

**BRAZORIA COUNTY, TEXAS**

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

For the Fiscal Year Ended  
September 30, 2011

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, 2011

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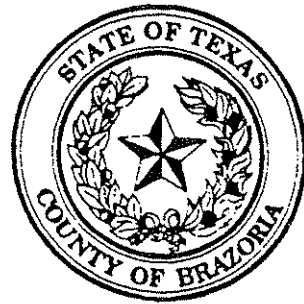
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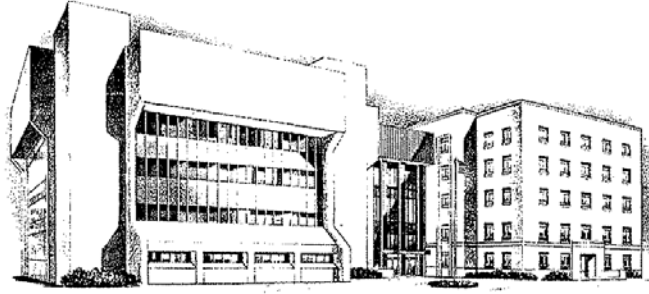
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**INTRODUCTORY SECTION**



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



TELEPHONE  
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**BRAZORIA COUNTY**  
**ANGLETON, TEXAS 77515**

February 22, 2012

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, 2011, 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, 2011, 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, 2010 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 1,386 square miles. The decennial census levels in Texas determine which of the various State statutes apply to each particular Texas County. Neighboring counties are Matagorda, Wharton, Fort Bend, Harris and Galveston.

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

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



## **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**

The long term financial plans of the County include multiple capital projects. To meet the needs of the growing population, the Commissioner' Court is very active in infrastructure development, specifically road improvements, to help insure economic growth. Voters approved \$ 50 million in mobility bonds in 2004. The County issued \$ 19.5 million in March, 2010, \$ 14 million in November, 2006 and an additional \$ 8 million in July, 2008. The balance will be issued in the summer of 2012. Work continues on a building to permanently house our Emergency Operations Center and should be complete by early summer 2012.

The County is looking for property to build a new satellite office for Precinct 4, Justice of the Peace, Constable and the Commissioner in order to better serve the residents in the north part of the County. Construction of a new terminal building at the Airport should start in 2012.

The County continues work on its capital improvement program which will assist in planning for facilities construction or remodeling and mobility projects.

## **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, 2010. 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 18 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, 2010

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



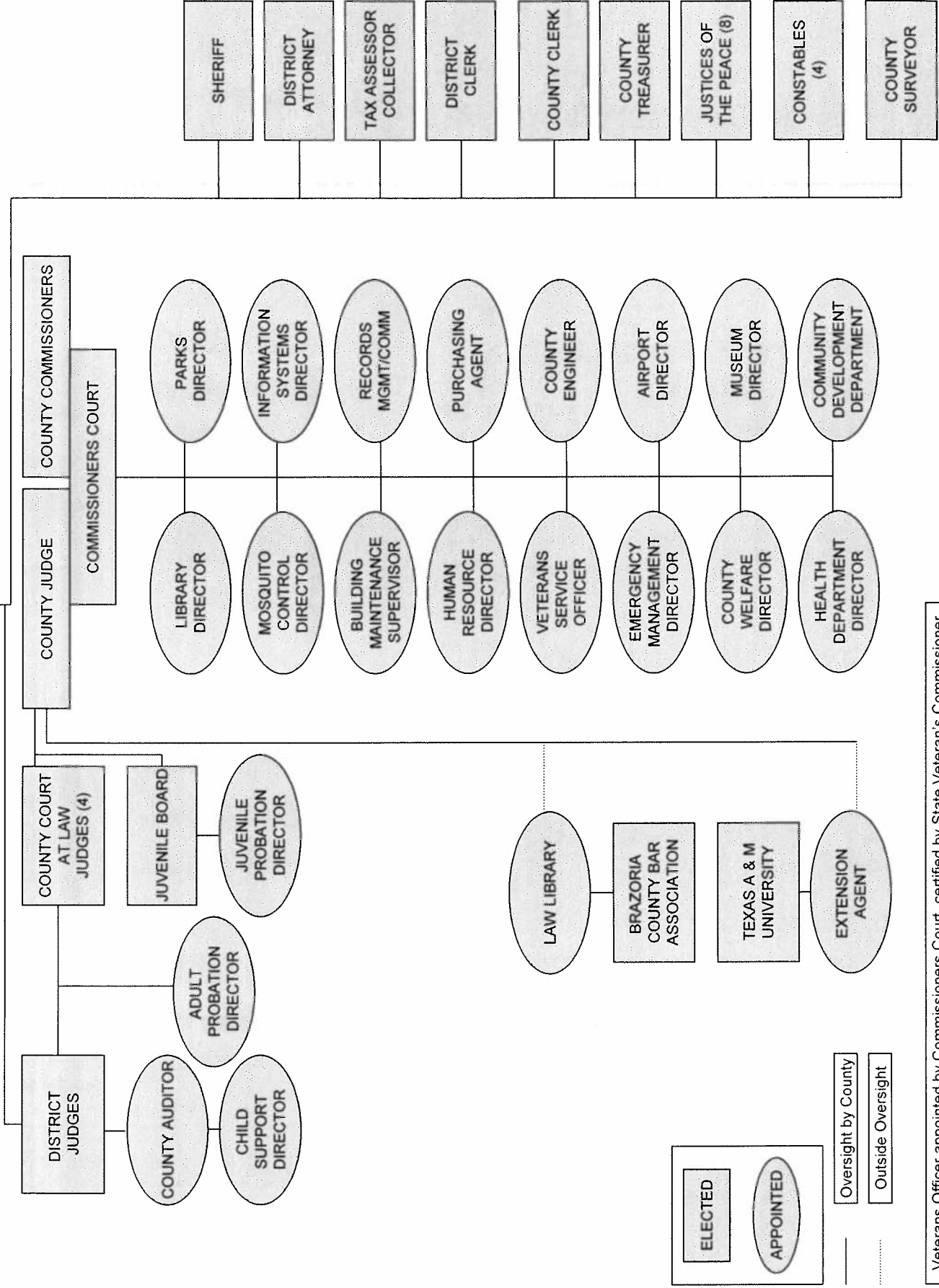
*Linda C. Sandson*

President

*Jeffrey R. Enos*

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

Larry Stanley, Commissioner, Precinct 4

OTHER PRINCIPAL OFFICIALS

Ro'Vin Garrett, Tax Assessor-Collector

Connie Garner, County Auditor

Sharon Reynolds, County Treasurer

Joyce Hudman, County Clerk

Rhonda Barchak, 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

Lake Jackson Office:  
8 West Way Court  
Lake Jackson, Texas 77566  
(979) 297-4075 Fax: (979) 297-6648  
(800) 399-4075

Houston Office:  
12000 Westheimer, Suite 105  
Houston, Texas 77077  
(281) 752-0200 Fax: (281) 752-0204

## Independent Auditor's Report

February 22, 2012

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, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express 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, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2012 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.kmkwllc.com](http://www.kmkwllc.com) – Email: [kmkw@kmkwllc.com](mailto:kmkw@kmkwllc.com)

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



The Honorable County Judge,  
and Members of Commissioners' Court  
of Brazoria County, Texas  
February 22, 2012  
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 15 and 88 through 90, 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 *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.

*Kennemer, Masters & Hunzford, LLC*

## **BRAZORIA COUNTY, TEXAS**

### *Management's Discussion and Analysis For the Year Ended September 30, 2011*

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, 2011. 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 \$ 197,456,499 and \$ 18,922,893 (net assets), respectively. Of this amount, \$ 45,667,087 and \$ 859,249 (unrestricted net assets), respectively, may be used to meet the government's ongoing obligations to citizens and creditors with the County's fund designations.
- The County's total net assets increased for governmental activities by \$ 13,907,846 and increased for business-type activities by \$ 54,648.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$ 71,531,926 and its enterprise fund reported ending net assets of \$ 18,937,585. 47.79% and 4.61% of these total amounts, \$ 34,187,618 (unassigned fund balance) and \$ 873,941 (unrestricted net assets), respectively, were available for use within the County's fund designations.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$ 34,200,927 or 39.00% of the total general fund expenditures.

### **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, 2011*

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 19 through 21 of this report.

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

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

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

The County maintains one hundred and nineteen (119) 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 Mobility Build America Bond C & M (capital projects fund); all of which are considered to be major funds. Data from the other one hundred and sixteen (116) funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 22 through 29 of this report.

## BRAZORIA COUNTY, TEXAS

Management's Discussion and Analysis  
For the Year Ended September 30, 2011

- **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 40 through 86 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 88 through 90 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 93 through 186 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 \$ 216,379,392 as of September 30, 2011.

The largest portion of the County's net assets, \$ 143,506,928 (66.32%) 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.

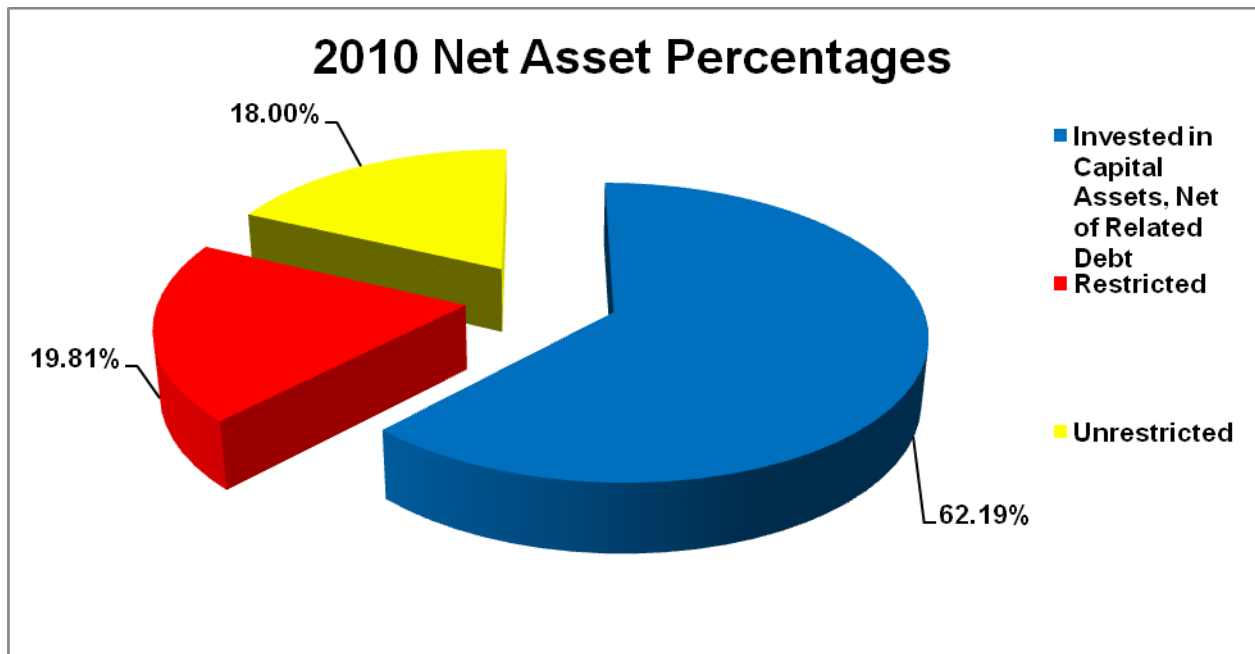
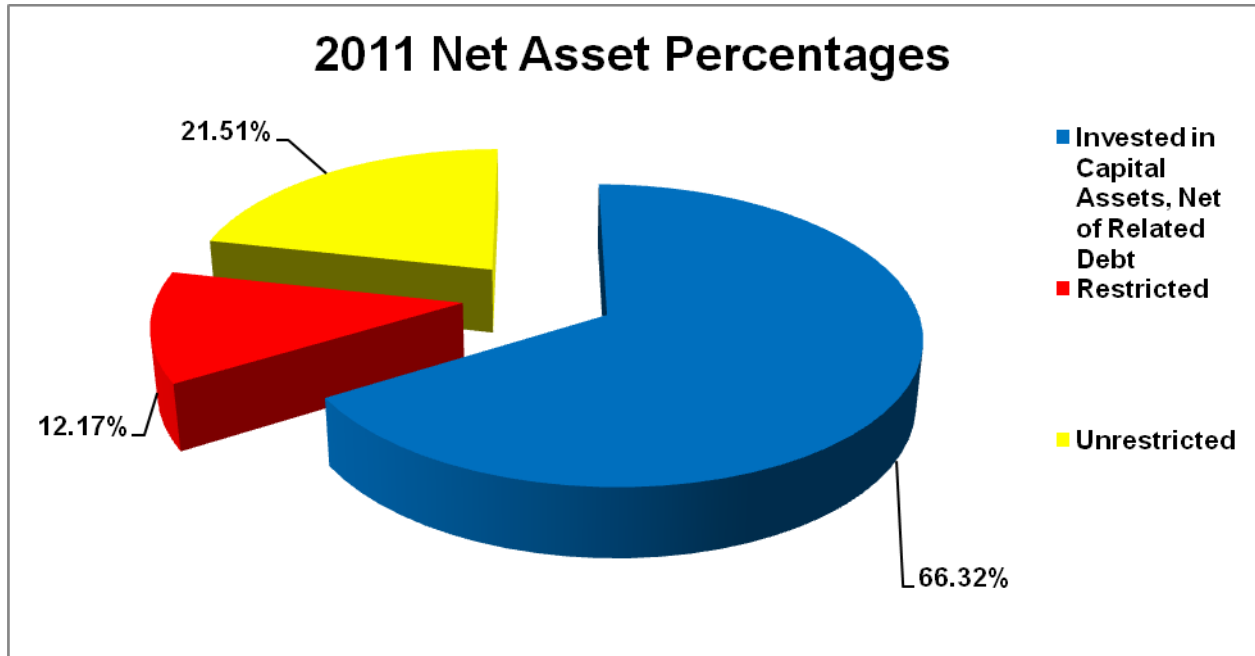
**BRAZORIA COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2011*

**BRAZORIA COUNTY'S NET ASSETS**

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2011	Restated 2010	2011	2010	2011	Restated 2010
Current and other assets	\$ 99,043,705	\$ 99,643,668	\$ 933,957	\$ 1,019,122	\$ 99,977,662	\$ 100,662,790
Capital assets	<u>177,197,028</u>	<u>169,685,208</u>	<u>18,091,352</u>	<u>17,932,099</u>	<u>195,288,380</u>	<u>187,617,307</u>
Total assets	<u>276,240,733</u>	<u>269,328,876</u>	<u>19,025,309</u>	<u>18,951,221</u>	<u>295,266,042</u>	<u>288,280,097</u>
Current and other liabilities	13,164,470	14,258,078	81,361	60,510	13,245,831	14,318,588
Long-term liabilities	<u>65,619,764</u>	<u>71,522,145</u>	<u>21,055</u>	<u>22,466</u>	<u>65,640,819</u>	<u>71,544,611</u>
Total liabilities	<u>78,784,234</u>	<u>85,780,223</u>	<u>102,416</u>	<u>82,976</u>	<u>78,886,650</u>	<u>85,863,199</u>
Net Assets:						
Invest in capital assets, net of related debt	125,443,284	107,946,044	18,063,644	17,932,099	143,506,928	125,878,143
Restricted	26,346,128	40,098,419			26,346,128	40,098,419
Unrestricted	<u>45,667,087</u>	<u>35,504,190</u>	<u>859,249</u>	<u>936,146</u>	<u>46,526,336</u>	<u>36,440,336</u>
Total net assets	<u>\$ 197,456,499</u>	<u>\$ 183,548,653</u>	<u>\$ 18,922,893</u>	<u>\$ 18,868,245</u>	<u>\$ 216,379,392</u>	<u>\$ 202,416,898</u>

An additional portion of the County's net assets of \$ 26,346,128 (12.17%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of \$ 46,526,336 (21.51%) may be used to meet the government's ongoing obligations to citizens and creditors.

