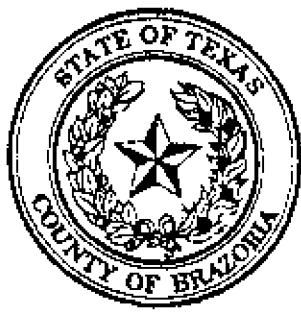


BRAZORIA COUNTY, TEXAS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**For the Fiscal Year Ended
September 30, 2009**

**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, 2009

Table of Contents

	<u>Page</u>
<u>Introductory Section</u>	
County Auditor's Letter of Transmittal	i-iv
GFOA Certificate of Achievement	v
Organizational Chart	vi
List of Principal Officials	vii
<u>Financial Section</u>	
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-14
Basic Financial Statements:	
Government Wide Financial Statements:	
Exhibit 1 Statement of Net Assets	16-17
Exhibit 2 Statement of Activities	18-19
Fund Financial Statements:	
Exhibit 3 Balance Sheet - Governmental Funds	20-21
Exhibit 3R Reconciliation of Balance Sheet - Governmental Funds to Governmental Activities Statement of Net Assets	22-23
Exhibit 4 Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	24-27
Exhibit 4R Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to Governmental Activities Statement of Activities	28-29
Exhibit 5 Comparative Statement of Net Assets - Proprietary Funds	30-31
Exhibit 6 Comparative Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds	32-33
Exhibit 7 Comparative Statement of Cash Flows - Proprietary Funds	34-35
Exhibit 8 Statement of Fiduciary Net Assets - Fiduciary Funds	36
Exhibit 9 Statement of Changes in Fiduciary Net Assets - Fiduciary Funds	37
Notes to the Financial Statements	38-79
<u>Required Supplementary Information</u>	
Exhibit 10 Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget to Actual - General Fund and Major Special Revenue Fund (Road and Bridge Fund)	82-83
Exhibit 11 Texas Municipal Retirement System Schedule of Funding Progress - Last Three Years	84
<u>Combining and Individual Fund Statements and Schedules</u>	
Exhibit 12 Combining Balance Sheet - Nonmajor Governmental Funds	98-123
Exhibit 13 Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds	124-149
Schedules of Expenditures - Budget and Actual - By Function, Department and Legal Level of Budgetary Control:	
Exhibit 14 General Fund	150-159
Exhibit 15 Major Special Revenue Fund (Road and Bridge Fund)	160
Statements of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
Special Revenue Funds (Nonmajor):	
Exhibit 16 Lateral Road Fund	162
Exhibit 16 Road and Bridge Tax Code Chapter 152 Fund	163
Exhibit 16 Special Road and Bridge Projects Fund	164
Exhibit 16 Law Library	165
Exhibit 16 Mosquito Control District	166

BRAZORIA COUNTY, TEXAS

Comprehensive Annual Financial Report
For the Year Ended September 30, 2009

Table of Contents - Continued

	<u>Page</u>
Combining and Individual Fund Statements and Schedules - Continued	
Statement of Revenues, Expenditures and Changes in Fund Balance -	
Budget and Actual - Debt Service Fund (Nonmajor):	
Exhibit 17	C of O Sheriff & Detention Complex - Series 1993 168
Exhibit 17	C of O Construction and Maintenance - Series 2003 169
Exhibit 17	C of O Construction and Maintenance - Series 2006 170
Exhibit 17	Unlimited Tax Road Bonds - Series 2006 171
Exhibit 18	Statement of Revenues, Expenses and Changes in Net Assets -
	Enterprise Fund (Airport) 172
Exhibit 19	Combining Statement of Net Assets - Internal Service Funds 173
Exhibit 20	Combining Statement of Revenues, Expenses and Changes in Net Assets -
	Internal Service Funds 174
Exhibit 21	Combining Statement of Cash Flows - Internal Service Funds 175
Exhibit 22	Combining Statement of Changes in Assets and Liabilities - Agency Funds 176-178

Statistical Section

Table 1	Net Assets by Components 182-183
Table 2	Changes in Net Assets 184-187
Table 3	Fund Balances, Governmental Funds 188-189
Table 4	Changes in Fund Balances, Governmental Funds 190-193
Table 5	Assessed and Estimated Actual Value of Taxable Property 194
Table 6	Direct and Overlapping Property Tax Rates 196-199
Table 7	Principal Property Taxpayers 200
Table 8	Property Tax Levies and Collections 201
Table 9	Ratios of General Bonded Debt Outstanding 202-203
Table 10	Direct and Overlapping Governmental Activities Debt 204-205
Table 11	Legal Debt Margin Information 206
Table 12	Demographic and Economic Statistics 207
Table 13	Principal Employees 208
Table 14	Full-time Equivalent County Government Employees by Function 209
Table 15	Operating Indicators by Function 210-215
Table 16	Capital Asset Statistics by Function 216

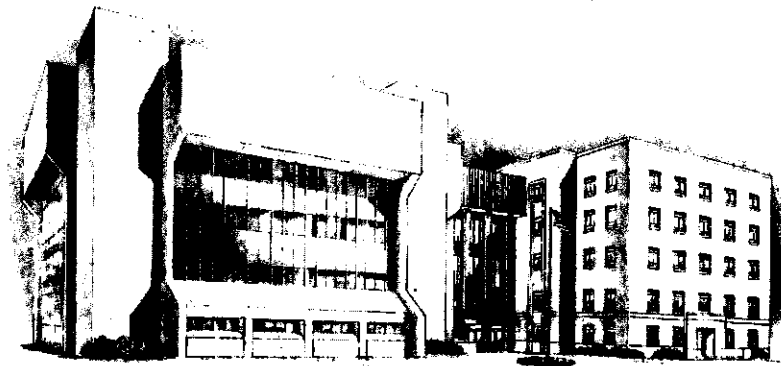
Federal and State Awards Section

Independent Auditor's Report -	
Report on Internal Control Over Financial Reporting and on Compliance and Other	
Matters Based on an Audit of Financial Statements Performed in Accordance with	
	<i>Government Auditing Standards</i> 219-220
Independent Auditor's Report -	
Report on Compliance with Requirements Applicable to Each Major Program and Internal	
Control Over Compliance in Accordance with OMB Circular A-133 and the State of Texas	
	Single Audit Circular 221-222
	Schedule of Findings and Questioned Costs 223-224
	Schedule of Status of Prior Findings 225
	Corrective Action Plan 226
Exhibit 23	Schedule of Expenditures of Federal Awards 227-230
Exhibit 24	Schedule of Expenditures of State Awards 231-233
	Notes on Accounting Policies for Federal and State Awards 234-235

INTRODUCTORY SECTION



CONNIE GARNER
BRAZORIA COUNTY AUDITOR
111 E. LOCUST, ROOM 303
ANGLETON, TEXAS 77515



TELEPHONE
(409) 849-5711 EXT. 1275
(409) 265-4261 EXT. 1275
(713) 331-6101 EXT. 1275

BRAZORIA COUNTY

ANGLETON, TEXAS 77515

March 15, 2010

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, 2009, 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.

This report consists of management's representations concerning the finances of Brazoria County, Texas. 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. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Brazoria County's financial statements have been audited by Kennemer, Masters & Lunsford, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion on Brazoria County's financial statements for the fiscal year ended September 30, 2009 that they are fairly presented in conformity with generally accepted accounting principles. The independent auditors' report is presented as the first component 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.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment MD&A and should be read in conjunction with it. Brazoria County's MD&A can be found immediately following the report of the independent auditors.

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 1386 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.

Budget

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.

Long Term Financial Planning

Brazoria County has adopted financial management policies to provide guidelines to insure its long-term financial health. The General Fund Balance Policy sets a minimum level for reserve funds in the General Fund at 15% of current budgeted expenditures. It also establishes guidelines for appropriate uses of excess reserves, and it sets out strategies for the County when compliance is not available. 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 recently adopted. To further strengthen our long-term financial planning, Brazoria County is currently working on establishing a Capital Improvement Plan.

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.

Cash Management

The primary objectives of the county's investment policy are the safety of principal followed by liquidity and yield. Accordingly, deposits were either insured by federal depository insurance or collateralized with securities pledged to the County and held by an independent third-party financial institution. Demand deposits are covered by pledged collateral maintained in a joint safekeeping account at a third party bank.

Risk Management

Brazoria County provides for the management of risks through a combination of self-insurance and traditional insurance. In addition, the County has instituted a number of risk and loss control techniques such as safety training, and accident investigation. The County currently has traditional insurance for property damage and some professional liability. Other risks are either self-insured or uncovered.

Pension and Other Post Employment Benefits

Brazoria County provides retirement, disability and death benefits for all of its employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (the TCDRS). Specific plan provisions are adopted by the County within the options available in the state statutes governing the TCDRS. Benefits amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed.

Awards

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, 2008. 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 16 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.

Acknowledgements

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.

I would especially like to thank the District Judges for their support and guidance in matters relating to the discharge of my duties as County Auditor.

Respectfully submitted,



Connie Garner
County Auditor

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, 2008

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



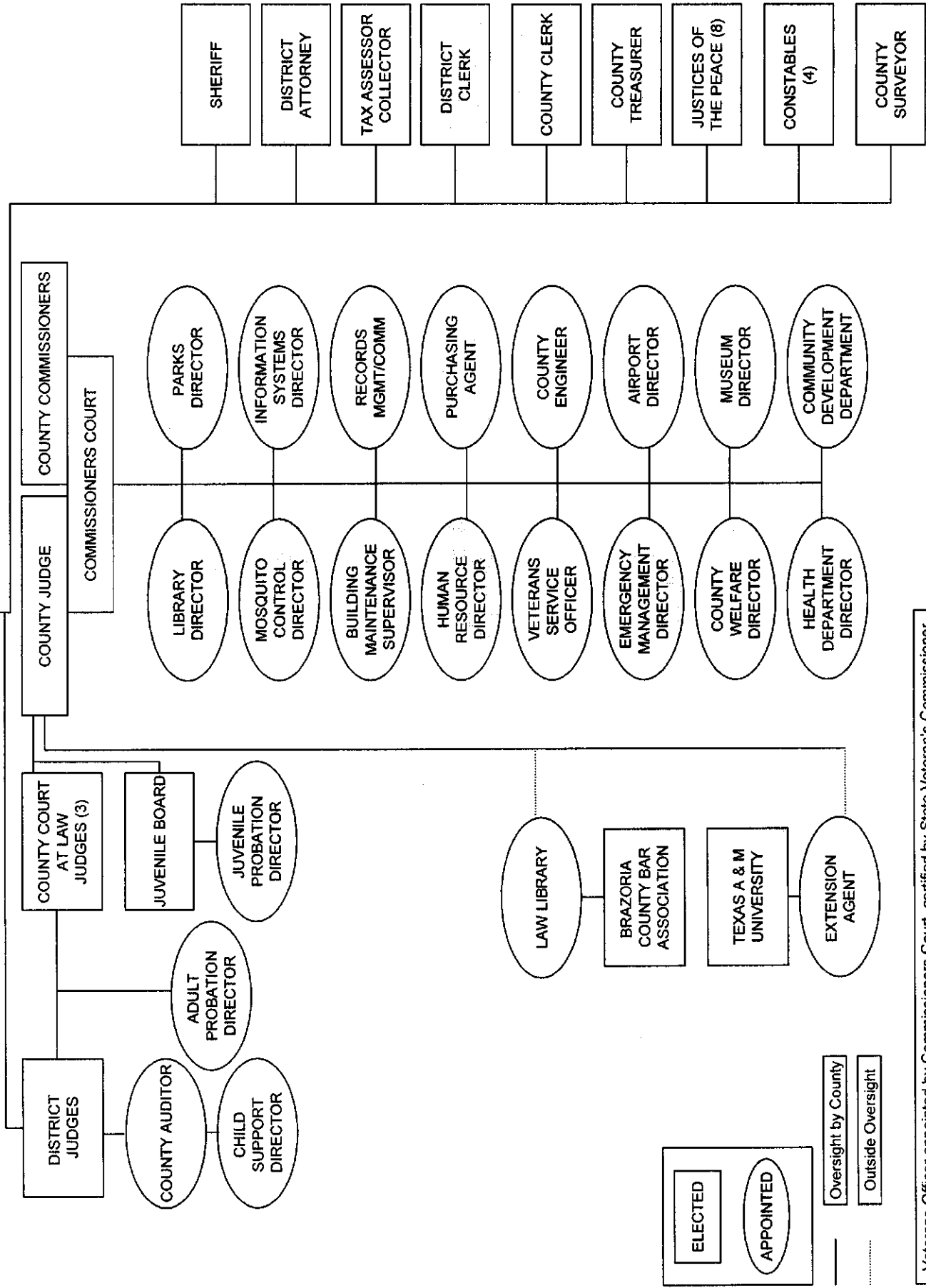
A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

BRAZORIA COUNTY VOTERS



ELECTED

APPOINTED

— Oversight by County

..... Outside Oversight

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 Emory Joseph King, County Judge

Donald Payne, Commissioner, Precinct 1

Matthew Sebesta, Commissioner, Precinct 2

Stacy Adams, Commissioner, Precinct 3

Mary Ruth Rhodenbaugh, Commissioner, Precinct 4

OTHER PRINCIPAL OFFICIALS

Ro'Vin Garrett, Tax Assessor-Collector

Connie Garner, County Auditor

Sharon Reynolds, County Treasurer

Joyce Hudman, County Clerk

Jerry Deere, District Clerk

Jeri Yenne, District Attorney

Jim Wiginton, District Attorney - Chief Civil Division

Charles Wagner, Sheriff



FINANCIAL SECTION



Kennemer, Masters & Lunsford

CERTIFIED PUBLIC ACCOUNTANTS

Limited Liability Company

1000 West Loop West
West Loop Office
1000 West Loop West, Suite 1000
Houston, Texas 77077
Tel: (281) 752-0204 Fax: (281) 752-0204
www.kmlcpa.com

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12000 Westheimer, Suite 1005
Houston, Texas 77077
(281) 752-0204 Fax: (281) 752-0204

Independent Auditor's Report

March 5, 2010

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Brazoria County, Texas (the "County") as of and for the year ended September 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the 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, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2010 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

www.kmlcpa.com Email: kmlkw@kmlcpa.com

The Honorable County Judge,
and Members of Commissioners' Court
of Brazoria County, Texas
March 5, 2010
Page 2

Required Supplementary Information

The Management's Discussion and Analysis and Statement of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund and Major Special Revenue Fund, and the Texas County and District Retirement System Schedule of Funding – Last Three Years on pages 3 through 14 and 82 through 84, respectively, are not a required part of the basic financial statements but is supplementary information required by accounting principals generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Combining and Individual Fund Statements and Schedules, and Federal and State Awards Section

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the County's basic financial statements. The accompanying information identified in the table of contents as combining and individual fund statements and schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Similarly, the accompanying 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*, the State of Texas *Single Audit Circular*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Introductory and Statistical Sections

The information identified in the table of contents as Introductory and Statistical Sections is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the County. Such additional information has not been subjected to the auditing procedures applied in our audit of the basic financial statements and, accordingly, we express no opinion on it.

Kernener, Masters & Hunford, LLC

BRAZORIA COUNTY, TEXAS

*Management's Discussion and Analysis
For the Year Ended September 30, 2009*

As management of Brazoria County, Texas ("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, 2009. 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 - iv of this report.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year for governmental and business-type activities by \$ 177,350,541 and \$ 11,511,233 (net assets), respectively. Of this amount, \$ 30,438,866 and \$ 1,249,146 (unrestricted net assets), respectively, may be used to meet the government's ongoing obligations to citizens and creditors with the County's fund designation.
- The County's total net assets increased for governmental activities by \$ 18,671,505 and increased for business-type activities by \$ 299,534.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$ 56,283,881 and its enterprise fund reported ending net assets of \$ 11,514,149. 41.75% and 10.87% of these total amounts, \$ 23,512,117 (unreserved fund balance) and \$ 1,252,062 (unrestricted net assets), respectively, were available for use within the County's fund designations. Of the governmental funds amount, \$ 792,514 has been designated for specific uses.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$ 22,719,603 or 27.49% of the total general fund expenditure.

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

BRAZORIA COUNTY, TEXAS

*Management's Discussion and Analysis
For the Year Ended September 30, 2009*

The *statement of activities* presents information showing how the County's net assets changed during the fiscal year. All changes in net assets 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 16 through 19 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 one hundred and fifteen (115) 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 Road and Bridge (special revenue fund), and County Road 257 repairs (special revenue fund); all of which are considered to be major funds. Data from the other one hundred and twelve (112) 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 20 through 29 of this report.

BRAZORIA COUNTY, TEXAS

Management's Discussion and Analysis
For the Year Ended September 30, 2009

- **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. 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 and liability insurance 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 30 through 35 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 assets and a statement of changes in fiduciary net assets that can be found on pages 36 and 37.

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 38 through 79 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 82 through 84 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 87 through 178 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of government's financial position. In the case of the County, assets exceeded liabilities by \$ 188,861,774 as of September 30, 2009.

The largest portion of the County's net assets, \$ 128,648,229 (68.12%) 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, 2009

BRAZORIA COUNTY'S NET ASSETS

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 85,480,594	\$ 94,703,436	\$ 1,355,099	\$ 842,176	\$ 86,835,693	\$ 95,545,612
Capital assets	<u>164,668,068</u>	<u>142,389,775</u>	<u>10,262,085</u>	<u>10,744,957</u>	<u>174,930,153</u>	<u>153,134,732</u>
Total assets	<u>250,148,662</u>	<u>237,093,211</u>	<u>11,617,184</u>	<u>11,587,133</u>	<u>261,765,846</u>	<u>248,680,344</u>
Current and other liabilities	18,232,751	19,348,548	90,270	269,630	18,323,021	19,618,178
Long-term liabilities	<u>54,565,370</u>	<u>59,065,627</u>	<u>15,681</u>	<u>105,804</u>	<u>54,581,051</u>	<u>59,171,431</u>
Total liabilities	<u>72,798,121</u>	<u>78,414,175</u>	<u>105,951</u>	<u>375,434</u>	<u>72,904,072</u>	<u>78,789,609</u>
Net Assets:						
Invest in capital assets, net of related debt	118,386,142	105,895,455	10,262,087	10,654,958	128,648,229	116,550,413
Restricted	28,525,533	21,086,503		67,200	28,525,533	21,153,703
Unrestricted	<u>30,438,866</u>	<u>31,697,078</u>	<u>1,249,146</u>	<u>489,541</u>	<u>31,688,012</u>	<u>32,186,619</u>
Total net assets	<u>\$ 177,350,541</u>	<u>\$ 158,679,036</u>	<u>\$ 11,511,233</u>	<u>\$ 11,211,699</u>	<u>\$ 188,861,774</u>	<u>\$ 169,890,735</u>

An additional portion of the County's net assets of \$ 28,525,533 (15.10%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of \$ 31,688,012 (16.78%) may be used to meet the government's ongoing obligations to citizens and creditors.

As of September 30, 2009, the County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate categories- governmental and business-type activities.

BRAZORIA COUNTY, TEXAS

*Management's Discussion and Analysis
For the Year Ended September 30, 2009*

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.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$ 56,283,881. 41.77% of this total amount (\$ 23,512,517) constitutes unreserved fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) for prepaid expenditures (\$ 766,871), 2) for the expenditure of inventories (\$ 956,358), 3) for the expenditure of encumbrances (\$ 358,510), 4) for long-term receivables (\$ 34,945), 5) general administration (\$ 3,159,358), 6) judicial and legal (\$ 2,909,606), 7) financial administration (\$ 173,945), 8) Elections (\$ 52,526), 9) Public safety (\$ 1,509,244), 10) Corrections (\$ 265,457), 11) Public transportation (\$ 13,181,849), 12) health and welfare (\$ 1,094,719), 13) culture and recreation (\$ 252,895), 14) debt service (\$ 2,947,736), and 15) to pay for capital projects (\$ 5,107,745).

Fund balance of the General Fund increased by \$ 1,384,767; the Road and Bridge (special revenue fund) increased by \$ 3,598,728; the, County Road 257 repairs (special revenue fund) broke even; and, other (non-major) governmental funds decreased by \$ 13,704,318. Road & Bridge increased mostly due to Hurricane Ike related activities. The decrease in the 2006 Certificates of Obligation C & M was due to construction projects at Juvenile Probation Detention Center, the East Annex, North Service Center building in Alvin and the Female Detention Center.

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 fund is used to account for airport operations. Net assets at September 30, 2009 amounted to \$ 11,514,149. Total net assets increased \$ 297,986 (approximately 2.66%), and were due to increased fuel sales.

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 \$ 3.8 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.
- Increased personnel and operating expenditures related to Hurricane Ike.
- Increased capital expenditures related to Hurricane Ike.
- Increased transfer for County's share of airport runway construction project.
- Purchased land and building for Emergency Management.

BRAZORIA COUNTY, TEXAS

*Management's Discussion and Analysis
For the Year Ended September 30, 2009*

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

- Intergovernmental increased by 57% due to Hurricane Ike..
- Investment income was short of budget projections by 59% due to declining rates.
- Fines and fees were below estimated by 20% as a result of lower numbers of cases.

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2009, amounts to \$ 174,930,153 (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:

- Construction of the North Service Center building located in Alvin was completed in the fiscal year 2009 and moved from construction in progress at a value of \$2,723,234.
- A variety of transportation construction projects were initiated or continued at a cost of \$4.9 million, much of which was financed by road bonds.
- Vehicle and equipment were added to capital assets, primarily as replacements to vehicles and road and bridge equipment during the year, at a cost of \$1.6 million.
- Continued improvement of the East Annex building was completed for Records Management and moved from construction in progress at a value of \$267,542.
- Roof replacement at the East Annex building for \$141,952.
- Generator for the Courthouse at a cost of \$284,789.
- Purchase of land and building for Emergency Management at a value of \$216,981.
- A variety of construction in progress projects including the Juvenile Probation Detention Center renovation - \$4,238,003, San Luis Pass Park bridge - \$193,410, Emergency Management building - \$177,746, two bridges on CR 160 - \$231,360, CR94 over the American Canal - \$671,226, a computer software system for maintaining an online automated commissioners' court agenda - \$54,788, Adult Probation improvements at the East Annex - \$45,233 and continued work on the female Detention Center - \$ 245,500.
- Roof replacements for multiple County facilities for \$195,486, much of which was necessary because of Hurricane Ike.
- Radio system for the Sheriff's department purchased through the State Homeland Security grant at a cost of \$219,354.
- Construction of a bridge on CR63 at North Fork Hayes Creek for \$488,141.

BRAZORIA COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2009

BRAZORIA COUNTY'S CAPITAL ASSETS
Net of Accumulated Depreciation

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2009	2008	2009	2008	2009	2008
Land	\$ 14,135,062	\$ 12,519,794	\$ 1,558,686	\$ 1,558,686	\$ 15,693,748	\$ 14,078,480
Land improvements	1,191,215	1,199,303			1,191,215	1,199,303
Buildings & improvements	29,359,930	27,440,173	1,720,211	3,324,421	31,080,141	30,764,594
Furniture, equipment & vehicles	8,510,704	8,136,233	579,592	633,758	9,090,296	8,769,991
Runway, taxiway & aprons			6,034,211	5,126,238	6,034,211	5,126,238
Infrastructure	90,136,707	79,166,416			90,136,707	79,166,416
Construction in progress	<u>21,334,450</u>	<u>13,927,856</u>	<u>369,385</u>	<u>101,854</u>	<u>21,703,835</u>	<u>14,029,710</u>
Total	\$ <u>164,668,068</u>	\$ <u>142,389,775</u>	\$ <u>10,262,085</u>	\$ <u>10,744,957</u>	\$ <u>174,930,153</u>	\$ <u>153,134,732</u>

Additional information on the County's capital assets can be found in note 5 on pages 60 through 63 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year, the County had a total bonded debt of \$ 51,395,000, which, compromises bonded debt backed by the full faith and credit of the County. These bonds 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

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2009	2008	2009	2008	2009	2008
Certificates of obligation bonds	\$ 20,280,000	\$ 21,465,000	\$	\$ 90,000	\$ 20,280,000	\$ 21,555,000
General obligation bonds	31,115,000	34,170,000			31,115,000	34,170,000
Components of Debt:						
Premium on bonds	867,766	963,977			867,766	963,977
Accrued interest payable	359,378	486,042		450	359,378	486,492
Compensated absences	<u>1,943,226</u>	<u>1,980,608</u>	<u>15,681</u>	<u>15,354</u>	<u>1,958,907</u>	<u>1,995,962</u>
Total	\$ <u>54,565,370</u>	\$ <u>59,065,627</u>	\$ <u>15,681</u>	\$ <u>105,804</u>	\$ <u>54,581,051</u>	\$ <u>59,171,431</u>

During the fiscal year, the County's total debt decreased \$ 4,590,380 or 7.75%. The decrease was due primarily to the repayment of existing debt.

BRAZORIA COUNTY, TEXAS

*Management's Discussion and Analysis
For the Year Ended September 30, 2009*

All of the outstanding Bonds of the County payable from its limited taxes are insured and are, therefore, rated "Aaa" by Moody's Investors Service Inc. ("Moody's"), and "AAA" by Standard & Poor's ("S&P"). The underlying rating on all of such Bonds and other obligations payable from such source are "Aa3" by Moody's and "AA" by S&P.

Additional information on the County's long-term debt can be found in note 7 on pages 65 through 67 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Brazoria County is currently 8.2% which is an increase from a rate of 5.2% a year ago.
- New construction continues just at a slower pace.
- Tax rolls saw a decline due to the economy and Hurricane Ike damages. Rates were increased slightly to help alleviate the shortfall.
- No salary increases and tight budgets were implemented
- Conservative measures such as a hiring freeze will insure stability through these economic times.

All of these factors were considered in preparing Brazoria County's budget for the 2010 fiscal year. At the end of the current fiscal year, fund balances in the governmental funds decreased to \$ 56,283,881. Brazoria County has appropriated \$ 2.8 million of this amount for spending in the 2010 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 ASSETS
September 30, 2009

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and temporary investments	\$ 42,560,187	\$ 919,685	\$ 43,479,872
Receivables (Net of Allowance for Uncollectibles):			
Taxes	1,392,898		1,392,898
Accounts	9,787,910	310,965	10,098,875
Special assessments	834,830		834,830
Due from other governments	11,983,084	28,750	12,011,834
Accrued interest	116,780		116,780
Loans receivable	15,531		15,531
Interfund balances	(18,219)	18,219	-0-
Prepaid items	825,727	475	826,202
Inventories	956,358	77,005	1,033,363
Investments	16,135,070		16,135,070
Bond issuance cost (net of accumulated amortization)	873,095		873,095
Discounted loans receivable (net of current)	17,343		17,343
Capital Assets:			
Land	14,135,062	1,558,686	15,693,748
Land improvements (net)	1,191,215		1,191,215
Buildings and improvements (net)	29,359,930	1,720,211	31,080,141
Furniture, equipment and vehicles (net)	8,510,704	579,592	9,090,296
Runways, taxiways and aprons (net)		6,034,211	6,034,211
Infrastructure (net)	90,136,707		90,136,707
Construction in progress	<u>21,334,450</u>	<u>369,385</u>	<u>21,703,835</u>
Total assets	<u>250,148,662</u>	<u>11,617,184</u>	<u>261,765,846</u>
Liabilities			
Accounts and accrued liabilities payable	13,072,932	77,770	13,150,702
Estimated health claims payable	1,459,059		1,459,059
Due to others	335,226		335,226
Unearned revenue	3,365,534	12,500	3,378,034
Noncurrent Liabilities:			
Due within one year	6,848,815	15,681	6,864,496
Due in more than one year	<u>47,716,555</u>		<u>47,716,555</u>
Total liabilities	<u>72,798,121</u>	<u>105,951</u>	<u>72,904,072</u>

(continued)

BRAZORIA COUNTY, TEXAS**STATEMENT OF NET ASSETS - Continued**

September 30, 2009

Exhibit 1

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net Assets			
Invested in capital assets, net of related debt	\$ 118,386,142	\$ 10,262,087	\$ 128,648,229
Restricted For:			
General administration	3,332,471		3,332,471
Judicial and legal	2,966,863		2,966,863
Financial administration	198,436		198,436
Elections	68,964		68,964
Public facilities	648,065		648,065
Public safety	1,553,927		1,553,927
Corrections	291,216		291,216
Public transportation	14,812,978		14,812,978
Health and welfare	1,613,363		1,613,363
Culture and recreation	364,297		364,297
Conservation	514		514
Environmental protection	412		412
Debt service	2,674,027		2,674,027
Unrestricted	<u>30,438,866</u>	<u>1,249,146</u>	<u>31,688,012</u>
 Total net assets	 <u>\$ 177,350,541</u>	 <u>\$ 11,511,233</u>	 <u>\$ 188,861,774</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, 2009

<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	\$ 8,382,000	\$ 3,078,349	\$ 1,274,957	\$ 224,786
Judicial and legal	17,042,872	6,719,465	1,358,550	
Financial administration	9,245,171	1,782,317	25,058	
Elections	460,608	163,679	1,716	
Public facilities	3,720,188	1,168,851	721,801	
Public safety	16,508,998	735,649	152,760	155,464
Corrections	23,011,340	395,555	2,319,856	3,095
Public transportation	33,615,909	4,092,757	8,202,822	12,123,953
Health and welfare	11,354,439	501,588	6,123,421	216,421
Public assistance	296,000			
Culture and recreation	8,470,686	320,080	391,093	
Conservation	431,480	11,448	43,418	
Environmental protection	210,166	6,759		
Community development	2,477,725			2,476,674
Interest on long-term debt	<u>2,242,764</u>			
Total governmental activities	137,470,346	18,976,497	20,615,452	15,200,393
Business-type Activities:				
Airport	<u>3,739,485</u>	<u>3,281,882</u>	<u>43,086</u>	<u>354,225</u>
Total primary government	<u>\$ 141,209,831</u>	<u>\$ 22,258,379</u>	<u>\$ 20,658,538</u>	<u>\$ 15,554,618</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 assets				
Net assets – beginning (restated)				
Net assets – ending				

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

Net (Expense) Revenue and Changes In Net Assets
Primary Government

<u>Governmental</u> <u>Activities</u>	<u>Business-</u> <u>Type</u> <u>Activities</u>	<u>Total</u>
\$(3,803,908)	\$	\$(3,803,908)
(8,964,857)		(8,964,857)
(7,437,796)		(7,437,796)
(295,213)		(295,213)
(1,829,536)		(1,829,536)
(15,465,125)		(15,465,125)
(20,292,834)		(20,292,834)
(9,196,377)		(9,196,377)
(4,513,009)		(4,513,009)
(296,000)		(296,000)
(7,759,513)		(7,759,513)
(376,614)		(376,614)
(203,407)		(203,407)
(1,051)		(1,051)
<u>(2,242,764)</u>		<u>(2,242,764)</u>
(82,678,004)	-0-	(82,678,004)
	<u>(60,292)</u>	<u>(60,292)</u>
<u>(82,678,004)</u>	<u>(60,292)</u>	<u>(82,738,296)</u>
81,235,296		81,235,296
16,794,059		16,794,059
78,956		78,956
1,686,538	10,326	1,696,864
10,106		10,106
1,894,054		1,894,054
<u>(349,500)</u>	<u>349,500</u>	<u>-0-</u>
<u>101,349,509</u>	<u>359,826</u>	<u>101,709,335</u>
18,671,505	299,534	18,971,039
<u>158,679,036</u>	<u>11,211,699</u>	<u>169,890,735</u>
<u>\$ 177,350,541</u>	<u>\$ 11,511,233</u>	<u>\$ 188,861,774</u>

BRAZORIA COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2009

	Major Funds		
	General Fund	Road & Bridge Fund	CR 257 Repairs Fund
ASSETS			
Cash and temporary investments	\$ 13,396,575	\$ 6,393,846	\$
Investments	11,066,400	5,068,670	
Receivables (Net of Allowance for Uncollectibles):			
Taxes	923,072	337,007	
Accounts	366,603	124,317	
Special assessments		295,595	
Due from other governments	3,410,206	3,412,585	3,886,429
Accrued interest	67,228	49,552	
Due from other funds	7,839,293	654,882	201,543
Prepaid expenditures	756,865	850	
Inventories	58,119	433,802	
Long-Term Receivables:			
Accounts	<u>34,945</u>		
Total assets	<u>\$ 37,919,306</u>	<u>\$ 16,771,106</u>	<u>\$ 4,087,972</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts and accrued liabilities payable	\$ 8,589,393	\$ 3,146,518	\$ 152,993
Due to others	335,226		
Due to other funds	664,110	201,543	3,934,979
Deferred revenue	<u>1,942,466</u>	<u>679,731</u>	
Total liabilities	<u>11,531,195</u>	<u>4,027,792</u>	<u>4,087,972</u>
Fund Balances:			
Reserved:			
Prepaid expenditures	756,865	850	
Inventories	58,119	433,802	
Encumbrances	201,082	85,364	
Long-term receivables	34,945		
General administration	20,861		
Judicial and legal	571,013		
Financial administration	173,945		
Elections			
Public safety	1,455,025		
Corrections	113,534		
Public transportation		12,223,298	
Health and welfare	49,111		
Culture and recreation	234,008		
Debt service			
Capital projects			
Unreserved:			
Designated, Reported In:			
Capital projects			
Undesignated, Reported In:			
General fund	<u>22,719,603</u>		
Total fund balances	<u>26,388,111</u>	<u>12,743,314</u>	<u>-0-</u>
Total liabilities and fund balance	<u>\$ 37,919,306</u>	<u>\$ 16,771,106</u>	<u>\$ 4,087,972</u>

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

Non-Major Funds	Other Governmental Funds	Total Governmental Funds
\$ 19,945,330	\$ 39,735,751	16,135,070
132,819	1,392,898	
138,518	629,438	
539,235	834,830	
1,273,864	11,983,084	
	116,780	
506,940	9,202,658	
9,156	766,871	
464,437	956,358	
	<u>34,945</u>	
<u>\$ 23,010,299</u>	<u>\$ 81,788,683</u>	
\$ 1,145,774	\$ 13,034,678	
	335,226	
1,989,821	6,790,453	
<u>2,722,248</u>	<u>5,344,445</u>	
<u>5,857,843</u>	<u>25,504,802</u>	
9,156	766,871	
464,437	956,358	
72,064	358,510	
	34,945	
3,138,497	3,159,358	
2,338,593	2,909,606	
	173,945	
52,526	52,526	
54,219	1,509,244	
151,923	265,457	
958,551	13,181,849	
1,045,608	1,094,719	
18,887	252,895	
2,947,736	2,947,736	
5,107,745	5,107,745	
792,514	792,514	
	<u>22,719,603</u>	
<u>17,152,456</u>	<u>56,283,881</u>	
<u>\$ 23,010,299</u>	<u>\$ 81,788,683</u>	

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

September 30, 2009

Exhibit 3R

Page 1

Total fund balances - governmental funds balance sheet (Exhibit 3) \$ 56,283,881

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Capital assets include \$ 298,019,077 in assets less \$ 133,351,009 in accumulated depreciation. 164,668,068

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 \$ 2,071. (2,071)

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 \$ 9,686,584 net of allowance for uncollectible accounts of \$ 2,986,288 of the general fund amounted to \$ 6,700,296. 6,700,296

Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds. Deferred property tax revenues for the general fund, Road and Bridge special revenue fund, Certificate Mosquito Control District, Certificate of Obligation Sheriff & Detention 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, and Unlimited Road Bonds Series 2006 debt service fund amounted to \$ 758,019, \$ 276,284, \$ 24,110, \$ 34,051, \$ 14,327, \$ 14,886, and \$ 22,405, respectively. 1,144,082

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, and Quail Ridge Assessment reported in the Road and Bridge special revenue fund of \$ 295,594 and other special revenue funds (Sally Lake Road Assessment \$ 183,949, Westwood Road Assessment \$ 108,014, Pecan Estates Road Assessment \$ 114,861, Hampton Road Assessment \$ 82,865, and Rose Mary Street Assessment \$ 47, 546). 834,829

Bond issuance costs are reported as current financial uses for governmental funds but the expenditures increases long-term assets in the statement of net assets. This amount is amortized over the life of the bonds. Bond issuance costs of \$ 1,092,110 less accumulated amortization of \$ 219,015. 873,095

Payables for bond principal are not reported in the funds. (51,395,000)

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 assets. This amount is amortized over the life of the bonds. Net premium on the issuance of bonds were \$ 867,766 (premium on the sale of bonds of \$ 1,053,927 less amortization of \$ 186,161). (867,766)

Payables for bond interest is not reported in the funds except for amounts received from the sale of bonds or issuance of capital leases after the issuance date. Total accrued interest payable of \$ 359,378. (359,378)

Payables for compensated absences are not reported in the funds. (1,943,226)

(continued)

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

September 30, 2009

Exhibit 3R

Page 2

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:

	<u>Self Insurance</u>		
	<u>Liability</u>	<u>Health</u>	
Current assets	\$ 1,548,105	\$ 1,360,023	
Accounts and accrued liabilities payable	(29,247)	(9,007)	
Estimated claims payable	(400,000)	(1,059,059)	
Net amount allocated to business-type activities		<u>2,916</u>	
Net	<u>\$ 1,118,858</u>	<u>\$ 294,873</u>	<u>1,413,731</u>
Net assets of governmental activities – statement of net assets (Exhibit 1).			<u>\$ 177,350,541</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****GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2009

	Major Funds		
	General Fund	Road & Bridge Fund	CR 257 Repairs Fund
Revenues:			
Taxes	\$ 69,101,773	\$ 19,817,886	\$
Intergovernmental	2,370,815	4,049,460	3,886,429
Charges for services	6,984,863	1,179	
Licenses and permits	964,617	694,176	
Fines and forfeitures	2,999,714		
Special assessments		21,522	
Investment income	903,752	277,410	
Miscellaneous	1,725,105	323,981	
Total revenues	<u>85,050,639</u>	<u>25,185,614</u>	<u>3,886,429</u>
Expenditures:			
Current:			
General administration	6,502,820		
Judicial and legal	15,890,103		
Financial administration	8,994,887		
Elections	320,731		
Public facilities	3,658,969		
Public safety	15,938,762		
Corrections	18,976,182		
Public transportation		17,951,089	4,283,685
Health and welfare	3,215,168		
Public assistance	296,000		
Culture and recreation	8,253,650		
Conservation	411,494		
Environmental protection	203,304		
Community development			
Capital outlay		2,925,166	
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>82,662,070</u>	<u>20,876,255</u>	<u>4,283,685</u>
Excess (deficiency) of revenues over expenditures	<u>2,388,569</u>	<u>4,309,359</u>	<u>(397,256)</u>

(continued)

