,482	491,078	528,915
Hotel occupancy taxes	-	-	-	-	84,594	1,102,929	1,075,806
Unrestricted investment earnings	594,314	684,525	1,592,819	3,120,658	3,021,597	1,936,657	593,961
Gain (loss) on disposal of assets	(4,647,004)	29,791	12,193	38,820	111,290	-	-
Transfers:	636,775	-	-	-	5,000	1,450	54,503
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>	<u>58,064,235</u>	<u>61,921,838</u>
Business-type activities:							
Unrestricted investment earnings	-	933	3,292	8,048	11,397	7,207	1,827
Gain on disposal of assets	-	1,600	3,850	-	2,000	-	-
Transfers	-	-	-	-	(5,000)	(1,450)	-
Total business-type activities	<u>-</u>	<u>2,533</u>	<u>7,142</u>	<u>8,048</u>	<u>8,397</u>	<u>5,757</u>	<u>1,827</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>	<u>\$ 58,069,992</u>	<u>\$ 61,923,665</u>
Change in Net Assets							
Governmental activities	\$ (5,480,072)	\$ 3,313,146	\$ 11,814,763	\$ 11,475,142	\$ 10,236,106	\$ 12,496,485	\$ 1,690,285
Business-type activities	29,319	49,327	25,101	66,550	89,099	73,472	924
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>	<u>\$ 12,569,957</u>	<u>\$ 1,691,209</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 Seven Fiscal Years
(Modified Accrual Basis of Accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund							
Reserved	\$ 2,418,081	\$ 2,483,109	\$ 2,703,506	\$ 3,263,084	\$ 3,823,288	\$ 4,924,769	\$ 3,367,197
Unreserved	15,729,973	17,161,250	23,734,561	29,358,945	28,060,931	30,017,153	28,183,999
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>	<u>34,941,922</u>	<u>31,551,196</u>
All Other Governmental Funds							
Reserved							
Debt Service Fund	1,612,877	1,623,742	1,881,705	2,387,029	2,908,627	2,831,378	3,428,888
Special Purpose Programs	1,405,115	1,698,278	3,109,950	3,314,550	2,461,011	3,581,524	3,853,157
Other Governmental Funds	5,592	-	-	-	-	-	-
Unreserved							
Capital Improvements	8,011,657	19,040,142	27,440,184	16,686,210	4,280,009	55,030,770	31,499,984
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>	<u>\$ 61,443,672</u>	<u>\$ 38,782,029</u>

Table IV

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Revenues							
Taxes	\$ 32,152,880	\$ 35,680,824	\$ 41,005,538	\$ 44,572,996	\$ 48,095,357	\$ 54,745,662	\$ 60,031,219
Charges for Services	7,171,392	7,736,038	8,016,868	9,267,257	10,808,583	11,033,749	11,171,081
Intergovernmental	3,149,101	3,578,354	4,953,605	3,645,503	3,502,924	3,605,105	3,090,888
Interest	601,297	674,177	1,571,892	3,050,275	2,951,920	1,936,657	593,961
Other Revenue	636,775	589,461	931,107	533,322	465,932	490,472	629,787
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>	<u>71,811,645</u>	<u>75,516,936</u>
Expenditures							
Current							
General Government	8,331,368	9,398,660	9,459,149	10,329,448	10,518,550	11,695,108	12,727,888
Justice System	8,492,929	9,460,213	9,658,261	10,405,154	11,385,426	12,937,962	13,715,644
Law Enforcement	10,542,502	11,550,365	11,544,576	12,282,765	13,357,681	14,797,789	16,365,787
Juvenile Services	3,614,194	3,650,819	3,717,184	4,064,113	4,120,105	4,375,672	4,853,347
Public Transportation	6,345,972	4,878,592	4,481,106	5,080,480	6,230,521	6,142,314	6,672,577
Public Health	1,747,062	1,533,065	1,673,525	1,686,112	2,128,563	1,928,564	2,187,971
Human Services	1,397,062	1,831,381	2,089,260	2,265,385	2,742,753	3,222,130	3,961,591
Capital Outlay	3,188,316	4,338,542	5,580,780	13,980,609	24,351,811	10,698,766	33,724,110
Debt Service							
Principal Retirement	1,664,880	2,031,142	2,390,000	2,785,000	2,795,000	3,445,000	3,540,000
Interest and Fiscal Agent Fees	1,380,272	1,602,689	1,787,895	2,322,768	2,034,535	2,692,699	4,099,774
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>	<u>71,936,004</u>	<u>101,848,689</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,993,112)	(2,016,614)	4,097,274	(4,132,481)	(13,840,229)	(124,359)	(26,331,753)
Other Financing Sources (Uses)							
Transfers In	905,192	529,838	345,969	2,637,411	13,530,376	5,573,472	6,165,033
Transfers Out	(1,835,492)	(729,838)	(845,969)	(2,637,411)	(13,525,376)	(5,693,955)	(6,165,033)
Sale of Capital Assets	61,628	39,840	16,111	77,393	359,277	96,570	279,384
Redemption of Certificates of Obligation	-	-	-	(5,810,000)	-	-	-
Issuance of Debt	2,995,000	15,000,000	13,250,000	6,005,000	-	55,000,000	-
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>	<u>54,976,087</u>	<u>279,384</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>	<u>\$ 54,851,728</u>	<u>\$ (26,052,369)</u>
Debt service as a percentage of noncapital expenditures	7.00%	7.91%	8.93%	9.97%	8.73%	10.02%	11.21%

