

# **BRAZOS COUNTY, TEXAS**

## **Comprehensive Annual Financial Report**

**For The Year Ended September 30, 2011**



Prepared by:

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



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County Auditor**



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**TABLE OF CONTENTS**

	<u>Page No.</u>
Table of Contents .....	i-v
 <b>INTRODUCTORY SECTION</b>	
County Auditor’s Letter of Transmittal .....	1-9
GFOA Certificate of Achievement .....	10
Principal Officials .....	11
Brazos County Organizational Chart .....	12
 <b>FINANCIAL SECTION</b>	
Independent Auditors’ Report.....	13-14
Management’s Discussion and Analysis (Unaudited) .....	15-26
 Basic Financial Statements:	
Government-wide Statement of Net Assets .....	27-28
Government-wide Statement of Activities.....	29-30
Balance Sheet – Governmental Funds .....	31-32
Reconciliation of Balance Sheet of Governmental Funds to the Statement of Net Assets .....	33
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	34-35
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	36
Statement of Net Assets – Proprietary Funds .....	37
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds.....	38
Statement of Cash Flows – Proprietary Funds.....	39
Statement of Fiduciary Assets and Liabilities – Fiduciary Funds.....	40
Notes to the Basic Financial Statements .....	41-68
 Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget (GAAP basis) and Actual – General Fund .....	69-82
Retirement System and OPEB Schedules of Funding Progress.....	83
Notes to Required Supplementary Information .....	84-86

**BRAZOS COUNTY, TEXAS**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2011**

**TABLE OF CONTENTS**

<b>FINANCIAL SECTION (Continued)</b>	<u>Page No.</u>
Supplementary Information	
Combining and Individual Fund Financial Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds -Summary .....	87
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds - Summary .....	88
Special Revenues:	
Combining Balance Sheet – Nonmajor Governmental Funds .....	89-94
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds .....	95-100
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual:	
Hotel Occupancy Tax.....	101
State Lateral Road.....	102
Unclaimed Property .....	103
Law Library.....	104
Alternative Dispute Resolution.....	105
Law Enforcement Education.....	106
County Records Management and Preservation .....	107
County Clerk Records Management and Preservation .....	108
County Clerk Archival Fund.....	109
Courthouse Security .....	110
Justice Court Security .....	111
District Clerk Records Management and Preservation .....	112
District Clerk Archival Fund .....	113
Justice of the Peace Technology .....	114
County & District Court Technology.....	115
Special Forfeitures .....	116
District Attorney Hot Check Collection.....	117
Bail Bond Board Fees .....	118
Voter Registration.....	119
Chapter 19 State Fund.....	120
Vehicle Inventory Tax Interest.....	121
Sheriff Department Crime Fund .....	122
District Attorney Crime Fund .....	123
Primary Election Service Fund .....	124
Brazos County Housing Finance Corp.....	125
Grants.....	126

**BRAZOS COUNTY, TEXAS**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2011**

**TABLE OF CONTENTS**

<b>FINANCIAL SECTION (Continued)</b>	<u>Page No.</u>
Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual.....	127
Capital Project Funds:	
Combining Balance Sheet.....	128
Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	129
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual:	
Capital Improvement.....	130
Expo Center Expansion .....	131
Jail Expansion.....	132
Proprietary Fund Type:	
Internal Service Fund:	
Health and Life Insurance – Statement of Net Assets.....	133
Health and Life Insurance – Schedule of Revenues, Expenses and Changes in Fund Net Assets – Budget (GAAP Basis) and Actual .....	134
Health and Life Insurance – Statement of Cash Flows .....	135
Fiduciary Fund Types:	
Combining Balance Sheet.....	136
Combining Statement of Changes in Assets and Liabilities .....	137-138
Capital Assets Used in the Operation of Governmental Funds:	
By Source.....	139
Schedule of Changes by Function and Activity.....	140-141
Schedule by Function and Activity .....	142-143

**BRAZOS COUNTY, TEXAS**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2011**

**TABLE OF CONTENTS**

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

**BRAZOS COUNTY, TEXAS**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2011**

**TABLE OF CONTENTS**

Page No.

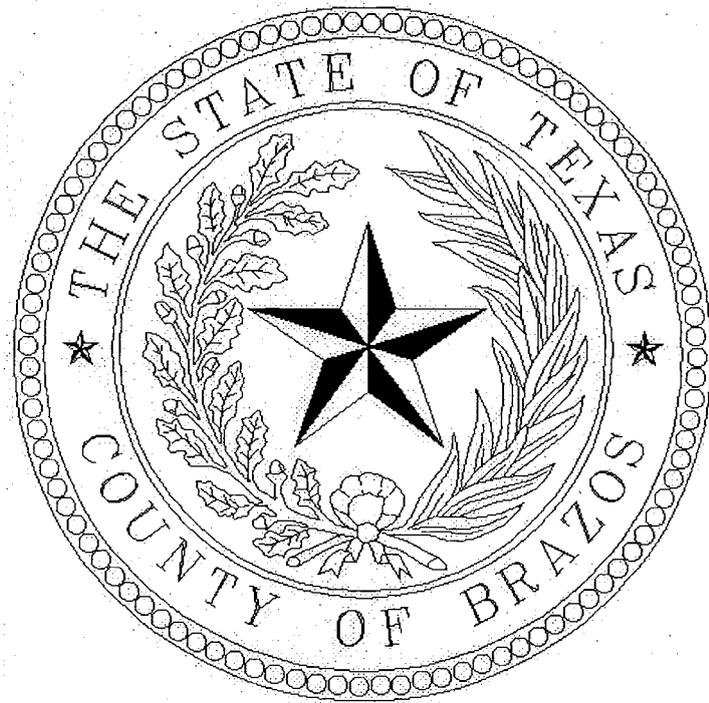
**INDEPENDENT AUDITORS' REPORTS ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	165-166
Independent Auditors' Report on Compliance with Requirements that Could have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and the <i>State of Texas Single Audit Circular</i> .....	167-168
Schedule of Expenditures of Federal and State Awards for the Year Ended September 30, 2011 .....	169-171
Notes to the Schedule of Expenditures of Federal and State Awards for the Year Ended September 30, 2011.....	172
Schedule of Findings and Questioned Costs for the Year Ended September 30, 2011.....	173-175
Schedule of Findings and Questioned Costs for the Year Ended September 30, 2011 – Status of Prior Year Findings and Questioned Costs.....	176



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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 13, 2012

The Honorable Board of District Judges  
The Honorable Commissioners' Court

Honorable Judges and Commissioners of Brazos County, Texas:

In compliance with Section 114.025 of the Texas Local Government Code, the Comprehensive Annual Financial Report of Brazos County, Texas (the "County") for the fiscal year ended September 30, 2011, 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, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used, and evaluating the overall financial statement presentation. The independent auditors' report is presented as the first component of the financial section of this report.

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

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

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

## **PROFILE OF BRAZOS COUNTY**

### ***Geographic Information***

Brazos County is located in East Central Texas, in an area bounded on all sides by large metropolitan areas. Dallas-Ft. Worth is 180 miles to the north, Houston 95 miles to the southeast, Austin 104 miles to the west, and San Antonio 166 miles to the southwest. There are two major cities in the County that make up the business and cultural center, Bryan and College Station. They have a combined population of approximately 170,000.

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

### ***County Structure and Services***

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

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

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

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

***Budget Process***

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

***Primary Government, Blended Component Unit, and Related Organizations***

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

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

Brazos County Housing Finance Corporation has been established by the County under the Texas Housing Finance Corporations Act (Chapter 394, Texas Local Government Code). It is a legally separate entity that shares “substantively the same governing body” with the County. Through this corporation, eligible applicants are furnished financial assistance through the sale of tax-free bonds or mortgage credit certificates. In accordance with GASB Statement No. 14, as amended by GASB Statement No. 39, the Brazos County Housing Finance Corporation is presented as a blended component unit of the County and reported as a special revenue fund in the County’s financial statements.

The Brazos County Health Facilities Development Corporation and the Brazos County Industrial Development Corporation are related organizations to the County. These corporations were created by resolutions of the Commissioners' Court to enable the various third party organizations the ability to issue tax-exempt bonds to provide low cost funding to promote and improve the health and welfare of the public. The tax-exempt bonds issued by these corporations do not constitute a debt or a pledge of faith or credit of the corporation or the County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. Each corporation is governed by a Board of Directors made up of members of the Commissioners' Court. Neither of the corporations is reported in the County's financial statements.

### FACTORS AFFECTING FINANCIAL CONDITION

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

In September 2011, Brazos County had an unemployment rate of 6.4% compared to a Texas statewide unemployment rate of 8.4% for the same month. The unemployment rate at September 2010 was 5.7%. As of September 2011, the labor force figures for the County, as established by the Texas Workforce Commission, are 100,882 of which 94,403 are currently employed. The following schedule is an estimate of the number of employees and the corresponding percentage per industry as of September 2011.

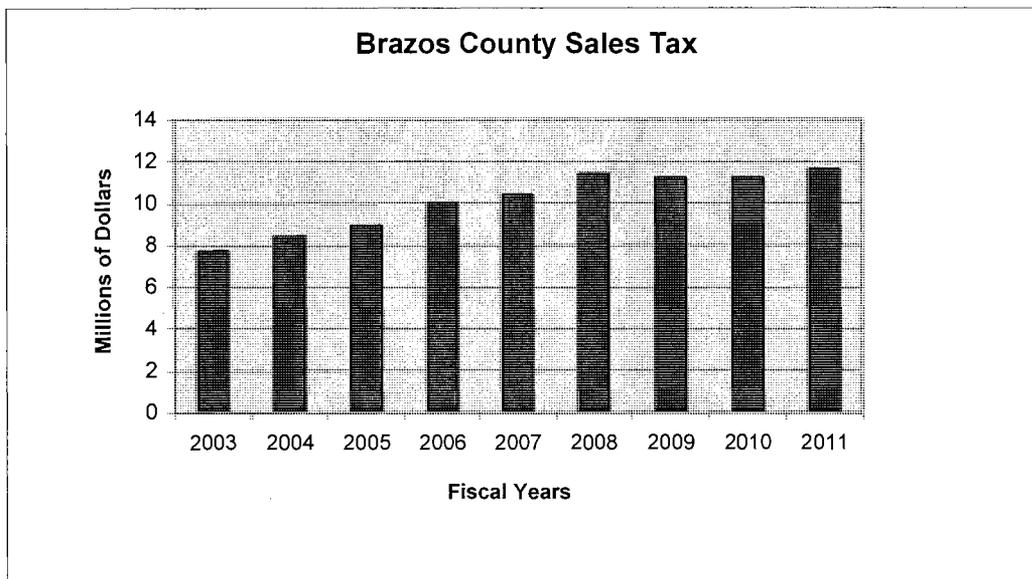
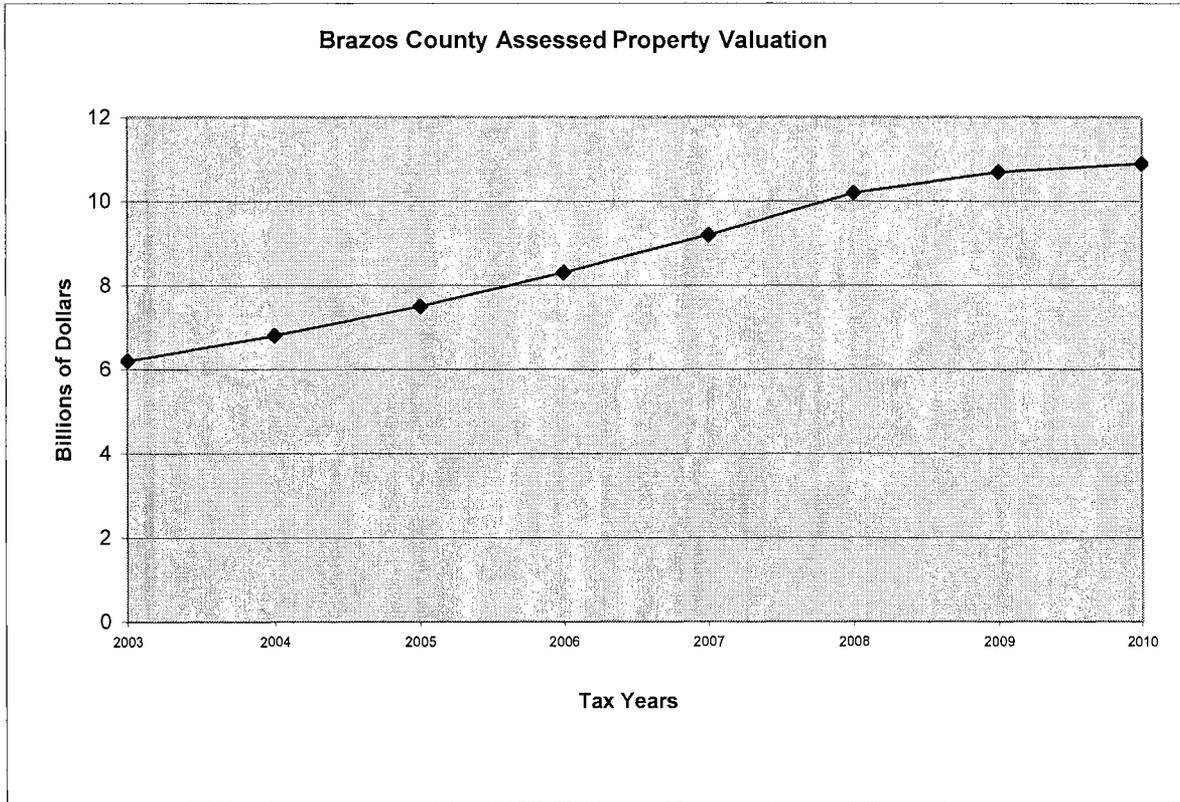
**The employment base of the area by industry classification is as follows:**

<u>Employer Group</u>	<u>Number Of Employees</u>	<u>Percentage</u>
State, Local, Federal Government	36,000	37%
Trade, Transportation and Utilities	14,200	14%
Education and Health Services	11,600	12%
Leisure and Hospitality	10,800	11%
Natural Resources, Mining and Construction	6,900	7%
Professional and Business Services	6,200	6%
Manufacturing	5,200	5%
Financial Activities	3,500	4%
Other Services	3,200	3%
Information	1,000	1%
<b>TOTAL</b>	<u><b>98,600</b></u>	<u><b>100%</b></u>

*Source: Texas Workforce Commission*

Although the U. S. economy is recovering from the worst economic downturn since the Great Depression, it has proved to be a slow process. According to the latest national employment report from the Bureau of Labor Statistics of the United States Department of Labor, the public sector has shed significant numbers of workers every month this year, while private sector job creation remains slow, but positive. The above schedule reflects this trend. Eight of Bryan-College Station's 16 top employers are government agencies paid for by state or local taxes. From September 2010 to September 2011 the area has lost approximately 2,300 jobs in the local, state, and federal government, while private sector jobs grew by 1,800.

The housing market of Brazos County has been resilient despite the fact of slow sales and sinking home prices. The increased demand of alumni moving back to retire, college student housing and the low mortgage interest rate are major contributors to resiliency. The County's assessed property valuation for tax year 2010 increased 1.9% compared to tax year 2009. Sales tax receipts for fiscal year 2011 increased 3.4% compared to fiscal year 2010. The following charts show the changes in the two categories:



Brazos County is the home of Texas A&M University, the seventh largest university in enrollment in the United States. Opened in 1876 as Texas' first public institution of higher learning, Texas A&M University is the research-intensive flagship university with approximately 40,000 undergraduates and 10,000 graduate students studying in over 250 degree programs in 10 colleges. The faculty and graduate students of Texas A&M University conduct more than \$630 million in research expenditures, which is ranked third nationally among universities without medical schools.

The University records in excess of 880,000 visitors annually. More than 1,200 public events are hosted through the University each year in addition to hundreds of Big 12 athletic contests. The permanent plant for the University is valued at more than \$1 billion. Texas A&M University System has more than 22,000 employees. From an in-house study conducted by Texas A&M's Division of Finance, Texas A&M University and other members of the Texas A&M University System based in Brazos County had an estimated \$3.8 billion overall economic impact on the local economy during 2011. The presence of Texas A&M has consistently provided incentive for residential development and growth and offered the area some insulation from adverse economic effects.

The University's main campus is one of the largest in America, spanning 5,200 acres and has the distinction of providing space for the George Bush Presidential Library Center and the George Bush School of International Study. The Library provides a tremendous research center, and hosts 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.

In addition to the four-year program Texas A&M offers, Blinn College offers a two-year program at two locations: the main campus in Brenham and a branch location in Bryan. Both locations offer various technical certificates and associates degrees in arts and sciences. The Bryan location offers the same programs and degrees as the main campus, but also takes part in a joint collaborative effort with Texas A&M University. More than 18,000 students enrolled in Blinn College for the fall semester of 2011. Blinn's Bryan campus adds \$94.4 million into the Brazos County economy each year according to a study conducted by Economic Modeling Specialists, Inc.

Brazos County is a member of the Research Valley Partnership (the RVP, [www.researchvalley.org](http://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 worked on 65 projects that led to \$2.5 billion in total payroll and \$324 million in capital investment.

One of the key factors in the progress of the RVP has been its ability to utilize and market the large skilled workforce in the areas surrounding Texas A&M University which includes students, faculty, researchers and technological innovators and entrepreneurs. The Research Valley Biocorridor Concept Master Plan project was introduced in January 2011 as the first step in establishing a leading-edge international bio-technology zone in the Research Valley. In addition

to creating thousands of jobs for Texans, the Biocorridor will provide an ideal atmosphere for new product development, biosecurity and biomanufacturing that will improve global health.

Brazos County partnered with the City of Bryan to create the City of Bryan and Brazos County Economic Development Foundation, Inc. In 2009, the Foundation purchased 191 acres of land and the infrastructure improvements have begun. The County is looking forward to drawing quality businesses, encouraging and maintaining employment, and expanding both entities' tax base through Foundation activities.

### **CAPITAL IMPROVEMENT PROGRAM**

In 2011, 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 2011, the County continued the construction of County roads to connect major thoroughfares. The County upgraded and reconstructed roads during the year at a cost of over \$2.9 million dollars and expended approximately \$7.0 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 2011 to include \$9.3 million (includes personnel services, supplies and other charges, contingencies, repairs and maintenance, minor acquisitions, contract services, and professional services) for routine maintenance and \$3.2 million for improvements and upgrades.

The 15,000 square foot jail expansion project was completed in fiscal year 2010. The County issued \$55 million general obligation bonds in May 2008 to fund the project. The cost of the jail expansion project totaled \$51 million. The remaining funds are to be used to support the remodeling of the inmate holding portion of the courthouse, which started in 2011. The estimated cost for the inmate holding area renovation in fiscal year 2012 is about \$3.9 million.

The County's Expo Center expansion project was substantially completed during 2011. The County issued \$12 million certificates of obligation in November 2009 to fund the project. Some hotel occupancy tax revenues were also used to support the construction costs. The total cost of the project was about \$13 million. 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 built 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. A mid-sized regional fair, the first annual Brazos Valley Fair & Expo event, is scheduled for Fall 2012 at the County's Expo Center.

As an effort to help the local economic recovery, the County restrained its debt issuance on major capital projects. The County allocated funds to continue its courthouse renovation project. The project will have at least five phases and is expected to be completed in 2013. The estimated cost in 2012 is about \$3.7 million. Once the renovation is finished, the courthouse building will provide more courtroom spaces and house three district courts, two county courts, the County Attorney's Office, the District Attorney's Office, the County Clerk's Office and the District Clerk's Office.

The construction of the new Tax Office building started in fiscal year 2011. The estimated cost for the building is \$2.9 million, and it may take up to two years to complete the construction. \$2.5 million of the funding came from the health endowment fund.

## **FINANCIAL POLICIES AND LONG-TERM FINANCIAL PLANNING**

The County has adopted an investment policy as required by state law and in conformity with state investment statutes. The investment policy as adopted by the County employs the prudent person concept in that priorities were established as to the investment vehicles the County would use. Safety was established as the first priority, followed by liquidity, low risk and diversification. The County Treasurer is responsible for administering all of the investment of idle funds in the County. At September 30, 2011, the County had cash and cash equivalents of \$48.5 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, 2011, the County also had \$2.4 million invested in a state wide investment pool. During the fiscal year, the County earned approximately \$0.3 million interest.

Debt administration is monitored through the Debt Service Fund. The County has never defaulted on the payment of principal or interest on its bonds or certificates of obligation. At September 30, 2011, the County had been assigned a bond rating of AA by Standard & Poor's Rating Service. In compliance with the requirements of the bond order and certificates of obligation agreements, the County maintains separate accountability. The tax rate set each year is calculated to provide sufficient funding to meet current year obligations. At September 30, 2011, the County has \$4.9 million reserved in the Debt Service Fund to meet future obligations.

The County is responsible for establishing its tax rate. For the fiscal year ended September 30, 2011, the tax rate to finance general governmental services was \$0.4012 per \$100 valuation and the tax rate for the payment of principal and interest on long-term debt was \$0.0844 per \$100 of valuation. For the fiscal year ended September 30, 2012, the tax rate to finance general government services is \$0.4037 per \$100 valuation and the tax rate for the payment of principal and interest on long-term debt is \$0.0813 per \$100 of valuation.

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

- The Commissioners' Court of the County shall review and formally adopt the annual budget prepared by the Budget Officer.
- Expenditures are controlled to not exceed available resources. All elected officials and department heads are required to keep expenditures within allocated budgets.
- Balanced financial operations will be maintained. Adequate internal accounting controls are developed and maintained to safeguard assets and provide reasonable assurance of proper recording of financial transactions.
- Technological solutions are used to improve operations.
- Provide an equitable justice system that is responsive to the needs of the County. The County continues its effort on the replacement of the current judicial software. It has provided funding for the project for years.
- Delivery of service to the constituents.
- Take advantage of the low market price on construction works to satisfy the County's needs on capital improvements and expansion.

- Restrain the debt issuance to keep the tax rate low.
- Maintain full disclosure and open lines of communications with the rating agencies and seek to obtain a high debt rating with a stable outlook.

Significant budget initiatives in fiscal year 2011 included:

- The County substantially completed its Expo Center expansion project.
- The County continued its courthouse renovation project.
- The County started the remodeling of the jail inmate holding portion of the courthouse supported by the remaining funds of the 2008 general obligation bonds.
- The County started the construction of the new Tax Office building.
- The County added a few temporary and part-time positions as needed in various County departments; however, no cost-of-living adjustment was given to County employees to keep expenditures down.

### **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, 2010

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.



*Linda C. Davison*

President

*Jeffrey R. Emery*

Executive Director

**BRAZOS COUNTY, TEXAS**  
**PRINCIPAL OFFICIALS**  
September 30, 2011

**Commissioners' Court:**

Duane Peters	County Judge
Lloyd Wassermann	Commissioner, Precinct 1
Sammy Catalena	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
John McGuire *	Chief Adult Probation Officer

**Financial Administration:**

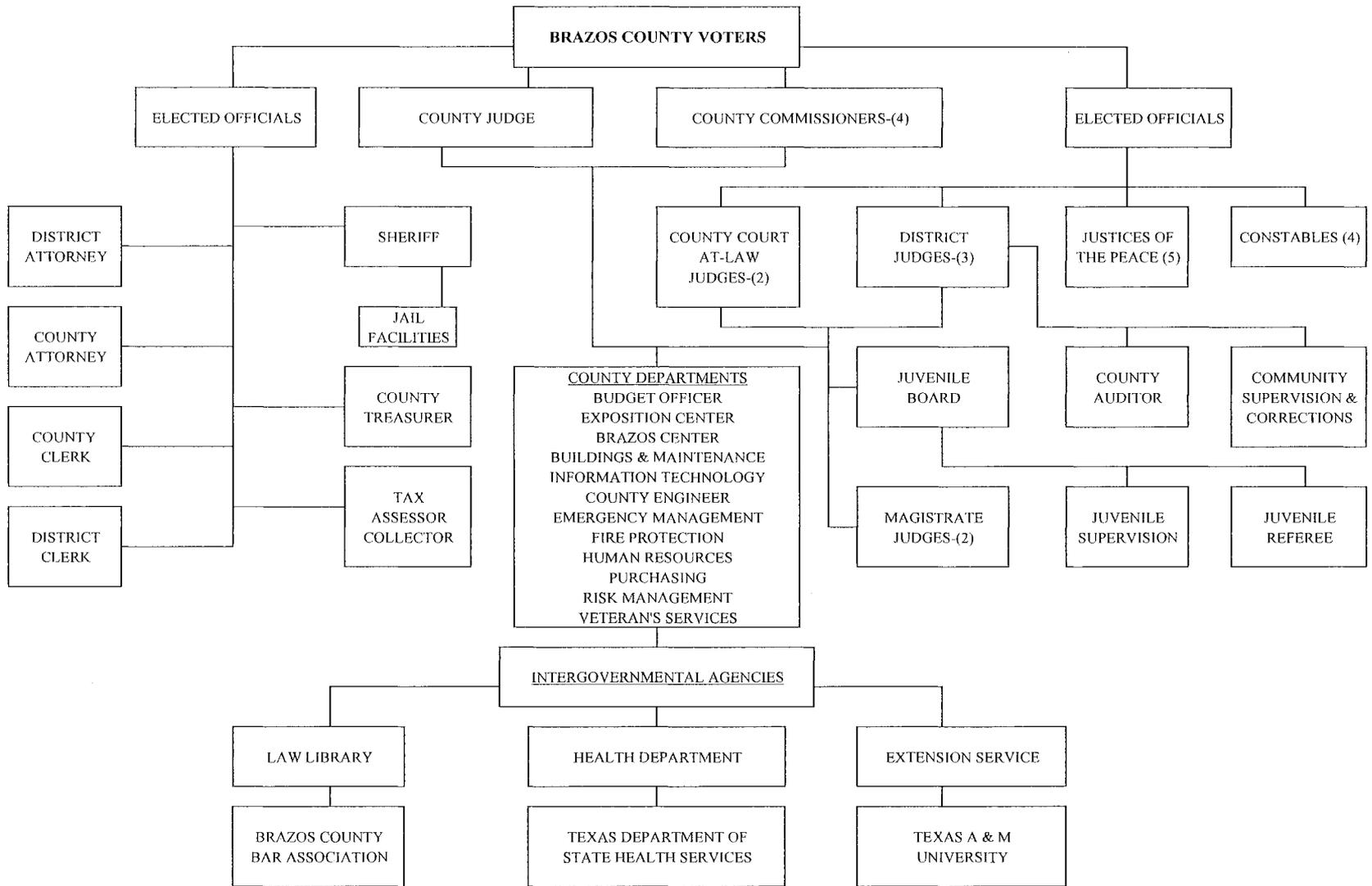
Laura Davis	Treasurer
Kristeen Roe	Tax Assessor-Collector
Katie Conner *	Auditor

**Recording Offices:**

Karen McQueen	County Clerk
Marc Hamlin	District Clerk

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

# BRAZOS COUNTY ORGANIZATIONAL CHART



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

CERTIFIED PUBLIC ACCOUNTANTS

### INDEPENDENT AUDITORS' REPORT

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

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, 2011, 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, 2011, and the respective changes in financial position, and cash flows, where applicable, 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 13, 2012, 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

accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, retirement system information, other post employment benefits information and budgetary comparison information on pages 15 through 26 and 69 through 86 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. The introductory section, supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State of Texas Single Audit Circular*, issued by the Office of the Governor of the State, and is also not a required part of the financial statements. The supplementary information as listed in the table of contents and the schedule of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Bryan, Texas  
March 13, 2012

*Ingram, Wallis & Company*

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) For the Year Ending September 30, 2011

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, 2011. 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, 2011 by \$126,047,892, and are reported as total net assets of the primary government. This is comparable to the previous year when assets exceeded liabilities by \$126,953,402.
- The government-wide total net assets decreased \$905,510 during the fiscal year ending September 30, 2011. The net assets from the governmental activities decreased \$912,290, while the net assets from business-type activities increased \$6,780.
- Total net assets of the primary government are comprised of the following:

<u>Net Assets by Category</u>	<u>September 30, 2011</u>	<u>% to Total</u>	<u>September 30, 2010</u>	<u>% to Total</u>
Capital Assets, Net of Related Debt	\$ 103,725,976	82%	\$ 92,866,901	74%
Restricted Net Assets	13,717,329	11%	18,366,899	14%
Unrestricted Net Assets	8,604,587	7%	15,719,602	12%
Total Net Assets	<u>\$ 126,047,892</u>	<u>100%</u>	<u>\$ 126,953,402</u>	<u>100%</u>

#### Fund Financial Statements

- As of September 30, 2011, the County governmental funds reported combined fund balances of \$44,205,586. This reflects a decrease of \$6,958,369 from the previous fiscal year, primarily due to the \$4.8 million spent on the Expo Center Expansion project. Approximately 46% of the combined fund balances at September 30, 2011 (\$20,299,844) is available to meet the County's current and future needs (unassigned fund balances).
- At the end of the fiscal year, the unassigned fund balance of the County's General Fund was \$20,299,844 or 32% of the General Fund's total expenditures and 30% of the revenues.
- The total fund balance for the nonmajor governmental funds was \$7,442,277 at September 30, 2011. Of this amount, \$31,103 is nonspendable (for prepaids), \$3,041,361 is restricted by the legislature, \$4,240,278 is restricted by the debt covenant for the Expo Center Expansion project and the remaining \$129,535 is assigned to support Expo Center marketing or serve the debt related to the Expo Center Expansion.

## 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 reported in this statement may result in cash flows in future fiscal periods.

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

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

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

## OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Because the focus of governmental funds is narrower than the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 31 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 Capital Improvement, which are considered to be major funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules elsewhere in this report.

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

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

**Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 41-68 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 69-86 of this report.

**Combining and Individual Fund schedules** provide information for nonmajor governmental funds, internal service funds and agency funds and are presented immediately following the required supplementary information. The combining/individual fund statements and schedules including budgetary comparison can be found on pages 87-138 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 \$126,047,892 for fiscal year 2011 and \$126,953,402 for fiscal year 2010.