<u>Non-Major Funds</u>		<u>Total Governmental Funds</u>
Other Governmental Funds		Total Governmental Funds
\$ 9,028,656	\$	97,948,315
12,964,743		23,271,447
1,527,011		8,513,053
2,705,811		4,364,604
		2,999,714
44,369		65,891
488,919		1,670,081
<u>412,244</u>		<u>2,461,330</u>
<u>27,171,753</u>		<u>141,294,435</u>
1,813,247		8,316,067
691,649		16,581,752
19,511		9,014,398
112,926		433,657
57,046		3,716,015
162,828		16,101,590
2,826,126		21,802,308
4,315,952		26,550,726
7,749,811		10,964,979
		296,000
176,074		8,429,724
		411,494
		203,304
2,476,674		2,476,674
14,855,288		17,780,454
4,240,000		4,240,000
<u>2,391,636</u>		<u>2,391,636</u>
<u>41,888,768</u>		<u>149,710,778</u>
<u>(14,717,015)</u>		<u>(8,416,343)</u>

BRAZORIA COUNTY, TEXAS**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****GOVERNMENTAL FUNDS - Continued**

For the Year Ended September 30, 2009

	Major Funds		
	General Fund	Road & Bridge Fund	CR 257 Repairs Fund
Other Financing Sources (Uses):			
Proceeds from sale of capital assets	\$ 24,334	\$ 20,686	\$
Transfers in	55	1,419	397,256
Transfers out	(1,028,191)	(732,736)	
Total other financing sources and (uses)	(1,003,802)	(710,631)	397,256
Net change in fund balances	1,384,767	3,598,728	-0-
Fund balances - beginning (restated)	25,003,344	9,144,586	
Fund balances - ending	<u>\$ 26,388,111</u>	<u>\$ 12,743,314</u>	<u>\$ -0-</u>

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

<u>Non-Major Funds</u>		<u>Total Governmental Funds</u>
<u>Other Governmental Funds</u>		
\$		\$ 45,020
1,699,044		2,097,774
(686,347)	(2,447,274)
<u>1,012,697</u>	(304,480)
(13,704,318)	(8,720,823)
<u>30,856,774</u>		<u>65,004,704</u>
<u>\$ 17,152,456</u>	\$	<u>56,283,881</u>

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

For the Year Ended September 30, 2009

Exhibit 4R

Page 1

Net change in fund balances - total governmental funds (Exhibit 4) \$(8,720,823)

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

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 \$ 19,567,356 exceeded depreciation \$ 9,310,227 in the current period. 10,257,129

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, \$ 12,056,078 of roads were contributed to and accepted by the County. 12,056,078

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, the Mosquito Control District, the Certificate of Obligation Detention Complex Series 1993 debt service fund, the Certificate of Obligation Construction and Maintenance Series 2003 debt service fund, the Certificate of Obligation Construction and Maintenance Series 2006 debt service fund, and the Unlimited Road Tax Series 2006 debt service fund amounted to \$(5,262), \$ 5,016, \$ 3,555, \$ 637, \$(1,428), \$ 1,713, and \$ 10,918, respectively. 15,149

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 revenues for Brazos Oaks/Forest Assessment, Brazos Bend Assessment, Bonnie Lane Assessment, Laura Lane Assessment, Sherwood Land Assessment and Norris Road Special Assessment, Brazos Bend 2 Special Assessment, Oakwood Creek Assessment, Manvel Assessment, and Quail Ridge Assessment reported in the Road and Bridge special revenue fund of \$(78,448), and other special revenue funds (Sally Lake Road Assessment \$ 183,949, Westwood Road Assessment \$ 109,014, Pecan Estates Road Assessment \$ 115,861, Hampton Road Assessment \$ 82,865 and Rose Mary Street Assessment \$ 47,546). 460,787

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 was \$ 34,914. (Cost of \$ 1,691,682 less accumulated depreciation of \$ 1,656,768). (34,914)

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. 658,207

Bond issuance cost is an expenditure in the governmental fund, but the cost increases long-term assets in the statement of net assets. This amount is amortized over the life of the bond. Current amortization of \$ 74,003. (74,003)

(continued)

BRAZORIA COUNTY, TEXAS

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

Exhibit 4R

Page 2

For the Year Ended September 30, 2009

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 assets. The funds statements reported \$ 4,240,000 in bond principal payments. \$ 4,240,000

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 assets. This amount is amortized over the life of the bonds. Amortization of bond premium was \$ 96,211. 96,211

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 of \$ 126,664 126,664

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. 37,382

The change in noncurrent loan advance discounts does not produce current financial resources to governmental funds but these changes increase long-term assets in the statement of net assets. The current change in noncurrent loan discounts was \$ 777 (prior discount of \$ 2,848 less current discount of \$ 2,071). 777

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:

	Self Insurance		
	Liability	Health	
Investment income	\$ 15,678	\$ 2	
Operating expenses	(269,487)	(10,896,359)	
Contributions for self-insurance	201,702	10,498,409	
Net amount allocated to business-type activities	_____	2,916	
Net	\$(52,107)	\$(395,032)	(447,139)

Change in net assets of governmental activities (Exhibit 2) \$ 18,671,505

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

BRAZORIA COUNTY, TEXAS
COMPARATIVE STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2009

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2009	2008	
Assets:			
Current Assets:			
Cash and temporary investments	\$ 919,685	\$ 366,324	\$ 2,824,436
Accounts receivable	310,965	293,278	24,836
Due from other governments	28,750	30,952	
Due from other funds	21,135	34,359	
Prepaid expense	475	2,441	58,856
Inventory	77,005	51,636	
Total current assets	<u>1,358,015</u>	<u>778,990</u>	<u>2,908,128</u>
Restricted Assets:			
Restricted cash and temporary investments		67,650	
Total restricted assets	<u>-0-</u>	<u>67,650</u>	<u>-0-</u>
Total current assets	<u>1,358,015</u>	<u>846,640</u>	<u>2,908,128</u>
Noncurrent Assets:			
Capital Assets:			
Land, buildings and runways	23,260,238	23,221,780	
Equipment	1,170,613	1,200,985	
Construction in progress	369,385	101,854	
Accumulated depreciation	(14,538,151)	(13,779,662)	
Total capital assets (net of accumulated depreciation)	<u>10,262,085</u>	<u>10,744,957</u>	<u>-0-</u>
Total noncurrent assets	<u>10,262,085</u>	<u>10,744,957</u>	<u>-0-</u>
Total assets	<u>11,620,100</u>	<u>11,591,597</u>	<u>2,908,128</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMPARATIVE STATEMENT OF NET ASSETS
PROPRIETARY FUNDS - Continued
September 30, 2009

Exhibit 5

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2009	2008	
Liabilities:			
Current Liabilities:			
Accounts payable and accrued expenses	\$ 77,770	\$ 256,945	\$ 1,497,313
General obligation bonds payable - current		90,000	
Compensated absences	15,681	15,354	
Deferred revenue	12,500	12,685	
	105,951	374,984	1,497,313
Current Liabilities Payable from Restricted Assets:			
Accrued interest payable		450	
	-0-	450	-0-
Total current liabilities	105,951	375,434	1,497,313
Noncurrent Liabilities:			
General obligation bonds payable - net of current			
Total liabilities	105,951	375,434	1,497,313
Net Assets:			
Invested in capital assets, net of related debt	10,262,087	10,654,958	
Restricted for debt service		49,419	
Restricted for land acquisition		17,781	
Unrestricted	1,252,062	494,005	1,410,815
Total net assets	11,514,149	11,216,163	\$ 1,410,815
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	(2,916)	(4,464)	
Net assets of business-type activities	\$ 11,511,233	\$ 11,211,699	

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

BRAZORIA COUNTY, TEXAS**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES****IN NET ASSETS - PROPRIETARY FUNDS**

For the Year Ended September 30, 2009

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2009	2008	
Operating Revenues:			
Sales of fuel and supplies	\$ 2,563,210	\$ 2,010,408	\$
Cost of sales	<u>1,872,927</u>	<u>1,610,354</u>	
Gross profit	690,283	400,054	-0-
Other Operating Revenue:			
Contributions for self insurance			10,700,111
Rentals	373,758	364,605	
Fees	216,966	281,009	
Miscellaneous	<u>127,948</u>	<u>26,882</u>	
Net operating revenue	<u>1,408,955</u>	<u>1,072,550</u>	<u>10,700,111</u>
Operating Expenses:			
Salaries and wages	388,951	375,794	
Employee benefits	143,748	136,244	
Supplies	120,124	112,863	
Other charges	389,061	207,406	11,165,846
Depreciation	<u>821,197</u>	<u>810,028</u>	
Total operating expenses	<u>1,863,081</u>	<u>1,642,335</u>	<u>11,165,846</u>
Operating income (loss)	<u>(454,126)</u>	<u>(569,785)</u>	<u>(465,735)</u>
Non-Operating Revenues (Expenses):			
Investment income	10,326	1,742	15,680
Gain (loss) on sale of assets		500	
Operating grant revenue	43,086	5,498	
Interest and fiscal charges	<u>(5,025)</u>	<u>(10,755)</u>	
Total non-operating revenues (expenses)	<u>48,387</u>	<u>(3,015)</u>	<u>15,680</u>
Net income (loss) before contributions and transfers	<u>(405,739)</u>	<u>(572,800)</u>	<u>(450,055)</u>
Capital contributions	354,225	141,668	
Transfers in	<u>349,500</u>	<u>100,000</u>	
Change in net assets	297,986	(331,132)	(450,055)
Net Assets:			
Total net assets - beginning of year	<u>11,216,163</u>	<u>11,547,295</u>	<u>1,860,870</u>
Total net assets - end of year	<u>\$ 11,514,149</u>	<u>\$ 11,216,163</u>	<u>\$ 1,410,815</u>

(continued)

BRAZORIA COUNTY, TEXAS**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES****IN NET ASSETS - PROPRIETARY FUNDS - Continued**

For the Year Ended September 30, 2009

Exhibit 6

	<u>Business-Type Activities - Enterprise Fund</u>	
	<u>2009</u>	<u>2008</u>
Business-type Activities:		
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	\$ <u>1,548</u>	\$(<u>4,464</u>)
Change in net assets of business-type activities	299,534	(335,596)
Net Assets (Business-type Activities):		
Total net assets - beginning of year	<u>11,211,699</u>	<u>11,547,295</u>
Total net assets - end of year	<u>\$ 11,511,233</u>	<u>\$ 11,211,699</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, 2009

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	2009	2008	
Cash Flows from Operating Activities:			
Cash flows received from customers	\$ 3,266,214	\$ 2,479,331	\$
Cash receipts from interfund services provided			10,641,363
Cash received from other funds	13,224		
Cash paid to and on behalf of employees	(532,372)	(484,700)	(8,158,028)
Cash paid to suppliers and others	(2,584,690)	(1,748,182)	(1,992,848)
Cash paid to other funds		(34,359)	
Net cash provided (used) by operating activities	<u>162,376</u>	<u>212,090</u>	<u>490,487</u>
Cash Flows from Noncapital Financing Activities:			
Transfers from other funds	349,500	100,000	
Cash received from operating grants	<u>43,086</u>	<u>5,498</u>	
Net cash provided (used) by noncapital financing activities	<u>392,586</u>	<u>105,498</u>	<u>-0-</u>
Cash Flows from Capital and Financing Activities:			
Cash received from capital grants	354,225	141,668	
Cash received from sale of capital assets		500	
Acquisition of fixed assets	(338,237)	(285,142)	
Principal payments on bonds	(90,000)	(85,000)	
Interest and fees on bonds	(5,475)	(11,180)	
Net cash provided (used) by capital financing activities	<u>(79,577)</u>	<u>(239,154)</u>	<u>-0-</u>
Cash Flows from Investing Activities:			
Investment income	<u>10,326</u>	<u>1,742</u>	<u>15,680</u>
Net cash provided (used) by investment activities	<u>10,326</u>	<u>1,742</u>	<u>15,680</u>
Net increase (decrease) in cash	485,711	80,176	506,167
Cash and temporary investments - beginning of year (including \$ 67,650 reported as restricted assets)	<u>433,974</u>	<u>353,798</u>	<u>2,318,269</u>
Cash and temporary investments - end of year (including \$ -0- reported as restricted assets)	<u>\$ 919,685</u>	<u>\$ 433,974</u>	<u>\$ 2,824,436</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMPARATIVE STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - Continued
For the Year Ended September 30, 2009

Exhibit 7

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2009	2008	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Activities:			
Operating income (loss)	\$(454,126)	\$(569,785)	\$(465,735)
Depreciation	821,197	810,028	
Changes in Assets and Liabilities:			
(Increase) Decrease In:			
Accounts receivable	(17,685)	(169,596)	716,847
Due from other governments	2,202	(30,952)	
Due from other funds	13,224	(34,359)	(58,748)
Prepaid expenses	1,966	(1,573)	(651)
Inventory	(25,369)	1,424	
Increase (Decrease) In:			
Accounts and accrued liabilities payable	(179,175)	209,663	298,774
Compensated absences	327	265	
Deferred revenue	(185)	(3,025)	
Net cash provided (used) for operating activities	<u>\$ 162,376</u>	<u>\$ 212,090</u>	<u>\$ 490,487</u>
Noncash Transactions Affecting Financial Position:			
Net noncash transactions affecting financial position	<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 ASSETS
FIDUCIARY FUNDS
September 30, 2009

Exhibit 8

	<u>Private-Purpose Trust Fund</u>		<u>Agency Funds</u>
	<u>Historical Commission Fund</u>		
<u>Assets</u>			
Cash and temporary investments	\$ 18,408	\$	13,698,503
Receivables:			
Accounts receivable			37,718
Due from other funds			135,833
Prepaid items			<u>198,046</u>
Total assets	<u>18,408</u>	\$	<u>14,070,100</u>
<u>Liabilities</u>			
Accounts and accrued liabilities payable		\$	1,334,755
Due to other funds			2,569,173
Amounts held for others			<u>10,166,172</u>
Total liabilities	<u>-0-</u>	\$	<u>14,070,100</u>
<u>Net Assets</u>			
Held in trust for historical commission	<u>18,408</u>		
Total net assets	<u>\$ 18,408</u>		

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

BRAZORIA COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Year Ended September 30, 2009

Exhibit 9

	<u>Private-Purpose Trust Fund Historical Commission Funds</u>
<u>Additions</u>	
Contributions:	
Private donations and sales	\$ 3,731
Investment Earnings:	
Interest	<u>136</u>
Total additions	<u>3,867</u>
<u>Deductions</u>	
Culture and recreation (historical commission)	<u>2,432</u>
Total deductions	<u>2,432</u>
Change in net assets	1,435
<u>Net Assets</u>	
Net assets - beginning of the year	<u>16,973</u>
Net assets - end of the year	<u>\$ 18,408</u>

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

INDEX

Note

1 Summary of Significant Accounting Policies 39

2 Deposits, Investments and Derivatives 49

3 Receivables, Uncollectible Accounts, and Deferred Revenues..... 53

4 Interfund Receivables, Payables and Transfers..... 56

5 Capital Assets 60

6 Disaggregation of Accounts and Accrued Liabilities Payable..... 64

7 Long-Term Debt 65

8 Leasing Operations 68

9 Pension Plan 69

10 Deferred Compensation and Post-Retirement Life Insurance Benefits..... 72

11 Post Employment Medical Care Plan 73

12 Self Insurance 74

13 Contingencies..... 76

14 Deficit Fund Balances and Net Assets 76

15 Grants, Entitlements and Shared Revenues 77

16 Bail Bond Collateral 77

17 Litigation 77

18 Pearland-Marvel Landfill 78

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

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), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (when applicable). As allowed in Section P80 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, the County has elected not to apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. 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 serves 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.

For the year ended September 30, 2009, no other organizations have been combined for either blended or discrete presentation in the County's financial statements. The following organizations are not considered "related organizations."

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 policies are the responsibility of a separate board.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

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 assets and the statement of activities report financial information on all of the nonfiduciary 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, 2009

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 only one enterprise fund.

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 deferred 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, 2009

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 Road 257 Repair fund* accounts for both grant and local contributions authorized for both the temporary and permanent repairs of County Road 257 which was damaged during Hurricane Ike.

The County reports the following major proprietary fund:

The *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.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

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, child support, District and County Clerk trusts, Gulf Coast Spaceport Development, Brazoria County Groundwater Conservation District, and Community Corrections and Supervision (Adult Probation) funds.

New Pronouncements

GASB No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions," was issued June 2004. This statement establishes standards for the measurement, recognition, and display of other postemployment benefits (OPEB) expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. This statement is effective for periods beginning after December 15, 2007. The statement was implemented and did not have a material impact on the County's financial statements.

GASB No. 46, "Net Assets Restricted by Enabling Legislation: an amendment of GASB Statement No. 34", was issued December 2004. This statement clarifies the meaning of legally enforceable as applied to restrictions on net asset use imposed by enabling legislation. This statement is effective for periods beginning after June 15, 2006. The statement was implemented and did not have a material impact on the County's financial statements.

GASB No. 47, "Accounting for Termination Benefits", was issued April 2005. This statement provides guidance for measuring, recognizing, and reporting liabilities and expense/expenditures related to all termination benefits, both voluntary and involuntary. This statement is effective for periods beginning after June 15, 2005. This statement was implemented during the year ended August 31, 2006. This statement has been implemented and did not have a material effect on the financial statements of the County.

GASB No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra Entity Transfers of Assets and Future Revenues", was issued September 2006. This statement provides guidance for transactions in which a government receives, or is entitled to, resources in exchange for future cash flows generated by collecting specific receivables or specific future revenues. This statement is effective for periods beginning after December 15, 2006. The statement was implemented and did not have an impact on the County's financial statements.

GASB No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations", was issued November 2006. This statement provides guidance for pollution remediation obligations. This statement is effective for periods beginning after December 15, 2007. The statement was implemented and did not have a material impact on the County's financial statements.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

New Pronouncements - continued

GASB No. 50, "Pension Disclosures", was issued May 2007. This statement provides guidance for financial reporting by pension plans and by employers that provide defined benefit and contribution plans. This statement is effective for periods beginning after June 15, 2007. The statement was implemented and did not have an impact on the County's financial statements.

GASB No. 51, "Accounting and Financial Reporting for Intangible Assets", was issued June 2007. This statement provides guidance for financial reporting of intangible assets for all state and local governments. This statement is effective for periods beginning after June 15, 2009. 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.

GASB No. 52, "Land and Other Real Estate Held as Investments by Endowments", was issued November 2007. This statement does not apply to the County as it holds no endowment funds. This statement is effective for periods beginning after June 15, 2008.

GASB No. 53, "Accounting and Financial Reporting for Derivative Instruments", was issued June 2008. This statement provides guidance for financial reporting of derivative instruments for all state and local governments. This statement is effective for periods beginning after June 15, 2009. The management of the County does not believe that the implementation of this statement will affect the financial statements of the County since it does not make direct investments in derivative instruments.

GASB No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", was issued April 2009. This statement provides guidance on classification of fund equity. This statement is effective for periods beginning after June 15, 2010. 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.

GASB No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", was issued April 2009. This statement is effective immediately and had no affect on the County's financial statements.

GASB No. 56, "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards", was issued April 2009. This statement is effective immediately and had no affect on the County's financial statements.

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.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Budgetary Data - continued

Annual appropriated budgets are adopted for the general fund, certain special revenue funds (Road and Bridge Fund, Lateral Roads Fund, Road and Bridge Tax Code Chapter 152 Fund, Special Road and Bridge Projects Fund, Law Library Fund, and Mosquito Control District Fund, and debt service funds.

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.

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, and 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. Eleven 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:

Major Funds:	
General Fund	\$ 201,082
Road and Bridge (Special Revenue Fund)	85,364
Nonmajor funds	<u>72,064</u>
Total	<u>\$ 358,510</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

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 capital and debt service restrictions. Restricted capital assets consist of the residual balances of funds received under the 1994 Airport Improvement Program (AIP) grant. 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.

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.

BRAZORIA COUNTY, TEXAS
Notes to the Financial Statements
 For The Year Ended September 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The County's 2008 tax levy, supporting the 2009 fiscal period budget, totaled \$ 0.39 per \$ 100 valuation and was comprised as follows:

Constitutional Levy:	
General Fund	\$ 0.255767
Road and Bridge	0.035500
Mosquito Control	0.008550
Special Road and Bridge:	
Article 6790	0.060000
Article 7048a	-0-
Debt Service:	
General Obligation Refunding	
Bonds Series 1998	0.011404
Combination Tax and Revenue	
Certificates of Obligation Series 2003	0.004650
Combination Tax and Revenue	
Certificates of Obligation Series 2006	0.005129
Unlimited Tax Road Bonds Series 2008	<u>0.009000</u>
Combined tax rate	<u>\$ 0.390000</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 4 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 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, 2009

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, 2009, 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, 2009, computed at pay rates in effect at that time.

The following is a summary of benefits payable as of September 30, 2009:

Governmental activities	\$ 1,943,451
Business-type activities	<u>15,681</u>
	<u>\$ 1,959,132</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Compensated Absences - continued

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.

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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and 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 deferred charges and amortized over the term of the related debt.

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

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net Assets

Net assets represent the differences between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciations, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Restricted net assets, as presented in the government-wide Statement of Net Assets, are reported when constraints placed on the use of net assets are either 1) externally imposed by creditors (such as through debt covenants, grantors, contributors, or laws or regulations of other governments), or 2) imposed by law through constitutional provisions or enabling legislation.

NOTE 2 - 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, 2009 are as follows:

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 2 - DEPOSITS, INVESTMENTS AND DERIVATIVES - Continued

	<u>Unrestricted</u>
Cash and Temporary Investments:	
Cash (petty cash accounts)	\$ 21,765
Financial Institution Deposits:	
Demand deposits	27,479,941
Local Government Investment Pools:	
Texpool	27,313,924
MBIA Texas Class Pool	<u>2,381,153</u>
	57,196,783
Investments:	
Government agency securities	<u>16,135,070</u>
	<u>\$ 73,331,853</u>

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 \$ 21,765, the carrying amount, of the County's deposits, was \$ 27,479,941, while the financial institution balances totaled \$ 28,145,443. Of these balances, \$ 9,472,714 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, \$ 9,903,810 was covered by federal depository insurance coverage, and \$ 18,241,633 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, 2009

NOTE 2 - 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 MBIA 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 MBIA Texas Class.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 2 - DEPOSITS, INVESTMENTS AND DERIVATIVES - Continued

Investments - continued

The County invests in Texpool and MBIA Texas Class to provide its liquidity needs. Texpool and MBIA 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 MBIA 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 MBIA 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, 2009 Texpool and MBIA Texas Class had a weighted average maturity of 48 days and 52 days, respectively. Although Texpool and MBIA Texas Class portfolios had a weighted average maturity of 48 days and 52 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, 2009, the County invested in the direct purchase of government agency securities (FNBA and FHLMC Discount Notes) within the General Fund and the Road and Bridge (special revenue fund). These securities have staggered maturity dates beginning on January 8, 2010 through August 13, 2012 and had a market value of \$ 16,135,070 at September 30, 2009.

As of September 30, 2009, the County had the following investments:

<u>Investment Type</u>	<u>Interest Rate</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>
Local Government Investment Pools:			
Texpool	Varies	\$ 27,313,924	1.00
MBIA Texas Class Pool	Varies	<u>2,381,153</u>	<u>1.00</u>
		<u>29,695,077</u>	<u>0.65</u>
Government Agency Securities:			
FHLB - Non Callable	3.750%	2,068,670	100
FHMA - Callable	2.100%	2,008,200	821
FHLB - Callable	1.375%	2,006,000	834
FNMA - Callable	2.300%	2,015,800	821
FHLMC - Callable	2.125%	3,036,600	915
FHLB - Callable	1.500%	1,999,800	1,048
FHLMC - Callable	2.125%	<u>3,000,000</u>	<u>915</u>
		<u>16,135,070</u>	<u>279.35</u>
		<u>\$ 45,830,147</u>	<u>280.00</u>

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 2 - DEPOSITS, INVESTMENTS AND DERIVATIVES - ContinuedInvestments - continued

Credit Risk – As of September 30, 2009, the LGIPs (which represent approximately 64.79% 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 35.21% 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, 2009, and holds no direct investments in derivatives at September 30, 2009.

NOTE 3 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, AND DEFERRED REVENUESReceivables and Allowances

Receivables as of September 30, 2009, for the government's individual governmental major and nonmajor funds, proprietary major fund, internal service funds, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds				Total
	General Fund	Road & Bridge Fund	CR257 Repairs Fund	Other Governmental Funds	
Receivables:					
Property Taxes	\$ 1,892,140	\$ 759,372	\$	\$ 236,319	\$ 2,887,831
Accounts	366,603	124,317		138,518	629,438
Special assessments		438,928		544,534	983,462
Due from other governments	3,410,206	3,412,585	3,886,429	1,273,864	11,983,084
Accrued interest	<u>67,228</u>	<u>49,552</u>			<u>116,780</u>
Gross receivables	5,736,177	4,784,754	3,886,429	2,193,235	16,600,595
Less Allowance for Uncollectibles:					
Property Taxes	969,068	422,365		103,500	1,494,933
Special assessments		<u>143,333</u>		<u>5,299</u>	<u>148,632</u>
Net receivables	<u>\$ 4,767,109</u>	<u>\$ 4,219,056</u>	<u>\$ 3,886,429</u>	<u>\$ 2,084,436</u>	<u>\$ 14,957,030</u>

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 3 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, AND DEFERRED REVENUES - ContinuedReceivables 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	\$ 310,965	\$	\$ 310,965	\$
Stop loss insurance		24,836	24,836	
Other			-0-	37,718
Due from other governments	<u>28,750</u>	<u> </u>	<u>28,750</u>	<u> </u>
Gross receivables	339,715	24,836	364,551	37,718
Less Allowance for Uncollectibles:				
Accounts:				
Airport customers	<u> </u>	<u> </u>	<u>-0-</u>	<u> </u>
Net total receivables	<u>\$ 339,715</u>	<u>\$ 24,836</u>	<u>\$ 364,551</u>	<u>\$ 37,718</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, 2009 are summarized below:

	<u>State Entitlements and Taxes</u>	<u>Federal Grants</u>	<u>State Grants</u>	<u>Total</u>
Major Governmental Funds:				
General Fund	\$ 2,499,182	\$ 821,707	\$ 89,317	\$ 3,410,206
Road & Bridge Fund		3,412,585		3,412,585
CR 257 Repairs Fund		3,886,429		3,886,429
Nonmajor governmental Funds	<u> </u>	<u>1,118,114</u>	<u>155,750</u>	<u>1,273,864</u>
Total	<u>\$ 2,499,182</u>	<u>\$ 9,238,835</u>	<u>\$ 245,067</u>	<u>\$11,983,084</u>
Major Proprietary Funds:				
Airport Fund	<u>\$</u>	<u>\$</u>	<u>\$ 28,750</u>	<u>\$ 28,750</u>
Total	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 28,750</u>	<u>\$ 28,750</u>

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 3 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, AND DEFERRED REVENUES - ContinuedLoans Receivable (Discounted)

Beginning on September 29, 2005, the County advanced funds in the amount of \$ 55,800 to Brazoria County Groundwater Conservation District ("BCGCD") to provide initial cash flow to organize the entity. During the year ended September 30, 2006, the County advanced an additional \$ 21,855 bringing the total to \$ 77,655 at September 30, 2006. The BCGCD has agreed to pay back the County over a five year period beginning October 1, 2006 and ending September 30, 2011, without interest. During the year ended September 30, 2009, the County received \$ 15,531 in principal payments. Since this is a long term receivable without interest, the County has discounted the loan receivable as follows:

	<u>2009</u>
Receivable in less than one year	\$ 15,531
Receivable in one to five years	<u>19,414</u>
Total loan receivable	34,945
Less discounts to net present value	(<u>2,071</u>)
Net loan receivable at September 30, 2009	<u>\$ 32,874</u>

The discount rate used on long-term loans was 5.27% for the year ended September 30, 2009.

The loan receivable (discounted) is reported as an asset in the governmental activities statement of net assets and is reported (without discount) in the governmental fund balance sheet. Similarly, the discount is reported as a reduction of investment earnings in the governmental activities statement of activities.

Judicial Receivables

Judicial receivables are reported in the governmental activities statement of net assets. 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 collectibility in relation to the aging of customer accounts. The following is a summary of the receivable and allowance for uncollectible as of September 30, 2009:

	<u>Judicial Receivable</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivable</u>
Judicial Receivables:			
Justice of the Peace	\$ 6,468,116	\$ 1,617,028	\$ 4,851,088
County courts	933,307	279,992	653,315
District courts	2,071,907	1,035,954	1,035,953
Juvenile probation	<u>213,254</u>	<u>53,314</u>	<u>159,940</u>
	<u>\$ 9,686,584</u>	<u>\$ 2,986,288</u>	<u>\$ 6,700,296</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 3 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, AND DEFERRED REVENUES - Continued

Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are 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, 2009, the various components of deferred revenue and unearned revenue reported in the governmental and proprietary funds were as follows:

	Governmental Funds			Proprietary Funds
	General Fund	Road & Bridge Fund	Other Governmental Funds	Enterprise Fund
			Total	
Unavailable:				
Delinquent property taxes receivable	\$ 758,019	\$ 276,284	\$ 109,779	\$ 1,144,082
Special assessment receivable		295,594	539,235	834,829
Unearned:				
Federal grants	167,040	107,853	980,948	1,255,841
State grants			1,067,655	1,067,655
Bail bonds	795,033			795,033
Public safety seizures	220,181			220,181
Rental deposits	1,403		24,631	26,034
Other deposits	790			790
Airport hangar deposits				-0-
				12,500
Total	\$ 1,942,466	\$ 679,731	\$ 2,722,248	\$ 5,344,445
				\$ 12,500

NOTE 4 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at September 30, 2009 consisted of the following:

Receivable Fund	Payable Fund	09-30-09
Governmental Funds:		
General Fund	CR 257 Repairs Fund	\$ 3,934,979
General Fund	Other Governmental	1,978,987
General Fund	Fiduciary	1,925,327
Road and Bridge Fund	General Fund	343,132
Road and Bridge Fund	Fiduciary	311,750
CR 257 Repairs Fund	Road and Bridge Fund	201,543
Other Governmental	General Fund	317,181
Other Governmental	Other Governmental	10,834
Other Governmental	Fiduciary	178,925
Proprietary Funds:		
Enterprise Fund	General Fund	3,797
Enterprise Fund	Fiduciary	17,338
Fiduciary	Fiduciary	135,833
		<u>\$ 9,359,626</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 4 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Detail interfund receivables and payables at September 30, 2009 consisted of the following:

Receivable Fund	Payable Fund	09-30-09
General	CR 257 Repairs	\$ 3,934,979
General	Westwood Road Special Assessment	114,377
General	Pecan Estates Road Special Assessment	123,239
General	Hampton Road Special Assessment	83,803
General	Rose Mary Street Special Assessment	22,137
General	Sally Lake Road Special Assessment	113,304
General	TJPC Diversionary Placement	73,110
General	JJAEP Boot Camp	52,617
General	CJD Juvenile Incentive Block Grant	7,211
General	TDSHS Immunization	3,411
General	TDSHS Supplementary Food Program WIC	188,014
General	TDSHS Community and Rural Health	14,456
General	TDSHS Peer Counseling Program	13,947
General	TDSHS WIC Lactation Reimbursement	6,661
General	TDSHS WIC-OA Vendor Activities	1,345
General	TDSHS WIC Special Allocation	54,108
General	TDSHS WIC Obesity SHOP/FIT	10,703
General	TDSHS WIC Infrastructure	2,087
General	TDSHS WIC Electronic Benefits	684
General	TDSHS Cities Readiness Initiative	38,007
General	TDSHS H1N1	4,372
General	CPS Title IV-E	26,139
General	CPS Title IV-E Legal Services	4,648
General	CPS Title IV-B (Concrete)	590
General	Victim Assistance Grant 02G00551	4,260
General	Crime Victim Assistance	11,324
General	DEA Narcotics OT Expense Program	1,817
General	State Homeland Security	224,123
General	Tobacco Compliance	5
General	Bioterrorism Grant	49,582
General	Organized Crime Drug Enforcement	8,440
General	HGAC Solid Waste Grant	51,743
General	2006 CDBG County (HUD)	13,642
General	2007 CDBG County (HUD)	9,527
General	2008 CDBG County (HUD)	7,615
General	Elections HAVA Grant	252
General	Lone Star Library Grant	21,444
General	Brazoria County Toll Road Authority	145,207
General	Flood Protection Study	45,000
General	Voter Registration Tax Office	9,497
General	Buffer Zone Protection Program	344
General	Flood Protection Planning Contract	225,000
General	Drug Court Program	52,457

(continued)

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 4 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Receivable Fund	Payable Fund	09-30-09
General	Parks CIAP Grant	\$ 138,738
General	Payroll Clearing	1,925,327
Road and Bridge	General	343,132
Road and Bridge	Payroll Clearing	311,750
CR 257 Repairs	Road and Bridge	201,543
TJPC State Aid	Payroll Clearing	5,672
TJPC Community Corrections	Payroll Clearing	16,798
TJPC Salary Adjustment Funding	Payroll Clearing	5,974
TJPC Title IV-E Foster Care	Payroll Clearing	5,519
TJPC Progressive Sanctions JPO	Payroll Clearing	7,724
TJPC Progressive Sanctions 1-2-3	Payroll Clearing	3,864
TJPC Progressive Sanctions ISP	Payroll Clearing	2,043
JJAEP Boot Camp	General	2,154
JJAEP Boot Camp	Payroll Clearing	11,085
Juvenile Case Manager	Payroll Clearing	1,861
TDSHS Supplemental Food Program WIC	Payroll Clearing	30,408
TDSHS Cities Readiness Initiative	Payroll Clearing	1,941
TDSHS H1N1	Payroll Clearing	4,157
CPS Title IV-E	Payroll Clearing	1,263
CPS Title IV-E Legal Services	Payroll Clearing	1,407
Victim Assistance Grant 02G00551	Payroll Clearing	1,715
Crime Victim Assistance	Payroll Clearing	5,411
Bioterrorism Grant	Payroll Clearing	9,297
2006 CDBG County (HUD)	Payroll Clearing	11,555
2009 Section 8 Housing Choice Vouchers	2006 Section 8 Housing Choice Vouchers	10,834
2009 Section 8 Housing Choice Vouchers	Payroll Clearing	6,178
Records Archive County Clerk	Payroll Clearing	1,505
Law Library	Payroll Clearing	1,841
Mosquito Control District	General	315,027
Mosquito Control District	Payroll Clearing	34,626
Drug Court Program	Payroll Clearing	5,347
Parks CIAP Grant	Payroll Clearing	1,734
Airport	General	3,797
Airport	Payroll Clearing	17,338
Brazoria Cnty Groundwater Cons District	Payroll Clearing	1,997
CSCD Substance Abuse - Outpatient - DP	Payroll Clearing	1,820
CSCD Mental Health Caseloads	Payroll Clearing	4,055
CSCD Supervision	Payroll Clearing	102,327
CSCD Comm Corrections Op Hab Caseload	Payroll Clearing	7,340
CSCD Comm Corrections Sex Offender	Payroll Clearing	2,149
CSCD Comm Corrections Substance Abuse	Payroll Clearing	6,726
CSCD Operation Habilitation DP	Payroll Clearing	2,482
CSCD New Caseload Reduction-DP	Payroll Clearing	6,937
		<u>9,359,626</u>
Total		<u>\$ 9,359,626</u>

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 4 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

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.