NOTE: Implementation of GASB 34 occurred in 2003.



REVENUE CAPACITY INFORMATION



Table V

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

Tax Year	Residential Property	Commercial Property	Industrial Property	Personal Property	Minerals	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2002	\$ 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
2003	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
2004	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
2005	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
2006	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
2007	5,704,848,431	4,855,575,655	796,868,780	1,249,455,413	244,657,985	(2,678,924,128)	10,172,482,136	0.4650
2008	6,078,265,181	5,271,182,121	836,623,253	1,308,768,101	215,312,493	(2,947,513,036)	10,762,638,113	0.4800

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	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
County Direct Rate:										
General Obligation										
Debt Service	0.0397	0.0364	0.0343	0.0423	0.0511	0.0632	0.0701	0.0620	0.0620	0.0813
Basic Rate	<u>0.3777</u>	<u>0.3736</u>	<u>0.3857</u>	<u>0.3723</u>	<u>0.3839</u>	<u>0.4093</u>	<u>0.3949</u>	<u>0.3930</u>	<u>0.4030</u>	<u>0.3987</u>
Total Direct Rate:	<u>0.4174</u>	<u>0.4100</u>	<u>0.4200</u>	<u>0.4146</u>	<u>0.4350</u>	<u>0.4725</u>	<u>0.4650</u>	<u>0.4550</u>	<u>0.4650</u>	<u>0.4800</u>
Overlapping Rates:										
City and Town Rate:										
City of Bryan	0.6367	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364
City of College Station	0.4293	0.4293	0.4777	0.4777	0.4653	0.4640	0.4394	0.4394	0.4394	0.4394
School District Rates:										
Bryan I. S. D.	1.5880	1.6150	1.6680	1.7120	1.6800	1.6700	1.7800	1.6300	1.2900	1.2900
College Station I. S. D.	<u>1.7500</u>	<u>1.7500</u>	<u>1.7900</u>	<u>1.7900</u>	<u>1.7700</u>	<u>1.7700</u>	<u>1.6750</u>	<u>1.4800</u>	<u>1.2411</u>	<u>1.2534</u>
Total Overlapping Rate:	<u>4.4040</u>	<u>4.4307</u>	<u>4.5721</u>	<u>4.6161</u>	<u>4.5517</u>	<u>4.5404</u>	<u>4.5308</u>	<u>4.1858</u>	<u>3.6069</u>	<u>3.6192</u>
Total Property Tax Rate -										
 Direct and Overlapping										
 Governments:										
	<u>4.8214</u>	<u>4.8407</u>	<u>4.9921</u>	<u>5.0307</u>	<u>4.9867</u>	<u>5.0129</u>	<u>4.9958</u>	<u>4.6408</u>	<u>4.0719</u>	<u>4.0992</u>