### Condensed Statement of Net Assets September 30, 2011

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Current and other assets	\$ 59,633,913	\$ 370,502	\$ 60,004,415
Capital assets, net	195,970,684	65,749	196,036,433
Total assets	255,604,597	436,251	256,040,848
Current and other liabilities	9,881,703	42,423	9,924,126
Long-term liabilities	120,068,302	528	120,068,830
Total liabilities	129,950,005	42,951	129,992,956
Net assets:			
Invested in capital assets, net of related debt	103,660,227	65,749	103,725,976
Restricted net assets	13,717,329	-	13,717,329
Unrestricted net assets	8,277,036	327,551	8,604,587
Total net assets	\$ 125,654,592	\$ 393,300	\$ 126,047,892

### Condensed Statement of Net Assets September 30, 2010

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Current and other assets	\$ 70,721,807	\$ 415,374	\$ 71,137,181
Capital assets, net	187,296,966	44,919	187,341,885
Total assets	258,018,773	460,293	258,479,066
Current and other liabilities	13,444,555	73,464	13,518,019
Long-term liabilities	118,007,336	309	118,007,645
Total liabilities	131,451,891	73,773	131,525,664
Net assets:			
Invested in capital assets, net of related debt	92,821,982	44,919	92,866,901
Restricted net assets	18,366,899	-	18,366,899
Unrestricted net assets	15,378,001	341,601	15,719,602
Total net assets	\$ 126,566,882	\$ 386,520	\$ 126,953,402

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The largest portion of the County's current fiscal year net assets (82%) reflects its investment of \$103,725,976 in capital assets (e.g., land, buildings, equipment, and infrastructure), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

An additional portion of the County's net assets, \$13,717,329 (11%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$8,604,587 (7%) may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the County was able to report positive balances in all three categories of net assets for its governmental and business-type activities. The same situation held true for the prior fiscal year. The County's net assets decreased by \$905,510 as a result of fiscal year 2011 operations. It is primarily attributable to a slower rate of increase in ongoing revenues than expenses.

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

<b>Condensed Statement of Activities</b>			
<b>For the Year Ended September 30, 2011</b>			
	Governmental Activities	Business-Type Activities	Total
<b>Revenues:</b>			
<b>Program revenues:</b>			
Charges for services	\$ 12,040,830	\$ 524,889	\$ 12,565,719
Operating grants and contributions	4,880,099	-	4,880,099
Capital grants and contributions	395,411	-	395,411
<b>General revenues:</b>			
Property taxes	51,538,444	-	51,538,444
Sales taxes	11,559,363	-	11,559,363
Motor vehicle taxes	1,188,768	-	1,188,768
Mixed drink taxes	524,240	-	524,240
Hotel occupancy taxes	1,130,582	-	1,130,582
Unrestricted investment earnings	251,570	933	252,503
Total revenues	<u>83,509,307</u>	<u>525,822</u>	<u>84,035,129</u>
<b>Expenses:</b>			
General Government	18,757,895	-	18,757,895
Justice System	17,270,039	39,799	17,309,838
Law Enforcement	21,980,672	479,243	22,459,915
Juvenile Services	5,970,962	-	5,970,962
Public Transportation	7,863,178	-	7,863,178
Public Health	2,596,961	-	2,596,961
Human Services	5,816,824	-	5,816,824
Interest and Other Fees	4,165,066	-	4,165,066
Total expenses	<u>84,421,597</u>	<u>519,042</u>	<u>84,940,639</u>
Change in net assets	(912,290)	6,780	(905,510)
Net assets - beginning, as restated	<u>126,566,882</u>	<u>386,520</u>	<u>126,953,402</u>
Net assets - ending	<u>\$ 125,654,592</u>	<u>\$ 393,300</u>	<u>\$ 126,047,892</u>

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

### Condensed Statement of Activities For the Year Ended September 30, 2010

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 12,889,922	\$ 459,657	\$ 13,349,579
Operating grants and contributions	2,851,157	-	2,851,157
Capital grants and contributions	356,062	-	356,062
General revenues:			
Property taxes	49,915,485	-	49,915,485
Sales taxes	11,175,994	-	11,175,994
Motor vehicle taxes	1,098,278	-	1,098,278
Mixed drink taxes	505,783	-	505,783
Hotel occupancy taxes	1,064,670	-	1,064,670
Unrestricted investment earnings	387,068	1,188	388,256
Total revenues	<u>80,244,419</u>	<u>460,845</u>	<u>80,705,264</u>
Expenses:			
General Government	16,073,316	-	16,073,316
Justice System	16,190,532	39,959	16,230,491
Law Enforcement	20,922,115	436,447	21,358,562
Juvenile Services	6,053,405	-	6,053,405
Public Transportation	7,110,355	-	7,110,355
Public Health	2,460,827	-	2,460,827
Human Services	4,992,850	-	4,992,850
Interest and Other Fees	4,601,773	-	4,601,773
Total expenses	<u>78,405,173</u>	<u>476,406</u>	<u>78,881,579</u>
Change in net assets	1,839,246	(15,561)	1,823,685
Net assets - beginning	<u>124,727,636</u>	<u>402,081</u>	<u>125,129,717</u>
Net assets - ending	<u>\$ 126,566,882</u>	<u>\$ 386,520</u>	<u>\$ 126,953,402</u>

### Revenue Analysis

For fiscal year ended September 30, 2011, revenues for the primary government totaled \$84,035,129. The revenues are categorized by activity type: governmental activities totaled \$83,509,307 and business-type activities totaled \$525,822.

Program revenues are derived from the program itself and thereby reduce the cost of the function to the County. Total program revenues were \$17,841,229, and 21% of total revenues. Of that \$17,316,340 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 \$524,889, which represents primarily commissary sales to the inmates held in County jails. The largest portion of program revenues is charges for services of \$12,565,719 (15% of the total revenues). The other portions of program revenues are operating grants and contributions of \$4,880,099 received from various federal, state, and local agencies. During the year the County accepted \$395,411 capital grants 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. Besides the property taxes, the general revenues also consist of sales taxes, motor vehicle taxes, mixed drink taxes, hotel occupancy taxes and investment earnings, which in total are \$14,655,456 or 17% of the total revenues.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

### Revenue Analysis (Continued)

	<u>Year Ended</u> <u>September 30, 2011</u>		<u>Year Ended</u> <u>September 30, 2010</u>	
<b><u>Program Revenues</u></b>				
Charges for services - governmental	\$ 12,040,830	14.3%	\$ 12,889,922	16.0%
Charges for services - business-type	524,889	0.6%	459,657	0.6%
Operating grants and contributions	4,880,099	5.8%	2,851,157	3.6%
Capital grants and contributions	395,411	0.5%	356,062	0.4%
<b><u>General Revenues</u></b>				
Property taxes	51,538,444	61.3%	49,915,485	61.8%
Sales taxes	11,559,363	13.8%	11,175,994	13.8%
Motor vehicle taxes	1,188,768	1.4%	1,098,278	1.4%
Mixed drink taxes	524,240	0.6%	505,783	0.6%
Hotel occupancy taxes	1,130,582	1.4%	1,064,670	1.3%
Unrestricted investment earnings	252,503	0.3%	388,256	0.5%
<b>Total Revenues</b>	<b>\$ 84,035,129</b>	<b>100.0%</b>	<b>\$ 80,705,264</b>	<b>100.0%</b>

In fiscal year 2011, the County's revenues increased by \$3.3 million, or 4.1 percent as a result of a higher collection in property tax and operating grants and contributions. The property tax revenue for fiscal year 2011 increased \$1.6 million from fiscal year 2010 in correlation to the increase in the County's taxable assessed property values. The \$2.0 million increase in operating grants and contributions is directly related to a pass-through grant from the State.

### Expense Analysis

For the year ended September 30, 2011, the function and program expenses for the primary government were \$84,421,597 for the governmental activities and \$519,042 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, 2011</u>		<u>Year Ended</u> <u>September 30, 2010</u>	
<b><u>Function</u></b>				
General Government	\$18,757,895	22.2%	\$ 16,073,316	20.5%
Justice System	17,270,039	20.5%	16,190,532	20.6%
Law Enforcement	21,980,672	26.0%	20,922,115	26.7%
Juvenile Services	5,970,962	7.1%	6,053,405	7.7%
Public Transportation	7,863,178	9.3%	7,110,355	9.1%
Public Health	2,596,961	3.1%	2,460,827	3.1%
Human Services	5,816,824	6.9%	4,992,850	6.4%
Interest and Other Fees	4,165,066	4.9%	4,601,773	5.9%
<b>Total Governmental Activities</b>	<b>\$84,421,597</b>	<b>100.0%</b>	<b>\$ 78,405,173</b>	<b>100.0%</b>
<b><u>Business-Type Activities</u></b>				
County Attorney	\$ 39,799	7.7%	\$ 39,959	8.4%
Jail Commissary	479,243	92.3%	436,447	91.6%
<b>Total Business-Type Activities</b>	<b>\$ 519,042</b>	<b>100.0%</b>	<b>\$ 476,406</b>	<b>100.0%</b>

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

### Expense Analysis (Continued)

In fiscal year 2011, the County's expenses increased \$6.1 million or 7.7 percent. The key elements of the increase are as follows:

- Salaries and benefits increased \$1.6 million due to the contribution rate hike of the County's health and dental insurance, vacant positions filled at various County departments, new part-time positions added, merit raises to certain employees, and more employees switching to or choosing the County's health insurance.
- The net OPEB obligation of the County for fiscal year 2011 decreased \$0.1 million from fiscal year 2010.
- The operating expenses, including department support costs, maintenance costs, contract services costs and minor requisition costs, increased \$3.2 million during the year.
- The depreciation expense of the County's capital assets for fiscal year 2011 increased \$1.3 million from fiscal year 2010 due to the first-year depreciation of the \$51 million jail expansion.
- The interest and fees directly related to debt service in fiscal year 2011 decreased \$0.4 million from fiscal year 2010.
- The County also incurred a loss of \$0.5 million in infrastructure due to the road annexation to the City of College Station during the year.

### FINANCIAL ANALYSIS OF MAJOR FUNDS

The County's major general governmental functions are contained in the General, Special Revenue, Debt Service, and Capital Project Funds. At September 30, 2011, the County's governmental funds reported combined fund balances of \$44,205,586, a decrease of \$6,958,369 or 14% in comparison with the prior year. The change was primarily due to construction expenditures for the expo center expansion and the courthouse renovation project. Of the combined fund balance, \$1,092,466 (2%) were nonspendable for prepaids and inventory, \$12,624,863 (29%) were restricted to various purposes by external restrictions imposed, \$208,122 (1%) were committed to the Health Endowment Fund, \$9,980,291 (22%) were assigned to the County's capital improvement plans and other programs as directed by the Commissioners' Court, and \$20,299,844 (46%) constitutes unassigned fund balance, which is available to meet the County's current and future needs without any restrictions.

#### The General Fund

The General Fund is the chief operating fund of the County. At September 30, 2011, the General Fund reported a net fund balance of \$23,160,944, a decrease of \$4,364,002 from fiscal year 2010. The key factors in this change follow:

- The tax revenues came in more than anticipated in fiscal year 2011.
- The overall expenditures in fiscal year 2011 increased.
- The County took advantage of the low construction costs in the market and transferred more funds out of General Fund to support capital improvement projects in fiscal year 2011.

## **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 2011, the fund balance increased \$845,631 or 20.8% from fiscal year 2010. The key elements of the increase are as follows:

- The ad valorem taxes collections in fiscal year 2011 increased 3% over fiscal year 2010 due to a higher assessed property valuation and a higher collection rate.
- The debt principal and interest expenditures in fiscal year 2011 decreased 2% from fiscal year 2010 in accordance to the interest payment schedule.
- The funds transferred from the General Fund and Hotel Occupancy Tax Fund increased approximately \$135,000 in fiscal year 2011.

For fiscal year 2012 the County's debt service requirements for the governmental activities are \$5,675,000 in principal and \$3,982,151 in interest. Additional information is available to the readers in Note 7 (Long-Term Debt) to the Financial Statements.

### **The Capital Improvement Fund**

The Capital Improvement Fund is established to provide accountability for the construction and acquisition of specific capital assets to support departmental needs, and to replace existing capital assets as needed. The resources of the Fund have mainly been provided by transfers from the General Fund.

To take advantage of the low construction costs during the economic downturn, the County started or continued several capital improvement projects, including the courthouse renovation, the new tax building, other improvements on County facilities, etc. The funds transferred to the Capital Improvement Fund increased by 10% during the current fiscal year. The fund balance of the Capital Improvement Fund increased \$1,810,779 in fiscal year 2011.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The County adopts an annual budget for the General Fund. Budget amounts represent the original budget for 2011 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.

## GENERAL FUND BUDGETARY HIGHLIGHTS (Continued)

The following table summarizes General Fund budgeted and actual amounts for fiscal year 2011:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b><u>Revenues and Transfers In</u></b>			
Taxes	\$ 53,095,000	\$ 53,095,000	\$ 54,519,116
Charges for Services	9,787,150	9,787,150	10,513,424
Intergovernmental	1,024,395	1,179,695	1,404,716
Interest	253,500	253,500	170,612
Other	363,000	368,025	492,300
Sale of Capital Assets	150,000	150,000	86,563
Transfers In	-	50,000	50,000
Total	<u>64,673,045</u>	<u>64,883,370</u>	<u>67,236,731</u>
<b><u>Expenditures and Transfers Out</u></b>			
Expenditures	71,283,793	71,304,040	63,345,108
Transfers Out	8,091,130	8,281,208	8,255,625
Total	<u>79,374,923</u>	<u>79,585,248</u>	<u>71,600,733</u>
Net Change in Fund Balance	<u>\$ (14,701,878)</u>	<u>\$ (14,701,878)</u>	<u>\$ (4,364,002)</u>

Differences between the original budget and the final amended budget reflected an increase of \$210,325 in available resources and the same amount of increase in appropriations.

Actual revenues and transfers in increased by \$2,353,361 (3.6%) over the final budget mainly due to the better collection rate in taxes and charges for services. Actual expenditures and transfers out were \$7,984,515 (10.0%) under the final budget as a result of the restrained spending of the County.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The capital assets of the County are those assets (land, right-of-way, buildings, improvements, roads, bridges, machinery, and equipment) which are used by the County in performance of the County's functions. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2011, amounted to \$196,036,433 (net of accumulated depreciation) and at September 30, 2010 it was \$187,341,885. Depreciation on capital assets is recognized in the government-wide financial statements. Depreciation provided for the current fiscal period was \$4,793,742 as compared to \$3,534,840 for the year ended September 30, 2010.

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

- As of September 30, 2011, the County had substantially completed the \$12.7 million Expo Center Expansion project.
- The County completed a \$1.1 million North Wall project and also added \$3.1 million to the on-going Courthouse Renovation project during the year.
- The County started the new Tax Office building project during fiscal year 2011.
- Approximately \$5.5 million in infrastructure was added during the current fiscal year.
- The County spent \$1.7 million and disposed of \$0.8 million in machinery and equipment in fiscal year 2011.

## CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

### Capital Assets (Continued)

The County has elected to use the “Modified Approach” as defined by GASB 34 for reporting infrastructure assets, which include 471 miles of roads and 61 bridges. The County has adopted a minimum condition level of 80% for all County roads. In fiscal year 2011 approximately 96% of the County roads meet the targeted condition level. For the year ended September 30, 2011, the actual amounts of expense incurred for the annual maintenance and preservation of the roads and bridges at the targeted condition level is \$7.0 million and the amount estimated to be necessary for the purpose is \$9.3 million. The \$2.3 million variance is mainly due to the Department’s contingency budget, the delays in the road preparation and weather delays.

The following table provides a comparative overview of the County’s capital assets for the current and previous year. For further information regarding capital assets, see Note 5 to the financial statements.

	<b>Balance</b>	<b>Balance</b>
	<b>September 30, 2011</b>	<b>September 30, 2010</b>
<u>Governmental Activities:</u>		
Land	\$ 12,714,624	\$ 12,490,958
Construction in progress	5,971,522	13,205,837
Infrastructure	59,006,913	53,896,023
Buildings	125,947,426	113,246,142
Improvements other than buildings	6,934,273	5,941,533
Machinery and equipment	22,730,660	21,801,625
	<u>233,305,418</u>	<u>220,582,118</u>
Less: Accumulated depreciation	(37,334,734)	(33,285,152)
Governmental activities capital assets, net	<u>\$ 195,970,684</u>	<u>\$ 187,296,966</u>
<u>Business-type activities:</u>		
Machinery and equipment	\$ 86,095	\$ 56,684
	<u>86,095</u>	<u>56,684</u>
Less: Accumulated depreciation	(20,346)	(11,765)
Business-type activities capital assets, net	<u>\$ 65,749</u>	<u>\$ 44,919</u>

### Debt Administration

At September 30, 2011, the County had total long-term debt outstanding of \$96,460,000 as compared to \$101,495,000 in the prior year. The decrease of \$5,035,000 (5%) represents the debt principal retired during the year.

Refer to Note 7 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 2012 budget on September 20, 2011. With the effects of the national economy slowdown finally being felt at the local level, the key focus of the fiscal year 2012 budget was to provide the core services for the citizens and visitors of Brazos County with limited revenue resources, in an uncertain economy. The budget was adopted based on anticipated resources and estimated uses in fiscal year 2012. The total resources of the County's General Fund are estimated to be \$74,400,000 including the appropriated fund balance of \$6,600,000.

The property tax rate for fiscal year 2012 is \$0.4850 per \$100 valuation compared to \$0.4856 in fiscal year 2011. For the past three years, the County has maintained an estimated collection rate of 98% on property taxes.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Auditor's Office, 200 S. Texas Avenue, Suite 218, Bryan, Texas, 77803.

## **BASIC FINANCIAL STATEMENTS**

**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF NET ASSETS**  
**September 30, 2011**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 43,523,130	\$ 289,480	\$ 43,812,610
Investments	2,350,115	-	2,350,115
Prepaid Expenses	250,768	-	250,768
Deferred Charges	1,020,106	-	1,020,106
Receivables, net of allowance for uncollectible amounts of \$13,549,587			
Taxes	3,189,745	-	3,189,745
Accounts and Other	3,040,273	5,179	3,045,452
Inventories	841,698	26,744	868,442
Internal Balances	(49,099)	49,099	-
Restricted Assets			
Cash and Cash Equivalents	4,686,218	-	4,686,218
Receivables			
Taxes	321,637	-	321,637
Accounts and Other	3,341	-	3,341
Joint Venture	455,981	-	455,981
Capital Assets (net of accumulated depreciation)			
Land	12,714,624	-	12,714,624
Buildings	105,809,349	-	105,809,349
Improvements Other than Buildings	2,179,840	-	2,179,840
Machinery and Equipment	10,288,436	65,749	10,354,185
Infrastructure	59,006,913	-	59,006,913
Construction in Progress	5,971,522	-	5,971,522
<b>TOTAL ASSETS</b>	<u>\$ 255,604,597</u>	<u>\$ 436,251</u>	<u>\$ 256,040,848</u>

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

**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF NET ASSETS - Continued**  
**September 30, 2011**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>TOTAL</u>
<b>LIABILITIES</b>			
Accounts Payable and Accrued Liabilities	\$ 5,889,042	\$ 35,981	\$ 5,925,023
Accrued Salaries and Wages	1,922,342	4,331	1,926,673
Accrued Interest Payable	335,293	-	335,293
Unclaimed Funds	285,610	-	285,610
Unearned Revenue	721,333	-	721,333
Liabilities for Compensated Absences	728,083	2,111	730,194
Noncurrent Liabilities			
Due within one year	5,857,021	528	5,857,549
Due in more than one year	114,211,281	-	114,211,281
	<u>129,950,005</u>	<u>42,951</u>	<u>129,992,956</u>
<b>TOTAL LIABILITIES</b>			
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	103,660,227	65,749	103,725,976
Restricted for:			
Debt Service	4,920,817	-	4,920,817
Capital Projects	4,240,278	-	4,240,278
Legislative	3,463,768	-	3,463,768
Other Purposes	1,092,466	-	1,092,466
Unrestricted	8,277,036	327,551	8,604,587
	<u>\$ 125,654,592</u>	<u>\$ 393,300</u>	<u>\$ 126,047,892</u>
<b>TOTAL NET ASSETS</b>			

**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2011**

<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	\$ 18,757,895	\$ 2,900,343	\$ 2,145,051
Justice System	17,270,039	5,903,931	631,839
Law Enforcement	21,980,672	879,719	90,710
Juvenile Services	5,970,962	43,110	1,256,263
Public Transportation	7,863,178	1,247,410	306,537
Public Health	2,596,961	37,608	82,188
Human Services	5,816,824	1,028,709	367,511
Interest and Other Fees	4,165,066	-	-
Total Governmental Activities	<u>84,421,597</u>	<u>12,040,830</u>	<u>4,880,099</u>
Business-Type Activities:			
County Attorney	39,799	30,052	-
Jail Commissary	479,243	494,837	-
Total Business-Type Activities	<u>519,042</u>	<u>524,889</u>	<u>-</u>
Total Government	<u>\$ 84,940,639</u>	<u>\$ 12,565,719</u>	<u>\$ 4,880,099</u>

**General revenues:**

## Taxes:

Property taxes

Sales taxes

Motor vehicle taxes

Mixed drink taxes

Hotel occupancy taxes

Unrestricted investment earnings

Total general revenues

Change in net assets

Net assets-beginning, as restated

Net assets-ending

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

Program Revenues Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets		
	Governmental Activities	Business - Type Activities	Total
\$ -	\$ (13,712,501)	\$ -	\$ (13,712,501)
-	(10,734,269)	-	(10,734,269)
72,015	(20,938,228)	-	(20,938,228)
-	(4,671,589)	-	(4,671,589)
-	(6,309,231)	-	(6,309,231)
-	(2,477,165)	-	(2,477,165)
323,396	(4,097,208)	-	(4,097,208)
-	(4,165,066)	-	(4,165,066)
<u>395,411</u>	<u>(67,105,257)</u>	<u>-</u>	<u>(67,105,257)</u>
-	-	(9,747)	(9,747)
-	-	15,594	15,594
-	-	5,847	5,847
<u>\$ 395,411</u>	<u>(67,105,257)</u>	<u>5,847</u>	<u>(67,099,410)</u>
	51,538,444	-	51,538,444
	11,559,363	-	11,559,363
	1,188,768	-	1,188,768
	524,240	-	524,240
	1,130,582	-	1,130,582
	251,570	933	252,503
	<u>66,192,967</u>	<u>933</u>	<u>66,193,900</u>
	(912,290)	6,780	(905,510)
	<u>126,566,882</u>	<u>386,520</u>	<u>126,953,402</u>
<u>\$ 125,654,592</u>	<u>\$ 393,300</u>	<u>\$ 126,047,892</u>	

**BRAZOS COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2011**

	<b>Major Funds</b>	
	<b>General</b>	<b>Debt Service</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 23,867,388	\$ 4,686,218
Investments	2,346,039	-
Prepaid Expenditures	219,665	-
Receivables:		
Taxes	2,842,551	321,637
Officials	152,171	2,075
Interest	8,609	1,266
Accounts	162,515	-
State	306,644	-
Federal	46,939	-
Due From Other Funds	315,046	224,758
Inventories	841,698	-
<b>TOTAL ASSETS</b>	<b>\$ 31,109,265</b>	<b>\$ 5,235,954</b>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts Payable	\$ 3,464,559	\$ -
Accrued Salaries and Wages	1,842,057	-
Unclaimed Funds	-	-
Due To Other Funds	151,786	-
Deferred Revenues	2,489,919	315,137
<b>Total Liabilities</b>	<b>7,948,321</b>	<b>315,137</b>
Fund Balances:		
Nonspendable		
Prepaid Expenditures	219,665	-
Inventories	841,698	-
Restricted to		
General Government	-	-
Justice System	70,560	-
Law Enforcement	-	-
Juvenile Services	351,847	-
Public Transportation	-	-
Human Services	-	-
Debt Services	-	4,920,817
Capital Projects	-	-
Committed to		
Health Endowment Fund	208,122	-
Assigned to		
Capital Improvements	-	-
Boonville Cemetery	6,414	-
Research Valley	258,653	-
Indigent Health Care	904,141	-
Other Purposes	-	-
Unassigned	20,299,844	-
<b>Total Fund Balances</b>	<b>23,160,944</b>	<b>4,920,817</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 31,109,265</b>	<b>\$ 5,235,954</b>

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

<u>Major Funds (Continued)</u> <u>Capital</u> <u>Improvement</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
\$ 9,548,432	\$ 7,791,488	\$ 45,893,526
-	4,076	2,350,115
-	31,103	250,768
-	134,997	3,299,185
-	-	154,246
-	2,290	12,165
855	9,691	173,061
-	578,287	884,931
-	-	46,939
-	-	539,804
-	-	841,698
<u>\$ 9,549,287</u>	<u>\$ 8,551,932</u>	<u>\$ 54,446,438</u>
\$ 867,739	\$ 275,756	\$ 4,608,054
-	80,285	1,922,342
-	285,610	285,610
-	437,117	588,903
-	30,887	2,835,943
<u>867,739</u>	<u>1,109,655</u>	<u>10,240,852</u>
-	31,103	250,768
-	-	841,698
-	329,720	329,720
-	1,347,903	1,418,463
-	447,521	447,521
-	-	351,847
-	56,553	56,553
-	859,664	859,664
-	-	4,920,817
-	4,240,278	4,240,278
-	-	208,122
8,681,548	-	8,681,548
-	-	6,414
-	-	258,653
-	-	904,141
-	129,535	129,535
-	-	20,299,844
<u>8,681,548</u>	<u>7,442,277</u>	<u>44,205,586</u>
<u>\$ 9,549,287</u>	<u>\$ 8,551,932</u>	<u>\$ 54,446,438</u>

**BRAZOS COUNTY, TEXAS**  
**RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET ASSETS**  
**September 30, 2011**

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

<b>Total fund balances - governmental funds</b>	<b>\$</b>	<b>44,205,586</b>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		195,970,684
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.		3,634,730
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.		1,499,183
The County's equity interest in a joint venture is included in the Statement of Net Assets but is not included at the fund level.		455,981
Liabilities for compensated absences are due within one year but are not reported as liabilities in the funds.		(728,083)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds:		
Bonds payable	(96,460,000)	
Deferred charge for issuance cost (to be amortized as interest expense)	1,020,106	
Issuance premium (to be amortized as interest expense)	(1,027,551)	
Accrued interest payable	(335,293)	
Liabilities for compensated absences	(182,021)	
OPEB obligation	<u>(22,398,730)</u>	
		<u>(119,383,489)</u>
<b>Total net assets--governmental activities</b>	<b>\$</b>	<b><u>125,654,592</u></b>

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



**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For The Year Ended September 30, 2011**

	<b>Major Funds</b>	
	<b>General</b>	<b>Debt Service</b>
<b>REVENUES</b>		
Taxes	\$ 54,519,116	\$ 9,118,854
Charges for Services	10,513,424	-
Intergovernmental	1,404,716	-
Interest	170,612	28,207
Other Revenue	492,300	-
<b>TOTAL REVENUES</b>	<b>67,100,168</b>	<b>9,147,061</b>
Current		
General Government	12,372,130	-
Justice System	14,654,327	-
Law Enforcement	16,497,074	-
Juvenile Services	3,885,818	-
Public Transportation	6,987,382	-
Public Health	2,582,618	-
Human Services	3,380,488	-
Capital Outlay	2,985,271	-
Debt Service		
Principal Retirement	-	5,035,000
Interest and Other Fees	-	4,168,000
<b>TOTAL EXPENDITURES</b>	<b>63,345,108</b>	<b>9,203,000</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,755,060</u>	<u>(55,939)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers In	50,000	901,570
Transfers Out	(8,255,625)	-
Sale of Capital Assets	86,563	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(8,119,062)</b>	<b>901,570</b>
Net Change in Fund Balances	(4,364,002)	845,631
<b>FUND BALANCES, OCTOBER 1, AS RESTATED</b>	<u>27,524,946</u>	<u>4,075,186</u>
<b>FUND BALANCES, SEPTEMBER 30</b>	<u>\$ 23,160,944</u>	<u>\$ 4,920,817</u>

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

<u>Major Funds (Continued)</u> <u>Capital</u> <u>Improvement</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
\$ -	\$ 1,133,225	\$ 64,771,195
-	781,651	11,295,075
26,962	3,843,831	5,275,509
-	43,395	242,214
-	-	492,300
26,962	5,802,102	82,076,293
57,776	2,046,566	14,476,472
360,841	534,937	15,550,105
-	508,201	17,005,275
-	1,128,452	5,014,270
3,455	277,265	7,268,102
-	-	2,582,618
-	1,149,089	4,529,577
5,149,860	5,356,675	13,491,806
-	-	5,035,000
-	-	4,168,000
5,571,932	11,001,185	89,121,225
(5,544,970)	(5,199,083)	(7,044,932)
7,355,749	622,317	8,929,636
-	(674,011)	(8,929,636)
-	-	86,563
7,355,749	(51,694)	86,563
1,810,779	(5,250,777)	(6,958,369)
6,870,769	12,693,054	51,163,955
\$ 8,681,548	\$ 7,442,277	\$ 44,205,586

**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, 2011**

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

<b>Net change in fund balances - total governmental funds</b>	<b>\$</b>	<b>(6,958,369)</b>
<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	13,491,806	
Depreciation expense	<u>(4,785,161)</u>	8,706,645
Revenues and contributed assets in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(661,832)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to affect net assets		(13,593)
The County's investment in a joint venture is reported at the government-wide level but not at the fund level. This amount represents the current year change.		134,971
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.		(45,262)
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.		(7,149,342)
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.		5,037,934
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>36,558</u>
<b>Change in net assets of governmental activities</b>	<b>\$</b>	<b><u>(912,290)</u></b>

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

**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
September 30, 2011

	Business - Type Activities - Enterprise Funds			Governmental Activities
	County Attorney	Jail Commissary	Totals	Internal Service Fund
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	\$ 59,942	\$ 229,538	\$ 289,480	\$ 2,315,822
Accounts Receivable	-	5,179	5,179	6,193
Inventories	-	26,744	26,744	-
Due From Other Funds	1,761	50,388	52,149	-
Total Current Assets	<u>61,703</u>	<u>311,849</u>	<u>373,552</u>	<u>2,322,015</u>
<b>Noncurrent Assets</b>				
Property, Plant and Equipment	-	86,095	86,095	-
Less: Accumulated Depreciation	-	(20,346)	(20,346)	-
Total Noncurrent Assets	<u>-</u>	<u>65,749</u>	<u>65,749</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>61,703</u>	<u>377,598</u>	<u>439,301</u>	<u>2,322,015</u>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	-	35,981	35,981	817,903
Accrued Salaries and Wages	1,444	2,887	4,331	-
Due To Other Funds	-	3,050	3,050	-
Compensated Absences	-	2,111	2,111	-
Deferred Revenues	-	-	-	4,929
<b>Noncurrent Liabilities</b>				
Compensated Absences	-	528	528	-
<b>TOTAL LIABILITIES</b>	<u>1,444</u>	<u>44,557</u>	<u>46,001</u>	<u>822,832</u>
<b>NET ASSETS</b>				
Invested in Capital Assets	-	65,749	65,749	-
Unrestricted	60,259	267,292	327,551	1,499,183
<b>TOTAL NET ASSETS</b>	<u>\$ 60,259</u>	<u>\$ 333,041</u>	<u>\$ 393,300</u>	<u>\$ 1,499,183</u>

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, 2011**

	Business - Type Activities - Enterprise Funds			Governmental Activities
	County Attorney	Jail Commissary	Totals	Internal Service Fund
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 30,052	\$ -	\$ 30,052	\$ -
Commissary Sales	-	490,239	490,239	-
Employee Dependents	-	-	-	1,483,980
Self Pays	-	-	-	29,112
Excess Risk Benefits	-	-	-	131,119
Participant Payments	-	-	-	403,788
Brazos County	-	-	-	5,907,725
Retirees	-	-	-	188,516
Other Revenue	-	4,598	4,598	-
<b>TOTAL OPERATING REVENUES</b>	<b>30,052</b>	<b>494,837</b>	<b>524,889</b>	<b>8,144,240</b>
<b>OPERATING EXPENSES</b>				
Personnel Services	37,879	97,298	135,177	-
Departmental Support	1,920	62,821	64,741	-
Cost of Goods Sold	-	275,464	275,464	-
Repairs & Maintenance	-	-	-	-
Life Insurance	-	-	-	25,890
Stop Loss Premiums	-	-	-	976,394
Benefit Claims	-	-	-	6,629,211
Administrative Fees	-	-	-	429,781
Professional Services	-	35,079	35,079	55,762
Depreciation	-	8,581	8,581	-
<b>TOTAL OPERATING EXPENSES</b>	<b>39,799</b>	<b>479,243</b>	<b>519,042</b>	<b>8,117,038</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(9,747)</b>	<b>15,594</b>	<b>5,847</b>	<b>27,202</b>
<b>NONOPERATING REVENUES</b>				
Interest	-	933	933	9,356
<b>TOTAL NONOPERATING REVENUES</b>	<b>-</b>	<b>933</b>	<b>933</b>	<b>9,356</b>
<b>CHANGE IN NET ASSETS</b>	<b>(9,747)</b>	<b>16,527</b>	<b>6,780</b>	<b>36,558</b>
<b>TOTAL NET ASSETS - OCTOBER 1</b>	<b>70,006</b>	<b>316,514</b>	<b>386,520</b>	<b>1,462,625</b>
<b>TOTAL NET ASSETS - SEPTEMBER 30</b>	<b>\$ 60,259</b>	<b>\$ 333,041</b>	<b>\$ 393,300</b>	<b>\$ 1,499,183</b>

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

**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For The Year Ended September 30, 2011**

	Business - Type Activities - Enterprise Funds			Governmental Activities
	County Attorney	Jail Commissary	Totals	Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 29,808	\$ 454,754	\$ 484,562	\$ 2,102,444
Receipts from interfund services provided	-	-	-	5,907,725
Payments to contractors and vendors	(1,920)	(407,398)	(409,318)	(1,477,148)
Claims paid	-	-	-	(6,398,438)
Payments to employees for services	(37,905)	(92,989)	(130,894)	-
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(10,017)</u>	<u>(45,633)</u>	<u>(55,650)</u>	<u>134,583</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	-	974	974	9,545
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>-</u>	<u>974</u>	<u>974</u>	<u>9,545</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of capital assets	-	(29,411)	(29,411)	-
<b>NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>-</u>	<u>(29,411)</u>	<u>(29,411)</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(10,017)	(74,070)	(84,087)	144,128
<b>CASH AND CASH EQUIVALENTS, OCTOBER 1</b>	69,959	303,608	373,567	2,171,694
<b>CASH AND CASH EQUIVALENTS, SEPTEMBER 30</b>	<u>\$ 59,942</u>	<u>\$ 229,538</u>	<u>\$ 289,480</u>	<u>\$ 2,315,822</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (9,747)	\$ 15,594	\$ 5,847	\$ 27,202
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	-	8,581	8,581	-
Change in accounts receivable	(244)	(573)	(817)	14,486
Change in due from other funds	-	(40,082)	(40,082)	-
Change in inventory	-	(596)	(596)	-
Change in accounts payable	-	(32,864)	(32,864)	92,319
Change in due to other funds	-	2,239	2,239	-
Change in accrued salaries and compensated absences	(26)	2,068	2,042	-
Change in deferred revenues	-	-	-	576
Total adjustments	<u>(270)</u>	<u>(61,227)</u>	<u>(61,497)</u>	<u>107,381</u>
Net cash provided (used) by operating activities	<u>\$ (10,017)</u>	<u>\$ (45,633)</u>	<u>\$ (55,650)</u>	<u>\$ 134,583</u>

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

**BRAZOS COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**September 30, 2011**

<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 4,148,091
Investments	1,191,100
<b>TOTAL ASSETS</b>	<u>\$ 5,339,191</u>
<b>LIABILITIES</b>	
Funds Held for Others	\$ 5,339,191
<b>TOTAL LIABILITIES</b>	<u>\$ 5,339,191</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, 2011**

**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.

**B. Blended Component Unit**

Brazos County, together with its six neighboring counties, incorporated the Brazos County Housing Finance Corporation on March 18, 1980. It is a public nonprofit corporation in accordance with the Texas Housing Finance Corporations Act, Texas Local Government Code Annotated, Chapter 394, as amended. Under that Act, the Brazos County Housing Finance Corporation was created to provide decent, safe, and sanitary housing at affordable prices for residents of Brazos County and its neighboring counties.