Interfund transfers for the year ended September 30, 2009 consisted of the following individual fund transfers in and transfers out:

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>09-30-09</u>
General Fund	Other Governmental funds	\$ 678,691
General Fund	Enterprise	349,500
Road and Bridge Fund	CR 257 Repairs	397,256
Road and Bridge Fund	Other Governmental funds	335,480
Other Governmental funds	General Fund	55
Other Governmental funds	Road and Bridge Fund	1,419
Other Governmental funds	Other Governmental funds	<u>684,873</u>
Total		<u>\$ 2,447,274</u>

Detail interfund transfers for the year ended September 30, 2009 consisted of the following individual fund transfers in and transfers out:

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>09-30-09</u>
General	TJPC State Aid	\$ 76,858
General	TJPC Community Corrections	152,831
General	TJPC Progressive Sanctions JPO	23,946
General	TJPC Progressive Sanctions 1-2-3	30,955
General	TJPC Progressive Sanctions ISP	17,802
General	JJAEP Boot Camp	152,358
General	TDSHS Immunization	16,020
General	CPS Title IV-E	71,803
General	CPS Title IV-E Legal Services	38,709
General	Victim Assistance Grant 02G000551	27,535
General	Crime Victim Assistance	37,874
General	Law Library	32,000
General	Airport	349,500
Road & Bridge	CR 257 Repairs	397,256
Road & Bridge	Clay Banks Road	985
Road & Bridge	TCEQ Emissions Reductions	259,527
Road & Bridge	Flood Protection Planning Contract	74,968
Brazos Bend 2 Special Assessment	Road & Bridge	1,419
Tobacco Compliance Grant	General	5
2005 Sect 8 Housing Voucher Program	2009 Sect 8 Housing Voucher Program	288,616
2006 Sect 8 Housing Voucher Program	2009 Sect 8 Housing Voucher Program	52,834
Records Management County Clerk	Records Archive County Clerk	98,434
Civil, Criminal & Probate Records Mgt	Records Archive County Clerk	5,075

(continued)

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 4 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>09-30-09</u>
Records Management County Clerk	Vital Statistics	\$ 5,898
Sheriff & Detention Center C&M	C of O Sheriff & Detention Complex Series 1993	4,007
2006 Certificate of Obligation C & M	C of O Construction & Maintenance Series 2006	131,439
Multi-Purpose Facility	General	50
Mobility Plan C & M	Unlimited Tax Road Bonds Series 2006	<u>98,570</u>
Total		<u>\$ 2,447,274</u>

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

NOTE 5 - CAPITAL ASSETSCapital Transactions

	<u>Balance</u> <u>10-01-08</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance</u> <u>09-30-09</u>
Governmental Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 12,519,794	\$ 1,615,268	\$	\$	\$ 14,135,062
Construction in progress	<u>13,927,856</u>	<u>9,338,439</u>	<u>1,931,845</u>	<u></u>	<u>21,334,450</u>
Total capital assets not being depreciated	<u>26,447,650</u>	<u>10,953,707</u>	<u>1,931,845</u>	<u>-0-</u>	<u>35,469,512</u>
Capital Assets, Being Depreciated:					
Land improvements	1,500,620	80,294			1,580,914
Buildings and improvements	41,789,856	3,063,951			44,853,807
Furniture, equipment and vehicles	36,719,063	3,332,880	1,691,682		38,360,261
Infrastructure	<u>161,630,136</u>	<u>16,124,447</u>	<u></u>	<u></u>	<u>177,754,583</u>
Total capital assets being depreciated	<u>241,639,675</u>	<u>22,601,572</u>	<u>1,691,682</u>	<u>-0-</u>	<u>262,549,565</u>
Less Accumulated Depreciation For:					
Land improvements	301,317	88,382			389,699
Buildings and improvements	14,349,683	1,144,194			15,493,877
Furniture, equipment and vehicles	28,582,830	2,923,495	1,656,768		29,849,557
Infrastructure	<u>82,463,720</u>	<u>5,154,156</u>	<u></u>	<u></u>	<u>87,617,876</u>
Total accumulated depreciation	<u>125,697,550</u>	<u>9,310,227</u>	<u>1,656,768</u>	<u>-0-</u>	<u>133,351,009</u>
Total capital assets being depreciated, net	<u>115,942,125</u>	<u>13,291,345</u>	<u>34,914</u>	<u>-0-</u>	<u>129,198,556</u>
Governmental activities capital assets, net	<u>\$ 142,389,775</u>	<u>\$ 24,245,052</u>	<u>\$ 1,966,759</u>	<u>\$ -0-</u>	<u>\$ 164,668,068</u>

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 5 - CAPITAL ASSETS - ContinuedCapital Transactions - continued

	Balance 10-01-08	Additions	Transfers	Retirements	Balance 09-30-09
Business-type Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 1,558,686	\$	\$	\$	\$ 1,558,686
Construction in progress	<u>101,854</u>	<u>267,531</u>	<u></u>	<u></u>	<u>369,385</u>
Total capital assets not being depreciated	<u>1,660,540</u>	<u>267,531</u>	<u>-0-</u>	<u>-0-</u>	<u>1,928,071</u>
Capital Assets, Being Depreciated:					
Buildings and improvements	6,673,514	38,458		(1,477,887)	5,234,085
Furniture, equipment and vehicles	1,200,985	32,336	62,708		1,170,613
Runways, taxiways and aprons	<u>14,989,580</u>	<u></u>	<u></u>	<u>1,477,887</u>	<u>16,467,467</u>
Total capital assets being depreciated	<u>22,864,079</u>	<u>70,794</u>	<u>62,708</u>	<u>-0-</u>	<u>22,872,165</u>
Less Accumulated Depreciation For:					
Buildings and improvements	3,349,093	164,781			3,513,874
Furniture, equipment and vehicles	567,227	86,502	62,708		591,021
Runways, taxiways and aprons	<u>9,863,342</u>	<u>569,914</u>	<u></u>	<u></u>	<u>10,433,256</u>
Total accumulated depreciation	<u>13,779,662</u>	<u>821,197</u>	<u>62,708</u>	<u>-0-</u>	<u>14,538,151</u>
Total capital assets being depreciated, net	<u>9,084,417</u>	<u>(750,403)</u>	<u>-0-</u>	<u>-0-</u>	<u>8,334,014</u>
Business-type activities capital assets, net	<u>\$ 10,744,957</u>	<u>\$(482,872)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 10,262,085</u>

Depreciation

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

	<u>09-30-09</u>
Governmental Activities:	
General government	\$ 152,840
Judicial and legal	106,225
Financial administration	40,457
Elections	26,945
Public facilities	215,928
Public safety	664,648
Corrections	1,002,522
	(continued)

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 5 - CAPITAL ASSETS - Continued

Depreciation - continued

	<u>09-30-09</u>
Public transportation	\$ 6,696,701
Health and welfare	217,415
Culture and recreation	178,438
Conservation	6,080
Environmental protection	<u>2,028</u>
	<u>\$ 9,310,227</u>
Business-type Activities:	
Airport	<u>\$ 821,197</u>

Function and Activity

	<u>Balance</u> <u>10-01-08</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers and</u> <u>Adjustments</u>	<u>Balance</u> <u>09-30-09</u>
Governmental Activities:					
Function and Activity:					
General government	\$ 2,653,470	\$ 3,495,119	\$ 16,141	\$(148,586)	\$ 5,983,862
Judicial and legal	3,469,310	55,273			4,524,583
Financial administration	748,372	25,000			773,372
Elections	208,412				208,412
Public facilities	7,178,273	307,743	35,730	60,898	7,511,184
Public safety	6,632,211	925,993	954,564	(20,802)	6,582,838
Corrections	33,549,059	317,968	34,436		33,832,591
Public transportation	189,238,193	18,898,433	553,926	100,868	207,683,568
Health and welfare	4,107,244	40,559			4,147,803
Culture and recreation	5,161,745	150,752	96,885	7,622	5,223,234
Conservation	186,734				186,734
Environmental protection	<u>26,446</u>				<u>26,446</u>
	254,159,469	24,216,840	1,691,682	-0-	276,684,627
Non-Functional:					
Construction in progress	<u>13,927,856</u>	<u>9,338,439</u>	<u>1,931,845</u>		<u>21,334,450</u>
Total governmental activities	<u>\$268,087,325</u>	<u>\$ 33,555,279</u>	<u>\$ 3,623,527</u>	<u>\$ -0-</u>	<u>\$298,019,077</u>
Business-type Activities:					
Function and Activity:					
Airport	\$ 24,422,765	\$ 70,794	\$ 62,708	\$ -0-	\$ 24,430,851
Non-Functional:					
Construction in progress	<u>101,854</u>	<u>267,531</u>			<u>369,385</u>
Total business-type activities	<u>\$ 24,524,619</u>	<u>\$ 338,325</u>	<u>\$ 62,708</u>	<u>\$ -0-</u>	<u>\$ 24,800,236</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 5 - CAPITAL ASSETS - Continued

Function and Activity - 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	\$ 1,441,574	\$ 144,359	\$ 3,482,464	\$ 915,465	\$
Judicial and legal	232,206	15,319	1,393,840	2,883,218	
Financial administration	26,875	49,048	57,497	639,952	
Elections			89,196	119,216	
Public facilities	1,377,281	493,083	5,051,961	588,859	
Public safety	10,963	9,092	175,843	4,871,866	1,515,074
Corrections	173,170	47,140	30,968,227	2,644,054	
Public transportation	8,009,171	67,401	715,014	23,013,970	175,878,012
Health and welfare	1,604,732		1,243,434	1,293,683	5,954
Culture and recreation	1,250,155	755,472	1,498,532	1,363,532	355,543
Conservation	8,935		177,799		
Environmental protection				26,446	
Total governmental activities	<u>\$ 14,135,062</u>	<u>\$ 1,580,914</u>	<u>\$ 44,853,807</u>	<u>\$ 38,360,261</u>	<u>\$ 177,754,583</u>
Business-type Activities:					
Function and Activity:					
Airport	<u>\$ 1,558,686</u>	<u>\$ -0-</u>	<u>\$ 5,234,085</u>	<u>\$ 1,170,613</u>	<u>\$ 16,467,467</u>

Construction Commitments

	<u>Projects Authorized</u>	<u>Expended To Date</u>	<u>Commitment</u>	<u>Requiring Further Financing</u>
September 30, 2009:				
Governmental Activities:				
Juvenile Detention - Expansion	\$ 6,289,699	\$ 5,475,838	\$ 813,861	\$
Mobility Plan	75,000	68,650	6,350	
CR 101 - Bailey Oiler Road	6,510,126	5,387,975	1,122,151	
CR 220	2,706,675	2,441,518	265,157	
CR 403 - Hughes Ranch Road	902,508	728,457	174,051	
Total governmental activities	<u>\$ 16,484,008</u>	<u>\$ 14,102,438</u>	<u>\$ 2,381,570</u>	<u>\$ -0-</u>
Business-type Activities:				
None				

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 6 - DISAGGREGATION OF ACCOUNTS AND ACCRUED LIABILITIES PAYABLE

Accounts and accrued liabilities payable as of September 30, 2009, 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>Total</u>
	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>CR 257 Repair Fund</u>	<u>Other Governmental Funds</u>	
Accounts and Accrued Liabilities Payable:					
Vendors	\$ 5,303,730	\$ 641,431	\$ 152,993	\$ 901,244	\$ 6,999,398
Other governments	726,478	2,099,845		10,285	2,836,608
Accrued compensation	2,108,193	342,136		199,236	2,649,565
Accrued benefits	388,328	63,106		35,009	486,443
Other accrued liabilities	<u>62,664</u>				<u>62,664</u>
Totals	<u>\$ 8,589,393</u>	<u>\$ 3,146,518</u>	<u>\$ 152,993</u>	<u>\$ 1,145,774</u>	<u>\$ 13,034,678</u>

	<u>Proprietary Funds</u>			
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>	<u>Total</u>	<u>Fiduciary Funds</u>
Accounts and Accrued Liabilities Payable:				
Vendors	\$ 39,548	\$ 38,254	\$ 77,802	\$ 347,093
Other governments	12		12	106
Accrued compensation	34,665		34,665	151,039
Accrued benefits	3,545		3,545	836,517
Estimated claims payable		<u>1,459,059</u>	<u>1,459,059</u>	
Totals	<u>\$ 77,770</u>	<u>\$ 1,497,313</u>	<u>\$ 1,575,083</u>	<u>\$ 1,334,755</u>

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 7 - LONG-TERM DEBTGeneral Obligation Debt

General obligation and certificates of obligations payable at September 30, 2009, are summarized as follows:

	Interest Rate %	Series Dates			Bonds Outstanding 09-30-09
		Issued	Maturity	Callable	
General Obligation:					
Refunding Bonds, Series 1998	3.80 - 5.50	1998	2013		\$ 2,665,000
Unlimited Tax Road Bonds, Series 2006	4.25 - 5.25	2006	2027		13,095,000
Unlimited Tax Road Bonds, Series 2008	3.00 - 5.00	2008	2028		7,765,000
Refunding Bonds, Series 2008	3.50 - 5.00	2008	2013		7,590,000
Certificate of Obligations:					
Combination Tax and Revenue Certificates of Obligation Series 2003	3.80 - 5.50	2003	2018	2013	7,290,000
Combination Tax and Revenue Certificates of Obligation Series 2006	4.20 - 5.00	2006	2026	2017	<u>12,990,000</u>
Total					<u>\$ 51,395,000</u>

General obligation and certificates of obligation bond transactions for the year ended September 30, 2009 were as follows:

Bonds outstanding, October 1, 2008	\$ 55,635,000
Maturities	<u>(4,240,000)</u>
Bonds outstanding, September 30, 2009	<u>\$ 51,395,000</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, 2009, the amount of ad valorem taxes collected for interest and sinking were \$ 6,273,835, while the debt service requirements for principal and interest was \$ 6,631,636. The bond resolutions provide no express remedies in the event of default and make no provision for acceleration of maturity of the bonds.

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 7 - LONG-TERM DEBT - ContinuedGeneral Obligation Debt - continued

The following is a summary of general obligation bond requirements by year as of September 30, 2009:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2010	\$ 4,450,000	\$ 2,196,984	\$ 6,646,984
2011	4,560,000	2,040,893	6,600,893
2012	4,820,000	1,879,340	6,699,340
2013	4,890,000	1,648,174	6,538,174
2014	2,325,000	1,426,178	3,751,178
2015-2019	12,210,000	5,608,883	17,818,883
2020-2024	10,820,000	3,152,317	13,972,317
2025-2028	<u>7,320,000</u>	<u>569,137</u>	<u>7,889,137</u>
	<u>\$ 51,395,000</u>	<u>\$ 18,521,906</u>	<u>\$ 69,916,906</u>

On November 2, 2004, the voters of Brazoria County approved the issuance of Brazoria County general obligation bonds for roads and bridges in the amount of \$ 50,000,000. 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, 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. On November 28, 2006, the County sold \$ 14,000,000 of Unlimited Road Tax Bonds, Series 2006. On July 17, 2008, the County sold \$ 8,000,000 of Unlimited Road Tax Bonds, Series 2008. The County plans to issue \$ 19,500,000 in Unlimited Road Tax Bonds in 2010.

On May 6, 1998 the County sold \$ 24,185,000 of General Obligation Refunding Bonds, Series 1998. The net proceeds of \$ 23,568,899 along with \$ 850,199 from the general fund, a total of \$ 24,419,098, were placed in escrow for the defeasement of \$ 22,860,000 in Certificate of Obligation, Series 1993 bonds (Sheriff and Detention Center). These refunding bonds (Series 1998) were issued for the purpose of generating resources and decreasing the total debt service payments. This refunding issue defeased a portion of the outstanding certificates of obligation bonds from the original issue of 1993. All future debt service payments on the original bonds were provided for by placing the proceeds of the refunding bonds in an irrevocable trust. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's basic financial statements. The difference between the cash flow required to service the old debt and that required to service the new debt and complete the refunding was a decrease of \$ 1,177,529. The economic gain resulting from the transaction was \$ 858,221. The balance of the escrow account and the liability for the defeased bonds as of September 30, 2008, was \$ 13,167,786 and \$ 12,800,000, respectively.

On July 17, 2008 the County sold \$ 9,950,000 of General Obligation Refunding Bonds, Series 2008. The net proceeds of \$ 10,344,360 were placed in escrow for the defeasement of \$ 10,125,000 in General Obligation Refunding Bonds, Series 1998. On September 1, 2008, the funds in escrow were utilized to call the refunded bonds totaling \$ 10,125,000. The difference between the cash flow required to service the old debt and that required to service the new debt and complete the refunding was a decrease of \$ 422,244. The economic gain resulting from the transaction was \$ 379,898.

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 7 - LONG-TERM DEBT - ContinuedProprietary Debt

During the year ended September 30, 2009, proprietary debt was extinguished.

General obligation and certificate of obligation transactions for the year ended September 30, 2009 were as follows:

Bonds outstanding, October 1, 2008	\$ 90,000
Maturities	<u>(90,000)</u>
 Bonds outstanding, September 30, 2009	 \$ <u>-0-</u>

On October 7, 1999 the County sold \$ 720,000 of Certificated of Obligation (\$ 595,000 Series 1999A and \$ 125,000 Series 1999B). These funds were utilized for airport construction and improvement. The intent of the County is that the Enterprise Fund (Airport) pay the principal, interest and fees associated with these issuances.

Changes in Outstanding Debt

Transactions for the year ended September 30, 2009 are summarized as follows:

	<u>Balance 10-01-08</u>	<u>Issues or Additions</u>	<u>Payments or Expenditures</u>	<u>Balance 09-30-09</u>	<u>Due Within One Year</u>
Governmental Type Activities:					
Certificates of obligation bonds	\$ 21,465,000	\$	\$ 1,185,000	\$ 20,280,000	\$ 1,230,000
General obligation bonds	34,170,000		3,055,000	31,115,000	3,220,000
Component of Bonded Debt:					
Premium on bonds	963,977		96,211	867,766	96,211
Accrued interest	486,042	359,378	486,042	359,378	359,378
Compensated absences	<u>1,980,608</u>	<u>2,564,991</u>	<u>2,602,373</u>	<u>1,943,226</u>	<u>1,943,226</u>
Total governmental activities	<u>59,065,627</u>	<u>2,924,369</u>	<u>7,424,626</u>	<u>54,565,370</u>	<u>6,848,815</u>
Business-Type Activities:					
Certificate of obligation bonds	90,000		90,000	-0-	
Component of Bonded Debt:					
Accrued interest	450		450	-0-	
Compensated absences	<u>15,354</u>	<u>7,149</u>	<u>6,822</u>	<u>15,681</u>	<u>15,681</u>
Total business-type activities	105,804	7,149	97,272	15,681	15,681
Less Portion Payable from Restricted Assets:					
Accrued interest	<u>450</u>		<u>450</u>	<u>-0-</u>	
Net business-type activities	<u>105,354</u>	<u>7,149</u>	<u>96,822</u>	<u>15,681</u>	<u>15,681</u>
Total government (net)	<u>\$ 59,170,981</u>	<u>\$ 2,931,518</u>	<u>\$ 7,521,448</u>	<u>\$ 54,581,051</u>	<u>\$ 6,864,596</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 8 - 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 2022. Other facilities and 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, 2009.

Governmental Funds (General Fund):

Minimum future rentals to be received on noncancelable leases, as of September 30, 2009, for each of the next five years and in the aggregate are as follows:

<u>Year Ended September 30,</u>	<u>2009</u>
2010	\$ <u>1,760</u>

Gross rental income for operating leases, including month-to-month, for the year ended September 30, 2009 was \$ 5,820.

Proprietary Funds (Enterprise Fund - Airport):

Minimum future rentals to be received on noncancelable leases, as of September 30, 2009, for each of the next five years and in the aggregate are:

<u>Year Ended September 30,</u>	<u>2009</u>
2010	\$ 76,589
2011	78,425
2012	54,374
2013	37,036
2014	37,711
2015-2019	199,163
2020-2024	211,625
2025-2026	<u>86,479</u>
	\$ <u>781,402</u>

Gross rental income for operating leases, including month-to-month for the year ended September 30, 2009 was as follows:

	<u>2009</u>
Building rental	\$ 149,187
Hangar rental	197,799
Ground rental	<u>55,002</u>
	\$ <u>401,988</u>

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 8 - LEASING OPERATIONS - ContinuedOperating Leases - Lessee

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 ground lease expires in 2015.

Minimum future rentals to be paid on noncancelable leases, as of September 30, 2009, for each of the next five years and in the aggregate are as follows:

<u>Year Ended September 30,</u>	<u>2009</u>
2010	\$ 49,358
2011	24,214
2012	24,214
2013	24,214
2014	24,214
2015-2016	<u>31,478</u>
	<u>\$ 177,692</u>

Gross rental expenditures for operating leases, including month-to-month for the year ended September 30, 2009 was as follows:

	<u>2009</u>
Building rental	\$ 97,390
Copier rental	232,344
Ground rental	31,902
Equipment rental	118,519
Other rental	<u>49,416</u>
	<u>\$ 529,571</u>

Proprietary Funds (Enterprise Fund - Airport):

All operating leases within the Enterprise Fund (Airport) are month-to-month. Gross rental expenses for copier operating lease for the year ended September 30, 2009 was \$ 2,152.

NOTE 9 - PENSION PLANPlan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the 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 586 nontraditional defined benefit pension 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, Texas 78768-2034.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 9 - PENSION PLAN - Continued

Plan Description - continued

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 ages 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 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.

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

Funding Policy

The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of the employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The employer contributed using the actuarially determined rate of 9.30% for the months of the accounting year in 2008, and 9.30% for the months of the accounting year in 2009.

The contribution rate payable by the employee members for calendar years 2009 and 2008 is the rate of 7% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

Annual Pension Cost

For the employer's accounting years ending September 30, 2008 and 2007, the annual pension cost for the TCDRS plan for its employees was \$ 9,436,532 and \$ 8,015,137, and the actual contributions were \$ 9,436,532 and \$ 8,015,137, respectively.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with GASB Statement No. 27 parameters based on the actuarial valuations as of December 31, 2007 and December 31, 2008, the basis for determining the contribution rates for calendar years 2008 and 2009. The December 31, 2008 actuarial valuation is the most recent valuation.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 9 - PENSION PLAN - Continued

Annual Pension Cost - continued

Actuarial Valuation Information			
Actuarial valuation date	12/31/06	12/31/07	12/31/08
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, closed	level percentage of payroll, closed	level percentage of payroll, closed
Amortization period in years	15	15	20
Asset valuation method	SAF: 10-47 smoothed value ESF: Fund value	SAF: 10-47 smoothed value ESF: Fund value	SAF: 10-47 smoothed value ESF: Fund value
	<u>12/31/06</u>	<u>12/31/07</u>	<u>12/31/08</u>
Actuarial Assumptions:			
Investment return ¹	8.0%	8.0%	8.0%
Projected salary increases ¹	5.3%	5.3%	5.3%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

¹Includes inflation at the stated rate

Trend Information

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
9/30/06	\$ 7,196,882	100.00%	\$ -0-
9/30/07	8,015,037	100.00%	-0-
9/30/08	9,436,532	100.00%	-0-

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll ¹ (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/06	\$ 117,431,187	\$ 127,562,880	\$ 10,131,693	92.06%	\$ 45,012,309	22.51%
12/31/07	128,397,451	139,737,492	11,340,041	91.88%	50,021,958	22.67%
12/31/08	127,379,170	150,672,455	23,293,285	84.54%	55,697,618	41.82%

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

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 10 - DEFERRED COMPENSATION AND POST-RETIREMENT LIFE INSURANCE BENEFITS

The County provides participating eligible employees the alternate plans of disability, survivorship and deferred 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-deferred 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 deferred 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 deferred 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, 2008	\$ 42,128,658
Contributions and earnings	6,152,065
Withdrawals, premiums, and benefits	<u>(4,694,660)</u>
Balance - September 30, 2009	<u>\$ 43,586,063</u>

Participants may make additional contributions to their Deferred 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 \$ 275 per month until age 65 and then \$ 200 per month 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, 2008	\$ 7,469,649	\$ 8,454,424
Contributions and earnings	923,084	1,200,576
Withdrawals, premiums, benefits	<u>(832,409)</u>	<u>(645,135)</u>
Balance - September 30, 2009	<u>\$ 7,560,324</u>	<u>\$ 9,009,865</u>

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 10 - DEFERRED COMPENSATION AND POST-RETIREMENT LIFE INSURANCE BENEFITS - Continued

Two additional deferred 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, 2008	\$ 1,830,392	\$ 430,593
Contribution and earnings	64,269	611,902
Withdrawals, premiums, benefits, and losses	<u>(149,988)</u>	<u>(440,982)</u>
Balance - September 30, 2009	<u>\$ 1,744,673</u>	<u>\$ 601,513</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.

NOTE 11 - 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 Group Annuity Contract became effective on October 1, 1990. The plan provides \$ 275 per month until age 65 and then \$ 200 per month towards the cost of health insurance premiums.

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 year ended September 30, 2009 the County contributed \$ 1,200,576 to the Group Annuity Contract which includes net investment earnings of \$ 380,410.

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. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation to the Group Annuity Contract:

Annual required contribution	\$ 1,007,872
Interest on net OPEB obligation	32,735
Adjustment to annual required contribution	<u>506,213</u>
Annual OPEB cost	1,546,820
Contributions made	<u>(1,200,576)</u>
Increase in net OPEB obligation	346,244
Net OPEB obligation – beginning of year	<u>727,450</u>
Net OPEB obligation – end of year	<u>\$ 1,073,694</u>

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 11 - POST EMPLOYMENT MEDICAL CARE PLAN - Continued

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, 2009 and the two preceding years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>% of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
9/30/07	\$ 1,420,383	71.7%	\$ 402,448
9/30/08	1,484,201	78.1%	727,450
9/30/09	1,546,820	77.6%	1,073,694

Funding Status and Funding Progress - As of September 30, 2008, the most recent actuarial valuation date, the plan was 51.6% funded. The actuarial accrued liability for benefits was \$ 16,393,822, and the actuarial value of assets was \$ 8,454,424, resulting in an unfunded liability (UAAL) of \$ 7,939,398. The covered payroll was \$ 50,021,958 and the ratio of the UAAL to the covered payroll was 16.9 percent.

Actuarial Methods and Assumptions - In the September 30, 2008 actuarial valuation, the projected unit credit method was used. The actuarial assumption include a 4.47% investment rate of return. An inflation rate of costs ranging from 10% down to 5% over a 15 year period is used. An interest discount rate of 4.5% was used to value the liability. The UAAL is being amortized over a period of thirty years at 4.5%. The remaining amortization period at September 30, 2008, was 29 years.

NOTE 12 - 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 \$ 588 per eligible employee per month for the period October 1, 2008 through September 30, 2009. 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, 2009 was \$ 10,498,409. 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 the Tru Services, Inc. which covers claims in excess of \$ 125,000 per participant in any calendar year, with a maximum aggregate benefit of \$ 1,000,000 per coverage period. Estimated claims payable at September 30, 2009 was \$ 1,068,066.

BRAZORIA COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2009

NOTE 12 - SELF INSURANCE - ContinuedHealth Insurance - continued

The following is a reconciliation of changes in the aggregate liabilities for claims for the years ended September 30, 2009 and 2008.

	<u>2009</u>	<u>2008</u>
Claims payable - October 1,	\$ 773,641	\$ 749,162
Incurred claims	8,452,453	8,000,844
Payment of claims	(8,158,028)	(7,976,365)
Claims payable - September 30,	<u>\$ 1,068,066</u>	<u>\$ 773,641</u>
Claims payable:		
Actual	\$ 9,007	\$ 34,680
Estimated	<u>1,059,059</u>	<u>738,961</u>
Total claims payable	<u>\$ 1,068,066</u>	<u>\$ 773,641</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 an operating revenue with all legal costs and claims reported as an operating expense. Estimated claims payable at September 30, 2009 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, 2009, 2008, and 2007 claims and settlements in excess of insurance coverage amounted to \$ 269,487, \$ 108,083, and \$ 130,988, respectively.

BRAZORIA COUNTY, TEXAS
Notes to the Financial Statements
 For The Year Ended September 30, 2009

NOTE 12 - SELF INSURANCE - Continued

Insurance Reserve - continued

The following is a reconciliation of changes in the aggregate liabilities for claims for the years ended September 30, 2009 and 2008 for both actual and estimated liabilities:

	<u>2009</u>	<u>2008</u>
Claims payable - October 1,	\$ 424,898	\$ 400,122
Incurred claims	269,487	108,083
Payment of claims	<u>(265,138)</u>	<u>(83,307)</u>
Claims payable - September 30,	<u>\$ 429,247</u>	<u>\$ 424,898</u>
Claims payable:		
Actual	\$ 29,247	\$ 24,898
Estimated	<u>400,000</u>	<u>400,000</u>
Total claims payable	<u>\$ 429,247</u>	<u>\$ 424,898</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.

NOTE 13 - 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, 2009.

NOTE 14 - DEFICIT FUND BALANCES AND NET ASSETS

As of September 30, 2009, various funds of the County had deficit fund balances or net assets as itemized below:

	<u>2009</u>
Fund Balances:	
Special Revenue Funds:	
Westwood Road Special Assessment	\$ 114,377
Pecan Estates Road Special Assessment	123,239
Hampton Road Special Assessment	83,803
Rose Mary Street Special Assessment	22,137
Sally Lake Road Special Assessment	113,304
Brazoria County Toll Road Authority	145,207
Flood Protection Study	45,000
Voter Registration Tax Office	11,692

Deficit balances will either be offset by future revenues or reimbursed by the General Fund.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 15 - GRANTS, ENTITLEMENTS AND SHARED REVENUES

During the year ended September 30, 2009, 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 16 - 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, 2009. As of September 30, 2009, bail bonds outstanding totaled \$ 38,623,031 and collateral pledged against these bonds amounted to \$ 3,832,303 (10 percent of bonds outstanding), respectively.

NOTE 17 - 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 5, 2010.

Cause No. 42414 styled *James Robert Parker v. Herman Wood, Mathew West, Brazoria County*. Plaintiff claims his civil rights were violated (excessive force). County contests liability. Liability is improbable. Potential loss, if any, cannot be fully assessed at this time.

Cause No. 48352 styled *Marcia Jones v. Brazoria County*. Plaintiff claims personal injury from automobile accident involving a County Sheriff's vehicle. Plaintiff is seeking \$ 60,000 for personal injury. County settled the property damages for \$ 14,000. Potential for liability is 100%. In dispute is the amount of damages.

Cause No. 44805 styled *Malone Claim*. Swing at a County Park broke, hitting Claimant on head. Claimant claims personal injury. County contests liability. Liability is unlikely due to immunity/limitations of the Recreational Use Statute. No court action since 2007.

Claim No. C50501 styled *Argo Claim*. Arrestee claims Sheriff Office used excessive force during course of arrest. County contests liability. \$ 500 judgment and appeal filed.

Claim No. C70707 styled *Brazoria County Automobile Accident*. Automobile accident involving a County vehicle and two other vehicles with three passengers occurred on December 27, 2007. Passengers may claim personal injury. Some liability may be possible; however liability or loss cannot be fully assessed at this time.

Claim No. C71071 styled *Marty Deleon Claim*. Claims notice sent regarding non-contact accident with Precinct 1 Deputy Constable. Claims automobile hit curb when it swerved. Claim is for property damages and personal injury. County contests liability. Potential for liability or loss cannot be fully assessed at this time.

Claim No. C71428 styled *Yanara Ou Claim*. Claims notice sent regarding accident with Precinct 1 Deputy Constable. Claim is for property damages and personal injury. County has settled property damage for \$ 10,000, but contests personal injury liability. Liability possible but limited.

BRAZORIA COUNTY, TEXAS
Notes to the Financial Statements
For The Year Ended September 30, 2009

NOTE 17 - LITIGATION - Continued

Claim No. C71381 styled *Tracee Alexander Claim*. Claims notice sent stating that while an inmate, she was denied proper medical care. County contests liability. Potential for liability or loss cannot be fully assessed at this time.

Claim No. C71174 styled *Anthony Mathis Claim*. Federal suit filed but never served, federal court making determination as to the legitimacy of suit. County response is to wait on court. Liability is very unlikely.

J.E. Dunn Construction claim, demand for payment of \$ 408,349 (amount remaining on contract). Contract issues for engineering and design work at Adult Detention. Liability is unlikely.

Five (5) EEOC claims for sexual harassment with liability either unlikely or likely but limited.

Actual payables at September 30, 2009 were \$ 29,247. 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, 2009.

NOTE 18 - 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 (TCEQ) 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. 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.

BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2009

NOTE 18 - PEARLAND-MANVEL LANDFILL - Continued

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's estimate 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, 2009, 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.



**REQUIRED SUPPLEMENTARY
INFORMATION**

BRAZORIA COUNTY, TEXAS

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

For the Year Ended September 30, 2009

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 69,409,812	\$ 69,769,812	\$ 69,101,773	\$(668,039)
Intergovernmental	1,207,090	1,505,017	2,370,815	865,798
Charges for services	7,148,646	7,253,026	6,984,863	(268,163)
Licenses and permits	827,000	934,625	964,617	29,992
Fines and forfeitures	3,775,050	3,775,050	2,999,714	(775,336)
Special assessments				-0-
Investment income	2,200,000	2,200,000	903,752	(1,296,248)
Miscellaneous	1,242,800	1,242,800	1,725,105	482,305
Total revenues	<u>85,810,398</u>	<u>86,680,330</u>	<u>85,050,639</u>	<u>(1,629,691)</u>
Expenditures:				
Current:				
General administration	6,165,220	6,980,380	6,502,820	477,560
Judicial and legal	16,707,893	17,021,946	15,890,103	1,131,843
Financial administration	9,310,925	9,449,394	8,994,887	454,507
Elections	319,745	326,776	320,731	6,045
Public facilities	3,962,671	4,097,908	3,658,969	438,939
Public safety	15,844,286	16,584,192	15,938,762	645,430
Corrections	19,346,466	20,304,655	18,976,182	1,328,473
Public transportation				-0-
Health and welfare	4,214,447	4,333,744	3,215,168	1,118,576
Public assistance	296,000	296,000	296,000	-0-
Culture and recreation	8,313,167	9,187,252	8,253,650	933,602
Conservation	449,580	449,580	411,494	38,086
Environmental protection	206,313	206,813	203,304	3,509
Total expenditures	<u>85,136,713</u>	<u>89,238,640</u>	<u>82,662,070</u>	<u>6,576,570</u>
Excess (deficiency) of revenues over expenditures	<u>673,685</u>	<u>(2,558,310)</u>	<u>2,388,569</u>	<u>4,946,879</u>
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	35,000	35,000	24,334	(10,666)
Transfers in	200,000	200,051	55	(199,996)
Transfers out	(956,000)	(1,429,500)	(1,028,191)	401,309
Total other financing sources (uses)	<u>(721,000)</u>	<u>(1,194,449)</u>	<u>(1,003,802)</u>	<u>190,647</u>
Net change in fund balances	(47,315)	(3,752,759)	1,384,767	5,137,526
Fund balances – beginning (restated)	<u>25,003,344</u>	<u>25,003,344</u>	<u>25,003,344</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 24,956,029</u>	<u>\$ 21,250,585</u>	<u>\$ 26,388,111</u>	<u>\$ 5,137,526</u>

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

Road and Bridge Fund			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 19,593,864	\$ 19,792,208	\$ 19,817,886	\$ 25,678
		4,049,460	4,049,460
1,500	1,500	1,179	(321)
610,000	610,000	694,176	84,176
			-0-
		21,522	21,522
350,000	350,000	277,410	(72,590)
	<u>42,335</u>	<u>323,981</u>	<u>281,646</u>
<u>20,555,364</u>	<u>20,796,043</u>	<u>25,185,614</u>	<u>4,389,571</u>
			-0-
			-0-
			-0-
			-0-
			-0-
			-0-
			-0-
			-0-
19,033,809	20,182,826	17,951,089	2,231,737
			-0-
			-0-
			-0-
			-0-
<u>4,323,260</u>	<u>4,036,422</u>	<u>2,925,166</u>	<u>1,111,256</u>
<u>23,357,069</u>	<u>24,219,248</u>	<u>20,876,255</u>	<u>3,342,993</u>
(<u>2,801,705</u>)	(<u>3,423,205</u>)	<u>4,309,359</u>	<u>7,732,564</u>
50,000	50,000	20,686	(29,314)
		1,419	1,419
	(<u>455,077</u>)	(<u>732,736</u>)	(<u>277,659</u>)
<u>50,000</u>	(<u>405,077</u>)	(<u>710,631</u>)	(<u>305,554</u>)
(<u>2,751,705</u>)	(<u>3,828,282</u>)	3,598,728	7,427,010
<u>9,144,586</u>	<u>9,144,586</u>	<u>9,144,586</u>	<u>-0-</u>
<u>\$ 6,392,881</u>	<u>\$ 5,316,304</u>	<u>\$ 12,743,314</u>	<u>\$ 7,427,010</u>

BRAZORIA COUNTY, TEXAS

Exhibit 11

REQUIRED SUPPLEMENTARY INFORMATION
 TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
 SCHEDULE OF FUNDING PROGRESS
 LAST THREE YEARS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets*</u>	<u>Actuarial Accrued Liability* (AAL)-</u>	<u>Unfunded AAL (UAAL)</u>	<u>Percentage Funded</u>	<u>Annual Covered Payroll**</u>	<u>UAAL as a Percentage of Covered Payroll</u>
	(a)	(b)	(b-a)	(a/b)	(c)	(b-a)/(c)
12-31-06	\$ 117,431,187	\$ 127,562,880	\$ 10,131,693	92.06%	\$ 45,012,309	22.51%
12-31-07	128,397,451	139,737,492	11,340,041	91.88%	50,021,958	22.67%
12-31-08	127,379,170	150,672,455	23,293,285	84.54%	55,697,618	41.82%

* As of December 31 of the preceding year, the date of the actuarial valuation.

** Annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.

**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.

Lateral Road - This fund accounts for intergovernmental revenue received from the State of Texas for use restricted to lateral roads as defined by the State Department of Highways and Public Transportation. Reports concerned with the use of these resources are filed annually each fiscal year ended August 31 with the State Treasurer's office.

Road & Bridge Tax Code, Chapter 152 - This fund accounts for funds retained in an amount equal to five percent (5%) of the motor vehicle sales tax and penalties collected in the preceding year, and the use of these funds for county road and bridge purposes. Senate Bill 3 also stipulated that on or before January 30th of each year, the County shall file a report promulgated by the Texas Department of Transportation, with the State Engineer-Director that accurately sets forth the amounts and purposes of all expenditures of the tax and penalties collected and retained by the County.

Special Road and Bridge Projects - This fund accounts for an annual fee assessed against each motor vehicle registered in the County. The Commissioners restricted the use of this revenue to approved road and bridge special projects.

Brazos Bend 2 Special Assessment - 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 can be brought into the County road system.

Westwood Road Special Assessment - 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 can be brought into the County road system.

Pecan Estates Road Special Assessment - 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 can be brought into the County road system.

Hampton Road Special Assessment - 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 can be brought into the County road system.

Rosemary Street Special Assessment - 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 can be brought into the County road system.

Sally Lake Road Special Assessment - 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 can be brought into the County road system.

Clay Banks Road - This fund accounts for grant proceeds from the U. S. Department of the Interior Fish and Wildlife Service to make repairs and provide additional paving to Clay Banks Road.

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

TJPC - Community Corrections - This fund accounts for revenues received from the Texas Juvenile Probation Commission to supplement expenditures of the County in administering a Juvenile Probation Department. The County operates under an approved budget with the TJPC and submits reports quarterly with an annual contract report submitted as of each fiscal year ended August 31.

TJPC - Salary Adjustment Funding - This fund accounts for revenues received from the Texas Juvenile Probation Commission to adjust the salaries of eligible full time certified juvenile probation officers and juvenile detention officers. The County operates under an approved budget and submits reports as of each fiscal year end.

TJPC Title IV-E Federal Foster Care - This fund accounts for an interagency agreement between TJPC and Texas Department of Protective and Regulatory Services (TDPRS) that set up a system to allow juvenile boards to recoup federal monies for eligible juvenile probation children and for administrative costs related to administering the Title IV-E program.

TJPC - Progressive Sanctions JPO - This fund pays only for salaries and/or fringe benefits, supplies or other miscellaneous expenses of Juvenile Probation Officers (JPO) hired under this grant. The JPO duties include supervising juveniles on Levels I, II, or III of the Progressive Sanctions Model.

TJPC - Progressive Sanctions Level 1-2-3 - This fund is solely for the provision of probation services within the three budget categories of staff services, non-residential services and residential services. This program provides funds for the creation of new programs or to enhance existing programs for juveniles who are assigned to Levels I, II, or III of the Progressive Sanctions Model.

TJPC - Progressive Sanctions ISP - This program provides services as an intermediate sanctions alternative for juveniles who require a higher level of control than youth receiving standard probation services. The program requires frequent reporting to a probation officer who carries a limited caseload. If the program was unavailable, the youth would be otherwise placed out of the home in a residential placement facility or committed to the Texas Youth Commission.

TJPC Diversionary Placement - This fund accounts for reimbursement from the Texas Juvenile Probation Commission to provide secure post-adjudication or non-secure residential placement resources to local juvenile probation departments as a diversionary placement.

TJPC Intensive Community Based Program - This fund accounts for grant proceeds received from the Texas Juvenile Probation Commission to provide services for habitual misdemeanor youth. Grant funds are intended to serve a priority population of juvenile offenders placed under supervision for a misdemeanor offense who have had at least one prior supervision.

Juvenile Justice Alternative Education Program (JJAEP) Boot Camp - This fund accounts for intergovernmental revenues from the Texas Juvenile Probation Commission to fund mandatory juvenile justice alternative education programs as required under Chapter 37, Texas Education Code.

Criminal Justice Division (CJD) Juvenile Incentive Block Grant - This fund accounts for grant proceeds awarded through the Criminal Justice Division Juvenile Accountability Incentive Block Grant Program for the improvement of local juvenile law enforcement.

Juvenile Case Manager - This fund accounts for the \$ 5 fee collected on convicted fine-only misdemeanor offenses by the Justice of Peace 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.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

Family Protection - The family protection fee of \$ 30 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.

State Criminal Alien Assistance Program (SCAAP) - 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.

Texas Department of State Health Services (TDSHS) - Immunization - 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.

Texas Department of State Health Services (TDSHS) - Supplemental Food Program Women, Infants and Children (WIC) - 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 to be at nutritional risk.

Texas Department of State Health Services (TDSHS) - Community and Rural Health - This fund accounts for grant proceeds awarded to supplement the delivery of comprehensive public health services. Brazoria County utilizes these proceeds to offset County Health Department expenditures related to a salaried inspector.

Texas Department of State Health Services (TDSHS) - WIC (Women, Infants and Children) Peer Counseling Program - This fund accounts for supplemental funding for training and salaries of peer counselors who assist pregnant and breastfeeding WIC participants.

Texas Department of State Health Services (TDSHS) - WIC (Women, Infants and Children) Registered Dietitian Program - This fund accounts for supplemental funding for the services of a registered dietitian to WIC participants.

