

BRAZORIA COUNTY, TEXAS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Fiscal Year Ended
September 30, 2015

BRAZORIA COUNTY, TEXAS
AUDITOR'S OFFICE
BRAZORIA COUNTY COURTHOUSE
111 E. Locust, Room 303
Angleton, Texas 77515



BRAZORIA COUNTY, TEXAS
Comprehensive Annual Financial Report
 For the Year Ended September 30, 2015

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INTRODUCTORY SECTION



CONNIE GARNER
BRAZORIA COUNTY AUDITOR
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ANGLETON, TX 77515



TELEPHONE:
Courthouse (979) 864-1275
Brazosport (979) 388-1275
Houston (281) 756-1275

March 16, 2016

The Honorable Board of District Judges
The Honorable Commissioners' Court
Brazoria County, Texas

Gentlemen:

The Comprehensive Annual Financial Report of Brazoria County, Texas, for the fiscal year ended September 30, 2015, is submitted herewith in accordance with Chapter 114.025 of the Local Government Code. The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed public accountants.

Management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, Brazoria County management has established a comprehensive internal control framework designed both to protect governmental assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Brazoria County's comprehensive framework, because the cost of internal controls should not outweigh their benefits, has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Kennemer, Masters & Lunsford, LLC, Certified Public Accountants, have issued an unmodified (clean) opinion on Brazoria County's financial statements for the year ended September 30, 2015. The independent auditor's report is located at the front of the financial section of this report.

The independent audit of the financial statements of Brazoria County was a part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements. Specific emphasis was placed on internal controls and compliance with laws and regulations involving the administration of federal awards. These reports are included in the single audit section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report, and it provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal, and it should be read in conjunction with it.

PROFILE OF BRAZORIA COUNTY

The County of Brazoria is located on the Gulf Coast. Brazoria County is "Where Texas Began". It takes its name from the Brazos River, which flows through it. Brazoria County became one of Texas original counties at independence in 1836. The County has a land area of 1,386 square miles. The decennial census levels in Texas determine which of the various State statutes apply to each particular Texas County. Neighboring counties are Matagorda, Wharton, Fort Bend, Harris and Galveston.

The County operates as specified under the Constitution of the State of Texas and Vernon's Texas Code Annotated, which provide for a Commissioners Court consisting of the County Judge and four Commissioners, one from each of four geographical precincts. The County Judge is elected for a term of four years and the Commissioners for four-year staggered terms. Policy-making authority is vested in the Commissioners Court and the Commissioners Court is responsible, among other things, for adopting the budget and for setting county policies.

The County provides a full range of services authorized by statute. Such services include general governmental functions such as recording and licensing, maintaining the county and district court systems, maintaining public facilities, ensuring public safety, maintaining public health and welfare, aiding conservation, and maintaining county roads and bridges.

The annual budget serves as the foundation for Brazoria County's financial planning and control. All departments of the County are required to submit budget requests to the budget officer during May each year. The budget officer uses these requests as the starting point for developing a proposed budget. The proposed budget is then presented to the Commissioners Court for review. The Commissioners Court is required to hold public hearings on the proposed budget. The appropriated budget is prepared by fund, function (e.g., public safety), department and by the categories of salaries and benefits, operating expenditures, capital outlay and debt services. All transfers of appropriations, either between departments or within an individual department's budget, require the approval of the Commissioners Court. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Brazoria County operates.

Local Economy

Brazoria County is one of Texas' most fertile agricultural areas, one of the regions, more prolific fuel and mineral areas, and in recent decades, the location of one of the world's largest basic chemical manufacturing complexes. The primary economic bases of the county include chemical manufacturing, petroleum processing, offshore production maintenance services, diversified manufacturing including pacemakers and computer chips, biochemical and electronic industries, commercial fishing and agriculture. In addition, the area's deep waterway and port facilities, sports fishing services and tourism are major components of the county's economic base.

Brazoria County continues to experience strong growth in population and in its economic base. This is evident by the increases in new home sales, labor force and employment rate. Major industrial investments continue at levels never experienced by the County.

Long-term Financial Planning

Brazoria County has adopted several financial management policies to provide guidelines to insure its long-term financial health. The General Fund Balance policy sets a level for reserve funds in the General Fund at 30% of operating expenditures. The Debt Management policy establishes guidelines for debt issuance, debt levels, appropriate types of debt to issue, and debt repayment schedules. These policies have been adopted in the last several years, and the County has remained in compliance with them.

Relevant Financial Policies

Due to the County's large investment in capital projects financed by tax exempt bonded debt, Brazoria County has adopted a debt management policy and a compliance policy for the use and accounting for the proceeds from our debt issues. The debt management policy formalizes the types of debt the County will incur, the preferred method of selling our bonds, guidelines for refinancing existing debt, and the maximum levels of debt permissible. The compliance policy seeks to insure that bond proceeds will be spent for permissible purposes, that debt proceeds will not be co-mingled with local funds, and that the County will meet its continuing disclosure and arbitrage rebate obligations.

Major Initiatives

The long-term financial plans of the County include multiple capital projects. To meet the needs of the growing population, the Commissioners' Court is very active in infrastructure development, specifically road improvements, to help insure economic growth. Voters approved \$ 50 million in mobility bonds in 2004. The County issued \$ 19.5 million in March, 2010, \$ 14 million in November, 2006 and an additional \$ 8 million in July, 2008. The balance was issued in the summer of 2012 and some projects are ongoing. The County continues to explore the possibility of a Hwy 288 Toll Road with the Brazoria County Toll Road Authority.

In the summer of 2012, the County issued certificates of obligation to fund approximately \$27.5 million in numerous facilities and infrastructure projects. As of September 30, 2015, the County had initiated most of these projects. Construction of a new health clinic was almost complete. Relocation of facilities management was well underway with expected completion late 2015. Major computer software implementations were almost finished at year-end.

Other ongoing projects are upgraded radio systems for the Sheriff's Department, Courthouse restroom renovations and a new home economics building at the fairgrounds.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Brazoria County for its comprehensive annual financial report for the fiscal year ended September 30, 2014. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The County has received this prestigious award for the last 22 consecutive fiscal years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the County Auditor's Office. I want to express my appreciation to all staff members who have assisted in the maintenance of the accounting records of the County, and to the members of the Commissioners' Court for their interest and support in planning and conducting the financial operations of the county in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink that reads "Connie Garner". The signature is written in a cursive, flowing style.

Connie Garner
County Auditor



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

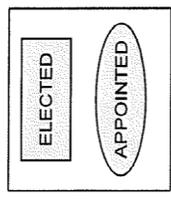
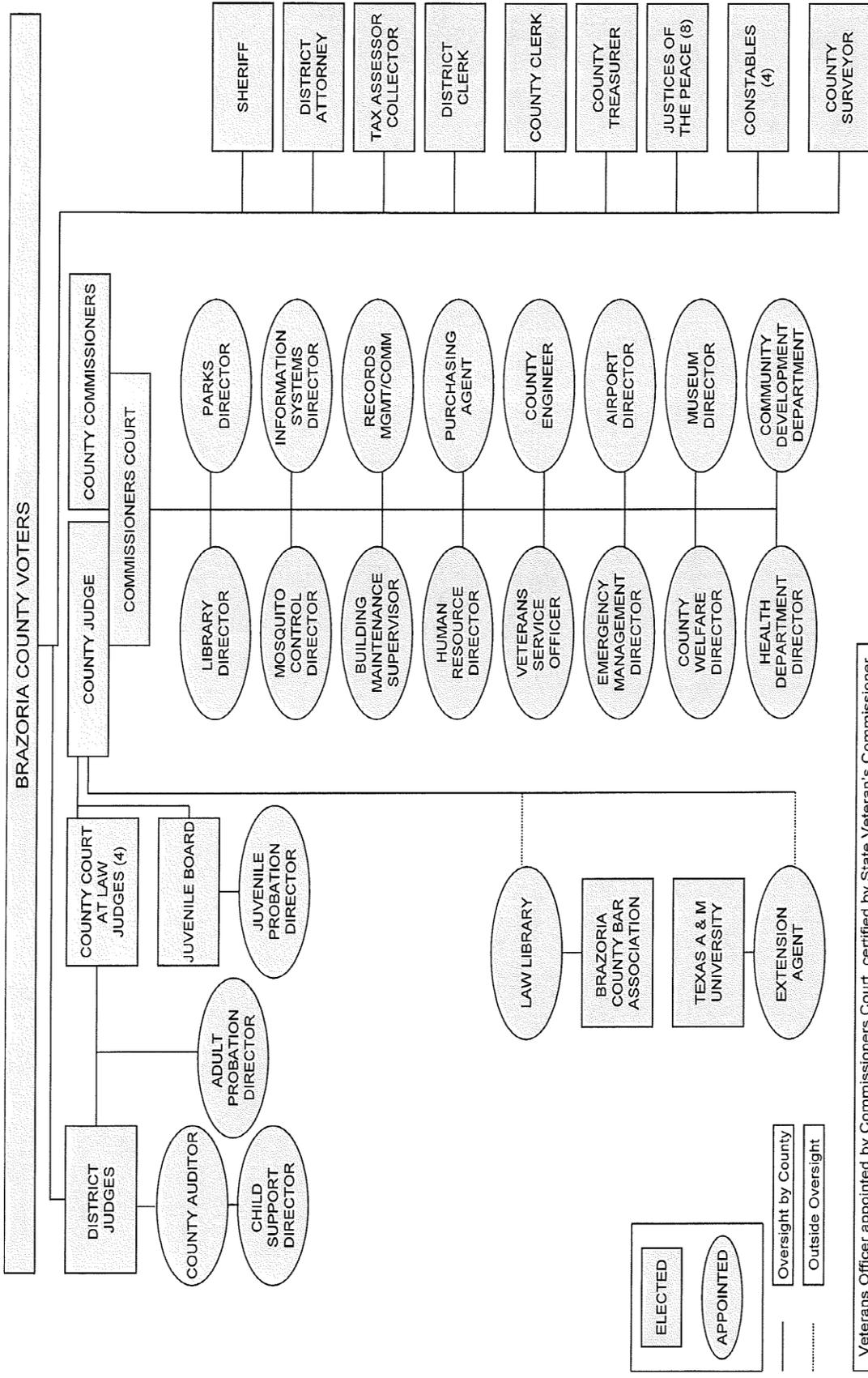
Presented to

**Brazoria County
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Executive Director/CEO



Veterans Officer appointed by Commissioners Court, certified by State Veteran's Commissioner

County Agriculture Agent & Home Demo Agent appointed by Texas A&M Extension Service

BRAZORIA COUNTY, TEXAS
PRINCIPAL OFFICIALS

GOVERNING BODY

Honorable Matthew Sebesta, Jr., County Judge

Donald Payne, Commissioner, Precinct 1

Ryan Cade, Commissioner, Precinct 2

Stacy Adams, Commissioner, Precinct 3

David Linder, Commissioner, Precinct 4

OTHER PRINCIPAL OFFICIALS

Ro'Vin Garrett, Tax Assessor-Collector

Connie Garner, County Auditor

Cathy Campbell, County Treasurer

Joyce Hudman, County Clerk

Rhonda Barchak, District Clerk

Jeri Yenne, District Attorney

Raethella Jones, District Attorney - Chief Civil Division

Charles Wagner, Sheriff



FINANCIAL SECTION



Kennemer, Masters & Lunsford

CERTIFIED PUBLIC ACCOUNTANTS

Limited Liability Company

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Lake Jackson, Texas 77566
979-297-4075

Angleton Office:
2801 N. Velasco Suite C
Angleton, Texas 77515
979-849-8297

El Campo Office:
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El Campo, Texas 77437
979-543-6836

Houston Office:
10850 Richmond Ave., Ste 135
Houston, Texas 77042
281-974-3416

Independent Auditor's Report

The Honorable County Judge,
and Members of Commissioners'
Court of Brazoria County, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Brazoria County, Texas (the "County") as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Members: American Institute of Certified Public Accountants, Texas Society of Certified Public Accountants,
Partnering for CPA Practice Success

The Honorable County Judge,
and Members of Commissioners'
Court of Brazoria County, Texas

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 Brazoria County, Texas, as of September 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 20 to the financial statements, in 2015, the County adopted new accounting guidance, GASB Statement No. 68, Accounting and Financial Reporting for Pensions, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the Schedule of Changes in Net Pension Liability and Related Ratios – Last Ten Years and the Schedule of Employer Contributions – Last Ten Years on pages 5-16, 96-97, and 98-99 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules 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 Texas *Single Audit Circular* and are also not a required part of the basic financial statements.

The combining and individual fund statements and schedules, and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules, and the schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Honorable County Judge,
and Members of Commissioners'
Court of Brazoria County, Texas

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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2016, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Kennemer, Masters & Kingford, LLC

Lake Jackson, Texas
March 16, 2016



BRAZORIA COUNTY, TEXAS

Management's Discussion and Analysis For the Year Ended September 30, 2015

As management of Brazoria County, Texas (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - v of this report.

During the year ended September 30, 2015, the County implemented accounting changes that resulted in the current year presentation of the year ended September 30, 2015. Information was not available for the actual pension costs and beginning equity balances for the year ended September 30, 2014, relative to the current implementation of GASB Statement Nos. 68 and 71. Therefore, Management's Discussion and Analysis comparative balances will not be presented until next year.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year for governmental and business-type activities by \$ 298,907,024 and \$ 21,802,787 (net position), respectively. Of this amount, \$ 76,975,016 and \$ 592,390 (unrestricted net position), respectively, may be used to meet the government's ongoing obligations to citizens and creditors with the County's fund designations.
- The County's total net position increased for governmental and business-type activities by \$ 37,989,075 and \$ 1,705,504, respectively.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$ 121,930,435 and its enterprise fund reported ending net position of \$ 21,829,609. 52.68% and 2.84% of these total amounts, \$ 64,239,699 (unassigned fund balance) and \$ 619,212 (unrestricted net position), respectively, were available for use within the County's fund designations.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$ 64,255,372 or 62.18% of the total general fund expenditures.
- During the year, the District reported net pension liability of \$ 20,232,270, at September 30, 2015, with the implementation of GASB Statements Nos. 68 and 71. This compares to last year's September 30, 2014 balance of \$ 18,733,257.

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 financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

BRAZORIA COUNTY, TEXAS

Management's Discussion and Analysis For the Year Ended September 30, 2015

The *statement of activities* presents information showing how the County's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The *governmental activities* of the County include general administration, judicial and legal, financial administration, elections, public facilities, public safety, corrections, public transportation, health and welfare, public assistance, culture and recreation, conservation, environmental protection, and community development. The *business-type activities* of the County include airport operations.

The government-wide financial statements can be found on pages 18 through 21 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is 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 compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental 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 current sources and uses 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 a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of 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 fund statements of revenues, expenditures, and changes in fund balances, provides reconciliations to facilitate this comparison between governmental funds and governmental activities.

The County maintains ninety-two (92) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General and the Road and Bridge (special revenue fund); both of which are considered to be major funds. Data from the other ninety (90) funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 22 through 25 of this report.

BRAZORIA COUNTY, TEXAS

Management's Discussion and Analysis For the Year Ended September 30, 2015

- **Proprietary Funds.** The County maintains two categories of *proprietary funds*. The *enterprise fund* is used to report the same functions presented as *business-type activities* in government-wide financial statements. The County uses an *enterprise fund* to account for its airport operations and its toll road operations. The second type of proprietary fund is the *internal service fund*. Internal service funds are an accounting device used to accumulate and allocate costs of its self-funded health, liability insurance, and health clinic internally among various funds and functions. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary funds financial statements can be found on pages 26 through 31 of this report.
- **Fiduciary Funds.** *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 operations. The County is the trustee, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position that can be found on pages 32 and 33.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35 through 94 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. Required supplementary information can be found on pages 96 through 99 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information on pensions. Combining and individual statements and schedules can be found on pages 112 through 193 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$ 320,709,811 as of September 30, 2015.

The largest portion of the County's net position, \$ 208,983,232 (65.16%) reflects its investments in capital assets (e.g., land; land improvements; buildings and improvements; furniture, equipment and vehicles; runways, taxiways and aprons; infrastructure; and construction in progress), less any debt used to acquire those assets that is still outstanding. The County uses capital assets to provide service 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 used to liquidate these liabilities.

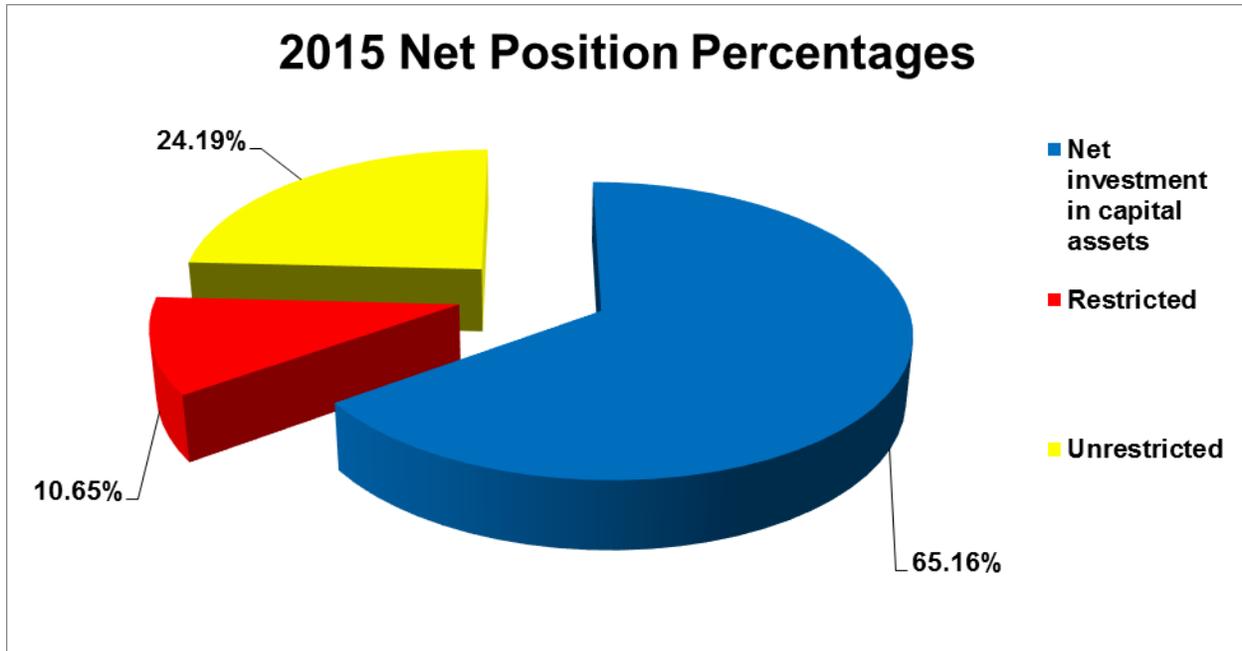
BRAZORIA COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2015

BRAZORIA COUNTY'S NET POSITION

	September 30, 2015		
	Governmental Activities	Business-type Activities	Totals
ASSETS			
Current and other assets	\$ 164,849,784	\$ 891,384	\$ 165,741,168
Capital assets	<u>266,013,898</u>	<u>33,149,444</u>	<u>299,163,342</u>
Total assets	<u>430,863,682</u>	<u>34,040,828</u>	<u>464,904,510</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - net	<u>9,434,728</u>	<u>72,386</u>	<u>9,507,114</u>
Total deferred outflows of resources	<u>9,434,728</u>	<u>72,386</u>	<u>9,507,114</u>
LIABILITIES			
Current and other liabilities	26,672,652	146,729	26,819,381
Long-term liabilities	<u>114,718,734</u>	<u>12,163,698</u>	<u>126,882,432</u>
Total liabilities	<u>141,391,386</u>	<u>12,310,427</u>	<u>153,701,813</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - net	<u> </u>	<u> </u>	<u>-0-</u>
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
NET POSITION			
Net investment in capital assets	187,772,835	21,210,397	208,983,232
Restricted	34,159,173		34,159,173
Unrestricted	<u>76,975,016</u>	<u>592,390</u>	<u>77,567,406</u>
Total net position	<u>\$ 298,907,024</u>	<u>\$ 21,802,787</u>	<u>\$ 320,709,811</u>

An additional portion of the County's net position of \$ 34,159,173 (10.65%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$ 77,567,406 (24.19%) may be used to meet the government's ongoing obligations to citizens and creditors.

As of September 30, 2015, the County is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate categories- governmental and business-type activities.



Analysis of the County's Operations. Overall the County had an increase in net position of \$ 39,694,579. Governmental activities reported an increase in net position in the amount of \$ 37,989,075, while the business-type activities increased the County's net position in the amount of \$ 1,705,504. The reasons for the increases of net position is primarily related to capital assets balances. Net capital asset balances increased by \$ 16,692,316, substantially due to the receipt of federal grant funds such as the U.S. Department of Transportation - Highway Planning and Construction Program of \$ 6,125,192 for roads, and the U.S. Department of Transportation – Airport Improvement Program of \$ 2,194,205 for ramps and hangars.

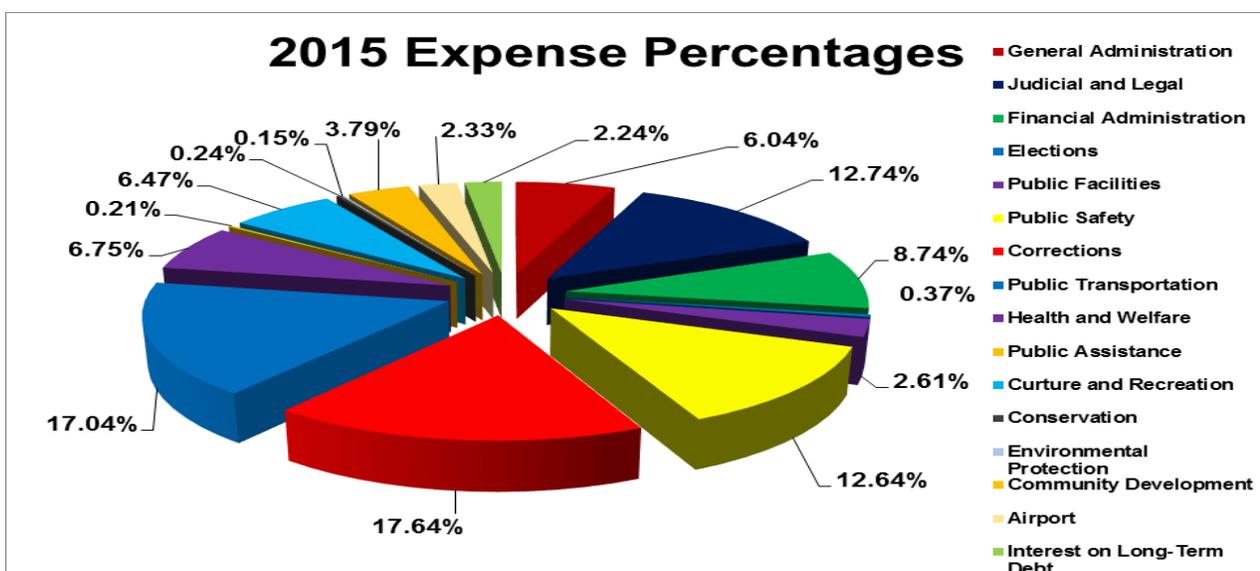
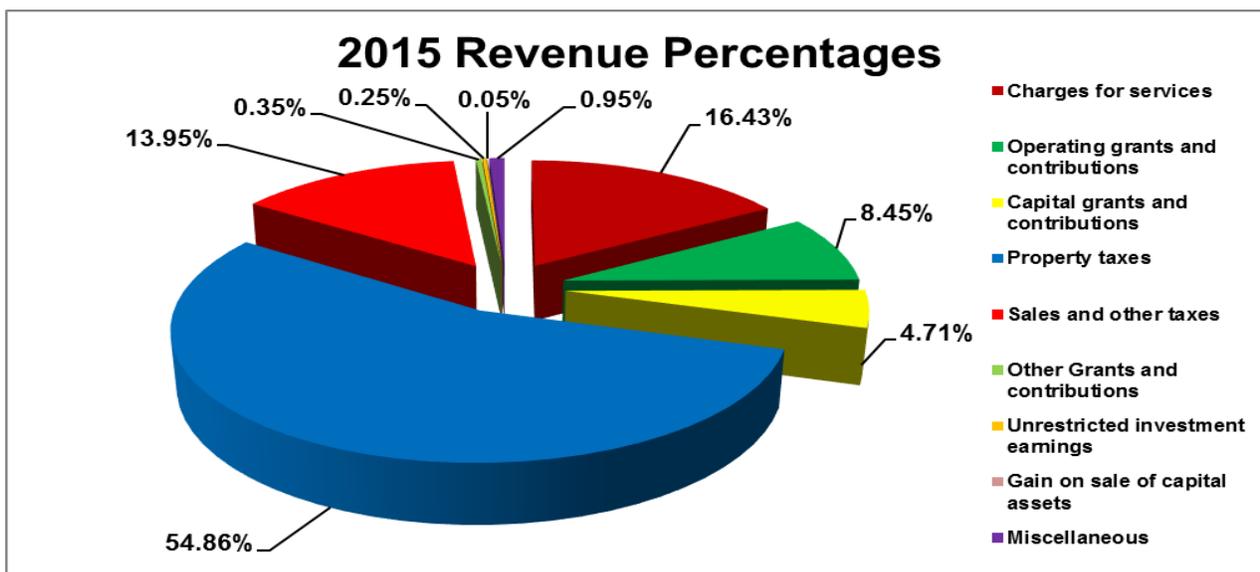
BRAZORIA COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2015

The following table provides a summary of the County's operations for the year ended September 30, 2015:

BRAZORIA COUNTY'S CHANGES IN NET POSITION

	Year Ended September 30, 2015		
	Governmental Activities	Business-type Activities	Totals
Revenues:			
Program Revenues:			
Charges for services	\$ 30,674,791	\$ 2,552,465	\$ 33,227,256
Operating grants and contributions	17,034,646	56,643	17,091,289
Capital grants and contributions	7,324,038	2,194,205	9,518,243
General Revenues:			
Property taxes	110,895,732		110,895,732
Sales and other taxes	28,255,671		28,255,671
Grants and contributions not restricted to specific programs	709,617		709,617
Unrestricted investment earnings	499,740		499,740
Gain on disposition of capital assets	99,302		99,302
Miscellaneous	1,934,315		1,934,315
Total revenues	<u>197,427,852</u>	<u>4,803,313</u>	<u>202,231,165</u>
Expenses:			
General administration	9,819,841		9,819,841
Judicial and legal	20,702,777		20,702,777
Financial administration	14,199,026		14,199,026
Elections	593,251		593,251
Public facilities	4,247,946		4,247,946
Public safety	20,549,314		20,549,314
Corrections	28,672,523		28,672,523
Public transportation	27,695,529		27,695,529
Health and welfare	10,961,502		10,961,502
Public assistance	341,462		341,462
Culture and recreation	10,516,642		10,516,642
Conservation	394,293		394,293
Environmental protection	248,480		248,480
Community development	6,165,252		6,165,252
Airport		3,788,609	3,788,609
Interest on long-term debt	3,640,139		3,640,139
Total expenses	<u>158,747,977</u>	<u>3,788,609</u>	<u>162,536,586</u>
Increase in net position before contributions and transfers	38,679,875	1,014,704	39,694,579
Transfers	(690,800)	690,800	-0-
Increase in net position	37,989,075	1,705,504	39,694,579
Net position – October 1, (Restated)	<u>260,917,949</u>	<u>20,097,283</u>	<u>281,015,232</u>
Net position – September 30,	<u>\$ 298,907,024</u>	<u>\$ 21,802,787</u>	<u>\$ 320,709,811</u>

BRAZORIA COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2015



Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

BRAZORIA COUNTY, TEXAS

Management's Discussion and Analysis For the Year Ended September 30, 2015

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$ 121,930,435. The unassigned fund balance of \$ 64,239,699 constitutes 52.68% of ending fund balance. The remainder of the fund balance is categorized as 1) non-spendable \$ 13,885,576, 2) restricted \$ 41,988,429, and 3) committed \$ 1,816,731.

Fund balance of the General Fund increased by \$ 13,911,458; the Road and Bridge (special revenue fund) increased by \$ 4,639,229; and, other (non-major) governmental funds decreased by \$ 6,958,171. The General Fund revenue increased over the prior year by \$ 8.2 million. Taxes increased by \$ 6.9 million due to an increase in the property tax rates and sales tax collections. Expenditures in General Fund increased by \$ 5.1 million, primarily due to increased salaries and benefit costs. The Road & Bridge (special revenue fund) increased mostly due to the timing of planned road projects.

Proprietary funds. The County's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. The enterprise funds are used to account for airport operations and toll road operations. Net position at September 30, 2015 amounted to \$ 21,829,609. Total net position increased \$ 1,714,217 (approximately 8.52%), and the increase was primarily due to the increase in capital contributions.

General Fund Budgetary Highlights. Over the course of the year, the County recommended and the Commissioners approved several revisions to budgeted revenue and appropriations. Differences between the original budget and the final amended budget were a \$ 1.5 million increase in estimated revenues, and a \$ 1.9 million increase in appropriations and were primarily for the following:

- The re-appropriation of funds for prior year-end encumbrances.
- Increased "Tax Increment Reinvestment Zone" (TIRZ) expenditures.

During the year, revenues were more than budgetary estimates and expenditures were less than budgetary estimates. Major variances include:

- Sales Tax revenue exceeded budget by 27.3% (\$ 6.0 million) due to higher than expected collections.
- Licenses and Permits exceeded budget due to increased mixed drink tax, building permits and septic permits.
- Expenditures in judicial and legal were less than budgeted due to declining number of court appointed attorneys.

BRAZORIA COUNTY, TEXAS

*Management's Discussion and Analysis
For the Year Ended September 30, 2015*

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2015, amounts to \$ 299,163,342 (net of accumulated depreciation). This investment in capital assets includes land; land improvements; buildings and improvements; furniture, equipment and vehicles; runways, taxiways and aprons; infrastructure; and construction in progress.

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

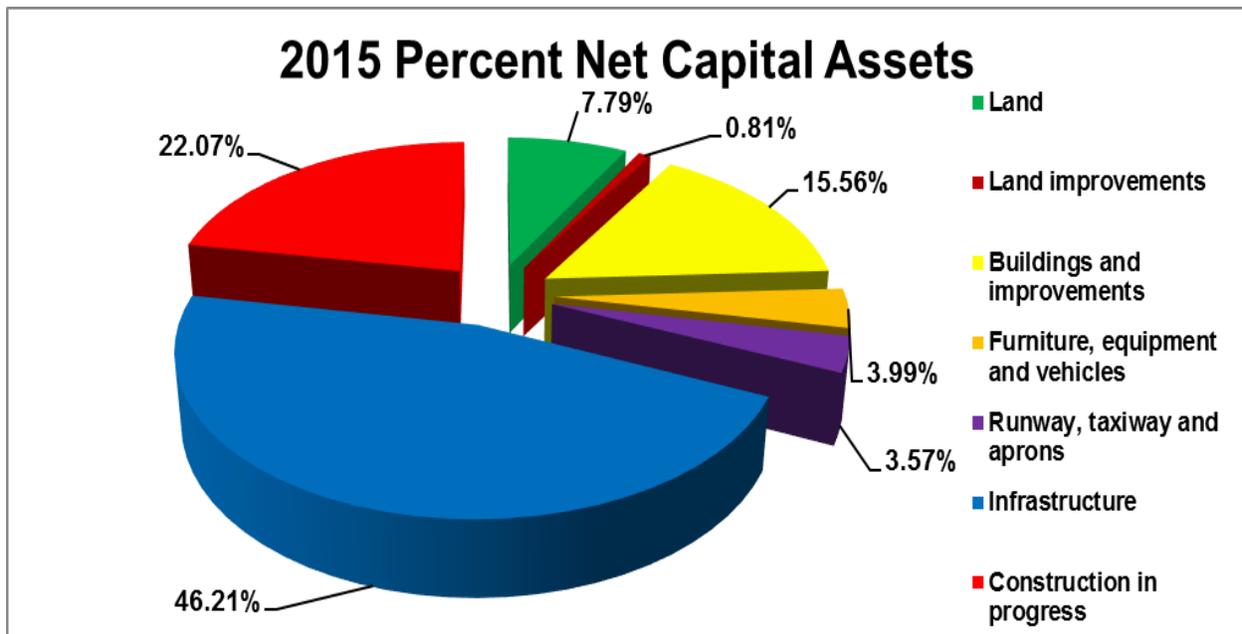
- Purchase of land and right of ways for \$ 463,714.
- Completion of Sheriff Department projects including: Dispatch Center, intercom system and video surveillance, \$ 326,457, \$ 352,096 and \$ 166,400, respectively.
- Installation of Information Systems software and virtual servers, \$ 183,109 and \$ 165,798, respectively.
- Conclusion of Park projects including: Surfside Jetty park playground equipment and Resoft park restrooms, \$ 59,671 and \$ 106,923, respectively.
- Completion of Precinct 4 North Substation building which includes offices for Adult Probation, Constable, County Commissioner, Justice of the Peace, and Sheriff for \$ 2,690,354.
- Conclusion of fairgrounds improvements for \$ 166,412.
- Completion of roads and bridges, \$ 18,827,753 and \$ 470,366, respectively.
- Vehicles and equipment were added to capital assets, primarily as replacements to vehicles and road and bridge equipment during the year for \$ 3,343,096.
- Various transportation projects were initiated or continued at a cost of \$ 34.3 million.
- A mixture of new building projects in progress including: Facilities management for \$ 2,820,614; fairgrounds Home Economics \$ 316,724 and Health for \$1,176,485.
- A diversity of technology projects in progress including: Odyssey software for \$ 4,034,324; Sheriff radio upgrade for \$ 5,210,450; and Oracle-PeopleSoft financials and human resources software updates for \$ 61,938.
- A variety of other construction in progress projects including: West Columbia fueling station for \$ 68,919; fairgrounds electrical upgrade for \$ 110,132; park projects for \$ 837,915; West Annex parking area for \$ 93,373; Restore Act grant – Quintana pier for \$ 54,034 and San Bernard River for \$ 285,076; and Courthouse restrooms improvements for \$ 200,269.

BRAZORIA COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2015

BRAZORIA COUNTY'S CAPITAL ASSETS
Net of Accumulated Depreciation

	September 30, 2015		
	Governmental Activities	Business-type Activities	Totals
Land	\$ 21,740,684	\$ 1,558,687	\$ 23,299,371
Land improvements	2,429,841		2,429,841
Buildings and improvements	42,267,457	4,294,567	46,562,024
Furniture, equipment and vehicles	11,628,173	302,536	11,930,709
Runway, taxiways and aprons		10,672,016	10,672,016
Infrastructure	138,235,167		138,235,167
Construction in progress	49,712,576	16,321,638	66,034,214
Total	\$ 266,013,898	\$ 33,149,444	\$ 299,163,342

Additional information on the County's capital assets can be found in Note 6 on pages 66 through 72 of this report.



BRAZORIA COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2015

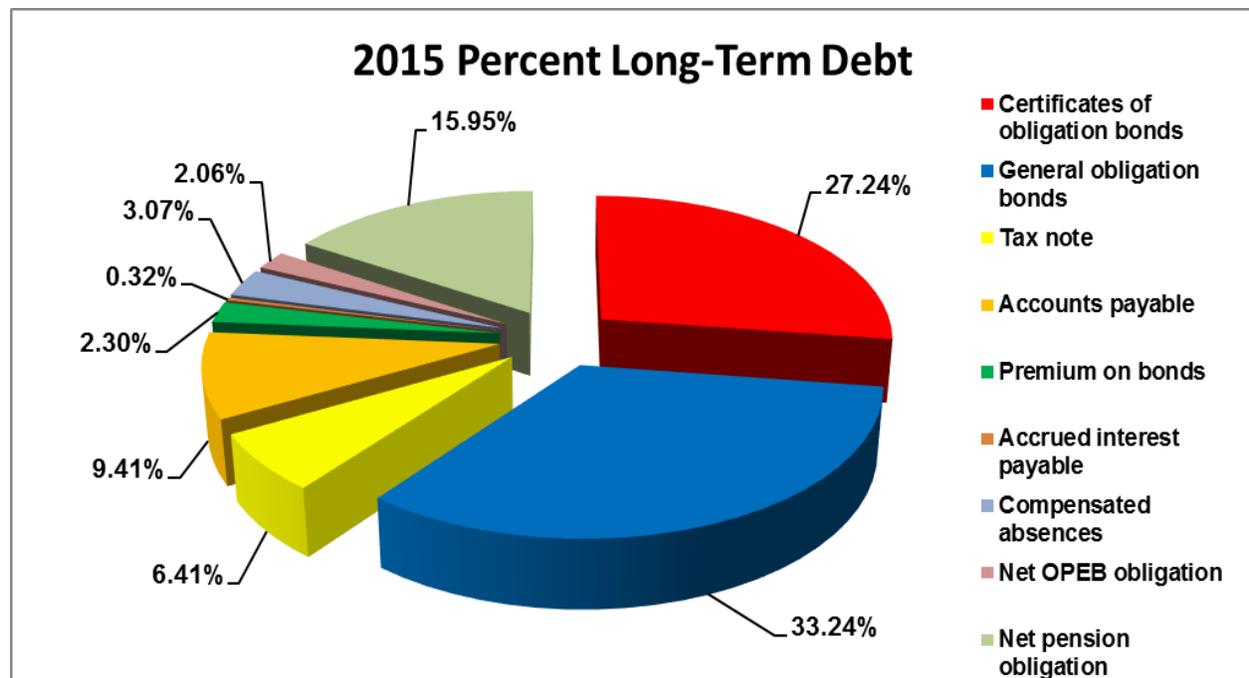
DEBT ADMINISTRATION

At the end of the current fiscal year, the County had a total bonded debt of \$ 84,880,000 which, comprises bonded debt backed by the full faith and credit of the County. These bonds and tax note will be retired with revenues from property and sales taxes, and fees for services.

BRAZORIA COUNTY'S LONG-TERM DEBT
Bonds, Capital Leases, Components of Debt, and Compensated Absences

	September 30, 2015		
	Governmental Activities	Business-type Activities	Totals
Certificates of obligation bonds	\$ 34,570,000	\$	\$ 34,570,000
General obligation bonds	42,175,000		42,175,000
Tax notes	8,135,000		8,135,000
Accounts payable – long-term		11,939,047	11,939,047
Components of Debt:			
Premium on bonds	2,912,935		2,912,935
Accrued interest payable	408,507		408,507
Compensated absences	3,848,540	41,282	3,889,822
Net OPEB liability	2,598,340	21,511	2,619,851
Net pension obligation	<u>20,070,412</u>	<u>161,858</u>	<u>20,232,270</u>
 Total	 <u>\$ 114,718,734</u>	 <u>\$ 12,163,698</u>	 <u>\$ 126,882,432</u>

During the fiscal year, the County's total debt decreased \$ 2,082,214 or 1.61%. The decrease was due primarily to the payment of maturing debt.



BRAZORIA COUNTY, TEXAS

*Management's Discussion and Analysis
For the Year Ended September 30, 2015*

All of the outstanding Bonds of the County payable from its limited taxes are insured and are, therefore, rated "Aa1" by Moody's Investors Service Inc. ("Moody's"), "AA" by Standard & Poor's ("S&P"), and "AA+" by Fitch.

Additional information on the County's long-term debt can be found in Note 8 on pages 73 through 76 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Brazoria County dropped to 4.5% an indication of continued economic growth.
- New construction continues at an increasing rate suggesting a stronger economy.
- Tax rolls saw an increase due to the economy.
- Sales tax and other revenues continue to increase.

All of these factors were considered in preparing Brazoria County's budget for the 2016 fiscal year. At the end of the current fiscal year, fund balances in the governmental funds increased to \$ 110,337,919. Brazoria County has appropriated \$ 3.2 million of this amount for spending in the 2016 fiscal year budget. It is expected that conservative revenue budgets will serve to make the actual decrease in fund balance far less than budgeted.

Request for Information

This financial report is designed to provide a general overview of 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 Office of the Brazoria County Auditor, 111 E. Locust, Room 303, Angleton, Texas, 77515, or call (979) 864-1275.

BASIC FINANCIAL STATEMENTS

BRAZORIA COUNTY, TEXAS
STATEMENT OF NET POSITION
September 30, 2015

Exhibit 1
Page 1 of 2

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and temporary investments	\$ 103,404,370	\$ 623,295	\$ 104,027,665
Receivables (Net of Allowance for Uncollectibles):			
Taxes	1,311,714		1,311,714
Accounts	17,444,356	185,214	17,629,570
Special assessments	1,237,026		1,237,026
Due from other governments	9,546,091	33,008	9,579,099
Accrued interest	55,029		55,029
Interfund balances	26,822	(26,822)	-0-
Inventories	712,909	65,375	778,284
Prepaid items	1,261,395	11,314	1,272,709
Investments	19,027,960		19,027,960
Discounted loans receivable	10,822,112		10,822,112
Capital Assets:			
Land	21,740,684	1,558,687	23,299,371
Land improvements	2,429,841		2,429,841
Buildings and improvements (net)	42,267,457	4,294,567	46,562,024
Furniture, equipment and vehicles (net)	11,628,173	302,536	11,930,709
Runways, taxiways and aprons (net)		10,672,016	10,672,016
Infrastructure (net)	138,235,167		138,235,167
Construction in progress	49,712,576	16,321,638	66,034,214
Total assets	<u>430,863,682</u>	<u>34,040,828</u>	<u>464,904,510</u>
DEFERRED OUTFLOWS OF RESOURCES			
Bond refunding cost (net of accumulated amortization)	73,750		73,750
Pension:			
Difference between expected and actual earnings	2,161,402	17,431	2,178,833
Difference between expected and actual experience	426,793	3,442	430,235
Subsequent contributions	6,772,783	51,513	6,824,296
Total deferred outflows of resources	<u>9,434,728</u>	<u>72,386</u>	<u>9,507,114</u>

BRAZORIA COUNTY, TEXAS
STATEMENT OF NET POSITION
September 30, 2015

Exhibit 1
Page 2 of 2

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
LIABILITIES			
Accounts and accrued liabilities payable	\$ 15,842,049	\$ 124,379	\$ 15,966,428
Estimated health claims payable	1,287,734		1,287,734
Due to others	403,146		403,146
Unearned revenue	9,139,723	22,350	9,162,073
Noncurrent Liabilities:			
Due within one year	7,039,312	13,000	7,052,312
Due in more than one year	<u>107,679,422</u>	<u>12,150,698</u>	<u>119,830,120</u>
Total liabilities	<u>141,391,386</u>	<u>12,310,427</u>	<u>153,701,813</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources			<u>-0-</u>
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
NET POSITION			
Net investment in capital assets	\$ 187,772,835	\$ 21,210,397	\$ 208,983,232
Restricted:			
Debt service	4,278,259		4,278,259
Public transportation projects	21,553,918		21,553,918
Records management	3,105,754		3,105,754
Health services	2,467,837		2,467,837
Other	2,753,405		2,753,405
Unrestricted	<u>76,975,016</u>	<u>592,390</u>	<u>77,567,406</u>
Total net position	<u>\$ 298,907,024</u>	<u>\$ 21,802,787</u>	<u>\$ 320,709,811</u>

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

BRAZORIA COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2015

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities:				
General administration	\$ 9,819,841	\$ 3,447,340	\$ 577,505	\$ 10,109
Judicial and legal	20,702,777	15,767,444	1,347,839	
Financial administration	14,199,026	3,413,795	57,993	761
Elections	593,251	159,259		
Public facilities	4,247,946	50,769		
Public safety	20,549,314	1,257,535	98,319	
Corrections	28,672,523	1,432,280	1,966,992	
Public transportation	27,695,529	4,355,858	541,532	6,437,366
Health and welfare	10,961,502	390,289	5,820,807	
Public assistance	341,462			
Culture and recreation	10,516,642	376,878	468,035	875,802
Conservation	394,293	8,120		
Environmental protection	248,480	8,544		
Community development	6,165,252	6,680	6,155,624	
Interest on long-term debt	<u>3,640,139</u>			
Total governmental activities	158,747,977	30,674,791	17,034,646	7,324,038
Business-type Activities:				
Airport	<u>3,788,609</u>	<u>2,552,465</u>	<u>56,643</u>	<u>2,194,205</u>
Total primary government	<u>\$ 162,536,586</u>	<u>\$ 33,227,256</u>	<u>\$ 17,091,289</u>	<u>\$ 9,518,243</u>
General Revenue:				
Property taxes				
Sales and other taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings				
Gain on disposition of capital assets				
Miscellaneous				
Transfers				
Total general revenues, special items, and transfers				
Change in net position				
Net position – beginning (restated)				
Net position – ending				

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

Net (Expense) Revenue and Changes In Net Position

<u>Primary Government</u>		
<u>Governmental</u>	<u>Business-</u>	
<u>Activities</u>	<u>Type</u>	<u>Total</u>
<u>Activities</u>	<u>Activities</u>	
\$(5,784,887)	\$	\$(5,784,887)
(3,587,494)		(3,587,494)
(10,726,477)		(10,726,477)
(433,992)		(433,992)
(4,197,177)		(4,197,177)
(19,193,460)		(19,193,460)
(25,273,251)		(25,273,251)
(16,360,773)		(16,360,773)
(4,750,406)		(4,750,406)
(341,462)		(341,462)
(8,795,927)		(8,795,927)
(386,173)		(386,173)
(239,936)		(239,936)
(2,948)		(2,948)
<u>(3,640,139)</u>		<u>(3,640,139)</u>
(103,714,502)	-0-	(103,714,502)
	<u>1,014,704</u>	<u>1,014,704</u>
<u>(103,714,502)</u>	<u>1,014,704</u>	<u>(102,699,798)</u>
110,895,732		110,895,732
28,255,671		28,255,671
709,617		709,617
499,740		499,740
99,302		99,302
1,934,315		1,934,315
<u>(690,800)</u>	<u>690,800</u>	<u>-0-</u>
<u>141,703,577</u>	<u>690,800</u>	<u>142,394,377</u>
37,989,075	1,705,504	39,694,579
<u>260,917,949</u>	<u>20,097,283</u>	<u>281,015,232</u>
<u>\$ 298,907,024</u>	<u>\$ 21,802,787</u>	<u>\$ 320,709,811</u>

BRAZORIA COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2015

Exhibit 3

	Major Funds		Non-Major Funds	Total
	General Fund	Road & Bridge Fund	Other Governmental Funds	Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Cash and temporary investments	\$ 48,306,493	\$ 26,778,284	\$ 26,658,704	\$ 101,743,481
Investments	19,027,960			19,027,960
Receivables (Net of Allowance for Uncollectibles):				
Taxes	871,874	296,952	142,888	1,311,714
Accounts	86,410	89,341	6,772	182,523
Special assessments		1,189,020	48,006	1,237,026
Due from other governments	6,314,224	635,942	2,595,925	9,546,091
Accrued interest	55,029			55,029
Due from other funds	3,273,427		26,442	3,299,869
Inventories	2,607	452,718	257,584	712,909
Prepaid expenditures	1,206,366	1,358	16,896	1,224,620
Long-Term Receivables:				
Accounts	11,340,854		607,193	11,948,047
Total assets	<u>90,485,244</u>	<u>29,443,615</u>	<u>30,360,410</u>	<u>150,289,269</u>
Deferred Outflows of Resources:				
Deferred outflows of resources				
Total deferred outflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 90,485,244</u>	<u>\$ 29,443,615</u>	<u>\$ 30,360,410</u>	<u>\$ 150,289,269</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts and accrued liabilities payable	\$ 10,296,444	\$ 1,592,896	\$ 3,534,824	\$ 15,424,164
Due to others	403,146			403,146
Due to other funds	26,442		1,035,770	1,062,212
Unearned revenue	1,325,109	6,344,807	1,469,807	9,139,723
Total liabilities	<u>12,051,141</u>	<u>7,937,703</u>	<u>6,040,401</u>	<u>26,029,245</u>
Deferred Inflows of Resources:				
Deferred inflows of resources	<u>726,293</u>	<u>1,435,930</u>	<u>167,366</u>	<u>2,329,589</u>
Total deferred inflows of resources	<u>729,293</u>	<u>1,435,930</u>	<u>167,366</u>	<u>2,329,589</u>
Fund Balances:				
Non-spendable	12,549,827	454,076	881,673	13,885,576
Restricted	94,151	19,615,906	22,278,372	41,988,429
Committed	808,460		1,008,271	1,816,731
Unassigned	64,255,372		(15,673)	64,239,699
Total fund balances	<u>77,707,810</u>	<u>20,069,982</u>	<u>24,152,643</u>	<u>121,930,435</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 90,485,244</u>	<u>\$ 29,443,615</u>	<u>\$ 30,360,410</u>	<u>\$ 150,289,269</u>

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

BRAZORIA COUNTY, TEXAS**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENTAL ACTIVITIES STATEMENT OF NET POSITION**

September 30, 2015

Exhibit 3R

Total fund balances - governmental funds balance sheet (Exhibit 3)		\$	121,930,435
Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:			
Assets and Deferred Outflows of Resources (Excluding Internal Service Funds):			
Capital assets less accumulated depreciation.			266,013,898
Long-term loans receivable discounted for present value	(		1,125,935)
Judicial accounts receivables net of related allowance for uncollectible accounts.			16,520,656
Property taxes receivable net of allowance for uncollectible account and sixty-day collections.			1,044,557
Special assessments receivable net of allowance for uncollectible accounts.			1,285,032
Pension Deferred Outflows:			
Differences between expected and actual earnings net of accumulated amortization.	\$	2,161,402	
Differences between expected and actual experience net of accumulated amortization.		426,793	
Subsequent pension contributions		<u>6,772,783</u>	9,360,978
Bond refunding costs less accumulated amortization.			73,750
Liabilities and Deferred Inflows of Resources (Excluding Internal Service Funds):			
Payables for bond principal.	(		76,745,000)
Payables for tax note principal.	(		8,135,000)
Premium on the issuance of bonds less accumulated amortization.	(		2,912,935)
Payables for bond accrued interest.	(		387,646)
Payables for tax note accrued interest	(		20,861)
Payables for compensated absences.	(		3,848,540)
Payables for net OPEB obligation.	(		2,598,340)
Payables for net pension liability.	(		20,070,412)
Internal Service Funds (Net Positions):			
Self Insurance Funds:			
Liability Fund	\$	955,334	
Health Fund	(	2,442,841)	
Health Clinic Fund		<u>9,894</u>	<u>(1,477,613)</u>
Net position of governmental activities – statement of net position (Exhibit 1)		\$	<u>298,907,024</u>

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

BRAZORIA COUNTY, TEXAS**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

Exhibit 4

GOVERNMENTAL FUNDS

For the Year Ended September 30, 2015

	Major Funds		Non-Major Funds	Total
	General Fund	Road & Bridge Fund	Other Governmental Funds	Governmental Funds
Revenues:				
Taxes	\$ 100,714,309	\$ 25,788,474	\$ 12,263,784	\$ 138,766,567
Intergovernmental	1,482,210	4,144,781	17,874,274	23,501,265
Charges for services	8,426,267	961	3,138,660	11,565,888
Licenses and permits	1,792,456	3,628,184	102,700	5,523,340
Fines and forfeitures	3,538,413		287,537	3,825,950
Special assessments		92,980	10,927	103,907
Investment income	345,026	100,979	46,528	492,533
Miscellaneous	1,633,299	2,434,048	545,245	4,612,592
Total revenues	117,931,980	36,190,407	34,269,655	188,392,042
Expenditures:				
Current:				
General administration	8,045,068		1,201,321	9,246,389
Judicial and legal	18,665,773		1,674,715	20,340,488
Financial administration	13,097,973		76,743	13,174,716
Elections	272,858		336,488	609,346
Public facilities	4,364,603			4,364,603
Public safety	20,036,450		228,158	20,264,608
Corrections	23,896,691		3,135,746	27,032,437
Public transportation		18,290,766	268,801	18,559,567
Health and welfare	3,967,073		6,783,494	10,750,567
Public assistance	346,000			346,000
Culture and recreation	10,027,802		341,870	10,369,672
Conservation	386,447			386,447
Environmental protection	233,191			233,191
Community development			6,155,624	6,155,624
Capital outlay		13,272,972	12,430,907	25,703,879
Debt Service:				
Principal			5,385,000	5,385,000
Interest and fiscal charges			3,613,673	3,613,673
Total expenditures	103,339,929	31,563,738	41,632,540	176,536,207
Excess (deficiency) of revenues over expenditures	14,592,051	4,626,669	(7,362,885)	11,855,835
Other Financing Sources (Uses):				
Sale of capital assets	359,726	45,554	22,201	427,481
Transfers in	28,418		10,435,776	10,464,194
Transfers out	(1,068,737)	(32,994)	(10,053,263)	(11,154,994)
Total other financing sources and (uses)	(680,593)	12,560	404,714	(263,319)
Net change in fund balances	13,911,458	4,639,229	(6,958,171)	11,592,516
Fund balances - beginning	63,796,352	15,430,753	31,110,814	110,337,919
Fund balances - ending	\$ 77,707,810	\$ 20,069,982	\$ 24,152,643	\$ 121,930,435

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

BRAZORIA COUNTY, TEXAS**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE GOVERNMENTAL
ACTIVITIES STATEMENT OF ACTIVITIES**

Exhibit 4R

For the Year Ended September 30, 2015

Net change in fund balances - total governmental funds (Exhibit 4)	\$	11,592,516
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**Amounts reported for governmental activities in the statement of activities (Exhibit 2) are
different because:**

Revenues and Other Resources (Excluding Internal Service Funds):

Property tax revenues	136,386
Special assessment revenues	155,470
Gain on the sale of capital assets	(328,179)
Contributions of capital assets	312,174
Judicial revenues	5,769,573

Expenditures/Expenses and Other Uses (Excluding Internal Service Funds):

Capital expenditures	28,370,403
Depreciation of capital assets	(14,519,878)
Bond refunding cost amortization	(30,521)
Tax note principal payments	1,765,000
Bond principal payments	3,620,000
Premium on the issuance of bonds amortization	240,805
Bond interest	16,722
Tax note interest	4,526
Compensated absences	30,260
Net OPEB obligation	625,293
Net pension liability	1,486,296
Noncurrent loan advance discounts	(257,998)

Internal Service Funds Statement of Revenues, Expenses and Changes in Net Position:

Self Insurance Funds:

Liability Fund	\$(52,537)
Health Fund	(957,109)
Health Clinic Fund	<u>9,873</u> (<u>999,773</u>)

Change in net position of governmental activities (see Exhibit 2)	\$	<u>37,989,075</u>
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The notes to the financial statements are an integral part of this statement.