As of September 30, 2011, 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.



**Analysis of the County's Operations.** Overall the County had an increase in net assets of \$ 13,962,494. Governmental activities reported an increase in net assets in the amount of \$ 13,907,846, while the business-type activities increased the County's net assets in the amount of \$ 54,648. Assets increased primarily due to capital assets such as new building construction and road projects.

The following table provides a summary of the County's operations for the years ended September 30, 2011 and 2010:

**BRAZORIA COUNTY, TEXAS**

*Management's Discussion and Analysis  
For the Year Ended September 30, 2011*

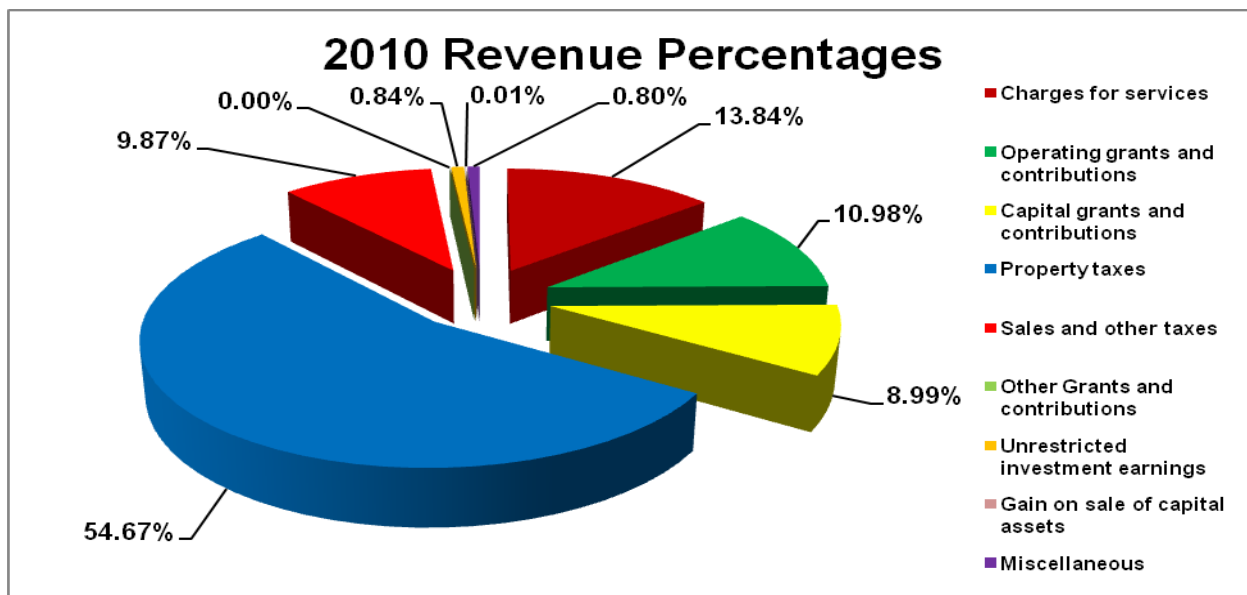
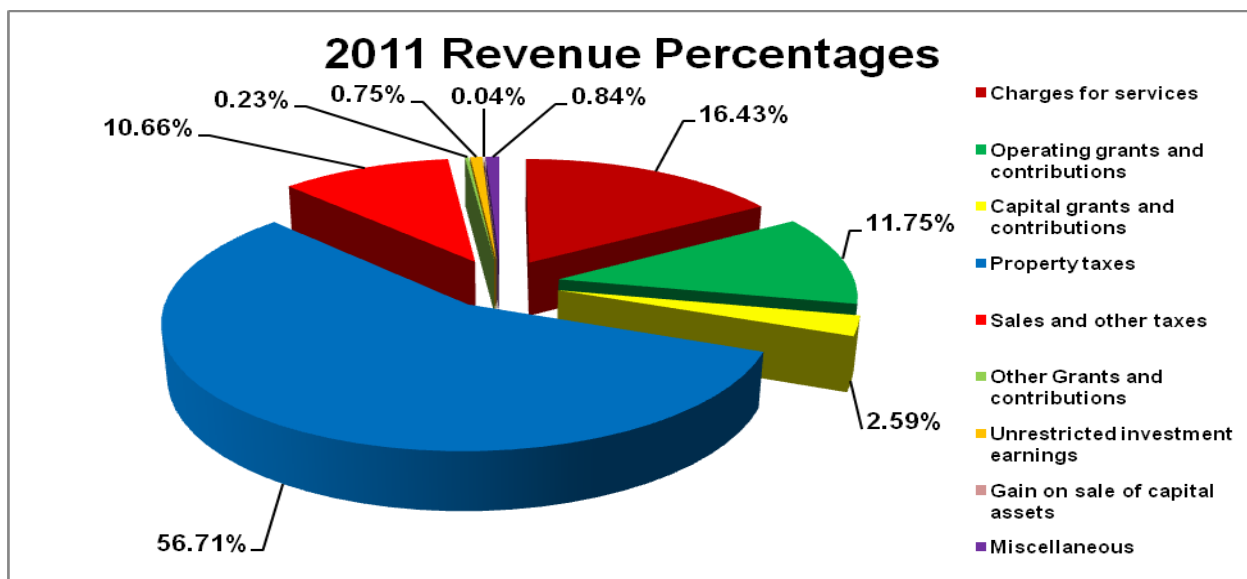
**BRAZORIA COUNTY'S CHANGES IN NET ASSETS**

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2011	Restated 2010	2011	2010	2011	Restated 2010
Revenues:						
Program Revenues:						
Charges for services	\$ 23,070,956	\$ 19,250,906	\$ 3,091,375	\$ 2,523,391	\$ 26,162,331	\$ 21,774,297
Operating grants and contributions	18,663,189	17,275,047	46,750		18,709,939	17,275,047
Capital grants and contributions	3,315,829	6,058,920	807,418	8,085,786	4,123,247	14,144,706
General Revenues:						
Property taxes	90,322,731	86,026,984			90,322,731	86,026,984
Sales & other taxes	16,971,997	15,538,547			16,971,997	15,538,547
Grants and contributions not restricted to specific programs	370,307				370,307	-0-
Unrestricted investment earnings	1,178,754	1,304,639	7,550	16,585	1,186,304	1,321,224
Gain on disposition of capital assets	69,146			13,429	69,146	13,429
Miscellaneous	<u>1,345,057</u>	<u>1,253,276</u>			<u>1,345,057</u>	<u>1,253,276</u>
Total revenues	<u>155,307,966</u>	<u>146,708,319</u>	<u>3,953,093</u>	<u>10,639,191</u>	<u>159,261,059</u>	<u>157,347,510</u>
Expenses:						
General administration	9,367,760	9,765,100			9,367,760	9,765,100
Judicial and legal	17,185,013	17,108,112			17,185,013	17,108,112
Financial administration	9,421,715	9,417,717			9,421,715	9,417,717
Elections	436,854	471,550			436,854	471,550
Public facilities	4,145,921	4,007,936			4,145,921	4,007,936
Public safety	17,825,709	17,203,454			17,825,709	17,203,454
Corrections	25,415,355	23,167,977			25,415,355	23,167,977
Public transportation	27,572,896	26,937,730			27,572,896	26,937,730
Health and welfare	11,619,175	12,684,269			11,619,175	12,684,269
Public assistance	296,000	296,000			296,000	296,000
Culture and recreation	8,690,800	8,514,714			8,690,800	8,514,714
Conservation	352,487	389,848			352,487	389,848
Environmental protection	261,926	204,162			261,926	204,162
Community development	5,965,680	3,433,743			5,965,680	3,433,743
Airport			3,898,445	3,273,887	3,898,445	3,273,887
Interest on long-term debt	<u>2,842,829</u>	<u>2,650,328</u>			<u>2,842,829</u>	<u>2,650,328</u>
Total expenses	<u>141,400,120</u>	<u>136,252,640</u>	<u>3,898,445</u>	<u>3,273,887</u>	<u>145,298,565</u>	<u>139,526,527</u>

(continued)

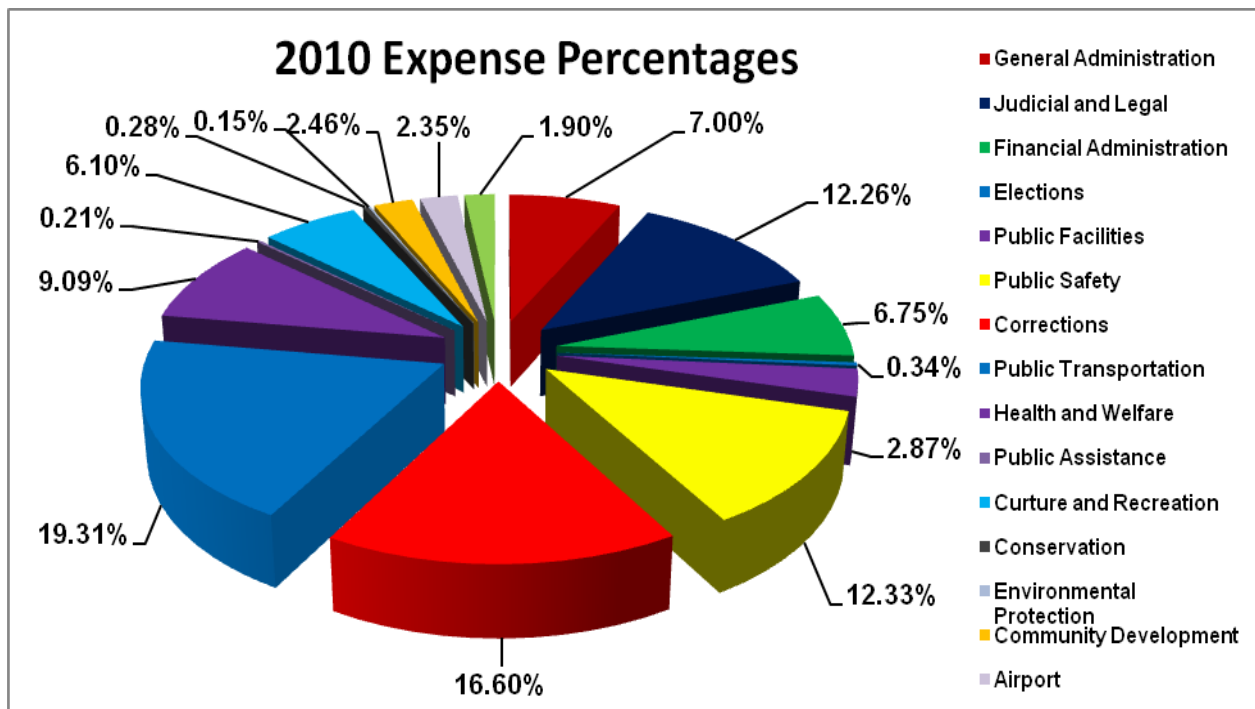
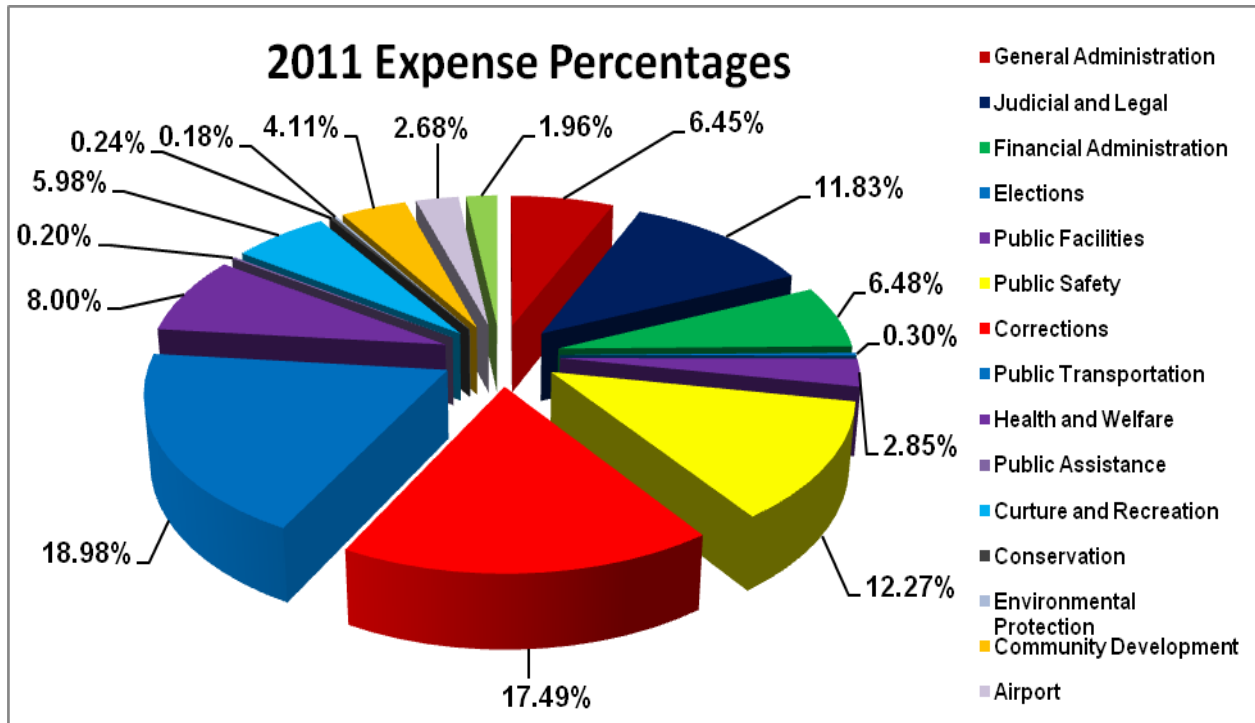
**BRAZORIA COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2011*

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2011	Restated 2010	2011	2010	2011	Restated 2010
Increase (decrease) in net assets before contributions and transfers	\$ 13,907,846	\$ 10,455,679	\$ 54,648	\$ 7,365,304	\$ 13,962,494	\$ 17,820,983
Increase (decrease) in net assets	13,907,846	10,455,679	54,648	7,365,304	13,962,494	17,820,983
Net assets - October 1, Restated	183,548,653	173,092,974	18,868,245	11,502,941	202,416,898	184,595,915
Net assets - September 30, Restated	\$ 197,456,499	\$ 183,548,653	\$ 18,922,893	\$ 18,868,245	\$ 216,379,392	\$ 202,416,898





**BRAZORIA COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2011*



## **BRAZORIA COUNTY, TEXAS**

*Management's Discussion and Analysis  
For the Year Ended September 30, 2011*

### **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 \$ 71,531,926. The unassigned fund balance of \$ 34,187,618 constitutes 47.79% of ending fund balance. The remainder of the fund balance is categorized as 1) non-spendable (\$ 2,211,549), 2) restricted (\$ 32,800,211), 3) committed (\$ 2,332,548), and 4) assigned (\$ -0-).

Fund balance of the General Fund increased by \$ 7,222,420; the Road and Bridge (special revenue fund) decreased by \$ 2,362,068; the, Mobility Build America Bonds C & M (capital projects fund) decreased by \$ 5,455,604; and, other (non-major) governmental funds decreased by \$ 1,308,390. The General Fund revenue increased over the prior year by \$ 5.7 million. Taxes increased due to an increase in the tax rate and an additional \$ 1.6 in sales tax collections. Charges for services and fines and forfeitures both increased due to increased filing and number of cases as a result of continued population growth. Expenditures in General Fund increased due mainly to increased benefit costs. The Road & Bridge (special revenue fund) decreased mostly due to planned road projects and needed repairs due to the drought.