Texas Department of State Health Services (TDSHS) - WIC (Women, Infants and Children) Lactation Reimbursement - This fund accounts for supplemental funding for lactation supplies for WIC participants.

Texas Department of State Health Services (TDSHS) - WIC-OA Vendor Activities - This fund accounts for grant proceeds awarded for supporting vendor activities associated with the WIC program.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

Texas Department of State Health Services (TDSHS) – WIC (Women, Infants and Children) Special Allocation - This fund accounts for grant proceeds awarded for Outreach client services, one-time personnel merit adjustments, reallocation of payroll expenditures from the regular WIC program, nutrition education supplies, facility improvements/funding, automation/communications equipment and services, a vehicle, medical/office supplies and furniture/furnishings for all locations.

Texas Department of State Health Services (TDSHS) – WIC (Women, Infants and Children) Obesity Shopping for Healthy Foods and Obesity Play to be FIT - This fund accounts for grant proceeds awarded for obesity prevention education related to “shopping for healthy foods” and to “playing to be fit” for WIC participants.

Texas Department of State Health Services (TDSHS) – WIC (Women, Infants and Children) Infrastructure - This fund accounts for grant proceeds awarded for infrastructure improvements for various WIC locations.

Texas Department of State Health Services (TDSHS) – WIC (Women, Infants and Children) Electronic Benefits - This fund accounts for supplemental funding for the implementation of the WIC electronic benefits transfer system.

TDSHS Cities Readiness Initiative - 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.

TDSHS H1N1 - This fund accounts for grant proceeds awarded through the Texas Department of State Health Services to provide H1N1 vaccinations to County residents.

CPS Title IV E - This fund accounts for grant proceeds awarded for federal Child Protective Services.

CPS Title IV-E Legal Services - 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.

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

Victim Assistance Grant 02G00551 - 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.

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

Justice Assistance Grant (JAG) - This fund accounts for grant proceeds awarded through the United States Department of Justice to support a broad range of activities to prevent and control crime and to improve the criminal justice system. JAG replaces the LLEBG grant.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

Justice Court Technology Fund - 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.

Drug Enforcement Agency (DEA) Narcotics Overtime Expense Program - 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.

JP Building Security - 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.

Shoreline Restoration Task Force - 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.

State Homeland Security – Urban Areas Security Initiative (UASI) - This fund accounts for grant proceeds awarded through the United States Department of Homeland Security 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.

Tobacco Compliance - This fund accounts for funding from the Texas Comptroller's Office to counties and municipalities to be used by local law enforcement agencies to enforce the Texas Health and Safety Code in a manner that can reasonably be expected to reduce the extent to which cigarettes and tobacco products are illegally sold or distributed to persons who are younger than 18 years of age.

TDSHS Bioterrorism Grant - 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.

Law Enforcement Officers Standards & Education Fund - This fund accounts for fees utilized for law enforcement officers' educational expenditures.

Organized Crime Drug Enforcement Fund - This fund accounts for revenue collected from the U.S. Department of Justice, Drug Enforcement Administration (DEA) to conduct comprehensive, multi-level attacks on major drug trafficking and money laundering organizations.

Texas VINE (Victim's Information Notification Everyday) Contract - This fund accounts for grant proceeds awarded for reimbursement for certain costs incurred in the participation in a statewide crime victim notification service.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

HGAC Solid Waste Grant - This fund accounts for grant proceeds awarded through the Texas Commission on Environmental Quality (TCEQ) for recycling, local enforcement, composting, household hazardous waste, education, and local plans for reducing solid waste disposal.

2004 - 2008 CDBG County (HUD) - This fund accounts 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.

2005 – 2009 Section 8 Housing Choice Voucher Program - This fund accounts 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.

Records Management and Preservation County Clerk - The "Records Management and Preservation" fee collected by the County and District Clerks 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.

Financial Security - 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.

Records Archive County Clerk - 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.

Records Archive District Clerk - The "Records Management and Preservation" fee collected by the District Clerk pursuant to Local 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.

Civil, Criminal and Probate Records Management - 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.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

Elections HAVA (Help America Vote Act) Equipment Rental - This fund accounts for surplus funds from Election Service Contracts under the Texas Election Code 31.003. Funds are used only for the purchase of voting equipment changes or upgrades, and technology upgrades for the election office.

Elections Services Contract - 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 Grant - This fund accounts for grant proceeds awarded through the State of Texas for use by the County's Elections division to improve polling place accessibility for people with disabilities.

Lone Star Library Grant - This fund accounts for funding from the Texas State Library and Archives Commission (TSLAC) to maintain, improve, and enhance local library services.

Law Library - 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.

County Graffiti Eradication - This fund accounts for local revenues designated for the purpose of graffiti eradication in the County.

Brazoria County Toll Road Authority - The authority is organized and is to be operated to assist Brazoria County in conjunction with the appropriate local governmental entities where necessary to provide county roads, highways and other transportation related projects.

Mosquito Control District - 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. Prior to October 2007, the County accounted for the district in the general fund.

FEMA (Federal Emergency Management Agency) Welfare - This fund accounts for grant proceeds awarded through FEMA for emergency food and shelter assistance for qualified residences. Brazoria County Welfare department administers the funds.

HGAC - 911 Address Project - This fund accounts for the costs incurred in establishing uniform guidelines for 911 addressing needs within Brazoria County. The objective of E911 addressing is to enable all public safety agencies to quickly respond and locate all residences and businesses throughout Brazoria County. All structures are assigned a physical address or road address.

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

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

Mutual Fire Protection & Disbursement Assistance - 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.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

Reliant Energy CARE/RELIEF Program - This fund accounts for local contributions from Reliant Energy for use in providing needy Brazoria County residents with utility assistance.

Vital Statistics Fee - 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.

Flood Protection Study - This fund accounts for the interlocal agreement among the City of Friendswood, the City of Pearland, Brazoria County, Brazoria Drainage District #4, and Galveston County supporting the City of Friendswood in the submittal of a grant request to the Texas Water Development Board for flood protection planning for the Cowards Creek Watershed. Local share of costs will be allocated among the parties.

United Way Emergency Assistance - This fund accounts for grant proceeds awarded from United Way of Brazoria County to provide emergency assistance to qualified residents.

United Way Hurricane Ike - This fund accounts for grant proceeds awarded from United Way of Brazoria County to provide emergency assistance to Hurricane Ike victims.

Teen Court - This fund accounts for the voluntary program which assists teenage offenders in assuming responsibility for their behavior through their involvement in the judicial process and work in the community.

TCEQ LIRAP Program - 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 Emissions Reduction - 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.

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

Buffer Zone Protection Program - This fund accounts for grant proceeds awarded through the U.S. Department of Homeland Security to provide funding for the planning, equipment, and management of protective actions, with the objective of protecting, securing, and reducing the vulnerabilities of identified critical infrastructure and key resource sites.

United Way White/Perry Texas Disaster Relief - This fund accounts for grant proceeds awarded to assist Hurricane Ike victims. Funds are from the Gulf Coast Ike Relief Fund managed by the Greater Houston Community Foundation and from the Texas Disaster Relief Fund established by Governor Rick Perry.

Parks Improvement - This fund accounts for a pending Texas Parks & Wildlife grant application for several parks projects. The current donation revenue is from Wal-Mart for a specific project.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

HGAC Technical Study Grant - This fund accounts for grant proceeds awarded from HGAC to develop a disaster debris management plan.

Flood Protection Planning Contract - This fund accounts for grant proceeds from the Texas Water Development Board to develop a flood protection plan.

Drug Court Program - 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.

Supplemental Environmental Project (SEP) Contract - This fund accounts for grant 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.

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.

Certificates of Obligation Sheriff and Detention Center Complex - Series 1993 General Obligation Refunding Bonds - Series 1998 - 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.

Certificates of Obligation Construction and Maintenance - Series 2003 - This fund accounts for the accumulation of resources and the payment of those resources related to the retiring of the Series 2003 - Certificates of Obligation issued for construction and acquisition projects accounted for in the 2003 Certificate of Obligation Construction and Maintenance capital project fund.

Certificates of Obligation Construction and Maintenance - Series 2006 - 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.

Unlimited Tax Road Bonds - Series 2006 - This fund accounts for the accumulation of resources and the payment of those resources related to the retiring of the Series 2006 – Unlimited Tax Road Bonds issued for construction and acquisition projects accounted for in the Mobility Plan Construction and Maintenance capital project fund.

NONMAJOR GOVERNMENTAL FUNDS

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.

Hwy 6 Right-of-Way Acquisition (Series 1991A) - 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.

County Wide Road Construction - This fund accounts for the proceeds of a 1968 road bond issue totaling \$ 6,900,000 and resulting interest earned on related deposit balances. This issue was approved by the voters for the purpose of construction, maintenance and operation of roads within Brazoria County.

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

Quintana Boat Ramp - This fund accounts for funds received from Freeport LNG as a donation to purchase a 6.89 acre tract from the General Land Office for construction of the replacement of the Quintana public boat ramp.

Sheriff and Detention Center Complex Construction - The Sheriff and Detention Center Complex Construction fund accounts for the construction of a new county jail facility, the construction of associated administrative offices, improving the existing County jail facility, purchasing communications equipment and other costs associated with the construction.

2003 Certificate of Obligation C & M (Construction and Maintenance) - This fund accounts for the resources accumulated for Commissioner authorized acquisition and construction, including the Front Street Building and an integrated judicial software system. The major revenue source includes investment earnings and other resources from proceeds from the sale of certificate of obligation bonded debt.

2006 Certificate of Obligation C & M - 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.

Multi-Purpose Facility - This fund accounts for the activity related to the voter rejected multi-purpose facility. There is no activity expected in future years.

NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds - Continued

Wall of Honor - This fund accounts for the activity related to the new war memorial planned for the northwest corner of the Brazoria County courthouse.

Mobility Plan C & M - 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.

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2008

	<u>Special</u>		
	<u>Lateral Road Fund</u>	<u>Road and Bridge Tax Code Chapter 152 Fund</u>	<u>Special Road and Bridge Projects Fund</u>
<u>Assets</u>			
Cash and temporary investments	\$ 136,306	\$ 143,635	\$ 1,398,295
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Due from other funds			
Inventory			
Prepaid expenditures			
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 136,306</u>	<u>\$ 143,635</u>	<u>\$ 1,398,295</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$ 3,316	\$ 69,302
Due to other funds			
Deferred revenue			
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>-0-</u>	<u>3,316</u>	<u>69,302</u>
<u>Fund Balance (Deficit):</u>			
<u>Reserved:</u>			
Prepaid expenditures			
Inventory			
Encumbrances			
General administration			
Judicial and legal			
Elections			
Public safety			
Corrections			
Public transportation	136,306	140,319	1,328,993
Health and welfare			
Culture and recreation			
Debt service			
Capital projects			
<u>Unreserved:</u>			
Designated for capital projects			
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>136,306</u>	<u>140,319</u>	<u>1,328,993</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance	<u>\$ 136,306</u>	<u>\$ 143,635</u>	<u>\$ 1,398,295</u>

Revenue Funds

Brazos Bend 2 Special Assessment Fund	Westwood Road Special Assessment Fund	Pecan Estates Road Special Assessment Fund	Hampton Road Special Assessment Fund	Rosemary Street Special Assessment Fund	Sally Lake Road Special Assessment Fund
\$	\$	\$	\$	\$	\$
	109,014	115,861	82,865	47,546	183,949
<u>\$ -0-</u>	<u>\$ 109,014</u>	<u>\$ 115,861</u>	<u>\$ 82,865</u>	<u>\$ 47,546</u>	<u>\$ 183,949</u>
\$	\$	\$	\$	\$	\$
	114,377	123,239	83,803	22,137	113,304
	109,014	115,861	82,865	47,546	183,949
<u>-0-</u>	<u>223,391</u>	<u>239,100</u>	<u>166,668</u>	<u>69,683</u>	<u>297,253</u>
-0-	(114,377)	(123,239)	(83,803)	(22,137)	(113,304)
<u>-0-</u>	<u>(114,377)</u>	<u>(123,239)</u>	<u>(83,803)</u>	<u>(22,137)</u>	<u>(113,304)</u>
<u>\$ -0-</u>	<u>\$ 109,014</u>	<u>\$ 115,861</u>	<u>\$ 82,865</u>	<u>\$ 47,546</u>	<u>\$ 183,949</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	<u>Special</u>		
	<u>Clay Banks Road Fund</u>	<u>TJPC State Aid Fund</u>	<u>TJPC Community Corrections Fund</u>
<u>Assets</u>			
Cash and temporary investments	\$	\$ 12,109	\$ 26,229
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Due from other funds		5,672	16,798
Inventory			
Prepaid expenditures			
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ -0-</u>	<u>\$ 17,781</u>	<u>\$ 43,027</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$ 7,373	\$ 21,170
Due to other funds			
Deferred revenue		10,408	21,857
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>-0-</u>	<u>17,781</u>	<u>43,027</u>
<u>Fund Balance (Deficit):</u>			
<u>Reserved:</u>			
Prepaid expenditures			
Inventory			
Encumbrances			
General administration			
Judicial and legal			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Debt service			
Capital projects			
<u>Unreserved:</u>			
Designated for capital projects			
	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ -0-</u>	<u>\$ 17,781</u>	<u>\$ 43,027</u>

Revenue Funds

TJPC Salary Adjustment Funding Fund	TJPC Title IV-E Foster Care Fund	TJPC Progressive Sanctions JPO Fund	TJPC Progressive Sanctions Level 1-2-3 Fund	TJPC Progressive Sanctions ISP Fund	TJPC Diversionary Placement Fund
\$ 19,329	\$ 211,287	\$ 12,108	\$ 1,159	\$ 1,283	\$ 106,705
5,974	5,519	7,724	3,864	2,043	
<u>\$ 25,303</u>	<u>\$ 216,806</u>	<u>\$ 19,832</u>	<u>\$ 5,023</u>	<u>\$ 3,326</u>	<u>\$ 106,705</u>
\$ 12,082	\$ 7,174	\$ 10,041	\$ 5,023	\$ 2,656	\$ 73,110
<u>13,221</u>	<u>209,632</u>	<u>9,791</u>		<u>670</u>	<u>33,595</u>
<u>25,303</u>	<u>216,806</u>	<u>19,832</u>	<u>5,023</u>	<u>3,326</u>	<u>106,705</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 25,303</u>	<u>\$ 216,806</u>	<u>\$ 19,832</u>	<u>\$ 5,023</u>	<u>\$ 3,326</u>	<u>\$ 106,705</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	Special		
	TJPC Intensive Community Based Program Fund	JJAEP Boot Camp Fund	CJD Juvenile Incentive Block Grant Fund
<u>Assets</u>			
Cash and temporary investments	\$	\$	\$
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments	2,565	59,401	7,211
Due from other funds		13,239	
Inventory			
Prepaid expenditures			
Total assets	<u>\$ 2,565</u>	<u>\$ 72,640</u>	<u>\$ 7,211</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$ 2,565	\$ 20,023	\$ 7,211
Due to other funds		52,617	7,211
Deferred revenue			
Total liabilities	<u>2,565</u>	<u>72,640</u>	<u>7,211</u>
<u>Fund Balance (Deficit):</u>			
<u>Reserved:</u>			
Prepaid expenditures			
Inventory			
Encumbrances			
General administration			
Judicial and legal			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Debt service			
Capital projects			
<u>Unreserved:</u>			
Designated for capital projects			
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities and fund balance	<u>\$ 2,565</u>	<u>\$ 72,640</u>	<u>\$ 7,211</u>

Revenue Funds

Juvenile Case Manager Fund	Family Protection Fund	State Alien Assistance Fund	TDSHS Immunization Fund	TDSHS Supplemental Food Program WIC Fund	TDSHS Community and Rural Health Fund
\$ 152,481	\$ 91,129	\$ 146,385	\$	\$	\$
1,861			3,411	193,842 30,406	14,456
				5,624	
<u>\$ 154,342</u>	<u>\$ 91,129</u>	<u>\$ 146,385</u>	<u>\$ 3,411</u>	<u>\$ 229,874</u>	<u>\$ 14,456</u>
\$ 2,419	\$	\$ 636	\$	\$ 41,860	\$
		145,749	3,411	188,014	14,456
<u>2,419</u>	<u>-0-</u>	<u>146,385</u>	<u>3,411</u>	<u>229,874</u>	<u>14,456</u>
				5,624	
	91,129				
151,923				(5,624)	
<u>151,923</u>	<u>91,129</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 154,342</u>	<u>\$ 91,129</u>	<u>\$ 146,385</u>	<u>\$ 3,411</u>	<u>\$ 229,874</u>	<u>\$ 14,456</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	Special		
	TDSHS Peer Counseling Program Fund	TDSHS WIC Registered Dietician Fund	TDSHS WIC Lactation Reimbursement Fund
<u>Assets</u>			
Cash and temporary investments	\$	\$	\$
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments	21,559		7,846
Due from other funds			
Inventory			
Prepaid expenditures			
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 21,559</u>	<u>\$ -0-</u>	<u>\$ 7,846</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$ 7,612	\$	\$ 1,185
Due to other funds	13,947		6,661
Deferred revenue			
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>21,559</u>	<u>-0-</u>	<u>7,846</u>
<u>Fund Balance (Deficit):</u>			
<u>Reserved:</u>			
Prepaid expenditures			
Inventory			
Encumbrances			
General administration			
Judicial and legal			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Debt service			
Capital projects			
<u>Unreserved:</u>			
Designated for capital projects			
	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ 21,559</u>	<u>\$ -0-</u>	<u>\$ 7,846</u>

Revenue Funds

TDSHS WIC-OA Vendor Activities Fund	TDSHS WIC Special Allocation Fund	TDSHS WIC Obesity SHOP/FIT Fund	TDSHS WIC Infrastructure Fund	TDSHS WIC Electronic Benefits Fund	TDSHS Cities Readiness Initiative Fund
\$	\$	\$	\$	\$	\$
1,345	56,066	10,794	8,810	1,674	39,067 1,941
	1,105				
<u>\$ 1,345</u>	<u>\$ 57,171</u>	<u>\$ 10,794</u>	<u>\$ 8,810</u>	<u>\$ 1,674</u>	<u>\$ 41,008</u>
\$	\$	\$	\$	\$	\$
1,345	3,063 54,108	91 10,703	6,723 2,087	990 684	3,001 38,007
<u>1,345</u>	<u>57,171</u>	<u>10,794</u>	<u>8,810</u>	<u>1,674</u>	<u>41,008</u>
	1,105				
	(1,105)				
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 1,345</u>	<u>\$ 57,171</u>	<u>\$ 10,794</u>	<u>\$ 8,810</u>	<u>\$ 1,674</u>	<u>\$ 41,008</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	Special		
	TDSHS H1N1 Fund	CPS Title IV-E Fund	CPS Title IV-E Legal Services Fund
Assets			
Cash and temporary investments	\$	\$	\$
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts		18	
Special assessments			
Due from other governments	16,679	32,682	5,711
Due from other funds	4,157	1,263	1,407
Inventory			
Prepaid expenditures			
Total assets	\$ 20,836	\$ 33,963	\$ 7,118
Liabilities and Fund Balance			
Liabilities:			
Accounts and accrued liabilities payable	\$ 16,464	\$ 7,824	\$ 2,470
Due to other funds	4,372	26,139	4,648
Deferred revenue			
Total liabilities	20,836	33,963	7,118
Fund Balance (Deficit):			
Reserved:			
Prepaid expenditures			
Inventory			
Encumbrances			
General administration			
Judicial and legal			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Debt service			
Capital projects			
Unreserved:			
Designated for capital projects			
Total fund balance	-0-	-0-	-0-
Total liabilities and fund balance	\$ 20,836	\$ 33,963	\$ 7,118

Revenue Funds

CPS Title IV-B (Concrete) Fund	Victim Assistance Grant 02G00551 Fund	Crime Victim Assistance Fund	Justice Assistance Grant (JAG) Fund	Justice Court Technology Fund	DEA Narcotics OT Expense Program Fund
\$	\$	\$	\$	\$ 531,204	\$
	1,667				
709	3,103 1,715	12,947 5,411			1,817
				17	
<u>\$ 709</u>	<u>\$ 6,485</u>	<u>\$ 18,358</u>	<u>\$ -0-</u>	<u>\$ 531,221</u>	<u>\$ 1,817</u>
\$ 119 590	\$ 2,225 4,260	\$ 7,034 11,324	\$	\$	\$ 1,817
<u>709</u>	<u>6,485</u>	<u>18,358</u>	<u>-0-</u>	<u>-0-</u>	<u>1,817</u>
				17	
				531,204	
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>531,221</u>	<u>-0-</u>
<u>\$ 709</u>	<u>\$ 6,485</u>	<u>\$ 18,538</u>	<u>\$ -0-</u>	<u>\$ 531,221</u>	<u>\$ 1,817</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	<u>Special</u>		
	<u>JP Building Security Fund</u>	<u>Shoreline Restoration Task Force Fund</u>	<u>State Homeland Security Fund</u>
<u>Assets</u>			
Cash and temporary investments	\$ 53,033	\$ 19,329	\$
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			228,895
Due from other funds			
Inventory			
Prepaid expenditures	<u>50</u>		
Total assets	<u>\$ 53,083</u>	<u>\$ 19,329</u>	<u>\$ 228,895</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$ 1,442	\$ 4,772
Due to other funds			224,123
Deferred revenue			
Total liabilities	<u>-0-</u>	<u>1,442</u>	<u>228,895</u>
<u>Fund Balance (Deficit):</u>			
<u>Reserved:</u>			
Prepaid expenditures	50		
Inventory			
Encumbrances			
General administration			
Judicial and legal	53,033		
Elections			
Public safety			
Corrections	*		
Public transportation			
Health and welfare			
Culture and recreation		17,887	
Debt service			
Capital projects			
<u>Unreserved:</u>			
Designated for capital projects			
Total fund balance	<u>53,083</u>	<u>17,887</u>	<u>-0-</u>
Total liabilities and fund balance	<u>\$ 53,083</u>	<u>\$ 19,329</u>	<u>\$ 228,895</u>

Revenue Funds

Tobacco Compliance Fund	Bioterrorism Grant Fund	Law Enforcement Officers Standards & Education Fund	Organized Crime Drug Enforcement Fund	Texas VINE Contract Fund	HGAC Solid Waste Grant Fund
\$ 5,347	\$	\$ 55,058	\$	\$	\$
	52,765 9,297		8,440	2,509	51,743
		400			
<u>\$ 5,347</u>	<u>\$ 62,062</u>	<u>\$ 55,458</u>	<u>\$ 8,440</u>	<u>\$ 2,509</u>	<u>\$ 51,743</u>
\$ 5,342 5	\$ 12,480 49,582	\$ 171	\$ 8,440	\$ 2,509	\$ 51,743
<u>5,347</u>	<u>62,062</u>	<u>171</u>	<u>8,440</u>	<u>2,509</u>	<u>51,743</u>
		400			
		54,887			
<u>-0-</u>	<u>-0-</u>	<u>55,287</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 5,347</u>	<u>\$ 62,062</u>	<u>\$ 55,458</u>	<u>\$ 8,440</u>	<u>\$ 2,509</u>	<u>\$ 51,743</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	<u>Special</u>		
	<u>2004</u> CDBG County (HUD) Fund	<u>2005</u> CDBG County (HUD) Fund	<u>2006</u> CDBG County (HUD) Fund
<u>Assets</u>			
Cash and temporary investments	\$	\$	\$
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			25,707
Due from other funds			11,555
Inventory			
Prepaid expenditures			
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 37,262</u>
 <u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$	\$ 23,620
Due to other funds			13,642
Deferred revenue			
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>-0-</u>	<u>-0-</u>	<u>37,262</u>
 Fund Balance (Deficit):			
Reserved:			
Prepaid expenditures			
Inventory			
Encumbrances			
General administration			
Judicial and legal			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Debt service			
Capital projects			
Unreserved:			
Designated for capital projects			
	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 37,262</u>

Revenue Funds

2007 CDBG County (HUD) Fund	2008 CDBG County (HUD) Fund	2005 Section 8 Housing Choice Vouchers Fund	2006 Section 8 Housing Choice Vouchers Fund	2007 Section 8 Housing Choice Vouchers Fund	2008 Section 8 Housing Choice Vouchers Fund
\$	\$	\$ 33,367	\$ 400,553	\$ 212,767	\$ 89,753
11,307	35,632				1,913
<u>11,307</u>	<u>35,632</u>	<u>33,367</u>	<u>400,553</u>	<u>212,767</u>	<u>91,666</u>
\$ 1,780 9,527	\$ 28,017 7,615	\$	\$ 10,834 355,119	\$ 195,000	\$ 590 54,794
<u>11,307</u>	<u>35,632</u>	<u>-0-</u>	<u>365,953</u>	<u>195,000</u>	<u>55,384</u>
		33,367	34,600	17,767	36,282
<u>-0-</u>	<u>-0-</u>	<u>33,367</u>	<u>34,600</u>	<u>17,767</u>	<u>36,282</u>
<u>11,307</u>	<u>35,632</u>	<u>33,367</u>	<u>400,553</u>	<u>212,767</u>	<u>91,666</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	Special		
	2009 Section 8 Housing Choice Vouchers Fund	Records Management County Clerk Fund	Financial Security Fund
<u>Assets</u>			
Cash and temporary investments	\$ 33,561	\$ 1,291,560	\$ 186,928
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			5
Special assessments			
Due from other governments	10,118		
Due from other funds	17,012		
Inventory			
Prepaid expenditures			
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 60,691</u>	<u>\$ 1,291,560</u>	<u>\$ 186,933</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$ 8,605	\$ 9,728	\$
Due to other funds			
Deferred revenue			
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>8,605</u>	<u>9,728</u>	<u>-0-</u>
<u>Fund Balance (Deficit):</u>			
<u>Reserved:</u>			
Prepaid expenditures			
Inventory			
Encumbrances		30,084	
General administration		1,251,748	
Judicial and legal			186,933
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare	52,086		
Culture and recreation			
Debt service			
Capital projects			
<u>Unreserved:</u>			
Designated for capital projects			
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>52,086</u>	<u>1,281,832</u>	<u>186,933</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance	<u>\$ 60,691</u>	<u>\$ 1,291,560</u>	<u>\$ 186,933</u>

Revenue Funds

Record Archive County Clerk Fund	Record Archive District Clerk Fund	Civil, Criminal & Probate Records Management Fund	Elections HAVA Equipment Rental Funds	Elections Services Contract Fund	Elections HAVA Grant Fund
\$ 1,797,597	\$ 154,394	\$ 1,023,806	\$ 53,099	\$ 49,743	\$
	5	5		587	
1,505					252
<u>\$ 1,799,102</u>	<u>\$ 154,399</u>	<u>\$ 1,023,811</u>	<u>\$ 53,099</u>	<u>\$ 50,330</u>	<u>\$ 252</u>
\$ 1,980	\$	\$ 12,111	\$ 580	\$	\$
				24,631	252
<u>1,980</u>	<u>-0-</u>	<u>12,111</u>	<u>580</u>	<u>24,631</u>	<u>252</u>
1,495		24,284	14,000		
1,795,627	154,399	987,416	38,519	25,699	
<u>1,797,122</u>	<u>154,399</u>	<u>1,011,700</u>	<u>52,519</u>	<u>25,699</u>	<u>-0-</u>
<u>\$ 1,799,102</u>	<u>\$ 154,399</u>	<u>\$ 1,023,811</u>	<u>\$ 53,099</u>	<u>\$ 50,330</u>	<u>\$ 252</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	Special		
	Lone Star Library Grant Fund	Law Library Fund	County Graffiti Eradication Fund
<u>Assets</u>			
Cash and temporary investments	\$	\$ 308,137	\$ 1,117
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts		35	
Special assessments			
Due from other governments	21,444		
Due from other funds		1,841	
Inventory			
Prepaid expenditures			
Total assets	<u>\$ 21,444</u>	<u>\$ 310,013</u>	<u>\$ 1,117</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$ 15,151	\$
Due to other funds	21,444		
Deferred revenue			
Total liabilities	<u>21,444</u>	<u>15,151</u>	<u>-0-</u>
<u>Fund Balance (Deficit):</u>			
<u>Reserved:</u>			
Prepaid expenditures			
Inventory			
Encumbrances			
General administration			1,117
Judicial and legal		294,862	
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Debt service			
Capital projects			
<u>Unreserved:</u>			
Designated for capital projects			
Total fund balance	<u>-0-</u>	<u>294,862</u>	<u>1,117</u>
Total liabilities and fund balance	<u>\$ 21,444</u>	<u>\$ 310,013</u>	<u>\$ 1,117</u>

Revenue Funds

Brazoria County Toll Road Authority Fund	Mosquito Control District Fund	FEMA Welfare Fund	HGAC 911 Addressing Fund	Child Abuse Prevention Fund	Economic Development Tax Abatement Fund
\$	\$ 655,385	\$ 144	\$ 2,250	\$ 1,478	\$ 21,941
	29,034				1,000
	17,649		14,168		
	349,653				
	464,437				
<u>\$ -0-</u>	<u>\$ 1,516,158</u>	<u>\$ 144</u>	<u>\$ 16,418</u>	<u>\$ 1,478</u>	<u>\$ 22,941</u>
\$ 145,207	\$ 213,950	\$	\$ 15,126	\$	\$
	24,110	144			
<u>145,207</u>	<u>238,060</u>	<u>144</u>	<u>15,126</u>	<u>-0-</u>	<u>-0-</u>
	464,437				22,941
	58			1,478	
			1,292		
(145,207)	813,603				
<u>(145,207)</u>	<u>1,278,096</u>	<u>-0-</u>	<u>1,292</u>	<u>1,478</u>	<u>22,941</u>
<u>\$ -0-</u>	<u>\$ 1,516,158</u>	<u>\$ 144</u>	<u>\$ 16,418</u>	<u>\$ 1,478</u>	<u>\$ 22,941</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	<u>Special</u>		
	<u>Mutual Fire Protection & Disbursement Assistance Fund</u>	<u>Reliant Energy CARE/RELIEF Program Fund</u>	<u>Vital Statistics Fee Fund</u>
<u>Assets</u>			
Cash and temporary investments	\$ 18,895	\$ 50,394	\$ 69,861
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Due from other funds			
Inventory			
Prepaid expenditures			
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 18,895</u>	<u>\$ 50,394</u>	<u>\$ 69,861</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$	\$ 654
Due to other funds			
Deferred revenue	<u>18,895</u>	<u> </u>	<u> </u>
Total liabilities	<u>18,895</u>	<u>-0-</u>	<u>654</u>
<u>Fund Balance (Deficit):</u>			
<u>Reserved:</u>			
Prepaid expenditures			
Inventory			
Encumbrances			2,143
General administration			67,064
Judicial and legal			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare		50,394	
Culture and recreation			
Debt service			
Capital projects			
<u>Unreserved:</u>			
Designated for capital projects	<u>-0-</u>	<u> </u>	<u> </u>
Total fund balance	<u>-0-</u>	<u>50,394</u>	<u>69,207</u>
Total liabilities and fund balance	<u>\$ 18,895</u>	<u>\$ 50,394</u>	<u>\$ 69,861</u>

Revenue Funds

Flood Protection Study Fund	United Way Emergency Assistance Fund	United Way Hurricane Ike Fund	Teen Court Fund	TCEQ LIRAP Program Fund	TCEQ Emissions Reduction Fund
\$	\$ 606	\$	\$ 38,139	\$ 978,113	\$
<u>\$ -0-</u>	<u>\$ 606</u>	<u>\$ -0-</u>	<u>\$ 38,139</u>	<u>\$ 978,113</u>	<u>\$ -0-</u>
\$ 45,000	\$	\$	\$	\$ 978,113	\$
<u>45,000</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>978,113</u>	<u>-0-</u>
			38,139		
(45,000)	606				
<u>(45,000)</u>	<u>606</u>	<u>-0-</u>	<u>38,139</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ -0-</u>	<u>\$ 606</u>	<u>\$ -0-</u>	<u>\$ 38,139</u>	<u>\$ 978,113</u>	<u>\$ -0-</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	<u>Special</u>		
	<u>Voter Registration Tax Office Fund</u>	<u>Buffer Zone Protection Program Fund</u>	<u>United Way White/Perry Texas Disaster Relief Fund</u>
<u>Assets</u>			
Cash and temporary investments	\$	\$	\$ 30
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Due from other funds			
Inventory			
Prepaid expenditures		1,960	
Total assets	<u>\$ -0-</u>	<u>\$ 1,960</u>	<u>\$ 30</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$ 2,195	\$	\$
Due to other funds	9,497	344	
Deferred revenue		1,616	
Total liabilities	<u>11,692</u>	<u>1,960</u>	<u>-0-</u>
<u>Fund Balance (Deficit):</u>			
<u>Reserved:</u>			
Prepaid expenditures		1,960	
Inventory			
Encumbrances			
General administration			
Judicial and legal			
Elections	(11,692)		
Public safety		(1,960)	
Corrections			
Public transportation			
Health and welfare			30
Culture and recreation			
Debt service			
Capital projects			
<u>Unreserved:</u>			
Designated for capital projects			
Total fund balance	<u>(11,692)</u>	<u>-0-</u>	<u>30</u>
Total liabilities and fund balance	<u>\$ -0-</u>	<u>\$ 1,960</u>	<u>\$ 30</u>

Revenue Funds

<u>Parks Improvement Fund</u>	<u>HGAC Technical Study Grant Fund</u>	<u>Flood Protection Planning Contract Fund</u>	<u>Drug Court Program Fund</u>	<u>SEP Contract Fund</u>	<u>Total Special Revenue Funds</u>
\$ 1,000	\$	\$	\$	\$ 13,602	\$ 10,610,631
					29,034
		75,000	57,619		135,941
					539,235
		150,000			1,134,237
			5,347		505,206
					464,437
					9,156
<u>\$ 1,000</u>	<u>\$ -0-</u>	<u>\$ 225,000</u>	<u>\$ 62,966</u>	<u>\$ 13,602</u>	<u>\$ 13,427,877</u>
\$	\$	\$	\$ 10,509	\$	\$ 635,753
		225,000	52,457		1,851,083
					2,636,580
<u>-0-</u>	<u>-0-</u>	<u>225,000</u>	<u>62,966</u>	<u>-0-</u>	<u>5,123,416</u>
					9,156
					464,437
					72,064
					3,138,497
					2,338,593
					52,526
					54,219
					151,923
					958,551
				13,602	1,045,608
1,000					18,887
					-0-
					-0-
					-0-
<u>1,000</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>13,602</u>	<u>8,304,461</u>
<u>\$ 1,000</u>	<u>\$ -0-</u>	<u>\$ 225,000</u>	<u>\$ 62,966</u>	<u>\$ 13,602</u>	<u>\$ 13,427,877</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	<u>Debt Service</u>		
	<u>C of O</u>	<u>C of O</u>	<u>C of O</u>
	Sheriff & Detention Complex Series 1993	Construction and Maintenance Series 2003	Construction and Maintenance Series 2006
<u>Assets</u>			
Cash and temporary investments	\$ 1,888,319	\$ 211,664	\$ 447,869
Receivable (Net of Allowance for Uncollectibles):			
Taxes	41,527	17,357	17,929
Accounts			
Special assessments			
Due from other governments			
Due from other funds			
Inventory			
Prepaid expenditures			
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 1,929,846</u>	<u>\$ 229,021</u>	<u>\$ 465,798</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$	\$
Due to other funds			
Deferred revenue	<u>34,050</u>	<u>14,327</u>	<u>14,886</u>
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>34,050</u>	<u>14,327</u>	<u>14,886</u>
<u>Fund Balance (Deficit):</u>			
<u>Reserved:</u>			
Prepaid expenditures			
Inventory			
Encumbrances			
General administration			
Judicial and legal			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Debt service	1,895,796	214,694	450,912
Capital projects			
<u>Unreserved:</u>			
Designated for capital projects			
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>1,895,796</u>	<u>214,694</u>	<u>450,912</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance	<u>\$ 1,929,846</u>	<u>\$ 229,021</u>	<u>\$ 465,798</u>

Funds		Capital Projects Funds			
Unlimited Tax Road Bonds Series 2006	Total Debt Service Funds	Highway Right-of-Way Acquisition Fund	County Wide Road Fund	Parks CIAP Grant Fund	Quintana Boat Ramp Fund
\$ 381,767	\$ 2,929,619	\$ 478,520	\$ 307,724	\$	\$ 13,537
26,972	103,785				
	-0-				
	-0-				
	-0-			139,627	
	-0-			1,734	
	-0-				
	-0-				
<u>\$ 408,739</u>	<u>\$ 3,033,404</u>	<u>\$ 478,520</u>	<u>\$ 307,724</u>	<u>\$ 141,361</u>	<u>\$ 13,537</u>
\$	\$ -0-	\$ 11,600	\$	\$ 2,623	\$
	-0-			138,738	
<u>22,405</u>	<u>85,668</u>				
<u>22,405</u>	<u>85,668</u>	<u>11,600</u>	<u>-0-</u>	<u>141,361</u>	<u>-0-</u>
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
386,334	2,947,736				
	-0-	466,920	307,724		13,557
<u>386,334</u>	<u>2,947,736</u>	<u>466,920</u>	<u>307,724</u>	<u>-0-</u>	<u>13,557</u>
<u>\$ 408,739</u>	<u>\$ 3,033,404</u>	<u>\$ 478,520</u>	<u>\$ 307,724</u>	<u>\$ 141,361</u>	<u>\$ 13,557</u>

(continued)

BRAZORIA COUNTY, TEXAS
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2009

	Capital		
	Sheriff & Detention Complex Fund	2003 Certificate of Obligation C & M Fund	2006 Certificate of Obligation C & M Fund
Assets			
Cash and temporary investments	\$	\$ 220,880	\$ 3,589,982
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Due from other funds			
Inventory			
Prepaid expenditures			
Total assets	<u>\$ -0-</u>	<u>\$ 220,880</u>	<u>\$ 3,589,982</u>
Liabilities and Fund Balance			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$	\$ 22,195
Due to other funds			
Deferred revenue			
Total liabilities	<u>-0-</u>	<u>-0-</u>	<u>22,195</u>
Fund Balance (Deficit):			
Reserved:			
Prepaid expenditures			
Inventory			
Encumbrances			
General administration			
Judicial and legal			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Debt service			
Capital projects		220,880	3,567,787
Unreserved:			
Designated for capital projects			
Total fund balance	<u>-0-</u>	<u>220,880</u>	<u>3,567,787</u>
Total liabilities and fund balance	<u>\$ -0-</u>	<u>\$ 220,880</u>	<u>\$ 3,589,982</u>