Source: Brazos County Tax Office

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

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	2009			2000		
	Taxable Assessed Values (1)	Rank	% of Assessed Value to Total Assessed Values (2)	Taxable Assessed Values (1)	Rank	% of Assessed Value to Total Assessed Values (3)
Jamespoint Management	\$ 88,990,441	1	0.83%	\$ --		0.00%
SHP - The Callaway House L.P.	67,069,480	2	0.62%	--		0.00%
College Station Hospital, L.P.	60,273,470	3	0.56%	22,851,150	8	0.50%
SW Meadows Point L.P.	59,661,100	4	0.55%	--		0.00%
POM-College Station, LLC	55,547,960	5	0.52%	--		0.00%
Weinberg, Israel, et al.	54,262,250	6	0.50%	--		0.00%
Wal-Mart Real Estate Business Trust	53,207,690	7	0.49%	33,906,535	4	0.75%
Sanderson Farms	51,643,210	8	0.48%	--		0.00%
Verizon Southwest	44,152,215	9	0.41%	--		0.00%
Jefferson Enclave L.P.	43,603,750	10	0.41%	--		0.00%
GTE Southwest Inc	--		0.00%	98,088,530	1	2.16%
CBL Management	--		0.00%	48,098,200	2	1.06%
W9/JP-M Real Estate Limited	--		0.00%	36,811,275	3	0.81%
Ferguson-Burleson	--		0.00%	31,421,270	5	0.69%
Alkossler, David / Weinberg	--		0.00%	28,706,000	6	0.63%
Scott & White Hospital/Clinic	--		0.00%	23,808,880	7	0.53%
Union Pacific Resources	--		0.00%	20,951,840	9	0.46%
Melrose Apartments	--		0.00%	20,606,985	10	0.45%
	<u>\$ 578,411,566</u>		<u>5.37%</u>	<u>\$ 365,250,665</u>		<u>8.06%</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 - \$10,762,638,113
(3) Total adjusted assessed valuation net of exempt properties as certified by the Appraisal Review Board - \$4,532,209,513

Table VIII

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

Tax Year/ Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1999 / 2000	18,933,265	18,552,512	97.99%	227,441	18,779,953	99.19%
2000 / 2001	20,732,000	20,004,504	96.49%	688,045	20,692,549	99.81%
2001 / 2002	22,629,312	21,988,027	97.17%	605,306	22,593,333	99.84%
2002 / 2003	24,066,065	22,721,649	94.41%	1,293,569	24,015,218	99.79%
2003 / 2004	26,929,514	26,564,663	98.65%	298,315	26,862,978	99.75%
2004 / 2005	31,890,149	31,394,200	98.44%	402,719	31,796,919	99.71%
2005 / 2006	34,562,219	34,018,184	98.43%	347,277	34,365,461	99.43%
2006 / 2007	37,528,035	36,914,865	98.37%	384,763	37,299,628	99.39%
2007 / 2008	42,551,185	41,894,859	98.46%	292,264	42,187,123	99.14%
2008 / 2009	48,091,960	47,365,802	98.49%	(2,323)	47,363,479	98.49%

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</u>	<u>General Obligation Bonds</u>	<u>Capital Leases</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income ^a</u>	<u>Per Capita ^a</u>
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	25,215,000	23,705,000	43,902	48,963,902	2.08%	303
2007	23,035,000	23,090,000	29,788	46,154,788	1.89%	287
2008	20,810,000	76,870,000	15,958	97,695,958	3.69%	573
2009	18,540,000	75,600,000	1,289	94,141,289	3.22%	538

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

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

Table X

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

<u>General Bonded Debt Outstanding</u>						
<u>Fiscal Year</u>	<u>General Obligation Bonded Debt</u>	<u>Debt Service Funds Available</u>	<u>Net Bonded Debt</u>	<u>Assessed Value</u>	<u>Percentage of Actual Taxable Value</u>	<u>Per Capita</u> ^a
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	23,705,000	2,387,029	21,317,971	8,303,352,544	0.26%	132.69
2007	23,090,000	2,908,627	20,181,373	9,227,810,179	0.22%	118.41
2008	76,870,000	2,831,378	68,853,622	10,172,482,136	0.68%	402.76
2009	75,600,000	3,428,888	72,171,112	10,762,638,113	0.67%	412.12

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, 2009

<u>Direct Debt</u>	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Brazos County	\$ 94,140,000	100%	\$ 94,140,000
<u>Overlapping Debt</u>			
Cities:			
Bryan	98,382,813.00	100%	98,382,813
College Station	141,080,000.00	100%	141,080,000
Kurten	-	100%	-
Independent School Districts:			
College Station School District	103,185,000.00	100%	103,185,000
Bryan Independent School District	168,620,000.00	100%	168,620,000
Navasota Independent School District	194,789.00	1%	1,948
Special Districts:			
Brazos County EDS #1	-	100%	-
Brazos County EDS #2	-	100%	-
Brazos County EDS #3	-	100%	-
Brazos County EDS #4	-	100%	-
		Total Overlapping Debt:	<u>\$ 511,269,761</u>
		Total Direct and Overlapping Debt:	<u>\$ 605,409,761</u>