GASB statement No.14 in paragraph 53 states that if the component unit’s governing body is substantially the same as the governing body of the primary government, the component unit should be included in the reporting entity’s financial statements using the blended method. Three Brazos County Commissioners serve as the voting majority of the Brazos County Housing Finance Corporation’s governing body and the County is able to impose its will on the Corporation; therefore, the Brazos County Housing Finance Corporation component has been blended with the primary government. It is reported as a special revenue fund of the County.

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

### C. Related Organizations

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

#### Brazos County Health Facilities Development Corporation

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

### D. 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.

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

### **D. Government-wide Financial Statements (Continued)**

The statement of activities demonstrates the degree to which the expenses of a given function are offset by program revenues. Expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

### **E. 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 all outstanding encumbrances lapse at the end of each fiscal year.

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

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

All proprietary funds, including the enterprise fund and internal service fund, are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using 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' statements of net assets.

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

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

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

The County's accounts are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which are comprised of each fund's assets, 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, 2011:

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

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

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

The County reports the following nonmajor governmental funds:

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

Expo Center Expansion Fund - This fund was established to account for the expansion of the Brazos County Exposition Center. The expenditures are being financed through the issuance of \$12,000,000 certificates of obligation in November 2009 and a portion of the hotel occupancy taxes collected. The construction was substantially completed in June 2011.

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

### **E. Fund Level Financial Statements (Continued)**

Jail Expansion Fund - This fund was established to account for the construction of the expanded jail facility. The funding source came from a limited tax bond of \$55,000,000 issued in 2008. The \$51 million major jail expansion project was completed in fiscal year 2010 and the remaining funds are being used to support the renovation of the inmate holding area in the County's courthouse.

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

### **F. Implementation of New Standards**

In fiscal year 2011, the County evaluated or implemented GASB Statement No. 59, "Financial Instruments Omnibus", which updates and improves existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. Implementation of GASB 59 did not have an impact on the County's financial statements for the year ended September 30, 2011.

### **G. 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.

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

### **H. 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).

### **I. 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.

### **J. 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, 2011. Accordingly, there are no current taxes receivable reported. On July 1, unpaid taxes are subject to additional penalties and collection expenses.

Taxes have been reported in the government-wide financial statements net of the allowance for uncollectible taxes. At the governmental fund level, taxes are recognized as revenue when they become available and the amount not yet available (not collectible within sixty days) has been reported as deferred revenue. For the year ended September 30, 2011, the tax rate to finance general governmental services was \$0.4012 per \$100.00 valuation. The tax rate for the payment of principal and interest on long-term debt was \$0.0834 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.

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

### **J. Property Taxes (Continued)**

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.

### **K. Inventories and Prepaid Items**

Payments made to vendors for services that will benefit periods beyond September 30, 2011, are recorded as prepaid items, and amortized as expenditures as consumed.

The County maintains inventory at various levels. 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.

### **L. Capital Assets**

Capital assets include land, land improvements, right-of-way land, infrastructure, buildings, building improvements, site improvements, leasehold improvements, vehicles, machinery, furniture, equipment, other systems, works of art and intangible assets that are used in operations and benefit more than a single fiscal period. Infrastructure assets are long-lived assets that normally are stationary in nature and typically can be preserved for a significantly greater number of years than most capital assets, such as roads, bridges, and sewer systems. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Buildings and building improvements with an estimated cost to exceed \$25,000 are capitalized while infrastructure assets with an estimated cost to exceed \$50,000 are capitalized.

When capital assets are purchased, they are 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:

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

### L. Capital Assets (Continued)

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.

### M. 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.

### N. Investment in Joint Venture

The County's investment in a joint venture, the City of Bryan and Brazos County Economic Development Foundation, Inc., is reported in the government-wide financial statements using the equity method of accounting. Required disclosure concerning the joint venture is presented in Note 9.

### O. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as noncurrent liabilities. 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 deferred charges and amortized over the term of the related debt. Interest expense is reported in activities of the general government.

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

### **P. Fund Balances/Net Assets**

The County's Commissioners' Court meets on a regular basis to manage and review cash financial activities and to ensure compliance with established policies. It is the County's policy to fund current expenditures with current revenues and the County's mission is to strive to maintain a diversified and stable revenue stream to protect the government from problematic fluctuations in any single revenue source and provide stability to ongoing services. The County's highest level of decision-making authority resides in its Commissioners' Court. The Commissioners' Court can commit and assign amounts as needed for specific purposes. It can also modify or rescind unrestricted fund balance arrangements as needed. It usually requires a special meeting or a resolution for the change in committed fund balance arrangements. When both restricted and unrestricted fund balance are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. For unrestricted fund balance, the committed amount should be used first, assigned amount next, and unassigned amount should be used last. The County's unassigned fund balances will be maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.

Under GASB 54, fund balances are required to be reported according to the following classifications:

Nonspendable Fund Balance – Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

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

Committed Fund Balance – Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority.

Assigned Fund Balance – Amounts that are constrained by the County's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a Finance Committee), or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

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

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

**P. Fund Balances/Net Assets (Continued)**

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. Net assets invested in capital assets, net of related debt represents capital assets, net of accumulated depreciation and is reduced by outstanding balances for bonds and other debt that is attributed to the acquisition, construction, or improvement of those assets. Restricted net assets represent assets that have externally imposed restrictions by creditors, grantors, contributors, or laws or regulations of other governments. Assets may also be restricted as imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. The amount that represents the County's net assets restricted by enabling legislation was \$3,463,768, as reported in the Statement of Net Assets. Any remaining balance of net assets is to be reported as unrestricted net assets.

**Q. Restated Fund Balance/Net Assets**

The beginning fund balances and net assets of the County at October 1, 2010 have been restated.

1). A prior period adjustment of \$236,756 (decrease) was made to the County's general fund. It represents the change in reporting the County's share of the investment in its joint venture, the City of Bryan and Brazos County Economic Development Foundation, Inc., from the fund level financial statements to the government-wide financial statements. The prior period adjustment only affects the fund level financial statements.

2). The County's blended component unit, Brazos County Housing Finance Corporation, was incorporated in 1980 and is reported as a special revenue fund for the first time in fiscal year 2011. Therefore, its fund balance of \$152,240 as of September 30, 2010, is reported as the beginning fund balance for this special revenue fund. The restatement affects both the fund level and government-wide financial statements.

The restatement is summarized in the schedule below:

	Total Governmental Funds
Fund Balance, October 1, 2010	\$ 51,248,471
Adjustment to General Fund	(236,756)
Adjustment to Special Revenue Fund	152,240
Fund Balance, October 1, 2010	<u>\$ 51,163,955</u>
	Governmental Activities
Net Assets, October 1, 2010	\$ 126,414,642
Adjustment to Cash	152,240
Net Assets, October 1, 2010	<u>\$ 126,566,882</u>

## NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

### **A. 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.
- 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.

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

### A. Budgetary Policy and Procedures (Continued)

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	\$ 79,374,923	\$ 210,325	\$ 79,585,248
Special Revenue	6,124,363	2,383,654	8,508,017
Debt Service	9,998,400	45,391	10,043,791
Capital Projects	22,939,516	158,195	23,097,711
Totals	<u>\$ 118,437,202</u>	<u>\$ 2,797,565</u>	<u>\$ 121,234,767</u>

### B. Excess of Expenditures Over Appropriations

The County had \$20,861 excess of expenditures over appropriations in the Brazos County Housing Finance Corporation Fund for fiscal year 2011. This resulted from adjustments being posted for which budget amendments were not made.

## 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, 2011, the carrying amounts of the County’s deposits were \$48,498,828, reported as “Cash and Cash Equivalents” on the balance sheet/statement of net assets.

### 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, 2011, County investments consisted of participation in TexPool and a certificate of deposit.

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

**B. Investments (Continued)**

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

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

Investments at September 30, 2011 are as follows:

Pooled Investments	\$ 2,346,039
Certificate of Deposit	4,076
Property	<u>1,191,100</u>
Total Investments	<u>\$ 3,541,215</u>

The \$2,346,039 pooled investments and the \$4,076 certificate of deposit are both reflected as investments on the balance sheet/statement of net assets. The pooled investment represents its fair value, which is the same as the value of the pool shares.

The \$1,191,100 investment in property, which represents property held by the County as security for the bail bondsman operating in the County, is recorded in the Bail Bond Board Agency Fund. It is not classified in accordance with GASB Statement 3.

**NOTE 4 – TAXES AND OTHER RECEIVABLES**

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:

	<u>General</u>	<u>Debt Service</u>	<u>Capital Improvement</u>	<u>Nonmajor</u>	<u>Jail Commissary</u>	<u>Internal Service</u>	<u>Total</u>
Taxes	\$ 2,842,551	\$ 321,637	\$ -	\$ 134,997	\$ -	\$ -	\$ 3,299,185
Officials	152,171	2,075	-	-	-	-	154,246
Interest	8,609	1,266	-	2,290	54	645	12,864
Accounts	162,515	-	855	9,691	5,125	5,548	183,734
State	306,644	-	-	578,287	-	-	884,931
Federal	46,939	-	-	-	-	-	46,939
Total Receivable	<u>\$ 3,519,429</u>	<u>\$ 324,978</u>	<u>\$ 855</u>	<u>\$ 725,265</u>	<u>\$ 5,179</u>	<u>\$ 6,193</u>	<u>\$ 4,581,899</u>

## NOTE 5 – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2011 was as follows:

	Balance at September 30, 2010	Additions	Deletions & Adjustments	Balance at September 30, 2011
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 12,490,958	\$ 321,971	\$ (98,305)	\$ 12,714,624
Construction in progress	13,205,837	9,436,898	(16,671,213)	5,971,522
Infrastructure	53,896,023	5,530,119	(419,229)	59,006,913
Total capital assets, not being depreciated	<u>79,592,818</u>	<u>15,288,988</u>	<u>(17,188,747)</u>	<u>77,693,059</u>
Capital assets, being depreciated:				
Buildings	113,246,142	12,701,284	-	125,947,426
Improvements other than buildings	5,941,533	1,132,938	(140,198)	6,934,273
Machinery and equipment	21,801,625	1,704,130	(775,095)	22,730,660
Total capital assets, being depreciated	<u>140,989,300</u>	<u>15,538,352</u>	<u>(915,293)</u>	<u>155,612,359</u>
Less accumulated depreciation for:				
Buildings	(17,304,295)	(2,833,782)	-	(20,138,077)
Improvements other than buildings	(4,536,014)	(234,887)	16,468	(4,754,433)
Machinery and equipment	(11,444,843)	(1,716,492)	719,111	(12,442,224)
Total accumulated depreciation	<u>(33,285,152)</u>	<u>(4,785,161)</u>	<u>735,579</u>	<u>(37,334,734)</u>
Total capital assets, being depreciated, net	<u>107,704,148</u>	<u>10,753,191</u>	<u>(179,714)</u>	<u>118,277,625</u>
Governmental activities capital assets, net	<u>\$ 187,296,966</u>	<u>\$ 26,042,179</u>	<u>\$ (17,368,461)</u>	<u>\$ 195,970,684</u>
<u>Business-type activities:</u>				
Capital assets, being depreciated:				
Machinery and equipment	\$ 56,684	\$ 29,411	\$ -	\$ 86,095
Total capital assets, being depreciated	<u>56,684</u>	<u>29,411</u>	<u>-</u>	<u>86,095</u>
Less accumulated depreciation for:				
Machinery and equipment	(11,765)	(8,581)	-	(20,346)
Total accumulated depreciation	<u>(11,765)</u>	<u>(8,581)</u>	<u>-</u>	<u>(20,346)</u>
Total capital assets, being depreciated, net	<u>44,919</u>	<u>20,830</u>	<u>-</u>	<u>65,749</u>
Business-type activities capital assets, net	<u>\$ 44,919</u>	<u>\$ 20,830</u>	<u>\$ -</u>	<u>\$ 65,749</u>

Depreciation expense for fiscal year 2011 was charged to functions as follows:

Governmental Activities:	
General Government	\$ 329,689
Justice System	266,441
Law Enforcement	2,397,945
Juvenile Services	202,103
Public Transportation	611,362
Public Health	14,343
Human Services	963,278
Total depreciation expense - governmental activities	<u>\$ 4,785,161</u>

## NOTE 6 – LEASES

### 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 \$187,197. At September 30, 2011, the County had entered into two lease arrangements with outside non-profit entities to provide space within the Brazos Center, a public facility owned by the County. The County's lease arrangement with the Brazos Valley Museum, provides the Museum with space at \$1,248 annually. The lease is a 50-year lease expiring in 2040. The County also provides the office space for Junior League of Bryan/College Station at \$7,800 per year with a lease agreement renewable every two years. The current lease was renewed on March 28, 2011. The County has also purchased property with an existing lease renewable yearly, allowing Lamar Companies to set up billboards on the County's property at \$1,200 per year.

The County had entered into forty-two non-cancelable operating leases for the use of photocopying equipment. The leases are for a 36 to 60 month period. Expenditures for these operating leases were \$154,150 in 2011. 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 2011. The future minimum lease payments for these leases are as follows:

<u>Year Ended September 30,</u>	<u>Amount</u>
2012	\$ 167,772
2013	129,230
2014	70,579
2015	54,960
2016	15,113
Total	<u>\$ 437,654</u>

## NOTE 7 – LONG-TERM DEBT

### A. Bonded Debt

Bonded debt of the County consists of various issues of General Obligation Bonds and Certificates of Obligation. General Obligation Bonds and Certificates of Obligation are direct obligations of the County with the County's full faith and credit pledged towards the payment of this obligation. General Obligation Bonds are issued upon approval by the public at an election. Certifications of Obligation are issued by the vote of commissioners' court as allowed under the Certificates of Obligation Act. Debt service is primarily paid from ad valorem taxes. The following are debt issues with activity or outstanding balances at September 30, 2011:

**NOTE 7 – LONG-TERM DEBT (Continued)**

**A. Bonded Debt (Continued)**

Description	Original Amount	Interest Rates (%)	Year of Issue	Year of Maturity	Outstanding at 9/30/11
<u>Certificates of Obligation</u>					
Series 2002 - Various	\$ 2,995,000	2.8 - 3.85	2002	2013	\$ 390,000
Series 2003 - Various	10,000,000	2.5 - 4.55	2003	2023	6,825,000
Series 2004 - Various	5,000,000	2.6 - 4.55	2004	2024	3,965,000
Series 2005 - Various	2,750,000	3.25 - 3.75	2005	2015	1,205,000
Series 2009 - Various	12,000,000	3.0 - 4.5	2009	2034	11,300,000
<u>Limited Tax Refunding Bonds</u>					
Series 2005 - Debt Refunding	6,005,000	4.0	2005	2016	3,450,000
Series 2009 - Debt Refunding	7,365,000	3.0 - 4.0	2009	2021	6,110,000
<u>Limited Tax Bond</u>					
Series 2008 - Jail Expansion	55,000,000	3.25 - 5.0	2008	2028	53,520,000
<u>General Obligation Bonds</u>					
Series 2001 - Exposition Center	8,000,000	4.3 - 6.5	2001	2021	890,000
Series 2005 - Exposition Center	10,500,000	4.0 - 6.0	2005	2025	8,805,000
Total Certificates of Obligation and Bonds Payable					<u>\$ 96,460,000</u>

Activity for long-term debt of the County for the year ended September 30, 2011 was as follows:

Description	Balance Outstanding 10/1/2010	Issued During Year	Retired During Year	Balance Outstanding 9/30/2011	Amount Due Within One Year
<u>Certificates of Obligation</u>					
Series 2002 - Various	\$ 585,000	\$ -	\$ 195,000	\$ 390,000	\$ 195,000
Series 2003 - Various	7,270,000	-	445,000	6,825,000	460,000
Series 2004 - Various	4,185,000	-	220,000	3,965,000	230,000
Series 2005 - Various	1,485,000	-	280,000	1,205,000	285,000
Series 2009 - Various	11,650,000	-	350,000	11,300,000	360,000
<u>Limited Tax Refunding Bonds</u>					
Series 2005 - Debt Refunding	4,050,000	-	600,000	3,450,000	630,000
Series 2009 - Debt Refunding	7,325,000	-	1,215,000	6,110,000	1,265,000
<u>Limited Tax Bond</u>					
Series 2008 - Jail Expansion	54,360,000	-	840,000	53,520,000	1,325,000
<u>General Obligation Bonds</u>					
Series 2001 - Exposition Center	1,305,000	-	415,000	890,000	435,000
Series 2005 - Exposition Center	9,280,000	-	475,000	8,805,000	490,000
Total Certificates of Obligation and Bonds Payable	<u>\$ 101,495,000</u>	<u>\$ -</u>	<u>\$ 5,035,000</u>	<u>\$ 96,460,000</u>	<u>\$ 5,675,000</u>

**NOTE 7 – LONG-TERM DEBT (Continued)**

**A. Bonded Debt (Continued)**

Annual debt service requirements as of September 30, 2011 are as follows:

Fiscal Year	Principal	Interest	Total
2012	5,675,000	3,982,151	9,657,151
2013	5,870,000	3,794,423	9,664,423
2014	5,540,000	3,589,650	9,129,650
2015	5,795,000	3,387,938	9,182,938
2016	5,690,000	3,169,648	8,859,648
2017-2021	27,960,000	12,698,073	40,658,073
2022-2026	26,580,000	6,576,968	33,156,968
2027-2031	11,490,000	1,385,878	12,875,878
2032-2034	1,860,000	167,400	2,027,400
Totals	<u>\$ 96,460,000</u>	<u>\$ 38,752,129</u>	<u>\$ 135,212,129</u>

**B. Arbitrage Rebate Liability**

The Tax Recovery Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local governmental bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due on an annual basis and remit the amount due at least every five years. The county has not incurred such a liability in the fiscal year 2011.

**NOTE 8 – COMPENSATED ABSENCES**

The cost of the County’s liability for compensated absences is calculated at the end of the fiscal year based on the employee’s pay rate and the accumulated vacation hours earned but not taken. 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 government-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, 2011, were as follows:

	Balance Outstanding September 30, 2010	Earned	Taken/ Paid	Balance Outstanding September 30, 2011	Amount Due Within One Year
Governmental Activities	\$ 864,842	\$ 1,896,741	\$ (1,851,479)	\$ 910,104	\$ 728,083
Business-type Activities	1,543	2,664	(1,568)	2,639	2,111
Total	<u>\$ 866,385</u>	<u>\$ 1,899,405</u>	<u>\$ (1,853,047)</u>	<u>\$ 912,743</u>	<u>\$ 730,194</u>

## NOTE 9 – INVESTMENT IN JOINT VENTURE

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

The affairs of the Foundation are managed by a Board of Directors which is composed of nine persons including the County Judge of Brazos County and three other persons appointed by the Commissioners' Court of Brazos County, the Mayor of the City of Bryan and three other persons appointed by the City Council of the City of Bryan, and one individual appointed by the Board of Directors of Twin Cities Endowment, Inc.. However, the director appointed by the Board of Directors of Twin Cities Endowment, Inc., has no voting rights except in the case of a deadlock in votes by the other directors.

The Foundation is reported as a joint venture, as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*. The Foundation was formed pursuant to the provisions of Subchapter D, Chapter 431 of the Texas Transportation Code, as amended.

The funding sources of the Foundation have come from contributions from Brazos County and the City of Bryan, a grant from the Twin Cities Endowment, Inc. and cash contributions from Research Valley Partnership (RVP).

Besides the entity's investment in the Foundation, each entity also reports a 50% ownership in the residual net assets of the Foundation. The County reports \$455,981 as its share of the Foundation's net assets for fiscal year 2011.

The Foundation's statement of net assets and statement of activities for fiscal year 2011 are presented as follows:

**CITY OF BRYAN AND BRAZOS COUNTY  
ECONOMIC DEVELOPMENT FOUNDATION, INC.  
STATEMENT OF NET ASSETS  
SEPTEMBER 30, 2011  
(UNAUDITED)**

<b>Assets</b>		
Cash	\$	71,402
Capital assets		
Land		2,656,293
<b>Total Assets</b>		<u>2,727,695</u>
<b>Liabilities</b>		
Accounts payable and accrued expenses		31,769
Noncurrent liabilities		
Due within one year		68,875
Due in more than one year		1,777,557
<b>Total Liabilities</b>		<u>1,878,201</u>
<b>Net Assets</b>		
Invested in capital assets, net of related debt		809,861
Unrestricted		39,633
<b>Total Net Assets</b>	<u>\$</u>	<u>849,494</u>

**NOTE 9 – INVESTMENT IN JOINT VENTURE (Continued)**

**CITY OF BRYAN AND BRAZOS COUNTY  
ECONOMIC DEVELOPMENT FOUNDATION, INC.  
STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2011  
(UNAUDITED)**

Program Activities	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Assets
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities				
General government and administration	\$ 44,344	\$ -	\$ 244,093	\$ 199,749
Total primary government	\$ 44,344	\$ -	\$ 244,093	199,749
General Revenues				
Investment earnings				30
Total general revenues				30
				199,779
				649,715
				\$ 849,494

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

**NOTE 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, 2011:

	Due From	Due To
General Fund	\$ 151,786	\$ 315,046
Debt Service Fund	-	224,758
Nonmajor Governmental Funds	437,117	-
County Attorney Enterprise Fund	-	1,761
Jail Commissary Enterprise Fund	3,050	50,388
Total	\$ 591,953	\$ 591,953

The summary of the County's transfers for the year ended September 30, 2011 is as follows:

	General Fund	Debt Service Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total
Transfer Out:					
General Fund	\$ -	\$ 277,559	\$ 7,355,749	\$ 622,317	\$ 8,255,625
Nonmajor Governmental Funds	50,000	624,011	-	-	674,011
	\$ 50,000	\$ 901,570	\$ 7,355,749	\$ 622,317	\$ 8,929,636

**NOTE 10 – INTERFUND BALANCES AND TRANSFERS (Continued)**

The General Fund transferred out \$7,355,749 to the Capital Improvement Fund, and \$622,317 to other nonmajor governmental funds for anticipated expenditures in various capital improvements, grant matching and other requirements. It also transferred \$277,559 to the Debt Service Fund on the anticipated debt principal and interest payment for the Expo Center Expansion project. In addition, \$624,011 was transferred from the Hotel & Occupancy Tax Fund to the Debt Service Fund for the same purpose. The Grant Fund transferred \$50,000 to the General Fund for the compensation of the administrative costs associated with a grant.

**NOTE 11 – RISK MANAGEMENT**

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

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

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 \$6,627,192, and \$5,559,719 for 2011 and 2010 respectively. At September 30, 2011, the County had accrued \$692,824 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 2010 and 2011 were as follows:

	Beginning of Fiscal Year <u>Liability</u>	Current Year Claims and Changes in <u>Estimates</u>	<u>Claims Paid</u>	Balance at Fiscal <u>Year End</u>
2010	\$ 602,428	\$ 5,559,719	\$ 5,550,963	\$ 611,184
2011	611,184	6,627,192	6,545,552	692,824

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

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

The Commissioners' Court has created the office of Risk Management, whose responsibility is to identify, evaluate, and manage risk in an effort to reduce the liability and accidental loss of property and human services. In the management process, the Risk Manager is assigned the responsibility of ensuring that all County employees are properly trained in safety. Brazos County employs risk-financing activities to include the purchase of insurance for general liability, vehicle liability, and liability from property damage claims. In addition, the County purchases property insurance, errors and omission coverage, professional liability insurance, as well as crime and fidelity coverage. Any liability that arises from the operation of motorized equipment will be considered to fall within the confines of the Texas Tort Claims Act, and thereby limit the County's exposure. At September 30, 2011, 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.

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

**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 11.93 % for fiscal year 2011. For 2012, the employer's rate is anticipated to remain unchanged at 11.93%. The employee's member contribution rate remained at 7.00% for 2011.

**C. Annual Pension Cost**

For the County's fiscal year ending September 30, 2011, the County's annual pension cost for the TCDRS plan for its employees was \$3,547,595. The County's annual required contributions were \$3,547,595, and the County's actual contributions were \$3,547,595. The County's annual pension cost for the fiscal year ended September 30, 2010, was \$3,484,334.

The annual required contribution for 2011 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, 2008, and December 31, 2009, which is the basis for determining the contribution rate for calendar year 2010 and 2011 respectively. The December 31, 2010 actuarial valuation is the most recent valuation.

	<u>12/31/08</u>	<u>12/31/09</u>	<u>12/31/10</u>
Actuarial valuation date	Entry Age	Entry Age	Entry Age
Actuarial cost method	Level percentage	Level percentage	Level percentage
Amortization method	of payroll, closed	of payroll, closed	of payroll, closed
Remaining amortization period	20.0 years	18.5 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%	5.4%	5.4%
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**

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
09/30/09	\$ 3,340,775	100%	None
09/30/10	\$ 3,484,334	100%	None
09/30/11	\$ 3,547,595	100%	None

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

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

<b>Schedule of Funding</b>	
Actuarial Valuation Date	12/31/2010
Actuarial Value of Assets	\$89,262,180
Actuarial Accrued Liability (AAL)	\$109,342,184
Unfunded Actuarial Accrued Liability (UAAL)	\$20,080,004
Funded Ratio	81.64%
Annual Covered Payroll (Actuarial)	\$32,905,193
UAAL as Percentage of Covered Payroll	61.02%

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

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

**A. COBRA**

The County provides health care benefits as required by the Federal government under the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”). COBRA requires employers that sponsor group health plans to provide continuation of group coverage to terminated employees and their dependents in circumstances where coverage would normally end. The election to be covered is at the request of the employee. The employee is then required to pay the premium costs for themselves and their dependents. Expenditures are recognized as claims are submitted. COBRA participants are reimbursed at the same levels as active employees. At September 30, 2011, 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**

***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.

Healthcare benefits are available to full-time employees that normally work 2,080 or more hours annually. County policy restricts post retirement healthcare benefits to those employees that qualified for healthcare coverage during employment. The eligible retirees who retired prior to January 1, 2000 may pay a fixed premium amount to maintain coverage through the County’s healthcare plan. Eligible retirees who were hired before August 30, 2011 and with eight or more years of cumulative service with Brazos County upon retirement may pay the employee portion of the premium only to maintain coverage. Eligible retirees who were hired before August 30, 2011 but have less than eight years of cumulative service with Brazos County at retirement must pay the full premium, County portion as well as

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

**B. Post Retirement Benefits (Continued)**

employee portion, to maintain coverage. Employees hired on or after August 30, 2011 must pay the full premiums to maintain coverage regardless of the years of service. 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, 2011, Membership Consisted of:	
Retirees and Beneficiaries Receiving Benefits	148
Active Employees	648
Total	<u>796</u>
Participating Employers	<u>1</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, 2011 were \$814,361.