Projects Funds				
Multi-Purpose Facility Fund	Wall of Honor Fund	Mobility Plan C & M Fund	Total Capital Projects Funds	Total Non-major Governmental Funds
\$	\$ 4,996	\$ 1,789,421	\$ 6,405,080	\$ 19,945,330
	2,577		-0-	132,819
			2,577	138,518
			-0-	539,235
			139,627	1,273,864
			1,734	506,940
			-0-	464,437
			-0-	9,156
<u>\$ -0-</u>	<u>\$ 7,573</u>	<u>\$ 1,789,421</u>	<u>\$ 6,549,018</u>	<u>\$ 23,010,299</u>
\$	\$ 3,260	\$ 470,343	\$ 510,021	\$ 1,145,774
			138,738	1,989,821
			-0-	2,722,248
<u>-0-</u>	<u>3,260</u>	<u>470,343</u>	<u>648,759</u>	<u>5,857,843</u>
			-0-	9,156
			-0-	464,437
			-0-	72,064
			-0-	3,138,947
			-0-	2,338,593
			-0-	52,526
			-0-	54,219
			-0-	151,923
			-0-	958,551
			-0-	1,045,608
			-0-	18,887
			-0-	2,947,736
		1,319,078	5,107,745	5,107,745
	4,313		792,514	792,514
<u>-0-</u>	<u>4,313</u>	<u>1,319,078</u>	<u>5,900,259</u>	<u>17,152,456</u>
<u>\$ -0-</u>	<u>\$ 7,573</u>	<u>\$ 1,789,421</u>	<u>\$ 6,549,018</u>	<u>\$ 23,010,299</u>

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended September 30, 2009

	Lateral Road Fund	Road and Bridge Tax Code Chapter 152 Fund	Special Road and Bridge Projects Fund
Special			
Revenues:			
Taxes	\$	\$ 981,572	\$
Intergovernmental	87,380		
Charges for services			
Licenses and permits			2,658,961
Special assessment			
Investment income	825	24,634	1
Miscellaneous			
Total revenues	88,205	1,006,206	2,658,962
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation	81,335	560,218	816,540
Health and welfare			
Culture and recreation			
Community development			
Capital outlay	61,352	757,435	2,007,720
Debt Service:			
Principal			
Interest			
Total expenditures	142,687	1,317,653	2,824,260
Excess (deficiency) of revenue over (under) expenditures	(54,482)	(311,447)	(165,298)
Other Financing Sources (Uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)	-0-	-0-	-0-
Excess (deficiency) of revenue and other financing sources over (under)expenditures and other financing uses	(54,482)	(311,447)	(165,298)
Fund Balance (Deficits):			
Beginning of year	190,788	451,766	1,494,291
End of year	\$ 136,306	\$ 140,319	\$ 1,328,993

Revenue Funds

Brazos Bend 2 Special Assessment Fund	Westwood Road Special Assessment Fund	Pecan Estates Road Special Assessment Fund	Hampton Road Special Assessment Fund	Rosemary Street Special Assessment Fund	Sally Lake Road Special Assessment Fund
\$	\$	\$	\$	\$	\$
	3,668	3,655	5,248	11,153	20,645
<u>-0-</u>	<u>3,668</u>	<u>3,655</u>	<u>5,248</u>	<u>11,153</u>	<u>20,645</u>
	62,764	98,025	39,516	24,519	133,949
<u>-0-</u>	<u>62,764</u>	<u>98,025</u>	<u>39,516</u>	<u>24,519</u>	<u>133,949</u>
<u>-0-</u>	<u>(59,096)</u>	<u>(94,370)</u>	<u>(34,268)</u>	<u>(13,366)</u>	<u>(113,304)</u>
<u>(1,419)</u>					
<u>(1,419)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>(1,419)</u>	<u>(59,096)</u>	<u>(94,370)</u>	<u>(34,268)</u>	<u>(13,366)</u>	<u>(113,304)</u>
<u>1,419</u>	<u>(55,281)</u>	<u>(28,869)</u>	<u>(49,535)</u>	<u>(8,771)</u>	
<u>\$ -0-</u>	<u>\$ (114,377)</u>	<u>\$ (123,239)</u>	<u>\$ (83,803)</u>	<u>\$ (22,137)</u>	<u>\$ (113,304)</u>

(continued)

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued

For the Year Ended September 30, 2009

	Special		
	Clay Banks Road Fund	TJPC State Aid Fund	TJPC Community Corrections Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	13,994	196,115	381,038
Charges for services			
Licenses and permits			
Special assessments			
Investment income		46	
Miscellaneous			
	<u>13,994</u>	<u>196,161</u>	<u>381,038</u>
Total revenues	<u>13,994</u>	<u>196,161</u>	<u>381,038</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections		273,019	533,869
Public transportation	14,979		
Health and welfare			
Culture and recreation			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest and fiscal charges			
	<u>14,979</u>	<u>273,019</u>	<u>533,869</u>
Total expenditures	<u>14,979</u>	<u>273,019</u>	<u>533,869</u>
Excess (deficiency) of revenue over (under) expenditures	(985)	(76,858)	(152,831)
Other Financing Sources (Uses):			
Transfers in	985	76,858	152,831
Transfers out			
	<u>985</u>	<u>76,858</u>	<u>152,831</u>
Total other financing sources (uses)	<u>985</u>	<u>76,858</u>	<u>152,831</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-0-	-0-	-0-
Fund Balance (Deficits):			
Beginning of year			
End of year	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>

Revenue Funds

TJPC Salary Adjustment Funding Fund	TJPC Title IV-E Foster Care Fund	TJPC Progressive Sanctions JPO Fund	TJPC Progressive Sanctions Level 1-2-3 Fund	TJPC Progressive Sanctions ISP Fund	TJPC Diversionary Placement Fund
\$ 156,106	\$ 122,672	\$ 144,518	\$ 46,439	\$ 26,733	\$ 283,109
19	9,440				2,844
<u>156,125</u>	<u>132,112</u>	<u>144,518</u>	<u>46,439</u>	<u>26,733</u>	<u>285,953</u>
156,125	132,112	168,464	77,394	44,535	285,953
<u>156,125</u>	<u>132,112</u>	<u>168,464</u>	<u>77,394</u>	<u>44,535</u>	<u>285,953</u>
<u>-0-</u>	<u>-0-</u>	<u>(23,946)</u>	<u>(30,955)</u>	<u>(17,802)</u>	<u>-0-</u>
		23,946	30,955	17,802	
<u>-0-</u>	<u>-0-</u>	<u>23,946</u>	<u>30,955</u>	<u>17,802</u>	<u>-0-</u>
-0-	-0-	-0-	-0-	-0-	-0-
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

(continued)

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued

For the Year Ended September 30, 2009

	Special		
	TJPC Intensive Community Based Program Fund	JJAEP Boot Camp Fund	CJD Juvenile Incentive Block Grant Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	119,155	696,918	39,671
Charges for services			
Licenses and permits			
Special assessment			
Investment income	982	87	
Miscellaneous			
Total revenues	<u>120,137</u>	<u>697,005</u>	<u>39,671</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			39,671
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections	120,137	849,363	
Public transportation			
Health and welfare			
Culture and recreation			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>120,137</u>	<u>849,363</u>	<u>39,671</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>(152,358)</u>	<u>-0-</u>
Other Financing Sources (Uses):			
Transfers in		152,358	
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>152,358</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

Juvenile Case Manager Fund	Family Protection Fund	State Alien Assistance Fund	TDSHS Immunization Fund	TDSHS Supplemental Food Program WIC Fund	TDSHS Community and Rural Health Fund
\$	\$	\$	\$	\$	\$
		133,277	139,163	958,419	50,482
108,655	23,475				46,850
3,363	2,451	6,899			
118			5,378		
<u>112,136</u>	<u>25,926</u>	<u>140,176</u>	<u>144,541</u>	<u>958,419</u>	<u>97,332</u>
		70,368			
98,276		3,087			
			160,561	958,419	97,332
		66,721			
<u>98,276</u>	<u>-0-</u>	<u>140,176</u>	<u>160,561</u>	<u>958,419</u>	<u>97,332</u>
<u>13,860</u>	<u>25,926</u>	<u>-0-</u>	<u>(16,020)</u>	<u>-0-</u>	<u>-0-</u>
			16,020		
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>16,020</u>	<u>-0-</u>	<u>-0-</u>
13,860	25,926	-0-	-0-	-0-	-0-
<u>138,063</u>	<u>65,203</u>				
<u>\$ 151,923</u>	<u>\$ 91,129</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

(continued)

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued

For the Year Ended September 30, 2009

	TDSHS Peer Counseling Program Fund	TDSHS WIC Registered Dietician Fund	Special TDSHS WIC Lactation Reimbursement Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	68,000	28,210	15,403
Charges for services			
Licenses and permits			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>68,000</u>	<u>28,210</u>	<u>15,403</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare	68,000	28,210	15,403
Culture and recreation			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>68,000</u>	<u>28,210</u>	<u>15,403</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Other Financing Sources (Uses):			
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>-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

TDSHS WIC-OA Vendor Activities Fund	TDSHS WIC Special Allocation Fund	TDSHS WIC Obesity SHOP/FIT Fund	TDSHS WIC Infrastructure Fund	TDSHS WIC Electronic Benefits Fund	TDSHS Cities Readiness Initiative Fund
\$ 4,000	\$ 67,121	\$ 32,843	\$ 8,810	\$ 59,475	\$ 101,100
<u>4,000</u>	<u>67,121</u>	<u>32,843</u>	<u>8,810</u>	<u>59,475</u>	<u>101,100</u>
4,000	67,121	32,843	862	59,475	101,100
			7,948		
<u>4,000</u>	<u>67,121</u>	<u>32,843</u>	<u>8,810</u>	<u>59,475</u>	<u>101,100</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>-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>

(continued)

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued

For the Year Ended September 30, 2009

	TDSHS H1N1 Fund	CPS Title IV-E Fund	Special CPS Title IV-E Legal Services Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	16,679	51,493	10,717
Charges for services			
Licenses and permits			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>16,679</u>	<u>51,493</u>	<u>10,717</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			49,426
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare	16,679	123,296	
Culture and recreation			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>16,679</u>	<u>123,296</u>	<u>49,426</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>(71,803)</u>	<u>(38,709)</u>
Other Financing Sources (Uses):			
Transfers in		71,803	38,709
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>71,803</u>	<u>38,709</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

CPS Title IV-B (Concrete) Fund	Victim Assistance Grant 02G00551 Fund	Crime Victim Assistance Fund	Justice Assistance Grant (JAG) Fund	Justice Court Technology Fund	DEA Narcotics OT Expense Program Fund
\$ 4,617	\$ 21,436	\$ 116,631	\$ 11,025	\$ 90,840	\$ 7,433
		31,601	185	15,452	
<u>4,617</u>	<u>21,436</u>	<u>148,232</u>	<u>11,210</u>	<u>106,292</u>	<u>7,433</u>
	48,971	102,314		50,540	
		83,792	11,210		7,433
4,617				15,680	
<u>4,617</u>	<u>48,971</u>	<u>186,106</u>	<u>11,210</u>	<u>66,220</u>	<u>7,433</u>
<u>-0-</u>	<u>(27,535)</u>	<u>(37,874)</u>	<u>-0-</u>	<u>40,072</u>	<u>-0-</u>
	27,535	37,874			
<u>-0-</u>	<u>27,535</u>	<u>37,874</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
-0-	-0-	-0-	-0-	40,072	-0-
				491,149	
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 531,221</u>	<u>\$ -0-</u>

(continued)

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued

For the Year Ended September 30, 2009

	Special		
	JP Building Security Fund	Shoreline Restoration Task Force Fund	State Homeland Security Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			330,733
Charges for services	21,893		
Licenses and permits			
Special assessment			
Investment income	1,210	213	
Miscellaneous			
Total revenues	<u>23,103</u>	<u>213</u>	<u>330,733</u>
Expenditures:			
Current:			
General administration			63,917
Judicial and legal	2,066		
Financial administration			
Elections			
Public facilities			
Public safety			9,111
Corrections			
Public transportation			1,911
Health and welfare			
Culture and recreation		2,743	
Community development			
Capital outlay	6,228		255,794
Debt Service:			
Principal			
Interest			
Total expenditures	<u>8,294</u>	<u>2,743</u>	<u>330,733</u>
Excess (deficiency) of revenue over (under) expenditures	<u>14,809</u>	<u>(2,530)</u>	<u>-0-</u>
Other Financing Sources (Uses):			
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	14,809	(2,530)	-0-
Fund Balance (Deficits):			
Beginning of year	<u>38,274</u>	<u>20,417</u>	<u></u>
End of year	<u>\$ 53,083</u>	<u>\$ 17,887</u>	<u>\$ -0-</u>

Revenue Funds

Tobacco Compliance Fund	Bioterrorism Grant Fund	Law Enforcement Officers Standards & Education Fund	Organized Crime Drug Enforcement Fund	Texas VINE Contract Fund	HGAC Solid Waste Grant Fund
\$ 658	\$ 215,066	\$ 25,759	\$ 13,792	\$ 30,108	\$ 112,700
148	792	2,155			
<u>806</u>	<u>215,858</u>	<u>27,914</u>	<u>13,792</u>	<u>30,108</u>	<u>112,700</u>
		84		30,108	112,700
806		41,186	13,792		
	215,858				
<u>806</u>	<u>215,858</u>	<u>41,270</u>	<u>13,792</u>	<u>30,108</u>	<u>112,700</u>
<u>-0-</u>	<u>-0-</u>	<u>(13,356)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
(5)					
(5)	-0-	-0-	-0-	-0-	-0-
(5)	-0-	(13,356)	-0-	-0-	-0-
		68,643			
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 55,287</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

(continued)

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued

For the Year Ended September 30, 2009

	<u>Special</u>		
	2004 CDBG County (HUD) Fund	2005 CDBG County (HUD) Fund	2006 CDBG County (HUD) Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	140,742	26,515	423,397
Charges for services			
Licenses and permits			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>140,742</u>	<u>26,515</u>	<u>423,397</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Community development	140,742	26,515	423,397
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>140,742</u>	<u>26,515</u>	<u>423,397</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Other Financing Sources (Uses):			
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>-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

2007 CDBG County (HUD) Fund	2008 CDBG County (HUD) Fund	2005 Section 8 Housing Choice Vouchers Fund	2006 Section 8 Housing Choice Vouchers Fund	2007 Section 8 Housing Choice Vouchers Fund	2008 Section 8 Housing Choice Vouchers Fund
\$ 808,561	\$ 1,077,459	\$ 276,616	\$ 42,000	\$	\$ 814,289
		1,416	11,995	541	3,142
					2,120
<u>808,561</u>	<u>1,077,459</u>	<u>278,032</u>	<u>53,995</u>	<u>541</u>	<u>819,551</u>
					830,575
808,561	1,077,459				
<u>808,561</u>	<u>1,077,459</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>830,575</u>
<u>-0-</u>	<u>-0-</u>	<u>278,032</u>	<u>53,995</u>	<u>541</u>	<u>(11,024)</u>
		(288,616)	(52,834)		
<u>-0-</u>	<u>-0-</u>	<u>(288,616)</u>	<u>(52,834)</u>	<u>-0-</u>	<u>-0-</u>
-0-	-0-	(10,584)	1,161	541	(11,024)
		43,951	33,439	17,226	47,306
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 33,367</u>	<u>\$ 34,600</u>	<u>\$ 17,767</u>	<u>\$ 36,282</u>

(continued)

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued

For the Year Ended September 30, 2009

	Special		
	2009 Section 8 Housing Choice Vouchers Fund	Records Management County Clerk Fund	Financial Security Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	2,414,449		
Charges for services		290,072	170,551
Licenses and permits			
Special assessment			
Investment income	8,197	19,407	1,718
Miscellaneous	13,039		422
Total revenues	<u>2,435,685</u>	<u>309,479</u>	<u>172,691</u>
Expenditures:			
Current:			
General administration		176,295	
Judicial and legal			3,903
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare	2,725,049		
Culture and recreation			
Community development			
Capital outlay		132,667	
Debt Service:			
Principal			
Interest			
Total expenditures	<u>2,725,049</u>	<u>308,962</u>	<u>3,903</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(289,364)</u>	<u>517</u>	<u>168,788</u>
Other Financing Sources (Uses):			
Transfers in	341,450	104,332	
Transfers out			
Total other financing sources (uses)	<u>341,450</u>	<u>104,332</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	52,086	104,849	168,788
Fund Balance (Deficits):			
Beginning of year		1,176,983	18,145
End of year	<u>\$ 52,086</u>	<u>\$ 1,281,832</u>	<u>\$ 186,933</u>

Revenue Funds

Record Archive County Clerk Fund	Record Archive District Clerk Fund	Civil, Criminal & Probate Records Management Fund	Elections HAVA Equipment Rental Funds	Elections Services Contract Fund	Elections HAVA Grant Fund
\$	\$	\$	\$	\$	\$
282,271	29,549	117,232	48,827	114,852	1,716
64,205	4,870	11,453 43	583	1,063	
<u>346,476</u>	<u>34,419</u>	<u>128,728</u>	<u>49,410</u>	<u>115,915</u>	<u>1,716</u>
256,852	14,319	24,500 13,990		111,210	1,716
74,253	10,017				
<u>331,105</u>	<u>24,336</u>	<u>38,490</u>	<u>-0-</u>	<u>111,210</u>	<u>1,716</u>
<u>15,371</u>	<u>10,083</u>	<u>90,238</u>	<u>49,410</u>	<u>4,705</u>	<u>-0-</u>
(<u>103,509</u>)		5,075			
(<u>103,509</u>)	-0-	<u>5,075</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
(88,138)	10,083	95,313	49,410	4,705	-0-
<u>1,885,260</u>	<u>144,316</u>	<u>916,387</u>	<u>3,109</u>	<u>20,994</u>	
<u>\$ 1,797,122</u>	<u>\$ 154,399</u>	<u>\$ 1,011,700</u>	<u>\$ 52,519</u>	<u>\$ 25,699</u>	<u>\$ -0-</u>

(continued)

BRAZORIA COUNTY, TEXAS

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

For the Year Ended September 30, 2009

	Lone Star Library Grant Fund	Law Library Fund	Special County Graffiti Eradication Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	59,790		
Charges for services		196,627	295
Licenses and permits			
Special assessment			
Investment income		2,859	32
Miscellaneous		17,059	
Total revenues	<u>59,790</u>	<u>216,545</u>	<u>327</u>
Expenditures:			
Current:			
General administration			
Judicial and legal		229,655	
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation	59,790		
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>59,790</u>	<u>229,655</u>	<u>-0-</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>(13,110)</u>	<u>327</u>
Other Financing Sources (Uses):			
Transfers in		32,000	
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>32,000</u>	<u>-0-</u>
Excess of revenue and other financing sources over (under) expenditures and other financing uses	<u>-0-</u>	<u>18,890</u>	<u>327</u>
Fund Balance (Deficits):			
Beginning of year		275,972	790
End of year	<u>\$ -0-</u>	<u>\$ 294,862</u>	<u>\$ 1,117</u>

Revenue Funds					
Brazoria County Toll Road Authority Fund	Mosquito Control District Fund	FEMA Welfare Fund	HGAC 911 Addressing Fund	Child Abuse Prevention Fund	Economic Development Tax Abatement Fund
\$	\$ 1,773,249	\$	\$	\$	\$
	23,230	33,589	57,046		
				669	1,500
	9,804	5	428	26	1,279
	964				113,315
<u>-0-</u>	<u>1,807,247</u>	<u>33,594</u>	<u>57,474</u>	<u>695</u>	<u>116,094</u>
64,017					110,315
			57,046		
	1,862,259	33,594			
	40,558				
<u>64,017</u>	<u>1,902,817</u>	<u>33,594</u>	<u>57,046</u>	<u>-0-</u>	<u>110,315</u>
<u>(64,017)</u>	<u>(95,570)</u>	<u>-0-</u>	<u>428</u>	<u>695</u>	<u>5,779</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>(64,017)</u>	<u>(95,570)</u>	<u>-0-</u>	<u>428</u>	<u>695</u>	<u>5,779</u>
<u>(81,190)</u>	<u>1,373,668</u>		<u>864</u>	<u>783</u>	<u>17,162</u>
<u>\$(145,207)</u>	<u>\$ 1,278,098</u>	<u>\$ -0-</u>	<u>\$ 1,292</u>	<u>\$ 1,478</u>	<u>\$ 22,941</u>

(continued)

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued

For the Year Ended September 30, 2009

	Mutual Fire Protection & Disbursement Assistance Fund	Reliant Energy CARE/RELIEF Program Fund	Special Vital Statistics Fee Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	13,650		
Charges for services			17,111
Licenses and permits			
Special assessment			
Investment income	176		2,069
Miscellaneous		128,041	
Total revenues	<u>13,826</u>	<u>128,041</u>	<u>19,180</u>
Expenditures:			
Current:			
General administration	13,826		7,253
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare		187,279	
Culture and recreation			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>13,826</u>	<u>187,279</u>	<u>7,253</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>(59,238)</u>	<u>11,927</u>
Other Financing Sources (Uses):			
Transfers in			
Transfers out			(5,898)
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>(5,898)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>-0-</u>	<u>(59,238)</u>	<u>6,029</u>
Fund Balance (Deficits):			
Beginning of year (restated)		109,632	63,178
End of year	<u>\$ -0-</u>	<u>\$ 50,394</u>	<u>\$ 69,207</u>

Revenue Funds

Flood Protection Study Fund	United Way Emergency Assistance Fund	United Way Hurricane Ike Fund	Teen Court Fund	TCEQ LIRAP Program Fund	TCEQ Emissions Reduction Fund
\$	\$	\$	\$	\$	\$
				924,345	208,473
	197				1,876
	40,000				
-0-	40,197	-0-	-0-	924,345	210,349
				924,345	
			47		
	56,540	10,000			469,876
-0-	56,540	10,000	47	924,345	469,873
-0-	(16,343)	(10,000)	(47)	-0-	(259,527)
					259,527
-0-	-0-	-0-	-0-	-0-	259,527
-0-	(16,343)	(10,000)	(47)	-0-	-0-
(45,000)	16,949	10,000	38,186		
\$(45,000)	\$606	\$-0-	\$38,139	\$-0-	\$-0-

(continued)

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued

For the Year Ended September 30, 2009

	Voter Registration Tax Office Fund	Buffer Zone Protection Program Fund	Special United Way White/Perry Texas Disaster Relief Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	25,058	68,126	90,397
Charges for services			
Licenses and permits			
Special assessment			
Investment income			372
Miscellaneous			
Total revenues	<u>25,058</u>	<u>68,126</u>	<u>90,769</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration	19,511		
Elections			
Public facilities			
Public safety		7,387	
Corrections			
Public transportation			
Health and welfare			90,739
Culture and recreation			
Community development			
Capital outlay		60,739	
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>19,511</u>	<u>68,126</u>	<u>90,739</u>
Excess (deficiency) of revenue over (under) expenditures	<u>5,547</u>	<u>-0-</u>	<u>-0-</u>
Other Financing Sources (Uses):			
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	5,547	-0-	30
Fund Balance (Deficits):			
Beginning of year	(17,239)		
End of year	<u>\$(11,692)</u>	<u>\$ -0-</u>	<u>\$ 30</u>

Revenue Funds

<u>Parks Improvement Fund</u>	<u>HGAC Technical Study Grant Fund</u>	<u>Flood Protection Planning Contract Fund</u>	<u>Drug Court Program Fund</u>	<u>SEP Contract Fund</u>	<u>Total Special Revenue Funds</u>
\$	\$	\$	\$	\$	\$
	39,524	225,000	108,232		2,754,821
			12,592		12,851,202
					1,527,011
					2,705,811
					44,369
				42	218,709
			50	13,560	366,502
<u>-0-</u>	<u>39,524</u>	<u>225,000</u>	<u>120,874</u>	<u>13,602</u>	<u>20,468,425</u>
	39,524				1,807,863
			120,874		691,649
					19,511
					112,926
					57,046
					161,293
		299,968			2,826,126
					2,133,724
					7,749,811
					62,533
					2,476,674
					3,966,988
					-0-
					-0-
<u>-0-</u>	<u>39,524</u>	<u>299,968</u>	<u>120,874</u>	<u>-0-</u>	<u>22,066,144</u>
<u>-0-</u>	<u>-0-</u>	<u>(74,968)</u>	<u>-0-</u>	<u>13,602</u>	<u>(1,597,719)</u>
		74,968			1,465,283
					(452,536)
<u>-0-</u>	<u>-0-</u>	<u>74,968</u>	<u>-0-</u>	<u>-0-</u>	<u>1,012,747</u>
-0-	-0-	-0-	-0-	13,602	(584,972)
<u>1,000</u>					<u>8,889,433</u>
<u>\$ 1,000</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 13,602</u>	<u>\$ 8,304,461</u>

(continued)

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued

For the Year Ended September 30, 2009

	C of O Sheriff & Detention Complex Series 1993	C of O Construction and Maintenance Series 2003	Debt Service C of O Construction and Maintenance Series 2006
Revenues:			
Taxes	\$ 2,380,189	\$ 970,341	\$ 1,064,948
Intergovernmental			
Charges for services			
Licenses and permits			
Special assessment			
Investment income	75,163	12,742	86,977
Miscellaneous	<u>7,227</u>		
Total revenues	<u>2,462,579</u>	<u>983,083</u>	<u>1,151,925</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Community development			
Capital outlay			
Debt Service:			
Principal	2,360,000	680,000	505,000
Interest and fiscal charges	<u>522,526</u>	<u>278,161</u>	<u>591,907</u>
Total expenditures	<u>2,882,526</u>	<u>958,161</u>	<u>1,096,907</u>
Excess (deficiency) of revenue over (under) expenditures	(<u>419,947</u>)	<u>24,922</u>	<u>55,018</u>
Other Financing Sources (Uses):			
Transfers in	4,007		131,439
Transfers out			
Total other financing sources (uses)	<u>4,007</u>	<u>-0-</u>	<u>131,439</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(<u>415,940</u>)	<u>24,922</u>	<u>186,457</u>
Fund Balance (Deficits):			
Beginning of year	<u>2,311,736</u>	<u>189,772</u>	<u>264,455</u>
End of year	<u>\$ 1,895,796</u>	<u>\$ 214,694</u>	<u>\$ 450,912</u>

Funds		Capital Projects Funds			
Unlimited Tax Road Bonds Series 2006	Total Debt Service Funds	Highway Right-of-Way Acquisition Fund	County Wide Road Fund	Parks CIAP Grant Fund	Quintana Boat Ramp Fund
\$ 1,858,357	\$ 6,273,835	\$	\$	\$ 113,541	\$
	-0-				
	-0-				
	-0-				
52,385	227,267	10,524	5,736		455
27,245	34,472				
<u>1,937,987</u>	<u>6,535,574</u>	<u>10,524</u>	<u>5,736</u>	<u>113,541</u>	<u>455</u>
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-			113,541	
	-0-	222,928			
695,000	4,240,000				
999,042	2,391,636				
<u>1,694,042</u>	<u>6,631,636</u>	<u>222,928</u>	<u>-0-</u>	<u>113,541</u>	<u>-0-</u>
243,945	(96,062)	(212,404)	5,736	-0-	455
98,570	234,016				
	-0-				
<u>98,570</u>	<u>234,016</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
342,515	137,954	(212,404)	5,736	-0-	455
43,819	2,809,782	679,324	301,988		13,102
<u>\$ 386,334</u>	<u>\$ 2,947,736</u>	<u>\$ 466,920</u>	<u>\$ 307,724</u>	<u>\$ -0-</u>	<u>\$ 13,557</u>

(continued)

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued

For the Year Ended September 30, 2009

	Sheriff & Detention Complex Fund	2003 Certificate of Obligation C & M Fund	Capital 2006 Certificate of Obligation C & M Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			
Charges for services			
Licenses and permits			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	-0-	-0-	-0-
Expenditures:			
Current:			
General administration			728
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety		1,535	
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Community development			
Capital outlay		215,500	5,697,630
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	-0-	217,035	5,698,358
Excess (deficiency) of revenue over (under) expenditures	-0-	(217,035)	(5,698,358)
Other Financing Sources (Uses):			
Transfers in			
Transfers out	(4,007)		(131,439)
Total other financing sources (uses)	(4,007)	-0-	(131,439)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(4,007)	(217,035)	(5,829,797)
Fund Balance (Deficits):			
Beginning of year	4,007	437,915	9,397,584
End of year	\$ -0-	\$ 220,880	\$ 3,567,787

Projects Funds

Multi-Purpose Facility Fund	Wall of Honor Fund	Mobility Plan C & M Fund	Total Capital Projects Funds	Total Non-major Governmental Funds
\$	\$	\$	\$	\$
			-0-	9,028,656
			113,541	12,964,743
			-0-	1,527,011
			-0-	2,705,811
			-0-	44,369
	352	25,876	42,943	488,919
	11,270		11,270	412,244
	<u>11,622</u>	<u>25,876</u>	<u>167,754</u>	<u>27,171,753</u>
	4,656		5,384	1,813,247
			-0-	691,649
			-0-	19,511
			-0-	112,926
			-0-	57,046
			1,535	162,828
			-0-	2,826,126
		2,182,228	2,182,228	4,315,952
			-0-	7,749,811
			113,541	176,074
			-0-	2,476,674
	15,000	4,737,242	10,888,300	14,855,288
			-0-	4,240,000
			-0-	2,391,636
	<u>19,656</u>	<u>6,919,470</u>	<u>13,190,988</u>	<u>41,888,768</u>
	<u>-0-</u>	<u>(8,034)</u>	<u>(13,023,234)</u>	<u>(14,717,015)</u>
(50)	-0-	(98,570)	(234,066)	1,699,044
(50)	-0-	(98,570)	(234,066)	(686,347)
				1,012,697
(50)	(8,034)	(6,992,164)	(13,257,300)	(13,704,318)
50	12,347	8,311,242	19,157,559	30,856,774
<u>\$ -0-</u>	<u>\$ 4,313</u>	<u>\$ 1,319,078</u>	<u>\$ 5,900,259</u>	<u>\$ 17,152,456</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, 2009

Exhibit 14
Page 1 of 10

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
General Administration:				
County Judge:				
Salaries and wages, and employee benefits	\$ 372,595	\$ 372,595	\$ 359,946	\$ 12,649
Operating expenditures	<u>16,900</u>	<u>16,900</u>	<u>4,524</u>	<u>12,376</u>
Total County Judge	<u>389,495</u>	<u>389,495</u>	<u>364,470</u>	<u>25,025</u>
South Service Center:				
Salaries and wages, and employee benefits	285,822	286,622	286,414	208
Operating expenditures	<u>18,995</u>	<u>18,300</u>	<u>11,872</u>	<u>6,428</u>
Total South Service Center	<u>304,817</u>	<u>304,922</u>	<u>298,286</u>	<u>6,636</u>
Central Service Center:				
Salaries and wages, and employee benefits	328,973	328,973	326,719	2,254
Operating expenditures	<u>19,561</u>	<u>19,561</u>	<u>9,165</u>	<u>10,396</u>
Total Central Service Center	<u>348,534</u>	<u>348,534</u>	<u>335,884</u>	<u>12,650</u>
North Service Center:				
Salaries and wages, and employee benefits	349,466	349,466	337,547	11,919
Operating expenditures	<u>23,534</u>	<u>23,534</u>	<u>9,399</u>	<u>14,135</u>
Total North Service Center	<u>373,000</u>	<u>373,000</u>	<u>346,946</u>	<u>26,054</u>
West Service Center:				
Salaries and wages, and employee benefits	322,565	322,565	321,215	1,350
Operating expenditures	<u>9,285</u>	<u>9,424</u>	<u>6,443</u>	<u>2,981</u>
Total West Service Center	<u>331,850</u>	<u>331,989</u>	<u>327,658</u>	<u>4,331</u>
Records Management:				
Salaries and wages, and employee benefits	63,109	63,809	63,621	188
Operating expenditures	<u>3,326</u>	<u>3,326</u>	<u>2,250</u>	<u>1,076</u>
Total records management	<u>66,435</u>	<u>67,135</u>	<u>65,871</u>	<u>1,264</u>
County Clerk:				
Salaries and wages, and employee benefits	2,116,208	2,136,208	2,131,959	4,249
Operating expenditures	<u>87,100</u>	<u>88,843</u>	<u>59,552</u>	<u>29,291</u>
Total County Clerk	<u>2,203,308</u>	<u>2,225,051</u>	<u>2,191,511</u>	<u>33,540</u>
Veteran's Service:				
Salaries and wages, and employee benefits	166,974	166,974	147,618	19,356
Operating expenditures	8,750	8,750	4,321	4,429
Capital outlay	<u>17,000</u>	<u>17,000</u>	<u>16,151</u>	<u>849</u>
Total veteran's service	<u>192,724</u>	<u>192,724</u>	<u>168,090</u>	<u>24,634</u>

(continued)

BRAZORIA COUNTY, TEXAS

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

For the Year Ended September 30, 2009

Exhibit 14
Page 2 of 10

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
General Administration - Continued:				
Emergency Management:				
Salaries and wages, and employee benefits	\$ 275,211	\$ 277,311	\$ 275,684	\$ 1,627
Operating expenditures	72,150	71,420	46,532	24,888
Capital outlay	22,000	49,230	23,782	25,448
Total emergency management	369,361	397,961	345,998	51,963
Non-departmental:				
Salaries and wages, and employee benefits	250,000			-0-
Operating expenditures	1,335,696	2,103,787	1,831,620	272,167
Capital outlay		245,782	226,486	19,296
Total non-departmental	1,585,696	2,349,569	2,058,106	291,463
Total general administration	6,165,220	6,980,380	6,502,820	477,560
Judicial and Legal:				
County Court at Law 1:				
Salaries and wages, and employee benefits	334,265	335,165	335,015	150
Operating expenditures	35,200	35,200	30,222	4,978
Total County Court at Law 1	369,465	370,365	365,237	5,128
County Court at Law 2:				
Salaries and wages, and employee benefits	334,203	335,803	335,598	205
Operating expenditures	37,900	37,924	32,673	5,251
Total County Court at Law 2	372,103	373,727	368,271	5,456
County Court at Law 3:				
Salaries and wages, and employee benefits	334,988	334,988	327,112	7,876
Operating expenditures	40,000	41,708	33,458	8,250
Total County Court at Law 3	374,988	376,696	360,570	16,126
County Court at Law 4:				
Salaries and wages, and employee benefits	335,271	338,071	337,890	181
Operating expenses	36,300	36,300	25,925	10,375
Total County Court at Law 4	371,571	374,371	363,815	10,556
Probate Court Investigations:				
Salaries and wages, and employee benefits	122,991	123,591	123,453	138
Operating expenditures	3,371	3,371	2,533	838
Total probate court investigations	126,362	126,962	125,986	976
District Courts:				
Salaries and wages, and employee benefits	1,176,027	1,176,027	1,086,168	89,859
Operating expenditures	289,605	288,865	267,293	21,572
Total district courts	1,465,632	1,464,892	1,353,461	111,431

(continued)

BRAZORIA COUNTY, TEXAS

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

For the Year Ended September 30, 2009

Exhibit 14
Page 3 of 10

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Judicial and Legal - Continued:				
District Clerk:				
Salaries and wages, and employee benefits	\$ 1,642,404	\$ 1,642,404	\$ 1,558,229	\$ 84,175
Operating expenditures	<u>90,224</u>	<u>94,872</u>	<u>72,183</u>	<u>22,689</u>
Total District Clerk	<u>1,732,628</u>	<u>1,737,276</u>	<u>1,630,412</u>	<u>106,864</u>
Justice of the Peace Pct. 1, Pl. 1:				
Salaries and wages, and employee benefits	337,451	340,051	339,840	211
Operating expenditures	<u>8,901</u>	<u>8,901</u>	<u>8,718</u>	<u>183</u>
Total Justice of the Peace Pct. 1, Pl. 1	<u>346,352</u>	<u>348,952</u>	<u>348,558</u>	<u>394</u>
Justice of the Peace Pct. 1, Pl. 2:				
Salaries and wages, and employee benefits	334,119	334,119	326,084	8,035
Operating expenditures	<u>9,650</u>	<u>9,827</u>	<u>7,096</u>	<u>2,731</u>
Total Justice of the Peace Pct. 1, Pl. 2	<u>343,769</u>	<u>343,946</u>	<u>333,180</u>	<u>10,766</u>
Justice of the Peace Pct. 2, Pl. 1:				
Salaries and wages, and employee benefits	363,350	363,950	363,728	222
Operating expenditures	<u>9,525</u>	<u>9,949</u>	<u>9,831</u>	<u>118</u>
Total Justice of the Peace Pct. 2, Pl. 1	<u>372,875</u>	<u>373,899</u>	<u>373,559</u>	<u>340</u>
Justice of the Peace Pct. 2, Pl. 2:				
Salaries and wages, and employee benefits	424,366	424,366	423,528	838
Operating expenditures	<u>23,750</u>	<u>26,962</u>	<u>23,963</u>	<u>2,999</u>
Total Justice of the Peace Pct. 2, Pl. 2	<u>448,116</u>	<u>451,328</u>	<u>447,491</u>	<u>3,837</u>
Justice of the Peace Pct. 3, Pl. 1:				
Salaries and wages, and employee benefits	325,627	325,627	298,026	27,601
Operating expenditures	<u>10,201</u>	<u>10,201</u>	<u>8,830</u>	<u>1,371</u>
Total Justice of the Peace Pct. 3, Pl. 1	<u>335,828</u>	<u>335,828</u>	<u>306,856</u>	<u>28,972</u>
Justice of the Peace Pct. 3, Pl. 2:				
Salaries and wages, and employee benefits	270,491	270,491	256,214	14,277
Operating expenditures	<u>8,200</u>	<u>8,200</u>	<u>6,749</u>	<u>1,451</u>
Total Justice of the Peace Pct. 3, Pl. 2	<u>278,691</u>	<u>278,691</u>	<u>262,963</u>	<u>15,728</u>
Justice of the Peace Pct. 4, Pl. 1:				
Salaries and wages, and employee benefits	377,902	377,902	357,973	19,929
Operating expenditures	<u>22,446</u>	<u>22,553</u>	<u>18,757</u>	<u>3,796</u>
Total Justice of the Peace Pct. 4, Pl. 1	<u>400,348</u>	<u>400,455</u>	<u>376,730</u>	<u>23,725</u>

(continued)