**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, 2011 amounted to \$ 18,926,736. Total net assets increased \$ 58,691 (approximately 0.31%), and the increase was due to reductions in capital grants for airport projects and an increase in 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 \$ 4.6 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 operating and capital expenditures related to Detention Center Commissary, District Attorney forfeiture and Library funds.

## **BRAZORIA COUNTY, TEXAS**

### *Management's Discussion and Analysis For the Year Ended September 30, 2011*

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

- Sales Tax revenue exceeded budget by 17.3% (\$ 2.4 million) due to higher than expected collections.
- Charges for services exceeded budget by \$ 1.38 million due to more document filings by the public.
- Fines and fees exceeded budget due to increased number of cases.
- Expenditures in judicial and legal were less than budgeted due to declining number of court appointed attorneys.
- Corrections expenditures were below budget due to less than anticipated payroll overtime.

### **Capital Assets**

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2011, amounts to \$ 195,288,380 (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:

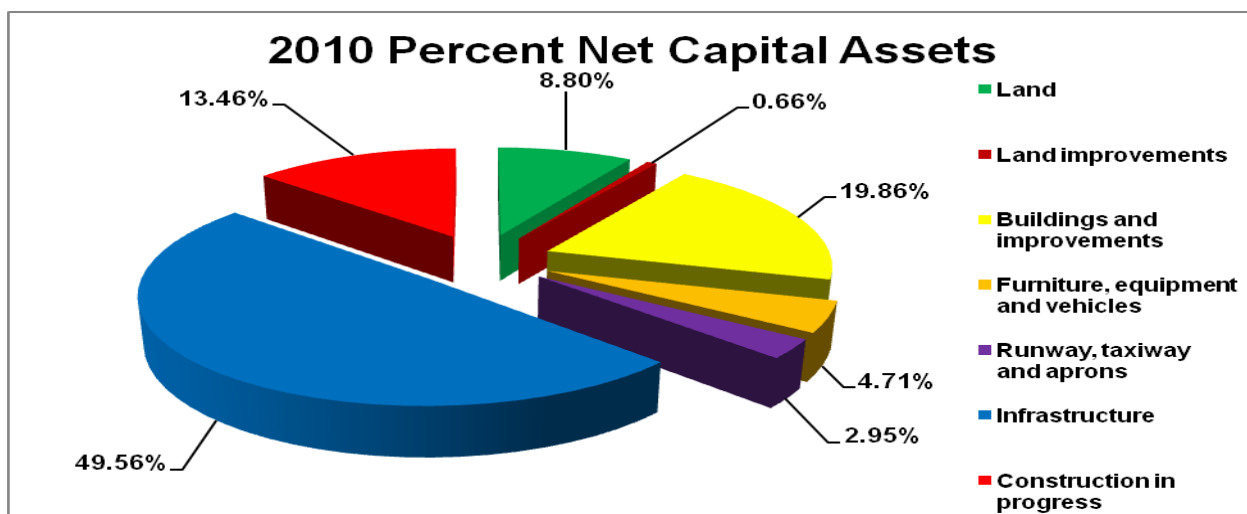
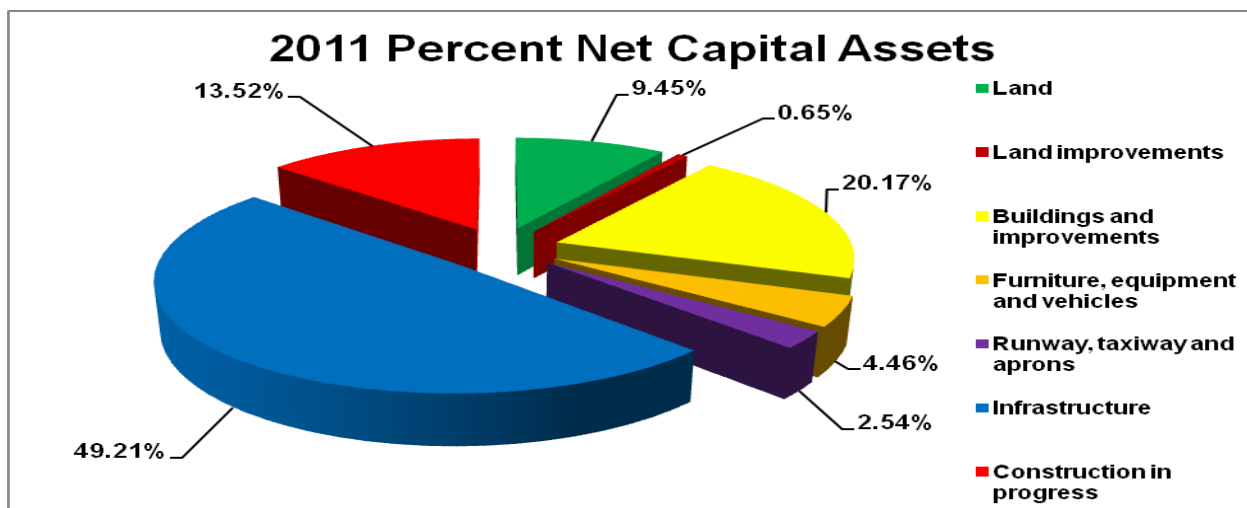
- Completion of Energy Efficiency Conservation Block Grant from the Department of Energy for courthouse renovations and upgrading at the Adult Detention Center for \$ 1,030,010 and \$ 1,019,077, respectively.
- Installation of two new elevators at the Courthouse - \$ 207,128.
- Implementation of the Justice Court Computer Ticket System - \$ 273,912.
- Completion of Mosquito Control's airplane refurbishment - \$ 66,474.
- Purchased Sheriff's Department Buffer Zone boat, motor and trailer - \$ 191,941.
- A variety of park projects including: San Luis Pass store and washateria - \$ 146,808; San Luis Pass playground - \$ 78,646; Surfside Jetty park restroom facilities - \$ 111,996; Hanson Park land purchase - \$ 171,569; dunes restoration project - \$ 53,745 and various other projects totaling \$ 203,479.
- Construction of Fairgrounds cattle barn - \$ 260,416.
- Completion of Juvenile Probation Center improvements -\$ 484,037.
- Vehicles and equipment were added to capital assets, primarily as replacements to vehicles and road and bridge equipment during the year - \$ 2,287,462.
- A variety of transportation construction projects were initiated or continued at a cost of \$ 3.9 million, much of which was financed by road bonds.
- Completion of road bond project CR 101 – Bailey-Oiler Road - \$ 3,810,982.
- Construction of bridges on County Road 723 and County Road 121 at Draw at costs of \$ 542,337 and \$ 461,725, respectively.
- Reconstruction of airport runway - \$ 367,933.
- A variety of construction in progress projects including: Detention Center water system - \$ 59,523, West Columbia Service Center - \$ 835,301, Ring of Honor - \$ 29,725, Emergency Management Building - \$ 243,308, female detention center - \$ 86,000, and East Annex facade- \$ 64,245.

**BRAZORIA COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2011*

**BRAZORIA COUNTY'S CAPITAL ASSETS**  
**Net of Accumulated Depreciation**

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2011	2010	2011	2010	2011	2010
Land	\$ 16,905,320	\$ 14,959,241	\$ 1,558,687	\$ 1,558,687	\$ 18,464,007	\$ 16,517,928
Land improvements	1,265,272	1,236,044			1,265,272	1,236,044
Buildings & improvements	37,594,825	35,706,582	1,789,948	1,553,514	39,384,773	37,260,096
Furniture, equipment & vehicles	8,212,818	8,269,875	495,524	559,170	8,708,342	8,829,045
Runway, taxiway & aprons			4,951,543	5,527,630	4,951,543	5,527,630
Infrastructure	96,108,432	92,993,609			96,108,432	92,993,609
Construction in progress	<u>17,110,361</u>	<u>16,519,857</u>	<u>9,295,650</u>	<u>8,733,098</u>	<u>26,406,011</u>	<u>25,252,955</u>
<b>Total</b>	<b>\$ <u>177,197,028</u></b>	<b>\$ <u>169,685,208</u></b>	<b>\$ <u>18,091,352</u></b>	<b>\$ <u>17,932,099</u></b>	<b>\$ <u>195,288,380</u></b>	<b>\$ <u>187,617,307</u></b>

Additional information on the County's capital assets can be found in note 5 on pages 62 through 67 of this report.



**BRAZORIA COUNTY, TEXAS**

*Management's Discussion and Analysis  
For the Year Ended September 30, 2011*

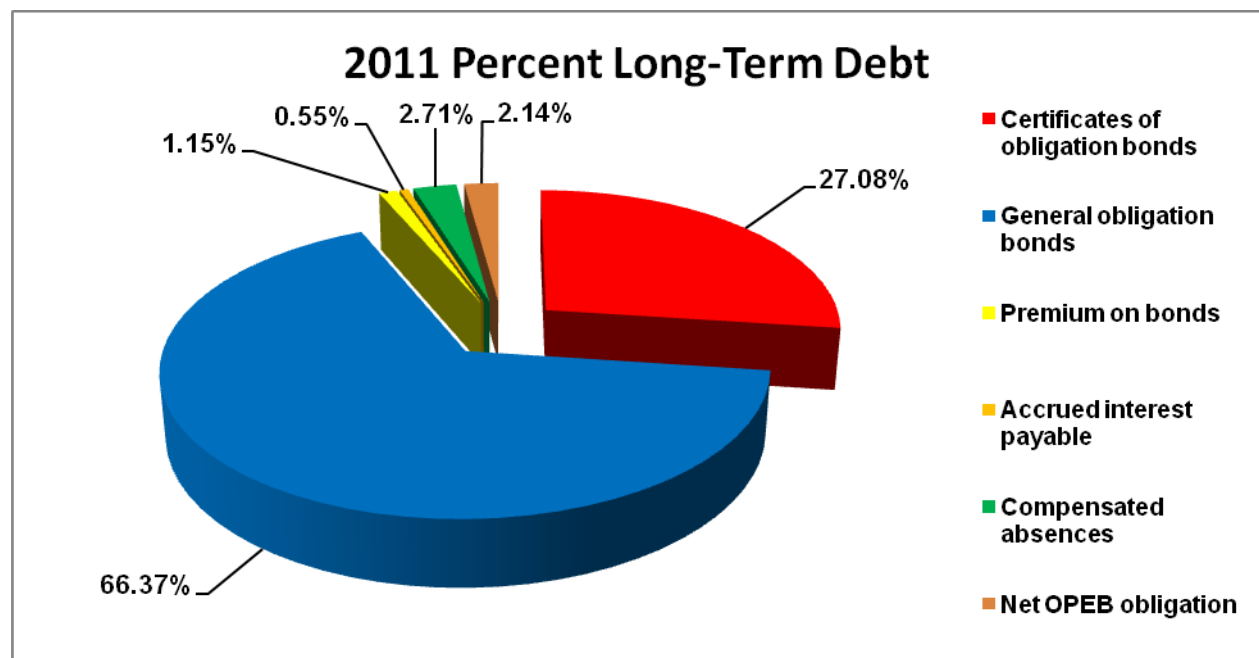
**DEBT ADMINISTRATION**

At the end of the current fiscal year, the County had a total bonded debt of \$ 61,340,000, which, comprises 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**

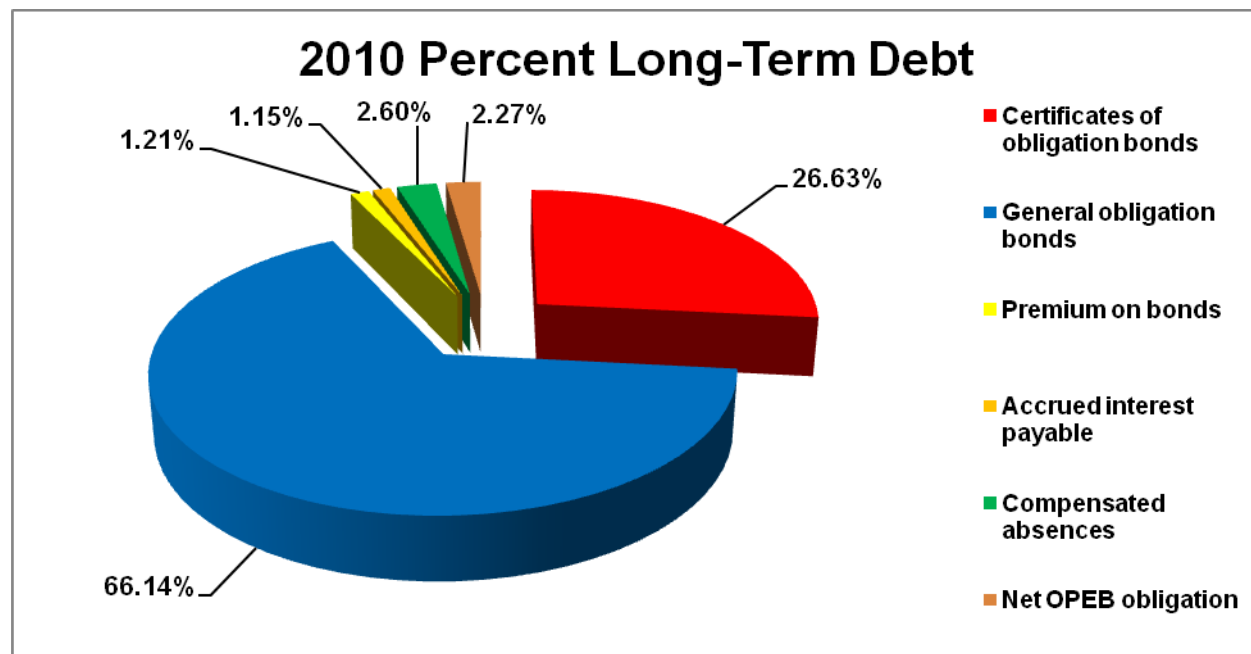
	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2011	2010	2011	2010	2011	2010
Certificates of obligation bonds	\$ 17,775,000	\$ 19,050,000	\$	\$	\$ 17,775,000	\$ 19,050,000
General obligation bonds	43,565,000	47,320,000			43,565,000	47,320,000
Components of Debt:						
Premium on bonds	756,931	865,857			756,931	865,857
Accrued interest payable	362,110	825,764			362,110	825,764
Compensated absences	1,766,758	1,847,163	10,206	9,909	1,776,964	1,857,072
Net OPEB obligation	<u>1,393,965</u>	<u>1,613,361</u>	<u>10,849</u>	<u>12,557</u>	<u>1,404,814</u>	<u>1,625,918</u>
 Total	 <u>\$ 65,619,764</u>	 <u>\$ 71,522,145</u>	 <u>\$ 21,055</u>	 <u>\$ 22,466</u>	 <u>\$ 65,640,819</u>	 <u>\$ 71,544,611</u>

During the fiscal year, the County's total debt decreased \$ 5,903,792 or 8.25%. The decrease was due primarily to the payment of \$ 5,030,000 of bond principal.



## BRAZORIA COUNTY, TEXAS

Management's Discussion and Analysis  
For the Year Ended September 30, 2011



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 69 through 71 of this report.

### Economic Factors and Next Year's Budgets and Rates

- The 8.9% unemployment rate for Brazoria County remained about the same as a year ago.
- New construction continues just at a slower pace.
- Tax rolls saw a slight decline due to the economy. Rates were increased slightly to help alleviate the shortfall.
- Positions were left vacant and tight budgets implemented.
- Sales tax and other revenues are expected to improve.