***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, 2011 were as follows:

Annual Required Contribution	\$ 8,217,074
Add interest on Net OPEB Obligation	609,976
Less adjustment to Annual Required Contribution	<u>(863,347)</u>
Annual OPEB Cost	7,963,703
Less Contributions made	<u>(814,361)</u>
Change in Net OPEB Obligation	7,149,342
Net OPEB Obligation beginning of the year	15,249,388
Net OPEB Obligation end of the year	<u>\$ 22,398,730</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 were as follows:

Fiscal Year Ended	Trend Information			
	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net Ending OPEB Obligation
9/30/2009	\$ 8,791,943	\$ 798,838	9.1%	\$ 7,993,105
9/30/2010	\$ 8,092,334	\$ 836,051	10.3%	\$ 15,249,388
9/30/2011	\$ 7,963,703	\$ 814,361	10.2%	\$ 22,398,730

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

### B. Post Retirement Benefits (Continued)

#### *Funded Status and Funding Progress*

The funded status of the plan as of September 30, 2009 (most recent actuarial valuation) was as follows:

Actuarial value of assets	-
Actuarial accrued liability (AAL)	54,930,178
Unfunded actuarial accrued liability (UAAL)	54,930,178
Funded ratio (actuarial value of plan assets /AAL)	0%
Covered payroll (active plan members)	26,368,299
UAAL as percentage of covered payroll	208.3%

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	September 30, 2009
Actuarial Cost Method	Unprojected Unit Credit
Amortization Method	Closed
Remaining Amortization period	28 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

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

### **B. Post Retirement Benefits (Continued)**

#### *Additional Disclosure*

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

Because the County is given the authority to pay OPEB for its retired employees, it may incur a debt obligation to pay for OPEB as long as the County follows the constitutional requirement that it have sufficient taxing authority available at the time such debt is incurred to provide for the payment of the debt and has in fact levied a tax for such purpose concurrently with the incurrence of the debt. Any debt incurred in contravention of this constitutional requirement is considered void and payment will not be due. Brazos County has not incurred a legal debt obligation for OPEB and has not levied a tax for the same. 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 has budgeted \$13,855,668 for various contracts in connection with the construction and renovation of County facilities, buildings and the rehabilitation of County roads for fiscal year 2012. The County allocated \$3.9 million on the Jail Inmate Holding Renovation project by using the funding left in the Jail Expansion Fund. The Expo Center expansion started in December 2008 and was substantially completed during 2011. \$0.2 million is allocated to the final touch-up work for the project. \$3.7 million is allocated to the renovation of the County's courthouse building. The County started the new Tax Office building project in 2011 and \$2.8 million is allocated to the project. \$3.3 million is allocated to the rehabilitation of the County roads.

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

As of September 30, 2011, the County had entered into several inter-local agreements with the City of Bryan for the creation of Tax Increment Financing Zones as allowed by Chapter 311 of the Texas Tax Code.

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

Once a city has designated a TIFZ, the Commissioners' Court must decide whether the County is to participate in the TIFZ and to what extent. After the County has elected to participate, a base value for the property located within the TIFZ is established. At the date of creation the appraised value is normally accepted as the base value. As the property within the TIFZ develops the County collects taxes based on the appreciated appraised values at the rate established annually by 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.

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.

During fiscal year 2011 (for the tax year ended 12/31/10), the County reimbursed \$1,031,534 to the City of Bryan on the TIFZ's.

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

**C. Tax Abatements**

Chapter 312 of the Texas Tax Code authorizes the County to provide property tax abatements for limited time periods to encourage development or expansion of property. The terms of each agreement are limited by the guidelines and criteria established by Commissioners' Court. At September 30, 2011 the County had established abatement agreements with the following property owners.

<u>Property Owner</u>	<u>2011 Appraised Value</u>	<u>2011 Taxable Value</u>	<u>2011 Taxes Levied</u>
Dealer Computer Services, Inc.	\$ 8,552,300	\$ 1,471,774	7,147
CW CS 1	8,215,000	7,376,568	35,821
Kent Moore	10,423,370	5,501,574	26,716
Readfield Meats Inc.	824,790	746,509	3,625
Toyo Ink International	14,809,380	5,926,134	28,777
North American Packaging	8,680,380	7,635,685	37,079

**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.

**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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>REVENUES</b>				
<b>Taxes</b>				
Current Ad Valorem Taxes	\$ 41,410,000	\$ 41,410,000	\$ 41,588,973	\$ 178,973
Delinquent Ad Valorem Taxes	375,000	375,000	513,314	138,314
Penalties & Interest - Taxes	260,000	260,000	333,227	73,227
Mixed Drink Taxes	500,000	500,000	524,240	24,240
County Sales Taxes	10,550,000	10,550,000	11,559,362	1,009,362
<b>Total Taxes</b>	<u>53,095,000</u>	<u>53,095,000</u>	<u>54,519,116</u>	<u>1,424,116</u>
<b>Charges For Services</b>				
JJAEP Service Fee	47,500	47,500	34,991	(12,509)
Contracted Jail Services	97,500	97,500	124,680	27,180
Arrest Fees	60,000	60,000	91,849	31,849
Brazos Center	220,000	220,000	213,404	(6,596)
Exposition Center	490,000	490,000	563,859	73,859
Bond Service/Forfeitures	182,500	182,500	200,330	17,830
County Clerk	925,000	925,000	965,846	40,846
Vital Statistics Preservation	5,500	5,500	6,258	758
County Attorney	60,000	60,000	55,259	(4,741)
General Administration Fees	43,500	43,500	46,297	2,797
Constables	175,000	175,000	223,211	48,211
Court Reporter	33,500	33,500	37,335	3,835
Magistrate	120,000	120,000	119,969	(31)
County Drug Court Fees	14,000	14,000	17,792	3,792
District Clerk	450,600	450,600	376,269	(74,331)
District Attorney	15,000	15,000	16,467	1,467
Family Protection	8,000	8,000	8,820	820
Election Parties	-	-	36,660	36,660
Motor Carrier Weight	15,000	15,000	26,642	11,642
Inmate Medical Fees	10,000	10,000	15,904	5,904
Justice of the Peace	1,807,800	1,807,800	1,914,374	106,574
Juvenile Probation Fees	12,000	12,000	8,094	(3,906)
License and Weights	5,000	5,000	5,000	-
Omnibus Crime Control Fees	50,000	50,000	29,922	(20,078)
Judicial Support Fees	1,750	1,750	2,321	571
Optional License Fees	1,100,000	1,100,000	1,231,750	131,750
Probate Fees	3,000	3,000	3,405	405
Road & Bridge Fees	-	-	8,757	8,757
School Crossing Fees	20,000	20,000	23,499	3,499
Sheriff	70,000	70,000	83,387	13,387
Landfill Fees	25,000	25,000	37,608	12,608
Tax Assessor-Collector	540,000	540,000	607,518	67,518
Vehicle Registration Fees	885,000	885,000	680,631	(204,369)
Motor Vehicle Sales Taxes	340,000	340,000	508,137	168,137
Licenses and Permits	65,000	65,000	50,908	(14,092)
Court Fines	1,890,000	1,890,000	2,136,271	246,271
<b>Total Charges For Services</b>	<u>\$ 9,787,150</u>	<u>\$ 9,787,150</u>	<u>\$ 10,513,424</u>	<u>\$ 726,274</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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES (continued)</b>				
<b>Intergovernmental - Federal</b>				
Department of Justice	\$ 55,000	\$ 55,000	\$ 34,983	\$ (20,017)
Department of Health & Human Services	49,500	60,800	79,032	18,232
Emergency Management Agency	47,965	47,965	48,277	312
<b>Total Intergovernmental - Federal</b>	<b>152,465</b>	<b>163,765</b>	<b>162,292</b>	<b>(1,473)</b>
<b>Intergovernmental - State &amp; Local</b>				
Attorney General	160,000	160,000	201,483	41,483
Department of Justice	257,500	257,500	268,052	10,552
D. A. Salary Supplement	34,430	34,430	22,967	(11,463)
Office of the Court Administrator	80,000	80,000	81,894	1,894
Texas Juvenile Probation Commission	185,000	185,000	339,298	154,298
Texas Youth Commission	20,000	20,000	15,788	(4,212)
Juror Reimbursement	65,000	65,000	85,578	20,578
Soil & Water Conservation Board	-	-	1,176	1,176
Research Valley Partnership	-	144,000	144,000	-
Tobacco Settlement	70,000	70,000	82,188	12,188
<b>Total Intergovernmental - State</b>	<b>871,930</b>	<b>1,015,930</b>	<b>1,242,424</b>	<b>226,494</b>
<b>Total Intergovernmental</b>	<b>1,024,395</b>	<b>1,179,695</b>	<b>1,404,716</b>	<b>225,021</b>
<b>Interest</b>	<b>253,500</b>	<b>253,500</b>	<b>170,612</b>	<b>(82,888)</b>
<b>Other Revenue</b>				
Donations	-	5,025	36,262	31,237
Road Crossing	-	-	2,000	2,000
State Traffic Fee	10,000	10,000	2,796	(7,204)
Reimbursements	160,000	160,000	154,909	(5,091)
Leases and Rentals	10,000	10,000	13,432	3,432
Other	20,500	20,500	54,051	33,551
Estray Animal Sale/Fee	500	500	2,428	1,928
Inmate Phone System	155,000	155,000	219,819	64,819
Oil and Gas Lease	2,000	2,000	1,388	(612)
Informal Adjudication Probation	5,000	5,000	5,215	215
<b>Total Other Revenue</b>	<b>363,000</b>	<b>368,025</b>	<b>492,300</b>	<b>124,275</b>
<b>TOTAL REVENUES</b>	<b>\$ 64,523,045</b>	<b>\$ 64,683,370</b>	<b>\$ 67,100,168</b>	<b>\$ 2,416,798</b>

BRAZOS COUNTY, TEXAS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)  
For The Year Ended September 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
<b>General Government</b>				
County Judge				
Personnel Services	\$ 210,856	\$ 217,684	\$ 192,642	\$ 25,042
Supplies and Other Charges	13,300	11,905	8,740	3,165
Repairs and Maintenance	100	100	-	100
Minor Acquisitions	-	1,000	855	145
Contract Services	3,200	3,595	3,544	51
	<u>227,456</u>	<u>234,284</u>	<u>205,781</u>	<u>28,503</u>
Budget Office				
Personnel Services	164,318	164,702	146,390	18,312
Supplies and Other Charges	5,800	5,800	3,364	2,436
	<u>170,118</u>	<u>170,502</u>	<u>149,754</u>	<u>20,748</u>
Commissioners' Court				
Personnel Services	1,261,906	1,320,150	1,311,792	8,358
Discretionary Funding	-	9	-	9
Supplies and Other Charges	36,150	36,350	34,452	1,898
Repairs and Maintenance	200	-	-	-
Contract Services	3,000	3,000	2,940	60
	<u>1,301,256</u>	<u>1,359,509</u>	<u>1,349,184</u>	<u>10,325</u>
Non-Departmental				
Supplies and Other Charges	1,291,033	1,286,783	961,718	325,065
Repairs and Maintenance	24,000	2,000	-	2,000
Contract Services	31,020	38,120	36,334	1,786
Professional Services	493,000	490,150	99,597	390,553
	<u>1,839,053</u>	<u>1,817,053</u>	<u>1,097,649</u>	<u>719,404</u>
Community Support				
Community Support	2,872,952	3,016,952	2,710,118	306,834
	<u>2,872,952</u>	<u>3,016,952</u>	<u>2,710,118</u>	<u>306,834</u>
County Treasurer				
Personnel Services	412,265	413,208	399,927	13,281
Discretionary Funding	-	3,913	-	3,913
Supplies and Other Charges	13,635	12,585	12,274	311
Repairs and Maintenance	600	785	785	-
Minor Acquisitions	-	2,575	2,575	-
Contract Services	3,000	3,000	2,700	300
	<u>429,500</u>	<u>436,066</u>	<u>418,261</u>	<u>17,805</u>
Risk Management				
Personnel Services	123,432	123,711	123,386	325
Discretionary Funding	-	2,295	-	2,295
Supplies and Other Charges	12,930	11,515	8,474	3,041
Minor Acquisitions	-	1,325	1,324	1
Professional Services	4,000	4,000	2,578	1,422
	<u>\$ 140,362</u>	<u>\$ 142,846</u>	<u>\$ 135,762</u>	<u>\$ 7,084</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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government (continued)</b>				
Tax Assessor-Collector				
Personnel Services	\$ 1,651,485	\$ 1,655,043	\$ 1,528,574	\$ 126,469
Discretionary Funding	-	3,946	-	3,946
Supplies and Other Charges	56,450	55,800	39,970	15,830
Repairs and Maintenance	1,800	1,800	1,494	306
Minor Acquisitions	600	1,250	1,243	7
Contract Services	18,500	18,500	13,724	4,776
	<u>1,728,835</u>	<u>1,736,339</u>	<u>1,585,005</u>	<u>151,334</u>
Information Technology				
Personnel Services	1,323,408	1,372,735	1,234,240	138,495
Discretionary Funding	-	23,114	-	23,114
Supplies and Other Charges	99,606	99,606	71,269	28,337
Repairs and Maintenance	30,936	48,046	47,421	625
Minor Acquisitions	241,885	229,758	164,764	64,994
Contract Services	507,315	537,975	488,354	49,621
Professional Services	-	1,150	1,150	-
	<u>2,203,150</u>	<u>2,312,384</u>	<u>2,007,198</u>	<u>305,186</u>
Human Resources				
Personnel Services	261,120	261,693	234,733	26,960
Discretionary Funding	-	848	-	848
Supplies and Other Charges	27,300	25,450	20,533	4,917
Repairs and Maintenance	100	100	-	100
Minor Acquisitions	-	1,850	1,732	118
Contract Services	5,400	5,400	4,735	665
	<u>293,920</u>	<u>295,341</u>	<u>261,733</u>	<u>33,608</u>
County Auditor				
Personnel Services	675,815	677,357	666,553	10,804
Supplies and Other Charges	14,740	14,740	14,521	219
Contract Services	4,100	4,100	4,022	78
	<u>694,655</u>	<u>696,197</u>	<u>685,096</u>	<u>11,101</u>
Purchasing				
Personnel Services	237,753	238,286	221,484	16,802
Discretionary Funding	-	283	-	283
Supplies and Other Charges	12,400	11,545	9,242	2,303
Repairs and Maintenance	1,800	6,300	5,874	426
Minor Acquisitions	-	855	855	-
Contract Services	2,436	2,436	2,198	238
	<u>\$ 254,389</u>	<u>\$ 259,705</u>	<u>\$ 239,653</u>	<u>\$ 20,052</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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government (continued)</b>				
Buildings and Grounds Maintenance				
Personnel Services	\$ 1,264,620	\$ 1,222,541	\$ 1,173,879	\$ 48,662
Discretionary Funding	-	31,830	-	31,830
Supplies and Other Charges	62,900	62,900	62,379	521
Repairs and Maintenance	226,300	227,988	220,284	7,704
Minor Acquisitions	4,000	6,791	6,039	752
Contract Services	68,625	68,625	62,781	5,844
Professional Services	2,450	2,450	1,574	876
	<u>1,628,895</u>	<u>1,623,125</u>	<u>1,526,936</u>	<u>96,189</u>
<b>Total General Government</b>	<u>13,784,541</u>	<u>14,100,303</u>	<u>12,372,130</u>	<u>1,728,173</u>
<b>Justice System</b>				
County Attorney				
Personnel Services	2,455,461	2,435,338	2,271,327	164,011
Discretionary Funding	-	41	-	41
Supplies and Other Charges	62,750	82,490	73,834	8,656
Repairs and Maintenance	24,032	24,032	17,762	6,270
Contract Services	9,036	9,036	4,682	4,354
	<u>2,551,279</u>	<u>2,550,937</u>	<u>2,367,605</u>	<u>183,332</u>
District Attorney				
Personnel Services	2,453,843	2,459,760	2,375,118	84,642
Discretionary Funding	-	8,121	-	8,121
Supplies and Other Charges	131,076	131,076	107,625	23,451
Repairs and Maintenance	7,800	8,300	7,300	1,000
Minor Acquisitions	-	4,523	3,818	705
Contract Services	11,870	11,870	10,080	1,790
	<u>2,604,589</u>	<u>2,623,650</u>	<u>2,503,941</u>	<u>119,709</u>
D.A. - Child Protective Services				
Personnel Services	99,836	111,372	111,031	341
Supplies and Other Charges	8,900	8,900	3,646	5,254
	<u>108,736</u>	<u>120,272</u>	<u>114,677</u>	<u>5,595</u>
District Clerk				
Personnel Services	813,792	815,598	742,517	73,081
Discretionary Funding	-	5,944	-	5,944
Supplies and Other Charges	43,818	42,491	39,400	3,091
Repairs and Maintenance	100	100	-	100
Minor Acquisitions	-	1,327	544	783
Contract Services	15,000	15,000	11,128	3,872
	<u>\$ 872,710</u>	<u>\$ 880,460</u>	<u>\$ 793,589</u>	<u>\$ 86,871</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, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Justice System (continued)</b>				
Court and Jury Services				
Personnel Services	\$ 107,951	\$ 108,190	\$ 107,657	\$ 533
Discretionary Funding	-	12,241	-	12,241
Supplies and Other Charges	187,050	185,950	177,568	8,382
Repairs and Maintenance	400	400	278	122
Contract Services	7,700	8,800	8,715	85
	<u>303,101</u>	<u>315,581</u>	<u>294,218</u>	<u>21,363</u>
Collections				
Personnel Services	237,116	244,837	238,158	6,679
Supplies and Other Charges	12,529	11,685	10,901	784
Minor Acquisitions	-	5,227	5,213	14
Contract Services	2,430	2,430	1,766	664
	<u>252,075</u>	<u>264,179</u>	<u>256,038</u>	<u>8,141</u>
County Clerk				
Personnel Services	608,670	609,988	559,666	50,322
Discretionary Funding	-	15,487	-	15,487
Supplies and Other Charges	115,960	117,210	93,571	23,639
Repairs and Maintenance	100	100	-	100
Minor Acquisitions	-	1,000	911	89
Contract Services	14,620	5,620	3,739	1,881
	<u>739,350</u>	<u>749,405</u>	<u>657,887</u>	<u>91,518</u>
Vital Statistics Preservation				
Supplies and Other Charges	5,000	5,000	3,267	1,733
Contract Services	2,000	2,000	-	2,000
	<u>7,000</u>	<u>7,000</u>	<u>3,267</u>	<u>3,733</u>
85th District Court				
Personnel Services	280,251	281,630	270,721	10,909
Discretionary Funding	-	679	-	679
Supplies and Other Charges	23,825	23,069	22,466	603
Repairs and Maintenance	850	850	555	295
Contract Services	-	471	314	157
	<u>304,926</u>	<u>306,699</u>	<u>294,056</u>	<u>12,643</u>
272nd District Court				
Personnel Services	262,877	263,476	262,454	1,022
Discretionary Funding	-	467	-	467
Supplies and Other Charges	21,100	21,100	9,475	11,625
Contract Services	2,560	2,560	2,284	276
	<u>\$ 286,537</u>	<u>\$ 287,603</u>	<u>\$ 274,213</u>	<u>\$ 13,390</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, 2011**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Justice System (continued)</b>				
361st District Court				
Personnel Services	\$ 274,056	\$ 274,740	\$ 273,214	\$ 1,526
Discretionary Funding	-	10,903	-	10,903
Supplies and Other Charges	25,435	25,457	17,399	8,058
Repairs and Maintenance	100	2	-	2
Contract Services	3,822	3,822	3,285	537
	<u>303,413</u>	<u>314,924</u>	<u>293,898</u>	<u>21,026</u>
Juvenile Court Referee				
Personnel Services	127,433	127,733	126,310	1,423
Discretionary Funding	-	1,195	-	1,195
Supplies and Other Charges	4,670	4,670	4,399	271
	<u>132,103</u>	<u>133,598</u>	<u>130,709</u>	<u>2,889</u>
Magistrate				
Personnel Services	229,798	230,331	222,885	7,446
Supplies and Other Charges	5,432	5,611	5,280	331
Repairs and Maintenance	300	121	-	121
Contract Services	4,860	4,860	4,554	306
	<u>240,390</u>	<u>240,923</u>	<u>232,719</u>	<u>8,204</u>
County Drug Court Program				
Personnel Services	13,793	13,830	7,304	6,526
Supplies and Other Charges	6,330	6,330	900	5,430
Minor Acquisitions	770	770	-	770
	<u>20,893</u>	<u>20,930</u>	<u>8,204</u>	<u>12,726</u>
Magistrate #2				
Personnel Services	221,918	222,441	212,697	9,744
Supplies and Other Charges	8,675	9,275	5,817	3,458
Repairs and Maintenance	250	250	-	250
Minor Acquisitions	600	-	-	-
Contract Services	4,860	4,860	2,280	2,580
	<u>236,303</u>	<u>236,826</u>	<u>220,794</u>	<u>16,032</u>
Brazos County Family Court Annex				
Personnel Services	29,818	31,829	23,849	7,980
Supplies and Other Charges	24,570	24,570	13,869	10,701
Contract Services	93,215	93,215	92,798	417
Professional Services	40,000	54,884	54,825	59
	<u>\$ 187,603</u>	<u>\$ 204,498</u>	<u>\$ 185,341</u>	<u>\$ 19,157</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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Justice System (continued)</b>				
County Court At Law #1				
Personnel Services	\$ 437,467	\$ 439,122	\$ 436,967	\$ 2,155
Discretionary Funding	-	4,471	-	4,471
Supplies and Other Charges	12,635	12,717	9,341	3,376
Repairs and Maintenance	370	370	370	-
Minor Acquisition	700	-	-	-
Contract Services	-	750	727	23
	<u>451,172</u>	<u>457,430</u>	<u>447,405</u>	<u>10,025</u>
County Court At Law #2				
Personnel Services	427,337	429,971	429,021	950
Discretionary Funding	-	1,196	-	1,196
Supplies and Other Charges	18,880	17,258	10,470	6,788
Repairs and Maintenance	450	450	259	191
	<u>446,667</u>	<u>448,875</u>	<u>439,750</u>	<u>9,125</u>
Justice of the Peace Precinct 1				
Personnel Services	263,837	264,417	244,579	19,838
Discretionary Funding	-	22,456	-	22,456
Supplies and Other Charges	27,790	27,790	23,951	3,839
Repairs and Maintenance	75	75	27	48
Contract Services	33,040	33,040	32,270	770
	<u>324,742</u>	<u>347,778</u>	<u>300,827</u>	<u>46,951</u>
Justice of the Peace Precinct 2 Place 1				
Personnel Services	204,801	205,249	195,972	9,277
Discretionary Funding	-	2,271	-	2,271
Supplies and Other Charges	5,650	7,121	7,094	27
Minor Acquisitions	-	547	547	-
Contract Services	2,760	2,742	2,236	506
	<u>213,211</u>	<u>217,930</u>	<u>205,849</u>	<u>12,081</u>
Justice of the Peace Precinct 2 Place 2				
Personnel Services	216,341	216,819	206,906	9,913
Discretionary Funding	-	4,275	-	4,275
Supplies and Other Charges	9,250	8,970	8,933	37
Repairs and Maintenance	125	448	448	-
Contract Services	2,000	1,992	1,992	-
Professional Services	-	250	250	-
	<u>227,716</u>	<u>232,754</u>	<u>218,529</u>	<u>14,225</u>
Justice of the Peace Precinct 3				
Personnel Services	305,192	305,859	295,398	10,461
Discretionary Funding	-	21,635	-	21,635
Supplies and Other Charges	17,840	19,140	19,080	60
Repairs and Maintenance	100	100	-	100
Contract Services	7,000	5,700	4,099	1,601
	<u>\$ 330,132</u>	<u>\$ 352,434</u>	<u>\$ 318,577</u>	<u>\$ 33,857</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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Justice System (continued)</b>				
Justice of the Peace Precinct 4				
Personnel Services	\$ 185,289	\$ 197,547	\$ 197,098	\$ 449
Discretionary Funding	-	1	-	1
Supplies and Other Charges	10,400	10,400	7,808	2,592
Repairs and Maintenance	170	170	-	170
Minor Acquisitions	200	200	-	200
Contract Services	1,400	1,400	1,349	51
	<u>197,459</u>	<u>209,718</u>	<u>206,255</u>	<u>3,463</u>
Community Supervision Support				
Supplies and Other Charges	30,100	56,113	55,996	117
Repairs and Maintenance	100	-	-	-
Minor Acquisitions	-	538	538	-
Contract Services	6,407	6,512	6,509	3
	<u>36,607</u>	<u>63,163</u>	<u>63,043</u>	<u>120</u>
Judicial Court Support				
Supplies and Other Charges	349,000	469,500	452,940	16,560
Contract Services	600,000	985,000	981,069	3,931
Professional Services	1,975,000	2,438,100	2,388,927	49,173
	<u>2,924,000</u>	<u>3,892,600</u>	<u>3,822,936</u>	<u>69,664</u>
<b>Total Justice System</b>	<u>14,302,714</u>	<u>15,480,167</u>	<u>14,654,327</u>	<u>825,840</u>
<b>Law Enforcement</b>				
Sheriff Administration				
Personnel Services	4,283,937	4,215,765	4,121,552	94,213
Supplies and Other Charges	187,801	188,925	157,097	31,828
Repairs and Maintenance	210,325	281,636	280,591	1,045
Minor Acquisitions	19,000	12,316	10,331	1,985
Contract Services	15,700	15,700	15,388	312
Professional Services	4,075	4,075	2,600	1,475
	<u>4,720,838</u>	<u>4,718,417</u>	<u>4,587,559</u>	<u>130,858</u>
Joint Terrorism Task Force				
Personnel Services	-	5,012	3,697	1,315
	<u>-</u>	<u>5,012</u>	<u>3,697</u>	<u>1,315</u>
Sheriff Jail Administration				
Personnel Services	8,564,335	8,671,031	8,606,666	64,365
Supplies and Other Charges	1,180,250	1,399,250	1,386,787	12,463
Repairs and Maintenance	79,700	91,300	88,236	3,064
Minor Acquisitions	28,800	32,748	29,887	2,861
Contract Services	11,820	13,780	13,676	104
Professional Services	71,250	72,250	69,158	3,092
	<u>\$ 9,936,155</u>	<u>\$ 10,280,359</u>	<u>\$ 10,194,410</u>	<u>\$ 85,949</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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Law Enforcement (continued)</b>				
Constable Precinct 1				
Personnel Services	\$ 267,541	\$ 268,334	\$ 264,500	\$ 3,834
Supplies and Other Charges	18,175	18,175	15,700	2,475
Repairs and Maintenance	18,975	18,975	14,184	4,791
Minor Acquisitions	500	500	-	500
Contract Services	19,800	19,800	19,800	-
	<u>324,991</u>	<u>325,784</u>	<u>314,184</u>	<u>11,600</u>
Constable Precinct 2				
Personnel Services	589,245	591,026	519,662	71,364
Discretionary Funding	-	657	-	657
Supplies and Other Charges	21,170	21,170	15,775	5,395
Repairs and Maintenance	34,541	40,631	39,203	1,428
Minor Acquisitions	2,500	1,410	1,410	-
Contract Services	2,350	2,850	1,871	979
	<u>649,806</u>	<u>657,744</u>	<u>577,921</u>	<u>79,823</u>
Constable Precinct 3				
Personnel Services	268,994	269,791	262,955	6,836
Discretionary Funding	-	49	-	49
Supplies and Other Charges	15,995	16,395	15,351	1,044
Repairs and Maintenance	19,000	23,900	20,202	3,698
Minor Acquisitions	300	-	-	-
Contract Services	4,526	4,526	3,340	1,186
	<u>308,815</u>	<u>314,661</u>	<u>301,848</u>	<u>12,813</u>
Constable Precinct 4				
Personnel Services	466,129	467,532	466,072	1,460
Supplies and Other Charges	18,881	15,345	13,794	1,551
Repairs and Maintenance	24,300	33,120	32,381	739
Minor Acquisitions	-	3,866	3,526	340
Contract Services	1,400	1,733	1,682	51
	<u>510,710</u>	<u>521,596</u>	<u>517,455</u>	<u>4,141</u>
<b>Total Law Enforcement</b>	<u>\$ 16,451,315</u>	<u>\$ 16,823,573</u>	<u>\$ 16,497,074</u>	<u>\$ 326,499</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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Juvenile Services</b>				
Juvenile Services				
Personnel Services	\$ 3,181,147	\$ 3,188,952	\$ 3,032,699	\$ 156,253
Discretionary Funding	-	16,420	-	16,420
Supplies and Other Charges	300,450	304,140	283,532	20,608
Repairs and Maintenance	14,775	29,695	28,366	1,329
Minor Acquisitions	2,600	16,390	12,380	4,010
Contract Services	15,980	13,425	12,180	1,245
Professional Services	44,250	36,980	31,613	5,367
	<u>3,559,202</u>	<u>3,606,002</u>	<u>3,400,770</u>	<u>205,232</u>
TYC - Parole				
Personnel Services	128,391	128,687	108,997	19,690
Supplies and Other Charges	2,400	2,550	2,394	156
Repairs and Maintenance	3,280	1,605	1,421	184
Contract Services	63,900	42,875	40,097	2,778
	<u>197,971</u>	<u>175,717</u>	<u>152,909</u>	<u>22,808</u>
Juvenile Justice Alternative Education				
Personnel Services	194,449	194,328	187,939	6,389
Supplies and Other Charges	1,000	1,000	1,000	-
	<u>195,449</u>	<u>195,328</u>	<u>188,939</u>	<u>6,389</u>
Juvenile - Title IV E				
Personnel Services	108,488	108,730	108,433	297
Supplies and Other Charges	47,650	47,650	20,050	27,600
Repairs and Maintenance	5,250	5,250	4,072	1,178
Contract Services	10,400	10,400	9,480	920
	<u>171,788</u>	<u>172,030</u>	<u>142,035</u>	<u>29,995</u>
TDHS - Commodities				
Supplies and Other Charges	3,000	3,000	1,165	1,835
	<u>3,000</u>	<u>3,000</u>	<u>1,165</u>	<u>1,835</u>
<b>Total Juvenile Services</b>	<u>\$ 4,127,410</u>	<u>\$ 4,152,077</u>	<u>\$ 3,885,818</u>	<u>\$ 266,259</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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Public Transportation</b>				
Road and Bridge Administration				
Personnel Services	\$ 3,553,406	\$ 3,566,377	\$ 3,369,680	\$ 196,697
Supplies and Other Charges	1,900,483	1,709,442	74,543	1,634,899
Repairs and Maintenance	3,751,175	3,764,175	3,352,948	411,227
Minor Acquisitions	4,000	10,934	10,646	288
Contract Services	130,200	128,816	118,937	9,879
Professional Services	90,000	90,000	60,628	29,372
<b>Total Public Transportation</b>	<b>9,429,264</b>	<b>9,269,744</b>	<b>6,987,382</b>	<b>2,282,362</b>
<b>Public Health</b>				
Environmental Protection				
Supplies and Other Charges	7,200	9,700	8,681	1,019
Repairs and Maintenance	500	-	-	-
Contract Services	236,400	247,400	243,423	3,977
	<u>244,100</u>	<u>257,100</u>	<u>252,104</u>	<u>4,996</u>
Indigent Health Care				
Supplies and Other Charges	750,000	750,000	543,386	206,614
Professional Services	1,768,500	1,768,500	839,674	928,826
Community Support	896,700	896,700	877,454	19,246
	<u>3,415,200</u>	<u>3,415,200</u>	<u>2,260,514</u>	<u>1,154,686</u>
Community Public Health				
Contract Services	70,000	70,000	70,000	-
	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
<b>Total Public Health</b>	<b>3,729,300</b>	<b>3,742,300</b>	<b>2,582,618</b>	<b>1,159,682</b>
<b>Human Services</b>				
Veteran Services				
Personnel Services	26,102	26,171	26,136	35
Discretionary Funding	-	1,742	-	1,742
Supplies and Other Charges	1,550	1,550	961	589
Repairs and Maintenance	200	200	111	89
	<u>27,852</u>	<u>29,663</u>	<u>27,208</u>	<u>2,455</u>
County Fire Protection				
Community Support	633,062	633,062	575,761	57,301
	<u>633,062</u>	<u>633,062</u>	<u>575,761</u>	<u>57,301</u>
County Welfare				
Supplies and Other Charges	6,000	6,000	1,100	4,900
	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ 1,100</u>	<u>\$ 4,900</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, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Human Services (continued)</b>				
Elections				
Personnel Services	\$ 102,592	\$ 102,811	\$ 79,952	\$ 22,859
Outside Labor Costs	87,580	87,580	67,826	19,754
Supplies and Other Charges	19,500	20,925	14,536	6,389
Repairs and Maintenance	14,000	14,000	-	14,000
Minor Acquisitions	-	900	855	45
Contract Services	2,100	2,100	1,545	555
Professional Services	87,000	84,675	71,839	12,836
	<u>312,772</u>	<u>312,991</u>	<u>236,553</u>	<u>76,438</u>
Health Department				
Supplies and Other Charges	53,050	50,966	45,145	5,821
Minor Acquisitions	-	5,000	5,000	-
Professional Services	6,800	8,884	7,450	1,434
	<u>59,850</u>	<u>64,850</u>	<u>57,595</u>	<u>7,255</u>
Emergency Management				
Personnel Services	142,303	142,630	142,517	113
Discretionary Funding	-	22,507	-	22,507
Supplies and Other Charges	17,200	17,200	14,551	2,649
Repairs and Maintenance	3,325	3,325	2,613	712
Minor Acquisitions	-	20	15	5
Contract Services	71,670	71,650	69,205	2,445
	<u>234,498</u>	<u>257,332</u>	<u>228,901</u>	<u>28,431</u>
Brazos Center				
Personnel Services	607,576	609,329	572,415	36,914
Supplies and Other Charges	119,207	117,207	98,316	18,891
Repairs and Maintenance	105,200	100,738	76,144	24,594
Minor Acquisitions	8,816	7,616	7,425	191
Contract Services	75,790	75,790	60,807	14,983
Professional Services	500	500	400	100
	<u>917,089</u>	<u>911,180</u>	<u>815,507</u>	<u>95,673</u>
Exposition Center				
Personnel Services	762,294	764,474	557,632	206,842
Discretionary Funding	-	3	-	3
Supplies and Other Charges	271,100	235,709	218,617	17,092
Repairs and Maintenance	89,000	79,000	35,671	43,329
Minor Acquisitions	32,000	31,392	2,881	28,511
Contract Services	286,405	286,405	271,257	15,148
	<u>\$ 1,440,799</u>	<u>\$ 1,396,983</u>	<u>\$ 1,086,058</u>	<u>\$ 310,925</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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Human Services (continued)</b>				
Agricultural Extension				
Personnel Services	\$ 261,106	\$ 261,737	\$ 227,686	\$ 34,051
Discretionary Funding	-	3,444	-	3,444
Supplies and Other Charges	52,600	52,633	46,796	5,837
Repairs and Maintenance	950	783	783	-
Minor Acquisitions	-	932	932	-
Contract Services	41,080	40,281	36,872	3,409
	<u>355,736</u>	<u>359,810</u>	<u>313,069</u>	<u>46,741</u>
 Boonville Cemetery				
Repairs and Maintenance	7,953	7,953	1,600	6,353
	<u>7,953</u>	<u>7,953</u>	<u>1,600</u>	<u>6,353</u>
 Child Protective Services				
Supplies and Other Charges	40,000	40,000	37,136	2,864
	<u>40,000</u>	<u>40,000</u>	<u>37,136</u>	<u>2,864</u>
 <b>Total Human Services</b>	<u>4,035,611</u>	<u>4,019,824</u>	<u>3,380,488</u>	<u>639,336</u>
 <b>Contingency</b>	2,102,582	231,884	-	231,884
 <b>Capital Outlay</b>	<u>3,321,056</u>	<u>3,484,168</u>	<u>2,985,271</u>	<u>498,897</u>
 <b>TOTAL EXPENDITURES</b>	<u>71,283,793</u>	<u>71,304,040</u>	<u>63,345,108</u>	<u>7,958,932</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,760,748)</u>	<u>(6,620,670)</u>	<u>3,755,060</u>	<u>10,375,730</u>
 <b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	50,000	50,000	-
Transfers Out	(8,091,130)	(8,281,208)	(8,255,625)	25,583
Sale of Capital Assets	150,000	150,000	86,563	(63,437)
<b>TOTAL OTHER FINANCING USES</b>	<u>(7,941,130)</u>	<u>(8,081,208)</u>	<u>(8,119,062)</u>	<u>(37,854)</u>
 Net Change in Fund Balances	(14,701,878)	(14,701,878)	(4,364,002)	10,337,876
 <b>FUND BALANCE, OCTOBER 1, AS RESTATED</b>	<u>27,524,946</u>	<u>27,524,946</u>	<u>27,524,946</u>	<u>-</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ 12,823,068</u>	<u>\$ 12,823,068</u>	<u>\$ 23,160,944</u>	<u>\$ 10,337,876</u>