BRAZORIA COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2015

Exhibit 5
Page 1 of 2

	<u>Proprietary Funds (Enterprise)</u>			Governmental Activities - Internal Service Funds
	<u>Airport Fund</u>	<u>Brazoria County Toll Road Fund</u>	<u>Total</u>	
ASSETS AND DEFERRED INFLOWS OF RESOURCES				
Current Assets:				
Cash and temporary investments	\$ 623,295	\$	\$ 623,295	\$ 1,660,889
Accounts receivable	185,214		185,214	741,177
Due from other governments	33,008		33,008	
Inventory	65,375		65,375	
Prepaid expense	11,314		11,314	36,775
Total current assets	<u>918,206</u>	<u>-0-</u>	<u>918,206</u>	<u>2,438,841</u>
Noncurrent Assets:				
Capital Assets:				
Land	1,558,687		1,558,687	
Buildings and improvements	8,891,072		8,891,072	
Furniture, equipment and vehicles	1,143,215		1,143,215	
Runways, taxiways and aprons	26,213,297		26,213,297	
Construction in progress	4,366,908	11,954,730	16,321,638	
Accumulated depreciation	(20,978,465)		(20,978,465)	
Total capital assets (net of accumulated depreciation)	<u>21,194,714</u>	<u>11,954,730</u>	<u>33,149,444</u>	<u>-0-</u>
Total assets	<u>22,112,920</u>	<u>11,954,730</u>	<u>34,067,650</u>	<u>2,438,841</u>
Deferred Outflows of Resources:				
Deferred outflows of resources	<u>72,386</u>		<u>72,386</u>	
Total deferred outflows of resources	<u>72,386</u>	<u>-0-</u>	<u>72,386</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 22,185,306</u>	<u>\$ 11,954,730</u>	<u>\$ 34,140,036</u>	<u>\$ 2,438,841</u>

BRAZORIA COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2015

Exhibit 5
Page 2 of 2

	<u>Proprietary Funds (Enterprise)</u>			Governmental Activities - Internal Service Funds
	<u>Airport Fund</u>	<u>Brazoria County Toll Road Fund</u>	<u>Total</u>	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITIONS				
Current Liabilities:				
Accounts and accrued liabilities payable	\$ 108,696	\$ 15,683	\$ 124,379	\$ 1,705,619
Compensated absences	13,000		13,000	
Due to other funds				2,237,657
Unearned revenue	<u>22,350</u>		<u>22,350</u>	
Total current liabilities	<u>144,046</u>	<u>15,683</u>	<u>159,729</u>	<u>3,943,276</u>
Noncurrent Liabilities:				
Accounts payable – long-term		11,939,047	11,939,047	
Compensated absences – net	28,282		28,282	
Net OPEB obligation	21,511		21,511	
Net pension obligation	<u>161,858</u>		<u>161,858</u>	
Total non-current liabilities	<u>211,651</u>	<u>11,939,047</u>	<u>12,150,698</u>	<u>-0-</u>
Total liabilities	<u>355,697</u>	<u>11,954,730</u>	<u>12,310,427</u>	<u>3,943,276</u>
Deferred Inflows of Resources:				
Deferred inflows of resources				
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net Position:				
Net investment in capital assets	21,194,714	15,683	21,210,397	
Unrestricted	<u>634,895</u>	<u>(15,683)</u>	<u>619,212</u>	<u>(1,504,435)</u>
Total net position	21,829,609	-0-	21,829,609	<u>(1,504,435)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>(26,822)</u>		<u>(26,822)</u>	
Net position of business-type activities	<u>21,802,787</u>	<u>-0-</u>	<u>21,802,787</u>	
Total liabilities, deferred inflows of resources and net position	<u>\$ 22,185,306</u>	<u>\$ 11,954,730</u>	<u>\$ 34,140,036</u>	<u>\$ 2,438,841</u>

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

BRAZORIA COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
For the Year Ended September 30, 2015

Exhibit 6
Page 1 of 2

	<u>Proprietary Funds (Enterprise)</u>			Governmental Activities - Internal Service Funds
	<u>Airport Fund</u>	<u>Brazoria County Toll Road Fund</u>	<u>Total</u>	
Operating Revenues:				
Sales of fuel and supplies	\$ 1,700,614	\$	\$ 1,700,614	\$
Cost of sales	<u>1,446,345</u>	<u></u>	<u>1,446,345</u>	<u></u>
Gross profit	254,269	-0-	254,269	-0-
Other Operating Revenue:				
Contributions for self-insurance				14,768,649
Operating grants	56,643		56,643	
Rentals	356,084		356,084	
Fees	393,584		393,584	
Miscellaneous	<u>78,804</u>	<u></u>	<u>78,804</u>	<u></u>
Net operating revenue	<u>1,139,384</u>	<u>-0-</u>	<u>1,139,384</u>	<u>14,768,649</u>
Operating Expenses:				
Salaries and wages	546,618		546,618	
Employee benefits	214,400		214,400	
Supplies	108,533		108,533	
Other charges	230,043		230,043	15,784,342
Depreciation	<u>1,208,918</u>	<u></u>	<u>1,208,918</u>	<u></u>
Total operating expenses	<u>2,308,512</u>	<u>-0-</u>	<u>2,308,512</u>	<u>15,784,342</u>
Operating income (loss)	<u>(1,169,128)</u>	<u>-0-</u>	<u>(1,169,128)</u>	<u>(1,015,693)</u>
Non-Operating Revenues (Expenses):				
Investment income				7,207
Gain (loss) on sale of assets	<u>(1,660)</u>	<u></u>	<u>(1,660)</u>	<u></u>
Total non-operating revenues (expenses)	<u>(1,660)</u>	<u>-0-</u>	<u>(1,660)</u>	<u>7,207</u>
Net income (loss) before contributions and transfers	<u>(1,170,788)</u>	<u>-0-</u>	<u>(1,170,788)</u>	<u>(1,008,486)</u>
Capital contributions	2,194,205		2,194,205	
Transfers in	<u>690,800</u>	<u></u>	<u>690,800</u>	<u></u>
Change in net position	1,714,217	-0-	1,714,217	(1,008,486)
Net Position:				
Total net position – beginning of year (restated)	<u>20,115,392</u>	<u></u>	<u>20,115,392</u>	<u>(495,949)</u>
Total net position - end of year	<u>\$ 21,829,609</u>	<u>\$ -0-</u>	<u>\$ 21,829,609</u>	<u>\$ (1,504,435)</u>

BRAZORIA COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
For the Year Ended September 30, 2015

Exhibit 6
Page 2 of 2

	<u>Proprietary Funds (Enterprise)</u>			<u>Governmental Activities - Internal Service Funds</u>
	<u>Airport Fund</u>	<u>Brazoria County Toll Road Fund</u>	<u>Total</u>	
Business-type Activities:				
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	\$(8,713)	\$ _____	\$(8,713)	
Change in net position of business-type activities	1,705,504	-0-	1,705,504	
Net Position (Business-type Activities):				
Total net position - beginning of year (restated)	<u>20,097,283</u>	<u>_____</u>	<u>20,097,283</u>	
Total net position - end of year	<u>\$ 21,802,787</u>	<u>\$ -0-</u>	<u>\$ 21,802,787</u>	

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

BRAZORIA COUNTY, TEXAS
COMPARATIVE STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2015

Exhibit 7
Page 1 of 2

	<u>Proprietary Funds (Enterprise)</u>			Governmental Activities - Internal Service Funds
	<u>Airport Fund</u>	<u>Brazoria County Toll Road Fund</u>	<u>Total</u>	
Cash Flows from Operating Activities:				
Cash flows received from customers and other funds	\$ 2,703,350	\$	\$ 2,703,350	\$
Cash receipts from interfund services provided				13,511,835
Cash paid to and on behalf of employees	(781,056)		(781,056)	(13,879,410)
Cash paid to suppliers and others	(1,861,351)		(1,861,351)	(1,909,675)
Net cash provided (used) by operating activities	<u>60,943</u>	<u>-0-</u>	<u>60,943</u>	<u>(2,777,250)</u>
Cash Flows from Noncapital Financing Activities:				
Transfers from other funds	<u>690,800</u>		<u>690,800</u>	
Net cash provided by noncapital financing activities	<u>690,800</u>	<u>-0-</u>	<u>690,800</u>	<u>-0-</u>
Cash Flows from Capital and Financing Activities:				
Cash received from capital grants	2,194,205		2,194,205	
Cash received from other funds		1,532,847	1,532,847	
Cash received from sale of capital assets	7,750		7,750	
Acquisition of fixed assets	(2,543,277)	(1,532,847)	(4,076,124)	
Net cash used by capital financing activities	<u>(341,322)</u>	<u>-0-</u>	<u>(341,322)</u>	<u>-0-</u>
Cash Flows from Investing Activities:				
Investment income	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>7,245</u>
Net cash used by investment activities	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>7,245</u>
Net increase (decrease) in cash	410,421	-0-	410,421	(2,270,005)
Cash and temporary investments – beginning of year	<u>212,874</u>		<u>212,874</u>	<u>3,930,894</u>
Cash and temporary investments - end of year	<u>\$ 623,295</u>	<u>\$ -0-</u>	<u>\$ 623,295</u>	<u>\$ 1,660,889</u>

BRAZORIA COUNTY, TEXAS
COMPARATIVE STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - Continued
For the Year Ended September 30, 2015

Exhibit 7
Page 2 of 2

	<u>Proprietary Funds (Enterprise)</u>			Governmental Activities - Internal Service Funds
	<u>Airport Fund</u>	<u>Brazoria County Toll Road Fund</u>	<u>Total</u>	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Activities:				
Operating income (loss)	\$(1,169,128)	\$	\$(1,169,128)	\$(1,015,693)
Depreciation	1,208,918		1,208,918	
Changes in Assets and Deferred Outflows of Resources, and Liabilities and Deferred Inflows of Resources:				
(Increase) Decrease In:				
Accounts receivable	135,427		135,427	(695,981)
Due from other governments	(20,526)		(20,526)	
Due from other funds			-0-	34,891
Inventory	47,052		47,052	
Prepaid expenses	3,689		3,689	(30,108)
Pension deferred outflows	(72,386)		(72,386)	
Increase (Decrease) In:				
Accounts and accrued liabilities payable	(127,171)		(121,171)	25,365
Compensated absences	(2,874)		(2,874)	
Due to other funds				(595,724)
Deferred revenue	2,720		2,720	
Net OPEB obligation	(5,177)		(5,177)	
Net pension obligation	60,399		60,399	
Net cash provided (used) for operating activities	<u>\$ 60,943</u>	<u>\$ -0-</u>	<u>\$ 60,943</u>	<u>\$(2,277,250)</u>
Noncash Transactions Affecting Financial Position:				
Contribution from governmental funds	\$ 2,194,205	\$	\$ 2,194,205	
Assets acquired as a result of contributed assets	(2,194,205)		(2,194,205)	
Net noncash transactions affecting financial position	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

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

BRAZORIA COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2015

Exhibit 8

	Private-Purpose Trust Fund <hr/> Historical Commission Fund <hr/>	Agency Funds <hr/>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets:		
Cash and temporary investments	\$ 16,265	\$ 11,516,207
Receivables:		
Accounts receivable	<hr/>	<hr/> 99,355
Total current assets	<hr/> 16,265	<hr/> <u>\$ 11,615,562</u>
Deferred Outflows of Resources:		
Deferred outflows of resources	<hr/>	
Total deferred outflows of resources	<hr/> -0-	
Total assets and deferred outflows of resources	<hr/> <u>\$ 16,265</u>	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Liabilities:		
Accounts and accrued liabilities payable	\$	\$ 252,215
Amounts held for others	<hr/>	<hr/> 11,363,347
Total liabilities	<hr/> -0-	<hr/> <u>\$ 11,615,562</u>
Deferred Inflows of Resources:		
Deferred inflows of resources	<hr/>	
Total deferred outflows of resources	<hr/> -0-	
Net Position:		
Held in trust for historical commission	<hr/> 16,265	
Total net position	<hr/> 16,265	
Total liabilities, deferred inflows of resources and net position	<hr/> <u>\$ 16,265</u>	

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



BRAZORIA COUNTY, TEXAS
Notes to the Financial Statements
 For The Year Ended September 30, 2015

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BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Brazoria County, Texas (County) related to the funds in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), and the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units. The County applies all applicable GASB pronouncements. The more significant accounting policies of the County are described below.

Reporting Entity

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the County's reporting entity. Financial statements for component units can be obtained from the office of the County Auditor.

Included in the reporting entity:

Brazoria County, Texas (Primary Government) -

The County is a political subdivision of the State of Texas. The County is governed by the Commissioners' Court, composed of four elected County Commissioners and an elected County Judge. Each of these officials serve a term of four years. The primary activities of the County include: the construction and maintenance of county roads, provision of public safety through a sheriff's department, support of area fire protection and ambulance service, administration of justice, correctional facilities, health and welfare services, culture and recreation through libraries, parks and a museum, operation and maintenance of an airport, and other social and administrative services.

Brazoria County Toll Road Authority – (Blended Component Unit (Enterprise)) –

The Brazoria County Toll Road Authority (the "Authority") is a political subdivision of the State of Texas. The Authority is governed by the Board, composed of four Directors, appointed by Brazoria County Commissioners' Court. Each of the officials serve a term of four years. The primary activities of the Authority include: the construction and maintenance of county toll roads, and related administrative services.

Excluded from the reporting entity:

Adult Probation -

This entity is considered a separate agency of the State of Texas. While the County provides office space, utilities, telephone and certain supplies, the operations of this unit are primarily provided for by the State. A separate board develops the operating budget, which is also approved and controlled by the State of Texas. Required County expenditures are disclosed as a department within the General Fund function of Corrections. Due to custodial responsibility, the accounts of this entity are reported as an Agency Fund of the County.

Brazoria County Fair Association -

The County owns the premises where the annual County Fair is held; however, all financial matters related to the Fair and the Fair Association operating polices are the responsibility of a separate board.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Reporting Entity - continued

Brazoria County Appraisal District -

This is a separate entity providing property appraisal services to all taxing units within the county. This entity has its own governing board, elected by the various taxing units, which it serves; however, the taxing units do not designate management or significantly influence operations. The Appraisal District's cost of operations is divided on a prorated basis among the various taxing units within the county. Brazoria County's share of this cost is disclosed within the General Fund under the Financial Administration function.

City Libraries -

The only library owned and operated by Brazoria County is the central library located in the city of Angleton. There are other libraries located in municipalities throughout the county. The County provides for employee salaries in these libraries and the purchase of books and some supplies. The various municipal library premises are owned and maintained by the various municipalities.

Brazoria County Children's Protective Services -

Brazoria County Children's Protective Services (CPS) was created by a mandate from the Texas Legislature, Title II, Section 34. CPS investigates reports of neglected and abused children and provides foster care, institutional care and adoptive placements for children who cannot live with their parents. The Commissioners' Court appoints the CPS Board. The CPS Board appoints an Executive Director to administer the day-to-day operation. CPS is excluded from the reporting entity because the County does not have the ability to exercise influence over its daily operations. The State of Texas directly pays all salaries and related personnel costs of this organization. The County pays some related expenditures, which are disclosed under the department of Child Welfare within the General Fund function of Health and Welfare.

Other entities within the county which provide similar services but are not included in the reporting entity because they do not meet the criteria are: municipalities, school districts, drainage districts, hospital districts, water districts and various non-profit organizations.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities report financial information on all of the non-fiduciary activities of the primary government). For the most part, interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Government-Wide and Fund Financial Statements - continued

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The County has two enterprise funds.

Measurement Focus, Basis Of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund (excluding agency funds) financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues from property and sales taxes, grants and contracts, charges for services, licenses and permits, fines and forfeitures, and interest associated with the current fiscal period are all considered to be susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Revenue from investments, including governmental external investment pools, is based upon fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Most investments are reported at amortized cost when the investments have remaining maturities of one year or less at time of purchase. External investment pools are permitted to report short-term debt investments at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer, or other factors. For that purpose, a pool's short-term investments are those with remaining maturities of up to ninety days.

Grant funds are considered earned to the extent of the expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until the related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the County to refund all or part of the unused amount.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Measurement Focus, Basis Of Accounting, and Financial Statement Presentation - continued

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and 2) operating and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise fund are charges to customers for sales and services and rentals.

Operating expenses for the enterprise fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed.

The County has presented the following major governmental funds:

The *General fund* is the County's primary operating fund. It accounts for all financial resources of the County, 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 *Road and Bridge, special revenue, fund* accounts for the property taxes and fees from auto registration, certificates of title, and gross weight and axle fees, and approved expenditures for public transportation projects.

The County reports the following major proprietary funds:

An *enterprise fund* is used to account for airport operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs (expenses, including depreciation) of providing services be financed primarily through user charges, or where periodic determination of net income is appropriate. Activities of the fund include administration, operations and maintenance of the airport and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest. All costs are financed through charges to airport customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the fund.

An *enterprise fund* is used to account for toll road operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs (expenses, including depreciation) of providing services be financed primarily through user charges, or where periodic determination of net income is appropriate. Activities of the fund include administration, construction and maintenance of roads and maintenance of the toll road billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest. All costs are expected to be financed through charges to toll road with rates reviewed regularly and adjusted if necessary to ensure integrity of the fund.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Measurement Focus, Basis Of Accounting, and Financial Statement Presentation - continued

Additionally, the County reports the following fiduciary funds:

The *Historical Commission fiduciary fund* is a private purpose trust fund, which accounts for grant revenues, publication sales, and private donations used by the Historical Commission Board of Directors to preserve Brazoria County's heritage.

The *agency funds* account for assets that the government holds on behalf of others as their agent. The County's agency funds include payroll clearing, Brazoria County Freshwater Supply District #2, Brazoria County Groundwater Conservation District, Community Corrections and Supervision (Adult Probation), District and County Clerk trusts, and the Brazos Mall Entrance.

Recent Pronouncements

GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27", was issued June 2012. The management of the County does believe that the implementation of this statement will have a material effect on the financial statements of the County. This statement is effective for periods beginning after June 15, 2014.

GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68", was issued November 2013. The management of the County believes that the implementation of this statement will have a material effect on the financial statements of the County. This statement is effective for periods beginning after June 15, 2014.

GASB Statement No. 72, "Fair Value Measurement and Application", was issued February 2015. This statement enhances the transparency and comparability of fair value measurements and disclosures in the state and local governments' financial statements. The management of the County does not believe that the implementation of this statement will have a material effect on the financial statements of the County. This statement is effective for periods beginning after June 15, 2015.

GASB No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of Statements 67 and 68" was issued June 2015. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. This statement is effective for periods beginning after June 15, 2016.

GASB No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans" was issued June 2015. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. This statement is effective for periods beginning after June 15, 2016.

GASB No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" was issued June 2015. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. This statement is effective for periods beginning after June 15, 2017.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

New Pronouncements - continued

GASB No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments" was issued June 2015. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. This statement is effective for periods beginning after June 15, 2015.

GASB No. 77 "Tax Abatement Disclosures" was issued in August 2015. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. This statement is effective for periods beginning after December 15, 2015.

GASB No. 78 "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans" was issued in December 2015. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. This statement is effective for periods beginning after December 15, 2015.

GASB No. 79 "Certain External Investment Pools and Pool Participants" was issued in December 2015. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. This statement is effective for periods beginning after December 15, 2015.

GASB No. 80 "Blending Requirements for Certain Component Units and amendment of GASB No. 14" was issued in January 2016. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. This statement is effective for periods beginning after June 15, 2016.

Budgetary Data

The budget law of the State of Texas provides that amounts budgeted for current expenditures from the various funds of the County shall not exceed the balances in the funds, plus the anticipated revenues for the current year as estimated by the County Auditor. The legal level of budgetary control is at the category level (salaries and wages, and employee benefits; operating expenditures/expenses, and capital outlay) within departments of each fund. Any expenditure, which alters the total budgeted amounts of a fund, must be approved by Commissioners' Court, and the budget amended. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Annual appropriated budgets are adopted for the general fund, certain special revenue funds (Road and Bridge Fund, Emergency Management Fire Code Fund, District Attorney Hot Check Collection Fund, District Attorney Supplement Fund, District Attorney Forfeiture CCP Chapter 59 Fund, Special Inventory Dealer Escrow Tax Fund, Sheriff Contraband Forfeiture Fund, Brazoria County Narcotics Task Force Fund, Sheriff Commissary Fund, Sheriff Federal Forfeiture Fund, Book Sale Fund, Library Special Projects Fund, Law Library Fund, and Mosquito Control District Fund), and certain debt service funds (2003 Certificate of Obligation, I & S Fund, 2006 Certificate of Obligation, I & S Fund, 2012 Certificate of Obligation, I & S Fund, Tax Note Series 2013, I & S Fund, Road Bonds Mobility, I & S Fund, and the Mobility - Build America, I & S Fund).

Prior to May 1 of each year, or as soon thereafter as practical, the County Judge, assisted by the County Auditor, prepares a proposed operating budget for the subsequent fiscal year beginning the following October 1st. The proposed operating budget establishes estimated revenues and other resources available for appropriation. Proposed expenditures may not exceed estimated revenues, other resources, and available fund balances.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Budgetary Data - Continued

Subsequent to May 15 and after proper publication of notice, a public hearing is conducted by the Commissioners' Court to obtain taxpayer comments. If an increase to the effective tax rate of more than 3% is proposed as a result of the proposed budget, additional notices and public hearings are required. After the public hearing(s) the Commissioners' Court makes appropriate budget changes and adopts the budget through the passage of an order at a regularly scheduled meeting. A separate order is adopted to levy the taxes necessary to finance the budgeted expenditures.

Although the level of budgetary control is total revenues plus available fund balance, the County adopts its budget at a line-item level for managerial control purposes. Line item level is defined for revenue purposes as the type of revenue to be derived and for expenditure purposes by department and type of expenditures (salaries and wages, employee benefits; operating expenses/expenditures; and capital outlay).

Budget amendments to transfer budgeted amounts from one line item to another may be made at the discretion of Commissioners' Court. Amendments to provide for items not included in the original budget may be made by the Commissioners' Court upon finding and declaration of the existence of an emergency sufficient to require action. County management has no prerogative to amend the budget without the approval of Commissioners' Court. Appropriations not exercised in the current year lapse at the end of the year. Twenty-four supplemental budget amendments in the general and special revenue funds were deemed necessary due to the timing of planned expenditures and construction projects.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized. Encumbrances outstanding at year-end are reported as a reservation of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

The following outstanding encumbrances were provided for in the subsequent year's budget:

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Non-Major Funds</u>	<u>Total</u>
Encumbrances:				
Restricted	\$	\$ 1,184,570	\$ 225,925	\$ 1,410,495
Unassigned	<u>563,079</u>	<u> </u>	<u> </u>	<u>563,079</u>
	<u>\$ 563,079</u>	<u>\$ 1,184,570</u>	<u>\$ 225,925</u>	<u>\$ 1,973,574</u>
			<u>Proprietary Fund</u>	
			<u>Airport</u>	
Encumbrances:				
Unrestricted				<u>\$ 4,890</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Cash and Investments

Cash and temporary investments include amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the County. For purposes of the cash flow statement, cash and temporary investments are considered cash equivalents. In accordance with GASB Statement 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", investments are stated at fair value.

The County maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and temporary investments under each fund's caption. Funds are allowed to exceed the amount of their equity in the pooled cash account. Funds with overdrawn accounts are disclosed as an interfund payable in the liability section of the balance sheet.

Restricted Assets

Restricted assets consist of debt service restrictions. Restricted assets for debt service consist of amounts placed in interest and sinking funds from operations and residual balances from proceeds of certificates of obligations and general obligations of the County.

Property Taxes

Property taxes are levied as of October 1st of each year with statements prepared and mailed at that date or soon thereafter. The tax levy is based upon appraised property values as of each previous January 1st for all taxable property within the County. Payments are due and payable when taxes are levied and may be timely paid through January 31st. On February 1st, taxes become delinquent and subject to penalty and interest charges. After June 30th, any uncollected taxes are subject to tax suit and additional charges to offset related legal costs. The lien date for property taxes is July 1st.

The appraisal of property within the county is the responsibility of the Brazoria County Appraisal District. The Texas Legislature established the Appraisal District and the related Appraisal Review Board in 1979 through the adoption of a comprehensive Property Tax Code. The Appraisal District is required under the Code to assess property at 100% of its appraised value. Real property is reappraised at least every four years. Under certain circumstances, taxpayers and taxing units including the County, may challenge orders of the Appraisal Review Board through various appeals and, if necessary, legal action.

Under the Code, the Commissioners' Court will continue to set annual tax rates on the property. The Code also provides that, if approved by the qualified voters in the Appraisal District, collection functions may be placed with the Appraisal District. The County bills and collects its property taxes and those of certain other taxing entities. Collections of those taxes pending distribution are accounted for in an agency fund.

The County is permitted by Article VIII; Section 9 of the State of Texas Constitution to levy taxes up to \$ 0.80 per \$ 100 assessed valuation for general governmental services including payment of principal and interest on general long-term debt and maintenance of roads and bridges. Article 6790 of Vernon's Civil Statutes permits the County to collect an additional \$ 0.15 per \$ 100 valuation for road and bridge purposes. Article 7048a of Vernon's Civil Statutes permits the County to collect \$ 0.30 per \$ 100 valuation for road, bridge and flood control purposes.

The County's 2014 tax levy, supporting the 2015 fiscal period budget, totaled \$ 0.4985 per \$ 100 valuation and was comprised as follows:

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Property Taxes - Continued

Constitutional Levy:	
General Fund	\$ 0.326841
Road and Bridge	0.056480
Mosquito Control	0.013540
Special Road and Bridge:	
Article 6790	0.060000
Article 7048a	-0-
Debt Service:	
Combination Tax and Revenue	
Certificates of Obligation Series 2003	0.004410
Certificates of Obligation Series 2006	0.005070
Unlimited Tax Road Bonds Series 2008	0.018239
Certificate of Obligation Series 2012	0.005120
Tax Notes Series 2013	<u>0.008800</u>
Combined tax rate	<u>\$ 0.498500</u>

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All outstanding balances between funds are reported as "due to/from other funds". The County had no advances between funds. All activity between funds was for short-term cash flow requirements. See Note 5 for additional discussion of interfund receivables and payables.

Inventories

The County utilizes the consumption method to account for inventory. Under this method, inventory is considered an expenditure when used rather than when purchased. Significant inventories are reported on the balance sheet at cost, using the first-in, first-out method, with an offsetting reservation of fund balance in the governmental fund financial statements since they do not constitute "available spendable resources" even though they are a component of current assets. Inventories in the governmental funds are comprised of road materials, bulk fuel and chemicals. Inventory of the proprietary fund type, Enterprise Fund (Airport), is comprised of bulk fuel held for sale. Changes in inventory balances for a proprietary fund type have a direct effect on respective cost of sales.

Capital Assets

Capital assets, which include land, land improvements, buildings and improvements, furniture, equipment and vehicles, runways, taxiways and aprons, infrastructure, and construction in progress are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Capital Assets - Continued

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The amount of interest cost to be capitalized on assets with tax-exempt borrowing is equal to the cost of the borrowing less interest earned on the related tax-exempt borrowing. During the year ended September 30, 2015, no capitalized interest was included in the cost of capital assets under construction.

Assets capitalized have an original cost of \$ 5,000 or more and over two years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Leased assets are depreciated over the lesser of the term of the related lease or the estimated useful lives of the assets. Estimated useful lives are as follows:

Land improvements	12-40 Years
Buildings and improvements	9-40 Years
Furniture, equipment and vehicles	2-20 Years
Runways, taxiways and aprons	15-20 Years
Infrastructure	20-50 Years

Compensated Absences

Employees are allowed paid absences due to sickness, vacation and compensatory time. As of January 1, 2000, sick leave benefits are earned by all full time employees at a rate of 96 hours annually. The leave policy allows employees to accumulate up to sixty days of sick leave benefit. Sick leave benefits are recognized in the period in which time off is actually taken. Vacation benefits accrue monthly at rates depending upon an employee's length of service. Vacation benefits must be taken annually and are limited to a carryover period depending upon the employee's length of service.

Effective January 1, 2000, the County implemented a sick leave pool. The sick leave pool provides additional sick leave days to employees in the event of a catastrophic illness or injury, surgery, or disability that prevents an employee from active employment. Days are applied from the pool only after the employee exhausts all accrued sick, vacation and compensatory time. The Sick Leave Pool Committee, an elected body of pool members who serve as the pool administrator, authorizes benefits from the pool.

Compensatory time represents time worked by employees in excess of 40 hours per week, and is earned at one and one-half times such hours worked. This applies to all non-exempt employees. Exempt employees are all department heads, supervisory personnel, and certain other professional or administrative positions. The maximum compensatory time an employee may accumulate is 240 hours. All such paid absences are paid at the employee's regular pay rate. The liability for compensated absences disclosed in the financial statements represents accumulated vacation and compensatory time at September 30, 2015, computed at pay rates in effect at that time.

The following is a summary of benefits payable as of September 30, 2015:

Governmental activities	\$ 3,848,540
Business-type activities	<u>41,282</u>
	<u>\$ 3,889,822</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Compensated Absences

Compensated absence liabilities for governmental activities have been paid from the general fund and various special revenue funds, and liabilities for business-type activities have been paid by the enterprise fund. These liabilities are expected to turn over completely during the next fiscal year; therefore, they are reported as current liabilities.

Deferred Outflows and Inflows of Resources

Guidance for deferred outflows of resources and deferred inflows of resources is provided by GASB No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". Concepts Statement No. 4, Elements of Financial Statements, introduced and defined those elements as a consumption of net position by the government that is applicable to a future reporting period, and an acquisition of net position by the government that is applicable to a future period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Further, GASB No. 65, "Items Previously Reported as Assets and Liabilities", had an objective to either (a) properly classify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or (b) recognize certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues).

Pension Plans

The fiduciary net position of the Texas County & District Retirement System (TCDRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TCERS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Long-Term Debt

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenditures and expenses at the time of the transaction.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt is reported as other financing resources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity

The County's Commissioners Court meets on a regular basis to manage and review cash financial activities and to ensure compliance with established policies. The County's Unassigned General Fund Balance is maintained to provide the County with sufficient working capital and a margin of safety to

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fund Equity - Continued

address local and regional emergencies without borrowing. The unassigned General fund balance may only be appropriated by resolution of the County's Commissioners Court. Fund balance of the County may be committed for a specific source by formal action of the County's Commissioners Court. Amendments or modifications of the committed fund balance must also be approved by formal action by the County's Commissioners Court. When it is appropriate for fund balance to be assigned, the County's Commissioners Court has delegated authority to the County Judge or the County Auditor. In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

Fund Balance Classifications:

The *nonspendable* fund balance includes portion of net resources that cannot be spent because of their form or because they must be maintained intact. Resources not in spendable form include supplies inventories, prepaid items, and long-term receivables net of unearned interest revenue.

The *restricted* fund balance includes net resources that can be spent only for the specific purposes stipulated by constitution, external resource providers (creditors, grantors, and contributors), laws and regulations of other governments, or through enabling legislation.

The enabling legislation authorizes the County to access, levy, charge or otherwise mandate payment of resources from external resource providers; those resources can be used only for the specific purposes stipulated in the legislation. The County's fee revenue generated through enabling legislations include auto registration fees, birth/death certificate fees, adult bond supervision fees, child abuse protection fees, graffiti eradication fees, court technology fees, election service fees, family protection fees, financial security fees, juvenile case management fees, law library fees, records archive fees, and records management and preservation fees reported under Non-major Special Revenue Funds, and auto registration fees, certificates of title, and gross weight and axle fees reported under the Road and Bridge Major Fund.

The *committed* fund balance includes spendable net resources that can only be used for specific purposes pursuant to constraints imposed by formal Commissioners Court actions, no later than the close of the fiscal year. These actions must be in the form of a resolution approved by Commissioners' Court. Those constraints remain binding unless removed or changed in the same manner employed to previously commit those resources, which was formal action of Commissioners Court.

The *assigned* fund balance includes amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Such intent should be expressed by Commissioners Court or its designated officials to assign amounts to be used. Constraints imposed on the use of assigned amounts can be removed with no formal Commissioners Court actions. At September 30, 2015, there were no assignments of fund balance.

The *unassigned* fund balance represents spendable net resources that have not been restricted, committed, or assigned to specific purposes.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Governmental Fund Financial Statements:

The following schedule presents details of fund balance components at September 30, 2015:

	<u>Major Funds</u>		<u>Non-Major Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>Other Governmental Fund</u>	
Fund Balances:				
Nonspendable:				
Inventories	\$ 2,607	\$ 452,718	\$ 257,584	\$ 712,909
Prepaid expenditures	1,206,366	1,358	16,896	1,224,620
Long-term receivables	11,340,854		607,193	11,948,047
Restricted:				
Capital projects			9,478,122	9,478,122
Contributor purposes	94,151		40,437	134,588
Court improvements and operations			301,982	301,982
Debt service			4,597,231	4,597,231
Elections services			223,543	223,543
Family protection services			62,437	62,437
Federal grants			704,299	704,299
Health services			2,438,011	2,438,011
Inmate services			199,905	199,905
Juvenile services			14,932	14,932
Library services			543,304	543,304
Public safety personnel training			84,975	84,975
Public transportation projects		19,615,906		19,615,906
Records management			3,105,754	3,105,754
State grants and appropriations			101,154	101,154
Other			382,286	382,286
Committed:				
District Attorney supplement			70,833	70,833
District Clerk supplement	579,184			579,184
Narcotics operations			218,978	218,978
Juvenile services	229,276			229,276
Sheriff supplement			667,185	667,185
Tax Collector supplement			51,275	51,275
Unassigned	<u>64,255,372</u>		<u>(15,673)</u>	<u>64,239,699</u>
Total	<u>\$77,707,810</u>	<u>\$20,069,982</u>	<u>\$24,152,643</u>	<u>\$121,930,435</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position invested in capital assets consists of capital assets net of accumulated depreciation and the outstanding balances of any borrowing spent for the acquisition, construction or improvements of those assets. Net position are reported as restricted when there is limitations imposed on the use either through enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net Position:			
Net investment in capital assets	\$ 187,772,835	\$ 21,210,397	\$ 208,983,232
Restricted:			
Debt service	4,278,259		4,278,259
Public transportation projects	21,553,918		21,553,918
Records management	3,105,754		3,105,754
Health services	2,467,837		2,467,837
Other:			
Contributor purposes	134,588		134,588
Court improvements and operations	301,982		301,982
Elections services	223,543		223,543
Family protection services	62,437		62,437
Federal grants	704,299		704,299
Inmate services	199,905		199,905
Juvenile services	14,932		14,932
Library services	543,304		543,304
Public safety personnel training	84,975		84,975
State grants and appropriations	101,154		101,154
Other	382,286		382,286
Unrestricted	<u>76,975,016</u>	<u>592,390</u>	<u>77,567,406</u>
Total	<u>\$ 298,907,024</u>	<u>\$ 21,802,787</u>	<u>\$ 320,709,811</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 2 - RECONCILIATION OF THE GOVERNMENTAL FUNDS TO GOVERNMENTAL ACTIVITIES FINANCIAL STATEMENTS

Reconciliation of Governmental Funds Balance Sheet to the Governmental Activities Statement of Net Position

Total fund balances - governmental funds balance sheet (Exhibit 3) \$ 121,930,435

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Assets and Deferred Outflows of Resources (Excluding Internal Service Funds):

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Capital assets include \$ 460,941,160 in assets less \$ 194,927,262 in accumulated depreciation. 266,013,898

Long-term loans receivable from other entities unavailable to pay for current period expenditures are not recorded in the funds. Loans receivable discounted for present value of \$ 1,125,935. (1,125,935)

Judicial accounts receivables net of related allowance for uncollectible are unavailable to pay for current period expenditures and availability of funds are uncertain as to availability are not recorded in the funds. Judicial receivables of \$ 29,107,452 net of allowance for uncollectible accounts of \$ 12,586,796 of the general fund amounted to \$ 16,520,656. 16,520,656

Property taxes receivable unavailable to pay for current period expenditures are unearned in the funds. Deferred property tax revenues for the General fund, Road and Bridge special revenue fund, Mosquito Control District, Certificate of Obligation Sheriff & Detention Center Complex Series 1993 debt service fund, Certificate of Obligation Construction and Maintenance Series 2003 debt service fund, Certificate of Obligation Construction and Maintenance Series 2006 debt service fund, Unlimited Road Bonds Series 2006 debt service fund, Certificate of Obligation Construction and Maintenance Series 2012, and Tax Note Series 2103 amounted to \$ 726,293, \$ 198,904, \$ 29,826, \$ 5,260, \$ 9,554, \$ 11,565, \$ 39,997, \$ 11,208 and \$ 11,950, respectively. 1,044,557

Special assessments receivable unavailable to pay for current period expenditures are deferred in the funds. Deferred special assessment tax revenues for Brazos Oaks/Forest Assessment, Brazos Bend Assessment, Bonnie Lane Assessment, Laura Lane Assessment, Sherwood Land Assessment, Norris Road Special Assessment, Brazos Bend 2 Special Assessment, Oakwood Creek Assessment, Manvel Assessment, Quail Ridge Assessment, Hampton Road Assessment, Pecan Estates Assessment, Westwood Road Assessment, Sally Lake Road Assessment, Rose Mary Street Assessment, Oakwood Creek Estates Assessment, and Benefield Assessment reported in the Road and Bridge special revenue fund in the amount of \$ 1,237,026 and the Vivian Street Lazy Oaks Assessment special revenue fund of \$ 48,006. 1,285,032

Pension deferred outflows are not reported based upon the measurement date of December 31, 2014 and are unavailable at September 30, 2015 to pay for current period expenditures and are not recorded in the funds. pension deferred outflows of \$ 2,588,195 (differences between expected and actual earnings of \$ 2,881,870 less amortization of \$ 720,468, and differences between expected and actual experience of \$ 569,058 less amortization of \$ 142,265). 2,588,195

Deferred outflows for subsequent pension contributions of \$ 6,772,783 made during the period January 1, 2015 through September 30, 2015 are charged to expenditures in the funds but do not reduce the amount of net pension liability. 6,772,783

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 2 - RECONCILIATION OF THE GOVERNMENTAL FUNDS TO GOVERNMENTAL ACTIVITIES FINANCIAL STATEMENTS - Continued

Reconciliation of Governmental Funds Balance Sheet to the Governmental Activities Statement of Net Position - Continued

Bond refunding costs are reported as current financial uses for governmental funds but the expenditures increase long-term assets in the statement of net position. This amount is amortized over the life of the bonds. Bond refunding costs of \$ 170,830 less accumulated amortization of \$ 97,080. 73,750

Liabilities and Deferred Inflows of Resources (Excluding Internal Service Funds):

Payables for bonds (\$ 76,745,000) and tax note (\$ 8,135,000) principal are not reported in the funds. (84,880,000)

Premium on the issuance of bonds provide current financial resources to governmental funds but the proceeds decrease long-term assets in the statement of net position. This amount is amortized over the life of the bonds. Net premium on the issuance of bonds were \$ 2,912,935 (premium on the sale of bonds of \$ 3,920,317 less amortization of \$ 1,007,382). (2,912,935)

Payables for bond and tax note interest is not reported in the funds except for amounts received from the sale of bonds or issuance of tax notes after the issuance date. Total accrued interest payable of \$ 408,507 (\$ 387,646 for bonds and \$ 20,861 for tax notes). (408,507)

Payables for compensated absences are not reported in the funds. (3,848,540)

Payables for net OPEB obligation are not reported in the funds. (2,598,340)

Payables for net pension liability are not reported in the funds. (20,070,412)

Internal Service Funds Net Position:

Internal service funds are used by management to charge the cost of certain activities, such as health insurance and liability insurance, to individual funds. The assets and liabilities of the service funds are not reported separately from the funds statements. The internal service funds balances (net of amount allocated to business-type activities and fiduciary funds) not included in other reconciling items:

	Self Insurance			
	Liability	Health	Clinic	
Cash and temporary investment	\$ 1,365,088	\$ 225,801	\$ 70,000	
Accounts receivable		741,177		
Prepaid expenses		36,775		
Accounts and accrued liabilities payable	(9,754)	(348,095)	(60,036)	
Estimated claims payable	(400,000)	(887,734)		
Due to other funds		(2,237,657)		
Net amount allocated to business-type activities	_____	26,892	(70)	
Net	\$ 955,334	\$(2,442,841)	\$ 9,894	(1,477,613)

Net position of governmental activities – statement of net position (Exhibit 1). \$ 298,907,024

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

**NOTE 2 - RECONCILIATION OF THE GOVERNMENTAL FUNDS TO GOVERNMENTAL ACTIVITIES
FINANCIAL STATEMENTS - Continued**

Reconciliation of Governmental Funds Balance Sheet to the Governmental Activities Statement of Net
Position - Continued

Net change in fund balances - total governmental funds (Exhibit 4) \$ 11,592,516

**Amounts reported for governmental activities in the statement of activities (Exhibit 2) are
different because:**

Revenues and Other Resources (Excluding Internal Service Funds):

Property tax revenues in the governmental activities statement of activities do not provide current available resources and are not reported as revenues in the funds. Deferred property tax revenues for the General fund, Road and Bridge special revenue fund, Mosquito Control District, Certificate of Obligation Detention Center Complex Series 1993 debt service fund, Certificate of Obligation Construction and Maintenance Series 2003 debt service fund, Certificate of Obligation Construction and Maintenance Series 2006 debt service fund, Unlimited Road Tax Series 2006 debt service fund, Certificate of Obligation Construction and Maintenance Series 2012, and Tax Note Series 2103 amounted to \$ 77,945, \$ 37,700, \$ 3,734, \$(3,627), \$ 1,168, \$ 959, \$ 5,223, \$ 1,334 and \$ 11,950) respectively. 136,386

Special assessment revenues in the governmental activities statement of activities do not provide current available resources and are not reported as revenues in the funds. Deferred special assessment tax revenues for Brazos Oaks/Forest Assessment, Brazos Bend Assessment, Bonnie Lane Assessment, Laura Lane Assessment, Sherwood Land Assessment, Norris Road Special Assessment, Brazos Bend 2 Special Assessment, Oakwood Creek Assessment, Manvel Assessment, Quail Ridge Assessment, Hampton Road Assessment, Pecan Estates Road Assessment, Westwood Road Assessment, Sally Lake Road Assessment, Rose Mary Street Assessment, Oakwood Creek Estates Assessment, and the Benefield Assessment were reported in the Road and Bridge special revenue fund in the amount of \$ 107,464 and the Vivian Street Lazy Oaks Assessment special revenue fund in the amount of \$ 48,006. 155,470

Governmental funds report proceeds from the sale of assets as revenue. However, in the governmental activities statement of activities, the cost of the assets disposed is offset against the proceeds to report gain or loss on the disposition of assets. The cost of assets disposed were \$ 328,179. (Cost of \$ 4,741,844 less accumulated depreciation of \$ 4,413,665). (328,179)

Contributions of capital assets are not reported in the funds, however, contributions of capital assets are reported as capital contributions in the governmental activities statement of activities. During the current year, \$ 312,174 of roads were contributed to and accepted by the County. 312,174

Judicial revenues (resulting from accounts receivables net of related allowance for uncollectible) in the governmental activities statement of activities does not provide current available resources and are not reported as revenues in the funds. The change in these net receivables resulted in a decrease in revenues reported in the governmental activities statement of activities. 5,769,573

Expenditures/Expenses and Other Uses (Excluding Internal Service Funds):

Governmental funds report capital outlays as expenditures. However, in the governmental activities statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays \$ 28,370,403 exceeded depreciation \$ 14,519,878 in the current period. 13,850,525

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

**NOTE 2 - RECONCILIATION OF THE GOVERNMENTAL FUNDS TO GOVERNMENTAL ACTIVITIES
FINANCIAL STATEMENTS - Continued**

Reconciliation of Governmental Funds Balance Sheet to the Governmental Activities Statement of Net
Position - Continued

Bond refunding costs is an expenditure in the governmental fund, but the costs increases long-term assets in the statements of net position. This amount is amortized over the life of the bond. Current amortization of \$ 30,521.	(30,521)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the governmental activities statement of net position. The funds statements reported \$ 1,765,000 in bond principal payments.	1,765,000
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the governmental activities statement of net position. The funds statements reported \$ 3,620,000 in bond principal payments.	3,620,000
Premium on the issuance of bonds provide current financial resources to governmental funds, but the proceeds decrease long-term assets in the statement of net position. This amount is amortized over the life of the bonds. Amortization of bond premium was \$ 240,805.	240,805
Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the amount of accrued interest on long-term debt. Change in accrued interest on bonds was \$ 21,248 (\$ 16,722 in bonds and \$ 4,526 in tax notes).	21,248
Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the amount of change in compensated absences.	30,260
Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the amount of change in net OPEB obligation.	625,293
Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the amount of change in net pension obligations.	1,486,296
The change in noncurrent loan advance discounts do not produce current financial resources to governmental funds but these changes increase long-term assets in the statement of net position. The current change in noncurrent loan discounts was \$ 257,998 (prior discount of \$ 867,937 less current discount of \$ 1,125,935).	(257,998)

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 2 - RECONCILIATION OF THE GOVERNMENTAL FUNDS TO GOVERNMENTAL ACTIVITIES FINANCIAL STATEMENTS - Continued

Reconciliation of Governmental Funds Balance Sheet to the Governmental Activities Statement of Net Position - Continued

Internal Service Funds Statement of Revenues, Expenses and Changes in Net Position:

Internal service funds are used by management to charge the cost of insurance, health and liability to individual funds. The net revenue (expense) of the internal service funds is reported in the governmental activities statement of activities (net of amounts allocated to business-type activities and fiduciary funds) not included in other reconciling items:

	<u>Self Insurance</u>		
	<u>Liability</u>	<u>Health</u>	<u>Clinic</u>
Investment income	\$ 1,869	\$ 5,338	\$
Operating expenses	(242,604)	(14,869,210)	(672,528)
Contributions for self insurance	188,198	13,897,959	682,492
Net amount allocated to business-type activities	<u> </u>	<u>8,804</u>	<u>(91)</u>
Net	<u>\$ (52,537)</u>	<u>\$ (957,109)</u>	<u>\$ 9,873 (999,773)</u>

Change in net position of governmental activities (see Exhibit 2). \$ 37,989,075

NOTE 3 - DEPOSITS, INVESTMENTS AND DERIVATIVES

The County classifies deposits and investments for financial statement purposes as cash and temporary investments, and investments based upon both liquidity (demand deposits) and maturity date (deposits and investments) of the asset at the date of purchase. For this purpose, a temporary investment is one that when purchased had a maturity date of three months or less. See Note 1 for additional Governmental Accounting Standards Board Statement No. 31 disclosures. Cash and temporary investments as reported on the financial statements at September 30, 2015 are as follows:

	<u>Unrestricted</u>
Cash and Temporary Investments:	
Cash (petty cash accounts)	\$ 29,940
Financial Institution Deposits:	
Demand deposits	60,154,631
Local Government Investment Pools:	
Texpool	33,420,568
Texas Class Pool	<u>21,954,998</u>
	115,560,137
Investments:	
Government agency securities	<u>19,027,960</u>
	<u>\$ 134,588,097</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 3 - DEPOSITS, INVESTMENTS AND DERIVATIVES - Continued

Deposits

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned to them. The County requires that all deposits with financial institutions be collateralized in an amount equal to 100 percent of uninsured balances.