BRAZORIA COUNTY, TEXAS

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

For the Year Ended September 30, 2009

Exhibit 14
Page 4 of 10

	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	\$ 335,035	\$ 335,035	\$ 333,135	\$ 1,900
Operating expenditures	<u>12,650</u>	<u>12,650</u>	<u>6,837</u>	<u>5,813</u>
Total Justice of the Peace Pct. 4, Pl. 2	<u>347,685</u>	<u>347,685</u>	<u>339,972</u>	<u>7,713</u>
District Attorney:				
Salaries and wages, and employee benefits	4,565,811	4,649,811	4,594,264	55,547
Operating expenditures	118,810	244,203	219,122	25,081
Capital outlay		<u>42,000</u>	<u>20,633</u>	<u>21,367</u>
Total District Attorney	<u>4,684,621</u>	<u>4,936,014</u>	<u>4,834,019</u>	<u>101,995</u>
Juror Fees and Costs:				
Operating expenditures	<u>410,000</u>	<u>410,000</u>	<u>360,565</u>	<u>49,435</u>
Total juror fees and costs	<u>410,000</u>	<u>410,000</u>	<u>360,565</u>	<u>49,435</u>
Judicial Miscellaneous:				
Salaries and wages, and employee benefits	15,000	31,700	29,750	1,950
Operating expenditures	<u>1,355,000</u>	<u>1,340,000</u>	<u>1,060,822</u>	<u>279,178</u>
Total judicial miscellaneous	<u>1,370,000</u>	<u>1,371,700</u>	<u>1,090,572</u>	<u>281,128</u>
Indigent Defense:				
Salaries and wages, and employee benefits		41,800	41,522	278
Operating expenditures	<u>2,246,000</u>	<u>2,246,000</u>	<u>1,908,441</u>	<u>337,559</u>
Total indigent defense	<u>2,246,000</u>	<u>2,287,800</u>	<u>1,949,963</u>	<u>337,837</u>
Child Support:				
Salaries and wages, and employee benefits	204,917	204,917	194,441	10,476
Operating expenditures	<u>3,980</u>	<u>3,980</u>	<u>2,213</u>	<u>1,767</u>
Total child support	<u>208,897</u>	<u>208,897</u>	<u>196,654</u>	<u>12,243</u>
Bail Bond Board:				
Salaries and wages, and employee benefits	99,367	99,867	99,750	117
Operating expenditures	<u>2,595</u>	<u>2,595</u>	<u>1,519</u>	<u>1,076</u>
Total bail bond board	<u>101,962</u>	<u>102,462</u>	<u>101,269</u>	<u>1,193</u>
Total judicial and legal	<u>16,707,893</u>	<u>17,021,946</u>	<u>15,890,103</u>	<u>1,131,843</u>
Financial Administration:				
County Auditor:				
Salaries and wages, and employee benefits	1,071,477	1,071,477	1,007,905	63,572
Operating expenditures	<u>16,605</u>	<u>16,605</u>	<u>9,816</u>	<u>6,789</u>
Total county auditor	<u>1,088,082</u>	<u>1,088,082</u>	<u>1,017,721</u>	<u>70,361</u>

(continued)

BRAZORIA COUNTY, TEXAS

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

For the Year Ended September 30, 2009

Exhibit 14
Page 5 of 10

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Financial Administration - Continued:				
Purchasing:				
Salaries and wages, and employee benefits	\$ 448,065	\$ 448,065	\$ 392,325	\$ 55,740
Operating expenditures	<u>21,163</u>	<u>22,167</u>	<u>20,362</u>	<u>1,805</u>
Total purchasing	<u>469,228</u>	<u>470,232</u>	<u>412,687</u>	<u>57,545</u>
County Treasurer:				
Salaries and wages, and employee benefits	250,736	251,836	251,676	160
Operating expenditures	<u>177,534</u>	<u>177,534</u>	<u>170,869</u>	<u>6,665</u>
Total County Treasurer	<u>428,270</u>	<u>429,370</u>	<u>422,545</u>	<u>6,825</u>
Human Resources:				
Salaries and wages, and employee benefits	362,109	362,109	355,919	6,190
Operating expenditures	<u>36,787</u>	<u>37,428</u>	<u>31,296</u>	<u>6,132</u>
Total human resources	<u>398,896</u>	<u>399,537</u>	<u>387,215</u>	<u>12,322</u>
Tax Assessor-Collector:				
Salaries and wages, and employee benefits	2,474,573	2,509,122	2,334,751	174,371
Operating expenditures	285,953	343,155	309,196	33,959
Capital outlay		<u>25,000</u>	<u>25,000</u>	<u>-0-</u>
Total Tax Assessor-Collector	<u>2,760,526</u>	<u>2,877,277</u>	<u>2,668,947</u>	<u>208,330</u>
Information Systems:				
Salaries and wages, and employee benefits	1,709,712	1,709,712	1,693,465	16,247
Operating expenditures	<u>1,906,211</u>	<u>1,927,684</u>	<u>1,844,849</u>	<u>82,835</u>
Total information systems	<u>3,615,923</u>	<u>3,637,396</u>	<u>3,538,314</u>	<u>99,082</u>
Appraisal District Assessment:				
Operating expenditures	<u>550,000</u>	<u>547,500</u>	<u>547,458</u>	<u>42</u>
Total appraisal district assessment	<u>550,000</u>	<u>547,500</u>	<u>547,458</u>	<u>42</u>
Total financial administration	<u>9,310,925</u>	<u>9,449,394</u>	<u>8,994,887</u>	<u>454,507</u>
Elections:				
Salaries and wages, and employee benefits	200,000	190,000	191,512	(1,512)
Operating expenditures	<u>119,745</u>	<u>136,776</u>	<u>129,219</u>	<u>7,557</u>
Total elections	<u>319,745</u>	<u>326,776</u>	<u>320,731</u>	<u>6,045</u>

(continued)

BRAZORIA COUNTY, TEXAS

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

For the Year Ended September 30, 2009

Exhibit 14
Page 6 of 10

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Facilities:				
Courthouses and Associated Buildings:				
Salaries and wages, and employee benefits	\$ 1,394,036	\$ 1,394,036	\$ 1,243,401	\$ 150,635
Operating expenditures	1,492,750	1,492,857	1,361,048	131,809
Capital outlay	163,050	296,480	255,773	40,707
Total courthouses and associated buildings	<u>3,049,836</u>	<u>3,183,373</u>	<u>2,860,222</u>	<u>323,151</u>
Construction Management:				
Salaries and wages, and employee benefits	62,835	64,535	64,362	173
Total construction management	<u>62,835</u>	<u>64,535</u>	<u>64,362</u>	<u>173</u>
Property Insurance:				
Operating expenditures	850,000	850,000	734,385	115,615
Total property insurance	<u>850,000</u>	<u>850,000</u>	<u>734,385</u>	<u>115,615</u>
Total public facilities	<u>3,962,671</u>	<u>4,097,908</u>	<u>3,658,969</u>	<u>438,939</u>
Public Safety:				
County Sheriff:				
Salaries and wages, and employee benefits	11,107,545	11,607,545	11,561,072	46,473
Operating expenditures	1,839,779	1,944,117	1,432,575	511,542
Capital outlay	468,588	511,906	506,835	5,071
Total County Sheriff	<u>13,415,912</u>	<u>14,063,568</u>	<u>13,500,482</u>	<u>563,086</u>
Texas Department of Public Safety:				
Salaries and wages, and employee benefits	126,366	127,766	126,790	976
Operating expenditures		71	71	-0-
Total Texas Department of Public Safety:	<u>126,366</u>	<u>127,837</u>	<u>126,861</u>	<u>976</u>
Constable – Precinct 1:				
Salaries and wages, and employee benefits	311,688	323,288	322,879	409
Operating expenditures	17,495	17,524	15,030	2,494
Capital outlay	30,000	30,000	23,676	6,324
Total Constable – Precinct 1	<u>359,183</u>	<u>370,812</u>	<u>361,585</u>	<u>9,227</u>
Constable – Precinct 2:				
Salaries and wages, and employee benefits	330,915	343,015	342,545	470
Operating expenditures	39,920	40,174	33,874	6,300
Capital outlay	40,000	40,000	39,670	330
Total Constable – Precinct 2	<u>410,835</u>	<u>423,189</u>	<u>416,089</u>	<u>7,100</u>

(continued)

BRAZORIA COUNTY, TEXAS

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

For the Year Ended September 30, 2009

Exhibit 14
Page 7 of 10

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Safety - Continued:				
Constable – Precinct 3:				
Salaries and wages, and employee benefits	\$ 324,258	\$ 336,458	\$ 335,744	\$ 714
Operating expenditures	42,730	43,203	27,464	15,739
Capital outlay		4,945	4,945	-0-
Total Constable – Precinct 3	<u>366,988</u>	<u>384,606</u>	<u>368,153</u>	<u>16,453</u>
Constable – Precinct 4:				
Salaries and wages, and employee benefits	323,577	323,577	321,395	2,182
Operating expenditures	<u>31,840</u>	<u>31,018</u>	<u>29,130</u>	<u>1,888</u>
Total Constable – Precinct 4	<u>355,417</u>	<u>354,595</u>	<u>350,525</u>	<u>4,070</u>
Inmate Community Service Work Program:				
Salaries and wages, and employee benefits	82,592	82,592	78,897	3,695
Operating expenditures	41,293	41,293	40,122	1,171
Capital outlay	<u>23,700</u>	<u>23,700</u>	<u>23,283</u>	<u>417</u>
Total inmate community service work program	<u>147,585</u>	<u>147,585</u>	<u>142,302</u>	<u>5,283</u>
Ambulance EMS:				
Operating expenditures	<u>96,000</u>	<u>96,000</u>	<u>96,000</u>	<u>-0-</u>
Total ambulance EMS	<u>96,000</u>	<u>96,000</u>	<u>96,000</u>	<u>-0-</u>
Fire Protection:				
Operating expenditures	<u>566,000</u>	<u>616,000</u>	<u>576,765</u>	<u>39,235</u>
Total fire protection	<u>566,000</u>	<u>616,000</u>	<u>576,765</u>	<u>39,235</u>
Total public safety	<u>15,844,286</u>	<u>16,584,192</u>	<u>15,938,762</u>	<u>645,430</u>
Corrections:				
Detention Center:				
Salaries and wages, and employee benefits	9,342,743	9,542,743	9,465,934	76,809
Operating expenditures	4,825,250	5,425,322	4,763,338	661,984
Capital outlay	<u>81,490</u>	<u>642,490</u>	<u>202,543</u>	<u>439,947</u>
Total detention center	<u>14,249,483</u>	<u>15,610,555</u>	<u>14,431,815</u>	<u>1,178,740</u>
Juvenile Probation:				
Salaries and wages, and employee benefits	4,335,983	3,925,033	3,885,814	39,219
Operating expenditures	600,541	603,114	509,567	93,547
Capital outlay	<u>60,000</u>	<u>64,206</u>	<u>52,614</u>	<u>11,592</u>
Total juvenile probation	<u>4,996,524</u>	<u>4,592,353</u>	<u>4,447,995</u>	<u>144,358</u>

(continued)

BRAZORIA COUNTY, TEXAS

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

For the Year Ended September 30, 2009

Exhibit 14
Page 8 of 10

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Adult Probation:				
Operating expenditures	\$ 76,759	\$ 78,047	\$ 75,023	\$ 3,024
Capital outlay	23,700	23,700	21,349	2,351
Total adult probation	100,459	101,747	96,372	5,375
Total corrections	19,346,466	20,304,655	18,976,182	1,328,473
Health and Welfare:				
Health Department:				
Salaries and wages, and employee benefits	792,679	806,179	774,442	31,737
Operating expenditures	75,888	83,186	66,218	16,968
Total health department	868,567	889,365	840,660	48,705
Environmental Health:				
Salaries and wages, and employee benefits	670,906	753,906	743,976	9,930
Other charges	48,972	49,130	25,182	23,948
Total environmental health	719,878	803,036	769,158	33,878
Child Protective Services:				
Operating expenditures	113,868	115,329	64,632	50,697
Total child protective services	113,868	115,329	64,632	50,697
Water Lab:				
Salaries and wages, and employee benefits	170,503	175,603	175,297	306
Operating expenditures	42,975	43,629	38,440	5,189
Total water lab	213,478	219,232	213,737	5,495
County Welfare:				
Salaries and wages, and employee benefits	118,904	142,304	142,026	278
Operating expenditures	15,600	5,600	2,152	3,448
Total county welfare	134,504	147,904	144,178	3,726
Indigent Health Care:				
Salaries and wages, and employee benefits	114,964	114,964	104,478	10,486
Operating expenditures	2,049,188	2,043,914	1,078,325	965,589
Total indigent health care	2,164,152	2,158,878	1,182,803	976,075
Total health and welfare	4,214,447	4,333,744	3,215,168	1,118,576
Public Assistance:				
Mental Health-Mental Retardation:				
Operating expenditures	220,000	220,000	220,000	-0-
Total mental health-mental retardation	220,000	220,000	220,000	-0-
Actions, Inc.:				
Operating expenditures	50,000	50,000	50,000	-0-
Total Actions, Inc.	50,000	50,000	50,000	-0-

(continued)

BRAZORIA COUNTY, TEXAS

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

For the Year Ended September 30, 2009

Exhibit 14
Page 9 of 10

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Assistance - Continued:				
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-
Helpline:				
Operating expenditures	14,000	14,000	14,000	-0-
Total helpline	14,000	14,000	14,000	-0-
Total public assistance	296,000	296,000	296,000	-0-
Culture and Recreation:				
Library:				
Salaries and wages, and employee benefits	4,066,829	4,066,829	3,884,254	182,575
Operating expenditures	972,105	1,260,838	1,138,984	121,854
Capital outlay	8,155	8,155	8,155	-0-
Total library	5,047,089	5,335,822	5,031,393	304,429
Parks and Recreation:				
Salaries and wages, and employee benefits	1,680,562	1,680,562	1,600,299	80,263
Operating expenditures	685,300	1,026,639	717,276	309,363
Capital outlay	122,532	364,295	277,821	86,474
Total parks and recreation	2,488,394	3,071,496	2,595,396	476,100
Fairgrounds:				
Salaries and wages, and employee benefits	61,142	62,392	62,217	175
Operating expenditures	105,000	105,000	96,578	8,422
Capital outlay	100,000	100,000	58,186	41,814
Total fairgrounds	266,142	267,392	216,981	50,411
Museum Supplement:				
Salaries and wages, and employee benefits	396,652	397,652	397,472	180
Operating expenditures	18,790	18,790	12,408	6,382
Capital outlay	96,100	96,100		96,100
Total museum supplement	511,542	512,542	409,880	102,662
Total culture and recreation	8,313,167	9,187,252	8,253,650	933,602
Conservation:				
Salaries and wages, and employee benefits	417,345	417,345	381,016	36,329
Operating expenditures	32,235	32,235	30,478	1,757
Total conservation	449,580	449,580	411,494	38,086

(continued)

BRAZORIA COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BY FUNCTION, DEPARTMENT
AND LEGAL LEVEL OF BUDGETARY CONTROL - GENERAL FUND - Continued**
For the Year Ended September 30, 2009

Exhibit 14
Page 10 of 10

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Environmental protection:				
Flood Plain Administrator:				
Salaries and wages, and employee benefits	\$ 200,728	\$ 201,228	\$ 201,026	\$ 202
Operating expenditures	<u>5,585</u>	<u>5,585</u>	<u>2,278</u>	<u>3,307</u>
Total flood plan administrator	<u>206,313</u>	<u>206,813</u>	<u>203,304</u>	<u>3,509</u>
Total environmental protection	<u>206,313</u>	<u>206,813</u>	<u>203,304</u>	<u>3,509</u>
Total current expenditures	<u>\$ 85,136,713</u>	<u>\$ 89,238,640</u>	<u>\$ 82,662,070</u>	<u>\$ 6,576,570</u>

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 15

For the Year Ended September 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Public Transportation:				
Engineers Office:				
Salaries and wages, and employee benefits	\$ 10,124,764	\$ 10,124,764	\$ 9,855,454	\$ 269,310
Operating expenditures	8,909,345	10,058,062	8,095,635	1,962,427
Capital outlay	<u>4,323,260</u>	<u>4,036,422</u>	<u>2,925,166</u>	<u>1,111,256</u>
Total public transportation	<u>23,357,369</u>	<u>24,219,248</u>	<u>20,876,255</u>	<u>3,342,993</u>
 Total expenditures	 <u>\$ 23,357,369</u>	 <u>\$ 24,219,248</u>	 <u>\$ 20,876,255</u>	 <u>\$ 3,342,993</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, 2009

	Lateral Road Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$	\$	\$	\$ -0-
Intergovernmental	88,480	88,480	87,380	(1,100)
Investment income	5,000	5,000	825	(4,175)
Total revenues	<u>93,480</u>	<u>93,480</u>	<u>88,205</u>	<u>(5,275)</u>
Expenditures:				
Current:				
Public Transportation:				
Operating expenditures	265,000	265,000	81,335	183,665
Capital outlay			61,352	(61,352)
Total public transportation	<u>265,000</u>	<u>265,000</u>	<u>142,687</u>	<u>122,313</u>
Total expenditures	<u>265,000</u>	<u>265,000</u>	<u>142,687</u>	<u>122,313</u>
Excess (deficiency) of revenues over expenditures	(171,520)	(171,520)	(54,482)	117,038
Other Financing Sources (Uses):				
Total other financing sources (uses)				-0-
Net change in fund balances	(171,520)	(171,520)	(54,482)	117,038
Fund balances -- beginning	<u>190,788</u>	<u>190,788</u>	<u>190,788</u>	<u>-0-</u>
Fund balances -- ending	<u>\$ 19,268</u>	<u>\$ 19,268</u>	<u>\$ 136,306</u>	<u>\$ 117,038</u>

<u>Road and Bridge Tax Code Chapter 152 Fund</u>			
<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
<u>Original</u>	<u>Final</u>		
\$ 1,400,000	\$ 1,400,000	\$ 981,572	\$(418,428)
<u>50,000</u>	<u>50,000</u>	<u>24,634</u>	<u>(25,366)</u>
<u>1,450,000</u>	<u>1,450,000</u>	<u>1,006,206</u>	<u>(443,794)</u>
1,600,000	1,600,000	560,218	1,039,782
<u>1,600,000</u>	<u>1,600,000</u>	<u>757,435</u>	<u>(757,435)</u>
<u>1,600,000</u>	<u>1,600,000</u>	<u>1,317,653</u>	<u>282,347</u>
<u>1,600,000</u>	<u>1,600,000</u>	<u>1,317,653</u>	<u>282,347</u>
(150,000)	(150,000)	(311,447)	(161,447)
<u> </u>	<u> </u>	<u> </u>	<u> -0-</u>
(150,000)	(150,000)	(311,447)	(161,447)
<u>451,766</u>	<u>451,766</u>	<u>451,766</u>	<u> -0-</u>
\$ <u>301,766</u>	\$ <u>301,766</u>	\$ <u>140,319</u>	\$ <u>(161,447)</u>

(continued)

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, 2009

	Special Road and Bridge Projects Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Charges for services	\$	\$	\$	\$ -0-
Licenses and permits	2,400,000	2,400,000	2,658,961	258,961
Investment income	30,000	30,000	1	(29,999)
Miscellaneous				-0-
Total revenues	<u>2,430,000</u>	<u>2,430,000</u>	<u>2,658,962</u>	<u>228,962</u>
Expenditures:				
Current:				
Judicial and Legal:				
Salaries and wages, and employee benefits				-0-
Operating expenditures				-0-
Capital outlay				-0-
Total judicial and legal	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Public Transportation:				
Operating expenditures	3,200,000	3,200,000	816,540	2,383,460
Capital outlay			<u>2,007,720</u>	<u>(2,007,720)</u>
Total public transportation	<u>3,200,000</u>	<u>3,200,000</u>	<u>2,824,260</u>	<u>375,740</u>
Total expenditures	<u>3,200,000</u>	<u>3,200,000</u>	<u>2,824,260</u>	<u>375,740</u>
Excess (deficiency) of revenues over expenditures	<u>(770,000)</u>	<u>(770,000)</u>	<u>(165,298)</u>	<u>604,702</u>
Other Financing Sources (Uses):				
Transfers in				-0-
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balances	<u>(770,000)</u>	<u>(770,000)</u>	<u>(165,298)</u>	<u>604,702</u>
Fund balances – beginning	<u>1,494,291</u>	<u>1,494,291</u>	<u>1,494,291</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 724,291</u>	<u>\$ 724,291</u>	<u>\$ 1,328,993</u>	<u>\$ 604,702</u>

Law Library Fund			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 180,000	\$ 180,000	\$ 196,627	\$ 16,627
10,000	10,000	2,859	-0-
12,000	12,000	17,059	(7,141)
<u>202,000</u>	<u>202,000</u>	<u>216,545</u>	<u>5,059</u>
			<u>14,545</u>
54,999	55,399	55,227	172
203,100	203,500	174,428	29,072
<u>15,000</u>	<u>15,000</u>		<u>15,000</u>
<u>273,099</u>	<u>273,899</u>	<u>229,655</u>	<u>44,244</u>
			-0-
			-0-
<u>273,099</u>	<u>273,899</u>	<u>229,655</u>	<u>44,244</u>
<u>273,099</u>	<u>273,899</u>	<u>229,655</u>	<u>44,244</u>
(71,099)	(71,899)	(13,110)	58,789
<u>32,000</u>	<u>32,000</u>	<u>32,000</u>	<u>-0-</u>
<u>32,000</u>	<u>32,000</u>	<u>32,000</u>	<u>-0-</u>
(39,099)	(39,899)	18,890	58,789
<u>275,972</u>	<u>275,972</u>	<u>275,972</u>	<u>-0-</u>
<u>\$ 236,873</u>	<u>\$ 236,073</u>	<u>\$ 294,862</u>	<u>\$ 58,789</u>

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, 2009

Exhibit 16
Page 3 of 3

	Mosquito Control District Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 1,796,594	\$ 1,796,594	\$ 1,773,249	\$(23,345)
Intergovernmental			23,230	23,230
Investment income	15,000	15,000	9,804	(5,196)
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>964</u>	<u>(36)</u>
Total revenues	<u>1,812,594</u>	<u>1,812,594</u>	<u>1,807,247</u>	<u>(5,347)</u>
Expenditures:				
Current:				
Judicial and Legal:				
Salaries and wages, and employee benefits	1,076,980	1,076,980	983,131	93,849
Operating expenditures	1,150,722	1,151,425	879,128	272,297
Capital outlay	<u>56,830</u>	<u>56,830</u>	<u>40,558</u>	<u>16,272</u>
Total judicial and legal	<u>2,284,532</u>	<u>2,285,235</u>	<u>1,902,817</u>	<u>382,418</u>
Total expenditures	<u>2,284,532</u>	<u>2,285,235</u>	<u>1,902,817</u>	<u>382,418</u>
Excess (deficiency) of revenues over expenditures	<u>(471,938)</u>	<u>(472,651)</u>	<u>(95,570)</u>	<u>377,071</u>
Other Financing Sources (Uses):				
Transfers in				-0-
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balances	<u>(471,938)</u>	<u>(472,641)</u>	<u>(95,570)</u>	<u>377,071</u>
Fund balances – beginning	<u>1,373,668</u>	<u>1,373,668</u>	<u>1,373,668</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 901,730</u>	<u>\$ 901,027</u>	<u>\$ 1,278,098</u>	<u>\$ 377,071</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, 2009

	C of O Sheriff & Detention Complex – Series 1993			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 2,390,793	\$ 2,390,793	\$ 2,380,189	\$(10,604)
Investment income	50,000	50,000	75,163	25,163
Miscellaneous			7,227	7,227
Total revenues	<u>2,440,793</u>	<u>2,440,793</u>	<u>2,462,579</u>	<u>21,786</u>
Expenditures:				
Debt Service:				
Principal on long-term debt	2,360,000	2,360,000	2,360,000	-0-
Interest on long-term debt	<u>527,329</u>	<u>527,329</u>	<u>522,526</u>	<u>4,803</u>
Total expenditures	<u>2,887,329</u>	<u>2,887,329</u>	<u>2,882,526</u>	<u>4,803</u>
Excess (deficiency) of revenues over expenditures	<u>(446,536)</u>	<u>(446,536)</u>	<u>(419,947)</u>	<u>26,589</u>
Other Financing Sources (Uses):				
Transfers in			4,007	4,007
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>4,007</u>	<u>4,007</u>
Net change in fund balances	<u>(446,536)</u>	<u>(446,536)</u>	<u>(415,940)</u>	<u>30,596</u>
Fund balances – beginning	<u>2,311,736</u>	<u>2,311,736</u>	<u>2,311,736</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 1,865,200</u>	<u>\$ 1,865,200</u>	<u>\$ 1,895,796</u>	<u>\$ 30,596</u>

C of O Construction and Maintenance – Series 2003

Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 975,568	\$ 975,568	\$ 970,341	\$(5,227)
20,000	20,000	12,742	(7,258)
			-0-
<u>995,568</u>	<u>995,568</u>	<u>983,083</u>	<u>(12,485)</u>
680,000	680,000	680,000	-0-
<u>279,361</u>	<u>279,360</u>	<u>278,161</u>	<u>1,199</u>
<u>959,361</u>	<u>959,360</u>	<u>958,161</u>	<u>1,199</u>
<u>36,207</u>	<u>36,208</u>	<u>24,922</u>	<u>(11,286)</u>
			-0-
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
36,207	36,208	24,922	(11,286)
<u>189,772</u>	<u>189,772</u>	<u>189,772</u>	<u>-0-</u>
<u>\$ 225,979</u>	<u>\$ 225,980</u>	<u>\$ 214,694</u>	<u>\$(11,286)</u>

(continued)

BRAZORIA COUNTY, TEXAS

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

For the Year Ended September 30, 2009

	<u>C of O Construction and Maintenance – Series 2006</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 1,073,047	\$ 1,073,047	\$ 1,064,948	\$(8,099)
Investment income	20,000	20,000	86,977	66,977
Miscellaneous				-0-
Total revenues	<u>1,093,047</u>	<u>1,093,047</u>	<u>1,151,925</u>	<u>58,878</u>
Expenditures:				
Debt Service:				
Principal on long-term debt	505,000	505,000	505,000	-0-
Interest on long-term debt	<u>593,408</u>	<u>593,408</u>	<u>591,907</u>	<u>1,501</u>
Total expenditures	<u>1,098,408</u>	<u>1,098,408</u>	<u>1,096,907</u>	<u>1,501</u>
Excess (deficiency) of revenues over expenditures	<u>(5,361)</u>	<u>(5,361)</u>	<u>55,018</u>	<u>60,379</u>
Other Financing Sources (Uses):				
Transfers in		<u>131,440</u>	<u>131,439</u>	<u>(1)</u>
Total other financing sources (uses)	<u>-0-</u>	<u>131,440</u>	<u>131,439</u>	<u>(1)</u>
Net change in fund balances	<u>(5,361)</u>	<u>126,079</u>	<u>186,457</u>	<u>60,378</u>
Fund balances – beginning	<u>254,455</u>	<u>264,455</u>	<u>264,455</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 259,094</u>	<u>\$ 390,534</u>	<u>\$ 450,912</u>	<u>\$ 60,378</u>

Unlimited Tax Road Bonds – Series 2006			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 1,878,519	\$ 1,878,519	\$ 1,858,357	\$(20,162)
15,000	15,000	52,385	37,385
		27,245	27,245
<u>1,893,519</u>	<u>1,893,519</u>	<u>1,937,987</u>	<u>44,468</u>
695,000	695,000	695,000	-0-
<u>1,000,834</u>	<u>1,000,834</u>	<u>999,042</u>	<u>1,792</u>
<u>1,695,834</u>	<u>1,695,834</u>	<u>1,694,042</u>	<u>1,792</u>
<u>197,685</u>	<u>197,685</u>	<u>243,945</u>	<u>46,260</u>
	<u>98,570</u>	<u>98,570</u>	<u>-0-</u>
<u>-0-</u>	<u>98,570</u>	<u>98,570</u>	<u>-0-</u>
197,685	296,255	342,515	46,260
<u>43,819</u>	<u>43,819</u>	<u>43,819</u>	<u>-0-</u>
<u>\$ 241,504</u>	<u>\$ 340,074</u>	<u>\$ 386,334</u>	<u>\$ 46,260</u>

BRAZORIA COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET ASSETS -
BUDGET AND ACTUAL - ENTERPRISE FUND (AIRPORT)**

Exhibit 18

For the Year Ended September 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating Revenues:				
Sales:				
Fuel and supplies	\$ 3,989,744	\$ 3,989,744	\$ 2,563,210	\$ (1,426,534)
Cost of sales	<u>3,546,151</u>	<u>3,546,151</u>	<u>1,872,927</u>	<u>1,673,224</u>
Gross profit	443,593	443,593	690,283	246,690
Other Revenue:				
Rentals	352,960	352,960	373,758	20,798
Fees	274,315	274,315	216,966	(57,349)
Miscellaneous	<u>6,630</u>	<u>6,630</u>	<u>127,948</u>	<u>121,318</u>
Net operating revenue	<u>1,077,498</u>	<u>1,077,498</u>	<u>1,408,955</u>	<u>331,457</u>
Operating Expenses:				
Salaries and wages	462,271	462,271	388,951	73,320
Employee benefits	163,944	163,944	143,748	20,196
Supplies	65,081	65,081	120,124	(55,043)
Other charges	316,289	312,620	389,061	(76,441)
Depreciation			<u>821,197</u>	<u>(821,197)</u>
Total operating expenses	<u>1,007,585</u>	<u>1,003,916</u>	<u>1,863,081</u>	<u>(859,165)</u>
Operating income (loss)	<u>69,913</u>	<u>73,582</u>	<u>(454,126)</u>	<u>(527,708)</u>
Non-Operating Revenues (Expenses):				
Interest			10,326	10,326
Operating grant revenue			43,086	43,086
Interest and fiscal charges	<u>(6,225)</u>	<u>(6,225)</u>	<u>(5,025)</u>	<u>1,200</u>
Total non-operating revenues (expenses)	<u>(6,225)</u>	<u>(6,225)</u>	<u>48,387</u>	<u>54,612</u>
Net income (loss) before contributions and transfers	63,688	67,357	(405,739)	(473,096)
Capital contributions			354,225	354,225
Transfers in	<u>449,500</u>	<u>449,500</u>	<u>349,500</u>	<u>(100,000)</u>
Change in net assets	513,188	516,857	297,966	(218,871)
Net Assets:				
Total net assets – beginning of year	<u>11,216,163</u>	<u>11,216,163</u>	<u>11,216,163</u>	<u>-0-</u>
Total net assets – end of year	<u>\$ 11,729,351</u>	<u>\$ 11,733,020</u>	<u>\$ 11,514,149</u>	<u>\$ (218,871)</u>

BRAZORIA COUNTY, TEXAS
COMBINING STATEMENT OF NET ASSETS -
INTERNAL SERVICE FUNDS
September 30, 2009

Exhibit 19

	<u>Self Insurance Liability</u>	<u>Self Insurance Health</u>	<u>Total</u>
<u>Assets</u>			
Current Assets:			
Cash and temporary investments	\$ 1,548,105	\$ 1,276,331	\$ 2,824,436
Accounts receivable		24,836	24,836
Prepaid expenses		<u>58,856</u>	<u>58,856</u>
Total assets	<u>\$ 1,548,105</u>	<u>\$ 1,360,023</u>	<u>\$ 2,908,128</u>
 <u>Liabilities and Fund Balance</u>			
Current Liabilities:			
Accounts and accrued liabilities payable	\$ 29,247	\$ 9,007	\$ 38,254
Estimated claims payable	<u>400,000</u>	<u>1,059,059</u>	<u>1,459,059</u>
Total liabilities	<u>429,247</u>	<u>1,068,066</u>	<u>1,497,313</u>
 <u>Net Assets</u>			
Unrestricted	<u>1,118,858</u>	<u>291,957</u>	<u>1,410,815</u>
Total net assets	<u>1,188,858</u>	<u>291,957</u>	<u>1,410,815</u>
Total liabilities and net assets	<u>\$ 1,548,105</u>	<u>\$ 1,360,023</u>	<u>\$ 2,908,128</u>

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

For the Year Ended September 30, 2009

Exhibit 20

	<u>Self Insurance Liability</u>	<u>Self Insurance Health</u>	<u>Total</u>
Operating Revenues:			
Contributions for self insurance	\$ 201,702	\$ 10,498,409	\$ 10,700,111
Total operating revenues	<u>201,702</u>	<u>10,498,409</u>	<u>10,700,111</u>
Operating Expenses:			
Legal expenses and settlements	269,487		269,487
Health claims expense		9,194,973	9,194,973
Administrative expense		<u>1,701,386</u>	<u>1,701,386</u>
Total operating expenses	<u>269,487</u>	<u>10,896,359</u>	<u>11,165,846</u>
Operating income (loss)	(67,785)	(397,950)	(465,735)
Non-Operating Revenue (Expense):			
Investment income	<u>15,678</u>	<u>2</u>	<u>15,680</u>
Net income (loss)	(52,107)	(397,948)	(450,055)
Net assets – beginning of year	<u>1,170,965</u>	<u>689,905</u>	<u>1,860,870</u>
Net assets – end of year	<u>\$ 1,118,858</u>	<u>\$ 291,957</u>	<u>\$ 1,410,815</u>

BRAZORIA COUNTY, TEXAS
COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2009

Exhibit 21

	<u>Self Insurance Liability</u>	<u>Self Insurance Health</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Cash flows received from employees and other funds	\$ 201,702	\$ 10,439,661	\$ 10,641,363
Cash paid to and on behalf of employees		(8,158,028)	(8,158,028)
Cash paid to suppliers and others	(265,138)	(1,727,710)	(1,992,848)
Net cash provided (used) by operating activities	(63,436)	553,923	490,487
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	15,678	2	15,680
Net cash provided (used) by investment activities	15,678	2	15,680
Net increase (decrease) in cash	(47,758)	553,925	506,167
Cash and temporary investments - beginning of year	1,595,863	722,406	2,318,269
Cash and temporary investments - end of year	<u>\$ 1,548,105</u>	<u>\$ 1,276,331</u>	<u>\$ 2,824,436</u>
Reconciliation of Operating Income to Net Cash Provided (Used) By Operating Activities:			
Operating Activities:			
Operating income (loss)	\$(67,785)	\$(397,950)	\$(465,735)
Changes in Assets and Liabilities:			
(Increase) Decrease In:			
Accounts receivable		716,847	716,847
Due from other funds		(58,748)	(58,748)
Prepaid expenses		(651)	(651)
Increase (Decrease) In:			
Accounts and accrued liabilities payable	4,349	294,425	298,774
Net cash provided (used) for operating activities	<u>\$(63,436)</u>	<u>\$ 553,923</u>	<u>\$ 490,487</u>
Noncash Transactions Affecting Financial Position:			
Net noncash transactions affecting financial position	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

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

For the Year Ended September 30, 2009

Exhibit 22
Page 1 of 3

	<u>Balance 10-01-08</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 09-30-09</u>
PAYROLL CLEARING:				
<i>Assets</i>				
Cash and temporary investments	\$ 4,750,015	\$ 63,504,369	\$ 65,065,642	\$ 3,188,742
Due from other funds	58,898		58,898	-0-
Prepaid items		<u>190,546</u>		<u>190,546</u>
Total assets	<u>\$ 4,808,913</u>	<u>\$ 63,694,915</u>	<u>\$ 65,124,540</u>	<u>\$ 3,379,288</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Due to other funds	\$ 4,126,778	\$ 2,569,173	\$ 4,126,778	\$ 2,569,173
Accounts payable and accrued expense	<u>682,135</u>	<u>61,125,742</u>	<u>60,997,762</u>	<u>810,115</u>
Total liabilities	<u>\$ 4,808,913</u>	<u>\$ 63,694,915</u>	<u>\$ 65,124,540</u>	<u>\$ 3,379,288</u>

BRAZORIA COUNTY FRESH WATER SUPPLY DISTRICT #2:

<i>Assets</i>				
Cash and temporary investments	\$ -0-	\$ 24,197	\$ 19,012	\$ 5,185
Total assets	<u>\$ -0-</u>	<u>\$ 24,197</u>	<u>\$ 19,012</u>	<u>\$ 5,185</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$	\$ 104	\$	\$ 104
Due to others		<u>24,093</u>	<u>19,012</u>	<u>5,081</u>
Total liabilities	<u>\$ -0-</u>	<u>\$ 24,197</u>	<u>\$ 19,012</u>	<u>\$ 5,185</u>

BRAZORIA COUNTY GROUNDWATER CONSERVATION DISTRICT:

<i>Assets</i>				
Cash and temporary investments	\$ 20,301	\$ 323,916	\$ 265,974	\$ 78,243
Accounts receivable	31,080	37,614	31,080	37,614
Prepaid items		7,500		7,500
Due from other funds	<u>1,816</u>	<u>1,996</u>	<u>1,816</u>	<u>1,996</u>
Total assets	<u>\$ 53,197</u>	<u>\$ 371,026</u>	<u>\$ 298,870</u>	<u>\$ 125,353</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 4,919	\$ 35,101	\$ 36,901	\$ 3,119
Due to others	<u>48,278</u>	<u>335,925</u>	<u>261,969</u>	<u>122,234</u>
Total liabilities	<u>\$ 53,197</u>	<u>\$ 371,026</u>	<u>\$ 298,870</u>	<u>\$ 125,353</u>

BRAZORIA COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -

AGENCY FUNDS - Continued

For the Year Ended September 30, 2009

Exhibit 22
Page 2 of 3

	<u>Balance 10-01-08</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 09-30-09</u>
CHILD SUPPORT:				
<i>Assets</i>				
Cash and temporary investments	\$ _____	\$ 10,332	\$ 9,471	\$ 861
Total assets	<u>\$ -0-</u>	<u>\$ 10,332</u>	<u>\$ 9,471</u>	<u>\$ 861</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Due to others	\$ _____	\$ 10,332	\$ 9,471	\$ 861
Total liabilities	<u>\$ -0-</u>	<u>\$ 10,332</u>	<u>\$ 9,471</u>	<u>\$ 861</u>
TDCJ-CJAD:				
<i>Assets</i>				
Cash and temporary investments	\$ 963,920	\$ 3,795,360	\$ 3,806,523	\$ 952,757
Accounts receivable	392	104	392	104
Due from other funds	<u>154,937</u>	<u>133,837</u>	<u>154,937</u>	<u>133,837</u>
Total assets	<u>\$ 1,119,249</u>	<u>\$ 3,929,301</u>	<u>\$ 3,961,852</u>	<u>\$ 1,086,698</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 154,814	\$ 790,032	\$ 423,429	\$ 521,417
Due to other funds	22,687		22,687	-0-
Due to others	<u>941,748</u>	<u>3,139,269</u>	<u>3,515,736</u>	<u>565,281</u>
Total liabilities	<u>\$ 1,119,249</u>	<u>\$ 3,929,301</u>	<u>\$ 3,961,852</u>	<u>\$ 1,086,698</u>
DISTRICT/COUNTY CLERKS TRUSTS:				
<i>Assets</i>				
Cash and temporary investments	\$ 10,311,249	\$ 20,048,448	\$ 20,886,982	\$ 9,472,715
Total assets	<u>\$ 10,311,249</u>	<u>\$ 20,048,448</u>	<u>\$ 20,886,982</u>	<u>\$ 9,472,715</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Due to others	\$ 10,311,249	\$ 20,048,448	\$ 20,886,982	\$ 9,472,715
Total liabilities	<u>\$ 10,311,249</u>	<u>\$ 20,048,448</u>	<u>\$ 20,886,982</u>	<u>\$ 9,472,715</u>

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

For the Year Ended September 30, 2009

Exhibit 22
Page 3 of 3

	<u>Balance</u> 10-01-08	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> 09-30-09
TOTALS - ALL AGENCY FUNDS:				
<i>Assets</i>				
Cash and temporary investments	\$ 16,045,485	\$ 87,706,622	\$ 90,053,604	\$ 13,698,503
Accounts receivable	31,472	37,718	31,472	37,718
Due from other funds	215,651	135,833	215,651	135,833
Prepaid items	<u>-0-</u>	<u>198,046</u>	<u></u>	<u>198,046</u>
Total assets	<u>\$ 16,292,608</u>	<u>\$ 88,078,219</u>	<u>\$ 90,300,727</u>	<u>\$ 14,070,100</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 841,868	\$ 61,950,979	\$ 61,458,092	\$ 1,334,755
Due to other funds	4,149,465	2,569,173	4,149,465	2,569,173
Due to others	<u>11,301,275</u>	<u>23,558,067</u>	<u>24,693,170</u>	<u>10,166,172</u>
Total liabilities	<u>\$ 16,292,608</u>	<u>\$ 88,078,219</u>	<u>\$ 90,300,727</u>	<u>\$ 14,070,100</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.