All of these factors were considered in preparing Brazoria County's budget for the 2012 fiscal year. At the end of the current fiscal year, fund balances in the governmental funds increased to \$ 73,435,568. Brazoria County has appropriated \$ 6.4 million of this amount for spending in the 2012 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, 2011

	Governmental Activities	Business-type Activities	Total
<u>Assets</u>			
Cash and temporary investments	\$ 52,595,641	\$ 505,736	\$ 53,101,377
Receivables (Net of Allowance for Uncollectibles):			
Taxes	1,850,829		1,850,829
Accounts	9,119,760	269,457	9,389,217
Special assessments	1,683,726		1,683,726
Due from other governments	6,119,040	13,392	6,132,432
Accrued interest	132,135		132,135
Loans receivable	14,749		14,749
Interfund balances	3,843	( 3,843)	-0-
Inventories	813,705	144,464	958,169
Prepaid items	1,160,801	4,751	1,165,552
Investments	24,252,374		24,252,374
Bond issuance cost (net of accumulated amortization)	1,000,167		1,000,167
Discounted loans receivable (net of current)	296,935		296,935
Capital Assets:			
Land	16,905,320	1,558,687	18,464,007
Land improvements (net)	1,265,272		1,265,272
Buildings and improvements (net)	37,594,825	1,789,948	39,384,773
Furniture, equipment and vehicles (net)	8,212,818	495,524	8,708,342
Runways, taxiways and aprons (net)		4,951,543	4,951,543
Infrastructure (net)	96,108,432		96,108,432
Construction in progress	17,110,361	9,295,650	26,406,011
	<u>276,240,733</u>	<u>19,025,309</u>	<u>295,266,042</u>
<b>Total assets</b>			
<u>Liabilities</u>			
Accounts and accrued liabilities payable	8,738,212	56,561	8,794,773
Estimated health claims payable	1,304,834		1,304,834
Unearned revenue	3,121,424	24,800	3,146,224
Noncurrent Liabilities:			
Due within one year	7,948,146	11,140	7,959,286
Due in more than one year	57,671,618	9,915	57,681,533
	<u>78,784,234</u>	<u>102,416</u>	<u>78,886,650</u>
<b>Total liabilities</b>			
<u>Net Assets</u>			
Invested in capital assets, net of related debt	125,443,284	18,063,644	143,506,928
Restricted	26,346,128		26,346,128
Unrestricted	45,667,087	859,249	46,526,336
	<u>197,456,499</u>	<u>18,922,893</u>	<u>216,379,392</u>
<b>Total net assets</b>			

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, 2011

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General administration	\$ 9,367,760	\$ 2,916,705	\$ 1,396,495	\$ 98,916
Judicial and legal	17,185,013	8,806,300	1,175,312	
Financial administration	9,421,715	2,472,605	62,162	5,497
Elections	436,854	139,755	25,128	25,975
Public facilities	4,145,921	1,610,574	43,002	1,845,628
Public safety	17,825,709	725,934	446,442	280,188
Corrections	25,415,355	691,574	2,176,055	23,111
Public transportation	27,572,896	4,881,755	454,674	607,184
Health and welfare	11,619,175	351,506	6,328,707	115,909
Public assistance	296,000			
Culture and recreation	8,690,800	353,387	412,890	313,421
Conservation	352,487	113,441	41,073	
Environmental protection	261,926	7,420	136,357	
Community development	5,965,680		5,964,892	
Interest on long-term debt	<u>2,842,829</u>			
Total governmental activities	141,400,120	23,070,956	18,663,189	3,315,829
<b>Business-type Activities:</b>				
Airport	<u>3,898,445</u>	<u>3,091,375</u>	<u>46,750</u>	<u>807,418</u>
Total primary government	<u>\$ 145,298,565</u>	<u>\$ 26,162,331</u>	<u>\$ 18,709,939</u>	<u>\$ 4,123,247</u>
<b>General Revenue:</b>				
Property taxes				
Sales and other taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings				
Gain on disposition of capital assets				
Miscellaneous				
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

<u>Primary Government</u>		
<u>Governmental</u>	<u>Business-</u>	
<u>Activities</u>	<u>Type</u>	<u>Total</u>
<u>Activities</u>	<u>Activities</u>	
\$( 4,955,644)	\$	\$( 4,955,644)
( 7,203,401)		( 7,203,401)
( 6,881,451)		( 6,881,451)
( 245,996)		( 245,996)
( 646,717)		( 646,717)
( 16,373,145)		( 16,373,145)
( 22,524,615)		( 22,524,615)
( 21,629,283)		( 21,629,283)
( 4,823,053)		( 4,823,053)
( 296,000)		( 296,000)
( 7,611,102)		( 7,611,102)
( 197,973)		( 197,973)
( 118,149)		( 118,149)
( 788)		( 788)
<u>( 2,842,829)</u>		<u>( 2,842,829)</u>
( 96,350,146)	-0-	( 96,350,146)
	<u>47,098</u>	<u>47,098</u>
<u>( 96,350,146)</u>	<u>47,098</u>	<u>( 96,303,048)</u>
90,322,731		90,322,731
16,971,997		16,971,997
370,307		370,307
1,178,754	7,550	1,186,304
69,146		69,146
<u>1,345,057</u>		<u>1,345,057</u>
<u>110,257,992</u>	<u>7,550</u>	<u>110,265,542</u>
13,907,846	54,648	13,962,494
<u>183,548,653</u>	<u>18,868,245</u>	<u>202,416,898</u>
<u>\$ 197,456,499</u>	<u>\$ 18,922,893</u>	<u>\$ 216,379,392</u>

**BRAZORIA COUNTY, TEXAS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
September 30, 2011

	Major Funds		
	General Fund	Road & Bridge Fund	Mobility Build America Bonds C&M Fund
<b>ASSETS</b>			
Cash and temporary investments	\$ 15,303,716	\$ 10,916,432	\$ 9,095,496
Investments	24,252,374		
Receivables (Net of Allowance for Uncollectibles):			
Taxes	1,306,685	350,089	
Accounts	83,428	937	
Special assessments		625,525	
Due from other governments	3,805,566	537,183	
Accrued interest	132,135		
Due from other funds	2,881,403		
Inventories	72,266	397,656	
Prepaid expenditures	1,045,989	270	
Long-Term Receivables:			
Accounts	40,000		
Total assets	<u>\$ 48,923,562</u>	<u>\$ 12,828,092</u>	<u>\$ 9,095,496</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts and accrued liabilities payable	\$ 7,339,305	\$ 537,555	\$
Due to other funds	1,833	52,289	1,506,242
Deferred revenue	3,139,142	1,229,524	
Total liabilities	<u>10,480,280</u>	<u>1,819,368</u>	<u>1,506,242</u>
<b>Fund Balances:</b>			
Non-spendable	1,158,255	397,926	
Restricted	1,530,251	10,610,798	7,589,254
Committed	1,553,849		
Unassigned	34,200,927		
Total fund balances	<u>38,443,282</u>	<u>11,008,724</u>	<u>7,589,254</u>
Total liabilities and fund balance	<u>\$ 48,923,562</u>	<u>\$ 12,828,092</u>	<u>\$ 9,095,496</u>

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

<u>Non-Major Funds</u>			
<u>Other Governmental Funds</u>		<u>Total Governmental Funds</u>	
\$ 14,885,165	\$	50,200,809	
		24,252,374	
194,055		1,850,829	
116,093		200,458	
1,058,201		1,683,726	
1,776,291		6,119,040	
		132,135	
1,508,075		4,389,478	
343,783		813,705	
14,159		1,060,418	
<u>297,426</u>		<u>337,426</u>	
\$ <u>20,193,248</u>	\$	<u>91,040,398</u>	
\$ 765,360	\$	8,642,220	
2,874,983		4,435,347	
<u>2,062,239</u>		<u>6,430,905</u>	
<u>5,702,582</u>		<u>19,508,472</u>	
655,368		2,211,549	
13,069,908		32,800,211	
778,699		2,332,548	
( <u>13,309</u> )		<u>34,187,618</u>	
<u>14,490,666</u>		<u>71,531,926</u>	
\$ <u>20,193,248</u>	\$	<u>91,040,398</u>	

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

September 30, 2011

Exhibit 3R

Page 1

Total fund balances - governmental funds balance sheet (Exhibit 3)	\$ 71,531,926
<b>Amounts reported for <i>governmental activities</i> in the statement of net assets (Exhibit 1) are different because:</b>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Capital assets include \$ 329,396,510 in assets less \$ 152,199,482 in accumulated depreciation.	177,197,028
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 \$ 25,742.	( 25,742)
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 \$ 13,922,550 net of allowance for uncollectible accounts of \$ 5,003,398 of the general fund amounted to \$ 8,919,152.	8,919,152
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, 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 \$ 1,152,934, \$ 302,159, \$ 28,348, \$ 56,526, \$ 19,865, \$ 19,727, and \$ 46,196, respectively.	1,625,755
Special assessments receivable unavailable to pay for current period expenditures are deferred in the funds. Deferred special assessment tax revenues for Brazos Oaks/Forest Assessment, Brazos Bend Assessment, Bonnie Lane Assessment, Laura Lane Assessment, Sherwood Land Assessment, Norris Road Special Assessment, Brazos Bend 2 Special Assessment, Oakwood Creek Assessment, Manvel Assessment, Quail Ridge Assessment, Hampton Road Assessment, Pecan Estates Assessment, Westwood Road Assessment, Sally Lake Road Assessment, and Rose Mary Street Assessment reported in the Road and Bridge special revenue fund of \$ 625,525 and other special revenue fund (Oakwood Creek Estates Assessment) of \$ 1,058,201	1,683,726
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 \$ 1,402,156 less accumulated amortization of \$ 401,989.	1,000,167
Payables for bond principal are not reported in the funds.	( 61,340,000)
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 \$ 756,931 (premium on the sale of bonds of \$ 1,155,650 less amortization of \$ 398,719).	( 756,931)
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 is \$ 362,110.	( 362,110)
Payables for compensated absences are not reported in the funds.	( 1,766,758)

(continued)

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

September 30, 2011

Exhibit 3R

Page 2

Payables for net OPEB obligation are not reported in the funds. ( 1,393,965)

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	\$ 1,423,355	\$ 1,072,010	
Accounts and accrued liabilities payable	( 42,862)	( 7,261)	
Estimated claims payable	( 400,000)	( 904,834)	
Net amount allocated to business-type activities	<u>                    </u>	<u>3,843</u>	
Net	<u>\$ 980,493</u>	<u>\$ 163,758</u>	<u>1,144,251</u>
Net assets of governmental activities – statement of net assets (Exhibit 1).			<u>\$ 197,456,499</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, 2011

	Major Funds		
	General Fund	Road & Bridge Fund	Mobility Build America Bonds C&M Fund
Revenues:			
Taxes	\$ 78,613,207	\$ 18,021,108	\$
Intergovernmental	1,622,995	367,253	
Charges for services	7,635,729	1,136	
Licenses and permits	1,365,415	707,582	
Fines and forfeitures	3,852,375		
Special assessments		100,268	
Investment income	812,718	208,406	40,725
Miscellaneous	1,507,200	21,977	
Total revenues	<u>95,409,639</u>	<u>19,427,730</u>	<u>40,725</u>
Expenditures:			
Current:			
General administration	6,834,396		
Judicial and legal	15,718,991		
Financial administration	9,142,050		
Elections	284,859		
Public facilities	4,386,998		
Public safety	16,687,125		
Corrections	21,024,109		
Public transportation		17,199,814	
Health and welfare	4,297,449		
Public assistance	296,000		
Culture and recreation	8,460,543		
Conservation	337,521		
Environmental protection	225,825		
Community development			
Capital outlay		4,203,726	
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>87,695,866</u>	<u>21,403,540</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	<u>7,713,773</u>	<u>( 1,975,810)</u>	<u>40,725</u>
Other Financing Sources (Uses):			
Proceeds for sale of capital assets	217,985	400	
Transfers in	200,000		
Transfers out	( 909,338)	( 386,258)	( 5,496,329)
Total other financing sources and (uses)	<u>( 491,353)</u>	<u>( 386,258)</u>	<u>( 5,496,329)</u>
Net change in fund balances	7,222,420	( 2,362,068)	( 5,455,604)
Fund balances - beginning (restated)	<u>31,220,862</u>	<u>13,370,792</u>	<u>13,044,858</u>
Fund balances - ending	<u>\$ 38,443,282</u>	<u>\$ 11,008,724</u>	<u>\$ 7,589,254</u>

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

<u>Non-Major Funds</u>		
<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>	
\$ 10,472,385	\$ 107,106,700	
19,262,201	21,252,449	
1,675,217	9,312,082	
2,675,923	4,748,920	
16,181	3,868,556	
121,505	221,773	
135,757	1,197,606	
<u>602,348</u>	<u>2,131,525</u>	
<u>34,961,517</u>	<u>149,839,611</u>	
2,327,025	9,161,421	
1,029,053	16,748,044	
62,162	9,204,212	
128,227	413,086	
41,994	4,428,992	
428,048	17,115,173	
2,635,520	23,659,629	
3,220,443	20,420,257	
6,958,210	11,255,659	
	296,000	
187,211	8,647,754	
	337,521	
46,336	272,161	
5,964,892	5,964,892	
11,483,787	15,687,513	
5,030,000	5,030,000	
<u>3,319,324</u>	<u>3,319,324</u>	
<u>42,862,232</u>	<u>151,961,638</u>	
<u>( 7,900,715)</u>	<u>( 2,122,027)</u>	
	218,385	
7,486,208	7,686,208	
<u>( 893,883)</u>	<u>( 7,686,208)</u>	
<u>6,592,325</u>	<u>218,385</u>	
<u>( 1,308,390)</u>	<u>( 1,903,642)</u>	
<u>15,799,056</u>	<u>73,435,568</u>	
<u>\$ 14,490,666</u>	<u>\$ 71,531,926</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, 2011

Exhibit 4R  
Page 1

Net change in fund balances - total governmental funds (Exhibit 4)	\$( 1,903,642)
<b>Amounts reported for <i>governmental activities</i> in the statement of activities (Exhibit 2) are different because:</b>	
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 \$ 17,597,814 exceeded depreciation \$ 10,247,163 in the current period.	7,350,651
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, \$ 310,408 of roads were contributed to and accepted by the County.	310,408
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 \$ 153,498, \$ 4,273, \$ 1,664, \$ 6,272, \$ 1,467, \$ 1,556, and \$ 19,298, respectively.	188,028
Special assessment revenues in the governmental activities statement of activities do not provide current available resources and are not reported as revenues in the funds. Deferred special assessment tax revenues for Brazos Oaks/Forest Assessment, Brazos Bend Assessment, Bonnie Lane Assessment, Laura Lane Assessment, Sherwood Land Assessment, Norris Road Special Assessment, Brazos Bend 2 Special Assessment, Oakwood Creek Assessment, Manvel Assessment, Quail Ridge Assessment, Hampton Road Assessment, Pecan Estates Assessment, Westwood Road Assessment, Sally Lake Road Assessment, and Rose Mary Street Assessment reported in the Road and Bridge special revenue fund of \$( 95,666) and other special revenue fund (Oakwood Creek Estates Assessment) of \$ 1,058,201	962,535
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 \$ 149,239. (Cost of \$ 664,599 less accumulated depreciation of \$ 515,360).	( 149,239)
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.	1,696,404
Bond issuance cost is an expenditure in the governmental funds, 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 was \$ 96,085.	( 96,085)

(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, 2011

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 \$ 5,030,000 in bond principal payments. \$ 5,030,000

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. Current amortization of bond premium was \$ 108,926. 108,926

Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the amount of accrued interest on long-term debt. Change in accrued interest on bonds was \$ 463,654. 463,654

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. The amount of change in compensated absences was \$ 80,405. 80,405

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. The amount of change in net OPEB obligation was \$ 219,396. 219,396

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 \$ 23,844 (current discount of \$ 25,742 less prior discount of \$ 1,898). ( 23,844)

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	\$ 4,992	\$	
Operating expenses	( 271,710)	( 12,366,940)	
Contributions for self-insurance	494,783	11,805,081	
Net amount allocated to business-type activities	4,043	4,043	
Net	\$ 228,065	\$( 557,816)	( 329,751)

Change in net assets of governmental activities (Exhibit 2) \$ 13,907,846

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, 2011

Exhibit 5

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2011	2010	
Assets:			
Current Assets:			
Cash and temporary investments	\$ 505,736	\$ 761,930	\$ 2,394,832
Accounts receivable	269,457	153,401	150
Accrued interest		112	
Due from other governments	13,392		
Prepaid expense	4,751	10,856	100,383
Inventory	144,464	92,623	
Total current assets	937,800	1,018,922	2,495,365
Noncurrent Assets:			
Capital Assets:			
Land, buildings and runways	23,739,980	23,327,168	
Equipment	1,189,430	1,154,816	
Construction in progress	9,295,650	8,733,098	
Accumulated depreciation	( 16,133,708)	( 15,282,983)	
Total capital assets (net of accumulated depreciation)	18,091,352	17,932,099	-0-
Total noncurrent assets	18,091,352	17,932,099	-0-
Total assets	19,029,152	18,951,021	2,495,365

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMPARATIVE STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS - Continued**  
September 30, 2011

Exhibit 5

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2011	Restated 2010	
Liabilities:			
Current Liabilities:			
Accounts payable and accrued expenses	\$ 56,561	\$ 45,885	\$ 1,354,957
Compensated absences	10,206	9,909	
Deferred revenue	24,800	14,625	
Total current liabilities	91,567	70,419	1,354,957
Noncurrent Liabilities:			
Net OPEB obligation	10,849	12,557	
Total liabilities	102,416	82,976	1,354,957
Net Assets:			
Invested in capital assets, net of related debt	18,063,644	17,932,099	
Unrestricted	863,092	935,946	1,140,408
Total net assets	18,926,736	18,868,045	\$ <u>1,140,408</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	( 3,843)	200	
Net assets of business-type activities	\$ 18,922,893	\$ 18,868,245	

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, 2011

Exhibit 6

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2011	Restated 2010	
Operating Revenues:			
Sales of fuel and supplies	\$ 2,356,036	\$ 1,943,001	\$
Cost of sales	<u>2,015,458</u>	<u>1,443,326</u>	
Gross profit	340,578	499,675	-0-
Other Operating Revenue:			
Contributions for self insurance			12,299,864
Rentals	410,031	406,860	
Fees	279,789	144,217	
Miscellaneous	<u>29,134</u>	<u>14,455</u>	
Net operating revenue	<u>1,059,532</u>	<u>1,065,207</u>	<u>12,299,864</u>
Operating Expenses:			
Salaries and wages	409,002	382,213	
Employee benefits	157,067	146,346	
Supplies	142,409	100,097	
Other charges	303,356	352,412	12,638,650
Depreciation	<u>850,725</u>	<u>837,751</u>	
Total operating expenses	<u>1,862,559</u>	<u>1,818,819</u>	<u>12,638,650</u>
Operating income (loss)	<u>( 803,027)</u>	<u>( 753,612)</u>	<u>( 338,786)</u>
Non-Operating Revenues (Expenses):			
Investment income	7,550	16,585	4,992
Gain (loss) on sale of assets		13,429	
Grant revenue	<u>46,750</u>		
Total non-operating revenues (expenses)	<u>54,300</u>	<u>30,014</u>	<u>4,992</u>
Net income (loss) before contributions and transfers	<u>( 748,727)</u>	<u>( 723,598)</u>	<u>( 333,794)</u>
Capital contributions	<u>807,418</u>	<u>8,085,786</u>	
Change in net assets	58,691	7,362,188	( 333,794)
Net Assets:			
Total net assets - beginning of year	<u>18,868,045</u>	<u>11,505,857</u>	<u>1,474,202</u>
Total net assets - end of year	<u>\$ 18,926,736</u>	<u>\$ 18,868,045</u>	<u>\$ 1,140,408</u>

(continued)

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

For the Year Ended September 30, 2011

Exhibit 6

	Business-Type Activities - Enterprise Fund	
	2011	Restated 2010
Business-type Activities:		
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	\$(4,043)	\$2,216
Change in net assets of business-type activities	54,648	7,364,404
Net Assets (Business-type Activities):		
Total net assets - beginning of year	<u>18,868,245</u>	<u>11,513,841</u>
Total net assets - end of year	<u>\$18,922,893</u>	<u>\$18,868,245</u>

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



**BRAZORIA COUNTY, TEXAS**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**

Exhibit 7

For the Year Ended September 30, 2011

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	2011	2010	
Cash Flows from Operating Activities:			
Cash flows received from customers	\$ 2,955,717	\$ 2,696,970	\$
Cash receipts from interfund services provided			12,299,864
Cash received from other funds		21,135	
Cash paid to and on behalf of employees	( 565,571)	( 543,620)	( 10,669,471)
Cash paid to suppliers and others	( 2,498,192)	( 1,940,165)	( 1,662,126)
Net cash provided (used) by operating activities	( 108,046)	234,320	( 31,733)
Cash Flows from Noncapital Financing Activities:			
Cash received from grants	46,750		
Net cash provided (used) by noncapital financing activities	46,750	-0-	-0-
Cash Flows from Capital and Financing Activities:			
Cash received from capital grants	807,418	8,085,786	
Cash received from sale of capital assets		14,869	
Acquisition of fixed assets	( 1,009,978)	( 8,509,203)	
Net cash provided (used) by capital financing activities	( 202,560)	408,548	-0-
Cash Flows from Investing Activities:			
Investment income	7,662	16,473	5,053
Net cash provided (used) by investment activities	7,662	16,473	5,053
Net increase (decrease) in cash	( 256,194)	( 157,755)	( 26,680)
Cash and temporary investments - beginning of year	761,930	919,685	2,421,512
Cash and temporary investments - end of year	\$ 505,736	\$ 761,930	\$ 2,394,832

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS - Continued**  
For the Year Ended September 30, 2011

Exhibit 7

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2011	2010	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Activities:			
Operating income (loss)	\$( 803,027)	\$( 753,612)	\$( 338,786)
Depreciation	850,725	837,751	
Changes in Assets and Liabilities:			
(Increase) Decrease In:			
Accounts receivable	( 116,056)	157,562	417
Due from other governments	( 13,392)	28,750	
Due from other funds		21,135	
Prepaid expenses	6,105	( 10,381)	37,904
Inventory	( 51,841)	( 15,618)	
Increase (Decrease) In:			
Accounts and accrued liabilities payable	10,676	( 31,885)	268,732
Compensated absences	297	( 5,772)	
Deferred revenue	10,175	2,125	
Net OPEB obligation	( 1,708)	4,265	
Net cash provided (used) for operating activities	<u>\$( 108,046)</u>	<u>\$ 234,320</u>	<u>\$( 31,733)</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, 2011

Exhibit 8

	Private-Purpose Trust Fund <hr/> Historical Commission Fund <hr/>	Agency Funds <hr/>
<u>Assets</u>		
Cash and temporary investments	\$ 20,943	\$ 13,519,780
Receivables:		
Accounts receivable		37,340
Due from other funds		<hr/> 45,869
Total assets	<hr/> 20,943	\$ <hr/> <hr/> 13,602,989
<u>Liabilities</u>		
Accounts and accrued liabilities payable		\$ 1,380,478
Amounts held for others		<hr/> 12,222,511
Total liabilities	<hr/> -0-	\$ <hr/> <hr/> 13,602,989
<u>Net Assets</u>		
Held in trust for historical commission	<hr/> 20,943	
Total net assets	\$ <hr/> <hr/> 20,943	

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, 2011

Exhibit 9

	Private-Purpose Trust Fund <hr/> Historical Commission Funds <hr/>
<u>Additions</u>	
Contributions:	
Private donations and sales	\$ 1,573
Investment Earnings:	
Interest	<hr/> 21
Total additions	<hr/> 1,594
<u>Deductions</u>	
Culture and recreation (historical commission)	<hr/> 250
Total deductions	<hr/> 250
Change in net assets	1,344
<u>Net Assets</u>	
Net assets - beginning of the year	<hr/> 19,599
Net assets - end of the year	\$ <u><u>20,943</u></u>

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



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## **BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

### **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, 2011, 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, 2011

### **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, 2011

#### **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, 2011

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

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, 2011

### **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, Brazoria County Toll Road Authority, Conoco Phillips FM 524 by-pass, and Community Corrections and Supervision (Adult Probation) funds.

#### New Pronouncements

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 statement was implemented and did not have an impact on the County's financial statements.

GASB No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies", was issued December 2009. This statement is effective for periods beginning after June 15, 2009. The statement was implemented and did not have an impact on the County's financial statements.

GASB No. 59, "Financial Instrument Omnibus", was issued December 2009. This statement is effective for periods beginning after June 15, 2010. The statement was implemented and did not have an impact on the County's financial statements.

GASB No. 60, "Accounting and Financial Reporting for Service Concession Arrangements", was issued November 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. This statement is effective for periods beginning after December 15, 2011.

GASB No. 61, "The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34", was issued November 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. This statement is effective for periods beginning after June 15, 2012.

GASB No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements", was issued December 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. This statement is effective for periods beginning after December 15, 2011.

GASB No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", was issued June 2011. The management of the County does not believe that the implementation of this statement will have a material effect on the financial statements of the County. This statement is effective for periods beginning after December 15, 2011.

## **BRAZORIA COUNTY, TEXAS**

### *Notes to the Financial Statements*

For The Year Ended September 30, 2011

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

##### New Pronouncements - continued

GASB No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions-and amendment of GASB Statements No. 53", was issued June 2011. The management of the County does not believe that the implementation of this statement will have a material effect on the financial statements of the County. This statement is effective for periods beginning after June 15, 2011.

##### Budgetary Data

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

Annual appropriated budgets are adopted for the general fund, certain special revenue funds (Road and Bridge Fund, 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. Twenty-four supplemental budget amendments in the general and special revenue funds were deemed necessary due to the timing of planned expenditures and construction projects.

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

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

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	\$ 294,374
Road and Bridge (Special Revenue Fund)	109,415
Nonmajor funds	<u>287,674</u>
 Total	 <u>\$ 691,463</u>

Cash and Investments

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

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

Restricted Assets

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

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.

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

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

Property Taxes - continued

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

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

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

The County's 2010 tax levy, supporting the 2011 fiscal period budget, totaled \$ 0.463101 per \$ 100 valuation and was comprised as follows:

Constitutional Levy:	
General Fund	\$ 0.319268
Road and Bridge	0.032800
Mosquito Control	0.008000
Special Road and Bridge:	
Article 6790	0.060000
Article 7048a	-0-
Debt Service:	
General Obligation Refunding	
Bonds Series 1998	0.015141
Combination Tax and Revenue	
Certificates of Obligation Series 2003	0.005200
Combination Tax and Revenue	
Certificates of Obligation Series 2006	0.005600
Unlimited Tax Road Bonds Series 2008	<u>0.017092</u>
Combined tax rate	\$ <u>0.463101</u>

# BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2011

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

### 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.

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, 2011, 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

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

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

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, 2011, computed at pay rates in effect at that time.

The following is a summary of benefits payable as of September 30, 2011:

Governmental activities	\$ 1,766,758
Business-type activities	<u>10,206</u>
	<u>\$ 1,776,964</u>

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.



## BRAZORIA COUNTY, TEXAS

### Notes to the Financial Statements

For The Year Ended September 30, 2011

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

##### Fund Equity

The County's Commissioners Court meets on a regular basis to manage and review cash financial activities and to ensure compliance with established policies. The County's Unassigned General Fund Balance is maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The unassigned General fund balance may only be appropriated by resolution of the County's Commissioners Court. Fund balance of the County may be committed for a specific source by formal action of the County's Commissioners Court. Amendments or modifications of the committed fund balance must also be approved by formal action by the County's Commissioners Court. When it is appropriate for fund balance to be assigned, the County's Commissioners Court has delegated authority to the County Judge or the County Auditor. In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

##### Fund Balance Classifications:

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

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

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

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

The *assigned* fund balance includes amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Such intent should be expressed by Commissioners Court or its designated officials to assign amounts to be used. Constraints imposed on the use of assigned amounts can be removed with no formal Commissioners Court actions. At September 30, 2011, there were no assignments of fund balance.

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

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

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

Governmental Fund Financial Statements:

The following schedule presents details of fund balance components at September 30, 2011:

	Major Funds			Non-Major Funds	Total Governmental Funds
	General Fund	Road & Bridge Fund	Mobility Build America Bonds C & M Fund	Other Governmental Funds	
Fund Balances:					
Nonspendable:					
Inventory	\$ 72,266	\$ 397,656	\$	\$ 343,783	\$ 813,705
Prepaid expenditures	1,045,989	270		14,159	1,060,418
Long-term receivables	40,000			297,426	337,426
Restricted:					
Capital projects			7,589,254	1,456,340	9,045,594
Contributor purposes	266,484			433,100	699,584
Court improvements and operations				1,670,417	1,670,417
Debt service				3,794,632	3,794,632
Elections services				167,570	167,570
Family protection services				108,031	108,031
Federal grants				462,826	462,826
Health services				558,072	558,072
Inmate services	1,228,553				1,228,553
Juvenile services				144,458	144,458
Library services				380,865	380,865
Public safety personnel training				63,616	63,616
Public transportation projects		10,610,798		1,547,010	12,157,808
Records management				2,214,427	2,214,427
State grants and appropriations	35,214			25,246	60,460
Other				43,298	43,298
Committed:					
Capital projects	225,241			778,699	1,003,940
District Attorney supplement	47,982				47,982
District Clerk supplement	505,824				505,824
Emergency management services	3,793				3,793
Narcotics operations	334,062				334,062
Juvenile services	145,698				145,698
Sheriff supplement	219,715				219,715
Tax Collector supplement	71,534				71,534
Unassigned	<u>34,200,927</u>			<u>( 13,309)</u>	<u>34,187,618</u>
Total	<u>\$38,443,282</u>	<u>\$11,008,724</u>	<u>\$ 7,589,254</u>	<u>\$14,490,666</u>	<u>\$71,531,926</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

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

Net Assets

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

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net Assets:			
General government	\$ 125,443,284	\$ 18,063,644	\$ 143,506,928
Restricted:			
Contributor purposes	701,274		701,274
Court improvements and operations	1,670,417		1,670,417
Debt service	5,589,069		5,589,069
Elections services	167,570		167,570
Family protection services	108,031		108,031
Federal grants	462,826		462,826
Health services	558,072		558,072
Inmate services	1,268,919		1,268,919
Juvenile services	144,458		144,458
Library services	380,865		380,865
Public safety personnel training	63,616		63,616
Public transportation projects	12,899,517		12,899,517
Records management	2,214,427		2,214,427
State grants and appropriations	60,460		60,460
Other	56,607		56,607
Unrestricted	<u>45,667,087</u>	<u>859,249</u>	<u>46,526,336</u>
	<u>\$ 197,456,499</u>	<u>\$ 18,922,893</u>	<u>\$ 216,379,392</u>

**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, 2011 are as follows:

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 2 - DEPOSITS, INVESTMENTS AND DERIVATIVES - Continued**

	<u>Unrestricted</u>
Cash and Temporary Investments:	
Cash (petty cash accounts)	\$ 24,175
Financial Institution Deposits:	
Demand deposits	44,377,150
Local Government Investment Pools:	
Texpool	19,849,035
MBIA Texas Class Pool	<u>2,391,740</u>
	66,642,100
Investments:	
Government agency securities	<u>24,252,374</u>
	<u>\$ 90,894,474</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 \$ 24,175, the carrying amount, of the County's deposits, was \$ 44,377,150, while the financial institution balances totaled \$ 47,718,522. Of these balances, \$ 10,799,270 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, \$ 11,218,880 was covered by federal depository insurance coverage, and \$ 36,499,642 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, 2011

#### **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, 2011

**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, 2011 Texpool and MBIA Texas Class had a weighted average maturity of 46 days and 40 days, respectively. Although Texpool and MBIA Texas Class portfolios had a weighted average maturity of 46 days and 40 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, 2011, the County invested in the direct purchase of government agency securities (FHLMC, FNMA, FFCB and FHLB Discount Notes) within the General Fund. These securities have staggered maturity dates beginning on October 28, 2011 through August 8, 2014 and had a market value of \$ 24,252,374 at September 30, 2011.