At year-end, in addition to petty cash of \$ 29,940, the carrying amount, of the County's deposits, was \$ 60,154,631, while the financial institution balances totaled \$ 61,947,631. Of these balances, \$ 8,824,778 represents amounts controlled by County courts and held by various financial institutions jointly under the name of the County and the court's beneficiaries and carrying the identification number of the beneficiaries. These accounts are entirely covered by federal deposit insurance. Of the financial institution balances, \$ 18,279,780 was covered by federal depository insurance coverage, and \$ 43,667,851 was covered by collateral held by the County's agent in the County's name.

Investments

Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) authorizes the County to invest its funds under written investment policy (the "investment policy") that primarily emphasizes safety of principal and liquidity, addresses investment diversification, yield, and maturity and addresses the quality and capability of investment personnel. This investment policy defines what constitutes the legal list of investments allowed under the policies, which excludes certain instruments allowed under chapter 2256 of the Texas Government Code.

The County's deposits and investments are invested pursuant to the investment policy, which is approved by Commissioners' Court. The investment policy includes lists of authorized investment instruments and allowable stated maturity of individual investments. In addition it includes an "Investment Strategy Statement" that specifically addresses each investment option and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification and yield. Additionally, the soundness of financial institutions (including broker/dealers) in which the County will deposit funds is addressed. The County's investment policy and types of investments are governed by the Public Funds Investment Act (PFIA). The County's management believes it complied with the requirements of the PFIA and the County's investment policy.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 3 - DEPOSITS, INVESTMENTS AND DERIVATIVES - Continued

Investments - continued

The County's Investment Officer submits an investment report each quarter to the Commissioners' Court. The report details the investment positions of the County and the compliance of the investment portfolio's as they relate to both the adopted investment strategy statements and Texas State law.

The County is authorized to invest in the following investment instruments provided that they meet the guidelines of the investment policy:

1. Obligations of the United States or its agencies and instrumentalities;
2. Direct obligations of the State of Texas or its agencies and instrumentalities;
3. No-load money market mutual funds: regulated by SEC, with a dollar-weighted average stated maturity of 90 days or less, includes in its investment objectives the maintenance of a stable \$ 1.00 net asset value per each share, and limited in quantity to the requirements, set forth in Chapter 2256, Government Code Section 2256.014;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities;
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
6. Certificates of deposit if issued by a state or national bank domiciled in the State of Texas and is: guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, secured in any manner and amount provided by law for deposits of the County;
7. Fully collateralized repurchase agreements, if it: has a defined termination date, is secured by obligations described by Section 2256.009(a)(1) of the Public Funds Investment Act, requires the securities being purchased by the County to be pledged to the County, held in the County's name, and deposited at the time the investment is made with the County or with a third party selected and approved by the County, is placed through a primary government securities dealer, approved by the County, or a financial institution doing business in the State of Texas;
8. Commercial paper is an authorized investment, if the commercial paper: has a stated maturity of 270 days or fewer from the date of its issuance, and is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit agencies or one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state;
9. Eligible investment pools if the Commissioners' Court by resolution authorizes investment in the particular pool. An investment pool shall invest funds it receives from entities in authorized investments permitted by the Public Funds Investment Act. The County by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds; and,

The County participates in two Local Government Investment Pools (LGIPs): Texpool and Texas Class. The State Comptroller oversees Texpool with Lehman Brothers and Federated Investors managing the daily operations of the pool under a contract with the State Comptroller. Advisory boards consisting of participants or their designees, maintains oversight responsibility for Texas Class. These external investment pools are not registered with the Securities and Exchange Commission, and the County's fair value of its position in these pools are not same as the value of the pool shares. These funds seek to maintain a constant net asset value of \$ 1.00, although this cannot be fully guaranteed.

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2015

NOTE 3 - DEPOSITS, INVESTMENTS AND DERIVATIVES - ContinuedInvestments - continued

The County invests in Texpool and Texas Class to provide its liquidity needs. Texpool and Texas Class are local government investment pools that were established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and the Public Funds Investment Act, Chapter 2256 of the Code. Texpool and Texas Class are 2(a)7 like funds, meaning that they are structured similar to a money market mutual fund. Such funds allow shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. Such funds seek to maintain a constant net asset value of \$ 1.00, although this cannot be fully guaranteed. Texpool and Texas Class are rated AAA and must maintain a dollar weighted average maturity not to exceed 60 days, which is the limit. At September 30, 2015 Texpool and Texas Class had a weighted average maturity of 40 days and 53 days, respectively. Although Texpool and Texas Class portfolios had a weighted average maturity of 40 days and 53 days, respectively, the County considers holdings in these funds to have a one day weighted average maturity. This is due to the fact that the share position can usually be redeemed each day at the discretion of the shareholder, unless there has been a significant change in value.

During the year ended September 30, 2015, the County invested in the direct purchase of government agency securities (FHLMC, FNMA, and FHLB Discount Notes) within the General Fund. These securities have staggered maturity dates beginning on July 7, 2017 through August 17, 2018 and had a market value of \$ 19,027,960 at September 30, 2015.

As of September 30, 2015, the County had the following investments:

<u>Investment Type</u>	<u>Interest Rate</u>	<u>Fair Value</u>	<u>Weighted Avg. Maturity (Days)</u>
Local Government Investment Pools:			
Texpool	Varies	\$ 33,420,568	40
Texas Class Pool	Varies	<u>21,954,998</u>	53
		<u>55,375,566</u>	34
Government Agency Securities:			
Federal Home Loan Mortgage Corporation	1.000%	2,008,980	646
Federal Home Loan Mortgage Corporation	1.000%	2,001,340	758
Federal Home Loan Mortgage Corporation	1.200%	2,001,640	940
Federal Home Loan Mortgage Corporation	1.250%	2,005,200	1,003
Federal Home Loan Mortgage Corporation	1.125%	2,002,800	874
Federal Farm Credit Bank	1.200%	2,000,800	1,017
Federal Home Loan Bank	1.500%	3,001,800	1,020
Federal Home Loan Mortgage Corporation	1.375%	2,003,800	1,034
Federal Home Loan Bank	1.250%	<u>2,001,600</u>	1,052
		<u>19,027,960</u>	238
		<u>\$ 74,403,526</u>	86

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2015

NOTE 3 - DEPOSITS, INVESTMENTS AND DERIVATIVES - ContinuedInvestments - continued

Credit Risk - As of September 30, 2015, the LGIPs (which represent approximately 74.43% of the investment portfolio) are rated AAAM by Standard and Poor's or AAA by Finch. The government agency securities rated A-1 by Standard and Poor's and P-1 by Moody's (represent approximately 25.57% of the investment portfolio) are registered and the County's agent holds the securities in the County's name; therefore, the County is not exposed to credit risk.

Interest rate Risk - As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy requires that investment maturities will not exceed the lesser of a dollar weighted average maturity of 365 days or the anticipated cash flow requirements of the funds. Quality short-to-medium term securities should be purchased, which complement each other in a structured manner that minimizes risk and meets the County's cash flow requirements.

Derivatives

Interest in derivative products has increased in recent years. Derivatives are investment products, which may be a security or contract, which derives its value from another security, currency, commodity, or index, regardless of the source of funds used. The County made no direct investments in derivatives during the year ended September 30, 2015, and holds no direct investments in derivatives at September 30, 2015.

NOTE 4 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES AND UNEARNED REVENUESReceivables and Allowances

Receivables as of September 30, 2015, for the government's individual governmental major and nonmajor funds, proprietary major funds, internal service funds, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Governmental Funds</u>			<u>Total</u>
	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>Other Governmental Funds</u>	
Receivables:				
Property taxes	\$ 1,835,286	\$ 641,563	\$ 277,601	\$ 2,754,450
Accounts	86,410	89,341	6,772	182,523
Special assessments		1,393,073	48,006	1,441,079
Due from other governments	6,314,224	635,942	2,595,925	9,546,091
Accrued interest	<u>55,029</u>			<u>55,029</u>
Gross receivables	8,290,949	2,759,919	2,928,304	13,979,172
Less Allowance for Uncollectible:				
Property taxes	963,412	344,611	134,713	1,442,736
Special assessments		<u>204,053</u>		<u>204,053</u>
Net receivables	<u>\$ 7,327,537</u>	<u>\$ 2,211,255</u>	<u>\$ 2,793,591</u>	<u>\$ 12,332,383</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 4 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES AND UNEARNED REVENUES - Continued

Receivables and Allowances - continued

	<u>Proprietary Funds</u>			<u>Fiduciary Funds</u>
	<u>Enterprise Fund</u>	<u>Internal Service Funds</u>	<u>Total</u>	
Receivables:				
Accounts:				
Airport customers	\$ 231,050	\$	\$ 231,050	\$
Stop loss insurance		741,177	741,177	
Other	245		245	99,355
Due from other governments	<u>33,008</u>		<u>33,008</u>	
Gross receivables	264,303	741,177	1,005,480	99,355
Less Allowance for Uncollectible:				
Accounts:				
Airport customers	<u>46,081</u>		<u>46,081</u>	
Net total receivables	<u>\$ 218,222</u>	<u>\$ 741,177</u>	<u>\$ 959,399</u>	<u>\$ 99,355</u>

Receivables From Other Governments

The County participates in a variety of federal and state programs from which it receives grants to, partially or fully, finance certain activities. In addition, the County receives entitlements from the State through the legislative actions and taxes collected by the State on behalf of the County (sales and other taxes). All federal grants shown below are either direct or passed through state or local agencies and are reported on the financial statements as due from other governments.

Amounts due from federal, state, and local governments as of September 30, 2015 are summarized below:

	<u>State Entitlements and Taxes</u>	<u>Federal Grants</u>	<u>State Grants</u>	<u>Other</u>	<u>Total</u>
Major Governmental Funds:					
General Fund	\$ 4,710,400	\$ 1,493,410	\$ 96,945	\$ 13,469	\$ 6,314,224
Road & Bridge Fund	90,655	495,287		50,000	635,942
Non major governmental Funds		<u>2,189,333</u>	<u>403,092</u>	<u>3,500</u>	<u>2,595,925</u>
Total	<u>\$ 4,801,055</u>	<u>\$ 4,178,030</u>	<u>\$ 500,037</u>	<u>\$ 66,969</u>	<u>\$ 9,546,091</u>
Major Proprietary Funds:					
Airport Fund	\$	<u>33,008</u>	\$	\$	<u>33,008</u>
Total	<u>\$ -0-</u>	<u>\$ 33,008</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 33,008</u>

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2015

NOTE 4 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES AND UNEARNED REVENUES - ContinuedLoans Receivable (Discounted)

The County advanced funds to the Brazoria County Toll Road Authority in the amount of \$ 9,209,617 (\$ 1,534, \$ 16,269, \$ 63,387, \$ 64,017, \$ 100,483, \$ 61,736, \$ 309,767, and \$ 8,592,424 during the years ended September 30, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2014 and 2015 respectively) to provide cash flow. The Brazoria County Toll Road Authority is reported as an enterprise fund (blended component unit). The Brazoria County Toll Road Authority has agreed to repay these funds, without interest, from future bonds (expected within five years for financial statement purposes). The \$ 10,000 due during the years ended September 30, 2015, 2014, 2013, 2012, 2011, 2010, 2009, 2008, and 2007 was unpaid and the County established an allowance for uncollectible accounts at September 30, 2015 of \$ 7,273.

The County advanced funds to the Brazoria County Fresh Water Supply #2 ("BCFWS") in the amount of \$ 25,000 (\$ 10,000, \$ 5,000, and \$ 10,000 during the years ended September 30, 2009, 2010, and 2012, respectively) to provide cash flow. The Brazoria County Fresh Water Supply #2 is reported as an agency fund. The Brazoria County Fresh Water Supply #2 has agreed to pay back the County over a nine year period beginning October 1, 2010 and ending September 30, 2019, without interest. The \$ 12,000 due during the years ended September 30, 2015, 2014, 2013, 2012 and 2011 was unpaid and the County established an allowance for uncollectible accounts at September 30, 2015 of \$ 8,727.

Since these are long-term receivables without interest, the County has discounted the loan receivable at September 30, 2015, as follows:

	General Fund	Other Governmental Funds	Total
Receivable current	\$ 5,000	\$	\$ 5,000
Receivable within one year	3,000		3,000
Receivable within two years	3,000		3,000
Receivable within three years	3,000		3,000
Receivable within four years	1,000		1,000
Receivable within five years	<u>11,331,854</u>	<u>607,193</u>	<u>11,939,047</u>
Total loan receivable	11,346,854	607,193	11,954,047
Less allowance for uncollectible	<u>(6,000)</u>		<u>(6,000)</u>
Net loan receivable (governmental funds)	11,340,854	607,193	11,948,047
Less discounts to net present value	<u>(1,068,695)</u>	<u>(57,240)</u>	<u>(1,125,935)</u>
Net loan receivable (governmental activities)	<u>\$ 10,272,159</u>	<u>\$ 549,953</u>	<u>\$ 10,822,112</u>

The discount rate used on long-term loans was 1.20% for the year ended September 30, 2015.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 4 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES AND UNEARNED REVENUES - Continued

Loans Receivable (Discounted) - Continued

These net long term receivables are from the following entities:

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Brazoria County Toll Road Authority (Blended Component Unit Enterprise Fund)	\$ 10,263,609	\$ 549,953	\$ 10,813,562
Brazoria County Fresh Water Supply District #2	<u>8,550</u>	<u> </u>	<u>8,550</u>
	<u>\$ 10,272,159</u>	<u>\$ 549,953</u>	<u>\$ 10,822,112</u>

Judicial Receivables

Judicial receivables are reported in the governmental activities statement of net position. Since these receivables do not represent current available resources, they are not reported in the governmental funds balance sheet. The allowance for uncollectible receivables related to the County's various court assessments is determined based on historical experience and evaluation of collectability in relation to the aging of customer accounts. The following is a summary of the receivable and allowance for uncollectible as of September 30, 2015:

	<u>Governmental Activities</u>		
	<u>Judicial Receivable</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivable</u>
Judicial Receivables:			
Justice of the Peace	\$ 8,721,213	\$ 2,616,364	\$ 6,104,849
County courts	2,226,875	890,750	1,336,125
District courts	17,844,300	8,922,150	8,922,150
Juvenile probation	<u>315,064</u>	<u>157,532</u>	<u>157,532</u>
	<u>\$ 29,107,452</u>	<u>\$ 12,586,796</u>	<u>\$ 16,520,656</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 4 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES AND UNEARNED REVENUES - Continued

Deferred Outflows and Inflows of Resources and Unearned Revenue

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of September 30, 2015, the various components of deferred outflows of resources and unearned revenue reported in the governmental and proprietary funds were as follows:

	Governmental Funds			
	General Fund	Road & Bridge Funds	Other Governmental Funds	Total
Deferred Inflows of Resources:				
Delinquent property taxes receivable	\$ 726,293	\$ 198,904	\$ 119,360	\$ 1,044,557
Delinquent special assessment taxes receivable		<u>1,237,026</u>	<u>48,006</u>	<u>1,285,032</u>
	<u>\$ 726,293</u>	<u>\$ 1,435,930</u>	<u>\$ 167,366</u>	<u>\$ 2,329,589</u>
Unearned Revenue:				
Federal grants	\$ 321,630		\$ 133,484	\$ 455,114
State grants			940,408	940,408
Bail bonds	857,018			857,018
Public safety seizures	127,660		377,497	505,158
Developer advance		6,344,807		6,344,807
Rental deposits	18,800		12,400	31,200
Contributions			<u>6,018</u>	<u>6,018</u>
	<u>\$ 1,325,109</u>	<u>\$ 6,344,807</u>	<u>\$ 1,469,807</u>	<u>\$ 9,139,723</u>
				Proprietary Fund
				Airport
				Enterprise
				Fund
Deferred Outflows of Resources:				
Pension:				
Net difference between expected and actual investment earnings				\$ 17,431
Net difference between expected and actual experience				3,442
Subsequent contributions				<u>51,513</u>
				<u>\$ 72,386</u>
Unearned Revenue:				
Rental deposits				<u>\$ 22,350</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 4 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES AND UNEARNED REVENUES - Continued

Deferred Outflows and Inflows of Resources and Unearned Revenue - Continued

Governmental and business-type activities defer the recognition of pension expense for contributions made subsequent to the measurement date to the current year-end of September 30, 2015 and report these as deferred outflows of resources. Governmental and business-type activities also defer revenue recognition in connections with resources that have been received, but not yet earned and report these amounts as a deferred inflow of resources. Further, for governmental and business-type activities, like governmental funds, defer revenue recognition in connection with resources that have been received, but not yet earned and report these amounts as a liability (unearned revenue).

As of September 30, 2015, the various components of deferred inflows and outflows of resources reported in the governmental and business-type activities were as follows:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	Deferred		Deferred	
	Outflows of	Unearned	Outflows of	Unearned
	<u>Resources</u>	<u>Revenue</u>	<u>Resources</u>	<u>Revenue</u>
Bond refunding cost (net of accumulated amortization)	\$ 73,750	\$	\$	\$
Pension Related:				
Differences between expected and actual experience	426,793		3,442	
Differences between projected and actual investment earnings	2,161,402		17,431	
Subsequent contributions	6,772,783		51,513	
Unearned Revenue:				
Federal grants		455,114		
State grants		940,408		
Bail bonds		857,018		
Public safety seizures		505,158		
Developer advances		6,344,807		
Contributions		6,018		
Rental deposits		31,200		22,350
	<u>\$ 9,434,728</u>	<u>\$ 9,139,723</u>	<u>\$ 72,386</u>	<u>\$ 22,350</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at September 30, 2015 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>2015</u>
General	Other governmental	\$ 1,035,770
General	Internal Service	2,237,657
Other governmental	General	<u>26,442</u>
		<u>\$ 3,299,869</u>

Detail interfund receivables and payables at September 30, 2015 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>2015</u>
General Fund	TDSHS Women, Infants & Children Fund	\$ 213,595
General Fund	HHS-PPCPS Cities Readiness Initiative Fund	7,132
General Fund	HHS-BRHLO Community and Rural Health Fund	10,531
General Fund	HHS-PPCPS Hazards (Bioterrorism Grant) Fund	20,067
General Fund	HHS-Infectious Disease Control Unit Fund	5,022
General Fund	HHS-CPS Title IV-E Foster Care Maintenance Fund	12,295
General Fund	HHS-CPS Title IV-E Legal Services Fund	3,102
General Fund	CDBG County (HUD) Fund	3,083
General Fund	HUD - Texas CDBG Recovery Fund	9,982
General Fund	USDOJ Crime Victim Assistance VOCA Fund	6,906
General Fund	USDOJ CSCD Victim Services Program Fund	2,116
General Fund	USDOJ Drug Court Program Fund	41,121
General Fund	USDOJ DWI Court Program Fund	25,593
General Fund	USDOJ DEA Narcotics OT Expense Fund	544
General Fund	DOI Parks Boating Access Fund	231,272
General Fund	TJJD State Aid Fund	55,404
General Fund	OAG Victim Assistance Grant Fund	2,459
General Fund	DFPS CPS Title IV-B Concrete Services Fund	158
General Fund	TDSHS Immunization Fund	51,832
General Fund	Voter Registration Tax Office Fund	3,430
General Fund	USTREAS Restore Act Projects Fund	329,951
General Fund	DOI Parks CIAP Fund	175
General Fund	Health Care Benefits Fund	2,237,657
DOI Parks Boating Access	General Fund	26,032
USDOJ-Crime Victim Assistance – VOCA	General Fund	<u>410</u>
Total		<u>\$ 3,299,869</u>

Interfund receivables and payables represent short-term borrowings primarily for cash flow purposes. These include short-term borrowings for reimbursement grants and some revenue or expenditures/expense adjustments between funds at or near year-end.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Interfund transfers for the year ended September 30, 2015 consisted of the following individual fund transfers in and transfers out:

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>2015</u>
General	Other governmental	\$ 1,068,737
Other governmental	General	28,418
Road and Bridge	Other governmental	32,994
Other governmental	Other governmental	9,334,045
Other governmental	Enterprise	<u>690,800</u>
Total		<u>\$ 11,154,994</u>

Detail interfund transfers for the year ended September 30, 2015 consisted of the following individual fund transfers in and transfers out:

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>2015</u>
General Fund	HHS-PPCPS – CRI Fund	\$ 1,740
General Fund	HHS-PPCPS Hazards (Bioterrorism Grant) Fund	6,132
General Fund	HHS-CPS Title IV-E Foster Care Maintenance Fund	75,168
General Fund	HHS-CPS Title IV-E Legal Services Fund	257,083
General Fund	DHS State Homeland Security – UASI Fund	10,870
General Fund	USDOJ Crime Victim Assistance VOCA Fund	48,187
General Fund	USDOJ Drug Court Program Fund	5,504
General Fund	DOI Parks Boating Access Fund	112,750
General Fund	TJJD State Aid Fund	5,914
General Fund	TJJD JJAEP Boot Camp Fund	439,057
General Fund	OAG - VAG Grant Fund	20,512
General Fund	CSCD Bond Supervision Fund	33,000
General Fund	Law Library Fund	50,000
General Fund	USDC SLP Dune Walkover Fund	2,820
Road & Bridge Fund	USDOT CR 257 Repairs Fund	22,505
Road & Bridge Fund	TXDOT CR 48 Project Fund	10,489
TCEQ Local Initiatives Program Fund	General Fund	52
D A Supplemental Fund	General Fund	27,366
D A Forfeiture, CCP Chapter 59 Fund	General Fund	1,000
Brazoria County Narcotics Task Force	Sheriff Contraband Forfeitures Fund	180,173
Road Bonds – Mobility I & S Fund	Mobility – Build America Bond I & S Fund	500,000
2012 Certificate Obligation C & M Fund	Enterprise (Airport)	690,800
Mobility Plan C & M Fund	Mobility Build American Bonds C & M Fund	5,816,096
Mobility Build America C&M Fund	Mobility Plan C & M Fund	<u>2,837,776</u>
		<u>\$ 11,154,994</u>

The Commissioners' Court approved these transfers, as transfers of operational funds to cover planned expenditures/expenses.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 6 - CAPITAL ASSETS

Capital Transactions

	<u>Balance</u> <u>10-01-14</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance</u> <u>09-30-15</u>
Governmental Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 21,345,385	\$ 463,714	\$ 68,415	\$	\$ 21,740,684
Construction in progress	<u>48,551,179</u>	<u>17,557,924</u>	<u> </u>	<u>(16,396,527)</u>	<u>49,712,576</u>
Total capital assets not being depreciated	<u>69,896,564</u>	<u>18,021,638</u>	<u>68,415</u>	<u>(16,396,527)</u>	<u>71,453,260</u>
Capital Assets, Being Depreciated:					
Land improvements	3,591,792	166,727	40,593		3,717,926
Buildings and improvements	64,279,307	1,881,528	91,042	2,004,036	68,073,829
Furniture, equipment and vehicles	55,509,796	3,596,680	4,541,794	110,376	54,675,058
Infrastructure	<u>243,722,968</u>	<u>5,016,004</u>	<u> </u>	<u>14,282,115</u>	<u>263,021,087</u>
Total capital assets being depreciated	<u>367,103,863</u>	<u>10,660,939</u>	<u>4,673,429</u>	<u>16,396,527</u>	<u>389,487,900</u>
Less Accumulated Depreciation For:					
Land improvements	1,098,021	209,717	19,653		1,288,085
Buildings and improvements	23,782,018	2,070,938	46,584		25,806,372
Furniture, equipment and vehicles	42,338,723	5,055,590	4,347,428		43,046,885
Infrastructure	<u>117,602,287</u>	<u>7,183,633</u>	<u> </u>	<u> </u>	<u>124,785,920</u>
Total accumulated depreciation	<u>184,821,049</u>	<u>14,519,878</u>	<u>4,413,665</u>	<u>-0-</u>	<u>194,927,262</u>
Total capital assets being depreciated, net	<u>182,282,814</u>	<u>(3,858,939)</u>	<u>259,764</u>	<u>16,396,527</u>	<u>194,560,638</u>
Governmental activities capital assets, net	<u>\$ 252,179,378</u>	<u>\$ 14,162,699</u>	<u>\$ 328,179</u>	<u>\$ -0-</u>	<u>\$ 266,013,898</u>

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2015

NOTE 6 - CAPITAL ASSETS - ContinuedCapital Transactions - continued

	Balance 10-01-14	Additions	Retirements	Transfers	Balance 09-30-15
Total Business-type Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 1,558,687	\$	\$	\$	\$ 1,558,687
Construction in progress	<u>12,284,532</u>	<u>4,037,106</u>	<u></u>	<u></u>	<u>16,321,638</u>
Total capital assets not being depreciated	<u>13,843,219</u>	<u>4,037,106</u>	<u>-0-</u>	<u>-0-</u>	<u>17,880,325</u>
Capital Assets, Being Depreciated:					
Buildings and improvements	8,898,037	5,511	12,476		8,891,072
Furniture, equipment and vehicles	1,211,344	33,507	101,636		1,143,215
Runways, taxiways and aprons	<u>26,213,297</u>	<u></u>	<u></u>	<u></u>	<u>26,213,297</u>
Total capital assets being depreciated	<u>36,322,678</u>	<u>39,018</u>	<u>114,112</u>	<u>-0-</u>	<u>36,247,584</u>
Less Accumulated Depreciation For:					
Buildings and improvements	4,363,329	239,327	6,151		4,596,505
Furniture, equipment and vehicles	882,866	56,364	98,551		840,679
Runways, taxiways and aprons	<u>14,628,054</u>	<u>913,227</u>	<u></u>	<u></u>	<u>15,541,281</u>
Total accumulated depreciation	<u>19,874,249</u>	<u>1,208,918</u>	<u>104,702</u>	<u>-0-</u>	<u>20,978,465</u>
Total capital assets being depreciated, net	<u>16,448,429</u>	<u>(1,169,900)</u>	<u>9,410</u>	<u>-0-</u>	<u>15,269,119</u>
Business-type activities capital assets, net	<u>\$ 30,291,648</u>	<u>\$ 2,867,206</u>	<u>\$ 9,410</u>	<u>\$ -0-</u>	<u>\$ 33,149,444</u>

BRAZORIA COUNTY, TEXAS
Notes to the Financial Statements
 For The Year Ended September 30, 2015

NOTE 6 - CAPITAL ASSETS - Continued

Capital Transactions - continued

	<u>Balance</u> 10-01-14	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance</u> 09-30-15
Business-type Activities:					
Airport Fund:					
Capital Assets, Not Depreciated:					
Land	\$ 1,558,687	\$	\$	\$	\$ 1,558,687
Construction in progress	<u>1,862,649</u>	<u>2,504,259</u>	<u></u>	<u></u>	<u>4,366,908</u>
Total capital assets not being depreciated	<u>3,421,336</u>	<u>2,504,259</u>	<u>-0-</u>	<u>-0-</u>	<u>5,925,595</u>
Capital Assets, Being Depreciated:					
Buildings and improvements	8,898,037	5,511	12,476		8,891,072
Furniture, equipment and vehicles	1,211,344	33,507	101,636		1,143,215
Runways, taxiways and aprons	<u>26,213,297</u>	<u></u>	<u></u>	<u></u>	<u>26,213,297</u>
Total capital assets being depreciated	<u>36,322,678</u>	<u>39,018</u>	<u>114,112</u>	<u>-0-</u>	<u>36,247,584</u>
Less Accumulated Depreciation For:					
Buildings and improvements	4,363,329	239,327	6,151		4,596,505
Furniture, equipment and vehicles	882,866	56,364	98,551		840,679
Runways, taxiways and aprons	<u>14,628,054</u>	<u>913,227</u>	<u></u>	<u></u>	<u>15,541,281</u>
Total accumulated depreciation	<u>19,874,249</u>	<u>1,208,918</u>	<u>104,702</u>	<u>-0-</u>	<u>20,978,465</u>
Total capital assets being depreciated, net	<u>16,448,429</u>	<u>(1,169,900)</u>	<u>9,410</u>	<u>-0-</u>	<u>15,269,119</u>
Airport capital assets, net	<u>\$ 19,869,765</u>	<u>\$ 1,334,359</u>	<u>\$ 9,410</u>	<u>\$ -0-</u>	<u>\$ 21,194,714</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 6 - CAPITAL ASSETS - Continued

Capital Transactions - continued

	<u>Balance 10-01-14</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance 09-30-15</u>
Business-Type Activities:					
Brazoria County Toll Road Authority Assets:					
Capital Assets, Not Depreciated:					
Construction in progress	\$ <u>10,421,883</u>	\$ <u>1,532,847</u>	\$ _____	\$ _____	\$ <u>11,954,730</u>
Total capital assets not being depreciated	<u>10,421,883</u>	<u>1,532,847</u>	<u>-0-</u>	<u>-0-</u>	<u>11,954,730</u>
Capital Assets, Being Depreciated:					
None	_____	_____	_____	_____	_____
Total capital assets being depreciated	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Less Accumulated Depreciation For:					
None	_____	_____	_____	_____	_____
Total accumulated depreciation	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total capital assets being depreciated, net	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Airport Authority Toll Road capital assets, net	\$ <u><u>10,421,883</u></u>	\$ <u><u>1,532,847</u></u>	\$ <u><u>-0-</u></u>	\$ <u><u>-0-</u></u>	\$ <u><u>11,954,730</u></u>

Depreciation

Depreciation expense was charged as direct expense to functional categories of the County as follows:

	<u>09-30-15</u>
Governmental Activities:	
General government and administration	\$ 537,798
Judicial and legal	163,717
Financial administration	1,643,751
Elections	9,963
Public facilities	304,121
Public safety	1,183,851
Corrections	1,259,985
Public transportation	\$ 8,872,137
Health and welfare	150,523
Culture and recreation	384,867
Conservation	4,990
Environmental protection	<u>4,175</u>
	<u>\$ 14,519,878</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 6 - CAPITAL ASSETS - Continued

Depreciation - continued

	<u>2015</u>
Business-type Activities:	
Airport	\$ <u>1,208,918</u>

Function and Activity - Original Cost

	<u>Balance</u> <u>10-01-14</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers and</u> <u>Adjustments</u>	<u>Balance</u> <u>09-30-15</u>
Governmental Activities:					
Function and Activity:					
General government and administration	\$ 11,753,289	\$ 1,399,535	\$ 53,356	\$ 2,635,443	\$ 15,734,911
Judicial and legal	4,970,373	60,220	116,814	(13,735)	4,900,044
Financial administration	5,969,584	370,641	224,881	160,967	6,276,311
Elections	261,159				261,159
Public facilities	9,605,379	213,715	94,470	(212,944)	9,511,680
Public safety	11,095,865	1,228,757	1,223,903	(643,938)	10,456,781
Corrections	42,175,518	352,600	822,136	229,622	41,935,604
Public transportation	286,943,905	7,244,199	1,570,436	14,312,812	306,930,480
Health and welfare	4,587,527	55,292	5,224	(356,406)	4,281,189
Culture and recreation	10,871,239	199,694	630,624	264,445	10,704,754
Conservation	186,734			21,135	207,869
Environmental protection	<u>28,676</u>	<u> </u>	<u> </u>	<u>(874)</u>	<u>27,802</u>
	388,449,248	11,124,653	4,741,844	16,396,527	411,228,584
Non-Functional:					
Construction in progress	<u>48,551,179</u>	<u>17,557,924</u>	<u>-0-</u>	<u>(16,396,527)</u>	<u>49,712,576</u>
Total governmental activities	<u>\$ 437,000,427</u>	<u>\$ 28,682,577</u>	<u>\$ 4,741,844</u>	<u>\$ -0-</u>	<u>\$ 460,941,160</u>
Business-type Activities:					
Function and Activity:					
Airport	\$ 37,881,365	\$ 39,018	\$ 114,112	\$	\$ 37,806,271
Non-Functional:					
Construction in progress	<u>12,284,532</u>	<u>4,037,106</u>	<u> </u>	<u> </u>	<u>16,321,638</u>
Total business-type activities	<u>\$ 50,165,897</u>	<u>\$ 4,076,124</u>	<u>\$ 114,112</u>	<u>\$ -0-</u>	<u>\$ 54,127,909</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 6 - CAPITAL ASSETS - Continued

Function and Activity - Original Cost - continued

	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings and Improvements</u>	<u>Furniture, Equipment and Vehicles</u>	<u>Infrastructure/ Runways, Taxiways and Aprons</u>
Governmental Activities:					
Function and Activity:					
General government and administration	\$ 3,145,319	\$ 658,921	\$ 9,558,249	\$ 1,699,145	\$ 673,277
Judicial and legal	223,781	15,319	1,349,465	3,311,479	
Financial administration	26,875		94,911	6,154,525	
Elections			89,196	171,963	
Public facilities	1,377,281	586,957	6,789,437	758,005	
Public safety	10,963	65,898	1,014,287	7,833,069	1,532,564
Corrections	147,014	422,491	39,196,671	2,169,428	
Public transportation	13,153,546	249,585	4,176,026	29,354,854	259,996,469
Health and welfare	1,221,732	15,795	1,404,417	1,633,291	5,954
Culture and recreation	2,424,396	1,702,960	4,223,371	1,541,204	812,823
Conservation	8,935		177,799	21,135	
Environmental protection	<u>842</u>			<u>26,960</u>	
Total governmental activities	<u>\$ 21,740,684</u>	<u>\$ 3,717,926</u>	<u>\$ 68,073,829</u>	<u>\$ 54,675,058</u>	<u>\$ 263,021,087</u>

Business-type Activities:					
Function and Activity:					
Airport	<u>\$ 1,558,687</u>	<u>\$ -0-</u>	<u>\$ 8,891,072</u>	<u>\$ 1,143,215</u>	<u>\$ 26,213,297</u>

Construction Commitments

	<u>Projects Authorized</u>	<u>Expended To Date</u>	<u>Commitment</u>	<u>Requiring Further Financing</u>
September 30, 2015:				
Governmental Activities:				
Health department – health clinic	\$ 1,146,850	\$ 1,014,277	\$ 132,573	\$
Facilities management relocation	2,948,414	2,745,892	202,522	
Odyssey – Judicial software	4,516,441	4,015,124	501,317	
Motorola radios	5,851,939	5,210,450	641,489	
Restore Acts – San Bernard jetties	807,850	285,076	522,774	
Restore Acts – Quintana fishing pier	240,500	54,034	186,466	
Quintana Beach Education Center	31,760	19,391	12,369	
Courthouse restroom renovation project	294,235	198,989	95,246	
Home Economics building - fairgrounds	310,927	308,927	2,000	
Peoplesoft updates	120,625	61,938	58,687	
Website development	40,000	24,000	16,000	

(continued)

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 6 - CAPITAL ASSETS - Continued

Construction Commitments - continued

	<u>Projects Authorized</u>	<u>Expended To Date</u>	<u>Commitment</u>	<u>Requiring Further Financing</u>
Road and Bridge Projects:				
CR 48	\$ 9,681,749	\$ 9,460,625	\$ 221,124	\$
SH 26 (West Columbia)	3,314,475	1,450,179	1,864,296	
SH 36 (Brazoria)	6,948,020	6,021,729	926,291	
CR 111 (Kirby Drive bridge)	1,437,492	1,417,780	19,712	
CR 872 bridge replacement	561,454	104,645	456,809	
CR 180 drainage ditch bridge replacement	119,819		119,819	
CR 58W	358,460	179,331	179,129	
Hwy 288 weigh station	214,523		214,523	
Various including CR 48 (north and south)	<u>58,500</u>		<u>58,500</u>	
Total governmental activities	<u>\$ 39,004,033</u>	<u>\$ 32,572,387</u>	<u>\$ 6,431,646</u>	<u>\$ -0-</u>
Business-type Activities:				
Toll Road	\$ 11,670,127	\$ 10,741,332	\$ 928,795	\$
Self service aviation gasoline refueling station	<u>79,401</u>	<u>39,401</u>	<u>40,000</u>	
Total business-type activities	<u>\$ 11,749,528</u>	<u>\$ 10,780,733</u>	<u>\$ 968,795</u>	<u>\$ -0-</u>

NOTE 7 - DISAGGREGATION OF ACCOUNTS AND ACCRUED LIABILITIES PAYABLE

Accounts and accrued liabilities payable as of September 30, 2015, for the government's individual governmental major and nonmajor funds, proprietary major fund, internal service funds, and fiduciary funds in the aggregate are as follows:

	<u>Governmental Funds</u>			
	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Accounts and Accrued Liabilities Payable:				
Vendors	\$ 7,059,934	\$ 1,245,706	\$ 3,330,739	\$ 11,636,379
Other governments	962,214	61	1,884	764,159
Accrued compensation	1,148,780	156,669	96,419	1,401,868
Accrued benefits	1,262,852	190,460	105,782	1,559,094
Other accrued liabilities	<u>62,664</u>			<u>62,664</u>
	<u>\$ 10,296,444</u>	<u>\$ 1,592,896</u>	<u>\$ 3,534,824</u>	<u>\$ 15,424,164</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 7 - DISAGGREGATION OF ACCOUNTS AND ACCRUED LIABILITIES PAYABLE - Continued

	Proprietary Funds					Fiduciary Funds
	Enterprise Funds			Total		
	Airport Fund	Brazoria County Toll Road Authority Fund	Internal Service Funds			
Accounts and Accrued Liabilities Payable:						
Vendors	\$ 82,449	\$ 15,683	\$ 417,885	\$ 516,017	\$ 129,488	
Other governments	51			51		
Accrued compensation	11,335			11,335	70,631	
Accrued benefits	14,861			14,861	52,096	
Estimated claims payable			1,287,734	1,287,734		
Totals	<u>\$ 108,696</u>	<u>\$ 15,683</u>	<u>\$ 1,705,619</u>	<u>\$ 1,829,998</u>	<u>\$ 252,215</u>	

NOTE 8 - LONG-TERM DEBT

General Obligation Debt

General obligation and certificates of obligations payable at September 30, 2015, are summarized as follows:

	Interest Rate %	Series Dates			Bonds Outstanding 09-30-15
		Issued	Maturity	Callable	
General Obligation:					
Unlimited Tax Road Bonds, Series 2006	4.250 - 5.250	2006	2027		\$ 9,860,000
Unlimited Tax Road Bonds, Series 2008	3.500 - 5.000	2008	2013		5,905,000
Unlimited Tax Road Bonds, Series 2010A	2.000 - 3.125	2010	2018		2,570,000
Unlimited Tax Road Bonds, (Build America Bonds) Series 2010B	4.594 - 6.026	2010	2030		13,225,000
Unlimited Tax Road Bonds, Series 2012	2.000 - 3.625	2012	2018		7,875,000
Refunding Bonds, Series 2012	2.000 - 3.000	2012	2032		2,740,000
Combination Tax and Revenue Certificates of Obligation Bonds Series 2006	4.200 - 5.000	2006	2026	2017	9,455,000
Combination Tax and Revenue Certificates of Obligation Series 2012	3.500 - 5.000	2012	2032	2022	<u>25,115,000</u>
Total					<u>\$ 76,745,000</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 8 - LONG-TERM DEBT - Continued

General Obligation Debt - continued

General obligation and certificates of obligation bond transactions for the year ended September 30, 2015 were as follows:

Bonds outstanding, October 1, 2014	\$ 80,365,000
Matured	<u>(3,620,000)</u>
 Bonds outstanding, September 30, 2015	 \$ <u>76,745,000</u>

The bond ordinances require that a tax be levied sufficient to pay current interest and create a sinking fund of not less than the amount to pay current principal and interest. For the year ended September 30, 2015, the amount of ad valorem taxes collected for interest and sinking were \$ 7,312,037, while the debt service requirements for principal and interest was \$ 7,092,923. The bond resolutions provide no express remedies in the event of default and make no provision for acceleration of maturity of the bonds.

The following is a summary of general obligation bond requirements by year as of September 30, 2015:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2016	\$ 3,740,000	\$ 3,349,525	\$ 7,089,525
2017	3,865,000	3,219,181	7,084,181
2018	5,195,000	3,054,736	8,249,736
2019	4,420,000	2,869,201	7,289,201
2020	4,590,000	2,674,476	7,264,476
2021-2025	26,225,000	9,871,103	36,096,103
2026-2030	23,175,000	3,465,831	26,640,831
2031-2032	<u>5,535,000</u>	<u>213,395</u>	<u>5,748,395</u>
	<u>\$ 76,745,000</u>	<u>\$ 28,717,448</u>	<u>\$ 105,462,448</u>

The scheduled federal subsidy for the 2010 Unlimited Tax Road Bonds (Build America Bonds) to be received at September 30, 2015 is as follows:

<u>September 30,</u>	<u>Federal Subsidy</u>
2016	\$ 236,544
2017	236,544
2018	236,544
2019	229,754
2020	215,791
2021-2025	834,998
2026-2030	<u>313,354</u>
	<u>\$ 2,303,529</u>

During the year ended September 30, 2015, the County received \$ 236,288 in federal subsidy under the Build America Bond program. The federal subsidy is provided to offset the interest paid on the bonds.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 8 - LONG-TERM DEBT - Continued

General Obligation Debt - continued

On July 26, 2012 the County sold \$ 25,115,000 of Certificates of Obligation Bonds, Series 2012. These bonds were issued for the purpose of generating funds for numerous facilities projects with an estimated cost of \$ 27,500,000.

On July 26, 2012 the County sold \$ 4,435,000 of General Obligation Refunding Bonds, Series 2012. The net proceeds of \$ 4,590,372 along with \$ 70,458 from the general fund, a total of \$ 4,660,830, were placed in escrow for the defeasement of \$ 4,490,000 in Certificates of Obligation Bonds, Series 2003.

On July 26, 2012 the County sold \$ 8,575,000 of Unlimited Tax Road Bonds, Series 2012. These bonds were issued to provide funding for the following road projects:

County Road 48 South from State Highway 6 to County Road 894 (4 lanes divided)	\$ 3,098,812
County Road 220 from Farm to Market Road 523 to State Highway 288 (2 lanes each)	3,328,000
State Highway 288 from location to be determined to Harris County line (2 lanes)	1,000,000
Other County general mobility projects	<u>1,148,188</u>
	<u>\$ 8,575,000</u>

Tax Note Debt

Tax notes payables at September 30, 2015, are summarized as follows:

	Interest Rate %	Series Dates			Tax Notes Outstanding 09-30-15
		Issued	Maturity	Callable	
Tax Note:					
Tax Note, Series 2013	1.560	2013	2020		\$ <u>8,135,000</u>
Total					\$ <u>8,135,000</u>

General obligation and certificates of obligation bond transactions for the year ended September 30, 2015 were as follows:

Bonds outstanding, October 1, 2014	\$ 9,900,000
Matured	<u>(1,765,000)</u>
Bonds outstanding, September 30, 2015	<u>\$ 8,135,000</u>

The tax note agreement requires that a tax be levied sufficient to pay current interest and create a sinking fund of not less than the amount to pay current principal and interest. For the year ended September 30, 2015, the amount of ad valorem taxes collected for interest and sinking were \$ 1,936,771, while the debt service requirements for principal and interest were \$ 1,905,750.

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2015

NOTE 8 - LONG-TERM DEBT - ContinuedTax Note Debt – continued

The following is a summary of general obligation bond requirements by year as of September 30, 2015:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2016	\$ 250,000	\$ 124,956	\$ 374,956
2017	250,000	121,056	371,056
2018	1,830,000	104,832	1,934,832
2019	2,855,000	68,289	2,923,289
2020	<u>2,950,000</u>	<u>23,010</u>	<u>2,973,010</u>
	<u>\$ 8,135,000</u>	<u>\$ 442,143</u>	<u>\$ 8,577,143</u>

On December 19, 2013 the County sold \$ 9,900,000 of Tax Notes, Series 2013. These tax notes were issued for the purpose of generating funds for numerous facilities projects.

Proprietary Debt

Other than accrued compensated absences, net OPEB obligation, net pension liability and long-term payables, there was no proprietary long-term debt at or during the year ended September 30, 2015.

Changes in Long-Term Debt

Transactions for the year ended September 30, 2015 are summarized as follows:

	<u>Balance 10-01-14</u>	<u>Issues or Additions</u>	<u>Payments or Expenditures</u>	<u>Balance 09-30-15</u>	<u>Due Within One Year</u>
Governmental Type Activities:					
Certificates of obligation bonds	\$ 35,225,000	\$	\$ 655,000	\$ 34,570,000	\$ 685,000
General obligation bonds	45,140,000		2,965,000	42,175,000	3,055,000
Tax notes	9,900,000		1,765,000	8,135,000	250,000
Component of Bonded Debt:					
Premium on bonds	3,153,740		240,805	2,912,935	240,805
Accrued interest payable	429,755	408,507	429,755	408,507	408,507
Compensated absences	3,878,800	2,403,722	2,433,982	3,848,540	2,400,000
Net OPEB obligation	3,223,633	1,601,975	2,227,268	2,598,340	
Net pension obligation	<u>18,583,391</u>	<u>35,489,442</u>	<u>34,002,421</u>	<u>20,070,412</u>	
Total governmental activities	<u>119,534,319</u>	<u>39,903,646</u>	<u>44,719,231</u>	<u>114,718,734</u>	<u>7,039,312</u>
Business-Type Activities:					
Accounts payable – long-term	9,209,617	2,729,430		11,939,047	
Compensated absences	44,156	25,784	28,658	41,282	13,000
Net OPEB obligation	26,688	13,262	18,439	21,511	
Net pension obligation	<u>149,866</u>	<u>286,205</u>	<u>274,213</u>	<u>161,858</u>	
Total business-type activities	<u>9,430,327</u>	<u>3,054,681</u>	<u>321,310</u>	<u>12,163,698</u>	<u>13,000</u>
Total government	<u>\$128,964,646</u>	<u>\$ 42,958,327</u>	<u>\$ 45,040,541</u>	<u>\$126,882,432</u>	<u>\$ 7,052,312</u>

The General Fund and the Enterprise Fund have typically been used in prior years to liquidate the net pension obligation and other post-employment benefit obligations.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 9 - LEASING OPERATIONS

Operating Leases - Lessor

The County is involved in various operating leases as lessor. These leases are for properties such as airport facilities and other facilities. Some of the airport facilities are leased for periods through 2037. Other facilities and the coffee shop are leased on either a month-to-month or year-to-year arrangement. The County has not determined the cost of these facilities as of September 30, 2015.

Governmental Funds:

There are no minimum future rentals to be received on noncancelable leases, as of September 30, 2015.

Gross rental income for operating leases, including one-time or month-to-month, for the year ended September 30, 2015 was as follows:

	<u>2015</u>
Park and fairgrounds rental	\$ 778,074
HAVA equipment rental	52,362
Coffee shop	<u>600</u>
	<u>\$ 831,036</u>

Proprietary Funds (Enterprise Fund - Airport):

Minimum future rentals to be received on noncancelable leases, as of September 30, 2015, for each of the next five years and in the aggregate are:

<u>Year Ended September 30.</u>	<u>2015</u>
2016	\$ 123,420
2017	129,522
2018	130,238
2019	130,969
2020	103,590
2021-2025	251,786
2030-2034	57,135
2031-2035	50,000
2036-2037	<u>20,000</u>
	<u>\$ 996,660</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 9 - LEASING OPERATIONS - Continued

Operating Leases – Lessor - continued

Gross rental income for operating leases, including one-time and month-to-month, for the year ended September 30, 2015 was as follows:

	<u>2015</u>
Building rental	\$ 159,592
Hangar rental	196,492
Ground rental	94,238
Other rental	<u>45,120</u>
	<u>\$ 495,442</u>

Operating Leases - Lessee

Governmental Funds:

The County is involved in various operating leases as lessee. These leases are for properties such as buildings, copiers, ground, equipment and other facilities. Most are on month-to-month or year-to-year; however one building lease expires in 2020.

Minimum future rentals to be paid on non-cancelable leases, as of September 30, 2015, for each of the next five years and in the aggregate are as follows:

<u>Year Ended September 30,</u>	<u>2015</u>
2016	\$ 52,290
2017	37,800
2018	37,800
2018	33,300
2020	<u>18,900</u>
	<u>\$ 180,090</u>

Gross rental expenditures for operating leases, including month-to-month for the year ended September 30, 2015 was as follows:

	<u>2015</u>
Building rental	\$ 143,086
Ground rental	30,667
Equipment rental	546,373
Section 8 Housing Voucher Choice rentals	<u>2,893,700</u>
	<u>\$ 3,613,826</u>

BRAZORIA COUNTY, TEXAS
Notes to the Financial Statements
 For The Year Ended September 30, 2015

NOTE 9 - LEASING OPERATIONS - Continued

Operating Leases - Lessee - continued

Proprietary Funds (Enterprise Fund - Airport):

The County is involved in various operating leases as lessee. These leases are for properties such as buildings, copiers, ground, equipment and other facilities. Most are on month-to-month or year-to-year, therefore, there are no minimum future rentals required to be paid on non-cancelable leases, as of September 30, 2015.

Gross rental expenditure for operating leases for the year ended September 30, 2015 were as follows:

	<u>2015</u>
Equipment rental	\$ <u>10,305</u>
	<u>\$ 10,305</u>

NOTE 10 - DEFINED BENEFIT PENSION PLAN

Plan Description - The County provides retirement, disability, and death benefits for all of its full-time employees through a non-traditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 677 non-traditional defined benefit plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 79768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with 8 or more years of service, with 20 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 8 years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

All eligible employees of the County are required to participate in TCDRS.

The plan provisions are adopted by Commissioner's Court of the County, within the options available in the state statutes governing TCDRS. Plan provisions for the County were as follows:

	<u>Plan Year</u>	
	<u>2014</u>	<u>2015</u>
Employee deposit rate	7.00%	7.00%
Employer deposit rate	12.30%	12.32%
Matching ratio (County to employee)	2 to 1	2 to 1
Years required for vesting	8	8
Service retirement eligibility (expressed as age/years of service)	60/8, 0/20	60/8, 0/20

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN - Continued

Employees Covered by Benefit Terms:

At the December 31, 2014 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	689
Inactive employees entitled to but not yet receiving benefits	856
Active employees	<u>1,466</u>
	<u>3,011</u>

Contributions - The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee compensation, and the employer matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the employer. Under the state laws governing TCDRS, the contribution rate for each employer is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. Participating employers are required to contribute at the actuarially determined rates to ensure adequate funding for each employer's plan. Employer contribution rates are determined annually and approved by the TCDRS Board of Trustees.

Each employer has the opportunity to make additional contributions in excess of its annual required contribution rate either by adopting an elected rate that is higher than the required rate or by making additional contributions on an ad hoc basis. Employers may make additional contributions to pay down their liabilities faster, pre-fund benefit enhancements and/or buffer against future adverse experience. In addition, employers annually review their plans and may adjust benefits and costs based on their local needs and budgets. Although accrued benefits may not be reduced, employers may reduce future benefit accruals and immediately reduce costs.

Employees of the County were required to contribute 7% of their annual compensation during the fiscal year. The County's required contribution rates of 12.32% and 12.30% in calendar years 2015 and 2014, respectively. The County's contributions to TCDRS for the year ended September 30, 2015 were \$ 7,985,929.