**BRAZOS COUNTY, TEXAS**  
Required Supplementary Information  
Texas County and District Retirement System  
Schedule of Funding Progress  
September 30, 2011

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)
12/31/08	72,672,746	91,172,263	18,499,517	79.71%	29,841,851	61.99%
12/31/09	82,845,882	101,254,691	18,408,809	81.82%	33,133,259	55.56%
12/30/10	89,262,180	109,342,184	20,080,004	81.64%	32,905,193	61.02%

(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, 2011

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%
9/30/2009	-	54,930,178	54,930,178	0.00%	26,368,299	208.3%
9/30/2009	-	54,930,178	54,930,178	0.00%	26,368,299	208.3%

**BRAZOS COUNTY, TEXAS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2011**

**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 2011 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, 2011, annual maintenance and preservation costs of \$6,987,382 for both roads and bridges were less than the estimated amount needed of \$9,269,744. This variance is mainly due to a contingency budget of \$2.3 million (roll-over of prior years' positive variance), the delays in maintenance work and employee turnover \$0.7 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, 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
September 30, 2010	\$8,955,525	\$6,798,595
September 30, 2011	\$9,269,744	\$6,987,382

## 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 condition assessment are as follows:

Precinct	Fiscal Year	Percentage of Miles at 80% or greater condition level	Percentage of Miles at 70% or greater condition level	Percentage of Miles at 60% or greater condition level
1	2008	96%	2%	2%
2	2008	91%	3%	6%
3	2008	98%	1%	1%
4	2008	99%	0%	1%
1	2009	99%	0%	1%
2	2009	96%	0%	4%
3	2009	97%	0%	3%
4	2009	99%	0%	1%
1	2010	97%	0%	3%
2	2010	96%	0%	4%
3	2010	94%	0%	6%
4	2010	97%	0%	3%
1	2011	96%	3%	1%
2	2011	93%	6%	1%
3	2011	100%	0%	0%
4	2011	93%	4%	3%

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

<u>Year of Inspection</u>	<u>Condition</u>	<u>Rating</u>	<u>Number</u>	<u>%</u>
	Very			
2005	Good	6.0 - 9.0	55	95%
2005	Good	4.0 - 5.9	3	5%
2005	Fair	3.0 - 3.9	0	0%
2005	Poor	0.0 - 2.9	0	0%
		Total	58	100%
	Very			
2007	Good	6.0 - 9.0	54	93%
2007	Good	4.0 - 5.9	4	7%
2007	Fair	3.0 - 3.9	0	0%
2007	Poor	0.0 - 2.9	0	0%
		Total	58	100%
	Very			
2009	Good	6.0 - 9.0	59	98%
2009	Good	4.0 - 5.9	1	2%
2009	Fair	3.0 - 3.9	0	0%
2009	Poor	0.0 - 2.9	0	0%
		Total	60	100%
	Very			
2011	Good	6.0 - 9.0	61	100%
2011	Good	4.0 - 5.9	0	0%
2011	Fair	3.0 - 3.9	0	0%
2011	Poor	0.0 - 2.9	0	0%
		Total	61	100%

**NONMAJOR GOVERNMENTAL FUNDS**



**BRAZOS COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY  
September 30, 2011**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 3,537,643	\$ 4,253,845	\$ 7,791,488
Investments	4,076		4,076
Prepaid Expenditures	31,103	-	31,103
Receivables			
Taxes	134,997	-	134,997
Interest	1,106	1,184	2,290
Accounts	9,691	-	9,691
State	578,287	-	578,287
Due from Other Funds	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 4,296,903</u>	<u>\$ 4,255,029</u>	<u>\$ 8,551,932</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 261,005	\$ 14,751	\$ 275,756
Accrued Salaries and Wages	80,285	-	80,285
Unclaimed Funds	285,610	-	285,610
Due to Other Funds	437,117	-	437,117
Deferred Revenues	30,887	-	30,887
<b>Total Liabilities</b>	<u>1,094,904</u>	<u>14,751</u>	<u>1,109,655</u>
<b>Fund Balances</b>			
Nonspendable			
Prepaid Expenditures	31,103	-	31,103
Restricted to			
General Government	329,720	-	329,720
Justice System	1,347,903	-	1,347,903
Law Enforcement	447,521	-	447,521
Juvenile Services	-	-	-
Public Transportation	56,553	-	56,553
Human Services	859,664	-	859,664
Capital Projects	-	4,240,278	4,240,278
Assigned to			
Other Purposes	129,535	-	129,535
<b>Total Fund Balances</b>	<u>3,201,999</u>	<u>4,240,278</u>	<u>7,442,277</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 4,296,903</u>	<u>\$ 4,255,029</u>	<u>\$ 8,551,932</u>

**BRAZOS COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - SUMMARY**  
**For The Year Ended September 30, 2011**

	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>			
Taxes	\$ 1,133,225	\$ -	\$ 1,133,225
Charges for Services	781,651	-	781,651
Intergovernmental	3,843,831	-	3,843,831
Interest	16,240	27,155	43,395
Other Revenue	-	-	-
<b>TOTAL REVENUES</b>	<b>5,774,947</b>	<b>27,155</b>	<b>5,802,102</b>
<b>EXPENDITURES</b>			
General Government	2,046,566	-	2,046,566
Justice System	534,937	-	534,937
Law Enforcement	504,491	3,710	508,201
Juvenile Services	1,128,452	-	1,128,452
Public Transportation	277,265	-	277,265
Human Services	950,740	198,349	1,149,089
Capital Outlay	424,807	4,931,868	5,356,675
<b>TOTAL EXPENDITURES</b>	<b>5,867,258</b>	<b>5,133,927</b>	<b>11,001,185</b>
Deficiency of Revenues Under Expenditures	(92,311)	(5,106,772)	(5,199,083)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	622,317	-	622,317
Transfers Out	(674,011)	-	(674,011)
<b>TOTAL OTHER FINANCING USES</b>	<b>(51,694)</b>	<b>-</b>	<b>(51,694)</b>
Net Change in Fund Balances	(144,005)	(5,106,772)	(5,250,777)
<b>FUND BALANCES, OCTOBER 1, AS RESTATED</b>	<b>3,346,004</b>	<b>9,347,050</b>	<b>12,693,054</b>
<b>FUND BALANCES, SEPTEMBER 30</b>	<b>\$ 3,201,999</b>	<b>\$ 4,240,278</b>	<b>\$ 7,442,277</b>

## **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 hotel occupancy taxes received under Chapter 352, Texas Tax Code.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Brazos County Housing Finance Corp. Fund** – A fund established to account for the revenues and expenditures related to the Brazos County Housing Finance Corporation under Texas Housing Finance Corporations Act (Chapter 394, Texas Local Government Code).

**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, 2011**

	<u>Hotel Occupancy Tax</u>	<u>State Lateral Road</u>	<u>Unclaimed Property</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 798,191	\$ 56,537	\$ 384,347
Investments	-	-	-
Prepaid Expenditures	5,161	-	-
Receivables			
Taxes	134,997	-	-
Interest	232	16	107
Accounts	1,796	-	-
State	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 940,377</u>	<u>\$ 56,553</u>	<u>\$ 384,454</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 1,265	\$ -	\$ 45,126
Accrued Salaries and Wages	11,400	-	-
Unclaimed Funds	-	-	282,623
Due to Other Funds	121,001	-	4,120
Deferred Revenues	-	-	-
<b>Total Liabilities</b>	<u>133,666</u>	<u>-</u>	<u>331,869</u>
<b>Fund Balances</b>			
Nonspendable			
Prepaid Expenditures	5,161	-	-
Restricted to			
General Government	-	-	52,585
Justice System	-	-	-
Law Enforcement	-	-	-
Public Transportation	-	56,553	-
Human Services	672,015	-	-
Assigned to			
Other Purposes	129,535	-	-
<b>Total Fund Balances</b>	<u>806,711</u>	<u>56,553</u>	<u>52,585</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 940,377</u>	<u>\$ 56,553</u>	<u>\$ 384,454</u>

<u>Law Library</u>	<u>Alternative Dispute Resolution</u>	<u>Law Enforcement Education</u>	<u>County Records Management and Preservation</u>	<u>County Clerk Records Management and Preservation</u>	<u>County Clerk Archival</u>
\$ 313,926	\$ 2,835	\$ 11,724	\$ 182,801	\$ 474,146	\$ 112,886
-	-	-	-	-	-
-	-	-	-	-	-
87	-	-	51	132	31
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 314,013</u>	<u>\$ 2,835</u>	<u>\$ 11,724</u>	<u>\$ 182,852</u>	<u>\$ 474,278</u>	<u>\$ 112,917</u>
\$ 8,888	\$ 2,835	\$ 3,351	\$ -	\$ 93	\$ -
-	-	-	2,724	3,511	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,888</u>	<u>2,835</u>	<u>3,351</u>	<u>2,724</u>	<u>3,604</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	134,705	-	-
305,125	-	-	45,423	470,674	112,917
-	-	8,373	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>305,125</u>	<u>-</u>	<u>8,373</u>	<u>180,128</u>	<u>470,674</u>	<u>112,917</u>
<u>\$ 314,013</u>	<u>\$ 2,835</u>	<u>\$ 11,724</u>	<u>\$ 182,852</u>	<u>\$ 474,278</u>	<u>\$ 112,917</u>

(continued)

**BRAZOS COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)**  
**September 30, 2011**

	<u>Courthouse Security</u>	<u>Justice Court Security</u>	<u>District Clerk Records Management and Preservation</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 27,972	\$ 27,069	\$ 106,955
Investments	-	-	-
Prepaid Expenditures	-	-	-
Receivables			
Taxes	-	-	-
Interest	8	8	30
Accounts	-	-	-
State	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 27,980</u>	<u>\$ 27,077</u>	<u>\$ 106,985</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 70	\$ -	\$ -
Accrued Salaries and Wages	11,184	-	-
Unclaimed Funds	-	-	-
Due to Other Funds	-	-	-
Deferred Revenues	-	-	-
<b>Total Liabilities</b>	<u>11,254</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>			
Nonspendable			
Prepaid Expenditures	-	-	-
Restricted to			
General Government	-	-	-
Justice System	-	-	106,985
Law Enforcement	16,726	27,077	-
Public Transportation	-	-	-
Human Services	-	-	-
Assigned to			
Other Purposes	-	-	-
<b>Total Fund Balances</b>	<u>16,726</u>	<u>27,077</u>	<u>106,985</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 27,980</u>	<u>\$ 27,077</u>	<u>\$ 106,985</u>

<u>District Clerk Archival</u>	<u>J. P. Technology</u>	<u>County Court &amp; District Court Technology</u>	<u>Special Forfeitures</u>	<u>District Attorney Hot Check Collection</u>	<u>Bail Bond Board Fees</u>
\$ 8,884	\$ 157,320	\$ 7,718	\$ 31,641	\$ 3,676	\$ 79,374
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3	43	2	9	1	22
-	-	-	5,350	-	-
-	-	-	-	-	-
<u>\$ 8,887</u>	<u>\$ 157,363</u>	<u>\$ 7,720</u>	<u>\$ 37,000</u>	<u>\$ 3,677</u>	<u>\$ 79,396</u>
\$ -	\$ 2,298	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,298	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
8,887	155,065	7,720	-	3,677	79,396
-	-	-	37,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,887</u>	<u>155,065</u>	<u>7,720</u>	<u>37,000</u>	<u>3,677</u>	<u>79,396</u>
<u>\$ 8,887</u>	<u>\$ 157,363</u>	<u>\$ 7,720</u>	<u>\$ 37,000</u>	<u>\$ 3,677</u>	<u>\$ 79,396</u>

(continued)

**BRAZOS COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)**  
**For The Year Ended September 30, 2011**

	<u>Voter Registration</u>	<u>Chapter 19 State Fund</u>	<u>Vehicle Inventory Tax Interest</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 22,529	\$ -	\$ 120,936
Investments	-	-	-
Prepaid Expenditures	-	-	-
Receivables			
Taxes	-	-	-
Interest	6	-	155
Accounts	-	-	-
State	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 22,535</u>	<u>\$ -</u>	<u>\$ 121,091</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts Payable	\$ -	\$ -	\$ 1,196
Accrued Salaries and Wages	-	-	-
Unclaimed Funds	-	-	-
Due to Other Funds	-	-	-
Deferred Revenues	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>1,196</u>
<b>Fund Balances</b>			
Nonspendable			
Prepaid Expenditures	-	-	-
Restricted to			
General Government	22,535	-	119,895
Justice System	-	-	-
Law Enforcement	-	-	-
Public Transportation	-	-	-
Human Services	-	-	-
Assigned to			
Other Purposes	-	-	-
<b>Total Fund Balances</b>	<u>22,535</u>	<u>-</u>	<u>119,895</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 22,535</u>	<u>\$ -</u>	<u>\$ 121,091</u>

<b>Sheriff Department Crime Fund</b>	<b>District Attorney Crime Fund</b>	<b>Primary Election Service Fund</b>	<b>Brazos County Housing Finance Corp.</b>	<b>Grants</b>	<b>Totals</b>
\$ 361,239	\$ 52,019	\$ 30,728	\$ 162,190	\$ -	\$ 3,537,643
-	-	-	4,076	-	4,076
-	-	-	660	25,282	31,103
-	-	-	-	-	134,997
94	15	9	45	-	1,106
-	-	-	1,464	1,081	9,691
-	-	-	-	578,287	578,287
<u>\$ 361,333</u>	<u>\$ 52,034</u>	<u>\$ 30,737</u>	<u>\$ 168,435</u>	<u>\$ 604,650</u>	<u>\$ 4,296,903</u>
\$ 1	\$ -	\$ -	\$ 12,456	\$ 183,426	\$ 261,005
-	-	-	-	51,466	80,285
2,987	-	-	-	-	285,610
-	-	-	-	311,996	437,117
-	-	-	-	30,887	30,887
<u>2,988</u>	<u>-</u>	<u>-</u>	<u>12,456</u>	<u>577,775</u>	<u>1,094,904</u>
-	-	-	660	25,282	31,103
-	-	-	-	-	329,720
-	52,034	-	-	-	1,347,903
358,345	-	-	-	-	447,521
-	-	-	-	-	56,553
-	-	30,737	155,319	1,593	859,664
-	-	-	-	-	129,535
<u>358,345</u>	<u>52,034</u>	<u>30,737</u>	<u>155,979</u>	<u>26,875</u>	<u>3,201,999</u>
<u>\$ 361,333</u>	<u>\$ 52,034</u>	<u>\$ 30,737</u>	<u>\$ 168,435</u>	<u>\$ 604,650</u>	<u>\$ 4,296,903</u>

**BRAZOS COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**  
**For The Year Ended September 30, 2011**

	<b>Hotel Occupancy Tax</b>	<b>State Lateral Road</b>	<b>Unclaimed Property</b>
<b>REVENUES</b>			
Taxes	\$ 1,130,582	\$ -	\$ -
Charges for Services	-	-	-
Intergovernmental	-	28,096	-
Interest	3,983	224	1,296
<b>TOTAL REVENUES</b>	<b>1,134,565</b>	<b>28,320</b>	<b>1,296</b>
<b>EXPENDITURES</b>			
General Government	-	-	-
Justice System	-	-	-
Law Enforcement	-	-	-
Juvenile Services	-	-	-
Public Transportation	-	-	-
Human Services	668,297	-	-
Capital Outlay	21,285	-	-
<b>TOTAL EXPENDITURES</b>	<b>689,582</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	444,983	28,320	1,296
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	-
Transfers Out	(624,011)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(624,011)</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(179,028)	28,320	1,296
<b>FUND BALANCES, OCTOBER 1, AS RESTATED</b>	<b>985,739</b>	<b>28,233</b>	<b>51,289</b>
<b>FUND BALANCES, SEPTEMBER 30</b>	<b>\$ 806,711</b>	<b>\$ 56,553</b>	<b>\$ 52,585</b>

Law Library	Alternative Dispute Resolution	Law Enforcement Education	County Records Management and Preservation	County Clerk Records Management and Preservation	County Clerk Archival
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
50,049	37,515	-	102,172	155,504	150,714
-	-	16,873	-	-	-
1,276	-	-	696	2,027	383
<u>51,325</u>	<u>37,515</u>	<u>16,873</u>	<u>102,868</u>	<u>157,531</u>	<u>151,097</u>
-	-	-	92,708	-	-
81,155	45,015	-	-	226,857	114,180
-	-	31,685	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	24,228	-
<u>81,155</u>	<u>45,015</u>	<u>31,685</u>	<u>92,708</u>	<u>251,085</u>	<u>114,180</u>
<u>(29,830)</u>	<u>(7,500)</u>	<u>(14,812)</u>	<u>10,160</u>	<u>(93,554)</u>	<u>36,917</u>
-	7,500	-	13,442	-	-
-	-	-	-	-	-
-	7,500	-	13,442	-	-
<u>(29,830)</u>	<u>-</u>	<u>(14,812)</u>	<u>23,602</u>	<u>(93,554)</u>	<u>36,917</u>
<u>334,955</u>	<u>-</u>	<u>23,185</u>	<u>156,526</u>	<u>564,228</u>	<u>76,000</u>
<u>\$ 305,125</u>	<u>\$ -</u>	<u>\$ 8,373</u>	<u>\$ 180,128</u>	<u>\$ 470,674</u>	<u>\$ 112,917</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, 2011**

	<u>Courthouse Security</u>	<u>Justice Court Security</u>	<u>District Clerk Records Management and Preservation</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Charges for Services	91,250	12,423	17,907
Intergovernmental	-	-	-
Interest	555	85	389
<b>TOTAL REVENUES</b>	<u>91,805</u>	<u>12,508</u>	<u>18,296</u>
<b>EXPENDITURES</b>			
General Government	-	-	-
Justice System	-	-	-
Law Enforcement	325,456	-	-
Juvenile Services	-	-	-
Public Transportation	-	-	-
Human Services	-	-	-
Capital Outlay	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>325,456</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(233,651)</u>	<u>12,508</u>	<u>18,296</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	242,110	-	-
Transfers Out	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>242,110</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	8,459	12,508	18,296
<b>FUND BALANCES, OCTOBER 1, AS RESTATED</b>	<u>8,267</u>	<u>14,569</u>	<u>88,689</u>
<b>FUND BALANCES, SEPTEMBER 30</b>	<u>\$ 16,726</u>	<u>\$ 27,077</u>	<u>\$ 106,985</u>

<b>District Clerk Archival</b>	<b>J. P. Technology</b>	<b>County Court &amp; District Court Technology</b>	<b>Special Forfeitures</b>	<b>District Attorney Hot Check Collection</b>	<b>Bail Bond Board Fees</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,159	50,122	6,226	8,171	3,126	2,000
-	6,720	-	-	-	-
25	613	18	123	20	309
<u>5,184</u>	<u>57,455</u>	<u>6,244</u>	<u>8,294</u>	<u>3,146</u>	<u>2,309</u>
-	-	-	-	-	-
-	44,816	-	-	2,753	298
-	-	-	234	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,406	-	-	-	-
-	<u>47,222</u>	<u>-</u>	<u>1,215</u>	<u>-</u>	<u>-</u>
-	-	-	1,449	2,753	298
<u>5,184</u>	<u>10,233</u>	<u>6,244</u>	<u>6,845</u>	<u>393</u>	<u>2,011</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,184	10,233	6,244	6,845	393	2,011
<u>3,703</u>	<u>144,832</u>	<u>1,476</u>	<u>30,155</u>	<u>3,284</u>	<u>77,385</u>
<u>\$ 8,887</u>	<u>\$ 155,065</u>	<u>\$ 7,720</u>	<u>\$ 37,000</u>	<u>\$ 3,677</u>	<u>\$ 79,396</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, 2011**

	Voter Registration	Chapter 19 State Fund	Vehicle Inventory Tax Interest
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ 2,643
Charges for Services	-	-	-
Intergovernmental	1,051	-	-
Interest	89	-	1,830
<b>TOTAL REVENUES</b>	<b>1,140</b>	<b>-</b>	<b>4,473</b>
<b>EXPENDITURES</b>			
General Government	1,051	-	2,807
Justice System	-	-	-
Law Enforcement	-	-	-
Juvenile Services	-	-	-
Public Transportation	-	-	-
Human Services	-	-	-
Capital Outlay	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>1,051</b>	<b>-</b>	<b>2,807</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	89	-	1,666
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	-
Transfers Out	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	89	-	1,666
<b>FUND BALANCES, OCTOBER 1, AS RESTATED</b>	<b>22,446</b>	<b>-</b>	<b>118,229</b>
<b>FUND BALANCES, SEPTEMBER 30</b>	<b>\$ 22,535</b>	<b>\$ -</b>	<b>\$ 119,895</b>

<b>Sheriff Department Crime Fund</b>	<b>District Attorney Crime Fund</b>	<b>Primary Election Service Fund</b>	<b>Brazos County Housing Finance Corp.</b>	<b>Grants</b>	<b>Totals</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,133,225
1,210	18,209	3,831	49,085	16,978	781,651
-	-	-	-	3,791,091	3,843,831
1,384	220	180	515	-	16,240
<u>2,594</u>	<u>18,429</u>	<u>4,011</u>	<u>49,600</u>	<u>3,808,069</u>	<u>5,774,947</u>
-	-	-	-	1,950,000	2,046,566
-	19,863	-	-	-	534,937
7,014	-	-	-	140,102	504,491
-	-	-	-	1,128,452	1,128,452
-	-	-	-	277,265	277,265
-	-	3,742	45,861	232,840	950,740
-	-	-	-	375,673	424,807
<u>7,014</u>	<u>19,863</u>	<u>3,742</u>	<u>45,861</u>	<u>4,104,332</u>	<u>5,867,258</u>
<u>(4,420)</u>	<u>(1,434)</u>	<u>269</u>	<u>3,739</u>	<u>(296,263)</u>	<u>(92,311)</u>
-	-	-	-	359,265	622,317
-	-	-	-	(50,000)	(674,011)
-	-	-	-	309,265	(51,694)
<u>(4,420)</u>	<u>(1,434)</u>	<u>269</u>	<u>3,739</u>	<u>13,002</u>	<u>(144,005)</u>
<u>362,765</u>	<u>53,468</u>	<u>30,468</u>	<u>152,240</u>	<u>13,873</u>	<u>3,346,004</u>
<u>\$ 358,345</u>	<u>\$ 52,034</u>	<u>\$ 30,737</u>	<u>\$ 155,979</u>	<u>\$ 26,875</u>	<u>\$ 3,201,999</u>

**BRAZOS COUNTY, TEXAS**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**HOTEL OCCUPANCY TAX**  
**For the Year Ended September 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUES</b>			
Taxes	\$ 950,000	\$ 995,203	\$ 1,130,582
Interest	3,000	3,188	3,983
<b>TOTAL REVENUES</b>	<u>953,000</u>	<u>998,391</u>	<u>1,134,565</u>
<b>EXPENDITURES</b>			
<b>Human Services</b>			
Personnel Services	338,779	283,804	280,973
Supplies and Other Charges	90,071	163,347	124,705
Repairs & Maintenance	-	15,500	15,287
Minor Acquisitions	-	2,700	1,235
Contract Services	-	7,800	7,222
Professional Services	38,000	38,000	13,875
Community Support	225,000	225,000	225,000
Capital Outlay	20,200	21,290	21,285
<b>TOTAL EXPENDITURES</b>	<u>712,050</u>	<u>757,441</u>	<u>689,582</u>
Excess of Revenues Over Expenditures	<u>240,950</u>	<u>240,950</u>	<u>444,983</u>
<b>OTHER FINANCING USES</b>			
Transfers Out	(658,150)	(658,150)	(624,011)
<b>TOTAL OTHER FINANCING USES</b>	<u>(658,150)</u>	<u>(658,150)</u>	<u>(624,011)</u>
Net Change in Fund Balance	(417,200)	(417,200)	(179,028)
<b>FUND BALANCE, OCTOBER 1</b>	<u>985,739</u>	<u>985,739</u>	<u>985,739</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ 568,539</u>	<u>\$ 568,539</u>	<u>\$ 806,711</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, 2011**

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Intergovernmental	\$ 27,000	\$ 28,096
Interest	600	224
<b>TOTAL REVENUES</b>	<b>27,600</b>	<b>28,320</b>
 <b>EXPENDITURES</b>		
<b>Public Transportation</b>		
Repairs and Maintenance	55,600	-
<b>TOTAL EXPENDITURES</b>	<b>55,600</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,000)	28,320
<b>FUND BALANCE, OCTOBER 1</b>	<b>28,233</b>	<b>28,233</b>
 <b>FUND BALANCE, SEPTEMBER 30</b>	<b>\$ 233</b>	<b>\$ 56,553</b>