As of September 30, 2011, 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	\$ 19,849,035	46
MBIA Texas Class Pool	Varies	<u>2,391,740</u>	<u>40</u>
		<u>22,240,775</u>	<u>21.70</u>
Government Agency Securities:			
Federal Farm Credit Bank	0.570%	2,000,860	28
Federal National Mortgage Association	1.000%	2,013,505	54
Federal Home Loan Bank	1.000%	2,016,945	89
Federal National Mortgage Association	0.875%	2,014,598	104
Federal Home Loan Mortgage Corporation	2.125%	2,055,681	174
Federal National Mortgage Association	1.875%	2,052,680	202
Federal Home Loan Bank	1.125%	2,030,065	230
Federal National Mortgage Association	1.250%	2,038,820	265
Federal Farm Credit Bank	1.700%	2,013,600	867
Federal National Mortgage Association	1.200%	2,004,240	1,014
Federal National Mortgage Association	1.300%	2,005,080	1,021
Federal National Mortgage Association	1.150%	<u>2,006,300</u>	<u>1,042</u>
		<u>24,252,374</u>	<u>220.44</u>
		<u>\$ 46,493,149</u>	<u>242.14</u>

**BRAZORIA COUNTY, TEXAS**

Notes to the Financial Statements

For The Year Ended September 30, 2011

**NOTE 2 - DEPOSITS, INVESTMENTS AND DERIVATIVES - Continued**

Investments - continued

Credit Risk – As of September 30, 2011, the LGIPs (which represent approximately 47.84% 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 52.16% 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, 2011, and holds no direct investments in derivatives at September 30, 2011.

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

Receivables and Allowances

Receivables as of September 30, 2011, 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			
	General Fund	Road & Bridge Fund	Other Governmental Funds	Total
Receivables:				
Property Taxes	\$ 2,020,498	\$ 705,212	\$ 279,218	\$ 3,004,928
Accounts	83,428	937	116,093	200,458
Special assessments		755,927	1,068,926	1,824,853
Due from other governments	3,805,566	537,183	1,776,291	6,119,040
Accrued interest	132,135			132,135
Gross receivables	6,041,627	1,999,259	3,240,528	11,281,414
Less Allowance for Uncollectible:				
Property Taxes	713,813	355,123	85,163	1,154,099
Special assessments		130,402	10,725	141,127
Net receivables	<u>\$ 5,327,814</u>	<u>\$ 1,513,734</u>	<u>\$ 3,144,640</u>	<u>\$ 9,986,188</u>

**BRAZORIA COUNTY, TEXAS**

Notes to the Financial Statements

For The Year Ended September 30, 2011

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

Receivables and Allowances - continued

	<u>Proprietary Funds</u>			<u>Fiduciary Funds</u>
	<u>Enterprise Fund</u>	<u>Internal Service Funds</u>	<u>Total</u>	
Receivables:				
Accounts:				
Airport customers	\$ 269,457	\$	\$ 269,457	\$
Stop loss insurance		150	150	
Due from other government	13,392		13,392	
Other			<u>-0-</u>	<u>37,340</u>
Gross receivables	282,849	150	282,999	37,340
Less Allowance for Uncollectible:				
Accounts:				
Airport customers			<u>-0-</u>	
Net total receivables	<u>\$ 282,849</u>	<u>\$ 150</u>	<u>\$ 282,999</u>	<u>\$ 37,340</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, 2011 are summarized below:

	<u>State Entitlements and Taxes</u>	<u>Federal Grants</u>	<u>State Grants</u>	<u>Other</u>	<u>Total</u>
Major Governmental Funds:					
General Fund	\$ 2,937,070	\$ 805,577	\$ 62,919	\$	\$ 3,805,566
Road & Bridge Fund	41,896	495,287			537,183
Non major governmental Funds	<u>27,265</u>	<u>1,511,715</u>	<u>222,572</u>	<u>14,739</u>	<u>1,776,291</u>
Total	<u>\$ 3,006,231</u>	<u>\$ 2,812,579</u>	<u>\$ 285,491</u>	<u>\$ 14,739</u>	<u>\$ 6,119,040</u>
Major Proprietary Funds:					
Airport Fund	\$	\$	<u>13,392</u>	\$	<u>13,392</u>
Total	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 13,392</u>	<u>\$ -0-</u>	<u>\$ 13,392</u>



**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

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

Loans Receivable (Discounted)

The County advanced funds to the Brazoria County Toll Road Authority in the amount of \$ 307,426 (\$ 1,534, \$ 16,269, \$ 63,387, \$ 64,017, \$ 100,483, and \$ 61,736 during the years ended September 30, 2006, 2007, 2008, 2009, 2010 and 2011, respectively) to provide cash flow. The Brazoria County Toll Road Authority is reported as an agency fund. The Brazoria County Toll Road Authority has agreed to repay these fund, without interest, from future bonds (expected within five years for financial statement purposes).

The County advanced funds to the Brazoria County Fresh Water Supply #2 (“BCFWS”) in the amount of \$ 15,000 (\$ 10,000 and \$ 5,000 during the years ended September 30, 2009 and 2010, respectively) to provide cash flow. The Brazoria County Fresh Water Supply #2 is reported as an agency fund. The Brazoria County Fresh Water Supply #2 has agreed to pay back the County over a five year period beginning October 1, 2010 and ending September 30, 2015, without interest. The \$ 3,000 due during the year ended September 30, 2011 was unpaid and reported as an allowance for uncollectible accounts at September 30, 2011.

The County advanced funds to the Stephen F. Austin Community Health Center, Inc. (“SFACHC”) in the amount of \$ 30,000 during the year ended September 30, 2009 to provide cash flow. The Stephen F. Austin Community Health Center, Inc. is separately reported as a not-for-profit organization. The Stephen F. Austin Community Health Center, Inc. has agreed to pay back the County over two and one-half years beginning October 1, 2010, without interest. Of the \$ 12,000 due during the year ended September 30, 2011, \$ 9,000 was unpaid and reported as an allowance for uncollectible accounts at September 30, 2011.

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

	<u>2011</u>
Receivable current	\$ 12,000
Receivable within one year	15,000
Receivable within two years	9,000
Receivable within three years	3,000
Receivable within four years	3,000
Receivable within five years	<u>307,426</u>
Total loan receivable	349,426
Less allowance for uncollectible accounts	12,000
Less discounts to net present value	<u>25,742</u>
Net loan receivable at September 30, 2011	<u>\$ 311,684</u>

The discount rate used on long-term loans was 1.70% for the year ended September 30, 2011.

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.

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

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

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 collectability in relation to the aging of customer accounts. The following is a summary of the receivable and allowance for uncollectible as of September 30, 2011:

	<u>Judicial Receivable</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivable</u>
Judicial Receivables:			
Justice of the Peace	\$ 7,869,773	\$ 2,360,932	\$ 5,508,841
County courts	1,447,488	434,246	1,013,242
District courts	4,133,167	2,066,583	2,066,584
Juvenile probation	<u>472,122</u>	<u>141,637</u>	<u>330,485</u>
	<u>\$ 13,922,550</u>	<u>\$ 5,003,398</u>	<u>\$ 8,919,152</u>

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, 2011, the various components of deferred revenue and unearned revenue reported in the governmental and proprietary funds were as follows:

	<u>Governmental Funds</u>				<u>Proprietary Funds</u>
	<u>General Fund</u>	<u>Road &amp; Bridge Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>	<u>Enterprise Fund</u>
Unavailable:					
Delinquent property taxes receivable	\$ 1,152,934	\$ 302,159	\$ 170,662	\$ 1,625,755	\$
Special assessment receivable		625,526	1,058,200	1,683,726	
Unearned:					
Federal grants	448,962	301,839	747,976	1,498,777	
State grants			85,401	85,401	
Bail bonds	1,013,120			1,013,120	
Public safety seizures	520,168			520,168	
Rental deposits	3,700			3,700	
Other deposits	258			258	
Airport hangar deposits				<u>-0-</u>	<u>24,800</u>
Total	<u>\$ 3,139,142</u>	<u>\$ 1,229,524</u>	<u>\$ 2,062,239</u>	<u>\$ 6,430,905</u>	<u>\$ 24,800</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 4 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund receivables and payables at September 30, 2011 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>09-30-11</u>
Governmental Funds:		
General	Road and bridge	\$ 6,420
General	Other governmental	2,874,983
Other Governmental	General	1,833
Other Governmental	Mobility Build American Bonds C & M	1,506,242
Fiduciary	Road and Bridge	<u>45,869</u>
		<u>\$ 4,435,347</u>

Detail interfund receivables and payables at September 30, 2011 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>09-30-11</u>
General	Road and Bridge	\$ 6,420
General	Oakwood Creek Estates Special Assessment	371,752
General	County Road 257 Repairs	138,937
General	TJPC Title IV-E Foster Care	3,974
General	JJAEP Boot Camp	1,436
General	CJD Juvenile Incentive Block Grant	2,477
General	TDSHS Immunization	42,344
General	TDSHS Supplementary Food Program WIC	86,414
General	TDSHS RLSS-LPHS	6,000
General	TDSHS Peer Counseling Program	19,736
General	TDSHS WIC Registered Dietician	7,636
General	TDSHS WIC Lactation Reimbursement	1,985
General	TDSHS WIC-OA Vendor Activities	701
General	TDSHS WIC Obesity SHOP/FIT	1,566
General	TDSHS Cities Readiness Initiative	16,299
General	TDSHS Bioterrorism Grant	18,676
General	CPS Title IV-E Foster Care Maintenance	10,972
General	CPS Title IV-E Legal Services	3,850
General	CPS Title IV-B (Concrete)	47
General	Victim Assistance Grant 02G00551	2,526
General	Crime Victim Assistance	25,597
General	DEA Narcotics OT Expense Program	127
General	State Homeland Security	27,846
General	EOC Retrofit Project	84,956
General	EOCGP Emergency Operations Center	22,467
General	HGAC Parks Solid Waste	5,612
General	2009 CDBG County (HUD)	7,065
General	2010 CDBG County (HUD)	30,032
General	2010 CDBG Disaster Recovery Alternative	36,534
General	CMP Erosion Plan	15,251
General	Voter Registration Tax Office	27,265

(continued)

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 4 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>09-30-11</u>
General	Drug Court Program	\$ 58,868
General	Parks & Wildlife Boating Access	25,951
General	Parks CIAP Grant	255,043
General	Mobility Plan C & M	1,506,242
General	Quintana Park Beach Boardwalk	5,684
General	Follet's Beach Access Point	3,115
TCEQ Supplemental Environmental Parks Project	General	1,833
Mobility Plan C & M	Mobility Build American Bonds C & M	1,506,242
Conoco Phillips FM 524 Bypass	Road and Bridge	<u>45,869</u>
Total		<u>\$ 4,435,347</u>

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

Interfund transfers for the year ended September 30, 2011 consisted of the following individual fund transfers in and transfers out:

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>09-30-11</u>
General	Other governmental	\$ 909,338
Road and Bridge	Other governmental	386,658
Mobility Build American Bonds C & M	Other governmental	5,496,329
Other governmental	General	200,000
Other governmental	Other governmental	<u>693,883</u>
Total		<u>\$ 7,686,208</u>

Detail interfund transfers for the year ended September 30, 2011 consisted of the following individual fund transfers in and transfers out:

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>09-30-11</u>
General	TJPC State Aid	\$ 89,411
General	TJPC Community Corrections	189,611
General	TJPC Salary Adjustment Funding	602
General	TJPC Progressive Sanctions JPO	23,008
General	TJPC Progressive Sanctions ISP	15,013
General	JJAEP Boot Camp	307,554
General	CJD Juvenile Incentive Block Grant	5,195
General	CSCD Bond Supervision	9,295
General	CPS Title IV-E Foster Care Maintenance	81,853
General	CPS Title IV-E Legal Services	88,910

(continued)

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 4 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued**

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>09-30-11</u>
General	Victim Assistance Grant 02G000551	\$ 16,080
General	Crime Victim Assistance	33,697
General	Law Library	35,500
General	Voter Registration Tax Office	5,217
General	Behavioral Management Program (Gang Education)	2,264
General	Parks & Wildlife Boating Access	5,268
General	Brazoria County Dune Restoration	860
Road & Bridge	Westwood Road Special Assessment	93,811
Road & Bridge	Pecan Estates Road Special Assessment	109,021
Road & Bridge	Hampton Road Special Assessment	80,114
Road & Bridge	Rose Mary Street Special Assessment	21,337
Road & Bridge	Sally Lake Road Special Assessment	78,016
Road & Bridge	Flood Protection Planning Contract	4,359
Mobility Build American Bonds C & M	Mobility Plan C & M	5,496,329
Financial Security	General	200,000
Unlimited Tax Road Bonds Series 2006	Mobility Build American Series 2010	<u>693,883</u>
Total		<u>\$ 7,686,208</u>

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

**NOTE 5 - CAPITAL ASSETS**

Capital Transactions

	<u>Balance 09-30-10</u>	<u>Transfers</u>	<u>Balance 10-01-10</u>
Governmental Activities:			
Capital Assets, Not Depreciated:			
Land	\$ 14,959,241	\$	\$ 14,959,241
Construction in progress	<u>16,519,857</u>	<u>                    </u>	<u>16,519,857</u>
Total capital assets not being depreciated	<u>31,479,098</u>	<u>-0-</u>	<u>31,479,098</u>
Capital Assets, Being Depreciated:			
Land improvements	1,720,420		1,720,420
Buildings and improvements	52,353,198	154,110	52,507,308
Furniture, equipment and vehicles	40,438,791	39,876	40,478,667
Infrastructure	<u>185,913,747</u>	<u>53,647</u>	<u>185,967,394</u>
Total capital assets being depreciated	<u>280,426,156</u>	<u>247,633</u>	<u>280,673,789</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
*Notes to the Financial Statements*  
For The Year Ended September 30, 2011

**NOTE 5 - CAPITAL ASSETS - Continued**

Capital Transactions - continued

	Balance 09-30-10	Transfers	Balance 10-01-10
Less Accumulated Depreciation For:			
Land improvements	\$ 484,376	\$	\$ 484,376
Buildings and improvements	16,800,726		16,800,726
Furniture, equipment and vehicles	32,208,792		32,208,792
Infrastructure	<u>92,973,785</u>		<u>92,973,785</u>
Total accumulated depreciation	<u>142,467,679</u>	<u>-0-</u>	<u>142,467,679</u>
Total capital assets being depreciated, net	<u>137,958,477</u>	<u>247,633</u>	<u>138,206,110</u>
Governmental activities capital assets, net	<u>\$ 169,437,575</u>	<u>\$ 247,633</u>	<u>\$ 169,685,208</u>