Net Pension Liability/Asset - The County's Net Pension Liability/Asset (NPL/NPA) was measured as of December 31, 2014, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability/Asset was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.0% per year
Overall payroll growth	3.5% per year
Investment Rate of Return	8.1%, net of pension plan investment expense, including inflation

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN - Continued

Except where indicated in the section of this GASB 68 report entitled "Actuarial Methods and Assumptions Used for GASB Calculations", the assumptions used in this analysis for the December 31, 2014 financial reporting metrics are the same as those used in the December 31, 2014 actuarial valuation analysis for Brazoria County.

Following is a description of the assumptions used in the December 31, 2014 actuarial valuation analysis for Brazoria County. This information may also be found in the Brazoria County December 31, 2014 Summary Valuation Report.

Economic Assumptions:

TCDRS System-Wide Economic Assumptions

Real rate of return	5.0%
Inflation	3.0%
Long-term investment return	8.0%

The long-term investment return of 8% is net of investment expenses and is expected to enable the system to credit interest at the normal annual rates shown below to the following major funds:

Subdivision Accumulation Fund	9.0%
Employees Saving Fund	7.0%
Current Service Annuity Reserve Fund	7.0%

Assuming interest will be credited at these normal annual rates to the various funds, we have then assumed the following:

- An annual rate of 9% for calculating the actuarial accrued liability and normal cost contributions rate for the retirement plan for each participating partner.
- An annual rate of 7% required under the TCDRS Act for: (1) accumulating current service credit and multiple matching credit after the valuation date; (2) accumulating prior service credit after the valuation date; (3) determining the amount of the monthly benefit at future dates of retirement or disability; and (4) calculating the actuarial accrued liability of the system-wide Current Service Annuity Reserve Fund.

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.5% (made up of 3.0% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.4% per year for a career employee.

Employer Specific Economic Assumptions

Growth in membership	0.0%
Payroll growth	3.5%

The payroll growth assumption is for the aggregate covered payroll of an employer.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN - Continued

The long-term expected rate of return on pension plan investments is 8.1%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TCDRS.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS's investment consultant. The numbers shown are based on the January 2015 information for a 7-10 year horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon. The most recent analysis was performed in 2013. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return (Expected minus Inflation) ⁽²⁾
US Equities	Dow Jones U.S. Total Stock Mkt Index	16.50%	5.35%
Private Equities	Cambridge Assoc Global Private Equity & Venture Capital Index ⁽³⁾	12.00%	8.35%
Global Equities	MSCI World (net) index	1.50%	5.65%
International Equities – Developed	50% MSCI World Ex USA (net) + 50% MSCI World ex USA 100% Hedged to USD (net) index	11.00%	5.35%
International Equities - Emerging	50% MSCI EM Standard (net index + 50% MSCI EM 100% Hedged to USD (net) index	9.00%	6.35%
Investment-Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	0.55%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.75%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	5.00%	5.54%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.80%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	6.75%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	2.00%	4.00%
Commodities	Bloomberg Commodities Index	2.00%	(0.20%)
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Assoc Real Estate ⁽⁴⁾	3.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund Of Funds Composite Index	25.00%	5.15%
Total		100.00%	

⁽¹⁾ Target asset allocation adopted at the April 2015 TCDRS Board meeting.

⁽²⁾ Geometric real rates of return in addition to assumed inflation of 1.7% per Cliffwater's 2015 capital market assumptions.

⁽³⁾ Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

⁽⁴⁾ Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN - Continued

Discount Rate - The discount rate used to measure the Total Pension Liability was 8.1%. This rate reflects the long-term rate of return funding valuation assumption of 8.00%, plus 0.10% adjustment to be gross of administrative expenses. The plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active, inactive and retired members. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return, and the municipal bond rate does not apply. The discount rate is the single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the following:

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term rate of return, calculated using the long-term expected rate of return on pension plan investments.
2. The actuarial present value of projected benefit payments not include in (1), calculated using the municipal bond rate.

Therefore, if plan investments in a given future year are greater than projected benefit payments in that year and are invested such that they are expected to earn the long-term rate of return, the discount rate applied to projected benefit payments in that year should be the long-term expected rate of return on plan investments. If future years exist where that is not the case, then an index rate reflecting the yield on a 20-year, tax-exempt municipal bond should be used to discount the projected benefit payments for those years.

The determination of a future date when plan investments are not sufficient to pay projected benefit payments is often referred to as a depletion date projection. A depletion date projection compares projections of the pension plan's fiduciary net position to projected benefit payments and aims to determine a future value, if one exists, when the fiduciary net position is projected to be less than projected benefit payments. If an evaluation of the sufficiency of the projected fiduciary net position compared to projected benefit payments can be made with sufficient reliability without performing a depletion date projection, alternative methods to determine sufficiency may be applied.

In order to determine the discount rate to be used by the employer we have used an alternative method to determine the sufficiency of the fiduciary net position in all future years. Our alternative method reflects the funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act.

1. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods.
2. Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.
3. The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost.
4. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN - Continued

Based on the above, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, we have used a discount rate of 8.10%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 8.00%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at 12/31/2013	\$ 280,644,509	\$ 261,911,252	\$ 18,733,257
Changes for the Year:			
Service cost	8,642,622		8,642,622
Interest on total pension liability ⁽¹⁾	22,575,881		22,575,881
Effect of economic/demographic gains or losses	717,058		717,058
Refunds of contributions	(956,005)	(956,005)	-0-
Contributions – employer		7,985,929	(7,985,929)
Contributions – employee		4,544,842	(4,544,842)
Net investment income		17,794,613	(17,794,613)
Benefit payment,	(11,623,110)	(11,623,110)	-0-
Administrative expense		(208,696)	208,696
Other changes ⁽²⁾		319,860	(319,860)
Balance at 12/31/2014	<u>\$ 300,000,955</u>	<u>\$ 279,768,685</u>	<u>\$ 20,232,270</u>

⁽¹⁾ Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

⁽²⁾ Related to allocation of system-wide items.

Sensitivity Analysis - The following presents the net pension liability of the county, calculated using the discount rate of 8.10%, as well as what the County’s net pension liability would be if it were calculated using a discount rate of 1 percentage-point lower (7.10%) or 1 percentage-point higher (9.10%) than the current rate:

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN - Continued

	1% Decrease In Discount Rate <u>(7.10%)</u>	Discount Rate <u>(8.10%)</u>	1% Decrease In Discount Rate <u>(9.10%)</u>
Total pension liability	\$ 338,538,409	\$ 300,000,955	\$ 268,228,236
Fiduciary net position	<u>279,768,685</u>	<u>279,768,685</u>	<u>279,768,685</u>
Net pension liability (asset)	<u>\$ 58,769,724</u>	<u>\$ 20,232,270</u>	<u>\$ (11,540,449)</u>
			<u>Year Ended 12-31-14</u>
<i>Pension Expense (Income):</i>			
Service cost			\$ 8,642,622
Interest on total pension liability ⁽¹⁾			22,575,881
Administrative expenses			208,696
Member contributions			(4,544,842)
Expected investment return net of investment expenses			(21,426,002)
Recognition of deferred inflows/outflows of resources:			
Recognition of economic/demographic gains or losses			143,411
Recognition of assumption changes or inputs			-0-
Recognition of investment gains or losses			726,278
Other ⁽²⁾			<u>(319,860)</u>
Pension expense (income)			<u>\$ 6,006,184</u>

⁽¹⁾ Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

⁽²⁾ Related to allocation of system-wide items.

For the year ended September 30, 2015, the County recognized pension expense of \$ 6,006,184.

Deferred Inflows and Outflows - At September 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 426,793	\$
Difference between projected and actual investment earnings	2,161,402	
Contributions subsequent to the measurement date ⁽³⁾	<u>6,772,783</u>	
Totals	<u>\$ 9,360,978</u>	<u>\$ -0-</u>

BRAZORIA COUNTY, TEXAS
Notes to the Financial Statements
 For The Year Ended September 30, 2015

NOTE 10 - DEFINED BENEFIT PENSION PLAN - Continued

The net amounts of the employer’s balances of deferred outflows and inflows or resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended September 30,</u>	<u>Amount</u>
2016	\$ 869,690
2017	869,690
2018	848,815
2019	-0-
Thereafter ⁽⁴⁾	-0-

⁽³⁾ If eligible employer contributions were made subsequent to the measurement date through the employer’s fiscal year end, the employer should reflect these contributions, adjusted as outlined in GASB No. 71.

⁽⁴⁾ Total remaining balance to be recognized in future years, if any. Note that additional deferred inflows and outflows of resources may impact these numbers.

NOTE 11 - DEFERRED COMPENSATION AND POST-RETIREMENT LIFE INSURANCE BENEFITS

The County provides participating eligible employees the alternate plans of disability, survivorship and delayed compensation created in accordance with Internal Revenue Code Section 457. The Plans are administered by First Financial Benefits, Inc. (FFB). The plans are funded through tax-delayed employee contributions of 6.7% of eligible gross annual compensation. The County contributes an additional 6.7% of the total eligible gross annual compensation of all participating employees. The employee contribution is deposited into the employee’s retirement annuity account. The County contribution is applied to disability and survivorship benefit premiums with the remaining amounts contributed to the employee’s retirement annuity.

The County funds all amounts of compensation delayed under the plan through investment in a fixed rate group annuity contract underwritten by American United Life Insurance Company. Investments in these funds are reported at market value. The delayed compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Transactions within the annuity for the year are summarized below:

Balance - October 1, 2014	\$ 70,285,365
Contributions and earnings	10,362,096
Withdrawals, premiums, and benefits	<u>(5,529,956)</u>
Balance - September 30, 2015	<u>\$ 75,117,505</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 11 - DEFERRED COMPENSATION AND POST-RETIREMENT LIFE INSURANCE BENEFITS - Continued

Participants may make additional contributions to their Delayed Compensation Retirement Plan Account. These contributions will be in addition to the employees 6.7% contribution and the County's matching contribution.

The alternate plan also provides plan participants with long-term disability benefits through Lincoln Financial Group. The policy generally provides the totally disabled insured with benefits of 60 percent of base pay up to a maximum benefit of \$ 1,500 per month.

A Group Term Life Insurance Policy is in effect which covers all participating employees. Benefits are a multiple of annual salary with maximum benefit of \$ 150,000. The plan also provides a paid-up death benefit of \$ 50,000 to employees who retire under certain provisions. Premiums are provided for the benefit through a portion of the County's contribution to the alternate plan. The funds are invested in an annuity with Standard Life Insurance Company referred to as the Retired Lives Reserve (RLR). Funds required for benefits payable under this plan are drawn from the annuity as needed.

A Group Annuity Contract to reimburse TCDRS eligible employees for amounts paid for health insurance benefits became effective on October 1, 1990. The plan provides \$ 295 per month until age 65 and then \$ 200 per month age 65 and over towards the cost of health insurance premiums.

Transactions within the annuities for the year are summarized below:

	<u>Retired Lives Reserve</u>	<u>Retiree Medical Plan</u>
Balance - October 1, 2014	\$ 7,766,175	\$ 10,845,599
Contributions and earnings	825,566	1,360,633
Withdrawals, premiums, benefits	(1,354,520)	(976,727)
Balance - September 30, 2015	<u>\$ 7,237,221</u>	<u>\$ 11,229,505</u>

Two additional delayed compensation plans are available to employees. The two plans are Nationwide and Lincoln National. The County does not participate and match benefits in these two plans. Transactions for these two plans are summarized below:

	<u>Nationwide</u>	<u>Lincoln</u>
Balance - October 1, 2014	\$ 2,502,449	\$ 191,270
Contribution and earnings	163,187	(4,127)
Withdrawals, premiums, benefits, and losses	(311,203)	(15,041)
Balance - September 30, 2015	<u>\$ 2,354,433</u>	<u>\$ 172,102</u>

The County has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 12 - POST EMPLOYMENT MEDICAL CARE PLAN

The County maintains a Group Annuity Contract to reimburse TCDRS eligible employees for amounts paid for health insurance benefits. The plan is a single-employer defined benefit plan. The Group Annuity Contract became effective on October 1, 1990. The plan provides \$ 295 per month until age 65 and then \$ 200 per month towards the cost of health insurance premiums. A separate, audited GAAP-basis post-employment benefit plan report is not available for this plan.

Funding Policy - The contribution requirements of the County are established by the County's Board of Commissioners and may be amended at any time. For the years ended September 30, 2015, 2014, and 2013, the County contributed \$ 2,245,707, \$ 1,173,666, and \$ 1,139,482 to the Group Annuity Contract which includes net investment earnings, respectively.

Annual Other Post Employment Benefit (OPEB) Cost 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 parameters established by GASB Statement 45. The annual OPEB cost represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or excess) over a period not to exceed thirty years. Actuarial valuations which are used to value OPEB plans reflect a long-term perspective and involve estimates of the value of reported amounts and assumptions about the possibility of events far into the future and actuarially amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each evaluation. The following table shows the components of the County's annual OPEB cost, the amounts actually contributed to the plan, and changes in the County's net OPEB obligation to the Group Annuity Contract for the years ended September 30, 2015, 2014, and 2013:

	<u>09-30-15</u>	<u>09-30-14</u>	<u>09-30-13</u>
Annual required contribution	\$ 1,601,546	\$ 1,589,905	\$ 1,515,728
Interest on net OPEB obligation	146,264	126,999	109,606
Adjustment to annual required contribution	<u>(132,573)</u>	<u>(115,111)</u>	<u>(99,346)</u>
Annual OPEB cost	1,615,237	1,601,793	1,525,988
Contributions made	<u>(2,245,707)</u>	<u>(1,173,666)</u>	<u>(1,139,482)</u>
Increase (decrease) in net OPEB obligation	<u>(630,470)</u>	428,127	386,506
Net OPEB obligation – beginning of year	<u>3,250,321</u>	<u>2,822,194</u>	<u>2,435,688</u>
Net OPEB obligation – end of year	<u>\$ 2,619,851</u>	<u>\$ 3,250,321</u>	<u>\$ 2,822,194</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended September 30, 2015 and the two preceding years were as follows:

<u>Fiscal</u> <u>Year</u> <u>Ended</u>	<u>Annual</u> <u>OPEB</u> <u>Cost</u>	<u>% of Annual</u> <u>OPEB Cost</u> <u>Contributed</u>	<u>Net</u> <u>OPEB</u> <u>Obligation</u>
9/30/13	\$ 1,525,988	74.7%	\$ 2,822,194
9/30/14	1,601,793	73.3%	3,250,321
9/30/15	1,615,237	139.0%	2,619,851

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 12 - POST EMPLOYMENT MEDICAL CARE PLAN - Continued

Funding Status and Funding Progress - As of September 30, 2015, the most recent actuarial valuation date, the plan was 41.6% funded. The actuarial accrued liability for benefits was \$ 27,021,505, and the actuarial value of assets was \$ 11,229,505, resulting in an unfunded liability (UAAL) of \$ 15,792,000. The County's general fund is ultimately responsible for the liquidation of the net obligation. The covered payroll was \$ 58,891,577 and the ratio of the UAAL to the covered payroll was 28.5 percent.

Actuarial Methods and Assumptions - In the September 30, 2015 actuarial valuation, the projected unit credit method was used. The actuarial assumptions include a 4.5% investment rate of return. An inflation rate of 3.0%, salary growth rate of 3.0%, and health care cost trend rate ranging from 10% down to 5% over a 10 year period is used. An interest discount rate of 4.5% was used to value the liability. The UAAL is being amortized over a closed period of thirty years at 4.5% using the level percent of payroll method. The remaining amortization period at September 30, 2015, was 24.52 years.

NOTE 13 - SELF INSURANCE

Health Insurance

The County implemented a limited self-insured health care benefit and life AD&D coverage plan that became effective August 1, 1989. The plan was established to provide for the payment or reimbursement of all or a portion of eligible medical, dental and prescription drug expenses incurred by eligible participants and eligible dependents of such participants. The County is the named fiduciary and plan administrator and has the authority to control and manage the operation and administration of the plan. The County has the authority to amend the plan, to determine its policies, to appoint and remove plan supervisors and exercise general administrative authority over them.

The County, under the direction of the plan supervisor, Third Party Administrators, shall evaluate the cost of the plan and determine the amount to be contributed to the plan. The current contribution to the plan by the County was \$ 800 per eligible employee per month for the period October 1, 2014 through September 30, 2015. The contributions, or interfund premiums paid into the Group Health Insurance Fund (Internal Service Fund) are available to pay claims and administrative costs of the plan with a portion of the premiums set aside as reserves for anticipated claims. The total contribution to the plan for the fiscal year ended September 30, 2015 was \$ 14,250,709. The plan provides limited medical care benefits to the eligible participants up to \$ 1,000,000 lifetime maximum benefit. The plan has in place an excess loss insurance policy through SA Benefit Services LLC, which covers claims in excess of \$ 175,000 per participant in any calendar year, with a maximum aggregate benefit of \$ 1,000,000 per coverage period. Estimated claims payable at September 30, 2015 was \$ 887,734.

The following is a reconciliation of changes in the aggregate liabilities for claims for the years ended September 30, 2015 and 2014.

	<u>2015</u>	<u>2014</u>
Claims payable - October 1,	\$ 1,241,634	\$ 863,511
Incurred claims	14,899,318	11,825,476
Payment of claims	<u>(14,905,123)</u>	<u>(11,447,353)</u>
Claims payable - September 30,	<u>\$ 1,235,829</u>	<u>\$ 1,241,634</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 13 - SELF INSURANCE - Continued

Health Insurance - continued

The following is a reconciliation of claims payable at September 30, 2015 and 2014.

	<u>2015</u>	<u>2014</u>
Claims payable:		
Actual	\$ 348,095	\$ 277,017
Estimated	<u>887,734</u>	<u>964,617</u>
Total claims payable	<u>\$ 1,235,829</u>	<u>\$ 1,241,634</u>

Insurance Reserve

Brazoria County established a self-insurance reserve within the General Fund in 1979. This reserve was established to provide coverage for general liability and automobile risks including settlements, claims and costs in defense of torts, civil rights, contractual suits, environmental protection and defense of County employees not covered by or in excess of commercial insurance limits. In the fiscal year ended September 30, 1989, the Commissioners' Court transferred the balance of \$ 789,486 into a self-insurance internal service fund. This was done to facilitate control where all costs and claims can be charged to the fund from which the related liability arose. The repayment of these claims and expenses is reported as expenditures/expenses in the respective funds. The self-insurance fund reports the receipt of the interfund repayment as operating revenue with all legal costs and claims reported as an operating expense. Estimated claims payable at September 30, 2015 was \$ 400,000.

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial coverage for these risks and self-insures amounts in excess of insurance coverage. There have been no significant changes in insurance coverage and settlements (related to self-insurance). For the year's ended September 30, 2015, 2014, and 2013 claims and settlements in excess of insurance coverage amounted to \$ 242,604, \$ 115,859, and \$ 520,843, respectively.

The following is a reconciliation of changes in the aggregate liabilities for claims for the years ended September 30, 2015 and 2014 for both actual and estimated liabilities:

	<u>2015</u>	<u>2014</u>
Claims payable - October 1,	\$ 403,729	\$ 419,585
Incurred claims	242,604	115,859
Payment of claims	<u>(236,579)</u>	<u>(131,715)</u>
Claims payable - September 30,	<u>\$ 409,754</u>	<u>\$ 403,729</u>
Claims payable:		
Actual	\$ 9,754	\$ 3,729
Estimated	<u>400,000</u>	<u>400,000</u>
Total claims payable	<u>\$ 409,754</u>	<u>\$ 403,729</u>

These estimated claims are considered current liabilities based on the fact that no clear estimate is available to determine the timing of settlements in the future.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 13 - SELF INSURANCE - Continued

Health Clinic

Brazoria County established a Wellness Clinic on October 3, 2012, in an effort to reduce health insurance costs. Participation is voluntary if you are enrolled in the County’s medical plan either as an employee, their dependent or retiree. The clinic offers a range of health and wellness services such as primary health care, health screenings, laboratory services, preventative care support, health education and more. Services are free to all County health insurance plan members. The County is contracting with a third party to manage the clinic.

The following is a reconciliation of changes in the aggregate liabilities for claims for the year ended September 30, 2015 for actual liabilities:

	<u>2015</u>	<u>2014</u>
Claims payable - October 1,	\$ 34,891	\$ 31,883
Incurred claims	672,528	679,867
Payment of claims	<u>(647,383)</u>	<u>(676,859)</u>
Claims payable - September 30,	<u>\$ 60,036</u>	<u>\$ 34,891</u>
Claims payable:		
Actual	<u>\$ 60,036</u>	<u>\$ 34,891</u>
Total claims payable	<u>\$ 60,036</u>	<u>\$ 34,891</u>

NOTE 14 - CONTINGENCIES

The County is contingently liable in respect to lawsuits and other claims in the ordinary course of its operations. The potential settlement (if any) of such contingencies under the budgetary process would require appropriation of revenues yet to be realized and in the opinion of the County management would not materially affect the financial position of the County at September 30, 2015.

NOTE 15 - DEFICIT FUND BALANCES AND NET POSITION

As of September 30, 2015, various funds of the County had deficit fund balances as itemized below:

	<u>2015</u>
Fund Balances:	
Non-Major Governmental Funds:	
Special Revenue Funds:	
CSCD Bond Supervision Fund	\$ 412
Vivian Street Lazy Oaks Special Assessment Fund	3,323
Net Position:	
Internal Service Funds:	
Self Insurance Health Fund	2,469,733

Deficit balances will either be offset by future revenues or reimbursed by other funds. The special revenue fund would be reimbursed by the Road and Bridge Fund, while the other funds would be reimbursed by the General Fund.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 16 - GRANTS, ENTITLEMENTS AND SHARED REVENUES

During the year ended September 30, 2015, the County applied for and received federal and state grants related to various activities. The operations of these grants are reported in the general fund, various special revenue funds, capital projects fund, and the enterprise fund. For the most part, these grants are reimbursement type grants, therefore, revenues equal expenditures. Grant revenues are classified as intergovernmental revenues. The federal grants are covered by the requirements of the Single Audit Act and OMB Circular A-133. The state grants are covered by the State of Texas Single Audit Circular.

NOTE 17 - BAIL BOND COLLATERAL

The County holds, as collateral, time deposits and other cash equivalents and real property pledged toward bail bonds. The County does not have access to the assets unless the bond is violated; therefore, these assets are not reported in the financial statements of the County as of September 30, 2015. As of September 30, 2015, bail bonds outstanding totaled \$ 41,962,376 and collateral pledged against these bonds amounted to \$ 4,318,581.

NOTE 18 - LITIGATION

The County is involved in the following legal actions, and is represented by legal counsel. The stated probable outcome and the possible effect are the opinion of legal counsel based upon conditions existing as of March 16, 2016.

Cause No. 3:13-CV-00240 styled *Brandy Hamilton v. Nathaniel Turner*, in the United States District Court, Southern District of Texas Galveston Division. Civil rights litigation, Sheriff's Office. The case is currently in litigation; unable to form judgment as to outcome.

Civil Action No. 3:14-CV-00174; styled *Jail Rajaii Floyd suing unnamed deputy*; under Section 1983; violation of civil rights due to inadequate medical care. No demand for dollar amount has been presented. The case is currently in litigation. The County is unable to form a judgment as to the outcome at this time.

Civil Action No. 3:14-CV-329; styled *Harkless v. Brazoria County, et al.*; under Section 1983; violation of civil rights due to inadequate medical care. No demand for dollar amount has been presented. The case is currently in litigation. The County is unable to form a judgment as to the outcome at this time.

Civil Action No. 82103-CV styled *Connie L. Bevel v. Brazoria County, Texas*; in the 412th Judicial District Court of Brazoria County, Texas. The case is currently in litigation; unable to form judgment as to outcome.

Civil Action No. 62845-A styled *Haven Chapel United Methodist Church v. William Michael Leebron, II et al*; in the 412th Judicial District Court of Brazoria County, Texas. The case is currently in litigation; unable to form judgment as to outcome.

There were \$ 9,754 in actual payables reported at September 30, 2015. In addition, the County has recorded a contingent estimated liability of \$ 400,000 in the Self Insurance Liability Fund (Internal Service Fund) at September 30, 2015.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 19 - PEARLAND-MANVEL LANDFILL

The Pearland-Manvel Landfill site is a five-acre tract deeded from Brazoria County to the City of Pearland for use as a landfill during the 1950's and 60's. Upon completion of its use as a landfill the tract reverted to Brazoria County pursuant to the original instrument of conveyance. In the mid 1980's the Texas Department of Health reviewed the site, which was also the subject of some litigation because of the presence of some radioactive materials. These materials apparently were placed on the property by third parties illegally. No action was taken at that time against Brazoria County. In 2001, the then Texas Natural Resources Conservation Commission reopened its review of the site and mandated further investigation and remediation if appropriate. Brazoria County and the City of Pearland agreed to split evenly the costs of such investigation and remediation because of the fact that both entities at one time had dominion over the property. A phase one study has been presented to the Texas Commission on Environmental Quality (TCEQ). The scope of work in compliance with the findings of the phase one study has also been submitted to the Commission. They responded with another comment letter on November 17, 2004 to which the County responded with a letter to the Commission dated December 30, 2004, agreeing to the installation of a fourth additional groundwater monitoring well. The County's legal and technical representatives met with the Commission on April 20, 2005 and agreed to relocate the three wells. Another comment letter dated October 11, 2005 was received from the Commission after that meeting, and the County's environmental consultants responded by letter on December 14, 2005 and proceeded to install the new monitoring wells in December 2005. Additional sampling was conducted in March 2006, and the new wells were found to not have contamination above applicable TCEQ standards. Results of the latest sampling were reported to TCEQ on October 31, 2006, but no response has been received. At this time the County proposes to leave all existing solid waste and radioactive material deposited at the landfill (as opposed to excavating and removing the same) coupled with a restriction of access and prohibition against future residential use of the site. Periodic future testing and financial assurance may also be necessary. Since the TCEQ has not yet responded to the last submission by the County, the County is not in a position to determine the extent of remediation activities that will ultimately be required in connection with the Landfill.

Environmental consultants have been paid \$ 276,736 for their work to date. Half of that expense has been shared by the City of Pearland. The consultant estimates that the costs for additional work suggested by the Commission would total an additional \$ 27,338. Further, Brazoria County has retained outside assistance in the environmental legal aspects of this matter. To date the County has spent \$ 51,632 in such legal expenses. An additional \$ 10,326 has been authorized for further legal services.

At September 30, 2015, the County has recorded an accrued liability in the amount of \$ 62,664, which includes its portion of estimated costs as well as \$ 25,000 for estimated ongoing costs of monitoring.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2015

NOTE 20 - CHANGE IN ACCOUNTING PRINCIPLE (RESTATEMENT OF NET POSITION)

During the year ended September 30, 2015, the District implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27", and GASB Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date – and amendment of GASB No. 68". GASB Statement No. 68 establishes a definition of a pension plan that reflects the primary activities associated with the pension arrangement – determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they come due. GASB Statement 71, amendment of GASB Statement No. 68, addresses the issue regarding application of the transition provisions. It requires a government employer to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a government employer makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, it requires that the government recognize its contribution as a deferred outflow of resources. The following represents the retroactive restatement of net position as a result of implementation of GASB Statements No. 68 and 71 and prior period restatement as noted above:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Proprietary Funds</u>
Net positions, September 30, 2014 - previously reported	\$ 273,113,679	\$ 20,198,742	\$ 20,216,851
Deferred Outflows of Resources – Subsequent			
Pension Contributions	6,387,661	48,407	48,407
Net pension obligation	<u>(18,583,391)</u>	<u>(149,866)</u>	<u>(149,866)</u>
Net position, September 30, 2014 - restated	<u>\$ 260,917,949</u>	<u>\$ 20,097,283</u>	<u>\$ 20,115,392</u>

Information was not available to restate the September 30, 2014 net assets or the changes in net assets for the year ended September 30, 2014, therefore the MD&A presentation does not report comparative statements for the year ended September 30, 2014. Further, this change in accounting principle had no effect on governmental funds fund balance or changes in fund balance.

NOTE 21 - EVALUATION OF SUBSEQUENT EVENTS

The County has evaluated subsequent events through March 16, 2015, the date which the financial statements were available to be issued.

On January 28, 2016, the County issued two refunding bond issues, the Unlimited Tax Refunding Series 2016 and the Limited Tax Refunding Bonds, Series 2016 in the amount of \$ 8,425,000 and \$ 8,125,000, respectively. These bonds will provide funds to advance refund the Combination Tax and Revenue Certificates of Obligation, Series 2006 and the Unlimited Tax Road Bonds, Series 2006 in the amounts of \$ 9,235,000 and \$ 8,770,000, respectively. The advance refunding occurred on the call date of March 1, 2016. These refunding bonds are calculated to provide cash flow savings of \$ 2,983,437 and an economic gain (net present value of savings) of \$ 2,786,546.

**REQUIRED SUPPLEMENTARY
INFORMATION**

BRAZORIA COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
(ROAD AND BRIDGE FUND)**

For the Year Ended September 30, 2015

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 92,925,266	\$ 94,404,431	\$ 100,714,309	\$ 6,309,878
Intergovernmental	1,086,000	1,086,000	1,482,210	396,210
Charges for services	8,176,650	8,176,650	8,426,267	249,617
Licenses and permits	1,464,900	1,464,900	1,792,456	327,556
Fines and forfeitures	3,870,050	3,870,050	3,538,413	(331,637)
Special assessments				-0-
Investment income	300,000	300,000	345,026	45,026
Miscellaneous	1,190,100	1,190,100	1,633,299	443,199
Total revenues	109,012,966	110,492,131	117,931,980	7,439,849
Expenditures:				
Current:				
General administration	7,759,889	8,326,789	8,045,068	281,721
Judicial and legal	19,216,317	19,292,817	18,665,773	627,044
Financial administration	14,401,423	14,407,423	13,097,973	1,309,450
Elections	360,992	360,992	272,858	88,134
Public facilities	4,886,356	4,886,356	4,364,603	521,753
Public safety	21,088,153	21,214,724	20,036,450	1,178,274
Corrections	23,586,463	24,316,063	23,896,691	419,372
Public transportation				-0-
Health and welfare	4,942,971	5,119,971	3,967,073	1,152,898
Public assistance	346,000	346,000	346,000	-0-
Culture and recreation	10,628,815	10,871,815	10,027,802	844,013
Conservation	575,505	575,505	386,447	189,058
Environmental protection	235,082	238,582	233,191	5,391
Capital outlay				-0-
Total expenditures	108,027,966	109,957,037	103,339,929	6,617,108
Excess (deficiency) of revenues over expenditures	985,000	535,094	14,592,051	14,056,957
Other Financing Sources (Uses):				
Sale of capital assets	50,000	270,858	359,726	88,868
Transfers in	100,000	100,000	28,418	(71,582)
Transfers out	(1,160,000)	(1,562,452)	(1,068,737)	493,715
Total other financing sources (uses)	(1,010,000)	(1,191,594)	(680,593)	511,001
Net change in fund balances	25,000	(656,500)	13,911,458	14,567,958
Fund balances – beginning	63,796,352	63,796,352	63,796,352	-0-
Fund balances – ending	\$ 63,771,352	\$ 63,139,852	\$ 77,707,810	\$ 14,567,958

Note: Budgets are adopted on a basis consistent with generally accepted accounting principles.

BRAZORIA COUNTY, TEXAS

Exhibit 11

*REQUIRED SUPPLEMENTARY INFORMATION**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS ⁽¹⁾*

For the Ten Years Ended December 31, 2014

	Year Ended December 31, 2014
	<u>2014</u>
Total Pension Liability	
Service cost	\$ 8,642,622
Interest on total pension liability	22,575,881
Effect of economic/demographic (gains) or losses	717,058
Benefit payments/refunds of contributions	<u>(12,579,115)</u>
Net Change in Total Pension Liability	19,356,446
Total Pension Liability – Beginning	<u>280,644,509</u>
Total Pension Liability – Ending (a)	<u>\$ 300,000,955</u>
Fiduciary Net Position	
Employer contributions	\$ 7,985,929
Member contributions	4,544,842
Investment income net of investment expenses	17,794,613
Benefit payments/refunds of contributions	<u>(12,579,115)</u>
Administrative expense	<u>(208,696)</u>
Other	<u>319,860</u>
Net change in fiduciary net position	17,857,433
Fiduciary net position, beginning	<u>261,911,252</u>
Fiduciary net position, ending (b)	<u>\$ 279,768,685</u>
Net pension liability/asset, ending = (a)-(b)	<u>\$ 20,232,270</u>
Fiduciary net position as a percentage of total pension liability	93.26%
Pensionable covered payroll	\$ 64,926,320
Net pension liability as a percentage of covered payroll	31.16%

Note:

(1) - This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 68, they should not be shown. Therefore, we have shown only years for which the new GASB statements have been implemented.

BRAZORIA COUNTY, TEXAS

Exhibit 12

*REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
For the Ten Years Ended December 31, 2014*

<u>Year Ended December 31, (Measurement Date)</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Employer Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Pensionable Covered Payroll⁽¹⁾</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2005	\$ N/A	\$ N/A	\$ N/A	\$ N/A	N/A
2006	4,154,636	4,154,636	-0-	45,012,309	9.2%
2007	4,792,104	4,792,104	-0-	50,021,958	9.6%
2008	5,179,878	5,179,878	-0-	55,697,618	9.3%
2009	5,256,101	5,256,101	-0-	56,517,212	9.3%
2010	5,824,844	5,824,844	-0-	56,717,078	10.3%
2011	6,024,503	6,025,737	(1,234)	57,650,743	10.5%
2012	6,490,378	6,490,378	-0-	59,218,810	11.0%
2013	7,082,127	7,083,027	(900)	60,895,329	11.6%
2014	7,985,929	7,985,929	-0-	64,926,320	12.3%

⁽¹⁾ Payroll is calculated based on contributions as reported to TCDRS.



**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**



NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

TDSHS Women, Infants & Children Programs Fund (30100) – This fund accounts for grant proceeds awarded to provide supplemental food vouchers, nutrition education and immunizations as an adjunct to good health care at no cost to low income pregnant and postpartum women, infants, and children identified at nutritional risk. This fund also accounts for supplemental funding for training and salaries of peer counselors who assist pregnant and breastfeeding, services of a registered dietitian, lactation supplies, and obesity prevention education.

HHS-PPCPS Cities Readiness Initiative Fund (30500) – This fund accounts for grant proceeds awarded through the Department of State Health Services to aid cities in increasing their capacity to deliver medicines and medical supplies during a large-scale public health emergency such as a bioterrorism attack or a nuclear accident. The initiative focuses on the ability to distribute medicine to a population in a very short time.

HHS-BRHLO Community and Rural Health Fund (30600) – This fund accounts for grant proceeds to provide outreach, education, and testing & tracking sexually transmitted diseases/tuberculosis STD/TB.

HHS-PPCPS Hazards (Bioterrorism Grant) Fund (30700) – This fund accounts for grant proceeds that allows Brazoria County to assist the Office of Public Health in the implementation of activities associated with the FY 04 Centers for Disease Control and Prevention (CDC) Public Health preparedness and Response for Bioterrorism Cooperative Agreement. This project is designed to upgrade state and local public health jurisdictions' preparedness for a response to bioterrorism, other outbreaks of infectious disease, and other public health threats and emergencies.

HHS-Infectious Disease Control Unit Fund (30710) – This fund accounts for grant proceeds received through the Department of State Health Services (DSHS) to provide funding to conduct surveillance for all foodborne and waterborne illnesses as required in Texas Administrative Code RULE 97.3 and conduct telephone interviews of patients with foodborne and waterborne illnesses who are determined by the Emerging and Acute Infectious Disease Branch (EAID) of the DSHS to be part of a cluster or outbreak to ascertain possible risk factors. Surveillance and epidemiological activities may also be performed during other major outbreaks and/or disasters.

HHS-CPS Title IV-E Foster Care Maintenance Fund (30800) – This fund accounts for grant proceeds awarded for federal Child Protective Services.

HHS-CPS Title IV-E Legal Services Fund (30850) – This fund accounts for administration and training for services rendered to foster care children under provisions of Title IV-E of the Social Security Act and is also authorized by Chapter 40 of the health care code.

DHS State Homeland Security – UASI Fund (31500) – This fund accounts for grant proceeds awarded through the United States Department of Homeland Security for law enforcement and the office of emergency management to purchase equipment and other activities involving preparedness planning, training, and exercises to prevent terrorist attacks, reduce vulnerability to terrorism and minimize the damage from potential attacks and natural disaster. HGAC controls the allocation of these funds.

DHS State Homeland Security Fund (31600) - This fund accounts for grant proceeds awarded through the United States Department of Homeland Security for law enforcement to purchase equipment and other activities involving preparedness planning, training, and exercises to prevent terrorist attacks, reduce vulnerability to terrorism and minimize the damage from potential attacks and natural disaster.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

2005 – 2015 Section 8 Housing Choice Voucher Program Funds (32005-32113) - These funds account for the activities of the Brazoria County Housing Agency (BCHA) that was established in 2004 and empowered with the responsibility and authority to maintain the Public Housing Program for the County. In 2004, BCHA established the Section 8 Housing program. The BCHA mission is to serve the needs of low-income, very low-income and extremely low-income families in the County by increasing the availability of decent, safe and affordable housing in its communities, by ensuring equal opportunity in housing, by promoting self-sufficiency and asset development of families and individuals and by improving community quality of life and economic viability. Through federal funding from the U.S. Department of Housing and Urban Development (HUD) and landlord participation, BDHA provides low-income families with rental assistance; job training; education opportunities; and support services to obtain housing in a courteous, patient and efficient manner, while promoting self-sufficiency for County growth.

2011 – 2015 CDBG County (HUD) Funds (32204-32215) - These funds account for direct grant proceeds awarded for projects conducted throughout the county. The County is the fiscal agent for these projects, which are performed for municipalities and other non-profit organizations within Brazoria County, Texas.

HUD Texas CDBG Recovery Fund (32600) - This fund accounts for grant proceeds from Texas Department of Rural Affairs (TDRA) Disaster Recovery Division for non-housing hurricane recovery activities funded by the U.S. Department of Housing and Urban Development (HUD).

USDOJ-Crime Victim Assistance VOCA Fund (33200) – This fund accounts for intergovernmental revenues from the State of Texas for the purpose of providing legal assistance to victims of crime.

USDOJ-CSCD Victim Services Program Fund (33250) – This fund accounts for CSCD intergovernmental revenues from the State of Texas for the purpose of providing legal assistance to victims of crime.

USDOJ Drug Court Program Fund (33300) – This fund accounts for grant proceeds awarded through the State of Texas Office of the Governor Criminal Justice Division to create a Drug Treatment Court. Drug courts identify non-violent drug offenders and place them in an intensive program of judicially-supervised substance abuse treatment, case management and drug testing designed to break the cycle of substance abuse and crime.

USDOJ DWI Court Program Fund (33310) – This fund accounts for grant proceeds awarded through the State of Texas Office of the Governor Criminal Justice Division to create a DWI Court. DWI courts are dedicated to changing the behavior of the DWI offenders through intensive supervision and treatment. The goal of the Court is to promote more responsible and productive members of the community.

USDOJ DEA Narcotics OT Expense Fund (33500) – This fund accounts for an agreement between Brazoria County and the United States Department of Justice (DEA) to provide funding for payment of overtime costs for law enforcement officers assigned to specified narcotics investigations.

USDOJ State Criminal Alien Assistance Fund (33900) – This fund accounts for grant proceeds awarded through the Bureau of Justice Assistance (BJA), Office of Justice Programs (OJP), and the United States Department of Justice (DOJ), to States and localities that have incurred correctional officer salary costs for incarcerating undocumented criminal aliens that have at least one felony or two misdemeanor convictions for violations of State or local law and incarcerated for at least four consecutive days during the reporting period.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

DOI Mutual Fire Protection & Disbursement Assistance Fund (34100) – This fund accounts for grant proceeds received from the United States Fish and Wildlife department to cover expenditures relating to any natural disasters and/or wildfires that occur.

DOI Parks Boating Access Fund (34200) – This fund accounts for grant proceeds awarded through U.S. Dept. of Interior, Texas Parks & Wildlife Department State Boating Access Program, to construct new, or renovate existing, public boat ramps that provide public access to public waters for recreational boating.

USDOT CR 257 Repairs Fund (34400) – This fund accounts for both grant and local contributions authorized for both the temporary and permanent repairs to County Road 257 which was damaged during Hurricane Ike.

TJJD State Aid Fund (35000) – This fund accounts for revenues received from the Texas Juvenile Justice Department to supplement expenditures of the County in administering a Juvenile Justice Department. The County operates under an approved budget with the TJJD and submits reports quarterly with an annual contract report submitted as of each fiscal year ended August 31.

TJPC JJAEP Boot Camp Fund (35650) – This fund accounts for intergovernmental revenues from the Texas Juvenile Justice Department to fund mandatory juvenile justice alternative education programs as required under Chapter 37, Texas Education Code.

TJJD Mental Health Services Fund (35900) – This fund accounts for revenues received from the Texas Juvenile Justice Department to supplement mental health services expenditures of the County in administering a Juvenile Justice Department. The County operates under an approved budget with the TJJD and submits reports quarterly with an annual contract report submitted as of each fiscal year ended August 31.

TCEQ LIRAP Program Fund (36100) – This fund accounts for grant proceeds received from TCEQ for low income repair assistance, retrofit, and accelerated vehicle retirement program that pays for necessary repairs to bring vehicles into emissions compliance and for replacement vehicles when existing vehicles are retired.

TCEQ Local Initiatives Program Fund (36400) – This fund accounts for a portion of grant proceeds received from the Low Income Vehicle Replacement & Repair Assistance Program (LIRAP) for Local Initiative Projects (LIP) Programs. The proceeds are used to help fund the Southern Brazoria County Bus Transit.

TXDOT CR 48 Project Fund (36801) - This fund accounts for grant proceeds from Texas Department of Transportation, under the County Transportation Infrastructure Fund Grant Program, to be used for transportation infrastructure projects located in areas of the state affected by increased oil and gas production.

OAG Victim Assistance Grant Fund (37000) – This fund accounts for intergovernmental revenues from the State of Texas for the purpose of providing victim assistance coordinators or crime victim liaisons to victims of crime.

OAG Texas VINE Contract Fund (37100) – This fund accounts for grant proceeds awarded for reimbursement for certain costs incurred in the participation in a statewide crime victim notification service.

DFPS CPS Title IV-B Concrete Services Fund (37200) – This fund accounts for grant proceeds awarded for State Child Protective Services.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

TDSHS Immunization Fund (37400) – This fund accounts for grant proceeds awarded for the implementation of an immunization program. The emphasis of this program is on children two years old or younger. The immunization program goal is to prevent, control, and eliminate indigenous vaccine-preventable diseases. This is done by providing and administering biologicals, promoting immunizations, and applying epidemiological principles and outbreak control within budgetary constraints.

OAG Regional Juvenile Mental Health Services Fund (37800) – This fund accounts for proceeds from the State Criminal Justice Planning Fund SF(421) through the Criminal Justice Department for the Regional Juvenile Mental Health Services project contracted between the Houston Galveston Area Council (H-GAC) and Brazoria County Juvenile Justice Department.

Emergency Management Fire Code Fund (38000) – This fund accounts for receipt and expenditure of fees assessed for inspections of construction sites for enforcement of the county fire code. Such fees may only be spent for activities related to the enforcement of the code.

Economic Development Tax Abatement Fund (38010) – This fund accounts for local revenues (contributions) for the furtherance of economic development as related to tax abatement programs.

Vital Statistics Fee Fund (38100) – This fund accounts for an optional one dollar local fee collected for death and/or birth certificates by Justice of the Peace officers and/or County Clerk.

Records Management County Clerk Fund (38110) – The "Records Management and Preservation" fee collected by the County Clerk pursuant to Local Government Code 118.011 is for the records management and preservation services performed after the filing and recording of a document in the records of the office of the clerk. The fee is used to provide funds for specific records preservation and automation projects.

Records Archive County Clerk Fund (38120) – The "Records Archive" fee collected by the County Clerk, pursuant to Local Government Code 118.011 (f) is for the preservation and restoration services performed by the County Clerk in connection with maintaining a County Clerk's records archive.

Civil, Criminal and Probate Records Management Fund (38200) – The fee collected by the County and District Clerks pursuant to Local Government Code 118.011 and Government Code 51.317 (c)(2) respectively. This fee is for the civil, criminal and probate records management and preservation services performed after the filing and recording of a document in the records of the office of the clerk. The fee is used to provide funds for specific records preservation and automation projects.

County Graffiti Eradication Fund (38210) – This fund accounts for local revenues designated for the purpose of graffiti eradication in the County.

County/District Court Technology Fund (38220) – This fund accounts for the mandate in House Bill 3637 that each county court, statutory county court, or district court in Brazoria County assesses a \$ 4 technology fee on each criminal offense conviction. These funds are restricted to technological enhancements as described by Subchapter A, Chapter 102, and Article 102.0169 of the Code of Criminal Procedure. Commissioners' Court approved this fee on September 8, 2009.

Records Preservation County/District Clerk Fund (38230) – This fund accounts for fees collected by the District and County Clerks pursuant to Government Code 51.708, where the District Clerk shall collect a filing fee of \$ 10 in each civil case filed. The County Clerk shall collect a filing fee of \$ 5 in each civil case filed. These funds are restricted to digitize and preserve court records from natural disasters. Commissioners' Court approved this fee on September 8, 2009.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

Child Abuse Prevention Fund (38300) – This fund accounts for funds collected from private donations and jurors' reimbursement donations to the CPS child welfare board of the county.

Family Protection Fund (38310) – The family protection fee of \$ 15 collected by the District Clerk in accordance with Texas Government Code, § 51.961 and approved in Commissioners' Court on December 13, 2005 is collected at the time a suit for dissolution of a marriage under Chapter 6, Family Code, is filed. After sending one half of the fee to the State Comptroller, the County uses the fund for a service provider located in the County or an adjacent county. The service provider may provide family violence and child abuse prevention, intervention, family strengthening, mental health, counseling, legal, and marriage preservation services to families that are at risk of experiencing or that have experienced family violence or the abuse or neglect of a child. Commissioner's Court may provide funding to a nonprofit organization that provides services described above.

Records Management District Clerk Fund (38320) – The "Records Management and Preservation" fee collected by the District Clerk pursuant to Local Government Code 118.011 is for the records management and preservation services performed after the filing and recording of a document in the records of the office of the clerk. The fee is used to provide funds for specific records preservation and automation projects.

Records Archive District Clerk Fund (38330) – The "Records Management and Preservation" fee collected by the District Clerk pursuant Government Code 51.317 (c)(2) is for records management and preservation services performed by the District Clerk. The fee is used to provide funds for specific records preservation and automation projects.

JP Building Security Fund (38400) – The State Legislature amended the Court of Criminal Procedures Art. 102.017 by adding \$ 1 to the existing Courthouse Security Fund. The Justice of Peace collect the funds and deposit them in a Justice Court building security fund for providing security services for a Justice Court located in a building that is not in the County Courthouse.

Justice Court Technology Fund (38410) – This fund accounts for the mandate that each Brazoria County justice court assess a technology fee of \$ 4.00 as cost of court on each conviction, as defined by Art. 102.0173 Code of Criminal Procedure, for a fine-only misdemeanor committed on or after January 1, 2002. The use of this fee is restricted to the purchase of technological enhancements for a justice court.

Financial Security Fund (38500) – The Financial Security fee collected by the county and district clerks is pursuant to Article 102.017 of the Code of Criminal Procedure and Local Government Code 291.007. Article 102.017 of the Code of Criminal Procedure mandates a \$ 5 fee to court costs of a defendant convicted in trial for a felony offense in a district court and adds a \$ 3 fee to court costs of a defendant convicted in trial for a misdemeanor offense in a county court. Local Government Code 291.007 allows Commissioners' Court to set a \$ 5 fee to be collected at the time of filing in each county or district court civil case. The use of this fee is restricted to specific items used for providing security services for buildings housing a district or county court.

Law Enforcement Officers Standards and Education Fund (38600) – This fund accounts for fees utilized for law enforcement officers' educational expenditures.

District Attorney Hot Check Collection Fund (38710) – This fund is used to account for monies received from fees collected on the payment of hot checks. Expenditures are made for the improvement of the operation of the District Attorney's office and Hot Check collections.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

District Attorney Supplemental Fund (38720) – This fund accounts for funds used for the payment of salaries of Assistant District Attorneys, Investigators and/or secretarial help and expense, including travel for these personnel as determined by the District Attorney.

District Attorney Forfeiture CCP Chapter 59 Fund (38730) – This fund accounts for funds used in criminal investigations of seized funds awarded by court order to the Criminal District Attorney's office.

Voter Registration Tax Office Fund (38810) – This fund accounts for the commission fee received from the Texas State Comptroller and is used to defray expenditures of the Registrar's office.

Special Inventory Dealer Escrow Tax Fund (38820) – This fund accounts for interest earned on prepayments of vehicle inventory taxes by automobile dealers. The money is held in an escrow bank account by the Tax Collector and the interest is used by the Tax Collector to defray administrative costs. These funds are restricted pursuant to state statute.

Scofflaw Fees TTC Section 502.01 Fund (38830) – This fund accounts for additional fee collected by the Tax Office from a person registering a motor vehicle with an outstanding fine, fee, or tax due to Brazoria County.

Elections Services Contract Fund (38910) – This fund accounts for surplus funds from Election Service Contracts under the Texas Election Code 31.003. Funds are used only to defray expenses of the county election officer's office in connection with election-related duties or functions.

Elections HAVA Equipment Rental Fund (38920) – This fund accounts for revenue and related expenditures from election equipment rental. Funds are used only for the purchase of voting equipment changes or upgrades, and technology upgrades for the election office.

Sheriff Contraband Forfeiture Fund (39100) – This fund accounts for monies acquired through forfeitures shared equally with participating law enforcement agencies for law enforcement purposes.

Brazoria County Narcotics Task Force Fund (39110) – This fund accounts for monies seized by the Task Force for use in undercover operations.

Sheriff Commissary Fund (39120) – This fund is used to account for jail inmates' purchase of food and toiletry items or other supplies. Expenditures are for the purchase of these items. Any revenue generated is used for the benefit of the inmate.

Sheriff Federal Forfeiture Fund (39130) – This fund accounts for monies used in criminal investigations of seized funds awarded by court order to the County Sheriff's office.

Juvenile Case Manager Fund (39200) – This fund accounts for the \$ 5 fee collected on convicted fine-only misdemeanor offenses by the Justice of Peace. It provides for the salary and benefits of a Juvenile Case Manager. The Commissioners' Court approved the fee collection on February 28, 2006 in accordance with Code of Criminal Procedure Art. 102.074.

CSCD Bond Supervision Fund (39210) – This fund accounts for collection of program income and expenditures related to the operation of the CSCD surety and personal recognizance bond supervision program. Article 17.42 of the Code of Criminal Procedure authorized the establishment and funding of a personal bond office approved by commissioners' court.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

Reliant Energy CARE Program Fund (39300) – This fund accounts for local contributions from Reliant Energy for use in providing needy Brazoria County residents with utility assistance.

United Way Emergency Assistance Fund (39310) – This fund accounts for grant proceeds awarded from United Way of Brazoria County to provide emergency assistance to qualified residents.

Book Sale Fund (39400) – This fund accounts for proceeds received from the annual used book sale used for the benefit of the libraries.