**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, 2011**

	<u>Original and Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>		
Interest	\$ 1,000	\$ 1,296
<b>TOTAL REVENUES</b>	<u>1,000</u>	<u>1,296</u>
 <b>EXPENDITURES</b>		
<b>General Government</b>		
Supplies and Other Charges	<u>51,000</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>51,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,000)	1,296
<b>FUND BALANCE, OCTOBER 1</b>	<u>51,289</u>	<u>51,289</u>
 <b>FUND BALANCE, SEPTEMBER 30</b>	<u><u>\$ 1,289</u></u>	<u><u>\$ 52,585</u></u>

**BRAZOS COUNTY, TEXAS**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**LAW LIBRARY**  
**For the Year Ended September 30, 2011**

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Charges for Services	\$ 47,500	\$ 50,049
Interest	1,300	1,276
<b>TOTAL REVENUES</b>	48,800	51,325
<b>EXPENDITURES</b>		
<b>Justice System</b>		
Supplies and Other Charges	100,000	73,355
Repairs and Maintenance	2,000	-
Minor Acquisitions	53,000	-
Contract Services	20,000	7,800
<b>TOTAL EXPENDITURES</b>	175,000	81,155
Deficiency of Revenues Under Expenditures	(126,200)	(29,830)
<b>FUND BALANCE, OCTOBER 1</b>	334,955	334,955
<b>FUND BALANCE, SEPTEMBER 30</b>	\$ 208,755	\$ 305,125

**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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUES</b>			
Charges for Services	\$ 37,000	\$ 37,515	\$ 37,515
<b>TOTAL REVENUES</b>	<u>37,000</u>	<u>37,515</u>	<u>37,515</u>
<b>EXPENDITURES</b>			
<b>Justice System</b>			
Contractual Services	44,500	45,015	45,015
<b>TOTAL EXPENDITURES</b>	<u>44,500</u>	<u>45,015</u>	<u>45,015</u>
Deficiency of Revenues Under Expenditures	<u>(7,500)</u>	<u>(7,500)</u>	<u>(7,500)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers In	7,500	7,500	7,500
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>
Net Change in Fund Balance	-	-	-
<b>FUND BALANCE, OCTOBER 1</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BRAZOS COUNTY, TEXAS**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**LAW ENFORCEMENT EDUCATION**  
**For the Year Ended September 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUES</b>			
Intergovernmental	\$ 17,000	\$ 14,037	\$ 16,873
<b>TOTAL REVENUES</b>	<u>17,000</u>	<u>14,037</u>	<u>16,873</u>
<b>EXPENDITURES</b>			
<b>Law Enforcement</b>			
Supplies and Other Charges	<u>36,000</u>	<u>40,058</u>	<u>31,685</u>
<b>TOTAL EXPENDITURES</b>	<u>36,000</u>	<u>40,058</u>	<u>31,685</u>
Deficiency of Revenues			
Under Expenditures	(19,000)	(26,021)	(14,812)
<b>FUND BALANCE, OCTOBER 1</b>	<u>23,185</u>	<u>23,185</u>	<u>23,185</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ 4,185</u>	<u>\$ (2,836)</u>	<u>\$ 8,373</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, 2011**

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	
<b>REVENUES</b>			
Charges for Services	\$ 90,000	\$ 90,000	\$ 102,172
Interest	500	500	696
<b>TOTAL REVENUES</b>	<u>90,500</u>	<u>90,500</u>	<u>102,868</u>
<b>EXPENDITURES</b>			
<b>General Government</b>			
Personnel Services	75,990	90,199	89,940
Supplies and Other Charges	2,800	2,442	2,099
Minor Acquisitions	70,000	69,591	-
Contract Services	10,800	10,800	669
Professional Services	10,000	10,000	-
Capital Outlay	70,910	70,910	-
<b>TOTAL EXPENDITURES</b>	<u>240,500</u>	<u>253,942</u>	<u>92,708</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(150,000)</u>	<u>(163,442)</u>	<u>10,160</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>-</u>	<u>13,442</u>	<u>13,442</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>13,442</u>	<u>13,442</u>
Net Change in Fund Balance	(150,000)	(150,000)	23,602
<b>FUND BALANCE, OCTOBER 1</b>	<u>156,526</u>	<u>156,526</u>	<u>156,526</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ 6,526</u>	<u>\$ 6,526</u>	<u>\$ 180,128</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, 2011**

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	
<b>REVENUES</b>			
Charges for Services	\$ 150,000	\$ 150,000	\$ 155,504
Interest	2,000	2,000	2,027
<b>TOTAL REVENUES</b>	<u>152,000</u>	<u>152,000</u>	<u>157,531</u>
<b>EXPENDITURES</b>			
<b>Justice System</b>			
Personnel Services	101,785	101,785	101,409
Supplies and Other Charges	82,000	5,000	1,071
Repairs and Maintenance	500	500	-
Minor Acquisitions	16,400	6,777	-
Contract Services	83,500	78,595	57,079
Professional Services	-	67,300	67,298
Capital Outlay	-	24,228	24,228
<b>TOTAL EXPENDITURES</b>	<u>284,185</u>	<u>284,185</u>	<u>251,085</u>
Deficiency of Revenues			
Under Expenditures	(132,185)	(132,185)	(93,554)
<b>FUND BALANCE, OCTOBER 1</b>	<u>564,228</u>	<u>564,228</u>	<u>564,228</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u><u>\$ 432,043</u></u>	<u><u>\$ 432,043</u></u>	<u><u>\$ 470,674</u></u>

**BRAZOS COUNTY, TEXAS**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**COUNTY CLERK ARCHIVAL FUND**  
**For the Year Ended September 30, 2011**

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Charges for Services	\$ 140,000	\$ 150,714
Interest	300	383
<b>TOTAL REVENUES</b>	140,300	151,097
<b>EXPENDITURES</b>		
<b>Justice System</b>		
Professional Services	160,000	114,180
<b>TOTAL EXPENDITURES</b>	160,000	114,180
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	(19,700)	36,917
<b>FUND BALANCE, OCTOBER 1</b>	76,000	76,000
<b>FUND BALANCE, SEPTEMBER 30</b>	\$ 56,300	\$ 112,917

**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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUES</b>			
Charges for Services	\$ 85,000	\$ 85,000	\$ 91,250
Interest	500	500	555
<b>TOTAL REVENUES</b>	<u>85,500</u>	<u>85,500</u>	<u>91,805</u>
<b>EXPENDITURES</b>			
<b>Law Enforcement</b>			
Personnel Services	318,467	319,575	318,723
Supplies and Other Charges	4,643	4,643	3,005
Repairs and Maintenance	6,000	4,892	3,728
<b>TOTAL EXPENDITURES</b>	<u>329,110</u>	<u>329,110</u>	<u>325,456</u>
Deficiency of Revenues Under Expenditures	<u>(243,610)</u>	<u>(243,610)</u>	<u>(233,651)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>242,110</u>	<u>242,110</u>	<u>242,110</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>242,110</u>	<u>242,110</u>	<u>242,110</u>
Net Change in Fund Balance	(1,500)	(1,500)	8,459
<b>FUND BALANCE, OCTOBER 1</b>	<u>8,267</u>	<u>8,267</u>	<u>8,267</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u><u>\$ 6,767</u></u>	<u><u>\$ 6,767</u></u>	<u><u>\$ 16,726</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, 2011**

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Charges for Services	\$ 10,200	\$ 12,423
Interest	-	85
<b>TOTAL REVENUES</b>	10,200	12,508
<b>EXPENDITURES</b>		
<b>Justice System</b>		
Repairs and Maintenance	5,000	-
Capital Outlay	17,700	-
<b>TOTAL EXPENDITURES</b>	22,700	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,500)	12,508
<b>FUND BALANCE, OCTOBER 1</b>	14,569	14,569
<b>FUND BALANCE, SEPTEMBER 30</b>	\$ 2,069	\$ 27,077

**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, 2011**

	Original and Final Budget	Actual
<b>REVENUES</b>		
Charges for Services	\$ 18,000	\$ 17,907
Interest	300	389
<b>TOTAL REVENUES</b>	18,300	18,296
<b>EXPENDITURES</b>		
<b>Justice System</b>		
Supplies and Other Charges	43,000	-
Minor Acquisitions	10,000	-
Contract Services	23,000	-
Professional Services	29,300	-
<b>TOTAL EXPENDITURES</b>	105,300	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(87,000)	18,296
<b>FUND BALANCE, OCTOBER 1</b>	88,689	88,689
<b>FUND BALANCE, SEPTEMBER 30</b>	\$ 1,689	\$ 106,985

**BRAZOS COUNTY, TEXAS**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**DISTRICT CLERK ARCHIVAL FUND**  
**For the Year Ended September 30, 2011**

	<u>Original and Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>		
Charges for Services	\$ 4,800	\$ 5,159
Interest	-	25
<b>TOTAL REVENUES</b>	<u>4,800</u>	<u>5,184</u>
<b>EXPENDITURES</b>		
<b>Justice System</b>		
Professional Services	<u>7,800</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>7,800</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,000)	5,184
<b>FUND BALANCE, OCTOBER 1</b>	<u>3,703</u>	<u>3,703</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ 703</u>	<u>\$ 8,887</u>

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
JUSTICE OF THE PEACE TECHNOLOGY  
For the Year Ended September 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUES</b>			
Charges for Services	\$ 41,200	\$ 41,200	\$ 50,122
Intergovernmental	-	-	6,720
Interest	500	500	613
<b>TOTAL REVENUES</b>	<u>41,700</u>	<u>41,700</u>	<u>57,455</u>
<b>EXPENDITURES</b>			
<b>Justice System</b>			
Personnel Services	5,040	5,040	3,859
Supplies and Other Charges	39,070	29,658	12,478
Repairs and Maintenance	3,000	3,000	-
Minor Acquisitions	21,150	28,156	15,039
Contract Services	13,440	13,440	13,440
Capital Outlay	50,000	52,406	2,406
<b>TOTAL EXPENDITURES</b>	<u>131,700</u>	<u>131,700</u>	<u>47,222</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(90,000)	(90,000)	10,233
<b>FUND BALANCE, OCTOBER 1</b>	<u>144,832</u>	<u>144,832</u>	<u>144,832</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ 54,832</u>	<u>\$ 54,832</u>	<u>\$ 155,065</u>

**BRAZOS COUNTY, TEXAS**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**COUNTY & DISTRICT COURT TECHNOLOGY FUND**  
**For the Year Ended September 30, 2011**

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Charges for Services	\$ 800	\$ 6,226
Interest	-	18
<b>TOTAL REVENUES</b>	800	6,244
<b>EXPENDITURES</b>		
<b>Justice System</b>		
Minor Acquisitions	1,300	-
<b>TOTAL EXPENDITURES</b>	1,300	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(500)	6,244
<b>FUND BALANCE, OCTOBER 1</b>	1,476	1,476
<b>FUND BALANCE, SEPTEMBER 30</b>	\$ 976	\$ 7,720

**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, 2011**

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	
<b>REVENUES</b>			
Charges for Services	\$ -	\$ -	\$ 8,171
Interest	-	-	123
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>8,294</u>
<b>EXPENDITURES</b>			
<b>Law Enforcement</b>			
Repairs and Maintenance	1,125	1,125	234
Minor Acquisitions	21,475	20,259	-
Capital Outlay	-	1,216	1,215
<b>TOTAL EXPENDITURES</b>	<u>22,600</u>	<u>22,600</u>	<u>1,449</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,600)	(22,600)	6,845
<b>FUND BALANCE, OCTOBER 1</b>	<u>30,155</u>	<u>30,155</u>	<u>30,155</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ 7,555</u>	<u>\$ 7,555</u>	<u>\$ 37,000</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, 2011**

	Original and Final Budget	Actual
<b>REVENUES</b>		
Charges for Services	\$ 500	\$ 3,126
Interest	-	20
<b>TOTAL REVENUES</b>	500	3,146
<b>EXPENDITURES</b>		
<b>Justice System</b>		
Supplies and Other Charges	3,300	2,753
<b>TOTAL EXPENDITURES</b>	3,300	2,753
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,800)	393
<b>FUND BALANCE, OCTOBER 1</b>	3,284	3,284
<b>FUND BALANCE, SEPTEMBER 30</b>	\$ 484	\$ 3,677

**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, 2011**

	<u>Original and Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>		
Charges for Services	\$ 2,000	\$ 2,000
Interest	300	309
<b>TOTAL REVENUES</b>	<u>2,300</u>	<u>2,309</u>
<b>EXPENDITURES</b>		
<b>Justice System</b>		
Personnel Services	4,602	195
Supplies and Other Charges	72,798	103
<b>TOTAL EXPENDITURES</b>	<u>77,400</u>	<u>298</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(75,100)	2,011
<b>FUND BALANCE, OCTOBER 1</b>	<u>77,385</u>	<u>77,385</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u><u>\$ 2,285</u></u>	<u><u>\$ 79,396</u></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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ 1,051
Interest	-	-	89
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>1,140</u>
<b>EXPENDITURES</b>			
<b>General Government</b>			
Supplies and Other Charges	21,000	20,400	451
Professional Services	-	600	600
<b>TOTAL EXPENDITURES</b>	<u>21,000</u>	<u>21,000</u>	<u>1,051</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,000)	(21,000)	89
<b>FUND BALANCE, OCTOBER 1</b>	<u>22,446</u>	<u>22,446</u>	<u>22,446</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ 1,446</u>	<u>\$ 1,446</u>	<u>\$ 22,535</u>

**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, 2011**

	<u>Original and Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>		
Intergovernmental	\$ 1,000	\$ -
<b>TOTAL REVENUES</b>	<u>1,000</u>	<u>-</u>
<b>EXPENDITURES</b>		
<b>General Government</b>		
Supplies and Other Charges	1,000	-
<b>TOTAL EXPENDITURES</b>	<u>1,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-
<b>FUND BALANCE, OCTOBER 1</b>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**BRAZOS COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
VEHICLE INVENTORY TAX INTEREST  
For the Year Ended September 30, 2011**

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Taxes	\$ -	\$ 2,643
Interest	1,000	1,830
<b>TOTAL REVENUES</b>	1,000	4,473
<b>EXPENDITURES</b>		
<b>General Government</b>		
Personnel Services	13,291	-
Supplies and Other Charges	77,709	1,987
Minor Acquisitions	7,000	820
Professional Services	20,000	-
<b>TOTAL EXPENDITURES</b>	118,000	2,807
Excess (Deficiency) of Revenues Over (Under) Expenditures	(117,000)	1,666
<b>FUND BALANCE, OCTOBER 1</b>	118,229	118,229
<b>FUND BALANCE, SEPTEMBER 30</b>	\$ 1,229	\$ 119,895

**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, 2011**

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Charges for Services	\$ -	\$ 1,384
Interest	1,000	1,210
<b>TOTAL REVENUES</b>	1,000	2,594
<b>EXPENDITURES</b>		
<b>Law Enforcement</b>		
Personnel Services	41,867	-
Supplies and Other Charges	218,508	7,014
Repairs and Maintenance	43,500	-
Minor Acquisitions	22,800	-
Contract Services	37,000	-
Professional Services	500	-
<b>TOTAL EXPENDITURES</b>	364,175	7,014
Deficiency of Revenues Under Expenditures	(363,175)	(4,420)
<b>FUND BALANCE, OCTOBER 1</b>	362,765	362,765
<b>FUND BALANCE, SEPTEMBER 30</b>	\$ (410)	\$ 358,345

**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, 2011**

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Charges for Services	\$ 7,500	\$ 18,209
Interest	-	220
<b>TOTAL REVENUES</b>	7,500	18,429
<b>EXPENDITURES</b>		
<b>Justice System</b>		
Personnel Services	17,227	14,785
Supplies and Other Charges	10,198	5,078
<b>TOTAL EXPENDITURES</b>	27,425	19,863
Deficiency of Revenues Under Expenditures	(19,925)	(1,434)
<b>FUND BALANCE, OCTOBER 1</b>	53,468	53,468
<b>FUND BALANCE, SEPTEMBER 30</b>	\$ 33,543	\$ 52,034

**BRAZOS COUNTY, TEXAS**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**PRIMARY ELECTION SERVICE FUND**  
**For the Year Ended September 30, 2011**

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Charges for Services	\$ -	\$ 3,831
Interest	-	180
<b>TOTAL REVENUES</b>	-	4,011
<b>EXPENDITURES</b>		
<b>Human Services</b>		
Supplies and Other Charges	22,000	3,742
<b>TOTAL EXPENDITURES</b>	22,000	3,742
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,000)	269
<b>FUND BALANCE, OCTOBER 1</b>	30,468	30,468
<b>FUND BALANCE, SEPTEMBER 30</b>	\$ 8,468	\$ 30,737

**BRAZOS COUNTY, TEXAS**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**BRAZOS COUNTY HOUSING FINANCE CORP.**  
**For the Year Ended September 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUES</b>			
Charges for Services	\$ -	\$ 20,000	\$ 49,085
Interest	-	5,000	515
<b>TOTAL REVENUES</b>	<u>-</u>	<u>25,000</u>	<u>49,600</u>
<b>EXPENDITURES</b>			
<b>Human Services</b>			
Supplies and Other Charges	-	4,000	675
Professional Services	-	21,000	45,186
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>25,000</u>	<u>45,861</u>
Excess of Revenues Over Expenditures	-	-	3,739
<b>FUND BALANCE, OCTOBER 1, AS RESTATED</b>	<u>152,240</u>	<u>152,240</u>	<u>152,240</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u><u>\$ 152,240</u></u>	<u><u>\$ 152,240</u></u>	<u><u>\$ 155,979</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, 2011

	Budgeted Amounts		Actual
	Original	Final	
<b>REVENUES</b>			
<b>Intergovernmental - Federal</b>			
Department of Justice	\$ 62,675	\$ 277,493	\$ 83,583
Department of Transportation	541,726	541,726	320,879
Department of Public Safety	341,350	387,285	283,699
Federal Election Assistance Commission	244,964	244,964	202,092
<b>Total Intergovernmental - Federal</b>	<u>1,190,715</u>	<u>1,451,468</u>	<u>890,253</u>
<b>Intergovernmental - State</b>			
Texas Juvenile Probation Commission	837,389	837,389	822,145
Texas Office of the Attorney General	30,710	30,710	30,710
Office of the Governor	-	2,000,000	2,000,000
<b>Total Intergovernmental - State</b>	<u>868,099</u>	<u>2,868,099</u>	<u>2,852,855</u>
<b>Intergovernmental - Other</b>			
MPO Contribution	15,000	-	-
BVCOG	-	8,847	7,347
Donations	-	40,636	40,636
Program Income	-	-	16,978
<b>Total Intergovernmental - Other</b>	<u>15,000</u>	<u>49,483</u>	<u>64,961</u>
<b>TOTAL REVENUES</b>	<u>2,073,814</u>	<u>4,369,050</u>	<u>3,808,069</u>
<b>EXPENDITURES</b>			
General Government	-	1,950,000	1,950,000
Law Enforcement	208,850	196,925	140,102
Juvenile Services	1,162,279	1,162,291	1,128,452
Public Transportation	495,125	480,125	277,265
Human Services	181,350	258,130	232,840
Capital Outlay	404,964	650,345	375,673
<b>TOTAL EXPENDITURES</b>	<u>2,452,568</u>	<u>4,697,816</u>	<u>4,104,332</u>
Deficiency of Revenues Under Expenditures	<u>(378,754)</u>	<u>(328,766)</u>	<u>(296,263)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	378,754	378,766	359,265
Transfers Out	-	(50,000)	(50,000)
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>378,754</u>	<u>328,766</u>	<u>309,265</u>
Net Change in Fund Balance	-	-	13,002
<b>FUND BALANCE, OCTOBER 1</b>	<u>13,873</u>	<u>13,873</u>	<u>13,873</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ 13,873</u>	<u>\$ 13,873</u>	<u>\$ 26,875</u>

## **DEBT SERVICE FUND**

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

**BRAZOS COUNTY, TEXAS**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**For The Year Ended September 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUES</b>			
Taxes	\$ 8,582,000	\$ 8,582,000	\$ 9,118,854
Interest	20,000	20,000	28,207
<b>TOTAL REVENUES</b>	<u>8,602,000</u>	<u>8,602,000</u>	<u>9,147,061</u>
<b>EXPENDITURES</b>			
Debt Service			
Principal	4,299,253	4,299,253	5,035,000
Interest	5,694,147	5,694,147	4,165,253
Agent Fees	5,000	50,391	2,747
<b>TOTAL EXPENDITURES</b>	<u>9,998,400</u>	<u>10,043,791</u>	<u>9,203,000</u>
Deficiency of			
Revenues Under Expenditures	<u>(1,396,400)</u>	<u>(1,441,791)</u>	<u>(55,939)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>896,400</u>	<u>941,791</u>	<u>901,570</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>896,400</u>	<u>941,791</u>	<u>901,570</u>
Net Change in Fund Balance	(500,000)	(500,000)	845,631
<b>FUND BALANCE, OCTOBER 1</b>	<u>4,075,186</u>	<u>4,075,186</u>	<u>4,075,186</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u><u>\$ 3,575,186</u></u>	<u><u>\$ 3,575,186</u></u>	<u><u>\$ 4,920,817</u></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**

**Expo Center Expansion Fund** – This fund was established to account for the expansion of the Brazos County Exposition Center. The expenditures are financed through the issuance of 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).

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

### **MAJOR GOVERNMENTAL FUNDS**

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

BRAZOS COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 CAPITAL PROJECT FUNDS  
 September 30, 2011

	<u>Nonmajor Funds</u>		Total Nonmajor Funds
	Expo Center Expansion	Jail Expansion	
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 244,001	\$ 4,009,844	\$ 4,253,845
Receivables			
Interest	68	1,116	1,184
<b>TOTAL ASSETS</b>	<u>\$ 244,069</u>	<u>\$ 4,010,960</u>	<u>\$ 4,255,029</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 417	\$ 14,334	\$ 14,751
<b>Total Liabilities</b>	<u>417</u>	<u>14,334</u>	<u>14,751</u>
<b>Fund Balances</b>			
Restricted to Capital Projects	243,652	3,996,626	4,240,278
<b>Total Fund Balances</b>	<u>243,652</u>	<u>3,996,626</u>	<u>4,240,278</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 244,069</u>	<u>\$ 4,010,960</u>	<u>\$ 4,255,029</u>

**BRAZOS COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECT FUNDS**  
**For The Year Ended September 30, 2011**

	<u>Nonmajor Funds</u>		<u>Total Nonmajor Funds</u>
	<u>Expo Center Expansion</u>	<u>Jail Expansion</u>	
<b>REVENUES</b>			
Interest	\$ 7,155	\$ 20,000	\$ 27,155
<b>TOTAL REVENUES</b>	<u>7,155</u>	<u>20,000</u>	<u>27,155</u>
<b>EXPENDITURES</b>			
Law Enforcement	-	3,710	3,710
Human Services	198,349	-	198,349
Capital Outlay	4,558,444	373,424	4,931,868
<b>TOTAL EXPENDITURES</b>	<u>4,756,793</u>	<u>377,134</u>	<u>5,133,927</u>
Deficiency of Revenues Under Expenditures	(4,749,638)	(357,134)	(5,106,772)
<b>FUND BALANCES, OCTOBER 1</b>	<u>4,993,290</u>	<u>4,353,760</u>	<u>9,347,050</u>
<b>FUND BALANCES, SEPTEMBER 30</b>	<u>\$ 243,652</u>	<u>\$ 3,996,626</u>	<u>\$ 4,240,278</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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUES</b>			
Other Revenue	\$ -	\$ 26,962	\$ 26,962
<b>TOTAL REVENUES</b>	<u>-</u>	<u>26,962</u>	<u>26,962</u>
<b>EXPENDITURES</b>			
Discretionary Funding	-	129,231	-
Supplies and Other Charges	134,938	231,672	227,817
Repairs & Maintenance	97,310	138,231	42,612
Minor Acquisitions	33,105	157,281	151,643
Contract Services	-	37,960	-
Capital Outlay	13,959,163	13,688,336	5,149,860
<b>TOTAL EXPENDITURES</b>	<u>14,224,516</u>	<u>14,382,711</u>	<u>5,571,932</u>
Deficiency of Revenues Under Expenditures	<u>(14,224,516)</u>	<u>(14,355,749)</u>	<u>(5,544,970)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers In	7,224,516	7,355,749	7,355,749
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>7,224,516</u>	<u>7,355,749</u>	<u>7,355,749</u>
Net Change in Fund Balance	(7,000,000)	(7,000,000)	1,810,779
<b>FUND BALANCE, OCTOBER 1</b>	<u>6,870,769</u>	<u>6,870,769</u>	<u>6,870,769</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ (129,231)</u>	<u>\$ (129,231)</u>	<u>\$ 8,681,548</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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUES</b>			
Interest	\$ 15,000	\$ 15,000	\$ 7,155
<b>TOTAL REVENUES</b>	<u>15,000</u>	<u>15,000</u>	<u>7,155</u>
<b>EXPENDITURES</b>			
Discretionary Funding	-	406,710	-
Supplies and Other Charges	-	134,360	133,816
Repairs & Maintenance	-	4,112	4,111
Minor Acquisition	-	59,599	59,597
Contract Services	-	825	825
Capital Outlay	<u>5,415,000</u>	<u>4,809,394</u>	<u>4,558,444</u>
<b>TOTAL EXPENDITURES</b>	<u>5,415,000</u>	<u>5,415,000</u>	<u>4,756,793</u>
Deficiency of Revenues Under Expenditures	(5,400,000)	(5,400,000)	(4,749,638)
<b>FUND BALANCE, OCTOBER 1</b>	<u>4,993,290</u>	<u>4,993,290</u>	<u>4,993,290</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ (406,710)</u>	<u>\$ (406,710)</u>	<u>\$ 243,652</u>

**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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<b>REVENUES</b>			
Interest	\$ -	\$ -	\$ 20,000
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>20,000</u>
<b>EXPENDITURES</b>			
Supplies and Other Charges	-	1,896	1,896
Minor Acquisition	-	1,814	1,814
Capital Outlay	3,300,000	3,296,290	373,424
<b>TOTAL EXPENDITURES</b>	<u>3,300,000</u>	<u>3,300,000</u>	<u>377,134</u>
Deficiency of Revenues Under Expenditures	(3,300,000)	(3,300,000)	(357,134)
<b>FUND BALANCE, OCTOBER 1</b>	<u>4,353,760</u>	<u>4,353,760</u>	<u>4,353,760</u>
<b>FUND BALANCE, SEPTEMBER 30</b>	<u>\$ 1,053,760</u>	<u>\$ 1,053,760</u>	<u>\$ 3,996,626</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, 2011**

**ASSETS**

**Current Assets**

Cash and Cash Equivalents	\$	2,315,822
Accounts Receivable		6,193

<b>TOTAL ASSETS</b>	2,322,015
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**LIABILITIES**

**Current Liabilities**

Accounts Payable		817,903
Deferred Revenue		4,929

<b>TOTAL LIABILITIES</b>	822,832
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**NET ASSETS**

Unrestricted		1,499,183
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<b>TOTAL NET ASSETS</b>	\$ 1,499,183
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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, 2011**

	Budgeted Amounts		Actual
	Original	Final	
<b>OPERATING REVENUES</b>			
Employee Dependents	\$ 1,265,500	\$ 1,265,500	\$ 1,483,980
Self Pays	12,000	12,000	29,112
Excess Risk Benefits	-	-	131,119
Participant Payments	315,000	315,000	403,788
Brazos County	4,830,750	5,193,750	5,907,725
Retirees	152,000	152,000	188,516
<b>TOTAL OPERATING REVENUES</b>	<u>6,575,250</u>	<u>6,938,250</u>	<u>8,144,240</u>
<b>OPERATING EXPENSES</b>			
Life Insurance	30,000	32,200	25,890
Stop Loss Premiums	750,000	977,000	976,394
Benefit Claims	6,555,750	6,681,550	6,629,211
Administrative Fees	400,000	400,000	429,781
Contract Services	13,500	-	-
Professional Services	34,500	56,000	55,762
<b>TOTAL OPERATING EXPENSES</b>	<u>7,783,750</u>	<u>8,146,750</u>	<u>8,117,038</u>
<b>OPERATING GAIN (LOSS)</b>	<u>(1,208,500)</u>	<u>(1,208,500)</u>	<u>27,202</u>
<b>NONOPERATING REVENUES</b>			
Interest	8,500	8,500	9,356
<b>TOTAL NONOPERATING REVENUES</b>	<u>8,500</u>	<u>8,500</u>	<u>9,356</u>
<b>CHANGE IN NET ASSETS</b>	(1,200,000)	(1,200,000)	36,558
<b>TOTAL NET ASSETS - BEGINNING</b>	<u>1,462,625</u>	<u>1,462,625</u>	<u>1,462,625</u>
<b>TOTAL NET ASSETS - ENDING</b>	<u>\$ 262,625</u>	<u>\$ 262,625</u>	<u>\$ 1,499,183</u>

**BRAZOS COUNTY, TEXAS  
INTERNAL SERVICE FUND  
HEALTH AND LIFE INSURANCE  
STATEMENT OF CASH FLOWS  
For The Year Ended September 30, 2011**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 2,102,444
Receipts from interfund services provided	5,907,725
Payments to contractors	(1,477,148)
Claims paid	<u>(6,398,438)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>134,583</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Received	<u>9,545</u>
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>9,545</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	144,128
<b>CASH AND CASH EQUIVALENTS, OCTOBER 1</b>	<u>2,171,694</u>
<b>CASH AND CASH EQUIVALENTS, SEPTEMBER 30</b>	<u><u>\$ 2,315,822</u></u>
Reconciliation of operating gain to net cash provided by operating activities:	
Operating gain	<u>\$ 27,202</u>
Adjustments to reconcile operating gain to net cash provided by operating activities:	
Change in accounts receivable	14,486
Change in accounts payable	92,319
Change in deferred revenue	576
Total adjustments	<u>107,381</u>
 Net cash provided by operating activities	 <u><u>\$ 134,583</u></u>

## **FIDUCIARY FUNDS**

### **AGENCY FUNDS**

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

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

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

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

**BRAZOS COUNTY, TEXAS  
 AGENCY FUNDS  
 COMBINING BALANCE SHEET  
 September 30, 2011**

	<u>Narcotics Seizure</u>	<u>District Clerk Trust</u>	<u>County Clerk Trust</u>	<u>Bail Bond Board Trust</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 190,034	\$ 2,368,275	\$ 599,382	\$ 990,400	\$ 4,148,091
Investments	-	-	-	1,191,100	1,191,100
<b>TOTAL ASSETS</b>	<u>\$ 190,034</u>	<u>\$ 2,368,275</u>	<u>\$ 599,382</u>	<u>\$ 2,181,500</u>	<u>\$ 5,339,191</u>
<b>LIABILITIES</b>					
Funds Held for Others	\$ 190,034	\$ 2,368,275	\$ 599,382	\$ 2,181,500	\$ 5,339,191
<b>TOTAL LIABILITIES</b>	<u>\$ 190,034</u>	<u>\$ 2,368,275</u>	<u>\$ 599,382</u>	<u>\$ 2,181,500</u>	<u>\$ 5,339,191</u>