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

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

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

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

	Fiscal Year				
	2000	2001	2002	2003	2004
Debt Limit	\$ 916,386,735	\$ 1,006,650,123	\$ 1,101,090,930	\$ 1,302,335,126	\$ 1,418,068,298
Total net debt applicable to limit	-	-	6,038,690	6,387,123	6,376,258
Legal debt margin	<u>\$ 916,386,735</u>	<u>\$ 1,006,650,123</u>	<u>\$ 1,107,129,620</u>	<u>\$ 1,308,722,249</u>	<u>\$ 1,424,444,556</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.55%	0.49%	0.45%

- 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 - \$9,238,557,519
 Article 3, Section 52, of the Texas Constitution.
 (3) Includes only general obligation bonds.

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

Legal Debt Margin Calculation for Fiscal Year 2009

(Note 1)	Assessed Value		\$ 10,762,638,113
(Note 2)	Debt limit (25% of assessed value)		2,309,639,380
	Debt applicable to limit:		
(Note 3)	Gross bonded debt	75,600,000	
	Less: Amount available from Debt Service Fund	3,428,888	
	Total net debt applicable to limit		72,171,112
	Legal debt margin		\$ 2,381,810,492

Fiscal Year				
2005	2006	2007	2008	2009
\$ 1,577,946,187	\$ 1,756,630,748	\$ 1,966,553,398	\$ 2,169,592,185	\$ 2,309,639,380
16,288,295	20,167,029	20,283,627	68,853,622	72,171,112
\$ 1,594,234,482	\$ 1,776,797,777	\$ 1,986,837,025	\$ 2,238,445,807	\$ 2,381,810,492
1.03%	1.15%	1.03%	3.17%	3.12%

Table XIII

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

Fiscal Year	Certificates of Obligation						Capital Leases ^a				
	Property Tax		Less: Agent Fees &	Debt Service		Coverage	Property Tax		Debt Service		Coverage
	Revenue	Interest	Issuance Cost	Principal	Interest		Revenue	Principal	Interest		
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	2,315,000	1,084,442	1.23	26,375	15,823	5,102	1.26	
2007	4,326,890	168,062	2,045	2,180,000	1,000,726	1.41	20,791	14,114	3,730	1.17	
2008	4,098,514	265,010	3,195	2,225,000	919,030	1.12	20,553	13,830	2,334	1.27	
2009	4,138,412	13,489	2,147	2,270,000	832,632	1.34	19,543	14,668	936	1.25	

^a The County has one capital lease agreement for the purchase of one electronic monitoring system.

Payments during the fiscal year ended September 30, 2009 totaled \$15,604. Interest rate is 10% per annum for the electronic monitoring system.

DEMOGRAPHIC AND ECONOMIC INFORMATION



Table XIV

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

Year	Population ⁽¹⁾	Personal ⁽²⁾ Income	Per Capita Personal Income	Public School Enrollment ⁽³⁾	Texas A & M Enrollment ⁽⁴⁾	Blinn College Enrollment ⁽⁵⁾	Unemployment Rate ⁽⁶⁾
2000	152,415	N/A	N/A	20,689	44,026	8,649	1.60%
2001	155,449	1,933,590,718	12,439	21,015	44,618	9,180	1.60%
2002	156,415	1,973,780,282	12,619	20,858	45,143	10,103	1.80%
2003	162,787	2,058,880,973	12,648	21,610	44,813	10,328	2.30%
2004	161,779	2,162,050,461	13,364	21,549	44,435	10,421	1.70%
2005	161,380	2,356,388,400	14,601	21,712	45,089	10,535	4.10%
2006	160,661	2,437,361,696	15,171	22,149	45,487	10,189	3.50%
2007	170,436	2,647,397,704	15,533	22,357	46,540	10,563	3.60%
2008	170,954	2,827,827,879	16,541	22,603	48,039	11,408	4.10%
2009	175,122	2,927,844,375	16,719	25,125	48,885	12,441	6.20%

Sources:

- (1) Population information provided by the Texas State Data Center. The information is an estimation. In 2009 information received from ERS/USDA. Population is based on previous year.
- (2) Personal Income and unemployment rate information provided by the Texas Workforce Commission.
- (3) 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. Head count based on Fall session.
- (4) Current year is based on TAMU Enrollment profile. Years 1998 to 2005 enrollment information is from City of College Station CAFR. Year 2006 from Wikipedia. Enrollment information is based on fall semesters.
- (5) Previous CAFRS reflected enrollment for Blinn Campuses based on all campuses. The information now reflects just the enrollment for the campus in Brazos County and is based on the Fall semester.
- (6) Source: Texas Workforce Commission

Table XV

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

Employer ⁽¹⁾	2009			2000		
	Employees	Rank	Percentage of Total County Employment ⁽²⁾	Employees	Rank	Percentage of Total County Employment
Texas A&M University & System	16,248	1	16.07%	19,971	1	26.34%
St. Joseph's Regional Health Center	2,197	2	2.17%	1,170	3	1.54%
Bryan ISD	2,070	3	2.05%	1,868	2	2.46%
Sanderson Farms	1,574	4	1.56%	1,100	4	1.45%
College Station ISD	1,530	5	1.51%	800	8	1.06%
Reynolds & Reynolds	1,059	6	1.05%	-	-	0.00%
City of College Station	1,027	7	1.02%	636	10	0.84%
City of Bryan	789	8	0.78%	859	7	1.13%
Brazos County	900	9	0.89%	683	9	0.90%
Wal-Mart	650	10	0.64%	-	-	0.00%
Reliant Building Products, Inc	-	-	0.00%	1,100	5	1.45%
Universal Computer Systems	-	-	0.00%	900	6	1.19%
	<u>28,044</u>		<u>27.74%</u>	<u>29,087</u>		<u>38.36%</u>

Source: ⁽¹⁾Research Valley Partnership, Research Valley Largest Employers, 2008. The report for 2009 was not available at this time.

⁽²⁾Employment no. from Texas Workforce Commission.

OPERATING INFORMATION



Table XVI

**Brazos County, Texas
County Employees by Function ⁽¹⁾
Last Ten Fiscal Years**

Function	Employees as of September 30,									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government	106	110	120	121	124	124	126	133	134	136
Justice System	139	142	143	145	153	153	158	164	171	168
Law Enforcement	173	185	200	215	217	222	223	234	249	258
Juvenile Services	85	86	88	88	90	91	89	91	91	97
Human Services	24	24	24	24	25	26	26	39	42	46
Public Transportation	69	69	69	70	70	70	70	70	71	75
Total	596	616	644	663	679	686	692	731	758	780

Source: County Auditor's Office

(1) 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 Seven Fiscal Years

Function	2003	2004	2005	2006	2007	2008	2009
Justice System							
Birth Certificates Filed ⁽¹⁾	2,795	2,972	2,978	2,971	3,276	3,188	3,254
Marriage License Applications ⁽¹⁾	1,435	1,419	1,374	1,444	1,493	1,637	1,289
Death Certificates Issued	375	743	713	812	757	929	801
Registered Voters ⁽¹⁾	86,558	86,283	83,894	86,771	82,180	88,758	82,674
Court Activity: ⁽²⁾							
District Court:							
Cases Added	9,496	7,679	8,047	7,863	8,241	6,215	6,774
Cases Disposed	8,314	6,763	6,295	8,041	8,120	6,190	6,291
Cases Pending	5,649	6,009	8,013	8,281	8,814	4,486	6,598
County Court at Law Courts:							
Cases Added	181	3,658	6,019	5,706	6,820	4,258	7,137
Cases Disposed	113	3,072	4,560	4,856	5,999	4,441	7,403
Cases Pending	230	1,185	2,342	3,142	3,948	4,283	3,664
Justice of the Peace Courts:							
Cases Added	18,179	20,105	22,085	19,387	22,965	23,375	23,008
Cases Disposed	13,783	16,272	16,868	18,497	21,117	19,986	20,605
Law Enforcement							
Sheriff's Department:							
Average Daily Inmate Population ⁽³⁾	445	425	492	550	553	536	594 ⁽⁷⁾
Arrest Totals ⁽³⁾	12,369	13,915	14,328	15,541	15,769	14,584	13,944
Human Services							
Cooperative Agricultural Extension Office: ⁽⁴⁾							
Number of Educational Programs Conducted	356	602	622	779	772	528	623
Number of Participants in Educational Programs	12,540	21,660	22,487	49,229	16,850	60,589	220,900
Brazos Center:							
No. of Events held: ⁽⁵⁾	582	531	532	578	522	493	466
Exposition Center:							
No. of Events held: ⁽⁶⁾	0	0	0	0	3	85	108
Public Transportation							
Miles of Roads:							
Paved	N/A	N/A	N/A	330	341	342	348
Unpaved	N/A	N/A	N/A	146	137	129	124