Content

Table

Financial Trends

1-4

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

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

Debt Capacity

9-11

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

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

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 ASSETS BY COMPONENTS
 Last Seven Fiscal Years
 (accrual basis of accounting)

Table 1

	Fiscal Year				
	2003	2004	2005	2006	2007
Governmental Activities:					
Invested in capital assets, net of related debt	\$ 71,768,258	\$ 74,343,083	\$ 75,898,996	\$ 80,090,157	\$ 99,498,617
Restricted For:					
Roads and bridges	9,003,081	8,055,178	7,847,782	9,671,499	11,599,655
Debt service	1,052,575	1,341,841	2,157,744	3,310,158	4,334,733
Capital projects	11,183,126	7,288,634	5,567,367	16,578,804	
Other purposes	2,240,136	2,717,710	3,237,218	3,863,186	4,891,652
Unrestricted	<u>12,729,881</u>	<u>11,482,088</u>	<u>13,911,427</u>	<u>23,072,866</u>	<u>31,356,540</u>
Total governmental activities net assets	<u>\$107,977,057</u>	<u>\$105,228,534</u>	<u>\$108,620,534</u>	<u>\$136,586,670</u>	<u>\$151,681,197</u>
Business-type Activities:					
Invested in capital assets, net of related debt	\$ 7,886,581	\$ 10,293,274	\$ 9,617,689	\$ 10,871,918	\$ 11,094,843
Restricted For:					
Debt service	63,174	50,168	52,674	56,663	43,582
Other purposes	99,211	72,637	48,102	18,835	58,566
Unrestricted	<u>122,827</u>	<u>142,989</u>	<u>1,666,061</u>	<u>606,769</u>	<u>343,369</u>
Total business-type activities	<u>\$ 8,171,793</u>	<u>\$ 10,559,068</u>	<u>\$ 11,384,526</u>	<u>\$ 11,554,185</u>	<u>\$ 11,540,360</u>
Primary Government:					
Invested in capital assets, net of related debt	\$ 79,654,839	\$ 84,636,357	\$ 85,516,685	\$ 90,962,075	\$ 110,593,460
Restricted	23,641,303	19,526,168	18,910,887	33,499,145	20,928,188
Unrestricted	<u>12,852,708</u>	<u>11,625,077</u>	<u>15,577,488</u>	<u>23,679,635</u>	<u>31,699,909</u>
Total primary government	<u>\$116,148,850</u>	<u>\$115,787,602</u>	<u>\$120,005,060</u>	<u>\$148,140,855</u>	<u>\$163,221,557</u>

Note: The County did not begin reporting government-wide statements until it implemented GASB Statement 34 in 2003.

<u>2008</u>	<u>2009</u>
\$105,895,455	\$118,386,142
11,785,704	14,812,978
2,397,569	2,674,027
6,903,230	11,038,528
<u>31,697,078</u>	<u>30,438,866</u>
<u>\$158,679,036</u>	<u>\$117,350,541</u>
\$ 10,654,958	\$ 10,262,087
49,419	
17,781	
<u>494,005</u>	<u>1,249,146</u>
<u>\$ 11,216,163</u>	<u>\$ 11,511,233</u>
\$116,550,413	\$128,648,229
21,153,703	28,525,533
<u>32,191,083</u>	<u>31,688,012</u>
<u>\$169,895,199</u>	<u>\$188,861,774</u>

BRAZORIA COUNTY, TEXAS**CHANGES IN NET ASSETS**

Last Seven Fiscal Years

(accrual basis of accounting)

Table 2

	Fiscal Year				
	2003	2004	2005	2006	2007
Expenses					
Governmental Activities:					
General administration	\$ 4,105,945	\$ 4,588,331	\$ 5,292,979	\$ 4,974,768	\$ 5,782,142
Judicial and legal	12,002,634	12,540,748	13,078,631	13,797,943	15,147,866
Financial administration	6,433,818	7,017,884	7,441,233	7,726,563	8,058,664
Elections	156,447	77,817	109,644	2,169,341	402,710
Public facilities	2,313,530	2,732,495	2,826,693	2,809,843	3,515,672
Public safety	10,535,578	11,064,291	12,177,212	13,317,747	13,961,584
Corrections	16,251,641	17,824,167	18,334,618	18,966,237	20,185,077
Public transportation	20,038,508	22,626,704	22,519,813	22,351,045	24,420,943
Health and welfare	6,644,933	7,844,979	8,081,835	9,745,180	10,141,695
Public assistance	226,000	226,000	296,000	296,000	296,000
Culture and recreation	5,822,897	6,437,956	6,262,357	6,652,453	7,281,317
Conservation	377,647	408,329	350,218	393,433	364,654
Environmental protection	125,604	132,419	142,928	150,987	188,339
Community development	2,502,382	3,458,661	3,956,237	2,937,926	2,320,743
Interest on long-term debt	<u>1,531,282</u>	<u>1,455,717</u>	<u>1,386,006</u>	<u>1,477,364</u>	<u>2,408,476</u>
Total governmental activities expenses	<u>89,068,846</u>	<u>98,436,498</u>	<u>102,256,404</u>	<u>107,948,830</u>	<u>114,475,882</u>
Business-type Activities:					
Airport	<u>1,379,687</u>	<u>1,477,476</u>	<u>1,819,390</u>	<u>2,124,407</u>	<u>2,341,771</u>
Total business-type activities expenses	<u>1,379,687</u>	<u>1,477,476</u>	<u>1,819,390</u>	<u>2,124,407</u>	<u>2,341,771</u>
Total primary government expenses	<u>\$ 90,448,533</u>	<u>\$ 99,913,974</u>	<u>\$ 104,075,794</u>	<u>\$ 110,073,237</u>	<u>\$ 116,817,653</u>
Program Revenues					
Governmental Activities:					
Charges for Services:					
General administration	\$ 2,372,556	\$ 1,986,196	\$ 3,023,513	\$ 3,831,544	\$ 4,140,190
Judicial and legal	4,476,802	5,695,541	5,936,348	6,314,663	6,824,945
Financial administration	920,919	897,500	915,332	1,140,119	1,392,176
Elections	3,302	3,512	11,604	74,959	198,739
Public facilities		22,116	31,385	29,897	31,464
Public safety	1,049,565	1,516,419	1,314,159	1,355,560	1,688,373
Corrections	50,305	533,296	401,742	496,467	653,232
Public transportation	1,979,526	2,172,502	2,921,637	3,369,217	3,795,045
Health and welfare	410,076	433,374	401,182	402,469	663,374
Culture and recreation	227,312	397,668	390,327	436,156	482,471
Conservation		10,683	12,777	12,662	11,572
Environmental protection	40,309	45,485	49,706	76,386	70,206
Operating grants and contributions	6,646,814	6,392,287	8,765,064	11,055,123	9,672,233
Capital grants and contributions	<u>3,019,603</u>	<u>4,149,354</u>	<u>4,562,373</u>	<u>19,032,936</u>	<u>7,163,245</u>
Total governmental activities program revenues	<u>21,197,089</u>	<u>24,255,933</u>	<u>28,737,149</u>	<u>47,628,158</u>	<u>36,787,265</u>

<u>2008</u>	<u>2009</u>
\$ 7,488,015	\$ 8,382,000
16,376,192	17,042,872
8,798,119	9,245,171
717,673	460,608
3,603,168	3,720,188
16,661,965	16,508,998
22,418,422	23,011,340
28,072,576	33,615,909
10,246,427	11,354,439
296,000	296,000
7,782,083	8,470,686
405,565	431,480
204,640	210,166
2,228,027	2,477,725
<u>2,497,944</u>	<u>2,242,764</u>
<u>127,794,816</u>	<u>137,470,346</u>
<u>3,281,481</u>	<u>3,739,485</u>
<u>3,281,481</u>	<u>3,739,485</u>
<u>\$131,076,297</u>	<u>\$141,209,831</u>

\$ 3,592,174	\$ 3,078,349
6,510,075	6,719,465
1,607,565	1,782,317
216,604	163,679
32,625	1,168,851
1,690,817	735,649
585,301	395,555
3,910,942	4,092,757
531,764	501,588
303,660	320,080
10,147	11,448
62,375	6,759
14,474,328	20,615,452
<u>7,102,464</u>	<u>15,200,393</u>
<u>40,630,841</u>	<u>54,792,342</u>

BRAZORIA COUNTY, TEXAS
CHANGES IN NET ASSETS - Continued
 Last Seven Fiscal Years
 (accrual basis of accounting)

Table 2

	Fiscal Year				
	2003	2004	2005	2006	2007
Business-type Activities:					
Charges for Services:					
Airport	\$ 1,101,170	\$ 1,178,963	\$ 1,269,237	\$ 1,616,331	\$ 1,715,941
Operating Grants and Contributions:					
Airport	13,325			29,461	45,940
Capital Grants and Contributions:					
Airport	<u>2,080,660</u>	<u>2,691,254</u>	<u>1,224,318</u>	<u>408,153</u>	<u>561,342</u>
Total business-type activities program revenues	<u>3,195,155</u>	<u>3,870,217</u>	<u>2,493,555</u>	<u>2,053,945</u>	<u>2,323,223</u>
Total primary government program revenues	<u>\$ 24,392,244</u>	<u>\$ 28,126,150</u>	<u>\$ 31,230,704</u>	<u>\$ 49,682,103</u>	<u>\$ 39,110,488</u>
Net (Expense)/Revenue:					
Governmental activities	\$(67,871,757)	\$(74,180,565)	\$(73,519,255)	\$(60,320,672)	\$(77,688,617)
Business-type activities	<u>1,815,468</u>	<u>2,392,741</u>	<u>674,165</u>	<u>(70,462)</u>	<u>(18,458)</u>
Total primary governmental net expense	<u>(66,056,289)</u>	<u>(71,787,824)</u>	<u>(72,845,090)</u>	<u>(60,391,134)</u>	<u>(77,707,165)</u>
General Revenues & Other Changes in Net Assets					
Governmental Activities:					
Property taxes	52,610,118	56,725,407	60,611,489	67,484,298	68,739,287
Sales and other taxes	11,558,370	11,874,486	13,541,179	12,625,575	17,543,873
Special assessments				63,471	
Grants and contributions not restricted to specific programs	193,472	244,538	199,006	314,168	245,477
Unrestricted investment earnings	960,571	928,391	1,227,165	2,615,731	4,516,924
Gain (loss) on disposition of capital assets	114,143	117,822	(171,537)	85,872	520
Miscellaneous	1,414,756	1,691,398	1,954,155	1,666,557	1,737,063
Contributions to BCCSCD health benefits			(96,324)		
Transfers		(150,000)	(150,000)	(237,475)	
Total governmental activities	<u>66,851,430</u>	<u>71,432,042</u>	<u>77,115,133</u>	<u>84,618,197</u>	<u>92,783,144</u>
Business-type Activities:					
Unrestricted investment earnings	11,229	2,125	1,293	2,646	4,723
Gain (loss) on disposition of capital assets					
Transfers		<u>150,000</u>	<u>150,000</u>	<u>237,475</u>	
Total business-type activities	<u>11,229</u>	<u>152,125</u>	<u>151,293</u>	<u>240,121</u>	<u>4,723</u>
Total primary government	<u>66,862,659</u>	<u>71,584,167</u>	<u>77,266,426</u>	<u>84,858,318</u>	<u>92,787,867</u>
Change in Net Assets					
Governmental activities	(1,020,327)	(2,748,523)	3,595,878	24,297,525	15,094,527
Business-type activities	<u>1,826,697</u>	<u>2,544,866</u>	<u>825,458</u>	<u>169,659</u>	<u>(13,825)</u>
Total primary government	<u>\$ 806,370</u>	<u>\$(203,657)</u>	<u>\$ 4,421,336</u>	<u>\$ 24,467,184</u>	<u>\$ 15,080,702</u>

Note: Accrual-basis financial information for the County government as a whole is only available back to 2003, the year GASB Statement 34 was implemented.

<u>2008</u>	<u>2009</u>
\$ 2,696,391	\$ 3,281,882
5,498	43,086
<u>141,668</u>	<u>354,225</u>
<u>2,843,557</u>	<u>3,679,183</u>
<u>43,474,398</u>	<u>58,471,535</u>
(87,163,975)	82,678,004
(437,924)	<u>60,292</u>
<u>(87,601,899)</u>	<u>82,738,296</u>
72,549,360	81,235,296
16,825,916	16,794,059
217,066	78,956
2,950,658	1,686,538
111,195	10,106
1,607,369	1,894,054
(100,000)	(349,500)
<u>94,161,564</u>	<u>101,349,509</u>
13,227	10,326
500	
<u>100,000</u>	<u>349,500</u>
<u>113,727</u>	<u>359,826</u>
<u>94,275,291</u>	<u>101,709,335</u>
6,997,589	18,671,505
(324,197)	<u>299,534</u>
<u>\$ 6,673,392</u>	<u>\$ 18,971,039</u>

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

Table 3

	Fiscal Year				
	2000	2001	2002	2003	2004
General Fund:					
Reserved	\$ 1,297,240	\$ 449,786	\$ 417,389	\$ 776,941	\$ 1,149,125
Unreserved	<u>12,973,717</u>	<u>13,567,130</u>	<u>11,217,028</u>	<u>10,628,263</u>	<u>10,119,747</u>
Total general fund	<u>\$ 14,270,957</u>	<u>\$ 14,016,916</u>	<u>\$ 11,634,417</u>	<u>\$ 11,405,204</u>	<u>\$ 11,268,872</u>
All Other Governmental Funds:					
Reserved	\$ 1,821,216	\$ 2,223,468	\$ 2,430,409	\$ 2,127,108	\$ 2,341,383
Unreserved:					
Designated:					
Capital projects funds	4,545,851	4,081,595	3,077,085	10,894,981	7,288,634
Undesignated:					
Capital projects funds					
Special revenue funds	<u>9,661,576</u>	<u>9,230,435</u>	<u>8,906,476</u>	<u>10,506,768</u>	<u>9,262,935</u>
Total all other governmental funds	<u>\$ 16,028,643</u>	<u>\$ 15,535,496</u>	<u>\$ 14,413,970</u>	<u>\$ 23,528,857</u>	<u>\$ 18,892,952</u>

Fiscal Year				
2005	2006	2007	2008	2009
\$ 1,035,239	\$ 1,181,546	\$ 1,536,623	\$ 945,689	\$ 3,668,508
<u>12,398,370</u>	<u>17,368,350</u>	<u>23,816,764</u>	<u>24,057,655</u>	<u>22,719,603</u>
<u>\$ 13,433,609</u>	<u>\$ 18,549,896</u>	<u>\$ 25,353,387</u>	<u>\$ 25,003,344</u>	<u>\$ 26,388,111</u>
\$ 2,904,897	\$ 3,780,614	\$ 5,025,466	\$ 4,426,316	\$ 29,103,256
5,482,269	16,542,134	23,553,119	19,157,559	792,514
85,098				
<u>9,825,608</u>	<u>12,453,432</u>	<u>14,721,315</u>	<u>16,417,485</u>	<u> </u>
<u>\$ 18,297,872</u>	<u>\$ 32,776,180</u>	<u>\$ 43,299,900</u>	<u>\$ 40,001,360</u>	<u>\$ 29,895,770</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				
	2000	2001	2002	2003	2004
Revenues:					
Taxes	\$ 49,204,769	\$ 56,699,556	\$ 59,790,710	\$ 64,712,267	\$ 68,926,987
Intergovernmental	9,441,805	7,338,760	9,225,776	9,673,483	10,554,254
Charges for services	4,841,263	5,409,779	5,607,940	5,497,608	6,777,239
Licenses and permits	2,660,696	2,587,552	2,688,644	3,061,146	2,716,482
Fines and forfeitures	2,676,439	2,678,575	2,418,302	2,480,513	2,755,884
Special assessments	101,138	125,512	89,692	388,636	40,622
Investment income	2,392,116	2,202,631	1,207,685	812,240	896,098
Miscellaneous	<u>1,760,047</u>	<u>2,056,121</u>	<u>1,684,999</u>	<u>1,593,134</u>	<u>2,775,181</u>
Total revenues	<u>73,078,273</u>	<u>79,098,486</u>	<u>82,713,748</u>	<u>88,219,027</u>	<u>95,442,747</u>
Expenditures:					
General administration	3,211,799	3,879,933	3,659,565	3,944,682	4,490,510
Judicial and legal	8,454,436	9,225,510	10,763,642	11,784,197	11,702,822
Financial administration	5,149,707	5,848,340	6,138,232	6,436,503	6,825,415
Elections	73,343	109,165	103,424	156,447	77,817
Public facilities	1,846,804	2,307,260	2,168,715	2,300,228	2,544,981
Public safety	7,811,951	9,485,636	9,535,724	10,260,660	10,726,572
Corrections	13,083,514	14,296,310	14,482,329	15,468,693	16,441,503
Public transportation	15,361,634	18,201,208	17,391,246	19,091,164	20,101,559
Health and welfare	4,370,727	5,206,659	5,786,983	6,628,407	7,724,836
Public assistance	256,798	226,000	226,000	226,000	226,000
Culture and recreation	4,020,031	5,229,308	5,859,727	5,954,913	6,724,925
Conservation	285,396	319,262	367,473	377,852	388,549
Environmental protection	86,792	100,412	133,460	123,226	122,224
Community development				2,502,382	3,469,450
Capital outlay	3,844,863	2,583,567	5,943,962	2,650,785	3,416,104
Debt Service:					
Principal	1,411,866	1,520,306	1,430,650	2,305,504	3,016,366
Interest and fiscal charges	<u>1,872,851</u>	<u>1,943,958</u>	<u>2,022,063</u>	<u>1,581,102</u>	<u>1,565,351</u>
Total expenditures	<u>71,142,512</u>	<u>80,482,834</u>	<u>86,013,195</u>	<u>91,792,745</u>	<u>99,664,984</u>
Excess of revenues over (under) expenditures	<u>1,935,761</u>	<u>(1,384,348)</u>	<u>(3,299,447)</u>	<u>(3,573,718)</u>	<u>(4,222,237)</u>

(continued)

Fiscal Year				
2005	2006	2007	2008	2009
\$ 74,871,254	\$ 80,618,481	\$ 85,899,285	\$ 89,733,333	\$ 97,948,315
13,154,480	14,658,241	12,553,652	16,962,416	23,271,447
6,946,094	8,505,724	9,339,206	9,170,529	8,513,053
3,510,492	4,192,040	4,319,103	4,178,179	4,364,604
2,681,213	2,937,726	3,030,492	2,932,468	2,999,714
21,142	20,355	39,984	41,366	65,891
1,189,482	2,558,836	4,437,291	2,910,886	1,670,081
<u>2,168,765</u>	<u>1,650,000</u>	<u>2,707,950</u>	<u>2,256,193</u>	<u>2,461,330</u>
<u>104,542,922</u>	<u>115,141,403</u>	<u>122,326,963</u>	<u>128,185,370</u>	<u>141,294,435</u>
5,036,224	5,193,392	5,647,182	7,338,056	8,316,067
12,132,962	13,101,418	14,720,532	16,024,206	16,581,752
7,307,863	7,477,425	7,895,801	8,618,867	9,014,398
109,644	2,276,634	378,867	692,279	433,657
2,757,631	2,667,167	3,379,986	3,428,404	3,716,015
12,224,147	13,229,168	13,543,831	17,059,446	16,101,590
16,995,740	17,823,526	19,110,690	21,462,209	21,802,308
20,923,768	20,482,267	19,549,824	21,173,785	26,550,726
8,014,313	9,779,785	9,925,766	9,945,531	10,964,979
296,000	296,000	296,000	296,000	296,000
6,114,890	6,335,099	7,046,649	7,660,650	8,429,724
334,836	373,006	350,210	393,215	411,494
135,140	142,056	179,182	199,402	203,304
3,954,932	2,930,819	2,319,293	2,227,278	2,476,674
1,720,896	2,841,843	9,988,904	17,263,186	17,780,454
3,164,604	2,975,208	2,805,000	3,760,000	4,240,000
<u>1,395,797</u>	<u>1,556,717</u>	<u>2,617,009</u>	<u>2,472,201</u>	<u>2,391,636</u>
<u>102,619,387</u>	<u>109,481,530</u>	<u>119,754,726</u>	<u>140,014,716</u>	<u>149,710,778</u>
<u>1,923,535</u>	<u>5,659,873</u>	<u>2,572,237</u>	<u>(11,829,346)</u>	<u>(8,416,343)</u>

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				
	2000	2001	2002	2003	2004
Other Financing Sources (Uses):					
Proceeds from sale of bonds	\$	\$	\$	\$ 11,000,000	\$
Premium on the sale of bonds					
Proceeds from sale of capital assets					
Loans to other entities					
Proceeds from lease purchase		502,200		1,459,392	
Proceeds from refunding bonds					
Payments to escrow agent					
Other					
Transfers in	3,400,932	1,017,564	1,012,089	1,101,179	1,859,610
Transfers out	(3,283,351)	(1,017,564)	(1,293,667)	(1,101,179)	(2,409,610)
Total other financing sources (uses)	<u>117,581</u>	<u>502,200</u>	<u>(281,578)</u>	<u>12,459,392</u>	<u>(550,000)</u>
Net change in fund balances	<u>\$ 2,053,342</u>	<u>\$ (882,148)</u>	<u>\$ (3,581,025)</u>	<u>\$ 8,885,674</u>	<u>\$ (4,772,237)</u>
Debt service as a percentage of noncapital expenditures	4.9%	4.4%	4.3%	4.4%	4.8%

Fiscal Year				
2005	2006	2007	2008	2009
\$	\$ 13,880,000	\$ 14,000,000	\$ 17,950,000	\$
	117,050	606,572	330,304	
	134,081	70,747	344,569	45,020
	(21,855)			
			(10,344,360)	
1,266,797	1,496,992	988,139	1,802,660	2,097,774
(1,416,797)	(2,784,467)	(988,139)	(1,902,660)	(2,447,274)
(150,000)	12,821,801	14,677,319	8,180,513	(304,480)
\$ <u>1,773,535</u>	\$ <u>18,481,674</u>	\$ <u>17,249,556</u>	\$ <u>(3,648,833)</u>	\$ <u>(8,720,823)</u>
4.8%	4.5%	5.1%	5.1%	5.1%

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

Table 5

Last Ten Fiscal Years

(Amounts in thousands)

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Less: Exemptions</u>	<u>Net Real Property</u>	<u>Minerals</u>	<u>Personal Property</u>	<u>Total Taxable Assessed Value</u>	<u>Assessment Ratio</u>	<u>Total Direct Tax Rate</u>
2009	\$ 16,057,241	\$ 7,174,101	\$ 8,883,140	\$ 535,322	\$ 3,750,365	\$ 13,168,827	100%	\$ 0.311396
2008	14,968,145	6,223,999	8,744,146	477,961	3,345,609	12,567,716	100%	0.321701
2007	14,821,157	6,276,486	8,544,671	426,116	2,761,263	11,732,050	100%	0.381701
2006	13,144,026	4,253,551	8,890,475	405,716	2,481,436	11,777,627	100%	0.407987
2005	12,041,514	4,103,928	7,937,586	326,557	2,153,146	10,417,289	100%	0.421955
2004	11,200,894	4,259,355	6,941,539	234,929	2,062,985	9,239,453	100%	0.419500
2003	10,510,667	3,868,691	6,641,976	182,140	1,919,120	8,743,236	100%	0.419500
2002	9,928,021	3,644,314	6,283,707	214,943	1,960,210	8,458,860	100%	0.399500
2001	9,672,240	3,515,504	6,156,736	156,078	1,785,436	8,098,250	100%	0.399500
2000	9,026,349	2,787,814	6,238,535	136,709	1,702,562	8,077,806	100%	0.357500

Source: Brazoria County Tax Office
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

	2000 Tax Rate	2001 Tax Rate	2002 Tax Rate	2003 Tax Rate
County Direct Rates:				
General Fund	0.212730	0.251975	0.257269	0.278287
Road & Bridge	0.060000	0.600000	0.060000	0.060000
Mosquito Control				
Special R&B - Article 6790	0.060000	0.060000	0.060000	0.060000
Debt Service Fund - Jail Building Bonds	0.024770	0.027525	0.022231	0.021213
Certificate of Obligation - Series 2003				
Certificate of Obligation - Series 2006				
Unlimited Tax Road Bonds - Series 2008				
Total direct rate	0.357500	0.399500	0.399500	0.419500
City Rates:				
Alvin	0.803600	0.803600	0.803600	0.803600
Angleton	0.732138	0.705310	0.754774	0.744774
Brazoria	0.741800	0.741800	0.728300	0.728300
Brookside Village	0.460000	0.460000	0.460000	0.460000
Clute	0.723000	0.723000	0.723000	0.723000
Danbury	0.923091	0.834605	0.804816	0.841738
Freeport	0.781900	0.777000	0.764000	0.748500
Hillcrest Village	0.414997	0.414997	0.374512	0.374512
Town of Holiday Lakes	1.336983	1.270863	1.306045	1.269340
Village of Jones Creek	0.250000	0.280000	0.310000	0.310000
Lake Jackson	0.350000	0.350000	0.375000	0.370300
Liverpool	0.175800	0.175800	0.175800	0.175800
Manvel	0.750000	0.734803	0.713231	0.710247
Village of Oyster Creek	0.394700	0.394700	0.394700	0.411106
Pearland	0.695000	0.686000	0.686000	0.696000
Town of Quintana	0.160000	0.160000	0.160000	0.160000
Richwood	0.691200	0.691200	0.691200	0.691200
Village of Surfside Beach	0.400354	0.400354	0.400354	0.400354
Sweeny	0.810950	0.790950	0.790950	0.775571
West Columbia	0.838837	0.838837	0.838837	0.838837
School District Rates:				
Alvin ISD	1.478589	1.566000	1.586116	1.626100
Angleton ISD	1.530000	1.530000	1.630000	1.630000
Brazosport ISD	1.372800	1.422800	1.422800	1.472800
Columbia-Brazoria ISD	1.686300	1.576300	1.576300	1.576300
Damon ISD	1.320000	1.360000	1.360000	1.360000
Danbury ISD	1.562181	1.580000	1.540000	1.540000
Pearland ISD	1.650000	1.820000	1.837200	1.809200
Sweeny ISD	1.515000	1.478300	1.673588	1.675000
Special District Rates:				
Alvin Community College	0.238900	0.241100	0.255300	0.254766
Angleton-Danbury Hospital	0.196463	0.193494	0.193494	0.260562
Brazoria Co. DD # 1 (Angleton)	0.212570	0.209420	0.200000	0.185000
Brazoria Co. DD # 2 (Velasco)	0.068950	0.071370	0.071370	0.073924
Brazoria Co. DD # 3 (Alvin or C&R #3)	0.096000	0.110000	0.116623	0.116623
Brazoria Co. DD # 4 (Pearland)	0.134078	0.125871	0.150934	0.142820
Brazoria Co. DD # 5 (Iowa Colony)	0.289868	0.284592	0.288048	0.266328
Brazoria Co. DD # 8 (Danbury)	0.375782	0.375782	0.361863	0.372689
Brazoria Co. DD #11 (W. Brazoria Co.)	0.020000	0.020000	0.020000	0.020000
Brazoria Co. FWSD # 1	0.730000	0.730000	0.730000	0.730000
Brazoria Co. MUD # 1 (Pearland)	0.660000	0.670000	0.550000	0.540000
Brazoria Co. MUD # 2 (Southwyck)	0.780000	0.740000	0.740000	0.670000
Brazoria Co. MUD # 3 (Silverlake)		0.967000	0.917000	0.817000
Brazoria Co. MUD # 4 (Country Place)	0.998000	0.918000	0.888000	0.778000
Brazoria Co. MUD # 5 (Southdown)	0.680000	0.670000	0.670000	0.670000
Brazoria Co. MUD # 6 (Weatherford)		0.987500	0.987500	0.987500
Brazoria Co. MUD #16				
Brazoria Co. MUD #17		0.750000	0.750000	0.750000
Brazoria Co. MUD #18		0.650000	0.650000	0.650000
Brazoria Co. MUD #19		0.800000	0.800000	0.800000
Brazoria Co. MUD #21				1.350000
Brazoria Co. MUD #23	0.072500	0.072500	0.850000	0.850000

2004 Tax Rate	2005 Tax Rate	2006 Tax Rate	2007 Tax Rate	2008 Tax Rate	2009 Tax Rate
0.284237	0.286210	0.279356	0.266000	0.247671	0.255767
0.047500	0.047500	0.047500	0.034500	0.028800	0.035500
				0.010200	0.008550
0.060000	0.060000	0.060000	0.060000	0.600000	0.600000
0.020513	0.020995	0.015000	0.011000	0.008925	0.011404
0.007250	0.007250	0.006131	0.005131	0.004950	0.004650
			0.005070	0.005150	0.005129
				0.005700	0.009000
<u>0.419500</u>	<u>0.421955</u>	<u>0.407987</u>	<u>0.381701</u>	<u>0.371396</u>	<u>0.390000</u>
0.803600	0.803600	0.803600	0.803600	0.803600	0.803600
0.744774	0.739774	0.734150	0.706000	0.706000	0.706000
0.728300	0.728300	0.728300	0.728300	0.728300	0.728300
0.460000	0.460000	0.460000	0.460000	0.460000	0.460000
0.723000	0.723000	0.723000	0.698000	0.693000	0.672000
0.841738	0.823830	0.775664	0.766940	0.760600	0.762014
0.748500	0.716900	0.710000	0.710000	0.700000	0.708266
0.374512	0.374512	0.374512	0.374512	0.374512	0.374512
1.269340	1.230848	0.719325	0.945784	0.924070	0.950737
0.310000	0.310000	0.310000	0.310000	0.340000	0.340000
0.370300	0.370000	0.380000	0.385000	0.390000	0.390000
0.175800	0.175800	0.175800	0.175800	0.175800	0.236852
0.710247	0.659603	0.648500	0.587831	0.587863	0.587863
0.411106	0.411106	0.452100	0.387211	0.395000	0.401142
0.696000	0.694755	0.674400	0.652600	0.652600	0.652600
0.160000	0.050000	0.040000	0.032000	0.027140	0.033365
0.691200	0.691200	0.691200	0.681080	0.693660	0.693660
0.400354	0.400354	0.490000	0.342392	0.352392	0.442056
0.775571	0.775571	0.750000	0.750000	0.762105	0.741595
0.838837	0.838837	0.838837	0.831900	0.831900	0.831900
1.626100	1.676000	1.705800	1.328200	1.328200	1.304100
1.630000	1.610000	1.571000	1.197000	1.314000	1.455200
1.472800	1.522800	1.572800	1.133900	1.192200	1.228500
1.576300	1.870000	1.770000	1.296500	1.296500	1.296500
1.360000	1.420000	1.420000	1.040000	1.170000	1.170000
1.540000	1.561500	1.557600	1.134900	1.134900	1.143900
1.809200	1.792200	1.792200	1.427200	1.419400	1.419400
1.675000	1.692000	1.671000	1.211700	1.211700	1.211700
0.254766	0.240561	0.237555	0.210280	0.199832	0.199830
0.260562	0.248244	0.247745	0.246500	0.246500	0.246500
0.185000	0.185000	0.175000	0.170850	0.183900	0.183900
0.073924	0.076210	0.082113	0.082075	0.082075	0.087130
0.116623	0.131623	0.130634	0.128143	0.150000	0.150000
0.142820	0.142009	0.143845	0.143845	0.143845	0.143845
0.266328	0.244006	0.221958	0.190894	0.186897	0.189727
0.372689	0.372689	0.372541	0.353723	0.361000	0.366000
0.020000	0.020000	0.020000	0.020000	0.200000	0.020000
0.730000	0.400000	0.360000	0.310000	0.300000	0.295000
0.540000	0.530000	0.460000			
0.670000	0.550000	0.480000	0.510000	0.500000	0.500000
0.817000	0.717000	0.647000	0.650000	0.630000	0.630000
0.778000	0.728000	0.688000	0.628000	0.628000	0.630000
0.670000	0.670000	0.670000	0.000000		
0.987500	0.890000	0.800000	0.670000	0.630000	0.630000
	0.950000		0.950000	0.950000	0.950000
0.750000	0.750000	0.750000	0.730000	0.630000	0.600000
0.650000	0.650000	0.640000	0.590000	0.570000	0.560000
0.800000	0.800000	0.800000	0.680000	0.660000	0.630000
1.350000	1.350000	1.350000	1.350000	1.350000	1.450000
0.850000	0.850000	0.850000	0.850000	0.820000	0.800000

(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

Taxing Jurisdictions	2000 Tax Rate	2001 Tax Rate	2002 Tax Rate	2003 Tax Rate
Special Districts: (continued)				
Brazoria Co. MUD #25				1.250000
Brazoria Co. MUD #26				0.850000
Brazoria Co. MUD #28				0.820000
Brazoria Co. MUD #29				
Brazoria Co. MUD #31				
Brazoria Co. MUD #34				
Brazoria Co. MUD #35				
Brazoria Co. MUD #36				
Brazoria/Ft. Bend MUD #1				
Sedona Lakes MUD #1				
Port Freeport	0.085000	0.085000	0.071200	0.070000
Brazosport College	1.050000	0.691318	0.085000	0.105000
Commodore Cove Improvement District	0.495000	0.495000	0.816436	0.986093
Oak Manor MUD	0.947241	0.947241	0.400000	0.400000
Treasure Island MUD	0.756428	0.720000	0.927240	0.927240
Varner Creek Utility District	0.293577	0.323660	0.650000	0.592300
Sweeny Hospital *		0.030000	0.323660	0.352600
Rural Fire District #1			0.030000	0.030000
Emergency Svc District #1			0.060000	0.070000
Emergency Svc District #2				0.030000
Emergency Svc District #3				

* The Sweeny Hospital tax rate is the rollback tax rate.

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

<u>2004</u> <u>Tax Rate</u>	<u>2005</u> <u>Tax Rate</u>	<u>2006</u> <u>Tax Rate</u>	<u>2007</u> <u>Tax Rate</u>	<u>2008</u> <u>Tax Rate</u>	<u>2009</u> <u>Tax Rate</u>
1.250000	1.250000	1.250000	1.230000	1.100000	1.100000
0.850000	0.850000	0.850000	0.710000	0.710000	0.710000
0.820000	0.820000	0.820000	0.820000	0.820000	0.820000
	0.750000	0.750000	0.750000	0.750000	0.800000
	0.850000	0.850000	1.390000	1.402040	1.300000
			0.850000	0.850000	0.850000
				0.850000	0.890000
	0.850000	0.850000	0.700000	0.700000	0.700000
			0.850000	0.850000	0.850000
					1.250000
0.070000	0.067500	0.065000	0.056000	0.053500	0.053500
0.105000	0.114000	0.119000	0.121000	0.156488	0.175754
0.986093	0.986093	0.890000	0.597220	0.597220	0.620318
0.400000	0.360000	0.398000	0.363000	0.421852	0.451178
0.927240	0.823466	0.739283	0.595802	0.563556	1.258218
0.592300	0.540000	0.510000	0.661890	0.814000	0.858000
0.352600	0.349000	0.343781	0.298289	0.323170	0.349917
0.030000					
0.070000	0.080000	0.080000	0.080000	0.080000	0.080000
0.030000	0.030000	0.030000	0.030000	0.029987	0.030000
	0.100000	0.089975	0.093414	0.093410	0.093700

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

Table 7

<u>2009 Taxpayer</u>	<u>Type of Business</u>	<u>2009 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Dow Chemical Company	Chemical Manufacturer	\$ 3,112,095	23.63%
BASF Corp - Chemical Division	Chemical Manufacturer	766,664	5.82%
Conoco/Phillips Company	Petroleum Refinery	634,980	4.82%
Ineos USA LLC	Chemical Manufacturer	464,067	3.52%
Chevron Phillips Chemical Co LP	Petroleum Refinery	337,208	2.56%
Equistar Chemicals LP	Chemical Manufacturer	237,993	1.81%
Solutia, Inc.	Chemical Manufacturer	227,244	1.73%
Shintech, Inc.	Chemical Manufacturer	166,784	1.27%
Centerpoint Energy Inc.	Utility	125,530	0.95%
Hilcorp Energy Co	Utility	118,187	0.90%
		<u>\$ 6,190,752</u>	<u>\$ 47.01%</u>

<u>2000 Taxpayer</u>	<u>Type of Business</u>	<u>2000 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Dow Chemical Company	Chemical Manufacturer	\$ 2,617,560	32.40%
BASF Corp - Chemical Division	Chemical Manufacturer	578,107	7.16%
Amoco Chemical Company	Chemical Manufacturer	509,582	6.31%
Phillips Petroleum	Petroleum Refinery	456,974	5.66%
Sweeny Olefins Ltd	Chemical Manufacturer	348,613	4.32%
Equistar Chemicals	Chemical Manufacturer	247,214	3.06%
Oyster Creek Limited	Contract Services	172,585	2.14%
Shintech, Inc.	Chemical Manufacturer	141,390	1.75%
Houston Lighting & Power	Electric Utility Company	88,082	1.09%
Hoffman LaRoche, Inc.	Land/Improvements	84,824	1.05%
		<u>\$ 5,244,931</u>	<u>\$ 64.93%</u>

Source: Brazoria County Appraisal District
 Assessed Valuation - 2009 \$ 13,168,827
 Assessed Valuation - 2000 \$ 8,077,806

BRAZORIA COUNTY, TEXAS**PROPERTY TAX LEVIES AND COLLECTIONS**

Table 8

Last Ten Fiscal Years

(Amounts in thousands)

Fiscal Year	Taxes 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	Percentage of Levy
2009	\$ 80,634	\$ 79,473	98.56%	\$ -0-	\$ 79,473	98.56%
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%
2005	60,641	59,638	98.35%	482	60,120	99.14%
2004	56,304	55,284	98.19%	479	55,763	99.04%
2003	52,605	51,649	98.18%	432	52,081	99.00%
2002	48,037	47,144	98.14%	389	47,533	98.95%
2001	45,977	45,134	98.17%	519	45,653	99.30%
2000	38,661	38,024	98.35%	256	38,280	99.01%

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		
	General Obligation Bonds	Certificates of Obligation	Less: Amounts Available for Debt Service	Total	Certificates of Obligation	Less: Amounts Available for Debt Service	Total
2000	\$ 23,910,000	\$ 3,948,942	\$ 1,280,784	\$ 26,578,158	\$ 660,000	\$ 60,000	\$ 600,000
2001	23,765,000	2,834,761	1,446,173	25,153,588	600,000	60,000	540,000
2002	23,615,000	1,800,000	1,530,628	23,884,372	540,000	60,000	480,000
2003	23,455,000	11,000,000	1,102,514	33,352,486	475,000	65,000	410,000
2004	21,390,000	10,520,000	1,224,771	30,685,229	410,000	65,000	345,000
2005	19,295,000	9,905,000	2,026,821	27,173,179	335,000	75,000	260,000
2006	17,220,000	23,155,000	3,108,753	37,266,247	255,000	80,000	175,000
2007	29,060,000	22,510,000	3,948,197	47,621,803	175,000	80,000	95,000
2008	34,170,000	21,465,000	2,809,782	52,825,218	90,000	85,000	5,000
2009	31,115,000	20,280,000	2,947,736	48,447,264	-0-	-0-	-0-

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
 See Table 5 for property value data.
 Population and personal income data can be found in Table 12.