**BRAZOS COUNTY, TEXAS**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**For The Year Ended September 30, 2011**

	Balance October 1, 2010	Additions	Deductions	Balance September 30, 2011
<b>NARCOTICS SEIZURE</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 220,109	\$ 138,466	\$ 168,541	\$ 190,034
Total Assets	<u>220,109</u>	<u>138,466</u>	<u>168,541</u>	<u>190,034</u>
<b>Liabilities</b>				
Funds Held for Others	220,109	60,762	90,837	190,034
Total Liabilities	<u>220,109</u>	<u>60,762</u>	<u>90,837</u>	<u>190,034</u>
<b>DISTRICT CLERK TRUST</b>				
<b>Assets</b>				
Cash and Cash Equivalents	1,855,999	1,052,418	540,142	2,368,275
Total Assets	<u>1,855,999</u>	<u>1,052,418</u>	<u>540,142</u>	<u>2,368,275</u>
<b>Liabilities</b>				
Funds Held for Others	1,855,999	1,035,579	523,303	2,368,275
Total Liabilities	<u>1,855,999</u>	<u>1,035,579</u>	<u>523,303</u>	<u>2,368,275</u>
<b>COUNTY CLERK TRUST</b>				
<b>Assets</b>				
Cash and Cash Equivalents	900,773	556,480	857,871	599,382
Total Assets	<u>900,773</u>	<u>556,480</u>	<u>857,871</u>	<u>599,382</u>
<b>Liabilities</b>				
Funds Held for Others	900,773	94,340	395,731	599,382
Total Liabilities	<u>900,773</u>	<u>94,340</u>	<u>395,731</u>	<u>599,382</u>
<b>BAIL BOND BOARD TRUST</b>				
<b>Assets</b>				
Cash and Cash Equivalents	930,400	60,000	-	990,400
Investments	1,238,100	17,000	64,000	1,191,100
Total Assets	<u>2,168,500</u>	<u>77,000</u>	<u>64,000</u>	<u>2,181,500</u>
<b>Liabilities</b>				
Funds Held for Others	2,168,500	77,000	64,000	2,181,500
Total Liabilities	<u>\$ 2,168,500</u>	<u>\$ 77,000</u>	<u>\$ 64,000</u>	<u>\$ 2,181,500</u>

**BRAZOS COUNTY, TEXAS**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)**  
**For The Year Ended September 30, 2011**

	<u>Balance October 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2011</u>
<b>COMBINED AGENCY FUNDS</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 3,907,281	\$ 1,807,364	\$ 1,566,554	\$ 4,148,091
Investments	1,238,100	17,000	64,000	1,191,100
Total Assets	<u>5,145,381</u>	<u>1,824,364</u>	<u>1,630,554</u>	<u>5,339,191</u>
<b>Liabilities</b>				
Funds Held for Others	5,145,381	1,267,681	1,073,871	5,339,191
Total Liabilities	<u>\$ 5,145,381</u>	<u>\$ 1,267,681</u>	<u>\$ 1,073,871</u>	<u>\$ 5,339,191</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, 2011

	2011	2010
<b>GOVERNMENTAL FUNDS CAPITAL ASSETS</b>		
Land	\$ 12,714,624	\$ 12,490,958
Buildings	125,947,426	113,246,142
Improvements	6,934,273	5,941,533
Machinery and Equipment	22,730,660	21,801,625
Infrastructure	59,006,913	53,896,023
Construction Work in Progress	5,971,522	13,205,837
<b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b>	<b>\$ 233,305,418</b>	<b>\$ 220,582,118</b>
 <b>INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE</b>		
General Fund	\$ 25,010,591	\$ 22,293,386
Special Revenue Funds	2,627,557	2,310,309
Capital Project Funds	202,251,730	192,619,210
Donations	3,415,540	3,359,213
<b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b>	<b>\$ 233,305,418</b>	<b>\$ 220,582,118</b>

**BRAZOS COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**  
**For The Year Ended September 30, 2011**

<b>FUNCTION AND ACTIVITY</b>	<b>Governmental Funds Capital Assets 10/1/10</b>	<b>Additions</b>	<b>Retirements</b>	<b>Adjustments And Transfers</b>	<b>Governmental Funds Capital Assets 09/30/11</b>
<b>General Government</b>					
County Judge	\$ 203,281	\$ -	\$ -	\$ -	\$ 203,281
Commissioners' Court	3,095,215	4,073,792	-	(1,151,783)	6,017,224
County Records Management	100,983	-	-	-	100,983
Veterans' Office	5,435	-	-	-	5,435
Budget Office	100,983	-	-	-	100,983
County Treasurer	728,770	-	-	5,902	734,672
Risk Management	215,380	65,052	-	4,815	285,247
Tax Assessor-Collector	1,165,037	42,839	(16,337)	(3,802)	1,187,737
Information Technology	5,539,026	96,288	(188,177)	(43,518)	5,403,619
Human Resources	507,568	-	-	-	507,568
County Auditor	1,019,083	-	-	-	1,019,083
Purchasing Administration	439,411	434	(6,370)	(26,451)	407,024
Building Maintenance	982,456	39,067	-	29,387	1,050,910
<b>Total General Government</b>	<b>14,102,628</b>	<b>4,317,472</b>	<b>(210,884)</b>	<b>(1,185,450)</b>	<b>17,023,766</b>
<b>Justice System</b>					
County Attorney	1,675,209	273,413	(38,553)	(6,418)	1,903,651
District Attorney	1,603,748	257,841	-	(6,625)	1,854,964
District Clerk	1,346,335	187,520	-	(5,796)	1,528,059
District Clerk Records Management	-	-	-	-	-
County Clerk	721,425	150,428	-	(2,587)	869,266
County Clerk Records Management	116,675	-	-	(518)	116,157
District Courts	750,671	117,200	-	(3,105)	864,766
County Courts At Law	728,244	78,134	-	(2,071)	804,307
Justices of the Peace (5)	1,520,308	2,406	-	-	1,522,714
Community Supervision	1,013,225	27,221	(14,909)	5,784	1,031,321
Magistrate (2)	148,611	46,880	-	(7,469)	188,022
Law Library	20,093	-	(10,046)	-	10,047
<b>Total Justice System</b>	<b>9,644,544</b>	<b>1,141,043</b>	<b>(63,508)</b>	<b>(28,805)</b>	<b>10,693,274</b>
<b>Law Enforcement</b>					
Sheriff/Jail	74,562,597	495,956	(154,339)	18,074	74,922,288
Courthouse Security	353,149	39,067	-	(1,035)	391,181
Constables (4)	2,331,174	76,826	(41,760)	26,450	2,392,690
SIU	264,091	-	(31,362)	(69,336)	163,393
<b>Total Law Enforcement</b>	<b>77,511,011</b>	<b>611,849</b>	<b>(227,461)</b>	<b>(25,847)</b>	<b>77,869,552</b>
<b>Juvenile Services</b>					
Juvenile Probation	7,506,834	1,568	(40,535)	-	7,467,867
<b>Total Juvenile Services</b>	<b>7,506,834</b>	<b>1,568</b>	<b>(40,535)</b>	<b>-</b>	<b>7,467,867</b>
<b>Public Transportation</b>					
Metropolitan Planning	1,004,195	-	-	-	1,004,195
Road & Bridge	10,072,877	1,036,879	(240,064)	(12,343)	10,857,349
Infrastructure	63,892,116	6,103,921	-	(3,400,035)	66,596,002
<b>Total Public Transportation</b>	<b>\$ 74,969,188</b>	<b>\$ 7,140,800</b>	<b>\$ (240,064)</b>	<b>\$ (3,412,378)</b>	<b>\$ 78,457,546</b>

**BRAZOS COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY (Continued)**  
**For The Year Ended September 30, 2011**

<b>FUNCTION AND ACTIVITY</b>	<b>Governmental Funds Capital Assets 10/1/10</b>	<b>Additions</b>	<b>Retirements</b>	<b>Adjustments And Transfers</b>	<b>Governmental Funds Capital Assets 9/30/11</b>
<b>Public Health</b>					
Environmental Protection	\$ 811,955	\$ -	\$ -	\$ -	\$ 811,955
Health Department	400,774	-	-	-	400,774
<b>Total Public Health</b>	<u>1,212,729</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,212,729</u>
<b>Human Services</b>					
Emergency Management	515,177	280,944	(3,815)	37,617	829,923
Brazos Center	2,887,271	21,012	-	(35,844)	2,872,439
Agricultural Extension	92,908	-	-	-	92,908
Elections	1,226,656	15,627	-	(414)	1,241,869
Exposition Center	30,913,172	17,297,025	(10,877)	(12,655,775)	35,543,545
<b>Total Human Services</b>	<u>35,635,184</u>	<u>17,614,608</u>	<u>(14,692)</u>	<u>(12,654,416)</u>	<u>40,580,684</u>
<b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b>	<u>\$ 220,582,118</u>	<u>\$ 30,827,340</u>	<u>\$ (797,144)</u>	<u>\$ (17,306,896)</u>	<u>\$ 233,305,418</u>

BRAZOS COUNTY, TEXAS  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE BY FUNCTION AND ACTIVITY  
 September 30, 2011

FUNCTION AND ACTIVITY	Land	Buildings	Improvements	Machinery And Equipment	Infrastructure	Construction Work in Progress	Total
<b>General Government</b>							
County Judge	\$ 11,010	\$ 189,565	\$ 2,706	\$ -	\$ -	\$ -	\$ 203,281
Commissioners' Court	110,541	948,263	28,275	223,025	-	4,707,120	6,017,224
County Records Management	5,504	95,001	478	-	-	-	100,983
Veterans' Office	-	-	-	5,435	-	-	5,435
Budget Office	5,504	95,001	478	-	-	-	100,983
County Treasurer	38,529	664,132	9,502	22,509	-	-	734,672
Risk Management	11,009	189,565	2,706	81,967	-	-	285,247
Tax Assessor-Collector	399,513	119,689	609,187	42,579	-	16,769	1,187,737
Information Technology	26,777	1,211,893	40,859	4,124,090	-	-	5,403,619
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	-	-	-	407,024
Building Maintenance	187,191	530,763	96,014	236,942	-	-	1,050,910
<b>Total General Government</b>	<b>900,155</b>	<b>5,846,269</b>	<b>816,906</b>	<b>4,736,547</b>	<b>-</b>	<b>4,723,889</b>	<b>17,023,766</b>
<b>Justice System</b>							
County Attorney	19,311	1,255,327	429,143	199,870	-	-	1,903,651
District Attorney	19,935	1,295,821	451,762	87,446	-	-	1,854,964
District Clerk	17,442	1,133,845	360,939	15,833	-	-	1,528,059
District Clerk Management	-	-	-	-	-	-	-
County Clerk	7,787	506,180	193,688	161,611	-	-	869,266
County Clerk Rec. Preservation	1,557	101,237	13,363	-	-	-	116,157
District Courts	9,345	607,416	210,609	37,396	-	-	864,766
County Courts At Law	6,230	651,662	141,282	5,133	-	-	804,307
Justices of the Peace (5)	189,900	1,223,987	42,151	66,676	-	-	1,522,714
Community Supervision	250,000	75,000	673,316	33,005	-	-	1,031,321
Magistrate (2)	1,869	121,483	64,670	-	-	-	188,022
Law Library	-	-	-	10,047	-	-	10,047
<b>Total Justice System</b>	<b>523,376</b>	<b>6,971,958</b>	<b>2,580,923</b>	<b>617,017</b>	<b>-</b>	<b>-</b>	<b>10,693,274</b>
<b>Law Enforcement</b>							
Sheriff/Jail	784,095	70,481,036	276,651	3,052,592	-	327,914	74,922,288
Courthouse Security	3,115	202,472	68,424	117,170	-	-	391,181
Constables (4)	184,397	1,104,371	43,423	1,060,499	-	-	2,392,690
SIU	-	-	-	163,393	-	-	163,393
<b>Total Law Enforcement</b>	<b>971,607</b>	<b>71,787,879</b>	<b>388,498</b>	<b>4,393,654</b>	<b>-</b>	<b>327,914</b>	<b>77,869,552</b>
<b>Juvenile Services</b>							
Juvenile Probation	106,544	6,926,756	37,527	397,040	-	-	7,467,867
<b>Total Juvenile Services</b>	<b>106,544</b>	<b>6,926,756</b>	<b>37,527</b>	<b>397,040</b>	<b>-</b>	<b>-</b>	<b>7,467,867</b>
<b>Public Transportation</b>							
Metropolitan Planning	-	-	994,180	10,015	-	-	1,004,195
Road & Bridge	7,533,191	586,308	560,009	8,847,211	59,006,913	919,719	77,453,351
<b>Total Public Transportation</b>	<b>\$ 7,533,191</b>	<b>\$ 586,308</b>	<b>\$ 1,554,189</b>	<b>\$ 8,857,226</b>	<b>\$ 59,006,913</b>	<b>\$ 919,719</b>	<b>\$ 78,457,546</b>

BRAZOS COUNTY, TEXAS  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE BY FUNCTION AND ACTIVITY (Continued)  
 September 30, 2011

	Land	Buildings	Improvements	Machinery And Equipment	Infrastructure	Construction Work in Progress	Total
<b>Public Health</b>							
Environmental Protection	\$ 569,042	\$ 90,908	\$ 152,005	\$ -	\$ -	\$ -	\$ 811,955
Health Department	122,213	139,824	138,737	-	-	-	400,774
<b>Total Public Health</b>	<u>691,255</u>	<u>230,732</u>	<u>290,742</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,212,729</u>
<b>Human Services</b>							
Emergency Management	-	-	40,688	789,235	-	-	829,923
Brazos Center	23,129	1,526,004	1,120,823	202,483	-	-	2,872,439
Agricultural Extension	-	63,441	29,467	-	-	-	92,908
Elections	1,246	80,989	26,318	1,133,316	-	-	1,241,869
Exposition Center	1,964,121	31,927,090	48,192	1,604,142	-	-	35,543,545
<b>Total Human Services</b>	<u>1,988,496</u>	<u>33,597,524</u>	<u>1,265,488</u>	<u>3,729,176</u>	<u>-</u>	<u>-</u>	<u>40,580,684</u>
<b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b>	<u>\$ 12,714,624</u>	<u>\$125,947,426</u>	<u>\$ 6,934,273</u>	<u>\$ 22,730,660</u>	<u>\$ 59,006,913</u>	<u>\$ 5,971,522</u>	<u>\$ 233,305,418</u>



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## Statistical Section

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

### Contents

### Table No.

#### **Financial Trends. . . . .**

**I-IV**

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

#### **Revenue Capacity. . . . .**

**V-VIII**

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

#### **Debt Capacity. . . . .**

**IX-XIII**

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

#### **Demographic and Economic Information. . . . .**

**XIV-XV**

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

#### **Operating Information. . . . .**

**XVI-XVIII**

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

**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 Nine Fiscal Years**  
**(Unaudited and 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>	<u>2010</u>	<u>2011</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	\$ 92,821,982	\$ 103,660,227
Restricted	2,989,935	3,328,283	4,997,987	5,709,087	5,377,356	6,420,810	7,322,778	18,366,899	13,717,329
Unrestricted	29,244,870	43,253,082	59,703,513	55,642,525	41,337,786	94,986,664	60,436,700	15,378,001	8,277,036
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>	<u>\$ 126,566,882</u>	<u>\$ 125,654,592</u>
Business-type activities									
Invested in capital assets, net of related debt	\$ 1,612	\$ -	\$ -	\$ -	\$ 12,558	\$ 10,243	\$ 26,502	\$ 44,919	\$ 65,749
Unrestricted	95,996	146,935	172,036	238,586	315,127	390,914	375,579	341,601	327,551
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>	<u>\$ 386,520</u>	<u>\$ 393,300</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	\$ 92,866,901	\$ 103,725,976
Restricted	2,989,935	3,328,283	4,997,987	5,709,087	5,377,356	6,420,810	7,322,778	18,366,899	13,717,329
Unrestricted	29,340,866	43,400,017	59,875,549	55,881,111	41,652,913	95,377,578	60,812,279	15,719,602	8,604,587
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>	<u>\$ 126,953,402</u>	<u>\$ 126,047,892</u>

**Brazos County, Texas**  
**Changes in Net Assets, Nine Fiscal Years**  
**(Unaudited and Accrual Basis of Accounting)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>									
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	\$ 16,073,316	\$ 18,757,895
Justice System	8,684,058	9,392,776	8,860,448	10,457,394	11,522,627	13,128,593	15,654,079	16,190,532	17,270,039
Law Enforcement	11,271,954	11,956,232	11,894,495	12,905,488	14,054,470	15,731,013	20,208,475	20,922,115	21,980,672
Juvenile Services	3,802,706	3,739,205	3,809,998	4,179,885	4,288,459	4,557,144	5,933,794	6,053,405	5,970,962
Public Transportation	6,394,828	5,360,370	4,764,927	4,900,621	6,429,692	5,410,967	6,226,814	7,110,355	7,863,178
Public Health	1,761,796	1,726,770	1,693,371	1,705,958	2,148,409	1,948,410	2,206,618	2,460,827	2,596,961
Human Services	1,578,544	1,826,466	2,266,518	2,469,378	2,918,972	4,028,992	5,176,330	4,992,850	5,816,824
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	4,601,773	4,165,066
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>	<u>78,405,173</u>	<u>84,421,597</u>
Business-type activities:									
County Attorney	93,125	96,878	81,788	67,342	40,144	33,905	33,681	39,959	39,799
Jail Commissary	226,559	207,164	246,840	299,883	318,321	367,270	435,003	436,447	479,243
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>	<u>476,406</u>	<u>519,042</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>	<u>\$ 78,881,579</u>	<u>\$ 84,940,639</u>
<b>Program Revenues</b>									
Governmental activities:									
Charges for services:									
General Government	\$ 1,782,138	\$ 2,801,415	\$ 2,161,854	\$ 1,802,420	\$ 2,224,028	\$ 2,317,212	\$ 2,809,396	\$ 3,117,820	\$ 2,900,343
Justice System	5,637,540	5,609,315	5,083,409	5,509,185	5,862,626	6,202,462	6,683,452	6,880,940	5,903,931
Law Enforcement	492,034	673,692	768,454	846,828	786,796	791,070	800,126	804,839	879,719
Juvenile Services	52,034	18,103	53,903	81,922	21,955	17,057	81,834	89,261	43,110
Public Transportation	33,905	1,119,824	1,187,532	1,251,841	1,178,077	1,220,213	1,185,490	1,179,615	1,247,410
Public Health	25,827	31,209	30,844	33,060	30,103	30,545	28,807	30,748	37,608
Human Services	182,297	212,895	268,443	281,912	226,251	534,253	706,595	786,699	1,028,709
Operating grants and contributions:									
General Government	-	-	-	-	24,353	27,668	-	110,940	2,145,051
Justice System	498,507	562,706	504,157	438,130	553,661	612,443	662,369	649,216	631,839
Law Enforcement	1,130,276	1,027,000	997,417	744,033	621,285	446,537	299,401	261,014	90,710
Juvenile Services	1,121,345	1,266,617	1,261,927	1,212,847	1,406,843	1,356,927	1,075,481	998,850	1,256,263
Public Transportation	206,525	286,801	260,270	252,928	296,211	333,597	351,190	342,202	306,537
Public Health	38,064	59,520	86,432	153,360	166,419	167,373	161,037	81,026	82,188
Human Services	95,473	91,318	1,586,721	572,788	257,635	635,412	410,164	407,909	367,511
Capital grants and contributions:									
Law Enforcement	58,911	37,938	8,386	41,372	77,494	8,230	16,346	190,645	72,015
Public Transportation	-	-	-	-	-	3,104,713	147,273	10,015	-
Public Health	-	-	-	-	-	-	-	2,100	-
Human Services	-	253,473	248,295	230,044	99,022	16,920	130,908	153,302	323,396
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>	<u>\$ 16,097,141</u>	<u>\$ 17,316,340</u>

**Brazos County, Texas**  
**Changes in Net Assets, Nine Fiscal Years**  
**(Unaudited and Accrual Basis of Accounting)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Business-type activities:									
Charges for services:									
County Attorney	\$ 114,592	\$ 107,360	\$ 76,778	\$ 74,948	\$ 52,074	\$ 57,191	\$ 36,911	\$ 37,909	\$ 30,052
Jail Commissary	234,411	243,476	269,809	350,779	387,093	411,699	430,870	421,748	494,837
Total business-type activities program revenue	349,003	350,836	346,587	425,727	439,167	468,890	467,781	459,657	524,889
Total primary government program revenues	\$ 11,703,879	\$ 14,402,662	\$ 14,854,631	\$ 13,878,397	\$ 14,271,926	\$ 18,291,522	\$ 16,017,650	\$ 16,556,798	\$ 17,841,229
<b>Net (Expense)/Revenue</b>									
Governmental activities	\$ (35,379,018)	\$ (34,232,521)	\$ (31,984,424)	\$ (37,535,143)	\$ (42,205,359)	\$ (45,567,750)	\$ (60,231,553)	\$ (62,308,032)	\$ (67,105,257)
Business-type activities	29,319	46,794	17,959	58,502	80,702	67,715	(903)	(16,749)	5,847
Total primary government net expense	\$ (35,349,699)	\$ (34,185,727)	\$ (31,966,465)	\$ (37,476,641)	\$ (42,124,657)	\$ (45,500,035)	\$ (60,232,456)	\$ (62,324,781)	\$ (67,099,410)
<b>General Revenues and Other Changes in Net Assets</b>									
Governmental activities:									
Taxes:									
Property taxes	\$ 24,127,005	\$ 26,932,638	\$ 31,751,992	\$ 34,280,093	\$ 37,131,017	\$ 41,847,095	\$ 47,182,845	\$ 49,915,485	\$ 51,538,444
Sales taxes	7,723,285	8,413,179	8,942,049	9,957,049	10,429,681	11,396,068	11,225,816	11,175,994	11,559,363
Motor vehicle taxes	1,147,480	1,136,744	1,126,011	1,212,367	1,217,804	1,288,958	1,259,992	1,098,278	1,188,768
Mixed drink taxes	317,091	348,790	374,123	401,298	440,482	491,078	528,915	505,783	524,240
Hotel occupancy taxes	-	-	-	-	84,594	1,102,929	1,075,806	1,064,670	1,130,582
Unrestricted investment earnings	594,314	684,525	1,592,819	3,120,658	3,021,597	1,936,657	593,961	387,068	251,570
Miscellaneous	636,775	-	-	-	-	-	-	-	-
Gain (loss) on disposal of assets	(4,647,004)	29,791	12,193	38,820	111,290	-	54,503	-	-
Transfers:	-	-	-	-	5,000	1,450	-	-	-
Total governmental activities	29,898,946	37,545,667	43,799,187	49,010,285	52,441,465	58,064,235	61,921,838	64,147,278	66,192,967
Business-type activities:									
Unrestricted investment earnings	-	933	3,292	8,048	11,397	7,207	1,827	1,188	933
Gain on disposal of assets	-	1,600	3,850	-	2,000	-	-	-	-
Transfers	-	-	-	-	(5,000)	(1,450)	-	-	-
Total business-type activities	-	2,533	7,142	8,048	8,397	5,757	1,827	1,188	933
Total primary government	\$ 29,898,946	\$ 37,548,200	\$ 43,806,329	\$ 49,018,333	\$ 52,449,862	\$ 58,069,992	\$ 61,923,665	\$ 64,148,466	\$ 66,193,900
<b>Change in Net Assets</b>									
Governmental activities	\$ (5,480,072)	\$ 3,313,146	\$ 11,814,763	\$ 11,475,142	\$ 10,236,106	\$ 12,496,485	\$ 1,690,285	\$ 1,839,246	\$ (912,290)
Business-type activities	29,319	49,327	25,101	66,550	89,099	73,472	924	(15,561)	6,780
Total primary government	\$ (5,450,753)	\$ 3,362,473	\$ 11,839,864	\$ 11,541,692	\$ 10,325,205	\$ 12,569,957	\$ 1,691,209	\$ 1,823,685	\$ (905,510)

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 the 10 year criteria is met.

Table III

**Brazos County, Texas**  
**Fund Balances, Governmental Funds**  
**Last Nine Fiscal Years**  
**(Unaudited and 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>	<u>2010</u>	<u>2011</u>
General Fund									
NonSpendable	\$ 406,236	\$ 453,479	\$ 604,834	\$ 711,277	\$ 738,496	\$ 1,020,562	\$ 1,202,076	\$ 927,025	\$ 1,061,363
Restricted	1,101,447	1,119,227	1,188,199	1,108,102	1,139,030	1,330,102	931,374	566,820	422,407
Committed	2,362,705	2,345,512	2,378,061	2,523,782	2,672,107	2,755,728	2,767,788	2,695,145	208,122
Assigned	910,398	910,403	910,473	1,443,705	1,945,762	2,574,105	1,814,061	1,070,279	1,169,208
Unassigned	13,367,268	14,815,738	21,356,500	26,835,163	25,388,824	27,261,425	24,835,897	22,265,677	20,299,844
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>	<u>\$ 27,524,946</u>	<u>\$ 23,160,944</u>
All Other Governmental Funds									
NonSpendable	\$ 5,592	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,299	\$ 31,103
Restricted	1,612,877	19,722,478	24,055,312	12,785,735	2,908,627	56,075,342	33,097,814	16,630,999	12,202,456
Assigned	9,416,772	2,639,684	8,376,527	9,602,054	6,741,020	5,368,330	5,684,215	7,002,711	8,811,083
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>	<u>\$ 23,639,009</u>	<u>\$ 21,044,642</u>

Note: The County implemented GASB Statement 54 in 2010. Prior year balances have been restated to conform to GASB 54.

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

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

NOTE: Implementation of GASB 34 occurred in 2003.

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Revenues</b>				
Taxes	\$ 54,745,662	\$ 60,031,219	\$ 62,547,299	\$ 64,771,195
Charges for Services	11,033,749	11,171,081	11,427,158	11,295,075
Intergovernmental	3,605,105	3,090,888	3,060,220	5,275,509
Interest	1,936,657	593,961	377,477	242,214
Other Revenue	490,472	629,787	614,430	492,300
Total Revenue	<u>71,811,645</u>	<u>75,516,936</u>	<u>78,026,584</u>	<u>82,076,293</u>
<b>Expenditures</b>				
Current				
General Government	11,695,108	12,727,888	12,245,826	14,476,472
Justice System	12,937,962	13,715,644	14,322,604	15,550,105
Law Enforcement	14,797,789	16,365,787	17,004,568	17,005,275
Juvenile Services	4,375,672	4,853,347	5,023,328	5,014,270
Public Transportation	6,142,314	6,672,577	7,127,922	7,268,102
Public Health	1,928,564	2,187,971	2,442,180	2,582,618
Human Services	3,222,130	3,961,591	3,919,455	4,529,577
Capital Outlay	10,698,766	33,724,110	38,225,031	13,491,806
Debt Service				
Principal Retirement	3,445,000	3,540,000	4,710,000	5,035,000
Interest and Fiscal Agent Fees	2,692,699	4,099,774	4,679,134	4,168,000
Total Expenditures	<u>71,936,004</u>	<u>101,848,689</u>	<u>109,700,048</u>	<u>89,121,225</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(124,359)</u>	<u>(26,331,753)</u>	<u>(31,673,464)</u>	<u>(7,044,932)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	5,573,472	6,165,033	8,817,971	8,929,636
Transfers Out	(5,693,955)	(6,165,033)	(9,017,971)	(8,929,636)
Premium on Debt Issuance	-	-	453,572	-
Debt Issuance - Refunding Bonds	-	-	7,365,000	-
Sale of Capital Assets	96,570	279,384	270,138	86,563
Payments to Refunded Bonds Escrow Agent	-	-	(7,300,000)	-
Debt Issuance	55,000,000	-	12,000,000	-
Total Other Financing Sources (Uses)	<u>54,976,087</u>	<u>279,384</u>	<u>12,588,710</u>	<u>86,563</u>
Net Change in Fund Balances	<u>\$ 54,851,728</u>	<u>\$ (26,052,369)</u>	<u>\$ (19,084,754)</u>	<u>\$ (6,958,369)</u>
Debt service as a percentage of				
noncapital expenditures	10.02%	11.21%	13.14%	12.17%

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 Eight Tax Years**  
**(Unaudited)**

<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Personal Property</u>	<u>Minerals</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2003	\$ 3,443,514,250	\$ 3,133,357,857	\$ 478,976,879	\$ 866,349,323	\$ 115,279,900	\$ (1,846,508,484)	\$ 6,190,969,725	\$ 0.4146
2004	3,815,683,939	3,341,559,461	509,172,760	953,147,220	123,817,227	(1,994,142,969)	6,749,237,638	0.4350
2005	4,132,023,358	3,737,402,092	584,305,230	994,411,852	143,039,148	(2,141,945,933)	7,449,235,747	0.4725
2006	4,662,875,098	4,009,134,429	630,812,160	1,090,082,565	186,746,987	(2,276,298,695)	8,303,352,544	0.4650
2007	5,092,640,911	4,503,381,487	715,213,160	1,154,789,218	206,807,369	(2,445,021,966)	9,227,810,179	0.4550
2008	5,704,848,431	4,855,575,655	796,868,780	1,249,455,413	244,657,985	(2,678,924,128)	10,172,482,136	0.4650
2009	6,076,913,875	5,253,969,406	837,700,523	1,314,014,691	207,602,036	(2,956,892,109)	10,733,308,422	0.4800
2010	6,337,888,583	5,327,849,239	933,644,875	1,183,632,550	262,283,016	(3,108,696,116)	10,936,602,147	0.4856

**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**  
(per \$100 of Assessed Value)  
**Last Ten Years**  
(Unaudited)

Name of Government	Fiscal Years									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>County Direct Rate:</b>										
Debt Service	0.0343	0.0423	0.0511	0.0632	0.0701	0.0620	0.0620	0.0813	0.0834	0.0844
Basic Rate	0.3857	0.3723	0.3839	0.4093	0.3949	0.3930	0.4030	0.3987	0.3966	0.4012
<b>Total Direct Rate:</b>	<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>	<u>0.4800</u>	<u>0.4856</u>
<b>Overlapping Rates:</b>										
<b>City and Town Rate:</b>										
City of Bryan	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364	0.6364
City of College Station	0.4777	0.4777	0.4653	0.4640	0.4394	0.4394	0.4394	0.4394	0.4394	0.4475
<b>School District Rates:</b>										
Bryan I. S. D.	1.6680	1.7120	1.6800	1.6700	1.7800	1.6300	1.2900	1.2900	1.2900	1.2900
College Station I. S. D.	1.7900	1.7900	1.7700	1.7700	1.6750	1.4800	1.2411	1.2534	1.2534	1.3099
<b>Total Overlapping Rate:</b>	<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>	<u>3.6192</u>	<u>3.6838</u>
<b>Total Property Tax Rate -</b>										
<b>Direct and Overlapping</b>										
<b>Governments:</b>	<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>	<u>4.0992</u>	<u>4.1694</u>

Source: Brazos County Tax Office

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

TABLE VII

**BRAZOS COUNTY, TEXAS**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**  
**(Unaudited)**

Taxpayer	2011			2002		
	Taxable Assessed Values (1)	Rank	% of Assessed Value to Total Assessed Values (2)	Taxable Assessed Values (1)	Rank	% of Assessed Value to Total Assessed Values (3)
Jamespoint Management	\$ 67,767,320	1	0.62%	\$ --		0.00%
SHP - The Callaway House L.P.	59,936,400	2	0.55%	--		0.00%
SW Meadows Point L.P.	54,690,230	3	0.50%	--		0.00%
POM-College Station, LLC	54,171,420	4	0.50%	--		0.00%
College Station Hospital, L.P.	53,751,240	5	0.49%	27,136,605	8	0.50%
Wal-Mart Real Estate Business Trust	52,100,480	6	0.48%	38,142,010	4	0.71%
Enervest Operating LLC	49,488,062	7	0.45%	--		0.00%
Weinberg Israel & et al.	44,569,880	8	0.41%	--		0.00%
Anadarko Petroleum Corp.	44,536,790	9	0.41%	--		0.00%
Adam Development Properties LP	46,231,190	10	0.42%	--		0.00%
Verizon Communications	--		0.00%	82,746,090	1	1.54%
C B L & Associates	--		0.00%	48,629,050	2	0.90%
W9/JP-M Real Estate Limited	--		0.00%	39,272,000	3	0.73%
RME Petroleum Co	--		0.00%	35,553,730	5	0.66%
Alkosser, David / Weinberg	--		0.00%	31,322,340	6	0.58%
Devon Gas Services, LP	--		0.00%	29,835,960	7	0.55%
Melrose Apartments	--		0.00%	21,799,500	9	0.40%
G G Enterprises	--		0.00%	20,854,820	10	0.39%
	<u>\$ 527,243,012</u>		<u>4.83%</u>	<u>\$ 375,292,105</u>		<u>6.96%</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 - \$10,936,602,147
- (3) Total adjusted assessed valuation net of exempt properties as certified by the Appraisal Review Board - \$5,387,860,063

Table VIII

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

<u>Tax Year/ Fiscal Year</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u> (1)	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2001 / 2002	\$ 22,629,312	\$ 21,988,027	97.17%	\$ 601,763	\$ 22,589,790	99.83%
2002 / 2003	24,066,065	22,721,649	94.41%	1,292,825	24,014,474	99.79%
2003 / 2004	26,929,514	26,564,663	98.65%	300,215	26,864,878	99.76%
2004 / 2005	31,890,149	31,394,200	98.44%	354,093	31,748,293	99.56%
2005 / 2006	34,562,219	34,018,184	98.43%	387,461	34,405,645	99.55%
2006 / 2007	37,528,035	36,914,865	98.37%	421,381	37,336,246	99.49%
2007 / 2008	42,551,185	41,894,859	98.46%	406,716	42,301,575	99.41%
2008 / 2009	48,091,960	47,365,802	98.49%	323,820	47,689,622	99.16%
2009 / 2010	50,701,042	50,008,637	98.63%	(76,623)	49,932,014	98.48%
2010 / 2011	52,284,821	51,559,230	98.61%	60,973	51,620,203	98.73%

NOTE: (1) Changes in tax since issued.