Library Special Projects Fund (39410) – This fund accounts for proceeds from public donations and used specifically for special projects.

SEP Wastewater Environmental Health - TCEQ Fund (39500) – This fund accounts for proceeds awarded through the Texas Commission on Environmental Quality (TCEQ) to provide assistance to low income homeowners to repair or replace failing or inadequately designed on-site sewage facilities within the County.

Shoreline Restoration Task Force Fund (39620) – This fund accounts for administration of funds as a result of a letter of understanding (LOU) between Brazoria County, Port of Freeport, Town of Quintana, Village of Surfside Beach and Treasure Island Municipal Utility District to create a task force to evaluate shoreline erosion problems in Brazoria County, identify and investigate feasible alternatives to restore the shoreline, and maximize state assistance to the region for shoreline restoration projects under the CEPRA, CIAP and other applicable and appropriate state programs.

2006 GoM Energy Security Act Fund (39630) – This fund accounts for revenue from the United States Department of the Interior under the Gulf of Mexico Energy Security Act of 2006 (GOMESA) which provides that certain states and counties receive 37.5% of the oil and gas qualified leasing revenues from certain Outer Continental Shelf areas. Funds are designated for coastal protection.

Vivian Street Lazy Oaks Special Assessment Fund (39762) - This fund accounts for the expenditures required to upgrade roads in the unincorporated area to County specifications. The one-time assessment covers material cost used in upgrading the roads to a condition to where they qualify for the County road system.

Law Library Fund (39800) – This fund accounts for the cost of operating and maintaining a law library for public use. Revenues are derived from law library fees assessed against each civil case filed in District and County courts.

Mosquito Control District Fund (39900) – This fund accounts for the district approved by Brazoria County voters in April, 1955 that authorized a separate tax not to exceed five cents per one dollar of valuations. Mosquito control districts were introduced to the State of Texas by House Bill 127 which was passed by the 1949 Texas Legislature.

Debt Service Funds

Debt service funds account for the accumulation of resources from governmental resources and the payments of general obligation debt principal, interest and related costs.

2003 Certificates of Obligation Bonds, I & S Fund (40000) - This fund accounts for the accumulation of resources and the payment of those resources related to the retiring of the Series 2003 – General Obligation issued for construction and acquisition projects accounted for in the 2003 General Obligation Construction and Maintenance capital project fund, and the retiring of the Refunding Bonds, Series 2012 which were utilized to defease a portion of the Series 2003 Bonds.

NONMAJOR GOVERNMENTAL FUNDS

Debt Service Funds – Continued

2006 Certificates of Obligation Bonds, I & S Fund (41000) - This fund accounts for the accumulation of resources and the payment of those resources related to the retiring of the Series 2006 - Certificates of Obligation issued for construction and acquisition projects accounted for in the 2006 Certificate of Obligation Construction and Maintenance capital project fund.

2012 Certificates of Obligation Bonds, I & S Fund (42000) - This fund accounts for the accumulation of resources and the payment of those resources related to the retiring if the Series 2012 Certificates of Obligations, issued for construction and acquisition projects.

Tax Notes Series 2013 I & S Fund (43000) – This fund accounts for the accumulation of resources and the payment of those resources related to the retiring of the Series 2013 Tax Notes issued for construction, acquisition projects, and professional services.

Road Bonds Mobility, I & S Fund (45000) - This fund accounts for the accumulation of resources and the payment of those resources related to the retiring of the Series 2006, 2008, 2010A, and 2012 – Unlimited Tax Road Bonds issued for construction and acquisition projects accounted for in the Mobility Plan Construction and Maintenance capital project fund.

Mobility Build America Bonds, I & S Fund (45100) - This fund accounts for the accumulation of resources and the payment of those resources related to the retiring of the Series 2010B – Unlimited Tax Road Bonds issued for construction and acquisition projects accounted for in the Mobility Plan (Build America Bonds) Construction and Maintenance capital project fund.

Sheriff and Detention Complex, I & S Fund (46000) - This fund accounts for the accumulation of resources and the payment of those resources related to the retiring of the Series 1993 - Certificates of Obligation issued to build a Sheriff and Detention Center Complex, and the retiring of the General Obligation Refunding Bonds, Series 1998 which were utilized to defease a portion of the Series 1993 Bonds.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

USDC SLP Dune Walkover Fund (34820) - This fund accounts for proceeds from the General Land Office to provide financial assistance with funds received under the Texas Coastal Management Program (CMP) Cycle 17 to revitalize San Luis Pass Park by constructing a boardwalk, observation deck and dune walkover to provide compliant and safe access from the visitor center to the beach.

USTREAS Restore Act Projects Fund (34850) – The Resources and Ecosystem Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast State Act (RESTORE ACT) created a Gulf Coast Restoration Trust Fund. The fund will receive 80% of any civil penalties paid under the Clean Water Act to support a variety of projects aimed at helping the Gulf recover from environmental and economic injuries experienced as a result of decades of oil and gas development in the region, including the effects of Deepwater Horizon.

DOI Parks CIAP Grant Fund (34860) - This fund accounts for grant funding from the General Land Office to develop the Coastal Impact Assistance Plan for projects and activities related to conservation, protection and/or restoration of coastal areas.

NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds - Continued

2006 Certificate of Obligation C & M Fund (51000) - This fund accounts for bond proceeds authorized for acquisition and construction, including the purchase and renovation of a building located in Angleton for the purpose of housing various County departments; relocation of the North Service Center; construction of the West Service Center and Annex; expansion of the Juvenile Detention Center; renovation of a Park Administration building; renovation of Courthouse for additional courtrooms; expansion of parking lots; and expansion of the Adult Detention Center.

2012 Certificate of Obligation C & M Fund (52000) - This fund accounts for the accumulation of resources and the payment of proceeds of a Certificate of Obligation Bonds – Series 2012 bond issue totaling \$ 25,115,000 and resulting interest earned on related deposit balances. This issue was approved for the purpose of construction and improvement of numerous facility projects with an estimated cost of \$ 27,500,000.

2013 Tax Note C & M Fund (53000) – This fund accounts for the accumulation of resources and the payment of proceeds of a Tax Note – Series 2013 totaling \$ 9,900,000 and resulting interest earned on related deposit balances. This issue was approved for construction, acquisition projects, and professional services.

Mobility Plan C & M Fund (55000) - This fund accounts for bond proceeds for the purpose of the construction and improvement of transportation projects within Brazoria County including State highways, county roads, bridges and related drainage, and specifically the construction and improvement of roads, bridges and related drainage that constitute connecting links and integral parts of County roads and State highways located both within Brazoria County and also within the corporate limits of Brazoria County cities.

Mobility Build America Bonds C & M Fund (55100) - This fund accounts for bond proceeds of a 2010B (Build America Bonds) tax road bond issue totaling \$ 13,225,000 and the resulting interest earned on related deposit balances. This issue was approved for the purpose of construction and improvement of transportation projects within Brazoria County including State highways, county roads, bridges and related drainage that constitute connecting links and integral parts of County roads and State highways located both within Brazoria County and also within the corporate limits of Brazoria County cities.

Highway 6 Right-of-Way Acquisition C & M Fund (57000) - This fund accounts for the acquisition of rights-of-way for authorized county purposes and for the payment of contractual obligations for professional services. Certificates of Obligation in the amount of \$ 1,800,000 were authorized and issued on January 14, 1991. Brazoria County has agreed to contribute funds to the State Department of Highways and Public Transportation pursuant to CSJ No. 0192-01-040 in an amount equal to ten percent (10%) of the cost of the right of way to be acquired.

Ring of Honor C & M Fund (57200) - This fund accounts for the activity related to the new war memorial at the northwest corner of the Brazoria County courthouse.

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

	TDSHS Women Infants & Children Programs Fund-30100	HHS-PPCPS Cities Readiness Initiative Fund-30500	Special HHS-BRHLO Community and Rural Health Fund-30600
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and temporary investments	\$	\$	\$
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts	152		
Special assessments			
Due from other governments	264,675	9,066	10,531
Due from other funds			
Inventory			
Prepaid expenditures	10,772		
Long-Term Receivables:			
Accounts			
Total assets	<u>275,599</u>	<u>9,066</u>	<u>10,531</u>
Deferred Outflows of Resources:			
Deferred outflows of resources			
Total deferred outflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 275,599</u>	<u>\$ 9,066</u>	<u>\$ 10,531</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts and accrued liabilities payable	\$ 62,004	\$ 1,934	\$
Due to other funds	213,595	7,132	10,531
Unearned revenue			
Total liabilities	<u>275,599</u>	<u>9,066</u>	<u>10,531</u>
Deferred Inflows of Resources:			
Deferred inflows of resources			
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficit):			
Non-spendable	10,772		
Restricted			
Committed			
Unassigned	<u>(10,772)</u>		
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 275,599</u>	<u>\$ 9,066</u>	<u>\$ 10,531</u>

Revenue Funds

HHS-PPCPS Hazards (Bioterrorism Grant) Fund-30700	HHS- Infectious Disease Control-Unit Fund-30710	HHS-CPS Title IV-E Foster Care Maintenance Fund-30800	HHS-CPS Title IV-E Legal Services Fund-30850	DHS State Homeland Security- UASI Fund-31500	DHS State Homeland Security Fund-31600
\$	\$	\$	\$	\$ 5,413	\$
		100			
26,968	7,518	18,134	16,590	43,920	
<u>26,968</u>	<u>7,518</u>	<u>18,234</u>	<u>16,590</u>	<u>49,333</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 26,968</u>	<u>\$ 7,518</u>	<u>\$ 18,234</u>	<u>\$ 16,590</u>	<u>\$ 49,333</u>	<u>\$ -0-</u>
\$ 6,901 20,067	\$ 2,496 5,022	\$ 5,860 12,295	\$ 13,488 3,102	\$ 49,333	\$
<u>26,968</u>	<u>7,518</u>	<u>18,155</u>	<u>16,590</u>	<u>49,333</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
		79			
<u>-0-</u>	<u>-0-</u>	<u>79</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 29,968</u>	<u>\$ 7,518</u>	<u>\$ 18,234</u>	<u>\$ 16,590</u>	<u>\$ 49,333</u>	<u>\$ -0-</u>

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

	2005-2015 Section 8 Housing Choice Voucher Funds <u>32005-32113</u>	2011-2015 CDBG County (HUD) Funds <u>32204-32215</u>	Special HUD- Texas CDBG Recovery Fund-32600
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and temporary investments	\$ 772,983	\$	\$
Receivables (Net of Allowance for Uncollectable):			
Taxes			
Accounts	5,422		
Special assessments			
Due from other governments		143,286	1,056,051
Due from other funds			
Inventory			
Prepaid expenditures		1,166	
Long-Term Receivables:			
Accounts			
Total assets	<u>778,405</u>	<u>144,452</u>	<u>1,056,051</u>
Deferred Outflows of Resources:			
Deferred outflows of resources			
Total deferred outflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 778,405</u>	<u>\$ 144,452</u>	<u>\$ 1,056,051</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts and accrued liabilities payable	\$ 13,563	\$ 141,369	\$ 1,046,069
Due to other funds		3,083	9,982
Unearned revenue	<u>60,622</u>		
Total liabilities	<u>74,185</u>	<u>144,452</u>	<u>1,056,051</u>
Deferred Inflows of Resources:			
Deferred inflows of resources			
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficit):			
Non-spendable		1,166	
Restricted	704,220		
Committed			
Unassigned		<u>(1,166)</u>	
Total fund balance	<u>704,220</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 778,405</u>	<u>\$ 144,452</u>	<u>\$ 1,056,051</u>

Revenue Funds

USDOJ- Crime Victim Assistance VOCA Fund-33200	USDOJ-CSCD Victim Services Program Fund-33250	USDOJ Drug Court Program Fund-33300	USDOJ DWI Court Program Fund-33310	USDOJ DEA Narcotics OT Expenses Fund-33500	USDOJ State Criminal Alien Assistance Fund-33900
\$	\$	\$	\$	\$	\$ 72,862
12,119 410	6,364	73,528	50,153	544	
<u>12,529</u>	<u>6,364</u>	<u>73,528</u>	<u>50,153</u>	<u>544</u>	<u>72,862</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 12,529</u>	<u>\$ 6,364</u>	<u>\$ 73,528</u>	<u>\$ 50,153</u>	<u>\$ 544</u>	<u>\$ 72,862</u>
\$ 5,623 6,906	\$ 4,248 2,116	\$ 9,770 41,121	\$ 4,634 25,593	\$ 544	\$ 72,862
<u>12,529</u>	<u>6,364</u>	<u>50,891</u>	<u>30,227</u>	<u>544</u>	<u>72,862</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
		22,637	19,926		
<u>-0-</u>	<u>-0-</u>	<u>22,637</u>	<u>19,926</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 12,529</u>	<u>\$ 6,364</u>	<u>\$ 73,528</u>	<u>\$ 50,153</u>	<u>\$ 544</u>	<u>\$ 72,862</u>

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

	Special		
	DOI Mutual Fire Protection & Disbursement Assistance Fund-34100	DOI Parks Boating Access Fund-34200	USDOT CR 257 Repairs Fund-34400
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and temporary investments	\$ 16		\$ 2,642
Receivables (Net of Allowance for Uncollectable):			
Taxes			
Accounts			
Special assessments			
Due from other governments		205,293	
Due from other funds		26,032	
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
Total assets	16	231,325	2,642
Deferred Outflows of Resources:			
Deferred outflows of resources			
Total deferred outflows of resources	-0-	-0-	-0-
Total assets and deferred outflows of resources	\$ 16	\$ 231,325	\$ 2,642
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$ 53	\$ 2,642
Due to other funds		231,272	
Unearned revenue			
Total liabilities	-0-	231,325	2,642
Deferred Inflows of Resources:			
Deferred inflows of resources			
Total deferred inflows of resources	-0-	-0-	-0-
Fund Balance (Deficit):			
Non-spendable			
Restricted	16		
Committed			
Unassigned			
Total fund balance	16	-0-	-0-
Total liabilities, deferred inflows of resources and fund balances	\$ 16	\$ 231,325	\$ 2,642

Revenue Funds

TJJD State Aid Fund-35000	TJPC JJAEP Boot Camp Fund-35650	TJJD Mental Health Services Fund-35900	TCEQ LIRAP Program Fund-36100	TCEQ Local Initiatives Program Fund-36400	TXDOT CR 48 Project Fund-36801
\$	\$ 2,484	\$	\$ 934,076	\$	\$ 4,742
140,635	18,160				41,956
<u>140,635</u>	<u>20,644</u>	<u>-0-</u>	<u>934,076</u>	<u>-0-</u>	<u>46,698</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 140,635</u>	<u>\$ 20,644</u>	<u>\$ -0-</u>	<u>\$ 934,076</u>	<u>\$ -0-</u>	<u>\$ 46,698</u>
\$ 85,231 55,404	\$ 20,644	\$	\$ 934,076	\$	\$ 46,698
<u>140,635</u>	<u>20,644</u>	<u>-0-</u>	<u>934,076</u>	<u>-0-</u>	<u>46,698</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 140,635</u>	<u>\$ 20,644</u>	<u>\$ -0-</u>	<u>\$ 934,076</u>	<u>\$ -0-</u>	<u>\$ 46,698</u>

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

	OAG Victim Assistance Grant Fund-37000	OAG Texas VINE Contract Fund-37100	Special DFPS CPS Title IV-B Concrete Services Fund-37200
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and temporary investments	\$	\$	\$
Receivables (Net of Allowance for Uncollectable):			
Taxes			
Accounts			
Special assessments			
Due from other governments	5,143		158
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
Total assets	<u>5,143</u>	<u>-0-</u>	<u>158</u>
Deferred Outflows of Resources:			
Deferred outflows of resources			
Total deferred outflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 5,143</u>	<u>\$ -0-</u>	<u>\$ 158</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts and accrued liabilities payable	\$ 2,684	\$	\$
Due to other funds	2,459		158
Unearned revenue			
Total liabilities	<u>5,143</u>	<u>-0-</u>	<u>158</u>
Deferred Inflows of Resources:			
Deferred inflows of resources			
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficit):			
Non-spendable			
Restricted			
Committed			
Unassigned			
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,143</u>	<u>\$ -0-</u>	<u>\$ 158</u>

Revenue Funds

TDH Immunization Fund-37400	OAG Regional Juvenile Mental Health Services Fund-37800	Emergency Management Fire Code Fund-38000	Economic Development Tax Abatement Fund-38010	Vital Statistics Fee Fund-38100	Records Management County Clerk Fund-38110
\$	\$	\$ 11,966	\$ 2,085	\$ 8,396	\$ 1,693,595
310					
59,477					1,108
<u>59,787</u>	<u>-0-</u>	<u>11,966</u>	<u>2,085</u>	<u>8,396</u>	<u>1,694,703</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 59,787</u>	<u>\$ -0-</u>	<u>\$ 11,966</u>	<u>\$ 2,085</u>	<u>\$ 8,396</u>	<u>\$ 1,694,703</u>
\$ 7,955	\$	\$ 4,556	\$	\$ 572	\$ 50,850
51,832					
<u>59,787</u>	<u>-0-</u>	<u>4,556</u>	<u>-0-</u>	<u>572</u>	<u>50,850</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
		7,410	2,085	7,824	1,108
					1,642,745
<u>-0-</u>	<u>-0-</u>	<u>7,410</u>	<u>2,085</u>	<u>7,824</u>	<u>1,643,853</u>
<u>\$ 59,787</u>	<u>\$ -0-</u>	<u>\$ 11,966</u>	<u>\$ 2,085</u>	<u>\$ 8,396</u>	<u>\$ 1,694,703</u>

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

	Record Archive County Clerk Fund-38120	Civil, Criminal & Probate Records Management Fund-38200	Special County Graffiti Eradication Fund-38210
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and temporary investments	\$ 593,679	\$ 369,434	\$ 2,541
Receivables (Net of Allowance for Uncollectable):			
Taxes			
Accounts			
Due from other governments			
Accrued interest			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>593,679</u>	<u>369,434</u>	<u>2,541</u>
Total assets			
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 593,679</u>	<u>\$ 369,434</u>	<u>\$ 2,541</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts and accrued liabilities payable	\$ 2,579	\$ 22	\$
Due to other funds			
Unearned revenue			
	<u>2,579</u>	<u>22</u>	<u>-0-</u>
Total liabilities			
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources			
Fund Balance (Deficit):			
Non-spendable			
Restricted	591,100	369,412	2,541
Committed			
Unassigned			
	<u>591,100</u>	<u>369,412</u>	<u>2,541</u>
Total fund balance			
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 593,679</u>	<u>\$ 369,434</u>	<u>\$ 2,541</u>

Revenue Funds

County/ District Court Technology Fund-38220	Records Preservation County/District Clerk Fund-38230	Child Abuse Prevention Fund-38300	Family Protection Fund-38310	Records Management District Clerk Fund-38320	Records Archive District Clerk Fund-38330
\$ 83,494	\$ 303,843	\$ 11,082	\$ 62,437	\$ 34,500	\$ 75,491
<u>83,494</u>	<u>303,843</u>	<u>11,082</u>	<u>62,437</u>	<u>34,500</u>	<u>75,491</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 83,494</u>	<u>\$ 303,843</u>	<u>\$ 11,082</u>	<u>\$ 62,437</u>	<u>\$ 34,500</u>	<u>\$ 75,491</u>
\$	\$ 10	\$	\$	\$ 2,640	\$
<u>-0-</u>	<u>10</u>	<u>-0-</u>	<u>-0-</u>	<u>2,640</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
83,494	303,833	11,082	62,437	31,860	75,486
<u>83,494</u>	<u>303,833</u>	<u>11,082</u>	<u>62,437</u>	<u>31,860</u>	<u>75,486</u>
<u>\$ 83,494</u>	<u>\$ 303,843</u>	<u>\$ 11,082</u>	<u>\$ 62,437</u>	<u>\$ 34,500</u>	<u>\$ 75,491</u>

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

	Special		
	JP Building Security Fund-38400	Justice Court Technology Fund-38410	Financial Security Fund-38500
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and temporary investments	\$ 129,389	\$ 172,593	\$ 379,510
Receivables (Net of Allowance for Uncollectable):			
Taxes			
Accounts			
Special assessments			
Due to other governments			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>129,389</u>	<u>172,593</u>	<u>379,510</u>
Total assets			
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 129,389</u>	<u>\$ 172,593</u>	<u>\$ 379,510</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$	\$ 45
Due to other funds			
Unearned revenue			
	<u>-0-</u>	<u>-0-</u>	<u>45</u>
Total liabilities			
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources			
Fund Balance (Deficit):			
Non-spendable			
Restricted	129,389	172,593	379,465
Committed			
Unassigned			
	<u>129,389</u>	<u>172,593</u>	<u>379,465</u>
Total fund balance			
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 129,389</u>	<u>\$ 172,593</u>	<u>\$ 379,510</u>

Revenue Funds

Law Enforcement Officers Standards & Education Fund-38600	District Attorney Hot Check Collection Fund-38710	District Attorney Supplemental Fund-38720	District Attorney Forfeiture CCP Chapter 59 Fund-38730	Voter Registration Tax Office Fund-38810	Special Inventory Dealer Escrow - Tax Fund-38820
\$ 77,565	\$ 28,926	\$ 7,063	\$ 47,931	\$	\$ 50,922
				435	353
				3,500	
2,895			50		
<u>80,460</u>	<u>28,926</u>	<u>7,063</u>	<u>47,981</u>	<u>3,935</u>	<u>51,275</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 80,460</u>	<u>\$ 28,926</u>	<u>\$ 7,063</u>	<u>\$ 47,981</u>	<u>\$ 3,935</u>	<u>\$ 51,275</u>
\$	\$ 932	\$ 723	\$ 5,092	\$ 505	\$
		6,333		3,430	
<u>-0-</u>	<u>932</u>	<u>7,056</u>	<u>5,092</u>	<u>3,935</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
2,895			50		
77,565		7			
	27,994		42,839		51,275
<u>80,460</u>	<u>27,994</u>	<u>7</u>	<u>42,889</u>	<u>-0-</u>	<u>51,275</u>
<u>\$ 80,460</u>	<u>\$ 28,926</u>	<u>\$ 7,063</u>	<u>\$ 47,981</u>	<u>\$ 3,935</u>	<u>\$ 51,275</u>

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

	Special		
	Scofflaw Fees TTC Section 502.01 Fund-38830	Elections Services Contract Fund-38910	Elections HAVA Equipment Rental Fund-38920
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and temporary investments	\$ 280	\$ 84,876	\$ 151,144
Receivables (Net of Allowance for Uncollectable):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
Total assets	280	84,876	151,144
Deferred Outflows of Resources:			
Deferred outflows of resources			
Total deferred outflows of resources	-0-	-0-	-0-
Total assets and deferred outflows of resources	\$ 280	\$ 84,876	\$ 151,144
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$ 77	\$
Due to other funds			
Unearned revenue		12,400	
Total liabilities	-0-	12,477	-0-
Deferred Inflows of Resources:			
Deferred inflows of resources			
Total deferred inflows of resources	-0-	-0-	-0-
Fund Balance (Deficit):			
Non-spendable			
Restricted	280	72,399	151,144
Committed			
Unassigned			
Total fund balance	280	72,399	151,144
Total liabilities, deferred inflows of resources and fund balances	\$ 280	\$ 84,876	\$ 151,144

Revenue Funds

Sheriff Contraband Forfeiture Fund-39100	Brazoria County Narcotics Task Force Fund-39110	Sheriff Commissary Fund-39120	Sheriff Federal Forfeiture Fund-39130	Juvenile Case Manager Fund-39200	CSCD Bond Supervision Fund-39210
\$ 510,278	\$ 596,853	\$ 237,174	\$ 209,503	\$ 3,850	\$ 1,541
		46,709			
<u>510,278</u>	<u>596,853</u>	<u>283,883</u>	<u>209,503</u>	<u>3,850</u>	<u>1,541</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 510,278</u>	<u>\$ 596,853</u>	<u>\$ 283,883</u>	<u>\$ 209,503</u>	<u>\$ 3,850</u>	<u>\$ 1,541</u>
\$ 52,596	\$ 379	\$ 37,269	\$	\$	\$ 1,953
	377,496				
<u>52,596</u>	<u>377,875</u>	<u>37,269</u>	<u>-0-</u>	<u>-0-</u>	<u>1,953</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
		46,709		3,850	
457,682	218,978	199,905	209,503		(412)
<u>457,682</u>	<u>218,978</u>	<u>246,614</u>	<u>209,503</u>	<u>3,850</u>	<u>(412)</u>
<u>\$ 510,278</u>	<u>\$ 596,853</u>	<u>\$ 283,883</u>	<u>\$ 209,503</u>	<u>\$ 3,850</u>	<u>\$ 1,541</u>

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

	Special		
	Reliant Energy CARE Program Fund-39300	United Way Emergency Assistance Fund-39310	Book Sale Fund-39400
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and temporary investments	\$ 35,939	\$ 10,586	\$ 5,449
Receivables (Net of Allowance for Uncollectable):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>35,939</u>	<u>10,586</u>	<u>5,449</u>
Total assets			
	<u>35,939</u>	<u>10,586</u>	<u>5,449</u>
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 35,939</u>	<u>\$ 10,586</u>	<u>\$ 5,449</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts and accrued liabilities payable	\$ 1,780	\$ 391	\$
Due to other funds			
Unearned revenue	<u>6,018</u>		
Total liabilities	<u>7,798</u>	<u>391</u>	<u>-0-</u>
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficit):			
Non-spendable			
Restricted	28,141	10,195	5,449
Committed			
Unassigned			
Total fund balance	<u>28,141</u>	<u>10,195</u>	<u>5,449</u>
	<u>28,141</u>	<u>10,195</u>	<u>5,449</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 35,939</u>	<u>\$ 10,586</u>	<u>\$ 5,449</u>

Revenue Funds

Library Special Projects Fund-39410	SEP Wastewater Environmental Health - TCEQ Fund-39500	Shoreline Restoration Task Force Fund-39620	2006 GoM Energy Security Act Fund-39630	Vivian Street Lazy Oaks Special Assessment Fund-39762	Law Library Fund-39800
\$ 187,744	\$ 4,728	\$ 6,231	\$ 52,353	\$ 1,927	\$ 387,616
				48,006	
15		890			
<u>187,759</u>	<u>4,728</u>	<u>7,121</u>	<u>52,353</u>	<u>49,933</u>	<u>367,616</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 187,759</u>	<u>\$ 4,728</u>	<u>\$ 7,121</u>	<u>\$ 52,353</u>	<u>\$ 49,933</u>	<u>\$ 367,616</u>
\$ 317	\$	\$	\$	\$ 5,250	\$ 17,188
<u>317</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>5,250</u>	<u>17,188</u>
				48,006	
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>48,006</u>	<u>-0-</u>
15		890			
187,427	4,728	6,231	52,353		350,428
				(3,323)	
<u>187,442</u>	<u>4,728</u>	<u>7,121</u>	<u>52,353</u>	<u>(3,323)</u>	<u>350,428</u>
<u>\$ 187,759</u>	<u>\$ 4,728</u>	<u>\$ 7,121</u>	<u>\$ 52,353</u>	<u>\$ 49,333</u>	<u>\$ 367,616</u>

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

	<u>Special Revenue Funds</u>		<u>Debt</u>
	Mosquito Control District Fund-39900	Total Special Revenue Funds	2003 Certificate of Obligation I & S Fund-40000
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and temporary investments	\$ 2,614,537	\$ 11,024,269	\$ 487,896
Receivables (Net of Allowance for Uncollectable):			
Taxes	35,505	35,505	11,550
Accounts		6,772	
Special assessments		48,006	
Due from other governments		2,213,769	
Due from other funds		26,442	
Inventory	210,875	257,584	
Prepaid expenditures		16,896	
Long-Term Receivables:			
Accounts		-0-	
Total assets	<u>2,860,917</u>	<u>13,629,243</u>	<u>499,446</u>
Deferred Outflows of Resources:			
Deferred outflows of resources			
Total deferred outflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 2,860,917</u>	<u>\$ 13,629,243</u>	<u>\$ 499,446</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts and accrued liabilities payable	\$ 186,933	\$ 1,905,863	\$
Due to other funds		705,644	
Unearned revenue		1,469,807	
Total liabilities	<u>186,933</u>	<u>4,081,314</u>	<u>-0-</u>
Deferred Inflows of Resources:			
Deferred inflows of resources	<u>29,826</u>	<u>77,832</u>	<u>9,554</u>
Total deferred inflows of resources	<u>29,826</u>	<u>77,832</u>	<u>9,554</u>
Fund Balance (Deficit):			
Non-spendable	210,875	274,480	
Restricted	2,433,283	8,203,019	489,892
Committed		1,008,271	
Unassigned		(15,673)	
Total fund balance	<u>2,644,158</u>	<u>9,470,097</u>	<u>489,892</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,860,917</u>	<u>\$ 13,629,243</u>	<u>\$ 499,446</u>

Service Funds

2006 Certificate of Obligation I & S Fund-41000	2012 Certificate of Obligation I & S Fund-42000	Tax Notes Series 2013 I & S Fund-43000	Road Bonds Mobility I & S Fund-45000	Mobility Build America I & S Fund-45100	Sheriff & Detention Complex I & S Fund-46000
\$ 630,072	\$ 99,250	\$ 28,582	\$ 1,446,919	\$ 8,015	\$ 1,878,648
13,854	13,208	14,406	47,670		6,695
<u>643,926</u>	<u>112,458</u>	<u>42,988</u>	<u>1,494,589</u>	<u>8,015</u>	<u>1,885,343</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 643,926</u>	<u>\$ 112,458</u>	<u>\$ 42,988</u>	<u>\$ 1,494,589</u>	<u>\$ 8,015</u>	<u>\$ 1,885,343</u>
\$	\$	\$	\$	\$	\$
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>11,565</u>	<u>11,208</u>	<u>11,950</u>	<u>39,997</u>		<u>5,260</u>
<u>11,565</u>	<u>11,208</u>	<u>11,950</u>	<u>39,997</u>	<u>-0-</u>	<u>5,260</u>
632,361	101,250	31,038	1,454,592	8,015	1,880,083
<u>632,361</u>	<u>101,250</u>	<u>31,038</u>	<u>1,454,592</u>	<u>8,015</u>	<u>1,880,083</u>
<u>\$ 643,926</u>	<u>\$ 112,458</u>	<u>\$ 42,988</u>	<u>\$ 1,494,589</u>	<u>\$ 8,015</u>	<u>\$ 1,885,343</u>

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

	Total Debt Service Funds	USDC SLP Dune Walkover Fund-34820	Capital USTREAS Restore Act Projects Fund-34850
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and temporary investments	\$ 4,579,382	\$	\$
Receivables (Net of Allowance for Uncollectable):			
Taxes	107,383		
Accounts	-0-		
Special assessments	-0-		
Due to other governments	-0-		339,110
Due from other funds	-0-		
Inventory	-0-		
Prepaid expenditures	-0-		
Long-Term Receivables:			
Accounts	-0-		
Total assets	4,686,765	-0-	339,110
Deferred Outflows of Resources:			
Deferred outflows of resources			
Total deferred outflows of resources	-0-	-0-	-0-
Total assets and deferred outflows of resources	\$ 4,686,765	\$ -0-	\$ 339,110
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts and accrued liabilities payable	\$ -0-	\$	\$ 9,159
Due to other funds	-0-		329,951
Unearned revenue	-0-		
Total liabilities	-0-	-0-	339,110
Deferred Inflows of Resources:			
Deferred inflows of resources	89,534		
Total deferred inflows of resources	89,534	-0-	-0-
Fund Balance (Deficit):			
Non-spendable	-0-		
Restricted	4,597,231		
Committed	-0-		
Unassigned	-0-		
Total fund balance	4,597,231	-0-	-0-
Total liabilities, deferred inflows of resources and fund balances	\$ 4,686,765	\$ -0-	\$ 339,110

Projects Funds

DOI Parks CIAP Grant Fund-34860	2006 Certificate of Obligation C & M Fund-51000	2012 Certificate of Obligation C & M Fund-52000	2013 Tax Note C & M Fund-53000	Mobility Plan C & M Fund-55000	Mobility Build America Bonds C & M Fund-55100
\$	\$	\$ 4,468,024	\$ 5,042,137	\$ 1,515,178	\$
43,046				607,193	
<u>43,046</u>	<u>-0-</u>	<u>4,468,024</u>	<u>5,042,137</u>	<u>2,122,371</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 43,046</u>	<u>\$ -0-</u>	<u>\$ 4,468,024</u>	<u>\$ 5,042,137</u>	<u>\$ 2,122,371</u>	<u>\$ -0-</u>
\$ 42,871 175	\$	\$ 736,064	\$ 822,549	\$ 18,318	\$
<u>43,046</u>	<u>-0-</u>	<u>736,064</u>	<u>822,549</u>	<u>18,318</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
		3,731,960	4,219,588	607,193 1,496,860	
<u>-0-</u>	<u>-0-</u>	<u>3,731,960</u>	<u>4,219,588</u>	<u>2,104,053</u>	<u>-0-</u>
<u>\$ 43,046</u>	<u>\$ -0-</u>	<u>\$ 4,468,024</u>	<u>\$ 5,042,137</u>	<u>\$ 2,122,371</u>	<u>\$ -0-</u>

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015

	Capital Projects Funds		
	Highway 6 Right-of-way Acquisition C & M Fund-57000	Ring of Honor C & M Fund-57200	Total Capital Projects Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and temporary investments	\$ 53	\$ 29,661	\$ 11,055,053
Receivables (Net of Allowance for Uncollectable):			
Taxes			-0-
Accounts			-0-
Special assessments			-0-
Due from other governments			382,156
Due from other funds			-0-
Inventory			-0-
Prepaid expenditures			-0-
Long-Term Receivables:			
Accounts			607,193
Total assets	<u>53</u>	<u>29,661</u>	<u>12,044,402</u>
Deferred Outflows of Resources:			
Deferred outflows of resources		-0-	
Total deferred outflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 53</u>	<u>\$ 29,661</u>	<u>\$ 12,044,402</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$ -0-	\$ 1,628,961
Due to other funds		-0-	330,126
Unearned revenue		-0-	-0-
Total liabilities	<u>-0-</u>	<u>-0-</u>	<u>1,959,087</u>
Deferred Inflows of Resources:			
Deferred inflows of resources			-0-
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficit):			
Non-spendable			607,193
Restricted	53	29,661	9,478,122
Committed			-0-
Unassigned			-0-
Total fund balance	<u>53</u>	<u>29,661</u>	<u>10,085,315</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 53</u>	<u>\$ 29,661</u>	<u>\$ 12,044,402</u>

BRAZORIA COUNTY, TEXAS

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS*

For the Year Ended September 30, 2015

	TDSHS Women Infants & Children Programs Fund-30100	HHS-PPCPS Cities Readiness Initiative Fund-30500	Special HHS-BRHLO Community and Rural Health Fund-30600
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	1,308,192	66,145	41,195
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>1,308,192</u>	<u>66,145</u>	<u>41,195</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare	1,308,192	67,885	41,195
Culture and recreation			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest and agent fees			
Total expenditures	<u>1,308,192</u>	<u>67,885</u>	<u>41,195</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>(1,740)</u>	<u>-0-</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in		1,740	
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>1,740</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financial sources over (under) expenditure and other financing uses	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficits):			
Beginning of year			
End of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Revenue Funds

HHS-PPCPS Hazards (Bioterrorism Grant) Fund-30700	HHS- Infectious Disease Control-Unit Fund-30710	HHS-CPS Title IV-E Foster Care Maintenance Fund-30800	HHS-CPS Title IV-E Legal Services Fund - 30850	DHS State Homeland Security- UASI Fund-31500	DHS State Homeland Security Fund-31600
\$ 227,704	\$ 49,970	\$ 31,387	\$ 63,878	\$ 158,385	\$ 46,858
<u>227,704</u>	<u>49,970</u>	<u>31,387</u>	<u>63,878</u>	<u>158,385</u>	<u>46,858</u>
				147,301	
			320,961	11,084	
					46,858
233,836	49,970	106,555			
				10,870	
<u>233,836</u>	<u>49,970</u>	<u>106,555</u>	<u>320,961</u>	<u>169,255</u>	<u>46,858</u>
(6,132)	-0-	(75,168)	(257,083)	(10,870)	-0-
6,132		75,168	257,083	10,870	
<u>6,132</u>	<u>-0-</u>	<u>75,168</u>	<u>257,083</u>	<u>10,870</u>	<u>-0-</u>
-0-	-0-	-0-	-0-	-0-	-0-
		79			
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 79</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

BRAZORIA COUNTY, TEXAS

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS*

For the Year Ended September 30, 2015

	2005-2015 Section 8 Housing Choice Voucher Funds 32005-32113	2011-2015 CDBG County (HUD) Funds 32204-32215	Special HUD- Texas CDBG Recovery Fund-32600
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	3,377,092	2,020,924	4,134,700
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income	2,538		
Miscellaneous	21,486		
Total revenues	<u>3,401,116</u>	<u>2,020,924</u>	<u>4,134,700</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare	3,217,848		
Culture and recreation			
Community development		2,020,924	4,134,700
Capital outlay			
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>3,217,848</u>	<u>2,020,924</u>	<u>4,134,700</u>
Excess (deficiency) of revenue over (under) expenditures	<u>183,268</u>	<u>-0-</u>	<u>-0-</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in			
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	<u>183,268</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficits):			
Beginning of year	<u>520,952</u>		
End of year	<u>\$ 704,220</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Revenue Funds

USDOJ- Crime Victim Assistance VOCA Fund-33200	USDOJ-CSCD Victim Services Program Fund-33250	USDOJ Drug Court Program Fund-33300	USDOJ DWI Court Program Fund-33310	USDOJ DEA Narcotics OT Expenses Fund-33500	USDOJ State Criminal Alien Assistance Fund-33900
\$ 74,625	\$ 65,253	\$ 290,737 17,957	\$ 148,636 18,157	\$ 10,559	\$
	42,971	7,323	6,812		
<u>74,625</u>	<u>108,224</u>	<u>316,017</u>	<u>173,605</u>	<u>10,599</u>	<u>-0-</u>
122,812		304,019	155,482		
	108,224			10,599	
<u>122,812</u>	<u>108,224</u>	<u>304,019</u>	<u>155,482</u>	<u>10,599</u>	<u>-0-</u>
(48,187)	-0-	11,998	18,123	-0-	-0-
48,187		5,504			
<u>48,187</u>	<u>-0-</u>	<u>5,504</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
-0-	-0-	17,502	18,123	-0-	-0-
		5,135	1,803		
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 22,637</u>	<u>\$ 19,926</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

BRAZORIA COUNTY, TEXAS

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS*

For the Year Ended September 30, 2015

	Special		
	DOI Mutual Fire Protection & Disbursement Assistance Fund-34100	DOI Parks Boating Access Fund-34200	USDOT CR 257 Repairs Fund-34400
Revenues:			
Taxes	\$	\$	\$
Intergovernmental		205,292	
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>-0-</u>	<u>205,292</u>	<u>-0-</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			22,505
Health and welfare			
Culture and recreation			
Community development			
Capital outlay		292,010	
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>-0-</u>	<u>292,010</u>	<u>22,505</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>(86,718)</u>	<u>(22,505)</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in		112,750	22,505
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>112,750</u>	<u>22,505</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	<u>-0-</u>	<u>26,032</u>	<u>-0-</u>
Fund Balance (Deficits):			
Beginning of year	<u>16</u>	<u>(26,032)</u>	
End of year	<u>\$ 16</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Revenue Funds

TJJD State Aid Fund-35000	TJPC JJAEP Boot Camp Fund-35650	TJJD Mental Health Services Fund-35900	TCEQ LIRAP Program Fund-36100	TCEQ Local Initiatives Program Fund-36400	TXDOT CR 48 Project Fund-36801
\$ 1,269,620	\$ 291,916	\$ 175,253	\$ 119,934	\$	\$ 41,956
<u>1,269,620</u>	<u>291,916</u>	<u>175,253</u>	<u>119,934</u>	<u>-0-</u>	<u>41,956</u>
			119,934		
1,275,534	730,973	175,253			52,445
<u>1,275,534</u>	<u>730,973</u>	<u>175,253</u>	<u>119,934</u>	<u>-0-</u>	<u>52,445</u>
(5,914)	(439,057)	-0-	-0-	-0-	(10,489)
5,914	439,057			(52)	10,489
<u>5,914</u>	<u>439,057</u>	<u>-0-</u>	<u>-0-</u>	<u>(52)</u>	<u>10,489</u>
-0-	-0-	-0-	-0-	(52)	-0-
				52	
\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>

BRAZORIA COUNTY, TEXAS

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS*

For the Year Ended September 30, 2015

	OAG Victim Assistance Grant Fund-37000	OAG Texas VINE Contract Fund-37100	Special DFPS CPS Title IV-B Concrete Services Fund-37200
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	41,849	27,715	1,007
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>41,849</u>	<u>27,715</u>	<u>1,007</u>
Expenditures:			
Current:			
General administration			
Judicial and legal	62,361	27,715	
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			1,007
Culture and recreation			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>62,361</u>	<u>27,715</u>	<u>1,007</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(20,512)</u>	<u>-0-</u>	<u>-0-</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in	20,512		
Transfers out			
Total other financing sources (uses)	<u>20,512</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficits):			
Beginning of year			
End of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Revenue Funds

TDH Immunization Fund-37400	OAG Regional Juvenile Mental Health Services Fund-37800	Emergency Management Fire Code Fund-38000	Economic Development Tax Abatement Fund-38010	Vital Statistics Fee Fund-38100	Records Management County Clerk Fund-38110
\$ 183,848	\$ 14,000	\$	\$	\$	\$
		102,700 35	2,500	12,523	660,012
			85	21	2,436
			163,893		
<u>183,848</u>	<u>14,000</u>	<u>102,735</u>	<u>166,478</u>	<u>12,544</u>	<u>662,448</u>
		98,813	166,001	15,875	192,717
183,848	14,000				
					296,557
<u>183,848</u>	<u>14,000</u>	<u>98,813</u>	<u>166,001</u>	<u>15,875</u>	<u>489,274</u>
<u>-0-</u>	<u>-0-</u>	<u>3,922</u>	<u>477</u>	<u>(3,331)</u>	<u>173,174</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
-0-	-0-	3,922	477	(3,331)	173,174
		3,488	1,608	11,155	1,470,679
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 7,410</u>	<u>\$ 2,085</u>	<u>\$ 7,824</u>	<u>\$ 1,643,853</u>

BRAZORIA COUNTY, TEXAS

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS*

For the Year Ended September 30, 2015

	Record Archive County Clerk Fund-38120	Civil, Criminal & Probate Records Management Fund-38200	Special County Graffiti Eradication Fund-38210
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			
Charges for services	605,175	95,718	50
Licenses and permits			
Fines and forfeitures			
Special assessments			
Investment income	1,599	1,033	8
Miscellaneous			
Total revenues	<u>606,774</u>	<u>96,751</u>	<u>58</u>
Expenditures:			
Current:			
General administration	436,269	17,175	
Judicial and legal			
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Community development			
Capital outlay		583,200	
Debt Service:			
Principal			
Interest			
Total expenditures	<u>436,269</u>	<u>600,375</u>	<u>-0-</u>
Excess (deficiency) of revenue over (under) expenditures	<u>170,505</u>	<u>(503,624)</u>	<u>58</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in			
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	170,505	(500,624)	58
Fund Balance (Deficits):			
Beginning of year	<u>420,595</u>	<u>873,036</u>	<u>2,483</u>
End of year	<u>\$ 591,100</u>	<u>\$ 369,412</u>	<u>\$ 2,541</u>

Revenue Funds

County/ District Court Technology Fund-38220	Records Preservation County/District Clerk Fund-38230	Child Abuse Prevention Fund-38300	Family Protection Fund-38310	Records Management District Clerk Fund-38320	Records Archive District Clerk Fund-38330
\$	\$	\$	\$	\$	\$
17,004	39,902	2,032	20,582	38,123	41,337
249	911	33	192	178	269
<u>17,253</u>	<u>40,813</u>	<u>2,065</u>	<u>20,774</u>	<u>38,301</u>	<u>41,606</u>
4,499			34,000	79,156	100,000
<u>4,499</u>	<u>-0-</u>	<u>-0-</u>	<u>34,000</u>	<u>79,156</u>	<u>100,000</u>
<u>12,754</u>	<u>40,813</u>	<u>2,065</u>	<u>(13,226)</u>	<u>(40,855)</u>	<u>(58,394)</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
12,754	40,813	2,065	(13,226)	(40,855)	(58,394)
<u>70,740</u>	<u>263,020</u>	<u>9,017</u>	<u>75,663</u>	<u>72,715</u>	<u>133,880</u>
<u>\$ 83,494</u>	<u>\$ 303,833</u>	<u>\$ 11,082</u>	<u>\$ 62,437</u>	<u>\$ 31,860</u>	<u>\$ 75,486</u>

BRAZORIA COUNTY, TEXAS

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS*

For the Year Ended September 30, 2015

	Special		
	JP Building Security Fund-38400	Justice Court Technology Fund-38410	Financial Security Fund-38500
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			
Charges for services	16,716	67,159	156,070
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income	405	1,002	926
Miscellaneous			1,323
Total revenues	<u>17,121</u>	<u>68,161</u>	<u>158,319</u>
Expenditures:			
Current:			
General administration			
Judicial and legal	10,900	14,495	1,090
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Community development			
Capital outlay		381,284	
Debt Service:			
Principal			
Interest			
Total expenditures	<u>10,900</u>	<u>395,779</u>	<u>1,090</u>
Excess (deficiency) of revenue over (under) expenditures	<u>6,221</u>	<u>(327,618)</u>	<u>157,229</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in			
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	6,221	(327,618)	157,229
Fund Balance (Deficits):			
Beginning of year	<u>123,168</u>	<u>500,211</u>	<u>222,236</u>
End of year	<u>\$ 129,389</u>	<u>\$ 172,593</u>	<u>\$ 379,465</u>

Revenue Funds

Law Enforcement Officers Standards & Education Fund-38600	District Attorney Hot Check Collection Fund-38710	District Attorney Supplemental Fund-38720	District Attorney Forfeiture CCP Chapter 59 Fund-38730	Voter Registration Tax Office Fund-38810	Special Inventory Dealer Escrow - Tax Fund-38820
\$ 24,899	\$ 31,445	\$ 23,668	\$ 102,604	\$ 44,190	\$ 9,425
221		83	174		4,731
<u>25,120</u>	<u>31,445</u>	<u>23,751</u>	<u>10,409</u>	<u>44,190</u>	<u>14,156</u>
1,308	35,657	27,052	108,119	44,190	20,161
8,059			59,433		
<u>9,637</u>	<u>35,657</u>	<u>27,052</u>	<u>167,552</u>	<u>44,190</u>	<u>20,161</u>
<u>15,753</u>	<u>(4,212)</u>	<u>(3,301)</u>	<u>(54,365)</u>	<u>-0-</u>	<u>(6,005)</u>
977		(27,366)	(1,000)		
<u>977</u>	<u>-0-</u>	<u>(27,366)</u>	<u>(1,000)</u>	<u>-0-</u>	<u>-0-</u>
16,730	(4,212)	(30,667)	(55,365)	-0-	(6,005)
<u>63,730</u>	<u>32,206</u>	<u>30,674</u>	<u>98,254</u>	<u>-0-</u>	<u>57,280</u>
<u>\$ 80,460</u>	<u>\$ 27,994</u>	<u>\$ 7</u>	<u>\$ 42,889</u>	<u>\$ -0-</u>	<u>\$ 51,275</u>

Revenue Funds

Sheriff Contraband Forfeiture Fund-39100	Brazoria County Narcotics Task Force Fund-39110	Sheriff Commissary Fund-39120	Sheriff Federal Forfeiture Fund-39130	Juvenile Case Manager Fund-39200	CSCD Bond Supervision Fund-39210
\$	\$	\$	\$	\$	\$
		945,617		2,470	9,644
7,012	126,736		36,735		
1,724	659	950	623		
<u>5,835</u>	<u>13,605</u>	<u>158</u>			
<u>14,571</u>	<u>141,000</u>	<u>946,725</u>	<u>37,358</u>	<u>2,470</u>	<u>9,644</u>
94,402	62,427		5,813		
		787,924			43,838
		222,661			
<u>94,402</u>	<u>62,427</u>	<u>1,010,585</u>	<u>5,813</u>	<u>-0-</u>	<u>43,838</u>
(79,831)	(78,573)	(63,860)	(31,545)	(2,470)	(34,194)
21,224					
180,173					33,000
	(180,173)				
<u>201,397</u>	<u>(180,173)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>33,000</u>
121,566	(101,600)	(63,860)	31,545	2,470	(1,194)
<u>336,116</u>	<u>320,578</u>	<u>310,474</u>	<u>177,958</u>	<u>1,380</u>	<u>782</u>
<u>\$ 457,682</u>	<u>\$ 218,978</u>	<u>\$ 246,614</u>	<u>\$ 209,503</u>	<u>\$ 3,850</u>	<u>\$ (412)</u>

BRAZORIA COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2015

	Reliant Energy CARE Program Fund-39300	United Way Emergency Assistance Fund-39310	Special Book Sale Fund-39400
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessments			
Investment income		43	17
Miscellaneous	13,982	20,000	366
Total revenues	<u>13,982</u>	<u>20,043</u>	<u>383</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare	13,982	27,064	
Culture and recreation			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>13,982</u>	<u>27,064</u>	<u>-0-</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>(7,021)</u>	<u>383</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in			
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	<u>-0-</u>	<u>(7,021)</u>	<u>383</u>
Fund Balance (Deficits):			
Beginning of year	28,141	17,216	5,066
End of year	<u>\$ 28,141</u>	<u>\$ 10,195</u>	<u>\$ 5,449</u>

Revenue Funds

Library Special Projects Fund-39410	SEP Wastewater Environmental Health - TCEQ Fund-39500	Shoreline Restoration Task Force Fund-39620	2006 GoM Energy Security Act Fund-39630	Vivian Street Lazy Oaks Special Assessment Fund-39762	Law Library Fund-39800
\$	\$	\$	\$	\$	\$
					179,185
				10,927	
608	6	24	162		577
<u>200,594</u>	<u>28,000</u>		<u>3,676</u>		<u>12,126</u>
<u>201,202</u>	<u>28,006</u>	<u>24</u>	<u>3,838</u>	<u>10,927</u>	<u>191,888</u>
					266,397
				14,250	
190,552	34,783	750			
5,371					
<u>195,923</u>	<u>34,783</u>	<u>750</u>	<u>-0-</u>	<u>14,250</u>	<u>266,397</u>
<u>5,279</u>	<u>(6,777)</u>	<u>(726)</u>	<u>3,838</u>	<u>(3,323)</u>	<u>(74,509)</u>
					50,000
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>50,000</u>
5,279	(6,777)	(726)	3,838	(3,323)	(24,509)
<u>182,163</u>	<u>11,505</u>	<u>7,847</u>	<u>48,515</u>		<u>374,937</u>
<u>\$ 187,442</u>	<u>\$ 4,728</u>	<u>\$ 7,121</u>	<u>\$ 52,353</u>	<u>\$(3,323)</u>	<u>\$ 350,428</u>