(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

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

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

Table XVIII

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

<u>Function</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Government							
Office Buildings / Courthouse	4	4	4	4	5	6	6
Maintenance Vehicles	5	4	5	7	8	9	9
IT Vehicles	1	1	1	1	1	1	2
Justice System							
Office Buildings	0	0	0	1	2	2	2
County Attorney Vehicles	2	5	6	8	10	8	8
District Attorney Vehicles	3	3	4	7	4	4	4
Law Enforcement							
Sheriff's Administration Facility	0	0	0	0	0	1	1
Sheriff's Detention Facility	1	(1)	1	(1)	1	(1)	1
Vehicles:							
Sheriff's	36	47	53	63	62	63	62
Sheriff's - Jail Division	5	6	6	7	9	10	11
Constable	13	18	18	21	24	22	22
Heavy Equipment:							
Sheriff	1	1	1	1	1	1	1
Sheriff's - Jail Division	1	1	3	3	4	4	4
Juvenile Services							
Juvenile Facilities	1	1	1	1	1	1	1
Juvenile Dept Vehicles	7	6	8	8	8	7	7
Human Services							
Buildings	3	3	3	3	4	4	4
Emergency Management Vehicles	1	1	1	1	1	1	1
Brazos Center:							
Vehicles	2	2	2	3	2	4	4
Equipment	3	4	4	4	3	4	4
Exposition Center:							
Vehicles	0	0	0	0	1	3	3
Equipment	0	0	0	0	2	12	11
Collection Citizen Sites	7	7	7	7	7	7	7
Public Transportation							
Road and Bridge Building	1	1	1	1	1	1	1
Road and Bridge Vehicles	38	40	41	44	46	48	48
Road and Bridge Heavy Equipment	83	84	94	95	95	93	93
County Roads (miles)	461	450	453	476	478	472	472
Bridges	58	58	58	63	59	59	60

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

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



**INDEPENDENT AUDITORS' REPORTS ON
COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING
SEPTEMBER 30, 2009**



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, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 12, 2010. 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 12, 2010.

This report is intended solely for the information and use of management, the audit committee, Commissioners' Court, and federal and state 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 12, 2010

A handwritten signature in cursive script that reads "Ingram, Wallis & Company".



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, 2009. 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 or state program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. 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, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2009-1.

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 above. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

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 item 2009-1 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 the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness.

The County's response to the finding 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 and state 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 12, 2010



BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2009

Federal Grantor/Pass -Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor/State Number	Program/ Award Amount	Accounts Receivable (Payable) October 1, 2008	Receipts	Expenditures	Grant Funds Refunded in 2009	Accounts Receivable (Payable) September 30, 2009
<u>U. S. Department of Justice</u>								
Edward Byrne Memorial Justice Assistance Grant	16.738	2007-F5636-TX-DJ	30,220	\$ (9,258)	\$ --	\$ --	\$ --	\$ (9,258)
Edward Byrne Memorial Justice Assistance Grant	16.738	2009-SB-B9-0783	84,001	--	84,001	--	--	(84,001)
State Criminal Alien Assistance Program	16.606	2008-AP-BX-1035	58,571	58,571	58,571	--	--	--
		07/01/06-06/30/07						
State Criminal Alien Assistance Program	16.606	2009-AP-BX-0493	64,088	--	--	64,088	--	64,088
		07/01/07-06/30/08						
				49,313	142,572	64,088	--	(29,171)
<u>Passed through Office of the Governor of Texas,</u>								
<u>Criminal Justice Division</u>								
Special Investigations Unit	16.738	1986101	395,778	120,048	120,048	--	--	--
Special Investigations Unit	16.738	1986102	296,828	--	133,315	184,940	--	51,625
				120,048	253,363	184,940	--	51,625
<u>U. S. Department of Transportation</u>								
<u>Passed through State Department of</u>								
<u>Highways and Public Transportation</u>								
Metropolitan Planning Organization	20.205	508XXF0024	389,647	53,902	53,902	--	--	--
Metropolitan Planning Organization	20.205	509XXF0024	440,052	--	230,410	263,183	--	32,773
Comprehensive Underage Drinking Education Program	20.600	588XXF5132	53,853	11,332	11,332	--	--	--
Comprehensive Underage Drinking Education Program	20.600	589XXEFG5158	61,140	--	25,513	46,446	--	20,933
Local Rail Economic Feasibility & Location Study	20.205	2000-014	1,131,345	67,882	67,881	(1)	--	--
				133,116	389,038	309,628	--	53,706
<u>Federal Election Assistance Commission</u>								
<u>Passed through Secretary of State of Texas</u>								
Help America Vote Act - County Education Fund	39.011		9,000	1,544	--	3,843	--	5,387
Help America Vote Act - General HAVA Compliance	90.401		1,132,036	430,129	--	113,260	--	543,389
Help America Vote Act - Polling Place Accessibility	93.617		8,500	--	--	8,500	--	8,500
				\$ 431,673	\$ --	\$ 125,603	\$ --	\$ 557,276