<u>Combined Governmental & Business-type Totals</u>	<u>Percentage of Actual Property Value</u>	<u>Net General Long-Term Debt Per Capita</u>	<u>Percentage of Personal Income</u>
\$ 27,178,158	0.25%	\$ 112	0.41%
25,693,588	0.22%	103	0.37%
24,364,372	0.20%	95	0.34%
33,762,486	0.27%	129	0.46%
31,030,229	0.23%	116	0.40%
27,433,179	0.19%	100	0.32%
37,441,247	0.23%	132	0.40%
47,716,803	0.26%	163	0.47%
52,830,218	0.28%	175	0.48%
48,447,264	0.24%	159	0.41%

BRAZORIA COUNTY, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of September 30, 2009

Governmental Unit	Debt As Of	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Special Districts:				
Angleton-Danbury Hospital District	06/30/2009	\$ 17,590,000 *	100.00%	\$ 17,590,000
Angleton Drainage District	11/30/2007	--	100.00%	--
Brazoria Co. MUD #1 (Pearland)	11/30/2007	--	100.00%	--
Brazoria Co. MUD #2 (Southwyck)	06/05/2008	10,085,168	100.00%	10,085,168
Brazoria Co. MUD #3	06/07/2007	13,470,741	100.00%	13,470,741
Brazoria Co. MUD #4 (Country Place)	09/30/2007	6,923,982	100.00%	6,923,982
Brazoria Co. MUD #6 (Weatherford)	07/31/2008	25,631,927	100.00%	25,631,927
Brazoria Co. MUD #16	12/15/2008	4,780,708	100.00%	4,780,708
Brazoria Co. MUD #17	12/02/2008	29,282,001	100.00%	29,282,001
Brazoria Co. MUD #18	10/28/2008	29,930,914	56.64%	16,952,870
Brazoria Co. MUD #19	09/30/2008	38,264,712	100.00%	38,264,712
Brazoria Co. MUD #21	09/01/2008	20,642,898	100.00%	20,642,898
Brazoria Co. MUD #23	09/01/2008	15,178,241	100.00%	15,178,241
Brazoria Co. MUD #25	09/01/2007	7,139,728	100.00%	7,139,728
Brazoria Co. MUD #26	05/05/2009	48,110,604	100.00%	48,110,604
Brazoria Co. MUD #28	07/31/2008	10,176,078	99.99%	10,175,060
Brazoria Co. MUD #29	06/30/2009	6,325,000 *	100.00%	6,325,000
Brazoria Co. MUD #34	02/26/2009	10,327,450	100.00%	10,327,450
Brazoria Co. MUD #35	06/30/2009	9,900,000 *	100.00%	9,900,000
Brazoria-Fort Bend Co. MUD #1	09/30/2008	51,579,810	79.03%	40,763,524
Brazosport College District	06/30/2009	28,125,000 *	100.00%	28,125,000
Varner Creek Utility District	06/30/2008	10,207,558	100.00%	10,207,558
Port Freeport	09/30/2008	7,985,635	100.00%	7,985,635
Brazoria Co. FWSD #1	06/30/2007	--	100.00%	--
Commodore Cove Improvement District	07/31/2003	--	100.00%	--
Total Special Districts		\$ 401,658,155		\$ 377,862,807
Cities:				
Alvin	09/30/2007	\$ 12,716,097	100.00%	\$ 12,716,097
Angleton	09/30/2007	3,714,872	100.00%	3,714,872
Brazoria	09/30/2008	2,031,087	100.00%	2,031,087
Clute	09/30/2007	--	100.00%	--
Danbury	06/30/2009	2,685,000 *	100.00%	2,685,000
Freeport	09/30/2007	5,885,803	100.00%	5,885,803
Hillcrest Village	08/31/2005	--	100.00%	--
Town of Holiday Lakes	06/30/2009	98,000 *	100.00%	98,000
Lake Jackson	09/30/2008	19,086,214	100.00%	19,086,214
Manvel	06/30/2009	3,250,000 *	100.00%	3,250,000
Oyster Creek	06/30/2009	420,000 *	100.00%	420,000
Pearland	12/31/2008	250,897,772	91.93%	230,650,322
Richwood	09/30/2007	823,734	100.00%	823,734
Sweeny	09/30/2008	1,456,913	100.00%	1,456,913
West Columbia	11/30/2007	--	100.00%	--
Total Cities		\$ 303,065,492		\$ 282,818,042

(continued)

BRAZORIA COUNTY, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT - Continued

Table 10

As of September 30, 2009

<u>Governmental Unit</u>	<u>Debt As Of</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
School Districts:				
Alvin CCD	06/30/2009	\$ 18,195,000 *	100.00%	\$ 18,195,000
Alvin ISD	06/30/2009	293,230,000 *	100.00%	293,230,000
Angleton ISD	06/30/2009	81,245,000 *	100.00%	81,245,000
Brazosport ISD	06/30/2009	143,174,288 *	100.00%	143,174,288
Columbia-Brazoria ISD	12/01/2008	39,229,260	100.00%	39,229,260
Damon ISD	06/30/2009	--	100.00%	--
Danbury ISD	06/30/2009	3,210,000 *	100.00%	3,210,000
Pearland ISD	06/30/2009	336,255,590 *	97.82%	328,925,218
Sweeny ISD	06/30/2009	<u>22,750,000 *</u>	100.00%	<u>22,750,000</u>
Total School Districts		\$ <u>929,958,766</u>		\$ <u>929,958,766</u>
Subtotal, overlapping debt				\$ 1,590,639,615
Total direct debt - Brazoria County			9/30/2009	\$ <u>51,395,000</u>
Total direct and overlapping debt				\$ <u>1,642,034,615</u>

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

* Gross Debt

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

Table 11

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed Value		\$	<u>20,872,439</u>
Debt Limit - 5% of Assessed Value (1)		\$	1,043,622
Debt Applicable to Limit:			
Total bonded debt		\$	51,395
Less: Amount available for repayment of general obligation bonds			<u>2,948</u>
Total net debt applicable to limit			<u>48,447</u>
Legal debt margin		\$	<u>995,175</u>

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt Limit	\$543,821	\$580,679	\$605,159	\$630,596	\$674,940	\$726,061	\$801,559	\$900,427	\$985,307	\$1,043,622
Total net debt applicable to limit	<u>27,238</u>	<u>25,754</u>	<u>24,435</u>	<u>22,836</u>	<u>31,217</u>	<u>27,975</u>	<u>37,266</u>	<u>47,675</u>	<u>51,538</u>	<u>48,447</u>
Legal debt margin	<u>\$516,043</u>	<u>\$554,925</u>	<u>\$580,724</u>	<u>\$607,760</u>	<u>\$643,723</u>	<u>\$698,086</u>	<u>\$764,293</u>	<u>\$852,752</u>	<u>\$933,769</u>	<u>\$995,175</u>
Total net debt applicable to the limit as a percentage of debt limit	5.0%	4.4%	4.0%	3.6%	4.6%	3.9%	4.6%	5.3%	5.2%	4.6%

Note: Under the State of Texas Government Code Section 1301.003, the County's outstanding debt should not exceed 5% of total assessed property value.

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 Person Income</u>	<u>Unemployment Rate</u>
2000	241,767	\$ 6,573,637	\$ 27,038	5.0
2001	248,339	6,918,304	27,858	5.1
2002	255,297	7,204,298	28,219	6.3
2003	261,149	7,375,136	28,241	7.3
2004	267,923	7,750,217	28,927	6.9
2005	274,122	8,453,085	30,837	5.7
2006	283,704	9,348,846	32,953	5.0
2007	293,091	10,120,236	34,529	4.5
2008	301,044	10,955,275	36,391	5.2
2009	304,844	11,859,214	28,903	8.2

Source: Texas Workforce Commission website <http://www/tracer2.com>

* Estimated amount was used for 2008 because updated information is unavailable.

**Estimated amounts were used for 2007 and 2008 because updated information is unavailable.

BRAZORIA COUNTY, TEXAS**PRINCIPAL EMPLOYERS**

Current Year

Table 13

<u>Employer</u>	<u>2009</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
The Dow Chemical Company	4,300	1	3.3%
Texas Dept of Criminal Justice	2,641	2	2.0%
Alvin ISD	2,379	3	1.8%
Pearland ISD	2,196	4	1.7%
Brazosport ISD	2,073	5	1.6%
Infinity Group	1,957	6	1.5%
Brand Energy Solutions LLC	1,914	7	1.5%
Wal-Mart Associates, Inc.	1,757	8	1.3%
T.E.I. Staffing	1,600	9	1.2%
Brazoria County	1,432	10	1.1%
	<u>22,249</u>		<u>16.9%</u>

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

Note: Total employment is 131,751. Table should reflect comparison data from nine years ago; however, data was unavailable.

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,									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General administration	65	66	67	67	70	69	68	69	76	76
Judicial and legal	163	162	173	175	171	172	177	186	191	195
Financial administration	102	103	109	110	112	112	113	114	111	115
Elections	3	4	4	7	2	5	6	7	136	169
Public facilities	23	23	21	24	24	26	24	24	24	25
Public safety	149	155	160	159	162	161	170	185	195	200
Corrections	309	304	299	307	303	308	317	329	341	339
Public transportation	170	171	176	172	176	168	168	173	172	173
Health and welfare	67	68	69	71	76	78	77	81	84	102
Culture and recreation	132	142	153	152	145	148	148	152	151	157
Conservation	11	10	11	11	10	10	9	11	11	11
Environmental protection	3	3	3	3	3	3	3	4	4	4
Community development	0	0	1	2	3	3	4	4	4	5
Airport	11	9	8	9	9	10	10	8	9	9
Total	<u>1,208</u>	<u>1,220</u>	<u>1,254</u>	<u>1,269</u>	<u>1,266</u>	<u>1,273</u>	<u>1,294</u>	<u>1,347</u>	<u>1,509</u>	<u>1,580</u>

Source: Brazoria County Human Resource Reports – Job Function Report

BRAZORIA COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
 Last Ten Fiscal Years

Table 15
 Page 1 of 3

Function	Fiscal Year				
	2000	2001	2002	2003	2004
General Administration:					
County Clerk:					
Marriage License applications	1,718	1,674	1,637	2,461	1,643
Birth certificates filed	1,340	1,168	1,219	1,178	1,194
Death certificates filed	1,053	980	1,044	1,138	959
Probate cases filed	755	738	782	744	732
Beer license applications	89	80	76	78	87
Judicial and Legal:					
District Court Level:					
Beginning civil cases pending	6,179	7,103	6,004	6,019	6,331
Civil cases docket adjustment	(104)	104	(1)	1	
Civil cases filed	5,231	5,427	5,841	6,036	6,078
Civil cases disposed	<u>4,203</u>	<u>6,630</u>	<u>5,825</u>	<u>5,725</u>	<u>6,121</u>
Ending civil cases pending	<u>7,103</u>	<u>6,004</u>	<u>6,019</u>	<u>6,331</u>	<u>6,288</u>
Beginning criminal cases pending	2,259	1,966	1,952	2,052	1,837
Criminal cases docket adjustment					10
Criminal cases filed	2,176	2,194	2,379	2,470	2,498
Criminal cases disposed	<u>2,469</u>	<u>2,208</u>	<u>2,279</u>	<u>2,685</u>	<u>2,525</u>
Ending criminal cases pending	<u>1,966</u>	<u>1,952</u>	<u>2,052</u>	<u>1,837</u>	<u>1,820</u>
County Court Level:					
Beginning civil cases pending	469	348	391	437	842
Civil cases docket adjustment			(57)	503	
Civil cases filed	2,089	2,162	2,218	2,226	2,767
Civil cases disposed	<u>2,210</u>	<u>2,119</u>	<u>2,115</u>	<u>2,324</u>	<u>2,613</u>
Ending civil cases pending	<u>348</u>	<u>391</u>	<u>437</u>	<u>842</u>	<u>996</u>
Beginning criminal cases pending	3,573	3,581	3,067	2,959	3,509
Criminal cases docket adjustment				1,050	1
Criminal cases filed	6,516	5,508	5,957	6,587	7,581
Criminal cases disposed	<u>6,510</u>	<u>6,022</u>	<u>6,065</u>	<u>7,087</u>	<u>6,978</u>
Ending criminal cases pending	<u>3,581</u>	<u>3,067</u>	<u>2,959</u>	<u>3,509</u>	<u>4,113</u>
Beginning juvenile cases pending	113	99	117	153	163
Juvenile cases docket adjustment			(1)		1
Juvenile cases filed	454	519	587	569	566
Juvenile cases disposed	<u>468</u>	<u>501</u>	<u>550</u>	<u>559</u>	<u>556</u>
Ending juvenile cases pending	<u>99</u>	<u>117</u>	<u>153</u>	<u>163</u>	<u>174</u>

Fiscal Year					
2005	2006	2007	2008	2009	
1,719	1,871	1,905	1,865	1,978	
1,304	1,194	1,330	1,325	1,251	
1,202	1,177	1,270	1,126	1,248	
783	803	738	762	763	
78	63	118	126	126	
6,288	6,304	5,543	5,684	5,171	
			178	(132)	
6,015	6,075	5,947	6,028	6,686	
<u>5,999</u>	<u>6,836</u>	<u>5,806</u>	<u>6,719</u>	<u>5,393</u>	
<u>6,304</u>	<u>5,543</u>	<u>5,684</u>	<u>5,171</u>	<u>6,332</u>	
1,820	1,934	2,121	1,973	2,334	
(73)		4	70		
2,840	2,954	2,788	3,668	3,201	
<u>2,653</u>	<u>2,767</u>	<u>2,940</u>	<u>3,377</u>	<u>3,223</u>	
<u>1,934</u>	<u>2,121</u>	<u>1,973</u>	<u>2,334</u>	<u>2,312</u>	
996	941	1,382	1,975	1,760	
		2		29	
2,673	3,276	3,453	2,620	1,891	
<u>2,728</u>	<u>2,835</u>	<u>2,862</u>	<u>2,835</u>	<u>2,420</u>	
<u>941</u>	<u>1,382</u>	<u>1,975</u>	<u>1,760</u>	<u>1,260</u>	
4,113	5,948	6,763	6,181	5,266	
				18	
7,716	8,466	7,176	6,192	7,650	
<u>5,881</u>	<u>7,651</u>	<u>7,758</u>	<u>7,107</u>	<u>7,176</u>	
<u>5,948</u>	<u>6,763</u>	<u>6,181</u>	<u>5,266</u>	<u>5,758</u>	
174	171	191	202	197	
621	667	718	536	519	
<u>624</u>	<u>647</u>	<u>707</u>	<u>541</u>	<u>535</u>	
<u>171</u>	<u>191</u>	<u>202</u>	<u>197</u>	<u>181</u>	

(continued)

BRAZORIA COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
 Last Ten Fiscal Years

Table 15
 Page 2 of 3

Function	Fiscal Year				
	2000	2001	2002	2003	2004
Judicial and Legal:					
Justice of the Peace Level:					
Cases Filed:					
Traffic	28,574	26,927	25,966	22,729	29,651
Non-traffic	12,677	11,724	12,519	11,175	11,055
Small claims suits	666	627	741	562	730
Forcible entry & detainer	1,125	1,205	1,699	1,492	1,925
Other civil suits	585	649	601	483	665
Cases Disposed:					
Traffic	25,600	26,167	25,570	22,647	26,037
Non-traffic	11,211	10,603	11,626	11,224	9,449
Small claims suits	603	515	601	445	636
Forcible entry and detainer	982	1,059	1,656	1,368	1,814
Other civil suits	495	462	528	366	523
Inquests	492	420	414	337	361
Financial Administration:					
County Auditor:					
Accounts payable check issued	16,201	16,524	17,294	17,834	17,954
Human Resources:					
Pre-employment drug screens	N/A	N/A	N/A	175	109
Employee random drug screen	45	81	54	N/A	55
Payroll checks	5,514	6,502	5,643	5,137	5,143
Payroll advices	18,788	25,370	26,623	27,836	28,189
Purchasing:					
Number of purchase orders issued	10,693	8,308	8,821	9,062	9,350
Tax Assessor-Collector:					
Registered voters	147,811	144,879	152,741	148,726	161,485
Voting precincts	67	67	78	78	75
Elections:					
Computerized Voting Equipment:					
Judges booths	0	0	0	0	0
Regular voting machines	0	0	0	0	0
ADA compliant voting machine	0	0	0	0	0

Fiscal Year				
2005	2006	2007	2008	2009
28,634	28,265	30,787	29,008	26,236
10,474	11,127	10,990	9,406	9,857
544	506	429	496	528
1,978	2,075	2,480	2,345	2,322
522	769	1,114	2,294	1,787
26,859	27,634	31,162	28,688	24,556
10,527	11,396	12,632	10,299	9,079
450	452	476	471	473
1,765	1,959	2,248	2,328	2,257
379	511	862	1,675	1,712
336	371	341	316	335
18,270	18,633	19,650	20,171	20,242
179	298	274	242	185
68	25	64	73	99
4,750	4,657	4,866	4,444	4,071
29,680	29,133	30,231	31,800	33,051
8,901	8,815	8,991	8,754	8,026
156,126	161,683	160,507	172,768	167,921
77	77	77	71	72
125	125	125	125	135
499	499	499	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				
	2000	2001	2002	2003	2004
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	32
Residential:					
Males	16	16	16	16	16
Females	8	8	8	8	8
Health and Welfare:					
Environmental Health:					
Septic permits issued	702	655	752	794	736
Indigent Health Care:					
Indigent patients	N/A	N/A	N/A	N/A	6,408
Water Lab:					
Water test performed	8,605	9,739	9,627	9,535	8,879
Culture and Recreation:					
Library:					
Library locations	10	10	11	11	11
Bookmobiles	1	0	0	0	0
Collection inventory	512,518	524,943	550,000	574,651	576,449
Items checked out	1,090,481	1,064,932	1,114,707	1,170,520	1,282,210
Library program attendance	47,043	39,628	43,913	37,097	42,554
Internet usage	47,043	74,508	91,583	118,307	134,836
Parks and Recreation:					
Museum	1	1	1	1	1
Environmental Protection:					
Flood Plain Administrator:					
Construction permits issued	3,222	2,879	3,152	3,326	3,751
Estimated value of construction	457,805,503	457,981,851	545,557,052	587,327,075	714,353,069
Community Development:					
First time homebuyers	N/A	N/A	N/A	N/A	36
Reconstructions (home replacement)	N/A	N/A	N/A	N/A	2
Rehabilitation (home repair)	N/A	N/A	N/A	N/A	2

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				
2005	2006	2007	2008	2009
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
32	32	32	32	30
16	16	16	16	20
8	8	8	8	7
730	710	600	1,063	409
2,196	1,632	1,200	1,172	1,816
8,629	8,846	8,639	8,827	8,395
11	11	11	11	11
0	0	0	0	0
589,086	589,747	590,399	593,128	608,484
1,284,806	1,326,618	1,364,303	1,335,901	1,305,167
41,339	43,771	44,642	43,468	45,046
147,645	179,147	218,607	292,449	316,054
1	1	1	1	1
4,307	3,596	3,127	2,308	1,708
2,619,633,789	838,167,441	896,501,328	623,458,910	423,848,799
39	26	18	12	23
5	3	6	3	4
4	9	1	2	2

BRAZORIA COUNTY, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
 Last Ten Fiscal Years

Table 16

Function/Program	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
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	7	8	8	8	8	8	9	9	9	9
Public Safety:										
Sheriff Vehicles	N/A	N/A	N/A	100	98	98	116	109	125	119
Constable Vehicles	N/A	N/A	N/A	12	12	13	15	16	25	25
Public Transportation:										
Roads - Paved (miles)	940.82	961.73	965.3	979.6	999.65	1002.53	1004.14	1012.47	1020.42	1042.69
Roads - Unpaved (miles)	187.51	171.45	171.45	170.85	170.15	169.95	169.95	169.95	169.95	169.95
Bridges	120	120	120	120	120	124	126	126	126	127

Source: Various County departments, Brazoria County Auditor's office capital assets listing.

Note: Brazoria County implemented GASB 34 and capital asset software in FY 2003.

N/A - Data is not available for the year.

FEDERAL AND STATE AWARDS SECTION



Kennemer, Masters & Lunsford

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Independent Auditor's Report

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with Government Auditing Standards

March 5, 2010

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

We have audited the financial statements of the governmental activities, 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, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 5, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control over financial reporting that we consider to be a significant deficiency.

The Honorable County Judge,
and Members of Commissioners'
Court of Brazoria County, Texas
March 5, 2010
Page 2

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs (Item 09-1) to be a significant deficiency in internal control over financial reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

Compliance and Other Matters

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

We have performed tests designed to verify the County's compliance with the requirements of the Public Funds Investment Act. During the year ended September 30, 2009, no instances of noncompliance were found.

We noted certain matters that we reported to management of the County, in a separate letter dated March 5, 2010.

This report is intended solely for the information and use of the County Judge, members of Commissioners' Court, management, and appropriate state and federal agencies, and is not intended to be and should not be used by anyone other than these specified parties.

Kennemer, Masters & Kingford, LLC

Kennemer, Masters & Lunsford

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Independent Auditor's Report

Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

March 5, 2010

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

Compliance

We have audited the compliance of Brazoria County (the "County"), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major state and federal programs for the year ended September 30, 2009. The County's major state and federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major state and federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 state or major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County, complied, in all material respects, with the requirements referred to above that are applicable to each of its major state and federal programs for the year ended September 30, 2009.

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Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major state or federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a state or federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that non compliance with a type of compliance requirement of a state or federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a state or federal program will not be prevented or detected by the entity's internal control.

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

This report is intended solely for the information and use of the County Judge, members of Commissioners' Court, management, and appropriate state and federal agencies, and is not intended to be and should not be used by anyone other than these specified parties.

Kennemer, Masters & Hunsford, LLC

I. Summary of auditor's results:

1. Type of auditor's report issued on the financial statements: Unqualified.
2. One internal control finding (09-1), that was required to be reported in this schedule, was disclosed in the audit of the financial statements. It was not considered a material weakness.
3. Noncompliance, which is material to the financial statements: None.
4. No internal control findings, that are required to be reported in this schedule, were disclosed in the audit of the major programs.
5. Type of auditor's report on compliance for major programs: Unqualified.
6. Did the audit disclose findings which are required to be reported under Sec._510(a): No
7. Major programs include:
 - Federal:
 - 20.205 Highway Construction Programs
 - 97.036 Public Assistance Grant – Hurricane Ike
 - State:
 - TJPC Cluster Programs
 - Indigent Defense Services
8. Dollar threshold used to distinguish between Type A and Type B programs:
Federal \$ 539,392; State \$ 300,000.
9. Low risk auditee: Yes.

II. Findings related to the financial statements

The audit disclosed the following findings required to be reported:

1. Schedule reference number 09-1: TSG Judicial Software. Controls over receipts and docket numbers are not consistently maintained.

Criteria: Accounting procedures should be modified based on the changes required by the new software to establish adequate internal controls over receipts and docket numbers to ensure the accuracy and completeness of transactions.

Condition Found: Implementations of the new software occurred over an extended period of time and were not implemented consistently. Different locations had modifications (customized) performed on the software. These modifications were performed without consideration of the overall internal control requirements or the capability of the new software. In some instances the goal was to limit the changes in accounting (manual) procedures rather than consideration of an overall internal control environment.

Questioned costs/basis: None

Instances/universe: The variances were noted during our walk through procedures at or near the end of September 2009.

Effect: Internal control procedures during and after the implementation of the new software were weakened and were not adequate based on the capabilities of the new software system.

Recommendations: A concerted effort needs to be made to establish accounting and computer (software capability) procedures that maximize internal controls. These controls should incorporate numerical sequence controls for docket, bond, and ticket numbers as well as stronger reconciliation controls. This can only be achieved through entity wide considerations and requirements rather than the desires of the individual departments.

III. Findings and questioned costs related to the federal and state awards.

None.

Schedule reference number 08-1: TSG Judicial Software. Controls over receipts and docket numbers are not consistently maintained.

Corrective action taken: The Auditor's Office and Information Systems personnel have continued to work together and with departments using TSG to establish accounting and computer (software capability) procedures that will maximize internal controls. Information Systems has allocated resources to change TSG capabilities to assist in the enhancement of internal controls. Progress has been made in providing reports to account for the numerical sequence of tickets. See schedule reference 09-1.

Schedule reference number 09-1: TSG Judicial Software. Controls over receipts and docket numbers are not consistently maintained.

Corrective action plan: The Auditor's Office and Information Systems personnel continue to work together and with departments using TSG to establish accounting and computer (software capability) procedures that will maximize internal controls. Information Systems plans to allocate resources to change TSG capabilities to assist in the enhancement of internal controls. Connie Garner, County Auditor, will monitor on an ongoing basis to ensure proper performance of these processes and procedures.

BRAZORIA COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended September 30, 2009

Exhibit 23

Page 1

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	TDH746000044508	\$ 6,773
Women, Infants and Children (WIC Program)	10.557	TDH746000044509	1,291,918
			<u>1,298,691</u>
Passed Through Texas Health and Human Services Commission:			
School Breakfast Program	10.553	TX-020-2009	31,948
National School Lunch Program	10.555	TX-020-2009	45,872
			<u>77,820</u>
TOTAL DEPARTMENT OF AGRICULTURE			\$ <u>1,376,511</u>
U.S. Department of Housing and Urban Development:			
Direct Program:			
Community Development Block Grant	14.218	B-04-UC-48-0005	\$ 140,742
Community Development Block Grant	14.218	B-05-UC-48-0005	24,844
Community Development Block Grant	14.218	B-06-UC-48-0005	367,745
Community Development Block Grant	14.218	B-07-UC-48-0005	447,111
Community Development Block Grant	14.218	B-08-UC-48-0005	725,729
			<u>1,706,171</u>
Emergency Shelter Program	14.231	S-07-UC-48-0004	14,058
Home Program	14.239	M-05-UC-48-0230	1,671
Home Program	14.239	M-06-UC-48-0230	55,652
Home Program	14.239	M-07-UC-48-0230	347,393
Home Program	14.239	M-08-UC-48-0230	342,115
			<u>746,831</u>
Community Development Block Grant – Recovery	14.253	B-09-UY-48-0005	7,507
HPRP – Allocation	14.257	S-09-UY-48-0004	2,108
Section 8 Housing Voucher Program	14.871	TX484VO 0002	276,616
Section 8 Housing Voucher Program	14.871	TX484VO 0003	42,000
Section 8 Housing Voucher Program	14.871	TX484VO 0005	814,289
Section 8 Housing Voucher Program	14.871	TX484VO 0006	2,414,449
			<u>3,547,354</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			\$ <u>6,024,029</u>

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Continued**

For the Year Ended September 30, 2009

Exhibit 23

Page 2

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:			
Refuge Revenue Sharing Act of 1978	15.000	--	\$ 53,955
Rural Fire Assistance Program	15.609	1448-20181-01-J856	13,650
Wildlife Road Extension	15.642	20181	13,994
Passed Through Minerals Management Service:			
Coastal Impact Assistance Program	15.426	Tier 1 Project	<u>113,541</u>
TOTAL U.S. DEPARTMENT OF INTERIOR			<u>\$ 195,140</u>
U.S. Department of Justice:			
Direct:			
Organized Crime Drug Enforcement Task Force - State & Local OT & Authorized Expense Agreement			
	16.592	SW-TXE-0212	<u>\$ 13,792</u>
State Criminal Alien Assistance Program	16.606	2008-AP-BX-00018	13,170
State Criminal Alien Assistance Program	16.606	2008-AP-BX-0018	<u>120,107</u>
			<u>133,277</u>
Passed Through the Drug Enforcement Administration:			
State and Local Task Force Agreement	16.540	--	7,433
Passed Through Office of the Governor - Criminal Justice Division:			
Juvenile Incentive Block Grant	16.540	JB-09-J20-19113-02	37,618
Juvenile Incentive Block Grant	16.540	JB-10-J20-19113-03	<u>2,053</u>
			<u>47,104</u>
Crime Victim Assistance Program	16.575	VA-09-V30-13535-10	5,972
Crime Victim Assistance Program	16.575	VA-08-V30-13535-09	51,950
Crime Victim Assistance Program	16.575	VA-07-V30-13535-08	6,519
Crime Victim Assistance Program	16.575	VA-09-V30-13536-10	5,652
Crime Victim Assistance Program	16.575	VA-07-V30-13536-09	43,907
Crime Victim Assistance Program	16.575	VA-07-V30-21090-01	<u>2,631</u>
			<u>116,631</u>
Edward Byrne Memorial Assistance Grant	16.738	2006-DJBX1096	403
Edward Byrne Memorial Assistance Grant	16.738	2006-DJBX1057	<u>10,622</u>
			<u>11,025</u>
Bulletproof Vest Partnership	16.607	---	<u>5,193</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>\$ 327,022</u>

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Continued**

For the Year Ended September 30, 2009

Exhibit 23

Page 3

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 (Master Plan Update)	20.106	09MPANGLE	\$ 63,376
Airport Improvement Program (Runway Construction)	20.106	0912ANGLE	1,379
Airport Improvement Program (Design & Construction of Runway)	20.106	0712ANGLE	<u>239,471</u>
			<u>304,226</u>
Debris Removal – CR 257 Emergency Repairs	20.205	0912-31-236	711,217
Reconstructed Roadway – Temporary & Permanent	20.205	0912-31-236	<u>4,064,094</u>
			<u>4,775,311</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			\$ <u>5,079,537</u>
U.S. General Services Administration:			
Passed Through Texas Secretary of State:			
Help American Vote Act - Team Computability Fund	93.617	---	\$ <u>1,716</u>
TOTAL U.S. GENERAL SERVICES ADMINISTRATION			\$ <u>1,716</u>
U.S. Department of Health and Human Service:			
Passed Through Texas Department of State Health Services:			
Community Preparedness Section/Public Health Emergency Response	93.069	2008-2028068	\$ <u>16,679</u>
RLSS/LPHS Community & Rural Health Program	93.268	TDH746000044508	3,163
RLSS/LPHS Community & Rural Health Program	93.268	TDH746000044509	<u>50,482</u>
			<u>53,645</u>
CPS - Cities Readiness Initiative	93.283	2009-031679	12,625
CPS - Cities Readiness Initiative	93.283	2008-028072	88,475
Bioterrorism	93.283	2008-028068	<u>215,066</u>
			<u>316,166</u>
Passed Through Texas Department of Family and Protective Services:			
Foster Care Title IV-E Legal Costs	93.658	23379419	51,493
Foster Care Title IV-E Legal Costs	93.658	23402021	58,772
Passed Through Texas Juvenile Probation Commission:			
Foster Care Title IV-E	93.658	TJPC-E-09-020	109,444
Foster Care Title IV-E	93.658	TJPC-E-10-020	<u>13,228</u>
			<u>232,937</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICE			\$ <u>619,427</u>

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Continued**

For the Year Ended September 30, 2009

Exhibit 23

Page 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 – Hurricane Ike	97.036	Various	\$ <u>3,891,648</u>
Passed Through Texas Engineering Extension Service:			
FY 2004 Urban Areas LETPP	97.053	2007-GE-T7-0024	109,468
Passed Through Governor's Division of Emergency Management:			
FY 2004 Urban Areas LETPP	97.053	2006-GE-T6-0068	<u>1,912</u>
			<u>111,380</u>
Passed Through Texas Department of Public Safety's Division Of Emergency Management:			
Emergency Food and Shelter National Board	97.024	20-7900-00 006 P26	7,358
Emergency Food and Shelter National Board	97.024	20-7900-00 006 P27	<u>26,231</u>
			<u>33,589</u>
2005 Buffer Zone Protection	97.078	2007-BZ-T7-0023	68,126
Emergency Management Performance Grant	97.042	08TX-EMPG-0310	32,268
Passed Through Governor's Division of Emergency Management:			
Homeland Security SHSP	97.073	2008-GE-T8-0034	<u>219,354</u>
TOTAL DEPARTMENT OF HOMELAND SECURITY			\$ <u>4,356,365</u>
TOTAL FEDERAL ASSISTANCE			\$ <u>17,979,747</u>
TOTAL MAJOR PROGRAMS			\$ <u>8,666,959</u>
TYPE A PROGRAM			\$ <u>539,392</u>

BRAZORIA COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended September 30, 2009

Exhibit 24
Page 1

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	TDH 7460000445 09	\$ 139,162
Immunization OPTS/LHS	TDH 7460000445 10	<u>17,635</u>
TOTAL TEXAS DEPARTMENT OF HEALTH		\$ <u>156,797</u>
Texas Juvenile Probation Commission:		
Direct Programs:		
State Aid Program (1)	TJPC-A-09-020	\$ 166,788
State Aid Program (1)	TJPC-A-10-020	29,327
Community Correction Assistance Program (1)	TJPC-Y-09-020	338,458
Community Correction Assistance Program (1)	TJPC-Y-10-020	42,580
Salary Adjustment Funding JP and Detention Centers (1)	TJPC-Z-09-020	142,727
Salary Adjustment Funding JP and Detention Centers (1)	TJPC-Z-10-020	13,379
Progressive Sanctions JPO (1)	TJPC-F-09-020	130,334
Progressive Sanctions JPO (1)	TJPC-F-10-020	14,184
Progressive Sanctions Level 1-2-3 (1)	TJPC-G-09-020	46,439
Progressive Sanctions IS JPO (1)	TJPC-O-09-020	22,986
Progressive Sanctions IS JPO (1)	TJPC-O-10-020	3,747
Intensive Community Based Placement - Regional (1)	TJPC-X-09-020	116,590
Intensive Community Based Placement - Regional (1)	TJPC-S-10-020	2,565
Divisionary Placement	TJPC-H-09-020	283,109
Passed Through Texas Education Agency:		
Juvenile Justice Alternative Education Program (Boot Camp) (1)	TJPC-P-09-020	235,420
Juvenile Justice Alternative Education Program (Boot Camp) (1)	TJPC-P-10-020	<u>33,101</u>
TOTAL TEXAS JUVENILE PROBATION COMMISSION		\$ <u>1,621,734</u>
Texas Commission on Environmental Quality:		
Direct:		
FY 07 Solid Waste Implementation Program	07-16-G08	\$ 112,700
FY 09 Solid Waste Implementation Program	09-19-G02	39,524
Local Initiative Program – Emissions Reduction Program	582-8-89959	208,474
Aircheck Texas Repair and Replacement Assistance Program	582-9-90416-3	<u>924,345</u>
TOTAL TEXAS COMMISSION ON ENVIRONMENTAL QUALITY		\$ <u>1,285,043</u>

BRAZORIA COUNTY, TEXAS*SCHEDULE OF EXPENDITURES OF STATE AWARDS - Continued*

For the Year Ended September 30, 2009

Exhibit 24

Page 2

State Grantor/ Pass-Through Grantor/ Program Title	Contract/ Program Number	Expenditures or Award Amount
Texas Department of Family and Protective Services:		
Direct Program:		
Title IV-B Concrete Services	23619621	\$ 590
Title IV-B Concrete Services	23405081	<u>4,028</u>
TOTAL TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES		\$ <u>4,618</u>
Texas Department of Transportation:		
Direct Program:		
Routine Airport Maintenance	M912ANGLE	\$ <u>50,000</u>
TOTAL TEXAS DEPARTMENT OF TRANSPORTATION		\$ <u>50,000</u>
Commission on State of Texas Emergency Communications:		
Passed Through Houston-Galveston Area Council:		
911 Addressing Maintenance Contract	911410	\$ 57,046
911 PSAP Room Preparation	---	<u>9,017</u>
TOTAL COMMISSION ON STATE OF TEXAS EMERGENCY COMMUNICATIONS		\$ <u>66,063</u>
Office of Attorney General:		
Direct Program:		
Victim Coordinator Liaison Grant (VCLG)	10-13994	\$ 3,103
Victim Coordinator Liaison Grant (VCLG)	09-01423	18,333
Texas Victim Information and Notification Everyday (VINE)	09-07600	27,599
Texas Victim Information and Notification Everyday (VINE)	10-11733	<u>2,506</u>
TOTAL OFFICE OF ATTORNEY GENERAL		\$ <u>51,541</u>
Texas Task Force on Indigent Defense:		
Direct Program:		
Indigent Defense Services	212-09-020	\$ <u>392,857</u>
TOTAL TEXAS TASK FORCE ON INDIGENT DEFENSE		\$ <u>392,857</u>
General Land Office:		
Direct Program:		
Beach Cleanup and Maintenance Assistance	GLO 09-017-009	\$ <u>43,418</u>
TOTAL GENERAL LAND OFFICE		\$ <u>43,418</u>

BRAZORIA COUNTY, TEXAS**SCHEDULE OF EXPENDITURES OF STATE AWARDS - Continued**
For the Year Ended September 30, 2009Exhibit 24
Page 3

State Grantor/ Pass-Through Grantor/ Program Title	Contract/ Program Number	Expenditures or Award Amount
Texas State Library and Archives Commission:		
Direct Program:		
Loan Star Libraries Grant	442-06014	\$ <u>59,790</u>
TOTAL TEXAS STATE LIBRARY AND ARCHIVES COMMISSION		\$ <u>59,790</u>
Texas Comptroller's Office:		
Direct Program:		
Tobacco Grant	GLO 09-017-009	\$ <u>658</u>
TOTAL TEXAS COMPTROLLER'S OFFICE		\$ <u>658</u>
Texas Water Development Board:		
Direct Program:		
Flood Protection Planning Contract	---	\$ <u>150,000</u>
TOTAL TEXAS WATER DEVELOPMENT BOARD		\$ <u>150,000</u>
Office of the Governor:		
Passed Through Criminal Justice Division:		
Drug Court Program	SF-090-A10-20527-01	\$ <u>82,254</u>
Drug Court Program	SF-010-A10-20527-02	<u>25,978</u>
TOTAL OFFICE OF THE GOVERNOR		\$ <u>108,232</u>
TOTAL STATE ASSISTANCE		\$ <u>3,990,751</u>
TOTAL MAJOR PROGRAMS		\$ <u>1,731,482</u>
TYPE A PROGRAM		\$ <u>300,000</u>

(1) Cluster Programs per TJPC

BRAZORIA COUNTY, TEXAS

NOTES ON ACCOUNTING POLICIES FOR FEDERAL AND STATE AWARDS

Year Ended September 30, 2009

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 liabilities 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 current liabilities 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 net current assets. 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, 2009

The Proprietary Fund Types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (net total assets) 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 assets. Federal grant funds were accounted for in the Enterprise Fund, 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 deferred 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 \$ 56,409 in reimbursements for indirect costs during the year ended September 30, 2009 for the Women, Infants and Children (WIC Program) CFDA #10.557.