BRAZORIA COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2015

	Special Revenue Funds		Debt
	Mosquito Control District Fund-39900	Total Special Revenue Funds	2003 Certificate of Obligation I & S Fund-40000
Revenues:			
Taxes	\$ 3,005,551	\$ 3,014,976	\$ 980,905
Intergovernmental		14,581,427	
Charges for services	23	3,138,660	
Licenses and permits		102,700	
Fines and forfeitures		287,537	
Special assessments		10,927	
Investment income	5,835	29,256	1,611
Miscellaneous	259	538,683	
Total revenues	3,011,668	21,704,166	982,516
Expenditures:			
Current:			
General administration		1,194,085	
Judicial and legal		1,674,715	
Financial administration		76,743	
Elections		336,488	
Public safety		228,158	
Corrections		3,135,746	
Public transportation		89,200	
Health and welfare	1,497,329	6,783,494	
Culture and recreation		191,302	
Community development		6,155,624	
Capital outlay	59,987	1,911,373	
Debt Service:			
Principal		-0-	860,000
Interest		-0-	95,550
Total expenditures	1,557,316	21,776,928	955,550
Excess (deficiency) of revenue over (under) expenditures	1,454,352	(72,762)	26,966
Other Financing Sources (Uses):			
Sale of capital assets		22,201	
Transfers in		1,279,084	
Transfers out		(208,591)	
Total other financing sources (uses)	-0-	1,092,694	-0-
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	1,454,352	1,019,932	26,966
Fund Balance (Deficits):			
Beginning of year	1,189,806	8,450,165	462,926
End of year	\$ 2,644,158	\$ 9,470,097	\$ 489,892

Service Funds

2006 Certificate of Obligation I & S Fund-41000	2012 Certificate of Obligation I & S Fund-42000	Tax Notes Series 2013 I & S Fund-43000	Road Bonds Mobility I & S Fund-45000	Mobility Build America I & S Fund-45100	Sheriff & Detention Complex I & S Fund-46000
\$ 1,127,609	\$ 1,134,474	\$ 1,936,771	\$ 4,048,988	\$ 236,288	\$ 20,061
1,127	1,031	17	5,208		2,386
<u>1,128,736</u>	<u>1,135,505</u>	<u>1,936,788</u>	<u>4,054,196</u>	<u>236,288</u>	<u>22,447</u>
655,000		1,765,000	2,105,000		
<u>444,448</u>	<u>1,110,300</u>	<u>140,750</u>	<u>1,094,352</u>	<u>728,273</u>	
<u>1,099,448</u>	<u>1,110,300</u>	<u>1,905,750</u>	<u>3,199,352</u>	<u>728,273</u>	<u>-0-</u>
<u>29,288</u>	<u>25,205</u>	<u>31,038</u>	<u>854,844</u>	<u>(491,895)</u>	<u>22,447</u>
			(500,000)	500,000	
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(500,000)</u>	<u>500,000</u>	<u>-0-</u>
29,288	25,205	31,038	354,844	8,015	22,447
<u>603,073</u>	<u>76,045</u>		<u>1,099,748</u>		<u>1,857,636</u>
<u>\$ 632,361</u>	<u>\$ 101,250</u>	<u>\$ 31,038</u>	<u>\$ 1,454,592</u>	<u>\$ 8,015</u>	<u>\$ 1,880,083</u>

BRAZORIA COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2015

	Total Debt Service Funds	USDC SLP Dune Walkover Fund-34820	Capital USTREAS Restore Act Projects Fund-34850
Revenues:			
Taxes	\$ 9,248,808	\$	\$
Intergovernmental	236,288	7,960	339,110
Charges for services	-0-		
Licenses and permits	-0-		
Fines and forfeitures	-0-		
Special assessments	-0-		
Investment income	11,380		
Miscellaneous	-0-		
Total revenues	<u>9,496,476</u>	<u>7,960</u>	<u>339,110</u>
Expenditures:			
Current:			
General administration	-0-		
Judicial and legal	-0-		
Financial administration	-0-		
Elections	-0-		
Public safety	-0-		
Corrections	-0-		
Public transportation	-0-		
Health and welfare	-0-		
Culture and recreation	-0-	10,780	
Community development	-0-		
Capital outlay	-0-		254,798
Debt Service:			
Principal	5,385,000		
Interest and fiscal charges	<u>3,613,673</u>		
Total expenditures	<u>8,998,673</u>	<u>10,780</u>	<u>254,798</u>
Excess (deficiency) of revenue over (under) expenditures	<u>497,803</u>	<u>(2,820)</u>	<u>84,312</u>
Other Financing Sources (Uses):			
Sale of capital assets	-0-		
Transfers in	500,000	2,820	
Transfers out	<u>(500,000)</u>		
Total other financing sources (uses)	<u>-0-</u>	<u>2,820</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	497,803	-0-	84,312
Fund Balance (Deficits):			
Beginning of year	<u>4,099,428</u>		<u>(84,312)</u>
End of year	<u>\$ 4,597,231</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Projects Funds

DOI Parks CIAP Grant Fund-34860	2006 Certificate of Obligation C & M Fund-51000	2012 Certificate of Obligation C & M Fund-52000	2013 Tax Note C & M Fund-53000	Mobility Plan C & M Fund-55000	Mobility Build America Bonds C & M Fund-55100
\$ 465,817	\$	\$	\$	\$ 2,243,672	\$
	2,011		3,742	27	1
<u>465,817</u>	<u>2,011</u>	<u>-0-</u>	<u>3,742</u>	<u>2,243,699</u>	<u>1</u>
		7,236			
139,788				179,601	
326,029	696,485	4,547,658	1,149,006	3,545,558	
<u>465,817</u>	<u>696,485</u>	<u>4,554,894</u>	<u>1,149,006</u>	<u>3,725,159</u>	<u>-0-</u>
<u>-0-</u>	<u>(594,474)</u>	<u>(4,554,894)</u>	<u>(1,145,264)</u>	<u>(1,481,460)</u>	<u>1</u>
		(690,800)		5,816,096	2,837,776
		(690,800)		(2,837,776)	(5,816,096)
<u>-0-</u>	<u>-0-</u>	<u>(690,800)</u>	<u>-0-</u>	<u>2,978,320</u>	<u>(2,978,320)</u>
-0-	(694,474)	(5,245,694)	(1,145,264)	1,496,860	(2,978,319)
	<u>694,474</u>	<u>8,977,654</u>	<u>5,364,852</u>	<u>607,193</u>	<u>2,978,319</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 3,731,960</u>	<u>\$ 4,219,588</u>	<u>\$ 2,104,053</u>	<u>\$ -0-</u>

BRAZORIA COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2015

	Capital Projects Funds		
	Highway 6 Right-of-way Acquisition C & M Fund-57000	Ring of Honor C & M Fund-57200	Total Capital Projects Funds
Revenues:			
Taxes	\$	\$	\$ -0-
Intergovernmental			3,056,559
Charges for services			-0-
Licenses and permits		-0-	-0-
Fines and forfeitures		-0-	-0-
Special assessments			-0-
Investment income	53	85	5,892
Miscellaneous		6,535	6,562
Total revenues	<u>53</u>	<u>6,620</u>	<u>3,069,013</u>
Expenditures:			
Current:			
General administration			7,236
Judicial and legal			-0-
Financial administration			-0-
Elections			-0-
Public safety			-0-
Corrections			-0-
Public transportation			179,601
Health and welfare			-0-
Culture and recreation			150,568
Community development			-0-
Capital outlay			10,519,534
Debt Service:			
Principal			-0-
Interest and fiscal charges			-0-
Total expenditures	<u>-0-</u>	<u>-0-</u>	<u>10,856,939</u>
Excess (deficiency) of revenue over (under) expenditures	<u>53</u>	<u>6,620</u>	<u>(7,787,926)</u>
Other Financing Sources (Uses):			
Sale of capital assets			-0-
Transfers in			8,656,692
Transfers out			<u>(9,344,672)</u>
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>(687,980)</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	53	6,620	(8,475,906)
Fund Balance (Deficits):			
Beginning of year		23,041	18,561,221
End of year	<u>\$ 53</u>	<u>\$ 29,661</u>	<u>\$ 10,085,315</u>

<u>Total Non-Major Governmental Fund</u>	
\$	12,263,784
	17,874,274
	3,138,660
	102,700
	287,537
	10,927
	46,528
	<u>545,245</u>
	<u>34,269,655</u>
	1,201,321
	1,674,715
	76,743
	336,488
	228,158
	3,135,746
	268,801
	6,783,494
	341,870
	6,155,624
	12,430,907
	5,385,000
	<u>3,613,673</u>
	<u>41,632,540</u>
(	<u>7,362,885)</u>
	22,201
	10,435,776
(	<u>10,053,263)</u>
	<u>404,714</u>
(	6,958,171)
	<u>31,110,814</u>
\$	<u><u>24,152,643</u></u>

BRAZORIA COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND**

For the Year Ended September 30, 2015

Exhibit 15
Page 1 of 9

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
General Administration:				
County Judge:				
Salaries and wages, and employee benefits	\$ 607,769	\$ 607,769	\$ 585,900	\$ 21,869
Operating expenditures	31,150	31,150	26,406	4,744
Total County Judge	638,919	638,919	612,306	26,613
South Service Center:				
Salaries and wages, and employee benefits	383,937	383,937	381,860	2,077
Operating expenditures	21,125	21,125	12,574	8,551
Total South Service Center	405,062	405,062	394,434	10,628
Central Service Center:				
Salaries and wages, and employee benefits	395,939	395,939	369,038	26,901
Operating expenditures	20,861	20,861	15,954	4,907
Total Central Service Center	416,800	416,800	384,992	31,808
North Service Center:				
Salaries and wages, and employee benefits	389,938	389,938	373,011	16,927
Operating expenditures	27,820	27,820	14,285	13,535
Total North Service Center	417,758	417,758	387,296	30,462
West Service Center:				
Salaries and wages, and employee benefits	376,927	376,927	371,050	5,877
Operating expenditures	21,511	21,511	9,799	11,712
Total West Service Center	398,438	398,438	380,849	17,589
County Clerk:				
Salaries and wages, and employee benefits	2,590,123	2,590,123	2,471,514	118,609
Operating expenditures	56,000	62,200	59,327	2,873
Total County Clerk	2,646,123	2,652,323	2,530,841	121,482
Veteran's Service:				
Salaries and wages, and employee benefits	195,591	195,591	178,111	17,480
Operating expenditures	5,143	6,643	4,723	1,920
Total veteran's service	200,734	202,234	182,834	19,400

BRAZORIA COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND**

For the Year Ended September 30, 2015

Exhibit 15
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	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
General Administration - Continued:				
Emergency Management:				
Salaries and wages, and employee benefits	\$ 232,735	\$ 244,735	\$ 243,010	\$ 1,725
Operating expenditures	71,500	71,500	46,867	24,633
Total emergency management	304,235	316,235	289,877	26,358
Non-departmental:				
Salaries and wages, and employee benefits	500,000			
Operating expenditures	1,831,820	2,853,385	2,782,947	70,438
Capital outlay		25,635	98,692	(73,057)
Total non-departmental	2,331,820	2,879,020	2,881,639	(2,619)
Total general administration	7,759,889	8,326,789	8,045,068	281,721
Judicial and Legal:				
County Court at Law 1:				
Salaries and wages, and employee benefits	456,539	456,539	403,723	52,816
Operating expenditures	171,200	171,200	110,988	60,212
Total County Court at Law 1	627,739	627,739	514,711	113,028
County Court at Law 2:				
Salaries and wages, and employee benefits	406,611	406,611	403,809	2,802
Operating expenditures	177,600	207,600	207,486	114
Total County Court at Law 2	584,211	614,211	611,295	2,916
County Court at Law 3:				
Salaries and wages, and employee benefits	394,045	394,045	390,802	3,243
Operating expenditures	189,059	189,059	129,605	59,454
Total County Court at Law 3	583,104	583,104	520,407	62,697
County Court at Law 4:				
Salaries and wages, and employee benefits	407,342	407,342	382,907	24,435
Operating expenditures	219,200	189,200	143,560	45,640
Total County Court at Law 4	626,542	596,542	526,467	70,075
Probate Court Investigations:				
Salaries and wages, and employee benefits	140,802	143,302	142,200	1,102
Operating expenditures	6,326	6,326	4,459	1,867
Total probate court investigations	147,128	149,628	146,659	2,969
District Courts:				
Salaries and wages, and employee benefits	1,415,330	1,425,330	1,420,565	4,765
Operating expenditures	1,574,805	1,724,805	1,682,675	42,130
Total district courts	2,990,135	3,150,135	3,103,240	46,895

BRAZORIA COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND**

For the Year Ended September 30, 2015

Exhibit 15
Page 3 of 9

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Judicial and Legal - Continued:				
District Clerk:				
Salaries and wages, and employee benefits	\$ 2,238,136	\$ 2,242,636	\$ 2,236,507	\$ 6,129
Operating expenditures	79,847	79,847	59,683	20,164
Total District Clerk	2,317,983	2,322,483	2,296,190	26,293
Justice of the Peace Pct. 1, Pl. 1:				
Salaries and wages, and employee benefits	410,263	416,263	414,047	2,216
Operating expenditures	12,390	12,390	7,084	5,306
Total Justice of the Peace Pct. 1, Pl. 1	422,653	428,653	421,131	7,522
Justice of the Peace Pct. 1, Pl. 2:				
Salaries and wages, and employee benefits	400,259	400,259	395,594	4,665
Operating expenditures	12,550	12,550	4,974	7,576
Total Justice of the Peace Pct. 1, Pl. 2	412,809	412,809	400,568	12,241
Justice of the Peace Pct. 2, Pl. 1:				
Salaries and wages, and employee benefits	434,060	434,060	430,134	3,926
Operating expenditures	10,250	10,250	6,368	3,882
Total Justice of the Peace Pct. 2, Pl. 1	444,310	444,310	436,502	7,808
Justice of the Peace Pct. 2, Pl. 2:				
Salaries and wages, and employee benefits	433,106	435,606	433,230	2,376
Operating expenditures	13,615	13,615	10,378	3,237
Total Justice of the Peace Pct. 2, Pl. 2	446,721	449,221	443,608	5,613
Justice of the Peace Pct. 3, Pl. 1:				
Salaries and wages, and employee benefits	381,410	385,410	383,293	2,117
Operating expenditures	28,132	28,132	17,989	10,143
Total Justice of the Peace Pct. 3, Pl. 1	409,542	413,542	401,282	12,260
Justice of the Peace Pct. 3, Pl. 2:				
Salaries and wages, and employee benefits	316,994	316,994	307,265	9,729
Operating expenditures	14,100	14,100	8,160	5,940
Total Justice of the Peace Pct. 3, Pl. 2	331,094	331,094	315,425	15,669
Justice of the Peace Pct. 4, Pl. 1:				
Salaries and wages, and employee benefits	388,372	388,372	378,417	9,955
Operating expenditures	10,275	10,275	6,694	3,581
Total Justice of the Peace Pct. 4, Pl. 1	398,647	398,647	385,111	13,536

BRAZORIA COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND**

For the Year Ended September 30, 2015

Exhibit 15
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	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Judicial and Legal - Continued:				
Justice of the Peace Pct. 4, Pl. 2:				
Salaries and wages, and employee benefits	\$ 465,361	\$ 465,361	\$ 458,158	\$ 7,203
Operating expenditures	17,400	17,400	8,424	8,976
Total Justice of the Peace Pct. 4, Pl. 2	482,761	482,761	466,582	16,179
District Attorney:				
Salaries and wages, and employee benefits	5,631,192	5,661,192	5,644,247	16,945
Operating expenditures	109,443	124,443	115,602	8,841
Total District Attorney	5,740,635	5,785,635	5,759,849	25,786
Judicial Miscellaneous:				
Salaries and wages, and employee benefits	273,215	273,215	219,870	53,345
Operating expenditures	1,719,368	1,569,368	1,452,907	116,461
Total judicial miscellaneous	1,992,583	1,842,583	1,672,777	169,806
Indigent Defense:				
Salaries and wages, and employee benefits	118,377	120,377	118,823	1,554
Operating expenditures	5,571	5,571	3,710	1,861
Total indigent defense	123,948	125,948	122,533	3,415
Bail Bond Board:				
Salaries and wages, and employee benefits	128,872	128,872	118,755	10,117
Operating expenditures	4,900	4,900	2,681	2,219
Total bail bond board	133,772	133,772	121,436	12,336
Total judicial and legal	19,216,317	19,292,817	18,665,773	627,044
Financial Administration:				
County Auditor:				
Salaries and wages, and employee benefits	1,409,211	1,409,211	1,380,695	28,516
Operating expenditures	20,987	20,987	11,930	9,057
Total county auditor	1,430,198	1,430,198	1,392,625	37,573

BRAZORIA COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND**

For the Year Ended September 30, 2015

Exhibit 15
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	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Financial Administration - Continued:				
Purchasing:				
Salaries and wages, and employee benefits	\$ 575,939	\$ 581,939	\$ 577,751	\$ 4,188
Operating expenditures	23,213	23,213	18,781	4,432
Total purchasing	599,152	605,152	596,532	8,620
County Treasurer:				
Salaries and wages, and employee benefits	313,216	313,216	307,796	5,420
Operating expenditures	171,226	171,226	132,640	38,586
Total County Treasurer	484,442	484,442	440,436	44,006
Human Resources:				
Salaries and wages, and employee benefits	583,879	583,879	555,625	28,254
Operating expenditures	54,958	54,958	41,482	13,476
Total human resources	638,837	638,837	597,107	41,730
Tax Assessor-Collector:				
Salaries and wages, and employee benefits	3,045,131	3,045,131	2,860,541	184,590
Operating expenditures	458,746	458,746	432,163	26,583
Total Tax Assessor-Collector	3,503,877	3,503,877	3,292,704	211,173
Information Systems:				
Salaries and wages, and employee benefits	2,011,033	2,011,033	1,965,640	45,393
Operating expenditures	4,359,258	3,959,258	3,294,944	664,314
Capital outlay	604,626	1,004,626	754,163	250,463
Total information systems	6,974,917	6,974,917	6,014,747	960,170
Appraisal District Assessment:				
Operating expenditures	770,000	770,000	763,822	6,178
Total appraisal district assessment	770,000	770,000	763,822	6,178
Total financial administration	14,401,423	14,407,423	13,097,973	1,309,450
Elections:				
Salaries and wages, and employee benefits	200,000	200,000	125,310	74,690
Operating expenditures	160,992	160,992	147,548	13,444
Total elections	360,992	360,992	272,858	88,134

BRAZORIA COUNTY, TEXAS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND

For the Year Ended September 30, 2015

Exhibit 15
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	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Facilities:				
Courthouses and Associated Buildings:				
Salaries and wages, and employee benefits	\$ 1,750,455	\$ 1,750,455	\$ 1,652,318	\$ 98,137
Operating expenditures	1,658,901	1,658,901	1,463,836	195,065
Capital outlay	<u>277,000</u>	<u>277,000</u>	<u>213,715</u>	<u>63,285</u>
Total courthouses and associated buildings	<u>3,686,356</u>	<u>3,686,356</u>	<u>3,329,869</u>	<u>356,487</u>
Property Insurance:				
Operating expenditures	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,034,734</u>	<u>165,266</u>
Total property insurance	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,034,734</u>	<u>165,266</u>
Total public facilities	<u>4,886,356</u>	<u>4,886,356</u>	<u>4,364,603</u>	<u>521,753</u>
Public Safety:				
County Sheriff:				
Salaries and wages, and employee benefits	14,822,008	14,822,008	14,625,787	196,221
Operating expenditures	1,912,351	1,937,351	1,303,416	633,935
Capital outlay	<u>960,985</u>	<u>960,985</u>	<u>728,624</u>	<u>232,361</u>
Total County Sheriff	<u>17,695,344</u>	<u>17,720,344</u>	<u>16,657,827</u>	<u>1,062,517</u>
Texas Department of Public Safety:				
Salaries and wages, and employee benefits	163,279	163,279	160,578	2,701
Operating expenditures	<u> </u>	<u>71</u>	<u>71</u>	<u>-0-</u>
Total Texas Department of Public Safety:	<u>163,279</u>	<u>163,350</u>	<u>160,649</u>	<u>2,701</u>
Constable – Precinct 1:				
Salaries and wages, and employee benefits	417,638	440,638	437,143	3,495
Operating expenditures	<u>14,753</u>	<u>14,753</u>	<u>8,812</u>	<u>5,941</u>
Total Constable – Precinct 1	<u>432,391</u>	<u>455,391</u>	<u>445,955</u>	<u>9,436</u>
Constable – Precinct 2:				
Salaries and wages, and employee benefits	508,662	524,662	520,280	4,382
Operating expenditures	37,055	52,612	43,864	8,748
Capital outlay	<u>72,000</u>	<u>56,443</u>	<u>56,443</u>	<u>-0-</u>
Total Constable – Precinct 2	<u>617,717</u>	<u>633,717</u>	<u>620,587</u>	<u>13,130</u>
Constable – Precinct 3:				
Salaries and wages, and employee benefits	505,756	517,756	514,426	3,330
Operating expenditures	70,830	77,152	58,736	18,416
Capital outlay	<u>99,360</u>	<u>93,038</u>	<u>98,637</u>	<u>(5,599)</u>
Total Constable – Precinct 3	<u>675,946</u>	<u>687,946</u>	<u>671,799</u>	<u>16,147</u>

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND**

For the Year Ended September 30, 2015

Exhibit 15
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	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Safety - Continued:				
Constable – Precinct 4:				
Salaries and wages, and employee benefits	\$ 498,776	\$ 537,776	\$ 531,764	\$ 6,012
Operating expenditures	34,150	52,958	40,620	12,338
Capital outlay	74,000	55,192	55,192	-0-
Total Constable – Precinct 4	606,926	645,926	627,576	18,350
Inmate Community Service Work Program:				
Salaries and wages, and employee benefits	127,965	127,965	105,761	22,204
Operating expenditures	51,620	51,620	47,404	4,216
Total inmate community service work program	179,585	179,585	153,165	26,420
Ambulance EMS:				
Operating expenditures	96,000	96,000	96,000	-0-
Total ambulance EMS	96,000	96,000	96,000	-0-
Fire Protection:				
Salaries and wages, and employee benefits	54,965	66,465	55,312	11,153
Operating expenditures	566,000	566,000	547,580	18,420
Total fire protection	620,965	632,465	602,892	29,573
Total public safety	21,088,153	21,214,724	20,036,450	1,178,274
Corrections:				
Detention Center:				
Salaries and wages, and employee benefits	11,482,090	11,687,090	11,653,130	33,960
Operating expenditures	4,534,116	4,834,116	4,829,107	5,009
Capital outlay	115,397	129,997	129,939	58
Total detention center	16,131,603	16,651,203	16,612,176	39,027
Juvenile Probation:				
Salaries and wages, and employee benefits	6,662,766	6,662,766	6,575,773	86,993
Operating expenditures	673,615	883,615	624,141	259,474
Total juvenile probation	7,336,381	7,546,381	7,199,914	346,467
Adult Probation:				
Operating expenditures	118,479	118,479	84,601	33,878
Total adult probation	118,479	118,479	84,601	33,878
Total corrections	23,586,463	24,316,063	23,896,691	419,372

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND**

For the Year Ended September 30, 2015

Exhibit 15
Page 8 of 9

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Health and Welfare:				
Health Department:				
Salaries and wages, and employee benefits	\$ 871,638	\$ 871,638	\$ 846,519	\$ 25,119
Operating expenditures	111,915	111,915	85,480	26,435
Total health department	983,553	983,553	931,999	51,554
Environmental Health:				
Salaries and wages, and employee benefits	810,112	967,112	943,727	23,385
Operating expenditures	44,570	44,570	30,230	14,340
Total environmental health	854,682	1,011,682	973,957	37,725
Child Protective Services:				
Operating expenditures	107,650	127,650	46,672	80,978
Total child protective services	107,650	127,650	46,672	80,978
Water Lab:				
Salaries and wages, and employee benefits	213,645	213,645	203,840	9,805
Operating expenditures	49,340	49,340	40,759	8,581
Total water lab	262,985	262,985	244,599	18,386
County Welfare:				
Salaries and wages, and employee benefits	174,008	174,008	134,937	39,071
Operating expenditures	13,950	13,950	2,699	11,251
Total county welfare	187,958	187,958	137,636	50,322
Indigent Health Care:				
Salaries and wages, and employee benefits	104,492	104,492	90,379	14,113
Operating expenditures	2,441,651	2,441,651	1,541,831	899,820
Total indigent health care	2,546,143	2,546,143	1,632,210	913,933
Total health and welfare	4,942,971	5,119,971	3,967,073	1,152,898
Public Assistance:				
Mental Health-Mental Retardation:				
Operating expenditures	270,000	270,000	270,000	-0-
Total mental health-mental retardation	270,000	270,000	270,000	-0-
Actions, Inc.:				
Operating expenditures	50,000	50,000	50,000	-0-
Total Actions, Inc.	50,000	50,000	50,000	-0-
Brazoria County Marine Protection:				
Operating expenditures	12,000	12,000	12,000	-0-
Total Brazoria County marine protection	12,000	12,000	12,000	-0-

BRAZORIA COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND**

For the Year Ended September 30, 2015

Exhibit 15
Page 9 of 9

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Assistance - Continued:				
Helpline:				
Operating expenditures	\$ 14,000	\$ 14,000	\$ 14,000	\$ -0-
Total helpline	14,000	14,000	14,000	-0-
Total public assistance	346,000	346,000	346,000	-0-
Culture and Recreation:				
Library:				
Salaries and wages, and employee benefits	5,145,620	5,145,620	4,870,899	274,721
Operating expenditures	1,435,255	1,445,057	1,444,800	257
Capital outlay	40,016	30,214	30,214	-0-
Total library	6,620,891	6,620,891	6,345,913	274,978
Parks and Recreation:				
Salaries and wages, and employee benefits	2,092,596	2,092,596	1,798,455	294,141
Operating expenditures	639,311	652,311	585,866	66,445
Capital outlay	254,100	254,100	135,001	119,099
Total parks and recreation	2,986,007	2,999,007	2,519,322	479,685
Fairgrounds:				
Salaries and wages, and employee benefits	78,878	80,878	79,405	1,473
Operating expenditures	105,547	249,547	198,453	51,094
Capital outlay	300,000	384,000	365,904	18,096
Total fairgrounds	484,425	714,425	643,762	70,663
Museum Supplement:				
Salaries and wages, and employee benefits	520,457	520,457	508,869	11,588
Operating expenditures	17,035	17,035	9,936	7,099
Total museum supplement	537,492	537,492	518,805	18,687
Total culture and recreation	10,628,815	10,871,815	10,027,802	844,013
Conservation:				
Agriculture Extension:				
Salaries and wages, and employee benefits	526,455	526,455	358,375	168,080
Operating expenditures	49,050	49,050	28,072	20,978
Total agriculture extension	575,505	575,505	386,447	189,058
Total conservation	575,505	575,505	386,447	189,058
Environmental protection:				
Flood Plain Administrator:				
Salaries and wages, and employee benefits	222,820	226,320	224,485	1,835
Operating expenditures	12,262	12,262	8,706	3,556
Total flood plain administrator	235,082	238,582	233,191	5,391
Total environmental protection	235,082	238,582	233,191	5,391
Total current expenditures	\$ 108,027,966	\$ 109,957,037	\$ 103,339,929	\$ 6,617,108

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT
AND LEGAL LEVEL OF BUDGETARY CONTROL - MAJOR SPECIAL REVENUE FUND
(ROAD AND BRIDGE FUND)**

Exhibit 16

For the Year Ended September 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Transportation:				
Engineers Office:				
Salaries and wages, and employee benefits	\$ 11,700,179	\$ 9,909,048	\$ 10,068,387	\$(159,339)
Operating expenditures	<u>15,082,413</u>	<u>11,261,822</u>	<u>8,222,379</u>	<u>3,039,443</u>
Total public transportation	26,782,592	21,170,870	18,290,766	2,880,104
Capital outlay	<u>6,610,500</u>	<u>16,281,012</u>	<u>13,272,972</u>	<u>3,008,040</u>
Total expenditures	<u>\$ 33,393,092</u>	<u>\$ 37,451,882</u>	<u>\$ 31,563,738</u>	<u>\$ 5,888,144</u>

BRAZORIA COUNTY, TEXAS

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR)*

For the Year Ended September 30, 2015

	Emergency Management Fire Code Fund (38000)			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Licenses and permits	\$	\$ 102,950	\$ 102,700	\$(250)
Fines and forfeitures		50	35	
Total revenues	-0-	103,000	102,735	(250)
Expenditures:				
Current:				
General Administration:				
Salaries and wages, and employee benefits		93,000	91,669	1,331
Operating expenditures		10,000	7,144	2,856
Total general administration	-0-	103,000	98,813	4,187
Judicial and Legal:				
Salaries and wages, and employee benefits				-0-
Operating expenditures				-0-
Total judicial and legal	-0-	-0-	-0-	-0-
Total expenditures	-0-	103,000	98,813	4,187
Excess (deficiency) of revenues over expenditures	-0-	-0-	3,922	3,937
Other Financing Sources (Uses):				
Total other financing sources (uses)	-0-	-0-	-0-	-0-
Net change in fund balances	-0-	-0-	3,922	3,937
Fund balances – beginning	3,488	3,488	3,488	-0-
Fund balances – ending	<u>\$ 3,488</u>	<u>\$ 3,488</u>	<u>\$ 7,410</u>	<u>\$ 3,937</u>

District Attorney Hot Check Collection Fund (38710)			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$	\$ 60,000	\$ 31,445	\$(28,555)
			-0-
-0-	60,000	31,445	(28,555)
			-0-
			-0-
-0-	-0-		-0-
	20,000	13,076	6,924
	40,000	22,581	17,419
-0-	60,000	35,657	24,343
-0-	60,000	35,657	24,343
-0-	-0-	(4,212)	(4,212)
-0-	-0-	-0-	-0-
-0-	-0-	(4,212)	(4,212)
32,206	32,206	32,206	-0-
\$ 32,206	\$ 32,206	\$ 27,994	\$(4,212)

BRAZORIA COUNTY, TEXAS

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR)*

For the Year Ended September 30, 2015

	District Attorney Supplemental Fund (38720)			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 22,350	\$ 52,350	\$ 23,668	\$(28,682)
Fines and forfeitures				-0-
Investment income	150	150	83	(67)
Miscellaneous				-0-
Total revenues	<u>22,500</u>	<u>52,500</u>	<u>23,751</u>	<u>(28,749)</u>
Expenditures:				
Current:				
Judicial and Legal:				
Salaries and wages, and employee benefits	10,000	25,000	14,683	10,317
Operating expenditures	<u>12,500</u>	<u>27,500</u>	<u>12,369</u>	<u>15,131</u>
Total judicial and legal	22,500	52,500	27,052	25,448
Capital outlay				-0-
Total expenditures	<u>22,500</u>	<u>52,500</u>	<u>27,052</u>	<u>25,448</u>
Excess (deficiency) of revenues over expenditures	<u>-0-</u>	<u>-0-</u>	<u>(3,301)</u>	<u>(3,301)</u>
Other Financing Sources (Uses):				
Transfers out			<u>(27,366)</u>	<u>27,366</u>
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>(27,366)</u>	<u>27,366</u>
Net change in fund balances	-0-	-0-	(30,667)	24,065
Fund balances – beginning	<u>30,674</u>	<u>30,674</u>	<u>30,674</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 30,674</u>	<u>\$ 30,674</u>	<u>\$ 7</u>	<u>\$ 24,065</u>

District Attorney Forfeiture CCP Chapter 59 Fund (38730)			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$	\$	\$	\$ -0-
	130,700	102,604	(28,096)
	300	174	(126)
	<u>10,000</u>	<u>10,409</u>	<u>409</u>
<u>-0-</u>	<u>141,000</u>	<u>113,187</u>	<u>(27,813)</u>
	20,000	11,742	8,258
	<u>120,000</u>	<u>96,377</u>	<u>23,623</u>
-0-	140,000	108,119	31,881
	<u>60,000</u>	<u>59,433</u>	<u>567</u>
-0-	<u>200,000</u>	<u>167,552</u>	<u>32,448</u>
-0-	(59,000)	(54,365)	4,635
	(1,000)	(1,000)	-0-
-0-	(1,000)	(1,000)	-0-
-0-	(60,000)	(55,365)	4,635
<u>98,254</u>	<u>98,254</u>	<u>98,254</u>	<u>-0-</u>
<u>\$ 98,254</u>	<u>\$ 38,254</u>	<u>\$ 42,889</u>	<u>\$ 4,635</u>

BRAZORIA COUNTY, TEXAS

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR)*

For the Year Ended September 30, 2015

	Special Inventory Dealer Escrow – Tax Fund (38820)			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$	\$ 32,800	\$ 9,425	\$(23,375)
Fines and forfeitures				-0-
Investment income		5,000	4,731	(269)
Miscellaneous				-0-
Total revenues	-0-	37,800	14,156	(23,644)
Expenditures:				
Current:				
Financial Administration:				
Operating expenditures		37,800	20,161	17,639
Total financial administration	-0-	37,800	20,161	17,639
Public Safety:				
Operating expenditures				-0-
Total public safety	-0-	-0-	-0-	-0-
Capital outlay		7,200		7,200
Total expenditures	-0-	45,000	20,161	24,839
Excess (deficiency) of revenues over expenditures	-0-	(7,200)	(6,005)	1,195
Other Financing Sources (Uses):				
Sale of capital assets				-0-
Transfers in				-0-
Total other financing sources (uses)	-0-	-0-	-0-	-0-
Net change in fund balances	-0-	(7,200)	(6,005)	1,195
Fund balances – beginning	57,280	57,280	57,280	-0-
Fund balances – ending	\$ 57,280	\$ 50,080	\$ 51,275	\$ 1,195

Sheriff Contraband Forfeiture Fund (39100)			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$	\$	\$	\$ -0-
	39,750	7,012	(32,738)
	1,250	1,724	474
	<u>4,000</u>	<u>5,835</u>	<u>1,835</u>
<u>-0-</u>	<u>45,000</u>	<u>14,571</u>	<u>(30,429)</u>
			<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	<u>100,000</u>	<u>94,402</u>	<u>5,598</u>
<u>-0-</u>	<u>100,000</u>	<u>94,402</u>	<u>5,598</u>
	<u>110,000</u>		<u>110,000</u>
<u>-0-</u>	<u>210,000</u>	<u>94,402</u>	<u>115,598</u>
<u>-0-</u>	<u>(165,000)</u>	<u>(79,831)</u>	<u>85,169</u>
		21,224	(21,224)
		<u>180,173</u>	<u>(180,173)</u>
<u>-0-</u>	<u>-0-</u>	<u>201,397</u>	<u>(201,397)</u>
<u>-0-</u>	<u>(165,000)</u>	<u>121,566</u>	<u>(116,228)</u>
<u>336,116</u>	<u>336,116</u>	<u>336,116</u>	<u>-0-</u>
<u>\$ 336,116</u>	<u>\$ 171,116</u>	<u>\$ 457,682</u>	<u>\$ (116,228)</u>

BRAZORIA COUNTY, TEXAS

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR)*

For the Year Ended September 30, 2015

	Brazoria County Narcotics Task Force Fund (39110)			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$	\$	\$	\$ -0-
Fines and forfeitures		212,500	126,736	(85,764)
Investment income		2,500	659	(1,841)
Miscellaneous		35,000	13,605	(21,395)
Total revenues	-0-	250,000	141,000	(109,000)
Expenditures:				
Current:				
Public Safety:				
Operating expenditures		250,000	62,427	187,573
Total public safety	-0-	250,000	62,427	187,573
Corrections:				
Salaries and wages, and employee benefits				-0-
Operating expenditures				-0-
Total corrections	-0-	-0-	-0-	-0-
Capital outlay				-0-
Total expenditures	-0-	250,000	62,427	187,573
Excess (deficiency) of revenues over expenditures	-0-	-0-	78,573	78,573
Other Financing Sources (Uses):				
Transfers out		(181,000)	(180,173)	(827)
Total other financing sources (uses)	-0-	(181,000)	(180,173)	(827)
Net change in fund balances	-0-	(181,000)	(101,600)	77,746
Fund balances – beginning	320,578	320,578	320,578	-0-
Fund balances – ending	\$ 320,578	\$ 139,578	\$ 218,978	\$ 77,746

Sheriff Commissary Fund (39120)			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$	\$ 997,400	\$ 945,617	\$(51,783)
	2,500	950	(1,550)
	100	158	58
-0-	1,000,000	946,725	(53,275)
			-0-
-0-	-0-	-0-	-0-
	200,000	180,457	19,543
	700,000	607,467	92,533
-0-	900,000	787,924	112,076
	275,000	222,661	52,339
-0-	1,175,000	1,010,585	164,415
-0-	(175,000)	(63,860)	111,140
			-0-
-0-	-0-	-0-	-0-
-0-	(175,000)	(63,860)	111,140
310,474	310,474	310,474	-0-
\$ 310,474	\$ 135,474	\$ 246,614	\$ 111,140

BRAZORIA COUNTY, TEXAS

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR)*

For the Year Ended September 30, 2015

	Sheriff Federal Forfeiture Fund (39130)			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Fines and forfeitures	\$	\$ 89,250	\$ 36,735	\$(52,515)
Investment income		750	623	(127)
Miscellaneous				-0-
Total revenues	-0-	90,000	37,358	(52,642)
Expenditures:				
Current:				
Public Safety:				
Operating expenditures		90,000	5,813	84,187
Total public safety	-0-	90,000	5,813	84,187
Culture and Recreation:				
Total culture and recreation	-0-	-0-	-0-	-0-
Capital outlay		150,000		150,000
Total expenditures	-0-	240,000	5,813	234,187
Excess (deficiency) of revenues over expenditures	-0-	(150,000)	31,545	181,545
Other Financing Sources (Uses):				
Total other financing sources (uses)	-0-	-0-	-0-	-0-
Net change in fund balances	-0-	(150,000)	31,545	181,545
Fund balances – beginning	177,958	177,958	177,958	-0-
Fund balances – ending	\$ 177,958	\$ 27,958	\$ 209,503	\$ 181,545

Book Sale Fund (39400)			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$	\$	\$	\$ -0-
	100	17	(83)
	500	366	(134)
	-0-	383	(217)
	600		
			-0-
	-0-	-0-	-0-
	-0-	-0-	-0-
	-0-	-0-	-0-
	-0-	-0-	-0-
	-0-	383	(217)
	600		
	-0-	-0-	-0-
	-0-	383	(217)
	5,066	5,066	-0-
\$	\$	\$	\$(
5,066	5,666	5,449	217)

BRAZORIA COUNTY, TEXAS

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR) - Continued*

For the Year Ended September 30, 2015

	Library Special Projects Fund (39410)			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Charges for services	\$	\$	\$	\$ -0-
Investment income		1,000	608	(392)
Miscellaneous		221,199	200,594	(20,605)
Total revenues	-0-	222,199	201,202	(20,997)
Expenditures:				
Current:				
Judicial and Legal:				
Salaries and wages, and employee benefits				-0-
Operating expenditures				-0-
Total public safety	-0-	-0-	-0-	-0-
Culture and Recreation:				
Operating expenditures		215,899	190,552	25,347
Total culture and recreation	-0-	215,899	190,552	25,347
Capital outlay		6,300	5,371	929
Total expenditures	-0-	222,199	195,923	26,276
Excess (deficiency) of revenues over expenditures	-0-	-0-	5,279	5,279
Other Financing Sources (Uses):				
Transfers in				-0-
Total other financing sources (uses)	-0-	-0-	-0-	-0-
Net change in fund balances	-0-	-0-	5,279	5,279
Fund balances – beginning	182,163	182,163	182,163	-0-
Fund balances – ending	\$ 182,163	\$ 182,163	\$ 187,442	\$ 5,279

Law Library Fund (39800)			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 185,000	\$ 185,000	\$ 179,185	\$(5,815)
500	500	577	77
<u>14,000</u>	<u>14,000</u>	<u>12,126</u>	<u>(1,874)</u>
<u>199,500</u>	<u>199,500</u>	<u>191,888</u>	<u>(7,612)</u>
69,922	74,922	73,427	1,495
<u>284,300</u>	<u>284,300</u>	<u>192,970</u>	<u>91,330</u>
<u>354,222</u>	<u>359,222</u>	<u>266,397</u>	<u>92,825</u>
			<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>20,000</u>	<u>20,000</u>		<u>20,000</u>
<u>374,222</u>	<u>379,222</u>	<u>266,397</u>	<u>112,825</u>
<u>(174,722)</u>	<u>(179,722)</u>	<u>(74,509)</u>	<u>105,213</u>
<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-0-</u>
<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-0-</u>
<u>(124,722)</u>	<u>(129,722)</u>	<u>(24,509)</u>	<u>105,213</u>
<u>374,937</u>	<u>374,937</u>	<u>374,937</u>	<u>-0-</u>
<u>\$ 250,215</u>	<u>\$ 245,215</u>	<u>\$ 350,428</u>	<u>\$ 105,213</u>

BRAZORIA COUNTY, TEXAS

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NONMAJOR)*

Exhibit 17
Page 7 of 7

For the Year Ended September 30, 2015

	Mosquito Control District Fund (39900)			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 3,008,209	\$ 3,008,209	\$ 3,005,551	\$(2,658)
Charges for services			23	23
Investment income	1,000	1,000	5,835	4,835
Miscellaneous	500	500	259	(241)
Total revenues	<u>3,009,709</u>	<u>3,009,709</u>	<u>3,011,668</u>	<u>1,959</u>
Expenditures:				
Current:				
Health and Welfare:				
Salaries and wages, and employee benefits	1,317,909	1,317,909	1,077,188	240,721
Operating expenditures	<u>1,760,072</u>	<u>1,760,072</u>	<u>420,141</u>	<u>1,339,931</u>
Total health and welfare	3,077,981	3,077,981	1,497,329	1,580,652
Capital outlay	<u>125,680</u>	<u>125,680</u>	<u>59,987</u>	<u>65,693</u>
Total expenditures	<u>3,203,661</u>	<u>3,203,661</u>	<u>1,557,316</u>	<u>1,646,345</u>
Excess (deficiency) of revenues over expenditures	(193,952)	(193,952)	<u>1,454,352</u>	<u>1,648,304</u>
Other Financing Sources (Uses):				
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balances	(193,952)	(193,952)	1,454,352	1,648,304
Fund balances – beginning	<u>1,189,806</u>	<u>1,189,806</u>	<u>1,189,806</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 995,854</u>	<u>\$ 995,854</u>	<u>\$ 2,644,158</u>	<u>\$ 1,648,304</u>



BRAZORIA COUNTY, TEXAS

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - DEBT SERVICE FUNDS (NONMAJOR)*

For the Year Ended September 30, 2015

	2003 Certificate of Obligation, I & S Fund (40000)			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 976,870	\$ 976,870	\$ 980,905	\$ 4,035
Investment income	200	200	1,611	1,411
Total revenues	<u>977,070</u>	<u>977,070</u>	<u>982,516</u>	<u>5,446</u>
Expenditures:				
Debt Service:				
Principal	860,000	860,000	860,000	-0-
Interest and agent fees	<u>96,100</u>	<u>96,100</u>	<u>95,550</u>	<u>550</u>
Total expenditures	<u>956,100</u>	<u>956,100</u>	<u>955,550</u>	<u>550</u>
Excess (deficiency) of revenues over expenditures	<u>20,970</u>	<u>20,970</u>	<u>26,966</u>	<u>5,996</u>
Other Financing Sources (Uses):				
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balances	20,970	20,970	26,966	5,996
Fund balances – beginning	<u>462,926</u>	<u>462,926</u>	<u>462,926</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 483,896</u>	<u>\$ 483,896</u>	<u>\$ 489,892</u>	<u>\$ 5,996</u>

2006 Certificate of Obligation, I & S Fund (41000)

Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 1,122,419	\$ 1,122,419	\$ 1,127,609	\$ 5,190
<u>1,000</u>	<u>1,000</u>	<u>1,127</u>	<u>127</u>
<u>1,123,419</u>	<u>1,123,419</u>	<u>1,128,736</u>	<u>5,317</u>
655,000	655,000	655,000	-0-
<u>445,448</u>	<u>445,448</u>	<u>444,448</u>	<u>1,000</u>
<u>1,100,448</u>	<u>1,100,448</u>	<u>1,099,448</u>	<u>1,000</u>
<u>22,971</u>	<u>22,971</u>	<u>29,288</u>	<u>6,137</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
22,971	22,971	29,288	6,317
<u>603,073</u>	<u>603,073</u>	<u>603,073</u>	<u>-0-</u>
<u>\$ 626,044</u>	<u>\$ 626,044</u>	<u>\$ 632,361</u>	<u>\$ 6,317</u>

BRAZORIA COUNTY, TEXAS

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - DEBT SERVICE FUNDS (NONMAJOR)*

For the Year Ended September 30, 2015

	2012 Certificates of Obligation Bonds, I & S Fund (42000)			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 1,133,484	\$ 1,133,484	\$ 1,134,474	\$ 990
Investment income	200	200	1,031	831
Miscellaneous				
Total revenues	<u>1,133,684</u>	<u>1,133,684</u>	<u>1,135,505</u>	<u>1,821</u>
Expenditures:				
Debt Service:				
Principal on long-term debt				-0-
Interest on long-term debt	<u>1,110,350</u>	<u>1,110,350</u>	<u>1,110,300</u>	<u>50</u>
Total expenditures	<u>1,110,350</u>	<u>1,110,350</u>	<u>1,110,300</u>	<u>50</u>
Excess (deficiency) of revenues over expenditures	<u>23,334</u>	<u>23,334</u>	<u>25,205</u>	<u>1,871</u>
Other Financing Sources (Uses):				
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balances	23,334	23,334	25,205	1,871
Fund balances – beginning	<u>76,045</u>	<u>76,045</u>	<u>76,045</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 99,379</u>	<u>\$ 99,379</u>	<u>\$ 101,250</u>	<u>\$ 1,871</u>

Tax Notes Series 2013, I & S Fund (43000)			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 1,947,315	\$ 1,947,315	\$ 1,936,771	\$(10,544)
		17	-0- 17
<u>1,947,315</u>	<u>1,947,315</u>	<u>1,936,788</u>	<u>(10,527)</u>
1,765,000	1,765,000	1,765,000	-0-
<u>141,773</u>	<u>141,773</u>	<u>140,750</u>	<u>1,023</u>
<u>1,906,773</u>	<u>1,906,773</u>	<u>1,905,750</u>	<u>1,023</u>
<u>40,542</u>	<u>40,542</u>	<u>31,038</u>	<u>(9,504)</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
40,542	40,542	31,038	(9,504)
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 40,542</u>	<u>\$ 40,542</u>	<u>\$ 31,038</u>	<u>\$(9,504)</u>

BRAZORIA COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - DEBT SERVICE FUNDS (NONMAJOR)**

For the Year Ended September 30, 2015

	Road Bonds Mobility, I & S Fund (45000)			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 4,037,032	\$ 4,037,032	\$ 4,048,988	\$ 11,956
Intergovernmental revenue				
Investment income	1,000	1,000	5,208	4,208
Total revenues	<u>4,038,032</u>	<u>4,038,032</u>	<u>4,054,196</u>	<u>16,164</u>
Expenditures:				
Debt Service:				
Principal on long-term debt	2,105,000	2,105,000	2,105,000	-0-
Interest on long-term debt	<u>1,707,294</u>	<u>1,108,394</u>	<u>1,094,352</u>	<u>14,042</u>
Total expenditures	<u>3,812,294</u>	<u>3,213,394</u>	<u>3,199,352</u>	<u>14,042</u>
Excess (deficiency) of revenues over expenditures	<u>255,738</u>	<u>824,638</u>	<u>854,844</u>	<u>30,206</u>
Other Financing Sources (Uses):				
Transfers in				-0-
Transfers out		(500,000)	(500,000)	-0-
Total other financing sources (uses)	<u>-0-</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-0-</u>
Net change in fund balances	225,738	324,638	354,844	30,206
Fund balances – beginning	<u>1,099,748</u>	<u>1,099,748</u>	<u>1,099,748</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 1,325,486</u>	<u>\$ 1,424,386</u>	<u>\$ 1,454,592</u>	<u>\$ 30,206</u>

<u>Mobility - Build America, I & S Fund (45100)</u>			
<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
<u>Original</u>	<u>Final</u>		
\$	\$	\$	\$
	236,000	236,288	-0- 288
			-0-
<u>-0-</u>	<u>236,000</u>	<u>236,288</u>	<u>288</u>
	<u>730,000</u>	<u>728,273</u>	<u>-0- 1,727</u>
<u>-0-</u>	<u>730,000</u>	<u>728,273</u>	<u>1,727</u>
<u>-0-</u>	<u>(494,000)</u>	<u>(491,985)</u>	<u>2,015</u>
<u>-0-</u>	<u>500,000</u>	<u>500,000</u>	<u>-0- -0-</u>
<u>-0-</u>	<u>500,000</u>	<u>500,000</u>	<u>-0-</u>
	6,000	8,015	2,015
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ -0-</u>	<u>\$ 6,000</u>	<u>\$ 8,015</u>	<u>\$ 2,015</u>

BRAZORIA COUNTY, TEXAS

*SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL - ENTERPRISE FUND (AIRPORT)*

For the Year Ended September 30, 2015

Exhibit 19

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating Revenues:				
Sales:				
Fuel and supplies	\$ 2,248,744	\$ 2,248,744	\$ 1,700,614	\$(548,130)
Cost of sales	<u>1,926,155</u>	<u>1,926,155</u>	<u>1,446,345</u>	<u>479,810</u>
Gross profit	322,589	322,589	254,269	(68,320)
Other Revenue:				
Rentals	399,200	399,200	356,084	(43,116)
Fees	310,878	310,878	393,584	82,706
Operating grant revenue			56,643	56,643
Miscellaneous	<u>51,400</u>	<u>51,400</u>	<u>78,804</u>	<u>27,404</u>
Net operating revenue	<u>1,084,067</u>	<u>1,084,067</u>	<u>1,139,384</u>	<u>55,317</u>
Operating Expenses:				
Salaries and wages	596,925	596,925	546,618	50,307
Employee benefits	234,132	234,132	214,400	19,732
Supplies	144,538	144,538	108,533	36,005
Other charges	306,357	306,357	230,043	76,314
Depreciation	<u>85,000</u>	<u>1,535,000</u>	<u>1,208,918</u>	<u>326,082</u>
Total operating expenses	<u>1,366,952</u>	<u>2,816,952</u>	<u>2,308,512</u>	<u>508,440</u>
Operating income (loss)	(282,885)	(1,732,885)	(1,169,128)	<u>563,757</u>
Non-Operating Revenues (Expenses):				
Gain on sale of assets			(1,660)	(1,660)
Total non-operating revenues (expenses)	<u>-0-</u>	<u>-0-</u>	<u>(1,660)</u>	<u>(1,660)</u>
Net income (loss) before contributions and transfers	(282,885)	(1,732,885)	(1,170,788)	562,097
Capital contributions			2,194,205	2,194,205
Transfers in			760,364	760,364
Transfers out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(69,564)</u>	<u>(19,564)</u>
Change in net position	(332,885)	(1,782,885)	1,714,217	3,497,102
Net Position:				
Total net position – beginning of year (restated)	<u>20,115,392</u>	<u>20,115,392</u>	<u>20,115,392</u>	<u>-0-</u>
Total net position – end of year	<u>\$ 19,782,507</u>	<u>\$ 18,332,507</u>	<u>\$ 21,829,609</u>	<u>\$ 3,497,102</u>