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended September 30, 2009

Federal Grantor/Pass -Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor/State Number	Program/Award Amount	Accounts			Grant Funds Refunded in 2009	Accounts Receivable (Payable) September 30, 2009
				Receivable (Payable) October 1, 2008	Receipts	Expenditures		
<u>Department of Homeland Security</u>								
<u>Passed through Texas Department of Public Safety</u>								
Division of Emergency Management	97.042	08TX-EMPG-1328	47,965	47,965	47,965	--	--	--
Division of Emergency Management	97.042	09TX-EMPG-1440	47,965	--	--	47,965	--	47,965
Emergency Preparedness Grant	97.073	2007 SHSP	146,232	--	61,799	143,506	--	81,707
Emergency Preparedness Grant	97.074	2007 LETPP	42,568	--	--	42,568	--	42,568
Emergency Preparedness Grant	97.073	2006 SHSP	17,750	17,687	17,687	--	--	--
				<u>65,652</u>	<u>127,451</u>	<u>234,039</u>	<u>--</u>	<u>172,240</u>
<u>Federal Emergency Management Agency</u>								
<u>Passed through Texas Department of Public Safety</u>								
Division of Emergency Management-Hurricane Relief	97.036	3290 EM TX	--	--	17,850	1,552	--	(16,298)
Division of Emergency Management-Hurricane Relief	97.036	1791 DR TX	--	48,894	44,588	43,569	--	47,875
				<u>48,894</u>	<u>62,438</u>	<u>45,121</u>	<u>--</u>	<u>31,577</u>
<u>U. S. Department of Health and Human Services</u>								
<u>Passed through the Texas Department of Family and Protective Services</u>								
Title IV-E-Legal (CPS)	93.658	10/01/07-09/30/08	--	6,517	2,334	(4,183)	--	--
	93.658	10/01/08-09/30/09	--	--	14,543	30,727	--	16,184
Title IV-E-Foster Care Maintenance	93.658	10/01/07-09/30/08	--	520	2,325	1,805	--	--
	93.658	10/01/08-09/30/09	--	--	2,105	5,245	--	3,140
				<u>7,037</u>	<u>21,307</u>	<u>33,594</u>	<u>--</u>	<u>19,324</u>
<u>Passed through the Texas Juvenile Probation Commission</u>								
Title IV- E- Administration	93.658	10/01/07-09/30/08	--	258,796	--	--	--	258,796
	93.658	10/01/08-09/30/09	--	--	--	--	--	--
Title IV-E - Maintenance - Juvenile	93.658	TJPC-E-2007-021	--	5,612	5,612	--	--	--
	93.658	TJPC-E-2008-021	--	11,462	9,049	(2,413)	--	--
	93.658	TJPC-E-2009-021	--	--	101,646	134,466	--	32,820
				<u>275,870</u>	<u>116,307</u>	<u>132,053</u>	<u>--</u>	<u>291,616</u>
<u>Passed through the Texas Department of Agriculture</u>								
National School Lunch Program	10.555	07/01/08-06/30/09	--	4,317	28,259	23,942	--	--
	10.555	07/01/09-06/30/10	--	--	--	6,472	--	6,472
School Breakfast Program	10.553	07/01/08-06/30/09	--	2,649	18,176	15,527	--	--
	10.553	07/01/09-06/30/10	--	--	--	3,979	--	3,979
Food Services Division Commodities	10.550	07/01/08-06/30/09	--	--	1,620	1,620	--	--
				<u>6,966</u>	<u>48,055</u>	<u>51,540</u>	<u>--</u>	<u>10,451</u>
Total Federal Assistance				<u>\$ 1,138,569</u>	<u>\$ 1,160,531</u>	<u>\$ 1,180,606</u>	<u>\$ -</u>	<u>\$ 1,158,644</u>