	Balance 10-01-10	Additions	Retirements	Transfers	Balance 09-30-11
Governmental Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 14,959,241	\$ 1,946,079	\$	\$	\$ 16,905,320
Construction in progress	<u>16,519,857</u>	<u>5,406,679</u>	<u>4,816,175</u>		<u>17,110,361</u>
Total capital assets not being depreciated	<u>31,479,098</u>	<u>7,352,758</u>	<u>4,816,175</u>	<u>-0-</u>	<u>34,015,681</u>
Capital Assets, Being Depreciated:					
Land improvements	1,720,420	132,384			1,852,804
Buildings and improvements	52,507,308	3,506,630			56,013,938
Furniture, equipment and vehicles	40,478,667	3,136,791	664,599		42,950,859
Infrastructure	<u>185,967,394</u>	<u>8,595,834</u>			<u>194,563,228</u>
Total capital assets being depreciated	<u>280,673,789</u>	<u>15,371,639</u>	<u>664,599</u>	<u>-0-</u>	<u>295,380,829</u>
Less Accumulated Depreciation For:					
Land improvements	484,376	103,156			587,532
Buildings and improvements	16,800,726	1,618,387			18,419,113
Furniture, equipment and vehicles	32,208,792	3,044,609	515,360		34,738,041
Infrastructure	<u>92,973,785</u>	<u>5,481,011</u>			<u>98,454,796</u>
Total accumulated depreciation	<u>142,467,679</u>	<u>10,247,163</u>	<u>515,360</u>	<u>-0-</u>	<u>152,199,482</u>
Total capital assets being depreciated, net	<u>138,206,110</u>	<u>5,124,476</u>	<u>149,239</u>	<u>-0-</u>	<u>143,181,347</u>
Governmental activities capital assets, net	<u>\$ 169,685,208</u>	<u>\$ 12,477,234</u>	<u>\$ 4,965,414</u>	<u>\$ -0-</u>	<u>\$ 177,197,028</u>

**BRAZORIA COUNTY, TEXAS**  
*Notes to the Financial Statements*  
 For The Year Ended September 30, 2011

**NOTE 5 - CAPITAL ASSETS - Continued**

Capital Transactions - continued

	<u>Balance</u> 10-01-10	<u>Additions</u>	<u>Transfers</u>	<u>Retirements</u>	<u>Balance</u> 09-30-11
Business-type Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 1,558,687	\$	\$	\$	\$ 1,558,687
Construction in progress	<u>8,733,098</u>	<u>930,485</u>	<u>367,933</u>	<u></u>	<u>9,295,650</u>
Total capital assets not being depreciated	<u>10,291,785</u>	<u>930,485</u>	<u>367,933</u>	<u>-0-</u>	<u>10,854,337</u>
Capital Assets, Being Depreciated:					
Buildings and improvements	5,234,086	412,812			5,646,898
Furniture, equipment and vehicles	1,154,816	34,614			1,189,430
Runways, taxiways and aprons	<u>16,534,395</u>	<u></u>	<u></u>	<u></u>	<u>16,534,395</u>
Total capital assets being depreciated	<u>22,923,297</u>	<u>447,426</u>	<u>-0-</u>	<u>-0-</u>	<u>23,370,723</u>
Less Accumulated Depreciation For:					
Buildings and improvements	3,680,572	176,378			3,856,950
Furniture, equipment and vehicles	595,646	98,260			693,906
Runways, taxiways and aprons	<u>11,006,765</u>	<u>576,087</u>	<u></u>	<u></u>	<u>11,582,852</u>
Total accumulated depreciation	<u>15,282,983</u>	<u>850,725</u>	<u>-0-</u>	<u>-0-</u>	<u>16,133,708</u>
Total capital assets being depreciated, net	<u>7,640,314</u>	<u>( 403,299)</u>	<u>-0-</u>	<u>-0-</u>	<u>7,237,015</u>
Business-type activities capital assets, net	<u>\$ 17,932,099</u>	<u>\$ 527,186</u>	<u>\$ 367,933</u>	<u>\$ -0-</u>	<u>\$ 18,091,352</u>

Depreciation

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

	<u>09-30-11</u>
Governmental Activities:	
General government	\$ 289,272
Judicial and legal	131,131
Financial administration	49,575
Elections	23,768
Public facilities	290,126
Public safety	796,574
Corrections	1,355,077

(continued)

**BRAZORIA COUNTY, TEXAS**  
*Notes to the Financial Statements*  
 For The Year Ended September 30, 2011

**NOTE 5 - CAPITAL ASSETS - Continued**

Depreciation - continued

	<u>09-30-11</u>
Public transportation	\$ 6,820,076
Health and welfare	197,023
Culture and recreation	286,373
Conservation	6,080
Environmental protection	<u>2,088</u>
	<u>\$ 10,247,163</u>
Business-type Activities:	
Airport	<u>\$ 850,725</u>

Function and Activity

	<u>Balance</u>	<u>Prior Period</u>	<u>Balance</u>
	<u>09-30-10</u>	<u>Adjustments</u>	<u>10-01-10</u>
Governmental Activities:			
Function and Activity:			
General government	\$ 13,714,073	\$ 66,088	\$ 13,780,161
Judicial and legal	4,594,453		4,594,453
Financial administration	826,474		826,474
Elections	226,853		226,853
Public facilities	7,792,494		7,792,494
Public safety	6,629,773		6,629,773
Corrections	33,805,455		33,805,455
Public transportation	216,848,087	51,051	216,899,138
Health and welfare	4,561,271		4,561,271
Culture and recreation	6,173,284	130,494	6,303,778
Conservation	186,734		186,734
Environmental protection	<u>26,446</u>		<u>26,446</u>
	295,385,397	247,633	295,633,030
Non-Functional:			
Construction in progress	<u>16,519,857</u>		<u>16,519,857</u>
Total governmental activities	<u>\$ 311,905,254</u>	<u>\$ 247,633</u>	<u>\$ 312,152,887</u>
Business-type Activities:			
Function and Activity:			
Airport	\$ 24,481,984	\$	\$ 24,481,984
Non-Functional:			
Construction in progress	<u>8,733,098</u>		<u>8,733,098</u>
Total business-type activities	<u>\$ 33,215,082</u>	<u>\$ -0-</u>	<u>\$ 33,215,082</u>



**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 5 - CAPITAL ASSETS - Continued**

Function and Activity - continued

	<u>Balance</u> <u>10-01-10</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers and</u> <u>Adjustments</u>	<u>Balance</u> <u>09-30-11</u>
Governmental Activities:					
Function and Activity:					
General government	\$ 13,780,161	\$ 2,063,988	\$	\$( 10,634,277)	\$ 5,209,872
Judicial and legal	4,594,453	361,548	62,981	( 25,094)	4,867,926
Financial administration	826,474	50,094		6,263	882,831
Elections	226,853	25,975			252,828
Public facilities	7,792,494	587,625		7,579	8,387,698
Public safety	6,629,773	820,568	382,490	89,400	7,157,251
Corrections	33,805,455	556,752	20,738	7,105,868	41,447,337
Public transportation	216,899,138	11,639,507	54,278	2,710,682	231,195,049
Health and welfare	4,561,271	129,872	144,112		4,547,031
Culture and recreation	6,303,778	1,060,912		759,941	8,124,631
Conservation	186,734				186,734
Environmental protection	<u>26,446</u>	<u>20,877</u>		<u>( 20,362)</u>	<u>26,961</u>
	295,633,030	17,317,718	664,599	-0-	312,286,149
Non-Functional:					
Construction in progress	<u>16,519,857</u>	<u>5,406,679</u>	<u>4,816,175</u>		<u>17,110,361</u>
Total governmental activities	<u>\$ 312,152,887</u>	<u>\$ 22,724,397</u>	<u>\$ 5,480,774</u>	<u>\$ -0-</u>	<u>\$ 329,396,510</u>
Business-type Activities:					
Function and Activity:					
Airport	\$ 24,481,984	\$ 447,426	\$	\$	\$ 24,929,410
Non-Functional:					
Construction in progress	<u>8,733,098</u>	<u>930,485</u>	<u>367,933</u>		<u>9,295,650</u>
Total business-type activities	<u>\$ 33,215,082</u>	<u>\$ 1,377,911</u>	<u>\$ 367,933</u>	<u>\$ -0-</u>	<u>\$ 34,225,060</u>

**BRAZORIA COUNTY, TEXAS**

Notes to the Financial Statements

For The Year Ended September 30, 2011

**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	\$ 1,147,335	\$	\$ 2,630,397	\$ 1,432,140	\$
Judicial and legal	232,206	15,319	1,395,378	3,225,023	
Financial administration	26,875	49,048	64,040	742,868	
Elections			89,196	163,632	
Public facilities	1,377,281	519,035	5,587,873	903,509	
Public safety	10,963	9,092	175,843	5,428,789	1,532,564
Corrections	159,014	67,716	38,384,426	2,836,181	
Public transportation	10,651,631	138,197	3,354,552	24,818,282	192,232,387
Health and welfare	1,604,732	15,795	1,391,405	1,529,145	5,954
Culture and recreation	1,686,348	1,038,602	2,763,029	1,844,329	792,323
Conservation	8,935		177,799		
Environmental protection				26,961	
Total governmental activities	<u>\$ 16,905,320</u>	<u>\$ 1,852,804</u>	<u>\$ 56,013,938</u>	<u>\$ 42,950,859</u>	<u>\$ 194,563,228</u>
Business-type Activities:					
Function and Activity:					
Airport	<u>\$ 1,558,687</u>	<u>\$ -0-</u>	<u>\$ 5,646,898</u>	<u>\$ 1,189,430</u>	<u>\$ 16,534,395</u>

Construction Commitments

	<u>Projects Authorized</u>	<u>Expended To Date</u>	<u>Commitment</u>	<u>Requiring Further Financing</u>
September 30, 2011:				
Governmental Activities:				
CR 403 (Hughes Ranch Rd)	\$ 205,268	\$ 166,859	\$ 38,409	\$
SH 36 (Port Freeport entrance)	4,055,000	447,351	3,607,649	
SH 36 (N. West Col-S. of new 35)	2,706,000	258,805	2,447,195	
CR 220	326,621	192,255	134,366	
CR 58	3,340,313	2,982,881	357,432	
CR 48	<u>341,705</u>	<u>251,027</u>	<u>90,678</u>	
Total governmental activities	<u>\$ 10,974,907</u>	<u>\$ 4,299,178</u>	<u>\$ 6,675,729</u>	<u>\$ -0-</u>
Business-type Activities:				
Airport Improvement Program (Runway Construction)	<u>\$ 9,862,500</u>	<u>\$ 9,179,128</u>	<u>\$ 683,272</u>	<u>\$</u>
	<u>\$ 9,862,500</u>	<u>\$ 9,179,128</u>	<u>\$ 683,272</u>	<u>\$ -0-</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 6 - DISAGGREGATION OF ACCOUNTS AND ACCRUED LIABILITIES PAYABLE**

Accounts and accrued liabilities payable as of September 30, 2011, 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:

	Governmental Funds			Total
	General Fund	Road & Bridge Fund	Other Governmental Funds	
Accounts and Accrued Liabilities Payable:				
Vendors	\$ 4,957,355	\$ 377,108	\$ 668,594	\$ 6,003,057
Other governments	1,294,509		1,226	1,295,735
Accrued compensation	840,078	131,199	78,734	1,050,011
Accrued benefits	184,699	29,248	16,806	230,753
Other accrued liabilities	<u>62,664</u>			<u>62,664</u>
Totals	<u>\$ 7,339,305</u>	<u>\$ 537,555</u>	<u>\$ 765,360</u>	<u>\$ 8,642,220</u>

	Proprietary Funds			Fiduciary Funds
	Enterprise Fund	Internal Service Fund	Total	
Accounts and Accrued Liabilities Payable:				
Vendors	\$ 45,618	\$ 50,123	\$ 95,741	\$ 167,882
Other governments	59		59	683
Accrued compensation	8,924		8,924	53,775
Accrued benefits	1,960		1,960	1,158,138
Estimated claims payable		<u>1,304,834</u>	<u>1,304,834</u>	<u>-0-</u>
Totals	<u>\$ 56,561</u>	<u>\$ 1,354,957</u>	<u>\$ 1,411,518</u>	<u>\$ 1,380,478</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 7 - LONG-TERM DEBT**

General Obligation Debt

General obligation and certificates of obligations payable at September 30, 2011, are summarized as follows:

	Interest Rate %	Series Dates			Bonds Outstanding 09-30-11
		Issued	Maturity	Callable	
General Obligation:					
Refunding Bonds, Series 1998	3.800 - 5.500	1998	2013		\$ 2,665,000
Unlimited Tax Road Bonds, Series 2006	4.250 - 5.250	2006	2027		12,110,000
Unlimited Tax Road Bonds, Series 2008	3.000 - 5.000	2008	2028		7,185,000
Refunding Bonds, Series 2008	3.500 - 5.000	2008	2013		2,650,000
Unlimited Tax Road Bonds, Series 2010	1.750 - 3.750	2010	2018		5,730,000
Unlimited Tax Road Bonds, (Build America Bonds) Series 2010	4.594 - 6.026	2010	2030		13,225,000
Certificate of Obligations:					
Combination Tax and Revenue Certificates of Obligation Series 2003	3.800 - 5.500	2003	2018	2013	5,865,000
Combination Tax and Revenue Certificates of Obligation Series 2006	4.200 - 5.000	2006	2026	2017	<u>11,910,000</u>
Total					<u>\$ 61,340,000</u>

General obligation and certificates of obligation bond transactions for the year ended September 30, 2011 were as follows:

Bonds outstanding, October 1, 2010	\$ 66,370,000
Issued	
Maturities	<u>( 5,030,000)</u>
Bonds outstanding, September 30, 2011	<u>\$ 61,340,000</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, 2011, the amount of ad valorem taxes collected for interest and sinking were \$ 8,360,143, while the debt service requirements for principal and interest was \$ 8,349,324. 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, 2011

**NOTE 7 - LONG-TERM DEBT - Continued**

General Obligation Debt - continued

The following is a summary of general obligation bond requirements by year as of September 30, 2011:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ 5,590,000	\$ 2,734,177	\$ 8,324,177
2013	5,670,000	2,489,448	8,159,448
2014	3,120,000	2,252,676	5,372,676
2015	3,240,000	2,141,064	5,381,064
2016	3,360,000	2,021,258	5,381,258
2017-2021	15,835,000	8,106,702	23,941,702
2022-2026	17,250,000	4,368,733	21,618,733
2027-2030	<u>7,275,000</u>	<u>710,884</u>	<u>7,985,884</u>
	<u>\$ 61,340,000</u>	<u>\$ 24,824,942</u>	<u>\$ 86,164,942</u>

The scheduled federal subsidy for the 2010 Unlimited Tax Road Bonds (Build America Bonds) to be received at September 30, 2011 is as follows:

<u>September 30,</u>	<u>Federal Subsidy</u>
2012	\$ 254,896
2013	254,896
2014	254,896
2015	254,896
2016	254,896
2017-2021	1,206,262
2022-2026	802,395
2027-2030	<u>218,766</u>
	<u>\$ 3,501,903</u>

During the year ended September 30, 2011, the County received \$ 370,307 in federal subsidy under the Build America Bond program. The federal subsidy is provided to offset the interest paid on the bonds.

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. On March 1, 2010 the County sold \$ 6,200,000 of Unlimited Road Tax Bonds, Series 2010, and \$ 13,225,000 of Unlimited Road Bonds (Build America Bonds) Series 2010.