Source: Brazos County Auditor's Office

## **DEBT CAPACITY INFORMATION**



Table IX

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

Governmental Activities

<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 <sup>a</sup></u>	<u>Per Capita <sup>a</sup></u>
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	3.33%	551
2010	25,175,000	76,320,000	-	101,495,000	3.47%	580
2011	23,685,000	72,775,000	-	96,460,000	3.21%	495

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

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

Table X

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

<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<sup>a</sup></u>
2002	\$ 8,000,000	\$ 1,961,310	\$ 6,038,690	\$ 4,947,154,148	0.12%	38.61
2003	8,000,000	1,612,877	6,387,123	5,387,860,063	0.12%	39.24
2004	8,000,000	1,623,742	6,376,258	6,190,969,725	0.10%	39.41
2005	18,170,000	1,881,705	16,288,295	6,749,237,638	0.24%	100.93
2006	23,705,000	2,387,029	21,317,971	7,449,235,747	0.29%	132.69
2007	23,090,000	2,908,627	20,181,373	8,303,352,544	0.24%	118.41
2008	76,870,000	2,831,378	68,853,622	9,227,810,179	0.75%	402.76
2009	75,600,000	3,428,888	72,171,112	10,172,482,136	0.71%	412.12
2010	76,320,000	4,075,186	72,244,814	10,733,308,422	0.67%	370.77
2011	72,775,000	4,920,817	67,854,183	10,936,602,147	0.62%	317.31

**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, 2011**  
(Unaudited)

<u>Direct Debt</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Brazos County	\$ 96,460,000	100%	\$ 96,460,000
<b><u>Overlapping Debt</u></b>			
<b>Cities:</b>			
Bryan	104,140,000	100%	104,140,000
College Station	108,180,156	100%	108,180,156
Kurten	-	100%	-
<b>Independent School Districts:</b>			
College Station School District	189,245,000	100%	189,245,000
Bryan Independent School District	156,825,000	100%	156,825,000
Navasota Independent School District	28,865,000	1.1% <sup>a</sup>	317,515
<b>Special Districts:</b>			
Brazos County EDS #1	-	100%	-
Brazos County EDS #2	-	100%	-
Brazos County EDS #3	-	100%	-
Brazos County EDS #4	-	100%	-
<b>Total Overlapping Debt:</b>			<u>\$ 558,707,671</u>
<b>Total Direct and Overlapping Debt:</b>			<u>\$ 655,167,671</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.

<sup>a</sup> 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				
	2002	2003	2004	2005	2006
<b>Debt Limit</b>	\$ 1,006,650,123	\$ 1,101,090,930	\$ 1,302,335,126	\$ 1,418,068,298	\$ 1,577,946,187
<b>Total net debt applicable to limit</b>	6,038,690	6,387,123	6,376,258	16,288,295	20,167,029
<b>Legal debt margin</b>	<u>\$ 1,012,688,813</u>	<u>\$ 1,107,478,053</u>	<u>\$ 1,308,711,384</u>	<u>\$ 1,434,356,593</u>	<u>\$ 1,598,113,216</u>
<b>Total net debt applicable to the limit as a percentage of debt limit</b>	0.60%	0.58%	0.49%	1.15%	1.28%

- NOTE: (1) Total assessed valuation of real property as certified by the Appraisal Review Board.  
(2) Debt Limit 25% of assessed value of real property - \$9,490,686,581 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 2011**

(Note 1)	Assessed Value		\$ 9,490,686,581
(Note 2)	Debt limit (25% of assessed value)		2,372,671,645
	Debt applicable to limit:		
(Note 3)	Gross bonded debt	72,775,000	
	Less: Amount available from Debt Service Fund	4,920,817	
	Total net debt applicable to limit		67,854,183
	Legal debt margin		2,440,525,828

	<u>2007</u>	<u>2008</u>	<u>Fiscal Year</u> <u>2009</u>	<u>2010</u>	<u>2011</u>
	\$ 1,756,630,748	\$ 1,966,553,398	\$ 2,169,592,185	\$ 2,302,922,924	\$ 2,372,671,645
	20,283,627	68,853,622	72,171,112	72,244,814	67,854,183
	<u>\$ 1,776,914,375</u>	<u>\$ 2,035,407,020</u>	<u>\$ 2,241,763,297</u>	<u>\$ 2,375,167,738</u>	<u>\$ 2,440,525,828</u>
	1.15%	3.50%	3.33%	3.14%	2.86%

Table XIII

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

Fiscal Year	Certificates of Obligation						Capital Leases				
	Property Tax		Less: Agent Fees &	Debt Service		Coverage	Property Tax		Debt Service		Coverage
	Revenue	Interest	Issuance Cost	Principal	Interest		Revenue	Principal	Interest		
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	
2010	6,092,191	46,125	109,060	2,590,000	1,036,027	1.66	1,311	1,289	11	1.01	
2011	5,836,067	18,052	2,747	1,490,000	1,018,980	2.33	-	-	-	-	

## **DEMOGRAPHIC AND ECONOMIC INFORMATION**

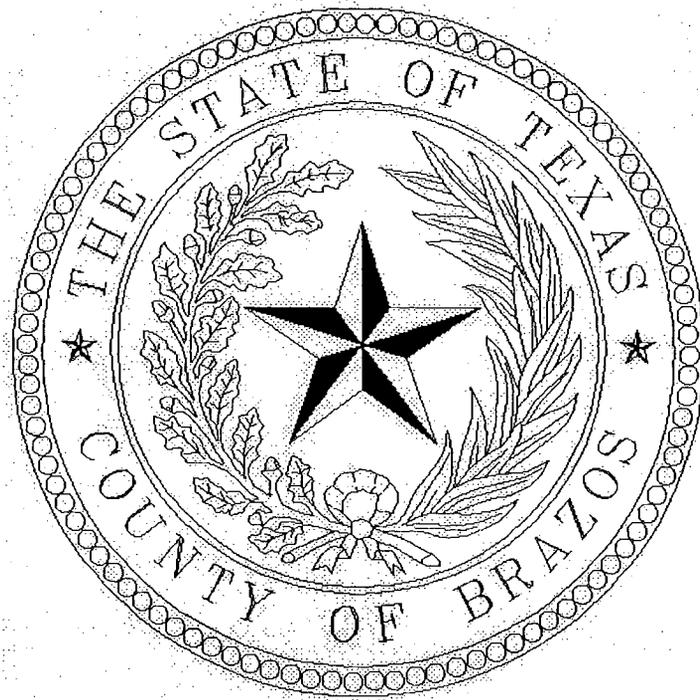


Table XIV

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

<b>Year</b>	<b>Population <sup>(1)</sup></b>	<b>Personal <sup>(2)</sup> Income</b>	<b>Per Capita Personal Income</b>	<b>Public School Enrollment <sup>(3)</sup></b>	<b>Texas A &amp; M Enrollment <sup>(4)</sup></b>	<b>Blinn College Enrollment <sup>(5)</sup></b>	<b>Unemployment Rate <sup>(6)</sup></b>
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%
2010	194,851	3,001,972,053	15,407	25,597	49,129	12,145	5.70%
2011	213,839	3,089,688,803	14,449	26,604	49,861	12,342	6.40%

- Sources:**
- (1) For years 2008 and previous, population information provided by the Texas State Data Center. The information is an estimation of the population. For the year 2009, information received from ERS/USDA. Population estimation is based on previous years. For the year 2010, information was received from US Census Bureau. For 2011, the projected population came from Texas Department of State Health Services.
- (2) Personal Income and unemployment rate information provided by the Texas Workforce Commission.
- (3) Public School Enrollment information is for Bryan ISD, College Station ISD and Brazos School for Inquiry and Creativity. Enrollment information is from the Academic Excellence Indicator System report on TEA's website.
- (4) Current year is based on TAMU Enrollment profile. Years 1998 to 2005 enrollment information is from City of College Station CAFR. Year 2006 is from Wikipedia. Enrollment information is based on Fall semesters.
- (5) Previous CAFRs reflected enrollment for Blinn Campuses based on all campuses. The information now reflects just the enrollment for the campus in Brazos County and is based on the Fall semester.
- (6) Source: Texas Workforce Commission

Table XV

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

2011	2002
Employer <sup>(1)</sup>	Employer <sup>(2)</sup>
Brazos County	Alenco Holding Corporation, Inc.
Bryan Independent School District	Brazos County
City of Bryan	Bryan Independent School District
City of College Station	City of Bryan
College Station Independent School District	City of College Station
College Station Medical Center	College Station Independent School District
HEB Grocery	Sanderson Farms
Penncro & Associates	St. Joseph Regional Hospital
Reynolds & Reynolds	Texas A&M University & System
Sanderson Farms	UCS/Rentsys
Scott & White Clinic	
St. Joseph Regional Hospital	
Texas A&M Health Science Center	
Texas A&M University System	
Wal-mart	

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

**Source:** (1) Research Valley Partnership

(2) 2002 Brazos County CAFR

## **OPERATING INFORMATION**



**Table XVI**

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

<b>Function</b>	<b>Employees as of September 30,</b>									
	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
General Government	120	121	124	124	126	133	134	135	138	138
Justice System	143	145	153	153	158	164	171	168	172	176
Law Enforcement	200	215	217	222	223	234	249	257	265	264
Juvenile Services	88	88	90	91	89	91	91	97	98	93
Human Services	24	24	25	26	26	39	42	46	50	58
Public Transportation	69	70	70	70	70	70	71	75	75	81
Total	<u>644</u>	<u>663</u>	<u>679</u>	<u>686</u>	<u>692</u>	<u>731</u>	<u>758</u>	<u>778</u>	<u>798</u>	<u>810</u>

**Source:** County Auditor's Office

(1) Information compiled from Brazos County Budget position control

Table XVII

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

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011
Justice System									
Birth Certificates Filed <sup>(1)</sup>	2,795	2,972	2,978	2,971	3,276	3,188	3,254	2,853	2,480
Marriage License Applications <sup>(1)</sup>	1,435	1,419	1,374	1,444	1,493	1,637	1,289	1,275	1,149
Death Certificates Issued	375	743	713	812	757	929	801	883	967
Registered Voters <sup>(1)</sup>	86,558	86,283	83,894	86,771	82,180	88,758	82,674	88,851	80,834
Court Activity: <sup>(2)</sup>									
District Court:									
Cases Added	9,496	7,679	8,047	7,863	8,241	6,215	6,774	6,843	6,341
Cases Disposed	8,314	6,763	6,295	8,041	8,120	6,190	6,291	6,283	6,300
Cases Pending	5,649	6,009	8,013	8,281	8,814	4,486	6,598	7,113	4,361
County Court at Law Courts:									
Cases Added	181	3,658	6,019	5,706	6,820	4,258	7,137	7,000	5,159
Cases Disposed	113	3,072	4,560	4,856	5,999	4,441	7,403	6,768	4,712
Cases Pending	230	1,185	2,342	3,142	3,948	4,283	3,664	3,250	3,119
Justice of the Peace Courts:									
Cases Added	18,179	20,105	22,085	19,387	22,965	23,375	23,008	19,583	19,783
Cases Disposed	13,783	16,272	16,868	18,497	21,117	19,986	20,605	18,111	19,322
Law Enforcement									
Sheriff's Department:									
Average Daily Inmate Population <sup>(3)</sup>	445	425	492	550	553	536	594 <sup>(7)</sup>	538	584
Arrest Totals <sup>(3)</sup>	12,369	13,915	14,328	15,541	15,769	14,584	13,944	10,040	15,058
Human Services									
Cooperative Agricultural Extension Office: <sup>(4)</sup>									
Number of Educational Programs Conducted	356	602	622	779	772	528	623	573	383
Number of Participants in Educational Programs	12,540	21,660	22,487	49,229	16,850	60,589	220,900	1,104,930	1,515,696
Brazos Center:									
No. of Events held: <sup>(5)</sup>	582	531	532	578	522	493	466	458	581
Exposition Center:									
No. of Events held: <sup>(6)</sup>	0	0	0	0	3	85	108	118	126
Public Transportation									
Miles of Roads:									
Paved	N/A	N/A	N/A	330	341	342	348	364	368
Unpaved	N/A	N/A	N/A	146	137	129	124	110	103

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

(2) Source: Office of Court Administration

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

(4) Source: Texas Cooperative Agriculture Extension Contact Summary

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

(6) Source: Exposition Center

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

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

Table XVIII

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

<b>Function</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
General Government									
Office Buildings / Courthouse	4	4	4	4	5	5	5	5	5
Maintenance Vehicles	5	4	5	7	8	9	9	11	12
IT Vehicles	1	1	1	1	1	1	2	2	2
Justice System									
Office Buildings / Courthouse	0	0	0	1	2	2	2	2	2
County Attorney Vehicles	2	5	6	8	10	8	8	9	8
District Attorney Vehicles	3	3	4	7	4	4	4	4	4
Law Enforcement									
Sheriff's Administration Facility	0	0	0	0	0	1	1	1	1
Sheriff's Detention Facility	1	(1)	1	(1)	1	(1)	1	(1)	1
Vehicles:									
Sheriff's	36	47	53	63	62	63	62	66	63
Sheriff's - Jail Division	5	6	6	7	9	10	11	17	27
Constable	13	18	18	21	24	22	22	23	26
Heavy Equipment:									
Sheriff	1	1	1	1	1	1	1	0	2
Sheriff's - Jail Division	1	1	3	3	4	4	4	5	1
Juvenile Services									
Juvenile Facilities	1	1	1	1	1	1	1	1	1
Juvenile Dept Vehicles	7	6	8	8	8	7	7	7	7
Human Services									
Buildings	3	3	3	3	5	5	5	5	5
Emergency Management Vehicles	1	1	1	1	1	1	1	0	0
Brazos Center:									
Vehicles	2	2	2	3	2	4	4	4	5
Equipment	3	4	4	4	3	4	4	4	1
Exposition Center:									
Vehicles	0	0	0	0	1	3	3	4	4
Equipment	0	0	0	0	2	12	12	13	11
Collection Citizen Sites	7	7	7	7	7	7	7	7	7
Public Transportation									
Road and Bridge Building	1	1	1	1	1	1	1	1	1
Road and Bridge Vehicles	38	40	41	44	46	48	48	53	54
Road and Bridge Heavy Equipment	83	84	94	95	95	93	93	95	75
County Roads (miles)	461	450	453	476	478	472	472	474	471
Bridges	58	58	58	63	59	59	60	60	61

Note: Implementation of GASB 34 was in 2003. Therefore, the information only reflects nine 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 moved to the new Jail Facility in FY 10.



**INDEPENDENT AUDITORS' REPORTS ON  
COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING  
SEPTEMBER 30, 2011**



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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Brazos County, Texas (the "County") as of and for the year ended September 30, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 13, 2012. 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 deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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

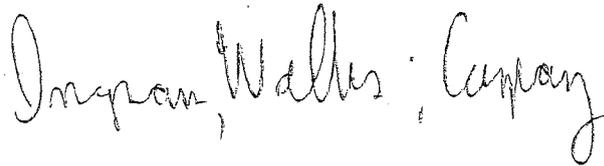
As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2011-01.

We noted certain matters that we reported to management of the County in a separate letter dated March 13, 2012.

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, 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 13, 2012

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



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

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON  
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 Duane Peters, County Judge  
and the Honorable County Commissioners  
Brazos County, Texas

### Compliance

We have audited Brazos County, Texas' (the "County") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *State of Texas Single Audit Circular* that could have a direct and material effect on each of the County's major federal and state programs for the year ended September 30, 2011. 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 compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2011-01.

Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the 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 the requirements that could have a direct and material effect on a major federal and state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State of Texas Single Audit Circular*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

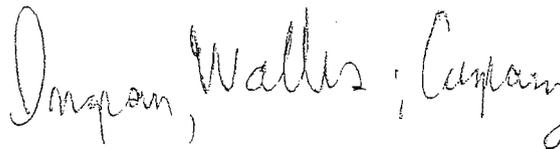
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

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

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 the response.

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 13, 2012



**BRAZOS COUNTY, TEXAS**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended September 30, 2011**

Federal Grantor/Pass -Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor/State Number	Program/ Award Amount	Accounts Receivable (Payable) October 1, 2010	Receipts	Expenditures	Grant Funds Refunded in 2011	Accounts Receivable (Payable) September 30, 2011
<b>U. S. Department of Justice</b>								
<u>Passed through City of Bryan</u>								
Edward Byrne Memorial Justice Assistance Grant	16.738	2007-F5636-TX-DJ	30,220	\$ (44)	\$ --	\$ --	\$ 44	\$ --
Edward Byrne Memorial Justice Assistance Grant-ARRA	16.804	2009-SB-B9-0783	84,001	(61,321)	--	50,388	--	(10,933)
Edward Byrne Memorial Justice Assistance Grant	16.738	2009-DJ-BX0600	14,655	(31)	--	--	--	(31)
<u>Passed through City of College Station</u>								
Edward Byrne Memorial Justice Assistance Grant	16.579	2010-DJ-BX-0423	13,740	--	13,740	--	--	(13,740)
State Criminal Alien Assistance Program	16.606	2011-H3736-TX-AP 07/01/09-06/30/10	45,510	--	--	45,510	--	45,510
State Criminal Alien Assistance Program	16.606	2010-AP-BX-0682 07/01/08-06/30/09	56,689	56,689	56,689	--	--	--
Bulletproof Vest Partnership	16.607	2007BOBX07038987	2,281	--	--	543	--	543
Bulletproof Vest Partnership	16.607	2009BOBX08043455	1,412	--	--	--	--	--
Bulletproof Vest Partnership	16.607	2010	1,131	--	--	535	--	535
Bulletproof Vest Partnership	16.607	2011	644	--	--	--	--	--
Public Safety Partnership and Community Policing Grants	16.710	2010CKWX0552 12/16/09-12/15/12	200,000	--	30,708	32,118	--	1,410
				(4,707)	101,137	129,094	44	23,294
<u>Passed through Office of the Governor of Texas,</u>								
<u>Criminal Justice Division</u>								
Special Investigations Unit	16.738	1986103	257,555	62,155	62,155	--	--	--
				62,155	62,155	--	--	--
<b>U. S. Department of Transportation</b>								
<u>Passed through State Department of Highways and Public Transportation</u>								
Metropolitan Planning Organization	20.205	50-11XF0024	480,125	--	218,518	277,265	--	58,747
Metropolitan Planning Organization	20.205	510XXF0024	438,966	78,670	78,670	--	--	--
Comprehensive Underage Drinking Education Program	20.600	589XXEGF5158	61,601	--	--	43,614	--	43,614
Comprehensive Underage Drinking Education Program	20.600	589XXEGF5137	61,600	9,375	9,375	--	--	--
				88,045	306,563	320,879	--	102,361
<b>Federal Election Assistance Commission</b>								
<u>Passed through Secretary of State of Texas</u>								
Help America Vote Act - General HAVA Compliance	90.401		1,132,036	--	--	202,092	--	202,092
				--	--	202,092	--	202,092
<b>Department of Homeland Security</b>								
<u>Passed through Texas Department of Public Safety</u>								
Division of Emergency Management	97.042	10TX-EMPG-1440	47,965	47,965	47,965	--	--	--
Division of Emergency Management	97.042	11TX-EMPG-1440	48,277	--	--	48,277	--	48,277
Emergency Preparedness Grant	97.073	2008 SHSP	127,671	127,671	127,671	--	--	--
Emergency Preparedness Grant	97.073	2008 SHSP LEAP	38,996	25,632	25,632	--	--	--
Emergency Preparedness Grant	97.073	2009 SHSP	174,024	--	13,635	173,339	--	159,704
Emergency Preparedness Grant	97.073	2009 SHSP LEAP	14,024	--	6,184	2,446	--	(3,738)
Emergency Preparedness Grant	97.073	2010 SHSP	199,238	--	50,000	107,914	--	57,914
				\$ 201,268	\$ 271,087	\$ 331,976	\$ --	\$ 262,157

**BRAZOS COUNTY, TEXAS**  
**Schedule of Expenditures of Federal and State Awards (Continued)**  
**For the Year Ended September 30, 2011**

Federal Grantor/Pass -Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor/State Number	Program/ Award Amount	Accounts Receivable (Payable) October 1, 2010	Receipts	Expenditures	Grant Funds Refunded in 2011	Accounts Receivable (Payable) September 30, 2011
<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	10/01/09-09/30/10	--	\$ 6,598	\$ 6,598	\$ --	\$ --	\$ --
Title IV-E-Legal (CPS)	93.658	10/01/10-09/30/11	--	--	19,686	30,526	--	10,840
Title IV-E-Foster Care Maintenance	93.658	10/01/09-09/30/10	--	1,947	2,006	59	--	--
Title IV-E-Foster Care Maintenance - ARRA	93.658	10/01/09-09/30/10	--	265	206	(59)	--	--
Title IV-E-Foster Care Maintenance	93.658	10/01/10-09/30/11	--	--	2,469	5,448	--	2,979
Title IV-E-Foster Care Maintenance - ARRA	93.658	10/01/10-09/30/11	--	--	23	23	--	--
				<u>8,810</u>	<u>30,988</u>	<u>35,997</u>	<u>--</u>	<u>13,819</u>
<u>Passed through the Texas Juvenile Probation Commission</u>								
Title IV-E - Maintenance - Juvenile	93.658	TJPC-E-2010-021	--	88,824	104,195	15,371	--	--
Title IV-E - Maintenance - Juvenile - ARRA	93.658	TJPC-E-2010-021	--	12,113	5,846	(6,267)	--	--
Title IV-E - Maintenance - Juvenile	93.658	TJPC-E-2011-021	--	14,201	173,308	198,528	--	39,421
Title IV-E - Maintenance - Juvenile - ARRA	93.658	TJPC-E-2011-021	--	1,937	2,554	617	--	--
Title IV-E - Maintenance - Juvenile	93.658	TJPC-E-2012-021	--	--	--	18,302	--	18,302
				<u>117,075</u>	<u>285,903</u>	<u>226,551</u>	<u>--</u>	<u>57,723</u>
<u>Passed through the Texas Department of Agriculture</u>								
National School Lunch Program	10.555	07/01/11-06/30/12	--	--	--	6,637	--	6,637
	10.555	07/01/10-06/30/11	--	4,617	23,526	18,909	--	--
School Breakfast Program	10.553	07/01/11-06/30/12	--	--	--	4,165	--	4,165
	10.553	07/01/10-06/30/11	--	2,503	14,661	12,158	--	--
Food Services Division Commodities	10.550	07/01/11-06/30/12	--	--	525	525	--	--
		07/01/10-06/30/11	--	--	640	640	--	--
				<u>7,120</u>	<u>39,352</u>	<u>43,034</u>	<u>--</u>	<u>10,802</u>
<u>Passed through the Health and Human Services Commission</u>								
Administration of Social Services Block Grant	93.667	HHSC-529-09-0098-00001	14,816	5,969	14,816	8,847	--	--
				<u>5,969</u>	<u>14,816</u>	<u>8,847</u>	<u>--</u>	<u>--</u>
<b>Total Federal Assistance</b>				<u>\$ 485,735</u>	<u>\$ 1,112,001</u>	<u>\$ 1,298,470</u>	<u>\$ 44</u>	<u>\$ 672,248</u>

**BRAZOS COUNTY, TEXAS**  
**Schedule of Expenditures of Federal and State Awards (Continued)**  
**For the Year Ended September 30, 2011**

State Grant or Program Title	Federal CFDA Number	Pass-Through Grantor/State Number	Program/ Award Amount	Accounts Receivable (Payable) October 1, 2010	Receipts	Expenditures	Grant Funds Refunded in 2011	Accounts Receivable (Payable) September 30, 2011
<u>Texas Juvenile Probation Commission</u>								
State Aid	N/A	TJPC-A-2011-021 09/01/10-08/31/11	181,959	\$ 10,144	\$ 158,383	\$ 148,239	\$ --	\$ --
State Aid	N/A	TJPC-A-2012-021 09/01/11-08/31/12	809,562	--	--	45,572	--	45,572
Community Corrections Assistance Program	N/A	TJPC-Y-2011-021 09/01/10-08/31/11	225,994	12,791	225,993	213,202	--	--
State Supplement	N/A	TJPC-Z-2010-021 09/01/10-08/31/11	123,975	6,057	123,975	117,151	767	--
JJAEP	N/A	TJPC-P-2011-021 08/01/10-5/31/11	35,313	--	14,814	8,374	6,440	--
JJAEP	N/A	TJPC-P-2012-021 08/01/11-5/31/12	14,984	--	--	1,501	--	1,501
Progressive Sanctions Juvenile Probation Officers	N/A	TJPC-F-2010-021 09/01/10-08/31/11	94,104	10,313	94,104	83,791	--	--
Progressive Sanctions ISJPO	N/A	TJPC-O-2011-021 09/01/10-08/31/11	27,240	2,544	27,240	24,696	--	--
Intensive Community Based Program - Regional	N/A	TJPC-X-2011-021 09/01/10-08/31/11	57,544	3,108	57,544	54,436	--	--
Diversionary Placement	N/A	TJPC-H-2011-021 09/01/10-08/31/11	73,844	19,970	73,844	53,874	--	--
Commitment Reduct	N/A	TJPC-C-2011-021 09/01/10-08/31/11	153,300	6,986	153,300	128,268	18,046	--
Commitment Reduct	N/A	TJPC-C-2012-021 09/01/11-08/31/12	136,257	--	--	6,788	--	6,788
Secure Placement	N/A	TJPC-L 09/01/10-08/31/11	48,998	--	48,998	48,998	--	--
<u>Office of Attorney General</u>								
VINE Program	N/A	1120484	30,710	--	30,710	30,710	--	--
<u>Office of the Governor</u>								
Defense Economic Adjustment Assistance	N/A	TMPC300-10-734	2,000,000	--	2,000,000	2,000,000	--	--
Total State Assistance				71,913	3,008,905	2,965,600	25,253	53,861
Total Federal and State Assistance				\$ 557,648	\$ 4,120,906	\$ 4,264,070	\$ 25,297	\$ 726,109

BRAZOS COUNTY, TEXAS  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

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

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

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

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

SUMMARY OF NON-CASH ASSISTANCE

The County receives non-cash assistance in the form of commodities from the U.S. Department of Health and Human Services passed through the Texas Department of Agriculture. In fiscal year ended September 30, 2011, the County received \$1,165 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, 2011

SECTION II - FINANCIAL STATEMENT FINDINGS

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

SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

**2011-01 Noncompliance with Suspension & Debarment Requirements**

	Questioned Costs
<u>Department of Homeland Security</u> Passed through Texas Department of Public Safety CFDA No. 97.073 – State Homeland Security Program (SHSP); Federal Grant Award Nos. 2009-SS-T9-0064 & 2010-SS-T0-0008; SAA Award Nos. 09-SR 48041-02 & 10-SR 48041-01; Grant Period – 8/1/09-4/15/12 & 8/1/10-7/31/12	---
<u>Office of the Governor, Texas Military Preparedness Commission</u> Grant No. 300-1-0734; Grant Period – 8/19/10-8/31/14	---

*Criteria:* Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include those procurement contracts for goods and services awarded under a nonprocurement transaction (i.e. grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other specified criteria. All nonprocurement transactions (i.e. subawards to subrecipients), irrespective of award amount, are considered covered transactions. When a non-federal entity enters into a covered transaction, the non-federal entity must verify that the entity is not suspended or debarred or otherwise excluded. This verification may be accomplished by checking the *Excluded Parties List System (EPLS)* maintained by the General Services Administration (GSA), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity.

*Condition:* During review of this compliance requirement, it was noted that the County failed to properly verify that contracting parties were not suspended or debarred.

*Recommendation:* We recommend that the County verify suspension and debarment for all required covered transactions.

BRAZOS COUNTY, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

*Management's Response & Corrective Action Planned:* County management and staff concur with the findings. In order to comply with the suspension and debarment requirements, the County has added the suspension/debarment verification measures for the federal and state grant funds to its purchasing policy.

BRAZOS COUNTY, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2011  
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

SECTION II - FINANCIAL STATEMENT FINDINGS

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

SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

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