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended September 30, 2009

State Grant or Program Title	Federal CFDA Number	Pass-Through Grantor/State Number	Program/ Award Amount	Accounts			Grant Funds Refunded in 2009	Accounts Receivable (Payable) September 30, 2009
				Receivable (Payable) October 1, 2008	Receipts	Expenditures		
<u>Texas Juvenile Probation Commission</u>								
State Aid	N/A	TJPC-A-2009-021	119,859	8,012	119,859	111,847	--	--
		09/01/08-08/31/09						
State Aid	N/A	TJPC-A-2010-021	158,384	--	--	11,255	--	11,255
		09/01/09-08/31/10						
Community Corrections Assistance Program	N/A	TJPC-Y-2009-021	225,994	13,910	225,994	212,084	--	--
		09/01/08-08/31/09						
Community Corrections Assistance Program	N/A	TJPC-Y-2010-021	225,994	--	--	16,030	--	16,030
		09/01/09-08/31/10						
State Supplement	N/A	TJPC-Z-2009-021	123,975	6,742	123,975	113,972	3,261	--
		09/01/08-08/31/09						
State Supplement	N/A	TJPC-Z-2010-021	123,975	--	--	6,676	--	6,676
		09/01/09-08/31/10						
JJAEP	N/A	TJPC-P-2008-021	14,814	(8,731)	--	--	8,731	--
		08/01/07-5/31/08						
JJAEP	N/A	TJPC-P-2009-021	14,814	--	14,814	3,634	11,180	--
		08/01/08-5/31/09						
Progressive Sanctions Juvenile Probation Officers	N/A	TJPC-F-2009-021	94,104	11,427	94,104	82,677	--	--
		09/01/08-08/31/09						
Progressive Sanctions Juvenile Probation Officers	N/A	TJPC-F-2010-021	94,104	--	--	11,174	--	11,174
		09/01/09-08/31/10						
Progressive Sanctions Level 1-2-3 Program	N/A	TJPC-G-2009-021	38,525	2,347	38,525	36,178	--	--
		09/01/08-08/31/09						
Progressive Sanctions ISJPO	N/A	TJPC-O-2009-021	27,240	2,773	27,240	24,467	--	--
		09/01/08-08/31/09						
Progressive Sanctions ISJPO	N/A	TJPC-O-2010-021	27,240	--	--	2,760	--	2,760
		09/01/09-08/31/10						
Intensive Community Based Program - Regional	N/A	TJPC-X-2009-021	54,395	3,393	54,395	51,002	--	--
		09/01/08-08/31/09						
Intensive Community Based Program - Regional	N/A	TJPC-X-2010-021	54,395	--	--	3,345	--	3,345
		09/01/09-08/31/10						
Diversionsary Placement	N/A	TJPC-H-2009-021	--	--	100,138	99,270	868	--
		09/01/08-08/31/09						
Diversionsary Placement	N/A	TJPC-H-2010-021	73,844	--	--	32,915	--	32,915
		09/01/09-08/31/10						
<u>Office of Attorney General</u>								
VINE Program	N/A	09-07618	30,108	--	30,108	30,108	--	--
		09/01/08-08/31/09						
Total State Assistance				<u>39,873</u>	<u>829,152</u>	<u>849,394</u>	<u>24,040</u>	<u>84,155</u>
Total Federal and State Assistance				<u>\$ 1,178,442</u>	<u>\$ 1,989,683</u>	<u>\$ 2,030,000</u>	<u>\$ 24,040</u>	<u>\$ 1,242,799</u>

BRAZOS COUNTY, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

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, 2009, the County received \$1,620 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, 2009

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2009-01 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 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.

Response – County management and staff concur with this finding. In order to comply with OMB Circular A-87, the grantee is required to perform the certifications on at least a semi-annual basis when employees are expected to spend their time working solely on a single Federal award. The County has implemented procedures to meet the requirement in the future.

BRAZOS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2008
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

SECTION II - FINANCIAL STATEMENT FINDINGS

2008-1 Accrual of License Expense

License expense for fiscal years 2007 and 2008 had not been properly accrued.

Status: Corrected

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