BRAZORIA COUNTY, TEXAS
COMBINING STATEMENT OF NET POSITION -
INTERNAL SERVICE FUNDS
September 30, 2015

Exhibit 20

	<u>Self Insurance Liability</u>	<u>Self Insurance Health</u>	<u>Self Insurance Health Clinic</u>	<u>Total</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current Assets:				
Cash and temporary investments	\$ 1,365,088	\$ 225,801	\$ 70,000	\$ 1,660,889
Accounts receivable		741,177		741,177
Prepaid expenses		36,775		36,775
	<u>1,365,088</u>	<u>1,003,753</u>	<u>70,000</u>	<u>2,438,841</u>
Total current assets				
Deferred Outflows of Resources:				
Deferred outflows of resources				-0-
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources				
Total assets and deferred outflows of resources	<u>\$ 1,365,088</u>	<u>\$ 1,003,753</u>	<u>\$ 70,000</u>	<u>\$ 2,438,841</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION				
Current Liabilities:				
Accounts and accrued liabilities payable	\$ 9,754	\$ 348,095	\$ 60,036	\$ 417,885
Due to other funds		2,237,657		2,237,657
Estimated claims payable	400,000	887,734		1,287,734
	<u>409,754</u>	<u>3,473,486</u>	<u>60,036</u>	<u>3,943,276</u>
Total current liabilities				
Deferred Inflows of Resources:				
Deferred inflows of resources				-0-
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources				
Total liabilities and deferred inflows of resources	<u>409,754</u>	<u>3,473,486</u>	<u>60,036</u>	<u>3,943,276</u>
Net Position:				
Unrestricted net position	<u>955,334</u>	<u>(2,469,733)</u>	<u>9,964</u>	<u>(1,504,435)</u>
Total net position	<u>955,334</u>	<u>(2,469,733)</u>	<u>9,964</u>	<u>(1,504,435)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,365,088</u>	<u>\$ 1,003,753</u>	<u>\$ 70,000</u>	<u>\$ 2,438,841</u>

BRAZORIA COUNTY, TEXAS**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - INTERNAL SERVICE FUNDS**

For the Year Ended September 30, 2015

Exhibit 21

	<u>Self Insurance Liability</u>	<u>Self Insurance Health</u>	<u>Self Insurance Health Clinic</u>	<u>Total</u>
Operating Revenues:				
Contributions for self-insurance	\$ <u>188,198</u>	\$ <u>13,897,959</u>	\$ <u>682,492</u>	\$ <u>14,768,649</u>
Total operating revenues	<u>188,198</u>	<u>13,897,959</u>	<u>682,492</u>	<u>14,768,649</u>
Operating Expenses:				
Legal expenses and settlements	242,604			242,604
Health claims expense		13,196,631		13,196,631
Health services expense			672,011	672,011
Administrative expense	<u> </u>	<u>1,672,579</u>	<u>517</u>	<u>1,673,096</u>
Total operating expenses	<u>242,604</u>	<u>14,869,210</u>	<u>672,528</u>	<u>15,784,342</u>
Operating income (loss)	(54,406)	(971,251)	9,964	(1,015,693)
Non-Operating Revenue (Expense):				
Investment income	<u>1,869</u>	<u>5,338</u>	<u> </u>	<u>7,207</u>
Net income (loss)	(52,537)	(965,913)	9,964	(1,008,486)
Net position – beginning of year	<u>1,007,871</u>	<u>(1,503,820)</u>	<u>-0-</u>	<u>(495,949)</u>
Net position – end of year	<u>\$ 955,334</u>	<u>\$ (2,469,733)</u>	<u>\$ 9,964</u>	<u>\$ (1,504,435)</u>

BRAZORIA COUNTY, TEXAS**COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS**

For the Year Ended September 30, 2015

Exhibit 22

	Self Insurance Liability	Self Insurance Health	Self Insurance Health Clinic	Total
Cash Flows from Operating Activities:				
Cash flows received from employees and other funds	\$ 189,623	\$ 12,604,829	\$ 717,383	\$ 13,511,835
Cash paid to and on behalf of employees	(236,579)	(13,232,544)	(646,866)	(13,879,410)
Cash paid to suppliers and others	(46,956)	(1,672,579)	(517)	(1,909,675)
Net cash provided (used) by operating activities	(46,956)	(2,300,294)	70,000	(2,277,250)
Cash Flows from Non-Capital Financing Activities:				
Net cash provided (used) by non-capital financing activities	-	-	-	-0-
Cash Flows from Capital and Financing Activities:				
Net cash provided (used) by capital and financing activities	-	-	-	-0-
Cash Flows from Investing Activities:				
Investment income	1,869	5,376	-	7,245
Net cash provided by investment activities	1,869	5,376	-0-	7,245
Net increase (decrease) in cash	(45,087)	(2,294,918)	70,000	(2,270,005)
Cash and temporary investments - beginning of year	1,410,175	2,520,719	-0-	3,930,894
Cash and temporary investments - end of year	\$ 1,365,088	\$ 225,801	\$ 70,000	\$ 1,660,889
Reconciliation of Operating Income to Net Cash Provided (Used) By Operating Activities:				
Operating Activities:				
Operating income (loss)	\$(54,406)	\$(971,251)	\$ 9,964	\$(1,015,693)
Changes in Assets and Deferred Outflows of Resources, and Liabilities and Deferred Inflows of Resources:				
(Increase) Decrease In:				
Accounts receivable	1,425	(697,406)	-	(695,981)
Due from other funds	-	-	34,891	34,891
Prepaid expenses	-	(30,108)	-	(30,108)
Increase (Decrease) In:				
Accounts and accrued liabilities payable	6,025	71,078	25,145	102,248
Estimated claims payable	-	(76,883)	-	(76,883)
Due to other funds	-	(595,724)	-	(595,724)
Net cash provided (used) for operating activities	\$(46,956)	\$(2,300,294)	\$ 70,000	\$(2,277,250)
Noncash Transactions Affecting Financial Position:				
Net noncash transactions affecting financial position	\$ -0-	\$ -0-	\$ -0-	\$ -0-

BRAZORIA COUNTY, TEXAS**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS**

For the Year Ended September 30, 2015

Exhibit 23
Page 1 of 2

	Balance 10-01-14	Additions	Deductions	Balance 09-30-15
BRAZORIA COUNTY FRESH WATER SUPPLY DISTRICT #2:				
<i>Assets</i>				
Cash and temporary investments	\$ 2,294	\$ 130,290	\$ 126,171	\$ 6,413
Accounts receivable	<u>24,263</u>	<u>126,171</u>	<u>131,847</u>	<u>18,587</u>
Total assets	<u>\$ 26,557</u>	<u>\$ 256,461</u>	<u>\$ 258,018</u>	<u>\$ 25,000</u>
<i>Liabilities</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 26,557	\$	\$ 1,557	\$ 25,000
Due to others	<u></u>	<u>256,461</u>	<u>256,461</u>	<u>-0-</u>
Total liabilities	<u>\$ 26,557</u>	<u>\$ 256,461</u>	<u>\$ 258,018</u>	<u>\$ 25,000</u>
BRAZORIA COUNTY GROUNDWATER CONSERVATION DISTRICT:				
<i>Assets</i>				
Cash and temporary investments	\$ 929,564	\$ 480,027	\$ 419,313	\$ 990,278
Accounts receivable	<u>38,322</u>	<u>80,743</u>	<u>38,322</u>	<u>80,743</u>
Total assets	<u>\$ 967,886</u>	<u>\$ 560,770</u>	<u>\$ 457,635</u>	<u>\$ 1,071,021</u>
<i>Liabilities</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 13,217	\$ 269,378	\$ 270,459	\$ 12,136
Due to other funds	20,933		20,933	-0-
Due to others	<u>933,736</u>	<u>291,392</u>	<u>166,243</u>	<u>1,058,885</u>
Total liabilities	<u>\$ 967,886</u>	<u>\$ 560,770</u>	<u>\$ 457,635</u>	<u>\$ 1,071,021</u>
COMMUNITY CORRECTIONS AND SUPERVISION (ADULT PROBATION):				
<i>Assets</i>				
Cash and temporary investments	\$ 1,492,137	\$ 4,886,830	\$ 4,695,739	\$ 1,683,228
Accounts receivable	<u></u>	<u>25</u>	<u></u>	<u>25</u>
Total assets	<u>\$ 1,492,137</u>	<u>\$ 4,886,855</u>	<u>\$ 4,695,739</u>	<u>\$ 1,683,253</u>
<i>Liabilities</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 241,824	\$ 4,668,994	\$ 4,695,739	\$ 215,079
Due to others	<u>1,250,313</u>	<u>217,861</u>	<u></u>	<u>1,468,174</u>
Total liabilities	<u>\$ 1,492,137</u>	<u>\$ 4,886,855</u>	<u>\$ 4,695,739</u>	<u>\$ 1,683,253</u>

BRAZORIA COUNTY, TEXAS**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS**

For the Year Ended September 30, 2015

Exhibit 23
Page 2 of 2

	<u>Balance 10-01-14</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 09-30-15</u>
DISTRICT/COUNTY CLERKS TRUSTS:				
<i>Assets</i>				
Cash and temporary investments	\$ 8,684,215	\$ 18,770,466	\$ 18,629,903	\$ 8,824,778
Total assets	<u>\$ 8,684,215</u>	<u>\$ 18,770,466</u>	<u>\$ 18,629,903</u>	<u>\$ 8,824,778</u>
<i>Liabilities</i>				
Liabilities:				
Due to others	\$ 8,684,215	\$ 18,770,466	\$ 18,629,903	\$ 8,824,778
Total liabilities	<u>\$ 8,684,215</u>	<u>\$ 18,770,466</u>	<u>\$ 18,629,903</u>	<u>\$ 8,824,778</u>
BRAZOS MALL ENTRANCE:				
<i>Assets</i>				
Cash and temporary investments	\$ 259,295	\$ 39,599	\$ 287,384	\$ 11,510
Total assets	<u>\$ 259,295</u>	<u>\$ 39,599</u>	<u>\$ 287,384</u>	<u>\$ 11,510</u>
<i>Liabilities</i>				
Liabilities:				
Accounts payable and accrued interest	\$ 208,186	\$	\$ 208,186	\$ -0-
Due to others	<u>51,109</u>	<u>39,599</u>	<u>79,198</u>	<u>11,510</u>
Total liabilities	<u>\$ 259,295</u>	<u>\$ 39,599</u>	<u>\$ 287,384</u>	<u>\$ 11,510</u>
TOTALS - ALL AGENCY FUNDS:				
<i>Assets</i>				
Cash and temporary investments	\$ 11,367,505	\$ 24,307,212	\$ 24,158,510	\$ 11,516,207
Accounts receivable	<u>62,585</u>	<u>206,939</u>	<u>170,169</u>	<u>99,355</u>
Total assets	<u>\$ 11,430,090</u>	<u>\$ 24,514,151</u>	<u>\$ 24,328,679</u>	<u>\$ 11,615,562</u>
<i>Liabilities</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 489,784	\$ 4,938,372	\$ 5,175,941	\$ 252,215
Due to other funds	20,933		20,933	-0-
Due to others	<u>10,919,373</u>	<u>19,575,779</u>	<u>19,131,805</u>	<u>11,363,347</u>
Total liabilities	<u>\$ 11,430,090</u>	<u>\$ 24,514,151</u>	<u>\$ 24,328,679</u>	<u>\$ 11,615,562</u>

HOUSING AUTHORITY OF BRAZORIA COUNTY, TEXAS (TX484)

Exhibit 24

SUPPLEMENTARY INFORMATION

STATEMENT OF NET POSITION

September 30, 2015

<u>FDS Line#</u>	<u>FDS Line Account Title</u>	<u>14.871 Housing Choice Vouchers</u>
111	Cash – restricted	\$ 701,509
113	Cash – other restricted	57,911
115	Cash – restricted for payment of current liability	<u>13,563</u>
100	Total cash	<u>772,983</u>
121	Accounts receivable – PHA projects	2,711
128	Fraud recovery	<u>2,711</u>
120	Total receivables net of allowance for doubtful accounts	<u>5,422</u>
150	Total current assets	<u>778,405</u>
190	Total assets	778,405
200	Deferred outflows of resources	<u> </u>
290	Total assets and deferred outflows of resources	<u>\$ 778,405</u>
345	Other current liabilities	<u>\$ 13,563</u>
310	Total current liabilities	<u>13,563</u>
350	Total non-current liabilities	<u> </u>
300	Total liabilities	<u>13,563</u>
400	Deferred inflows of resources	<u> </u>
508.4	Invested in capital assets	
509.3	Restricted net position	60,622
512.3	Unrestricted net position	<u>704,220</u>
513	Total net position	<u>764,842</u>
600	Total liabilities, deferred inflows of resources and net position	<u>\$ 778,405</u>

HOUSING AUTHORITY OF BRAZORIA COUNTY, TEXAS (TX484)

Exhibit 25

SUPPLEMENTARY INFORMATION

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2015

FDS Line#	FDS Line Account Title	14.871 Housing Choice Vouchers
70600	HUD PHA operating grants	\$ 3,277,285
71100	Investment income - unrestricted	2,148
71400	Fraud recovery	21,486
71500	Other revenue	99,806
72000	Investment income – restricted	<u>390</u>
70000	Total revenue	<u>3,401,115</u>
91100	Administrative salaries	202,607
91400	Advertising and marketing	1,356
91500	Employee benefit contributions – administrative	85,602
91600	Office expenses	9,007
91800	Travel	8,022
91810	Allocated overhead	1,509
91900	Other	<u>14,599</u>
91000	Total operating – administrative	<u>322,702</u>
96900	Total operating expenses	<u>322,702</u>
97000	Excess of operating revenue over operating expense	<u>3,078,413</u>
97300	Housing assistance payments	2,801,109
97350	HAP Portability-In	<u>94,036</u>
90000	Total expenses	<u>3,217,847</u>
10000	Excess (deficiency) of total revenue over (under) total	183,268
11030	Beginning net position	794,525
11040	Prior period Adjustments, Equity Transfers and Correction of Errors	(212,951)
11170	Administrative fee net position	<u>704,220</u>
11180	Housing assistance payments net position	<u>\$ 60,622</u>
11190	Unit months available	<u>7,032</u>
11210	Number of unit months leases	<u>7,030</u>



STATISTICAL SECTION



BRAZORIA COUNTY, TEXAS

Statistical Section
(unaudited)

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

<u>Content</u>	<u>Table</u>
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Financial Trends	1-4
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These tables contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity	5-8
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These tables contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity	9-11
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These tables 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 Indicators	12-14
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These tables offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information	15-16
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These tables 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.

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

BRAZORIA COUNTY, TEXAS
NET POSITION BY COMPONENTS
 Last Nine Fiscal Years
 (accrual basis of accounting)

Table 1

	Fiscal Year				
	2006	2007	2008	2009	2010
Governmental Activities:					
Net investment in capital assets	\$ 96,668,961	\$ 99,498,617	\$ 105,895,455	\$ 118,386,142	\$ 107,946,044
Restricted For:					
Roads and bridges	9,671,499	11,599,655	11,785,704	14,812,978	28,317,997
Debt service	3,310,158	4,334,733	2,397,569	2,674,027	2,642,145
Capital projects					
Records management					
Health services					
Other purposes	3,863,186	4,891,652	6,903,230	11,038,528	9,138,277
Restricted					
Unrestricted	<u>23,072,866</u>	<u>30,957,200</u>	<u>30,975,246</u>	<u>29,373,464</u>	<u>35,504,190</u>
Total governmental activities net position	<u>\$ 136,586,670</u>	<u>\$ 151,281,857</u>	<u>\$ 157,957,204</u>	<u>\$ 176,285,139</u>	<u>\$ 183,548,653</u>
Business-type Activities:					
Net investment in capital assets	\$ 10,871,918	\$ 11,094,843	\$ 10,654,958	\$ 10,262,087	\$ 17,932,099
Restricted For:					
Debt service	56,663	43,582	49,419		
Other purposes	18,835	58,566	17,781		
Unrestricted	<u>606,769</u>	<u>340,261</u>	<u>488,387</u>	<u>1,240,854</u>	<u>936,146</u>
Total business-type activities net position	<u>\$ 11,554,185</u>	<u>\$ 11,537,252</u>	<u>\$ 11,210,545</u>	<u>\$ 11,502,941</u>	<u>\$ 18,868,245</u>
Primary Government:					
Net investment in capital assets	\$ 107,540,879	\$ 110,593,460	\$ 116,550,413	\$ 128,648,229	\$ 125,878,143
Restricted	16,920,341	20,928,188	21,153,703	28,525,533	40,098,419
Unrestricted	<u>23,679,635</u>	<u>31,297,461</u>	<u>32,463,633</u>	<u>30,614,318</u>	<u>36,440,336</u>
Total primary government net position	<u>\$ 148,140,855</u>	<u>\$ 162,819,109</u>	<u>\$ 170,167,749</u>	<u>\$ 187,788,080</u>	<u>\$ 202,416,898</u>

Fiscal Year				
2011	2012	2013	2014	2015
\$ 125,443,284	\$ 137,905,630	\$ 167,975,425	\$ 177,510,442	\$ 187,772,835
12,899,517	29,463,484	13,593,152	16,721,519	21,553,918
5,589,069	3,745,648	3,570,603	3,742,201	4,278,259
	2,793,607	2,551,020		
				3,105,754
				2,467,837
7,857,542	4,313,104	4,257,142	7,582,694	2,753,405
<u>45,667,087</u>	<u>51,242,021</u>	<u>60,069,501</u>	<u>67,556,823</u>	<u>76,975,016</u>
<u>\$ 197,456,499</u>	<u>\$ 229,463,494</u>	<u>\$ 252,016,843</u>	<u>\$ 273,113,679</u>	<u>\$ 298,907,024</u>
\$ 18,063,644	\$ 17,090,784	\$ 18,782,258	\$ 19,869,765	\$ 21,210,397
<u>859,249</u>	<u>2,700,569</u>	<u>759,597</u>	<u>328,977</u>	<u>592,390</u>
<u>\$ 18,922,893</u>	<u>\$ 19,791,353</u>	<u>\$ 19,541,855</u>	<u>\$ 20,198,742</u>	<u>\$ 21,802,787</u>
\$ 143,506,928	\$ 154,996,414	\$ 186,757,683	\$ 197,380,207	\$ 208,983,232
26,346,128	40,315,843	23,971,917	28,046,414	34,159,173
<u>46,526,336</u>	<u>53,942,590</u>	<u>60,829,098</u>	<u>67,885,800</u>	<u>77,567,406</u>
<u>\$ 216,379,392</u>	<u>\$ 249,254,847</u>	<u>\$ 271,558,698</u>	<u>\$ 293,312,421</u>	<u>\$ 320,709,811</u>

BRAZORIA COUNTY, TEXAS
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (accrual basis of accounting)

Table 2

	Fiscal Year				
	2006	2007	2008	2009	2010
Expenses					
Governmental Activities:					
General administration	\$ 4,974,768	\$ 5,806,262	\$ 7,505,494	\$ 8,402,752	\$ 9,765,100
Judicial and legal	13,797,943	15,208,486	16,425,146	17,095,026	17,108,112
Financial administration	7,726,563	8,093,087	8,825,918	9,274,787	9,417,717
Elections	2,169,341	402,710	717,673	460,608	471,550
Public facilities	2,809,843	3,522,780	3,608,908	3,726,303	4,007,936
Public safety	13,317,747	14,026,836	16,714,660	16,565,137	17,203,454
Corrections	18,966,237	20,270,216	22,487,177	23,084,589	23,167,977
Public transportation	18,864,434	24,475,813	28,116,886	33,663,115	30,129,895
Health and welfare	9,745,180	10,170,647	10,269,808	11,379,348	12,684,269
Public assistance	296,000	296,000	296,000	296,000	296,000
Culture and recreation	6,652,453	7,316,858	7,810,785	8,501,264	8,514,714
Conservation	393,433	366,651	401,178	433,198	389,848
Environmental protection	150,987	189,657	205,704	211,300	204,162
Community development	2,937,926	2,320,743	2,228,027	2,477,725	3,433,743
Interest on long-term debt	1,477,364	2,408,476	2,497,944	2,242,764	2,650,328
Total governmental activities expenses	<u>104,280,219</u>	<u>114,875,222</u>	<u>128,117,308</u>	<u>137,813,916</u>	<u>139,444,805</u>
Business-type Activities:					
Airport	<u>2,124,407</u>	<u>2,344,879</u>	<u>3,283,991</u>	<u>3,746,623</u>	<u>3,273,887</u>
Total business-type activities expenses	<u>2,124,407</u>	<u>2,344,879</u>	<u>3,283,991</u>	<u>3,746,623</u>	<u>3,273,887</u>
Total primary government expenses	<u>\$ 106,404,626</u>	<u>\$ 117,220,101</u>	<u>\$ 131,401,299</u>	<u>\$ 141,560,539</u>	<u>\$ 142,718,692</u>
Program Revenues					
Governmental Activities:					
Charges for Services:					
General administration	\$ 3,831,544	\$ 4,140,190	\$ 3,592,424	\$ 3,078,349	\$ 3,068,103
Judicial and legal	6,314,663	6,824,945	6,510,075	6,719,465	7,562,837
Financial administration	1,140,119	1,392,176	1,607,565	1,782,317	1,774,714
Elections	74,959	198,739	216,604	163,679	213,801
Public facilities	29,897	31,464	32,625	1,168,851	36,305
Public safety	1,355,560	1,688,373	1,690,817	735,649	1,285,185
Corrections	496,467	653,232	585,301	395,555	786,547
Public transportation	3,369,217	3,795,045	3,910,942	4,092,757	3,467,955
Health and welfare	402,469	663,374	531,764	501,588	613,305
Culture and recreation	436,156	482,471	303,660	320,080	329,062
Conservation	12,662	11,572	10,147	11,448	106,364
Environmental protection	76,386	70,206	62,375	6,759	6,728
Community development					
Operating grants and contributions	11,055,123	9,672,233	14,474,328	20,615,452	17,275,047
Capital grants and contributions	<u>19,032,936</u>	<u>7,163,245</u>	<u>7,102,464</u>	<u>15,200,393</u>	<u>6,058,920</u>
Total governmental activities program revenues	<u>47,628,158</u>	<u>36,787,265</u>	<u>40,631,091</u>	<u>54,792,342</u>	<u>42,584,873</u>

Fiscal Year				
2011	2012	2013	2014	2015
\$ 9,367,760	\$ 8,531,830	\$ 9,096,823	\$ 9,482,542	\$ 9,819,841
17,185,013	17,444,241	18,506,367	19,631,411	20,702,777
9,421,715	9,885,427	11,048,456	12,903,144	14,199,026
436,854	429,119	501,530	424,419	593,251
4,145,921	4,295,595	4,482,211	4,552,789	4,247,946
17,825,709	17,808,208	19,121,946	20,547,826	20,549,314
25,415,355	24,663,264	26,263,608	27,590,517	28,672,523
27,572,896	27,267,696	28,234,409	32,301,984	27,695,529
11,619,175	9,624,531	8,643,077	12,719,101	10,961,502
296,000	296,000	296,000	321,000	341,462
8,690,800	8,785,859	10,096,986	9,749,878	10,516,642
352,487	348,908	528,928	399,428	394,293
261,926	543,559	205,288	248,221	248,480
5,965,680	7,371,072	8,985,728	3,662,694	6,165,252
<u>2,842,829</u>	<u>2,811,695</u>	<u>3,563,248</u>	<u>4,401,503</u>	<u>3,640,139</u>
<u>141,400,120</u>	<u>140,107,004</u>	<u>149,574,605</u>	<u>158,936,457</u>	<u>158,747,977</u>
<u>3,898,445</u>	<u>4,297,478</u>	<u>4,512,936</u>	<u>4,812,519</u>	<u>3,788,609</u>
<u>3,898,445</u>	<u>4,297,478</u>	<u>4,512,936</u>	<u>4,812,519</u>	<u>3,788,609</u>
<u>\$ 145,298,565</u>	<u>\$ 144,404,482</u>	<u>\$ 154,087,541</u>	<u>\$ 163,748,976</u>	<u>\$ 162,536,586</u>
\$ 2,916,705	\$ 3,570,554	\$ 3,006,250	\$ 4,858,893	\$ 3,447,340
8,806,300	7,245,046	7,563,630	9,459,558	15,767,444
2,472,605	2,838,356	3,305,013	3,242,108	3,413,795
139,755	185,989	165,038	213,604	159,259
1,610,574	955,404	726,709	44,544	50,769
725,934	1,476,484	1,719,624	1,319,332	1,257,535
691,574	581,751	617,597	1,321,862	1,432,280
4,881,755	4,911,763	4,588,703	7,959,239	4,355,858
351,506	459,708	908,637	375,082	390,289
353,387	337,249	331,142	356,613	376,878
113,441	5,308	5,347	5,578	8,120
7,420	6,783	5,644	7,350	8,544
				6,680
18,663,189	15,345,237	15,898,124	15,336,408	17,034,646
<u>3,315,829</u>	<u>26,617,632</u>	<u>11,995,116</u>	<u>9,227,520</u>	<u>7,324,038</u>
<u>45,049,974</u>	<u>64,537,264</u>	<u>50,836,574</u>	<u>53,733,626</u>	<u>55,033,475</u>

BRAZORIA COUNTY, TEXAS*CHANGES IN NET POSITION - Continued*

Table 2

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year				
	2006	2007	2008	2009	2010
Business-type Activities:					
Charges for Services	\$ 1,616,331	\$ 1,715,941	\$ 2,696,391	\$ 3,281,882	\$ 2,523,391
Operating Grants and Contributions	29,461	45,940	5,498	43,086	
Capital Grants and Contributions	<u>408,153</u>	<u>561,342</u>	<u>141,668</u>	<u>354,225</u>	<u>8,085,786</u>
Total business-type activities program revenues	<u>2,053,945</u>	<u>2,323,223</u>	<u>2,843,557</u>	<u>3,679,193</u>	<u>10,609,177</u>
Total primary government program revenues	<u>\$ 49,682,103</u>	<u>\$ 39,110,488</u>	<u>\$ 43,474,648</u>	<u>\$ 58,471,535</u>	<u>\$ 53,194,050</u>
Net (Expense)/Revenue:					
Governmental activities	\$(56,652,061)	\$(78,087,957)	\$(87,486,217)	\$(83,021,574)	\$(96,859,932)
Business-type activities	<u>(70,462)</u>	<u>(21,656)</u>	<u>(440,434)</u>	<u>(67,430)</u>	<u>7,335,290</u>
Total primary governmental net expense	<u>(56,722,523)</u>	<u>(78,109,613)</u>	<u>(87,926,651)</u>	<u>(83,089,004)</u>	<u>(89,524,642)</u>
General Revenues & Other Changes in Net Position					
Governmental Activities:					
Property taxes	67,484,298	68,739,287	72,549,360	81,235,296	86,026,984
Sales and other taxes	12,689,046	17,543,873	16,825,916	16,794,059	15,538,547
Grants and contributions not restricted to specific programs	314,168	245,477	217,066	78,956	
Unrestricted investment earnings	2,615,731	4,516,924	2,950,658	1,686,538	1,304,639
Gain on disposition of capital assets	85,872	520	111,195	10,106	
Miscellaneous	1,666,557	1,737,063	1,607,369	1,894,054	1,253,276
Transfers	<u>(237,475)</u>		<u>(100,000)</u>	<u>(349,500)</u>	
Total governmental activities	<u>84,618,197</u>	<u>92,783,144</u>	<u>94,161,564</u>	<u>101,349,509</u>	<u>104,123,446</u>
Business-type Activities:					
Unrestricted investment earnings	2,646	4,723	13,227	10,326	16,585
Gain (loss) on disposition of capital assets			500		13,429
Transfers	<u>237,475</u>		<u>100,000</u>	<u>349,500</u>	
Total business-type activities	<u>240,121</u>	<u>4,723</u>	<u>113,727</u>	<u>359,826</u>	<u>30,014</u>
Total primary government	<u>84,858,318</u>	<u>92,787,867</u>	<u>94,275,291</u>	<u>101,709,335</u>	<u>104,153,460</u>
Change in Net Position					
Governmental activities	27,966,136	14,695,187	6,675,347	18,327,935	7,263,514
Business-type activities	<u>169,659</u>	<u>(16,933)</u>	<u>(326,707)</u>	<u>292,396</u>	<u>7,365,304</u>
Total primary government	<u>\$ 28,135,795</u>	<u>\$ 14,678,254</u>	<u>\$ 6,348,640</u>	<u>\$ 18,620,331</u>	<u>\$ 14,628,818</u>

Fiscal Year				
2011	2012	2013	2014	2015
\$ 3,091,375	\$ 3,096,897	\$ 3,275,992	\$ 3,409,103	\$ 2,552,465
46,750	8,509		57,014	56,643
<u>807,418</u>	<u>157,535</u>	<u>964,718</u>	<u>1,999,330</u>	<u>2,194,205</u>
<u>3,945,543</u>	<u>3,262,941</u>	<u>4,240,710</u>	<u>5,465,447</u>	<u>4,803,313</u>
<u>\$ 48,995,517</u>	<u>\$ 67,800,205</u>	<u>\$ 55,077,284</u>	<u>\$ 59,193,138</u>	<u>\$ 59,836,788</u>
\$(96,350,146)	\$ 75,569,740	\$ 98,738,031	\$(105,202,831)	\$(103,714,502)
<u>47,098</u>	<u>1,034,537</u>	<u>272,226</u>	<u>652,928</u>	<u>1,014,704</u>
<u>(96,303,048)</u>	<u>76,604,277</u>	<u>99,010,257</u>	<u>(104,549,903)</u>	<u>(102,699,798)</u>
90,322,731	92,323,262	100,582,765	104,524,246	110,895,732
16,971,997	18,244,871	20,439,065	22,400,586	28,255,671
370,307	254,896	243,808	321,088	709,617
1,178,754	341,652	563,572	429,659	499,740
69,146	671,000		280,921	99,302
1,345,057	(1,894,000)	1,010,487	305,676	1,934,315
		(20,145)		(690,800)
<u>110,257,992</u>	<u>109,941,681</u>	<u>122,819,552</u>	<u>128,262,176</u>	<u>141,703,577</u>
7,550	2,760	2,583	168	
	3,563		3,791	
	<u>1,894,000</u>	<u>20,145</u>		<u>690,800</u>
<u>7,550</u>	<u>1,902,997</u>	<u>22,728</u>	<u>3,959</u>	<u>690,800</u>
<u>110,265,542</u>	<u>111,844,678</u>	<u>122,842,280</u>	<u>128,266,135</u>	<u>142,394,377</u>
13,907,846	185,511,421	24,081,521	23,059,345	37,989,075
<u>54,648</u>	<u>868,460</u>	(249,498)	<u>656,887</u>	<u>1,705,504</u>
<u>\$ 13,962,494</u>	<u>\$ 186,379,881</u>	<u>\$ 23,832,023</u>	<u>\$ 23,716,232</u>	<u>\$ 39,694,579</u>

BRAZORIA COUNTY, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Table 3

	Fiscal Year				
	2006	2007	2008	2009	2010
General Fund:					
Reserved	\$ 1,181,546	\$ 1,536,623	\$ 945,689	\$ 3,668,508	\$ 4,099,579
Unreserved	17,368,350	23,816,764	24,057,655	22,719,603	27,121,283
Non-spendable					
Restricted					
Committed					
Unassigned					
Total general fund	<u>\$ 18,549,896</u>	<u>\$ 25,353,387</u>	<u>\$ 25,033,344</u>	<u>\$ 26,388,111</u>	<u>\$ 31,220,862</u>
All Other Governmental Funds:					
Reserved	\$ 3,780,614	\$ 5,025,466	\$ 4,426,316	\$ 29,103,256	\$ 41,438,332
Unreserved:					
Designated:					
Capital projects funds	16,542,134	23,553,119	19,157,559	792,514	776,374
Undesignated:					
Capital projects funds					
Special revenue funds	12,453,432	14,721,315	16,417,485		
Non-spendable					
Restricted					
Committed					
Unassigned					
Total all other governmental funds	<u>\$ 32,776,180</u>	<u>\$ 43,299,900</u>	<u>\$ 40,001,360</u>	<u>\$ 29,895,770</u>	<u>\$ 42,214,706</u>

Note:

In 2011, the County implemented GASB 54, under which governmental fund balances are reported as nonspendable, restricted, committed, assigned, and unassigned, compared to reserved and unreserved. The County has not restated prior years.

Fiscal Year				
2011	2012	2013	2014	2015
\$	\$	\$	\$	\$
1,158,255	1,165,424	1,351,205	9,863,383	12,549,827
1,530,251	1,453,855	935,285	102,797	94,151
1,553,849	1,467,868	1,741,708	938,565	808,460
<u>34,200,927</u>	<u>41,062,932</u>	<u>50,715,965</u>	<u>52,891,607</u>	<u>64,255,372</u>
\$ <u>38,443,282</u>	\$ <u>45,150,079</u>	\$ <u>54,744,163</u>	\$ <u>63,796,352</u>	\$ <u>77,707,810</u>

\$ 33,101,953 \$ \$ \$ \$

1,053,294	1,542,479	1,312,148	1,217,016	1,335,749
31,269,960	63,146,748	53,067,517	39,060,016	41,894,278
778,699			6,387,244	1,008,271
(13,309)	(249,837)	(1,179,913)	(122,709)	(15,673)
\$ <u>33,088,644</u>	\$ <u>64,439,390</u>	\$ <u>53,199,752</u>	\$ <u>46,541,567</u>	\$ <u>44,222,625</u>

BRAZORIA COUNTY, TEXAS**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

(modified accrual basis of accounting)

Table 4

Page 1 of 2

	Fiscal Year				
	2006	2007	2008	2009	2010
Revenues:					
Taxes	\$ 80,618,481	\$ 85,899,285	\$ 89,733,333	\$ 97,948,315	\$ 101,144,578
Intergovernmental	14,658,241	12,553,652	16,962,416	23,271,447	19,425,363
Charges for services	8,505,724	9,339,206	9,170,529	8,513,053	8,825,218
Licenses and permits	4,192,040	4,319,103	4,178,179	4,364,604	4,632,972
Fines and forfeitures	2,937,726	3,030,492	2,932,468	2,999,714	3,349,587
Special assessments	20,355	39,984	41,366	65,891	127,307
Investment income	2,558,836	4,437,291	2,910,886	1,670,081	1,299,600
Miscellaneous	1,650,000	2,707,950	2,256,193	2,461,330	1,837,188
Total revenues	115,141,403	122,326,963	128,185,370	141,294,435	140,641,813
Expenditures:					
Current Expenditures:					
General administration	5,193,392	5,647,182	7,338,056	8,316,067	8,967,373
Judicial and legal	13,101,418	14,720,532	16,024,206	16,581,752	16,795,972
Financial administration	7,477,425	7,895,801	8,618,867	9,014,398	9,234,021
Elections	2,276,634	378,867	692,279	433,657	441,531
Public facilities	2,667,167	3,379,986	3,428,404	3,716,015	3,762,477
Public safety	13,229,168	13,543,831	17,059,446	16,101,590	16,467,367
Corrections	17,823,526	19,110,690	21,462,209	21,802,308	21,811,543
Public transportation	20,482,267	19,549,824	21,173,785	26,550,726	19,813,342
Health and welfare	9,779,785	9,925,766	9,945,531	10,964,979	12,373,186
Public assistance	296,000	296,000	296,000	296,000	296,000
Culture and recreation	6,335,099	7,046,649	7,660,650	8,429,724	8,872,828
Conservation	373,006	350,210	393,215	411,494	376,220
Environmental protection	142,056	179,182	199,402	203,304	196,019
Community development	2,867,898	2,241,638	2,227,029	2,476,674	3,433,742
Capital outlay	2,841,843	9,988,904	17,263,186	17,780,454	13,286,022
Debt Service:					
Principal	2,975,208	2,805,000	3,760,000	4,240,000	4,450,000
Interest and fiscal charges	1,556,717	2,617,009	2,472,201	2,391,636	2,510,730
Total expenditures	109,418,609	119,677,071	140,014,466	149,710,778	143,088,373
Excess of revenues over (under) expenditures	5,722,794	2,649,892	(11,829,096)	(8,416,343)	(2,446,560)

(continued)

Fiscal Year				
2011	2012	2013	2014	2015
\$ 107,106,700	\$ 110,958,850	\$ 121,080,797	\$ 127,161,551	\$ 138,766,567
21,252,449	36,457,092	25,990,993	24,277,946	23,501,265
9,312,082	9,630,462	10,326,829	10,883,414	11,565,888
4,748,920	4,876,770	5,245,553	5,655,291	5,523,340
3,868,556	3,772,795	4,332,729	4,168,138	3,825,950
221,773	193,309	196,203	195,833	103,907
1,197,606	330,704	531,586	415,901	492,533
<u>2,131,525</u>	<u>2,259,033</u>	<u>2,360,819</u>	<u>5,742,304</u>	<u>4,612,592</u>
<u>149,839,611</u>	<u>168,479,015</u>	<u>170,065,509</u>	<u>178,500,378</u>	<u>188,392,042</u>
9,161,421	8,086,323	8,548,201	10,301,303	9,246,389
16,748,044	16,980,083	17,856,724	19,011,805	20,340,488
9,204,212	10,309,390	11,374,699	12,083,956	13,174,716
413,086	412,593	487,833	417,732	609,346
4,428,992	4,876,561	4,288,098	4,253,519	4,364,603
17,115,173	17,558,737	18,673,646	19,446,981	20,264,608
23,659,629	23,475,441	24,472,837	25,275,267	27,032,437
20,420,257	18,796,758	20,085,745	23,512,232	18,559,567
11,255,659	9,296,836	8,233,428	12,288,441	10,750,567
296,000	296,000	296,000	321,000	346,000
8,647,754	8,977,994	9,978,916	9,344,677	10,369,672
337,521	334,459	509,363	432,729	386,447
272,161	532,919	9,176,406	235,250	233,191
5,964,892	7,369,411	15,956,234	3,648,487	6,155,624
15,687,513	29,094,764	12,420,735	38,547,549	25,703,879
5,030,000	5,590,000	5,520,000	3,500,000	5,385,000
<u>3,319,324</u>	<u>3,187,785</u>	<u>3,956,542</u>	<u>3,757,309</u>	<u>3,613,673</u>
<u>151,961,638</u>	<u>165,176,054</u>	<u>171,835,407</u>	<u>186,378,237</u>	<u>176,536,207</u>
(2,122,027)	3,302,961	(1,769,898)	(7,877,859)	11,855,835

BRAZORIA COUNTY, TEXAS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - Continued

Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 4
Page 2 of 2

	Fiscal Year				
	2006	2007	2008	2009	2010
Other Financing Sources (Uses):					
Issuance of general obligation bonds	\$ 13,880,000	\$ 14,000,000	\$ 17,950,000	\$	\$ 19,425,000
Issuance of tax note					
Premium on the sale of bonds	117,050	606,572	330,304		101,722
Proceeds from sale of capital assets	134,081	70,747	344,569	45,020	71,525
Loans to other entities	(21,855)				
Proceeds from lease purchase					
Proceeds from refunding bonds					
Payments to escrow agent			(10,344,360)		
Other					
Transfers in	1,496,992	988,139	1,802,660	2,097,774	1,204,557
Transfers out	(1,734,467)	(988,139)	(1,902,660)	(2,447,274)	(1,204,557)
Total other financing sources (uses)	<u>13,871,801</u>	<u>14,677,319</u>	<u>8,180,513</u>	<u>(304,480)</u>	<u>19,598,247</u>
Net change in fund balances	<u>\$ 19,594,595</u>	<u>\$ 17,327,211</u>	<u>\$(3,648,583)</u>	<u>\$(8,720,823)</u>	<u>\$ 17,151,687</u>
Debt service as a percentage of noncapital expenditures	4.5%	5.1%	5.1%	5.1%	5.4%

Fiscal Year				
2011	2012	2013	2014	2015
\$	\$ 38,125,000	\$	\$ 9,900,000	\$
	3,076,953			
218,385	107,459	144,489	371,862	427,481
	(4,660,830)			
7,686,208	4,097,912	2,065,045	4,675,224	10,464,194
<u>(7,686,208)</u>	<u>(5,991,912)</u>	<u>(2,085,190)</u>	<u>(4,675,224)</u>	<u>(11,154,994)</u>
<u>218,385</u>	<u>34,754,582</u>	<u>124,344</u>	<u>10,271,862</u>	<u>(263,319)</u>
<u>\$ (1,903,642)</u>	<u>\$ 38,057,543</u>	<u>\$ (1,645,554)</u>	<u>\$ 2,394,003</u>	<u>\$ 11,592,516</u>
6.2%	6.6%	6.8%	5.0%	6.1%

BRAZORIA COUNTY, TEXAS**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**

Table 5

Last Ten Fiscal Years
 (Amounts in thousands)

Fiscal Year	Real Property			Less: Exemptions	Net Real Property	Minerals	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Residential	Commercial	Total						
2015	\$ 13,200,329	\$ 11,856,666	\$ 25,056,995	\$ 7,688,726	\$ 17,368,269	\$ 581,582	\$ 4,223,915	\$ 22,173,766	\$ 0.498500
2014	12,533,490	11,331,528	23,865,018	6,892,577	16,972,441	506,779	4,091,190	21,570,410	0.492020
2013	12,262,875	11,064,702	23,327,577	7,382,439	15,945,138	378,102	3,897,896	20,221,136	0.485860
2012	12,144,343	10,995,245	23,139,588	7,556,250	15,583,338	391,224	3,599,879	19,574,441	0.473101
2011	11,317,327	13,509,869	24,827,196	7,405,684	17,421,512	453,986	2,320,561	20,196,059	0.463101
2010	11,551,683	13,546,817	25,098,500	7,174,101	17,924,399	512,177	2,435,863	20,872,439	0.426286
2009	10,501,274	12,734,892	23,236,166	6,223,999	17,012,167	443,245	2,250,737	19,706,149	0.390000
2008	9,527,254	13,172,882	22,700,136	7,152,420	15,547,716	405,484	2,055,336	18,008,536	0.371396
2007	8,487,677	11,709,803	20,197,480	6,400,362	13,797,118	386,629	1,847,430	16,031,177	0.381701
2006	9,114,072	9,824,879	18,938,951	5,150,588	13,788,363	387,153	1,774,176	15,949,692	0.407987

Source: Brazoria County Appraisal District

Note: Brazoria County assesses property annually. Property is assessed at actual market value.
 Tax rates are per \$ 100 of assessed value.



BRAZORIA COUNTY, TEXAS**DIRECT AND OVERLAPPING PROPERTY TAX RATES**

Last Ten Fiscal Years

(rate per \$100 of assessed value)

Table 6

Page 1 of 2

	2005 Tax Rate for 9/30/06	2006 Tax Rate for 9/30/07	2007 Tax Rate for 9/30/08	2008 Tax Rate for 9/30/09
County Direct Rates:				
General Fund	0.279356	0.266000	0.247671	0.255767
Road & Bridge	0.047500	0.034500	0.028800	0.035500
Mosquito Control			0.010200	0.008550
Special R&B - Article 6790	0.060000	0.060000	0.060000	0.060000
Debt Service Fund - Jail Building Bonds	0.015000	0.011000	0.008925	0.011404
General Obligation – 2012 Refunding	0.006131	0.005131	0.004950	0.004650
Certificate of Obligation - Series 2006		0.005070	0.005150	0.005129
Certificate of Obligation - Series 2012				
2013 Tax Notes				
Mobility Bonds			0.005700	0.009000
Total direct rate	<u>0.407987</u>	<u>0.381701</u>	<u>0.371396</u>	<u>0.390000</u>
City Rates:				
Alvin	0.803600	0.803600	0.803600	0.803600
Angleton	0.734150	0.706000	0.706000	0.706000
Brazoria	0.728300	0.728300	0.728300	0.728300
Brookside Village	0.460000	0.460000	0.460000	0.460000
Clute	0.723000	0.713000	0.698000	0.693000
Danbury	0.775664	0.728846	0.766940	0.760600
Freeport	0.710000	0.710000	0.710000	0.700000
Hillcrest Village	0.374512	0.374512	0.374512	0.374512
Town of Holiday Lakes	0.719325	0.654078	0.945784	0.924070
Village of Jones Creek	0.310000	0.310000	0.310000	0.340000
Lake Jackson	0.380000	0.370000	0.385000	0.390000
Liverpool	0.175800	0.175800	0.175800	0.175800
Manvel	0.648500	0.628798	0.587831	0.587863
Village of Oyster Creek	0.452100	0.452100	0.387211	0.395000
Pearland	0.674400	0.652659	0.652600	0.652600
Town of Quintana	0.040000	0.035000	0.032000	0.027140
Richwood	0.691200	0.681260	0.681080	0.693660
Village of Surfside Beach	0.490000	0.419203	0.342392	0.352392
Sweeny	0.750000	0.750000	0.750000	0.762105
West Columbia	0.838837	0.838837	0.831900	0.831900
School District Rates:				
Alvin ISD	1.705800	1.545900	1.328200	1.328200
Angleton ISD	1.571000	1.463800	1.197000	1.314000
Brazosport ISD	1.572800	1.423700	1.133900	1.192000
Columbia-Brazoria ISD	1.770000	1.640000	1.296500	1.296500
Damon ISD	1.420000	1.299100	1.040000	1.170000
Danbury ISD	1.557600	1.418000	1.134900	1.134900
Pearland ISD	1.792200	1.662200	1.427200	1.419400
Sweeny ISD	1.671000	1.541700	1.211700	1.211700
Special District Rates:				
Alvin Community College	0.237555	0.219521	0.210280	0.199832
Angleton-Danbury Hospital	0.247745	0.246500	0.246500	0.246500
Brazoria Co. DD # 1 (Angleton)	0.175000	0.172000	0.170850	0.183900
Brazoria Co. DD # 2 (Velasco)	0.082113	0.082113	0.082075	0.082075
Brazoria Co. DD # 3 (Alvin or C&R #3)	0.130634	0.130000	0.128143	0.150000
Brazoria Co. DD # 4 (Pearland)	0.143845	0.143845	0.143845	0.143845
Brazoria Co. DD # 5 (Iowa Colony)	0.221958	0.213406	0.190894	0.186897
Brazoria Co. DD # 8 (Danbury)	0.372541	0.370857	0.353723	0.361000
Brazoria Co. DD #11 (W. Brazoria Co.)	0.020000	0.200000	0.020000	0.020000
Brazoria Co. FWSD # 1	0.360000	0.350000	0.310000	0.300000
Brazoria Co. MUD # 1 (Pearland)	0.460000			
Brazoria Co. MUD # 2 (Southwyck)	0.480000	0.450000	0.510000	0.500000
Brazoria Co. MUD # 3 (Silverlake)	0.647000	0.587000	0.650000	0.630000
Brazoria Co. MUD # 4 (Country Place)	0.688000	0.658000	0.628000	0.628000
Brazoria Co. MUD # 5 (Southdown)	0.670000			
Brazoria Co. MUD # 6 (Weatherford)	0.800000	0.720000	0.670000	0.630000
Brazoria Co. MUD #16		0.950000	0.950000	0.950000
Brazoria Co. MUD #17	0.750000	0.750000	0.730000	0.630000
Brazoria Co. MUD #18	0.640000	0.610000	0.590000	0.570000
Brazoria Co. MUD #19	0.800000	0.780000	0.680000	0.660000
Brazoria Co. MUD #21	1.350000	1.350000	1.350000	1.350000

2009 Tax Rate for 9/30/10	2010 Tax Rate for 9/30/11	2011 Tax Rate for 9/30/12	2012 Tax Rate for 9/30/13	2013 Tax Rate for 9/30/14	2014 Tax Rate for 9/30/15
0.288745	0.319268	0.323617	0.323913	0.335050	0.326841
0.035000	0.032800	0.036500	0.045000	0.050000	0.056480
0.008000	0.008000	0.010000	0.013947	0.013540	0.013540
0.060000	0.060000	0.060000	0.060000	0.060000	0.060000
0.015141	0.015141	0.015000	0.011587	0.000000	0.000000
0.005200	0.005200	0.006000	0.002800	0.004600	0.004410
0.005600	0.005600	0.005784	0.005363	0.005350	0.005070
			0.006250	0.005360	0.005120
					0.008800
<u>0.008600</u>	<u>0.017092</u>	<u>0.016200</u>	<u>0.017000</u>	<u>0.018120</u>	<u>0.018239</u>
<u>0.426286</u>	<u>0.463101</u>	<u>0.473101</u>	<u>0.485860</u>	<u>0.492020</u>	<u>0.498500</u>
0.803600	0.803600	0.843600	0.843800	0.843600	0.838600
0.706000	0.706000	0.723500	0.723500	0.723500	0.723500
0.728300	0.762300	0.762300	0.762300	0.770700	0.770700
0.460000	0.500000	0.500000	0.500000	0.500000	0.500000
0.672000	0.672000	0.672000	0.672000	0.672000	0.672000
0.760214	0.769538	0.826940	0.826940	0.829169	0.829169
0.708266	0.708266	0.680000	0.700000	0.675586	0.675586
0.374512	0.377754	0.389106	0.391781	0.432600	0.448415
0.950737	0.983434	1.035704	1.085564	1.062565	1.046788
0.340000	0.380000	0.380000	0.380000	0.410000	0.410000
0.390000	0.390000	0.390000	0.390000	0.390000	0.216473
0.236852	0.296850	0.236850	0.230463	0.230463	0.387500
0.587863	0.587863	0.587863	0.587863	0.587863	0.580000
0.401142	0.423154	0.431106	0.473161	0.476394	0.476394
0.652600	0.665100	0.685100	0.705100	0.705100	0.712100
0.033365	0.024413	0.024413	0.023640	0.022882	0.013046
0.693660	0.693660	0.693660	0.735680	0.735680	0.735680
0.442056	0.408801	0.402610	0.432601	0.432601	0.397940
0.741595	0.772818	0.782818	0.744034	0.887456	0.908000
0.831900	0.831900	0.831900	0.831900	0.831900	0.831900
1.304100	1.304100	1.344100	1.329100	0.329100	1.417000
1.455200	1.455200	1.455200	1.455200	1.455200	1.455200
1.228500	1.241500	0.241500	0.125950	1.255300	1.255300
1.296500	1.296500	1.296500	1.296500	1.296500	1.284700
1.170000	1.170000	1.170000	1.170000	1.170000	1.170000
1.143900	1.135400	1.137000	1.136445	1.141081	1.240000
1.419400	1.419400	1.419400	1.419400	1.415700	1.415700
1.211700	1.211700	1.211700	1.211700	1.211700	1.211700
0.199830	0.199830	0.199845	0.199756	0.199756	0.204009
0.246500	0.279998	0.299592	0.359592	0.362678	0.346854
0.183900	0.183900	0.176563	0.176563	0.175448	0.176597
0.087130	0.090907	0.094214	0.094805	0.100226	0.098018
0.150000	0.150000	0.150000	0.150000	0.150000	0.150000
0.143845	0.156000	0.156000	0.156000	0.156000	0.156000
0.189727	0.189098	0.188304	0.193966	0.193194	0.186402
0.366000	0.366000	0.366000	0.366000	0.349474	0.325442
0.020000	0.020000	0.020000	0.020000	0.020000	0.020000
0.295000	0.280000	0.280000	0.250000	0.000000	0.000000
0.500000	0.500000	0.500000	0.490000	0.490000	0.490000
0.630000	0.630000	0.630000	0.630000	0.630000	0.630000
0.630000	0.630000	0.660000	0.630000	0.000000	0.000000
0.630000	0.630000	0.630000	0.630000	0.630000	0.630000
0.950000	0.950000	0.950000	0.940000	0.940000	0.940000
0.600000	0.547000	0.547000	0.544000	0.544000	0.520000
0.560000	0.550000	0.545000	0.530000	0.510000	0.470000
0.630000	0.620000	0.600000	0.580000	0.550000	0.510000
1.450000	1.430000	1.430000	1.430000	1.430000	1.430000

(continued)

BRAZORIA COUNTY, TEXAS*DIRECT AND OVERLAPPING PROPERTY TAX RATES - Continued*

Last Ten Fiscal Years

(rate per \$100 of assessed value)

Table 6

Page 2 of 2

	2005 Tax Rate for 9/30/06	2006 Tax Rate for 9/30/07	2007 Tax Rate for 9/30/08	2008 Tax Rate for 9/30/09
<u>Special Districts: (continued)</u>				
Brazoria Co. MUD #22				
Brazoria Co. MUD #23	0.850000	0.850000	0.850000	0.820000
Brazoria Co. MUD #25	1.250000	1.250000	1.230000	1.100000
Brazoria Co. MUD #26	0.850000	0.770000	0.710000	0.710000
Brazoria Co. MUD #28	0.820000	0.820000	0.820000	0.820000
Brazoria Co. MUD #29	0.750000	0.750000	0.750000	0.750000
Brazoria Co. MUD #31		0.390000	1.390000	1.402040
Brazoria Co. MUD #34	0.850000	0.850000	0.850000	0.850000
Brazoria Co. MUD #35				0.850000
Brazoria Co. MUD #36		0.700000	0.700000	0.700000
Brazoria Co. MUD #55				
Brazoria Co. MUD #61				
Brazoria/Ft. Bend MUD #1	0.850000	0.850000	0.850000	0.850000
Sedona Lakes MUD #100				
Port Freeport	0.065000	0.059671	0.056000	0.053500
Brazosport College	0.119000	0.122000	0.121000	0.156488
Commodore Cove Improvement District	0.890000	0.740837	0.597220	0.597220
Oak Manor MUD	0.398000	0.373000	0.363000	0.421852
Pearland Municipal Management Dist. 32				
Treasure Island MUD	0.739283	0.634370	0.595802	0.563556
Varner Creek Utility District	0.510000	0.510000	0.661890	0.814000
Sweeny Hospital *	0.343781	0.237377	0.298289	0.323170
Rural Fire District #1				
Emergency Svc District #1	0.080000	0.080000	0.080000	0.080000
Emergency Svc District #2	0.030000	0.030000	0.030000	0.029987
Emergency Svc District #3	0.089975	0.093414	0.093414	0.093410

Source: Brazoria County Appraisal District (www.brazoriacad.org)
 Brazoria County Commissioner's Court minutes

<u>2009 Tax Rate for 9/30/10</u>	<u>2010 Tax Rate for 9/30/11</u>	<u>2011 Tax Rate for 9/30/12</u>	<u>2012 Tax Rate for 9/30/13</u>	<u>2013 Tax Rate for 9/30/14</u>	<u>2014 Tax Rate for 9/30/15</u>
				1.400000	1.400000
0.800000	0.770000	0.630000	0.610000	0.600000	0.580000
1.100000	1.100000	1.100000	1.050000	1.000000	0.950000
0.710000	0.710000	0.690000	0.690000	0.690000	0.690000
0.820000	0.820000	0.820000	0.820000	0.820000	0.820000
0.800000	0.800000	0.800000	0.900000	0.940000	0.940000
1.300000	1.300000	1.300000	1.300000	1.300000	1.280000
0.850000	0.850000	0.850000	0.850000	0.850000	0.850000
0.890000	1.020000	1.020000	1.020000	1.020000	1.020000
0.700000	0.700000	0.700000	0.700000	0.700000	0.700000
					1.000000
					0.910000
0.850000	0.850000	0.850000	0.850000	0.850000	0.850000
1.250000	1.250000	1.250000	1.250000	1.250000	1.250000
0.053500	0.053500	0.053500	0.051500	0.045000	0.045000
0.175754	0.190175	0.239198	0.259436	0.267309	0.280878
0.620318	0.472234	0.475693	0.461570	0.467538	0.439336
0.451178	0.480000	0.500000	0.505000	0.520000	0.510000
1.258218	0.576368	0.604590	0.551848	0.575262	0.553152
0.858000	0.858000	0.888220	0.928000	0.890000	0.830000
0.349917	0.380692	0.393133	0.429109	0.470003	0.483126
0.080000	0.080000	0.080000	0.080000	0.080000	0.080000
0.030000	0.030000	0.030000	0.030000	0.030000	0.065000
0.093700	0.095000	0.097200	0.098322	0.098322	0.097500

BRAZORIA COUNTY, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago
(Amounts in thousands)

Table 7

<u>2015 Taxpayer</u>	<u>Type of Business</u>	<u>2015 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Dow Chemical Company	Chemical Manufacturer	\$ 2,284,719	10.30%
Phillips 66 Company	Petroleum Refinery	614,678	2.77%
BASF Corp Chemicals Division	Chemical Manufacturer	609,175	2.75%
Chevron Phillips Chemical Co LP	Petroleum Refinery	572,070	2.58%
Ineos USA LLC	Chemical Manufacturer	461,805	2.08%
Danbury Onshore LLC	Utility	307,424	1.39%
Freeport LNG	Natural Gas	166,605	0.75%
Centerpoint Energy Inc.	Utility	141,632	0.64%
Shintech Inc.	Chemical Manufacturer	133,646	0.60%
Freeport Energy Center	Power Plant	121,644	0.55%
		<u>\$ 5,413,398</u>	<u>\$ 24.41%</u>

<u>2006 Taxpayer</u>	<u>Type of Business</u>	<u>2006 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Dow Chemical Company	Chemical Manufacturer	\$ 2,902,450	18.20%
Conoco/Phillips Company	Petroleum Refinery	974,382	6.11%
BASF Corp - Chemical Division	Chemical Manufacturer	831,464	5.21%
Chevron Phillips Chemical Co LP	Petroleum Refinery	481,692	3.02%
Innovene USA LLC	Chemical Manufacturer	347,203	2.18%
Equistar Chemicals	Chemical Manufacturer	269,126	1.69%
Inovene LLC	Chemical Manufacturer	251,312	1.58%
Shintech, Inc.	Chemical Manufacturer	166,170	1.04%
Centerpoint Energy Inc	Utility Company	133,942	0.84%
Oyster Creek Limited	Chemical Manufacturer	119,138	0.75%
		<u>\$ 6,476,879</u>	<u>\$ 40.62%</u>

Source: Brazoria County Appraisal District
Assessed Valuation - 2015 \$ 22,173,766
Assessed Valuation - 2006 \$ 15,949,692

BRAZORIA COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
 Last Ten Fiscal Years
 (Amounts in thousands)

Table 8

Fiscal Year	Taxies Levied For the Fiscal Year (Original Levy)		Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Original Levy	Amount Collected	Percentage of Original Levy		Amount	Percentage of Levy
2015	\$ 110,020		\$ 109,046	99.11%	\$ --	\$ 109,046	99.11%
2014	103,852		102,913	99.10%	448	103,361	99.53%
2013	98,767		97,705	98.92%	480	98,185	99.41%
2012	91,984		90,896	98.82%	577	91,473	99.44%
2011	89,443		88,280	98.70%	573	88,853	99.34%
2010	85,056		83,846	98.58%	670	84,516	99.37%
2009	80,634		79,473	98.56%	629	80,102	98.34%
2008	72,190		71,118	98.52%	474	71,592	99.17%
2007	67,995		66,923	98.42%	507	67,430	99.17%
2006	64,505		63,508	98.45%	505	64,013	99.97%

Source: Brazoria County Tax Assessor-Collector

Note: The information in this schedule relates to the County's own property tax levies, and does not include those it collected on behalf of other governments.

BRAZORIA COUNTY, TEXAS*RATIOS OF GENERAL BONDED DEBT OUTSTANDING*

Last Ten Fiscal Years

Table 9

Fiscal Year	Governmental Activities				Business-type Activities			Combined
	General Obligation Bonds	Certificates of Obligation	Premium on Bonds	Tax Note	Amounts Available for Debt Service	Certificates of Obligation	Amounts Available for Debt Service	Gross Long-Term Debt
2006	\$ 17,220,000	\$ 23,155,000	\$ 115,093	\$ -0-	\$ 3,108,753	\$ 255,000	\$ 80,000	\$ 40,490,093
2007	29,060,000	22,510,000	688,029	-0-	3,948,197	175,000	80,000	52,258,039
2008	34,170,000	21,465,000	963,977	-0-	2,809,782	90,000	85,000	56,598,977
2009	31,115,000	20,280,000	867,766	-0-	2,947,736	-0-	-0-	52,262,766
2010	47,320,000	19,050,000	865,857	-0-	3,554,187	-0-	-0-	67,235,857
2011	43,565,000	17,775,000	756,931	-0-	3,794,632	-0-	-0-	62,096,931
2012	52,310,000	37,075,000	3,690,314	-0-	4,182,039	-0-	-0-	93,075,314
2013	48,015,000	35,850,000	3,394,545	-0-	3,884,099	-0-	-0-	87,259,545
2014	45,140,000	35,225,000	3,153,740	9,900,000	4,099,428	-0-	-0-	83,518,740
2015	42,175,000	34,570,000	2,912,935	8,135,000	4,597,231	-0-	-0-	79,657,935

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

Governmental & Business-type Activities

<u>Amount Available for Debt Service</u>	<u>Net Long-Term Debt</u>	<u>Total Taxable Assessed Value Plus Exemptions</u>	<u>Percent of Actual Value</u>	<u>Population</u>	<u>General Long-Term Debt Per Capita</u>	<u>Personal Income (thousands of dollars)</u>	<u>Percent of Personal Income</u>
\$ 3,188,753	\$ 37,301,340	\$ 16,031,178,000	0.25%	283,934	\$ 143	\$ 6,934,804	0.58%
4,028,197	48,229,832	18,008,536,000	0.29%	293,106	178	7,881,620	0.66%
2,894,782	53,704,195	18,791,705,000	0.30%	301,228	188	8,278,348	0.68%
2,947,736	49,315,030	20,342,928,000	0.26%	309,208	169	8,228,571	0.64%
3,354,187	63,881,670	19,143,901,000	0.35%	313,166	215	8,306,728	0.81%
3,794,632	58,302,299	19,116,193,000	0.32%	319,781	194	8,184,475	0.76%
4,182,039	88,893,275	19,574,441,000	0.48%	323,185	288	8,573,092	0.97%
3,884,099	83,375,446	20,221,136,000	0.43%	330,460	264	9,463,383	0.92%
4,099,428	79,419,312	21,570,410,000	0.39%	335,943	249	9,718,831	0.86%
4,597,231	75,060,704	22,173,766,000	0.36%	339,455	235	9,968,436	0.80%

BRAZORIA COUNTY, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of September 30, 2015

Governmental Unit	Debt As Of	Debt Outstanding	Estimated Percentage Applicable **	Estimated Share of Direct and Overlapping Debt
Special Districts:				
Angleton-Danbury Medical Center	10/31/2015	\$ 10,150,000 *	100.00%	\$ 10,150,000
Angleton Drainage District	11/30/2007	--	100.00%	--
Brazoria Co. MUD #1 (Pearland)	11/30/2007	--	100.00%	--
Brazoria Co. MUD #2 (Southwyck)	05/07/2015	2,633,305	100.00%	2,633,305
Brazoria Co. MUD #3	12/31/2014	7,123,842	100.00%	7,123,842
Brazoria Co. MUD #4 (Country Place)	02/14/2011	5,533,807	100.00%	5,533,807
Brazoria Co. MUD #6 (Weatherford)	05/31/2015	19,275,559	100.00%	19,275,559
Brazoria Co. MUD #16	07/21/2015	8,105,666	100.00%	8,105,666
Brazoria Co. MUD #17	07/31/2015	23,245,042	100.00%	23,245,042
Brazoria Co. MUD #18	04/28/2015	24,571,335	51.01%	12,533,838
Brazoria Co. MUD #19	02/28/2015	30,530,917	100.00%	30,530,917
Brazoria Co. MUD #21	10/20/2014	29,944,159	100.00%	29,944,159
Brazoria Co. MUD #23	02/15/2015	14,682,870	100.00%	15,682,870
Brazoria Co. MUD #25	11/14/2014	22,598,700	100.00%	22,598,700
Brazoria Co. MUD #26	09/30/2014	38,624,192	100.00%	38,624,192
Brazoria Co. MUD #28	10/15/2014	21,528,608	77.58%	16,701,894
Brazoria Co. MUD #29	06/03/2015	11,368,518	100.00%	11,368,518
Brazoria Co. MUD #31	09/25/2014	15,711,054	100.00%	15,711,054
Brazoria Co. MUD #34	07/23/2015	29,428,242	100.00%	29,428,242
Brazoria Co. MUD #35	04/15/2015	9,042,595	100.00%	9,042,595
Brazoria-Fort Bend Co. MUD #1	05/28/2015	56,560,744	56.81%	32,132,159
Brazosport College District	08/31/2014	63,222,412	100.00%	63,222,412
Varner Creek Utility District	12/31/2014	7,702,158	100.00%	7,702,158
Port Freeport	09/30/2014	2,552,072	100.00%	2,552,072
Brazoria Co. FWSD #1	06/30/2012	--	100.00%	--
Commodore Cove Improvement District	10/31/2015	60,000 *	100.00%	60,000
Sedona Lakes MUD #1	04/23/2015	10,057,769	100.00%	10,057,769
Velasco Drainage District	12/31/2014	5,936,813	100.00%	5,936,813
Total Special Districts		\$ 470,190,379		\$ 428,897,583
Cities:				
Alvin	09/30/2014	\$ 9,366,180	100.00%	\$ 9,366,180
Angleton	09/30/2014	8,496,278	100.00%	8,496,278
Brazoria	10/31/2015	1,160,000 *	100.00%	1,160,000
Clute	10/31/2015	13,200,000 *	100.00%	13,200,000
Danbury	10/31/2015	1,719,000 *	100.00%	1,719,000
Freeport	10/31/2015	3,365,000 *	100.00%	3,365,000
Hillcrest Village	10/31/2015	80,000 *	100.00%	80,000
Town of Holiday Lakes	06/30/2014	18,000 *	100.00%	18,000
Lake Jackson	07/31/2014	16,656,309	100.00%	16,656,309
Manvel	10/31/2015	5,465,000 *	100.00%	5,465,000
Oyster Creek	10/31/2015	150,000 *	100.00%	150,000
Pearland	06/30/2015	285,113,067	87.95%	250,756,942
Richwood	10/31/2015	2,505,000 *	100.00%	2,505,000
Sweeny	10/31/2015	2,272,000 *	100.00%	2,272,000
West Columbia	10/31/2015	140,000 *	100.00%	140,000
Total Cities		\$ 349,705,831		\$ 315,349,709

(continued)

BRAZORIA COUNTY, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT - Continued

Table 10

As of September 30, 2015

Governmental Unit	Debt As Of	Debt Outstanding	Estimated Percentage Applicable **	Estimated Share of Direct and Overlapping Debt
School Districts:				
Alvin CCD	08/31/2014	\$ 12,856,635	100.00%	\$ 12,856,635
Alvin ISD	06/30/2015	473,255,400	100.00%	473,255,400
Angleton ISD	08/31/2014	132,858,549	100.00%	132,858,549
Brazosport ISD	08/31/2014	178,745,008	100.00%	178,745,008
Columbia-Brazoria ISD	12/01/2014	36,989,933	100.00%	36,989,933
Damon ISD	10/31/2015	--	100.00%	--
Danbury ISD	08/31/2014	2,678,365	100.00%	2,678,365
Pearland ISD	06/30/2014	306,511,138	97.71%	299,492,033
Sweeny ISD	08/31/2014	<u>37,872,474</u>	100.00%	<u>37,872,474</u>
Total School Districts		<u>\$ 1,181,767,502</u>		<u>\$ 1,174,748,397</u>
Subtotal, overlapping debt				\$ 1,918,995,689
Total direct debt - Brazoria County			9/30/2014	<u>90,265,000</u>
Total direct and overlapping debt				<u>\$ 2,009,260,689</u>

Source: Brazoria County Auditor's office and Municipal Advisory Council of Texas, *Texas Municipal Reports*.

* Gross Debt

** The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion another governmental unit's taxable assessed value that is within the County's boundaries and dividing it by each unit's total taxable assessed value.

BRAZORIA COUNTY, TEXAS
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years
 (Unaudited)
 (Amounts in thousands)

Table 11

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Assessed Value	\$ 16,031,176	\$ 18,008,536	\$ 19,706,149	\$ 20,872,439
Debt Limit 25%	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Debt Limit	<u>\$ 4,007,794</u>	<u>\$ 4,502,134</u>	<u>\$ 4,926,537</u>	<u>\$ 5,218,110</u>
Total bonded debt	\$ 40,375	\$ 51,570	\$ 55,635	\$ 51,395
Less: Amount available-repayment of General obligation bonds	<u>3,109</u>	<u>3,895</u>	<u>4,097</u>	<u>2,948</u>
Total net debt applicable to limit	<u>\$ 37,266</u>	<u>\$ 47,675</u>	<u>\$ 51,538</u>	<u>\$ 48,447</u>
Legal debt margin	<u>\$ 3,970,528</u>	<u>\$ 4,454,459</u>	<u>\$ 4,874,999</u>	<u>\$ 5,168,663</u>
Total net debt applicable to the limit As a percentage of debt limit	0.9%	1.1%	1.0%	0.9%

Texas Constitution Article 3 Section 52b

Under Legislative provision, any county, political subdivision of a county, number of adjoining counties, political subdivision of the State, or defined district now or hereafter to be described and defined within the State of Texas, and which may or may not include, towns, villages or municipal corporations, upon a vote of two-thirds majority of the voting qualified voters or such district or territory to be affected thereby, may issue bonds or otherwise lend its credit in any amount not to exceed one-fourth of the assessed valuation of the real property of such district or territory, except that the total bonded indebtedness of any city or town shall never exceed the limits imposed by other provisions of this Constitution, and levy and collect taxes to pay the interest thereon and provide a sinking fund for the redemption thereof.

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 20,196,059 <u>25%</u>	\$ 19,596,750 <u>25%</u>	\$ 19,574,441 <u>25%</u>	\$ 20,221,136 <u>25%</u>	\$ 21,570,410 <u>25%</u>	\$ 22,173,766 <u>25%</u>
<u>\$ 5,049,015</u>	<u>\$ 4,899,188</u>	<u>\$ 4,893,610</u>	<u>\$ 5,055,284</u>	<u>\$ 5,280,133</u>	<u>\$ 5,543,442</u>
\$ 66,370	\$ 61,340	\$ 89,385	\$ 83,865	\$ 90,265	\$ 85,320
<u>3,354</u>	<u>3,795</u>	<u>4,182</u>	<u>3,884</u>	<u>4,099</u>	<u>4,597</u>
<u>\$ 63,016</u>	<u>\$ 57,545</u>	<u>\$ 85,203</u>	<u>\$ 79,981</u>	<u>\$ 86,166</u>	<u>\$ 80,723</u>
<u>\$ 4,985,999</u>	<u>\$ 4,841,643</u>	<u>\$ 4,808,407</u>	<u>\$ 4,975,303</u>	<u>\$ 5,193,967</u>	<u>\$ 5,462,719</u>
1.2%	1.2%	1.7%	1.6%	1.6%	1.5%

BRAZORIA COUNTY, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years

Table 12

<u>Fiscal Year</u>	<u>Population*</u>	<u>Personal Income** (thousands of dollars)</u>	<u>Per Capita Personal Income*</u>	<u>School Enrollment***</u>	<u>Unemployment Rate*</u>
2006	283,934	\$ 6,934,804	\$ 24,424	54,578	5.0
2007	293,106	7,881,620	26,890	56,226	4.5
2008	301,228	8,278,348	27,482	58,002	5.2
2009	309,208	8,229,571	26,615	59,074	8.2
2010	313,166	8,306,728	26,525	60,251	8.3
2011	319,781	8,184,475	25,594	61,341	8.9
2012	323,185	9,572,093	29,618	62,244	7.0
2013	330,460	9,463,383	28,637	63,460	6.5
2014	335,943	9,718,831	28,930	64,712	5.4
2015	339,455	9,968,436	29,366	66,521	4.5

* Information from The Economic Development Alliance for Brazoria County – Gary Basinger, CEcD

** Years 2006-2015 Information from The Economic Development Alliance for Brazoria County.

*** Information from <http://www.tea.state.tx.us/>

BRAZORIA COUNTY, TEXAS

PRINCIPAL EMPLOYERS

Current Year

Table 13

Employer	2015			2006		
	Number of Employees	Rank	% of Total County Employment	Number of Employees	Rank	% of Total County Employment
Various Industrial Contractors	6,023	1	3.8%			
The Dow Chemical Company	3,900	2	2.4%	4,570	1	3.4%
Alvin ISD	2,955	3	1.8%	1,758	7	1.3%
Pearland ISD	2,584	4	1.6%	1,810	6	1.3%
Texas Department of Criminal Justice	2,409	5	1.5%	2,440	2	1.8%
The Infinity Group	2,258	6	1.4%	2,413	3	1.8%
Brazosport ISD	1,699	7	1.1%	2,015	4	1.5%
Brazoria County	1,444	8	0.9%	1,313	8	1.0%
Olin Corporation	1,087	9	0.7%			
Phillips 66	1,030	10	0.6%			
Wal-Mart Associates, Inc.				1,880	5	1.4%
Industrial Specialists, Inc.				1,069	9	0.8%
Conoco Phillips				900	10	0.7%
Total	<u>25,389</u>		<u>15.8%</u>	<u>20,168</u>		<u>15.0%</u>
Total County Employment	<u>160,081</u>			<u>135,063</u>		

Source: Economic Development Alliance of Brazoria County
 Texas Workforce Commission website <http://www.tracer2.com>

Note: Total 2015 employers exclude retail. All 2006 employers include retail.

BRAZORIA COUNTY, TEXAS**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION**

Table 14

Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of September 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General administration	66	66	73	73	72	70	70	73	66	70
Judicial and legal	172	181	186	191	187	192	196	200	196	220
Financial administration	110	111	110	111	108	105	113	112	113	118
Elections	22	29	34	42	46	48	58	63	11	11
Public facilities	22	22	23	24	24	25	24	23	23	23
Public safety	169	183	193	197	206	204	204	207	207	231
Corrections	314	324	337	335	358	351	350	354	342	347
Public transportation	166	172	171	172	164	167	163	164	168	173
Health and welfare	73	79	80	91	91	86	85	82	77	82
Culture and recreation	124	127	126	132	136	133	133	135	110	140
Conservation	9	11	11	11	9	8	10	9	9	10
Environmental protection	3	4	4	4	4	4	3	4	4	4
Community development	4	4	4	5	6	5	5	5	5	4
Airport	10	8	9	9	8	11	11	11	11	11
Total	1,264	1,321	1,361	1,397	1,419	1,409	1,425	1,442	1,342	1,444

Source: Brazoria County Human Resource

Note: Totals have changes due to who qualifies as a full time employee. This table was revised in 2012.



BRAZORIA COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
 Last Ten Fiscal Years

Table 15
 Page 1 of 3

Function	Fiscal Year				
	2006	2007	2008	2009	2010
General Administration:					
County Clerk:					
Marriage License applications	1,871	1,905	1,865	1,978	1,979
Birth certificates filed	1,194	1,330	1,325	1,251	1,262
Death certificates filed	1,177	1,270	1,126	1,248	1,251
Probate cases filed	803	738	762	763	773
Beer license applications	63	118	126	126	88
Judicial and Legal:					
District Court Level:					
Beginning civil cases pending	6,304	5,543	5,684	5,171	6,332
Civil cases docket adjustment			178	(132)	(387)
Civil cases filed	6,075	5,947	6,028	6,686	6,709
Civil cases disposed	<u>6,836</u>	<u>5,806</u>	<u>6,719</u>	<u>5,393</u>	<u>6,110</u>
Ending civil cases pending	<u>5,543</u>	<u>5,684</u>	<u>5,171</u>	<u>6,332</u>	<u>6,544</u>
Beginning criminal cases pending	1,934	2,121	1,973	2,334	2,312
Criminal cases docket adjustment		4	70		2
Criminal cases filed	2,954	2,788	3,668	3,201	2,918
Criminal cases disposed	<u>2,767</u>	<u>2,940</u>	<u>3,377</u>	<u>3,223</u>	<u>2,784</u>
Ending criminal cases pending	<u>2,121</u>	<u>1,973</u>	<u>2,334</u>	<u>2,312</u>	<u>2,448</u>
County Court Level:					
Beginning civil cases pending	941	1,382	1,975	1,760	1,260
Civil cases docket adjustment		2		18	1
Civil cases filed	3,276	3,453	2,620	7,650	1,863
Civil cases disposed	<u>2,835</u>	<u>2,862</u>	<u>2,835</u>	<u>7,176</u>	<u>2,071</u>
Ending civil cases pending	<u>1,382</u>	<u>1,975</u>	<u>1,760</u>	<u>5,758</u>	<u>1,053</u>
Beginning criminal cases pending	5,948	6,763	6,181	5,266	5,758
Criminal cases docket adjustment				18	(4)
Criminal cases filed	8,466	7,176	6,192	7,650	6,707
Criminal cases disposed	<u>7,651</u>	<u>7,758</u>	<u>7,107</u>	<u>7,176</u>	<u>6,454</u>
Ending criminal cases pending	<u>6,763</u>	<u>6,181</u>	<u>5,266</u>	<u>5,758</u>	<u>6,007</u>
Beginning juvenile cases pending	171	191	202	197	181
Juvenile cases docket adjustment					
Juvenile cases filed	667	718	536	519	462
Juvenile cases disposed	<u>647</u>	<u>707</u>	<u>541</u>	<u>535</u>	<u>508</u>
Ending juvenile cases pending	<u>191</u>	<u>202</u>	<u>197</u>	<u>181</u>	<u>135</u>

Fiscal Year					
2011	2012	2013	2014	2015	
1,998	2,087	2,076	2,487	2,345	
1,044	1,222	1,176	1,385	1,023	
1,347	1,461	1,446	1,890	1,502	
747	753	824	855	894	
89	71	67	72	76	
6,544	7,025	6,345	6,065	5,560	
232	2		(1,377)	(84)	
7,085	6,634	5,655	6,475	6,106	
6,836	7,316	5,935	5,603	6,648	
<u>7,025</u>	<u>6,345</u>	<u>6,065</u>	<u>5,560</u>	<u>4,934</u>	
2,448	2,134	2,137	2,228	2,282	
(290)	5	2		(374)	
3,548	3,308	3,435	3,146	3,432	
3,572	3,308	3,346	3,092	3,318	
<u>2,134</u>	<u>2,137</u>	<u>2,228</u>	<u>2,282</u>	<u>2,022</u>	
1,053	1,167	1,189	1,196	1,213	
93	(14)	1	(28)	(17)	
1,951	1,885	1,796	1,669	1,371	
1,929	1,849	1,790	1,624	1,490	
<u>1,168</u>	<u>1,189</u>	<u>1,196</u>	<u>1,213</u>	<u>1,077</u>	
6,007	5,022	4,766	4,579	4,926	
(866)	(8)	14	(14)	(531)	
7,578	7,971	7,845	8,268	7,612	
7,697	8,219	8,046	7,907	7,501	
<u>5,022</u>	<u>4,766</u>	<u>4,579</u>	<u>4,926</u>	<u>4,506</u>	
135	165	116	154	142	
86	98	90	88	(26)	
593	561	515	505	515	
649	708	567	605	488	
<u>165</u>	<u>116</u>	<u>154</u>	<u>142</u>	<u>143</u>	

(continued)

BRAZORIA COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
 Last Ten Fiscal Years

Table 15
 Page 2 of 3

Function	Fiscal Year				
	2006	2007	2008	2009	2010
Judicial and Legal:					
Justice of the Peace Level:					
Cases Filed:					
Traffic	28,265	30,787	29,008	26,236	22,763
Non-traffic	11,127	10,990	9,406	9,857	8,467
Small claims suits	506	429	496	528	455
Forcible entry & detainer	2,075	2,480	2,345	2,322	2,481
Other civil suits	769	1,114	2,294	1,787	1,226
Cases Disposed:					
Traffic	27,634	31,162	28,688	24,556	24,329
Non-traffic	11,396	12,632	10,299	9,079	8,914
Small claims suits	452	476	471	473	513
Forcible entry and detainer	1,959	2,248	2,328	2,257	2,388
Other civil suits	511	862	1,675	1,712	1,487
Inquests	371	341	316	335	311
Financial Administration:					
County Auditor:					
Accounts payable check issued	18,633	19,650	20,171	20,242	20,199
Accounts payable wires issued					
Accounts payable ACH's issued					
Human Resources:					
Pre-employment drug screens	298	274	242	185	166
Employee random drug screen	25	64	73	99	89
Payroll checks	4,657	4,866	4,444	4,071	3,382
Payroll advices	29,133	30,231	31,800	33,051	33,764
Purchasing:					
Number of purchase orders issued	8,815	8,991	8,754	8,026	8,305
Tax Assessor-Collector:					
Registered voters	161,683	160,507	172,768	167,921	164,625
Voting precincts	77	77	71	72	72
Elections:					
Computerized Voting Equipment:					
Judges booths	125	125	125	135	135
Regular voting machines	499	499	623	623	623
ADA compliant voting machine	125	125	125	125	125

Fiscal Year				
2011	2012	2013	2014	2015
24,317	50,384	43,565	39,962	40,033
7,779	35,067	33,162	15,828	14,983
421	681	568	1,601	2,305
2,177	3,008	2,752	2,876	2,806
1,429	3,072	2,779	1,644	1,268
23,823	21,937	19,835	23,774	23,115
7,988	13,503	13,285	7,082	8,638
378	438	310	937	1,238
2,105	2,722	2,428	2,642	2,527
1,208	1,696	1,294	878	565
278	311	318	341	387
19,317	18,329	18,434	18,557	17,441
			120	122
			1,190	2,333
288	178	181	180	205
70	89	164	190	168
3,170	2,834	2,212	1,866	1,278
33,911	34,853	35,853	36,799	37,820
7,662	7,943	7,241	7,072	7,482
168,769	181,576	179,063	179,445	187,525
62	66	68	65	63
135	135	135	135	135
623	623	623	623	623
125	125	125	125	125

(continued)

BRAZORIA COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
 Last Ten Fiscal Years

Table 15
 Page 3 of 3

Function	Fiscal Year				
	2006	2007	2008	2009	2010
Corrections:					
Detention Center - Adult:					
Facility square footage	209,962	209,962	209,962	209,962	209,962
Number of Male beds	1,073	1,073	1,073	1,073	1,073
Number of Female beds	96	96	96	96	96
Detention Center - Juvenile:					
Capacity:					
Detention	32	32	32	32	52
Residential	24	24	24	24	24
Health and Welfare:					
Environmental Health:					
Septic permits issued	710	600	1,063	409	419
Indigent Health Care:					
Indigent patients	1,632	1,200	1,172	406	526
Water Lab:					
Water test performed	8,846	8,639	8,827	8,395	8,234
Culture and Recreation:					
Library:					
Library locations	11	11	11	11	12
Collection inventory	589,747	590,399	593,128	608,484	610,028
Items checked out	1,326,618	1,364,303	1,335,901	1,305,167	1,424,178
Library program attendance	43,771	44,642	43,468	45,046	41,586
Internet usage	179,147	218,607	292,449	316,054	337,804
Parks and Recreation:					
Museum	1	1	1	1	1
Environmental Protection:					
Flood Plain Administrator:					
Construction permits issued	3,596	3,127	2,308	1,708	1,895
Estimated value of construction	838,167,441	896,501,328	623,458,910	423,848,799	405,085,040
Community Development:					
First time homebuyers	26	18	12	23	22
Reconstructions (home replacement)	3	6	3	4	3
Rehabilitation (home repair)	9	1	2	2	3

Sources: Various County departments. Case data is reported to the Texas Office of Court Administration. In addition to the Flood Plain Administrator, cities within the County provided construction permit information. For the Indigent Health Care patients, the numbers reflect a decrease from 100% coverage of the federal poverty guidelines to the present coverage of 21%.

Note: N/A - Data is not available for the year.

Fiscal Year				
2011	2012	2013	2014	2015
209,962	209,962	209,962	209,962	209,962
1,073	1,073	1,073	1,073	1,073
96	96	96	96	96
52	52	52	52	52
24	24	24	24	24
388	400	454	565	575
412	394	351	279	246
8,129	7,942	7,621	7,921	7,804
12	12	12	12	12
608,127	587,243	609,649	631,477	736,265
1,460,912	1,444,729	1,436,680	1,492,341	1,591,214
41,893	45,978	55,458	68,577	49,845
286,277	270,668	250,548	248,388	229,613
1	1	1	1	1
2,157	1,936	2,208	2,677	3,144
379,486,135	434,749,197	595,509,275	804,291,178	983,002,659
20	19	17	10	9
2	7	5	0	4
1	2	1	0	0

BRAZORIA COUNTY, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
 Last Ten Fiscal Years

Table 16

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Airport:										
7,000 Runway	1	1	1	1	1	1	1	1	1	1
Health and Welfare:										
Health clinic locations	7	7	7	7	7	7	7	7	7	7
Public Facilities:										
County Parks	9	9	9	9	9	9	9	9	9	9
Public Safety:										
Sheriff Vehicles	116	109	125	119	116	123	124	103	150	123
Constable Vehicles	15	16	25	25	28	26	27	28	35	40
Public Transportation:										
Roads - Paved (miles)	1004.14	1012.47	1020.42	1042.69	1048.04	1048.65	1055.34	1057.75	1057.78	1058.29
Roads - Unpaved (miles)	169.95	169.95	169.95	169.95	167.82	167.82	168.82	168.82	168.82	168.82
Bridges	126	126	126	127	128	130	131	131	131	131

Source: Various County departments, Brazoria County Auditor's office capital assets listing.

FEDERAL AND STATE AWARDS SECTION



Kennemer, Masters & Lunsford

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10850 Richmond Ave., Ste 135
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281-974-3416

Independent Auditor's 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*

The Honorable County Judge
and Members of Commissioners'
Court of Brazoria County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Brazoria County, Texas (the "County"), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 16, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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The Honorable County Judge
and Members of Commissioners'
Court of Brazoria County, Texas

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kennemer, Masters & Hunford, LLC

Lake Jackson, Texas
March 16, 2016

Kennemer, Masters & Lunsford

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Independent Auditor's Report

On Compliance for each Major Program and on Internal
Control over Compliance Required by OMB Circular A-133
and the State of Texas Single Audit Circular

The Honorable County Judge
and Members of Commissioners'
Court of Brazoria County, Texas

Report on Compliance for Each Major Federal Program

We have audited Brazoria County's 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, 2015. The County's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 on compliance for each major federal and state program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, Brazoria County, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2015.

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The Honorable County Judge
and Members of Commissioners'
Court of Brazoria County, Texas

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 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 program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Kennemer, Masters & Hunzford, LLC

Lake Jackson, Texas 77566
March 16, 2016

BRAZORIA COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2015

Page 1 of 1

I. Summary of auditor's results:

1. Type of auditor's report issued on the financial statements: Unmodified.
2. No internal control findings, that were required to be reported in this schedule, was disclosed in the audit of the financial statements.
3. Noncompliance, which is material to the financial statements: None.
4. No internal control findings, that were required to be reported in this schedule, was disclosed in the audit of the major programs.
5. Type of auditor's report on compliance for major programs: Unmodified.
6. Did the audit disclose findings which are required to be reported under Sec._510(a): No
7. Major Programs Include:
 - Federal:
 - 14.218 Community Development Block Grant
 - 14.871 Section 8 Housing Choice Voucher Program
 - 20.106 Airport Improvement Programs
 - State:
 - TJJJ Cluster Programs
8. Dollar threshold used to distinguish between Type A and Type B programs: Federal \$ 639,212; State \$ 300,000.
9. Low Risk Auditee: Federal – Yes; State – Yes.

II. Findings related to the financial statements

None.

III. Findings and questioned costs related to the federal and state awards.

None.

Schedule reference number 2014-001: Control over General Ledger. Controls over general ledger balances appear to be impaired based upon the significant number and amount of client entries, closing entries, and audit entries recorded to the working trial balance during the audit fieldwork.

Corrective Action Taken: The Auditor's Office personnel worked closely together to prepare and assist the external auditor during the interim and year-end audit field work. Further, the Auditor's Office personnel devoted more time to maintaining general ledger reconciliations. Based on this effort, the number of client and audit entries were significantly reduced. The County Auditor continues to evaluate the problems related to past major software changes and its effect on the County's internal control procedures over general ledger balances.

BRAZORIA COUNTY, TEXAS
CORRECTIVE ACTION PLAN
Year Ended September 30, 2015

None.

BRAZORIA COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended September 30, 2015

Exhibit 26

Page 1 of 4

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Contract/ Program Number	Expenditures Indirect Costs or Award Amount
U.S. Department of Agriculture:			
Passed Through Texas Department of State Health Services:			
Special Supplemental Nutrition Program for Women, Infants and Children (WIC Program)	10.557	2015-047280	\$ <u>1,450,146</u> 1,450,146
Passed Through Texas Health and Human Services Commission:			
School Breakfast Program (1)	10.553	TX-020-2015	55,739
National School Lunch Program (1)	10.555	TX-020-2015	<u>35,190</u>
TOTAL DEPARTMENT OF AGRICULTURE			\$ <u><u>1,541,075</u></u>
U.S. Department of Commerce:			
Passed Through General Land Office:			
Texas Coastal Management Program (CMP) Cycle 14	11.419	13-047-000-6914	\$ <u>7,960</u>
TOTAL DEPARTMENT OF COMMERCE			\$ <u><u>7,960</u></u>
U.S. Department of Housing and Urban Development:			
Direct Program:			
Community Development Block Grant	14.218	B-12-UC-48-0005	\$ 96,236
Community Development Block Grant	14.218	B-13-UC-48-0005	293,554
Community Development Block Grant	14.218	B-14-UC-48-0005	<u>1,167,788</u>
			<u>1,557,578</u>
Home Program	14.239	M-12-UC-48-0230	24,086
Home Program	14.239	M-13-UC-48-0230	221,610
Home Program	14.239	M-14-UC-48-0230	<u>89,782</u>
			<u>335,478</u>
Emergency Shelter Program (ESG)	14.231	S-13-UC-48-0006	6,412
Emergency Shelter Program (ESG)	14.231	S-14-UC-48-0006	<u>121,456</u>
			<u>127,868</u>
Section 8 Housing Choice Voucher Program	14.871	TX484VO 0010	25,751
Section 8 Housing Choice Voucher Program	14.871	TX484VO 0014	827,770
Section 8 Housing Choice Voucher Program	14.871	TX484VO 0015	<u>2,523,571</u>
			<u>3,377,092</u>
Passed Through Texas Department of Rural Affairs:			
Community Development Block Grant – Recovery Alternative	14.228	DRS010014	<u>4,134,700</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			\$ <u><u>9,532,716</u></u>

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the Year Ended September 30, 2015

Exhibit 26

Page 2 of 4

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Contract/ Program Number	Expenditures Indirect Costs or Award Amount
U.S. Department of Interior:			
Passed Through Fish and Wildlife Service:			
Coastal Impact Assistance Program - Quintana Beach Education Center	15.668	F12AF70055	\$ 326,029
Coastal Impact Assistance Program – Administrative Costs	15.668	F12AF00815	10,908
Coastal Impact Assistance Program – Coastal Wetland/ Birding Interpretive Trails	15.668	F12AF01190	<u>128,880</u>
			<u>465,817</u>
Hanson Riverside County Park Boat Ramp	15.605	F-253-B	<u>205,293</u>
TOTAL U.S. DEPARTMENT OF INTERIOR			\$ <u>671,110</u>
U.S. Department of Justice:			
Passed Through Office of the Governor - Criminal Justice Division:			
Crime Victim Assistance Program	16.575	13535-15	68,780
Crime Victim Assistance Program	16.575	13535-15	5,845
Crime Victim Assistance Program	16.575	13536-15	58,889
Crime Victim Assistance Program	16.575	13536-16	<u>6,364</u>
			<u>139,878</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			\$ <u>139,878</u>

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the Year Ended September 30, 2015

Exhibit 26

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Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Contract/ Program Number	Expenditures Indirect Costs or Award Amount
U.S. Department of Transportation:			
Passed Through Texas Department of Transportation:			
Airport Improvement Program (Wildlife Assessment Plan)	20.106	1212ANGLE	\$ 3,501
Airport Improvement Program (Terminal Apron)	20.106	1412ANGLE	2,156,808
Airport Improvement Program (Hangar)	20.106	15HGANGLE	<u>33,896</u>
			<u>2,194,205</u>
Highway Planning and Construction Program	20.205	0598-02-099	50,354
Highway Planning and Construction Program	20.205	0912-31-224	1,959,667
Highway Planning and Construction Program	20.205	0912-31-275	266,240
Highway Planning and Construction Program	20.205	0912-31-294	<u>3,848,931</u>
			<u>6,125,192</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			\$ <u>8,319,397</u>
U.S. Department of the Treasury:			
Direct:			
Resources & Ecosystem Sustainability, Tourist Opportunity & Revived Economy of the Gulf Coast States	21.015	---	<u>339,110</u>
TOTAL U.S. DEPARTMENT OF THE TREASURY			\$ <u>339,110</u>
U.S. Department of Health and Human Services:			
Passed Through Texas Department of State Health Services:			
CPS - Cities Readiness Initiative	93.069	2015-001171-001	\$ 53,755
CPS - Cities Readiness Initiative	93.069	2016-001171-001	12,683
Bioterrorism	93.069	2015-00047177-001	31,531
Bioterrorism	93.069	2015-001182-001	163,523
Bioterrorism	93.069	2016-001182-001	<u>41,015</u>
			<u>302,507</u>
Passed Through Texas Department of Family and Protective Services:			
Foster Care Title IV-E	93.658	23940142	31,387
Foster Care Title IV-E Legal Costs	93.658	23940143	<u>63,878</u>
			<u>95,265</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ <u>397,772</u>

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the Year Ended September 30, 2015

Exhibit 26

Page 4 of 4

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Contract/ Program Number	Expenditures Indirect Costs or Award Amount
U.S. Department of Homeland Security:			
Direct:			
Public Assistance Grant – May 2015 Flooding	97.036	FEMA-4223-DR-TX	\$ <u>100,637</u>
Passed Through Texas Department of Public Safety's Division Of Emergency Management:			
Emergency Management Performance Grant	97.042	15TX-EMPG-0310	\$ <u>52,176</u>
Passed Through Governor's Division of Emergency Management:			
2012 – UASI-LETPA	97.067	EMW-2013-SS-00045	42,836
2014 – UASI-LETPA	97.067	EMW-2014-SS-00029	115,549
2014 - UASI-LETPA	97.067	EMW-2014-SS-00029	<u>46,858</u>
			<u>205,243</u>
TOTAL DEPARTMENT OF HOMELAND SECURITY			\$ <u>358,056</u>
TOTAL FEDERAL ASSISTANCE			\$ <u>21,307,074</u>
TOTAL MAJOR PROGRAMS			\$ <u>7,128,875</u>
TYPE A PROGRAM			\$ <u>639,212</u>

(1) Child Nutrition Cluster

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES OF STATE AWARDS**

For the Year Ended September 30, 2015

Exhibit 27

Page 1 of 2

State Grantor/ Pass-Through Grantor/ Program Title	Contract/ Program Number	Expenditures or Award Amount
Texas Department of State Health Services:		
Direct Programs:		
Immunization OPTS/LHS	2015-001074-00	\$ 165,412
Immunization OPTS/LHS	2016-001074-00	14,096
		<u>179,508</u>
RLSS/LPHS Community & Rural Health Program	2015-001184-00	<u>41,195</u>
Infectious Disease Control Unit – Food Borne Associated Infestations	2015-046391	49,866
Infectious Disease Control Unit – Food Borne Associated Infestations	2016-003771	104
		<u>49,970</u>
TOTAL TEXAS DEPARTMENT OF STATE HEALTH SERVICES		\$ <u>270,673</u>
Texas Juvenile Justice Department:		
Direct Programs:		
State Aid Program (1)	TJJD-A-15-020	\$ 1,128,985
State Aid Program (1)	TJJD-A-16-020	140,635
Mental Health Services Program (1)	TJJD-N-15-020	175,253
Juvenile Justice Alternative Education Program (Boot Camp) (1)	TJPC-P-15-020	<u>193,242</u>
TOTAL TEXAS JUVENILE JUSTICE DEPARTMENT		\$ <u>1,638,115</u>
Texas Commission on Environmental Quality:		
Direct:		
Aircheck Texas Repair and Replacement Assistance Program	582-12-20280	<u>119,934</u>
TOTAL TEXAS COMMISSION ON ENVIRONMENTAL QUALITY		\$ <u>119,934</u>
Texas Department of Family and Protective Services:		
Direct Program:		
Title IV-B Concrete Services	24184790	<u>1,007</u>
TOTAL TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES		\$ <u>1,007</u>
Texas Department of Transportation:		
Direct Program:		
Transportation Infrastructure	CTIR-01-020	\$ 41,956
Routine Airport Maintenance	M412ANGLE-FY14RAMP	6,643
Routine Airport Maintenance	M512ANGLE-FY15RAMP	<u>50,000</u>
TOTAL TEXAS DEPARTMENT OF TRANSPORTATION		\$ <u>98,599</u>

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES OF STATE AWARDS**

For the Year Ended September 30, 2015

Exhibit 27

Page 2 of 2

State Grantor/ Pass-Through Grantor/ <u>Program Title</u>	<u>Contract/ Program Number</u>	<u>Expenditures or Award Amount</u>
Office of Attorney General:		
Direct Program:		
Victim Coordinator Liaison Grant (VCLG)	15-53676	\$ 38,339
Victim Coordinator Liaison Grant (VCLG)	16-62170	3,511
Texas Victim Information and Notification Everyday (VINE)	16-59341	<u>27,715</u>
 TOTAL OFFICE OF ATTORNEY GENERAL		 \$ <u>69,565</u>
Texas Task Force on Indigent Defense:		
Direct Program:		
Indigent Defense Services	212-15-020	\$ <u>251,429</u>
 TOTAL TEXAS TASK FORCE ON INDIGENT DEFENSE		 \$ <u>251,429</u>
General Land Office:		
Direct Program:		
Beach Cleanup and Maintenance Assistance	15-062-008	\$ <u>35,207</u>
 TOTAL GENERAL LAND OFFICE		 \$ <u>35,207</u>
Office of the Governor (Criminal Justice Division):		
Direct:		
Drug Court Program	205207	\$ 266,960
Drug Court Program	205208	<u>23,777</u>
		<u>290,737</u>
 DWI Court Program	2808001	136,604
DWI Court Program	2808002	<u>12,032</u>
		<u>148,636</u>
 Passed Through Houston-Galveston Area Council:		
Regional Mental Health Services	SF421#26067-02	<u>14,000</u>
 TOTAL OFFICE OF THE GOVERNOR (CRIMINAL JUSTICE DIVISION)		 \$ <u>453,373</u>
 TOTAL STATE ASSISTANCE		 \$ <u>2,937,902</u>
 TOTAL MAJOR PROGRAMS		 \$ <u>1,638,115</u>
 TYPE A PROGRAM		 \$ <u>300,000</u>
 (1) TJJD Cluster Programs		

BRAZORIA COUNTY, TEXAS

NOTES ON ACCOUNTING POLICIES FOR FEDERAL AND STATE AWARDS

Year Ended September 30, 2015

1. The County uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designated to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designated to provide accountability for certain assets and deferred outflows of resources, and liabilities and deferred inflows of resources that are not recorded in the funds because they do not directly affect net expendable available resources. Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn is divided into separate "fund types". The following fund types were utilized to account for federal awards.

Governmental Fund Types:

General Fund - is the general operating fund of the County. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. Federal financial assistance not required to be reported in other funds is accounted for in the General Fund.

Special Revenue Funds - used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Federal financial assistance generally is accounted for in a Special Revenue Fund unless required to be reported in a Capital Projects Fund or a proprietary fund type. Generally, unused balances are returned to the grantor at the close of specified project periods.

Capital Projects Funds - used to account for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by Proprietary and Trust Funds. Federal financial assistance for the construction of major capital facilities generally is accounted for in a Capital Projects Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

Proprietary Fund Types:

Enterprise Fund - used to account for activities similar to those found in the private business enterprises, where the intent of the governing body is that costs (expenses, including depreciation) of providing services be financed primarily through user charges, or where periodic determination of net income is appropriate. Federal financial assistance for the benefiting enterprise operations generally is accounted for in the Enterprise Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance. Federal and State grant funds were accounted for in the General Fund, Special Revenue Fund, and the Capital Projects Fund, a component of the Governmental Fund type.

BRAZORIA COUNTY, TEXAS

NOTES ON ACCOUNTING POLICIES FOR FEDERAL AND STATE AWARDS - Continued

Year Ended September 30, 2015

The Proprietary Fund Types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources, and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the balance sheet. Fund equity (net total position) is segregated into contributed capital and retained earnings components for proprietary funds. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position. Federal grant funds were accounted for in the Enterprise Fund (Airport), a component of the Proprietary Fund type.

The modified accrual basis of accounting is used for the Governmental Fund Types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The accrual basis of accounting is used for the Proprietary Fund Types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Federal grant funds are considered to be earned to the extent of expenditures/expenses made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned.

3. The period of availability for state grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Availability of Federal Funds, Part 3, OMB Circular A-133 Compliance Supplement.
4. Indirect Costs - Brazoria County, Texas received \$ 152,352 in reimbursements for indirect costs during the year ended September 30, 2015, \$ 141,954 for the Women, Infants and Children programs (WIC) CFDA #10.557, \$ 8,365 Bioterrorism CFDA #93.283, and \$ 2,033 for the CPS – Cities Readiness Initiative CFDA #93.069.