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 7 - LONG-TERM DEBT - Continued**

General Obligation Debt - continued

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, 2011, was \$ 5,581,543 and \$ 5,500,000, respectively.

Proprietary Debt

During the year ended September 30, 2009, proprietary debt, other than compensated absences, was extinguished.

Changes in Outstanding Debt

Transactions for the year ended September 30, 2011 are summarized as follows:

	<u>Balance</u> <u>10-01-10</u>	<u>Issues or</u> <u>Additions</u>	<u>Payments or</u> <u>Expenditures</u>	<u>Balance</u> <u>09-30-11</u>	<u>Due Within</u> <u>One Year</u>
Governmental Type Activities:					
Certificates of obligation bonds	\$ 19,050,000	\$	\$ 1,275,000	\$ 17,775,000	\$ 1,325,000
General obligation bonds	47,320,000		3,755,000	43,565,000	4,265,000
Component of Bonded Debt:					
Premium on bonds	865,857		108,926	756,931	108,926
Accrued interest	825,764	362,110	825,764	362,110	362,110
Compensated absences	1,847,163	2,404,125	2,484,530	1,766,758	1,766,758
Net OPEB obligation	<u>1,613,361</u>	<u>1,520,637</u>	<u>1,740,033</u>	<u>1,393,965</u>	<u>120,352</u>
Total governmental activities	<u>71,522,145</u>	<u>4,286,872</u>	<u>10,189,253</u>	<u>65,619,764</u>	<u>7,948,146</u>
Business-Type Activities:					
Compensated absences	9,909	12,883	12,586	10,206	10,206
Net OPEB obligation	<u>12,557</u>	<u>11,800</u>	<u>13,508</u>	<u>10,849</u>	<u>934</u>
Total business-type activities	<u>22,466</u>	<u>24,687</u>	<u>26,094</u>	<u>21,055</u>	<u>11,140</u>
Total government	<u>\$ 71,544,611</u>	<u>\$ 4,311,555</u>	<u>\$ 10,215,347</u>	<u>\$ 65,640,819</u>	<u>\$ 7,959,286</u>

**BRAZORIA COUNTY, TEXAS**  
*Notes to the Financial Statements*  
 For The Year Ended September 30, 2011

**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, 2011.

Governmental Funds (General Fund):

There are no minimum future rentals to be received on noncancelable leases, as of September 30, 2011. Gross rental income for operating leases, including month-to-month, for the year ended September 30, 2011 was \$ 3,200.

Proprietary Funds (Enterprise Fund - Airport):

Minimum future rentals to be received on noncancelable leases, as of September 30, 2011, for each of the next five years and in the aggregate are:

<u>Year Ended September 30,</u>	<u>2011</u>
2012	\$ 144,921
2013	128,228
2014	132,131
2015	132,820
2016	133,522
2017-2021	612,665
2022-2026	331,762
2027-2031	76,004
2032-2036	50,000
2037	<u>10,000</u>
	<u>\$ 1,752,053</u>

Gross rental income for operating leases, including month-to-month for the year ended September 30, 2011 was as follows:

	<u>2011</u>
Building rental	\$ 204,157
Hangar rental	193,131
Ground rental	<u>12,743</u>
	<u>\$ 410,031</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 8 - LEASING OPERATIONS - Continued**

Operating 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 2020.

Minimum future rentals to be paid on non-cancelable leases, as of September 30, 2011, for each of the next five years and in the aggregate are as follows:

<u>Year Ended September 30,</u>	<u>2011</u>
2012	\$ 84,304
2013	38,894
2014	38,894
2015	38,894
2016	31,492
2017-2020	<u>91,980</u>
	<u>\$ 324,458</u>

Gross rental expenditures for operating leases, including month-to-month for the year ended September 30, 2011 was as follows:

	<u>2011</u>
Building rental	\$ 126,970
Copier rental	244,035
Ground rental	35,387
Equipment rental	88,631
Other rental	<u>3,565</u>
	<u>\$ 498,588</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, 2011 was \$ 3,679.

**NOTE 9 - PENSION PLAN**

Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the 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 618 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, 2011

#### **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 10.27% for the months of the accounting year in 2010, and 10.45% for the months of the accounting year in 2011.

The contribution rate payable by the employee members for calendar years 2011 and 2010 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, 2010 and 2009, the annual pension cost for the TCDRS plan for its employees was \$ 10,014,322 and \$ 9,943,130, and the actual contributions were \$ 10,014,322 and \$ 9,943,230, 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, 2009 and December 31, 2010, the basis for determining the contribution rates for calendar years 2010 and 2011. The December 31, 2010 actuarial valuation is the most recent valuation.

**BRAZORIA COUNTY, TEXAS**

Notes to the Financial Statements

For The Year Ended September 30, 2011

**NOTE 9 - PENSION PLAN - Continued**

Annual Pension Cost - continued

Actuarial Valuation Information			
Actuarial valuation date	12/31/08	12/31/09	12/31/10
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	20	20	20
Asset valuation method	SAF: 10-YR smoothed value ESF: Fund value	SAF: 10-YR smoothed value ESF: Fund value	SAF: 10-YR smoothed value ESF: Fund value
	<u>12/31/08</u>	<u>12/31/09</u>	<u>12/31/10</u>
Actuarial Assumptions:			
Investment return <sup>1</sup>	8.0%	8.0%	8.0%
Projected salary increases <sup>1</sup>	5.3%	5.4%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

<sup>1</sup>Includes inflation at the stated rate

Trend Information

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
9/30/08	\$ 9,436,532	100.00%	-0-
9/30/09	9,943,230	100.00%	-0-
9/30/10	10,014,322	100.00%	-0-
9/30/11	10,120,105	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 <sup>1</sup> (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/08	\$ 127,379,170	\$ 150,672,455	\$ 23,293,285	84.54%	\$ 55,697,618	41.82%
12/31/09	141,509,411	164,484,412	22,975,001	86.03%	56,517,212	40.65%
12/31/10	149,273,671	175,537,311	26,263,640	85.04%	56,717,078	46.31%

<sup>1</sup>The 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, 2011

**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, 2010	\$ 47,872,783
Contributions and earnings	8,510,883
Withdrawals, premiums, and benefits	<u>( 5,031,222)</u>
Balance - September 30, 2011	<u>\$ 51,352,444</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 \$ 250 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, 2010	\$ 7,890,715	\$ 9,316,080
Contributions and earnings	697,777	1,031,400
Withdrawals, premiums, benefits	<u>( 1,010,054)</u>	<u>( 724,708)</u>
Balance - September 30, 2011	<u>\$ 7,578,438</u>	<u>\$ 9,622,772</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**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, 2010	\$ 1,749,621	\$ 292,107
Contribution and earnings	176,746	4,100
Withdrawals, premiums, benefits, and losses	<u>( 136,201)</u>	<u>( 78,402)</u>
Balance - September 30, 2011	<u>\$ 1,790,166</u>	<u>\$ 217,805</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 plan is a single-employer defined benefit plan. The Group Annuity Contract became effective on October 1, 1990. The plan provides \$ 295 per month until age 65 and then \$ 200 per month towards the cost of health insurance premiums. A separate, audited GAAP-basis post employment benefit plan report is not available for this plan.

*Funding Policy* - The contribution requirements of the County are established by the County’s Board of Commissioners and may be amended at any time. For the years ended September 30, 2011, 2010, and 2009, the County contributed \$ 1,753,541, \$ 1,060,571, and \$ 1,200,576 to the Group Annuity Contract which includes net investment earnings of \$ 347,290, \$ 389,073, and \$ 380,410, respectively.

*Annual Other Post Employment Benefit (OPEB) Cost and Net OPEB Obligation* - The County’s annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters established by GASB Statement 45. The annual OPEB cost represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or excess) over a period not to exceed thirty years. Actuarial valuations which are used to value OPEB plans reflect a long-term perspective and involve estimates of the value of reported amounts and assumptions about the possibility of events far into the future and actuarially amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each evaluation. The following table shows the components of the County’s annual OPEB cost, the amounts actually contributed to the plan, and changes in the County’s net OPEB obligation to the Group Annuity Contract for the years ended September 30, 2011, 2010, and 2009:

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 11 - POST EMPLOYMENT MEDICAL CARE PLAN - Continued**

	<u>09-30-11</u>	<u>09-30-10</u>	<u>09-30-09</u>
Annual required contribution	\$ 1,559,089	\$ 1,058,266	\$ 1,007,872
Interest on net OPEB obligation	73,166	48,316	32,735
Adjustment to annual required contribution	<u>( 99,818)</u>	<u>506,213</u>	<u>506,213</u>
Annual OPEB cost	1,532,437	1,612,795	1,546,820
Contributions made	<u>( 1,753,541)</u>	<u>( 1,060,571)</u>	<u>( 1,200,576)</u>
Increase (decrease) in net OPEB obligation	( 221,104)	552,224	346,244
Net OPEB obligation – beginning of year	<u>1,625,918</u>	<u>1,073,694</u>	<u>727,450</u>
Net OPEB obligation – end of year	<u>\$ 1,404,814</u>	<u>\$ 1,625,918</u>	<u>\$ 1,073,694</u>

The County’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended September 30, 2010 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>
9/30/09	\$ 1,546,820	77.6%	\$ 1,073,694
9/30/10	1,612,795	65.8%	1,625,918
9/30/11	1,532,437	114.4%	1,404,814

*Funding Status and Funding Progress* - As of September 30, 2011, the most recent actuarial valuation date, the plan was 47.0% funded. The actuarial accrued liability for benefits was \$ 20,498,474, and the actuarial value of assets was \$ 9,622,772, resulting in an unfunded liability (UAAL) of \$ 10,875,702. The covered payroll was \$ 52,923,183 and the ratio of the UAAL to the covered payroll was 20.5 percent.

*Actuarial Methods and Assumptions* - In the September 30, 2011 actuarial valuation, the projected unit credit method was used. The actuarial assumptions include a 4.5% investment rate of return. An inflation rate of 3.0%, salary growth rate of 3.0%, and health care cost trend rate ranging from 10% down to 5% over a 10 year period is used. An interest discount rate of 4.5% was used to value the liability. The UAAL is being amortized over a closed period of thirty years at 4.5%. The remaining amortization period at September 30, 2011, was 27 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.

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 12 - SELF INSURANCE - Continued**

Health Insurance - continued

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 \$ 647 per eligible employee per month for the period October 1, 2010 through September 30, 2011. 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, 2011 was \$ 11,805,081. 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 United Healthcare, which covers claims in excess of \$ 175,000 per participant in any calendar year, with a maximum aggregate benefit of \$ 1,000,000 per coverage period. Estimated claims payable at September 30, 2011 was \$ 912,095.

The following is a reconciliation of changes in the aggregate liabilities for claims for the years ended September 30, 2011 and 2010.

	<u>2011</u>	<u>2010</u>
Claims payable - October 1,	\$ 686,225	\$ 1,068,066
Incurred claims	10,895,758	8,479,664
Payment of claims	<u>( 10,669,888)</u>	<u>( 8,861,505)</u>
Claims payable - September 30,	<u>\$ 912,095</u>	<u>\$ 686,225</u>
Claims payable:		
Actual	\$ 7,261	\$ 11,984
Estimated	<u>904,834</u>	<u>674,241</u>
Total claims payable	<u>\$ 912,095</u>	<u>\$ 686,225</u>

Insurance Reserve

Brazoria County established a self-insurance reserve within the General Fund in 1979. This reserve was established to provide coverage for general liability and automobile risks including settlements, claims and costs in defense of torts, civil rights, contractual suits, environmental protection and defense of County employees not covered by or in excess of commercial insurance limits. In the fiscal year ended September 30, 1989, the Commissioners' Court transferred the balance of \$ 789,486 into a self-insurance internal service fund. This was done to facilitate control where all costs and claims can be charged to the fund from which the related liability arose. The repayment of these claims and expenses is reported as expenditures/expenses in the respective funds. The self-insurance fund reports the receipt of the interfund repayment as operating revenue with all legal costs and claims reported as an operating expense. Estimated claims payable at September 30, 2011 was \$ 400,000.

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 12 - SELF INSURANCE - Continued**

Insurance Reserve - continued

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, 2011, 2010, and 2009 claims and settlements in excess of insurance coverage amounted to \$ 271,710, \$ 701,368, and \$ 269,487, respectively.

The following is a reconciliation of changes in the aggregate liabilities for claims for the years ended September 30, 2011 and 2010 for both actual and estimated liabilities:

	<u>2011</u>	<u>2010</u>
Claims payable - October 1,	\$ 400,000	\$ 429,247
Incurred claims	271,710	701,368
Payment of claims	<u>( 228,848)</u>	<u>( 730,615)</u>
Claims payable - September 30,	<u>\$ 442,862</u>	<u>\$ 400,000</u>
Claims payable:		
Actual	\$ 42,862	\$
Estimated	<u>400,000</u>	<u>400,000</u>
Total claims payable	<u>\$ 442,862</u>	<u>\$ 400,000</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, 2011.

**NOTE 14 - DEFICIT FUND BALANCES AND NET ASSETS**

As of September 30, 2011, various funds of the County had deficit fund balances as itemized below:

	<u>2011</u>
Fund Balances:	
Special Revenue Funds:	
Oakwood Creek Estates Special Assessment	\$ 382,571

Deficit balances will either be offset by future revenues or reimbursed by the Road and Bridge Fund.

## **BRAZORIA COUNTY, TEXAS**

### *Notes to the Financial Statements*

For The Year Ended September 30, 2011

#### **NOTE 15 - GRANTS, ENTITLEMENTS AND SHARED REVENUES**

During the year ended September 30, 2011, 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, 2011. As of September 30, 2011, bail bonds outstanding totaled \$ 38,745,435 and collateral pledged against these bonds amounted to \$ 3,874,544 (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 February 22, 2012.

Civil Action H-09-3198 styled Alex Melvin Wade, Jr., American Consultant, plaintiff v. Bank of America, N.A. & unknown named employees, Messer Campbell T. Brady, Attorney at Law, Jerry Deere, District Clerk, Brazoria County & unknown named employees, Depot Texas, Craig M. Bechtel Texas CSR, defendants, in the United States District Court for the Southern District of Texas, Houston Division. A former inmate filed suit alleging violation of civil rights. Plaintiff lost in District Court; case currently before appellate court. No demand has been made. Liability is highly unlikely.

Civil Action 3:11-CV-00391 styled William Daniel Moore, plaintiff v. the County of Brazoria, et, al, individually, in the United States District Court for the Southern District of Texas, Galveston Division. A civil rights law suit is in the early stages of litigation. Demand has been made for \$ 7,000,000. The County is unable to form a judgment as to the outcome at this time.

Case No. 60860 styled Brazoria County Drainage District No. 5 and County of Brazoria, plaintiffs v. Anderson H. Hogan and Georgia A. Hogan, defendants, in the 412<sup>th</sup> Judicial District Court of Brazoria County. Counterclaim for frivolous lawsuit – Case set for trial, October 8, 2012; amount unspecified; unable to form judgment as to outcome.

Civil Action 3:10-CV-00071 styled Diana Coates & Margo Green, plaintiffs v. the Brazoria County and James Blackstock, defendants, in the United States District Court for the Southern District of Texas, Galveston Division. Civil Rights Retaliation Litigation. Case set for trial in February 2012; no demand amount specified; unable to form judgment as to outcome.

Case No. 64456 styled Mark Wiggins, plaintiff v. Charles S. Wagner, Brazoria County Sheriff in his official capacity, defendant, in the 412<sup>th</sup> Judicial District Court of Brazoria County. An employee filed a claim for unlawful termination. Case is in early stages of litigation, and no amount has been specified. There is \$ 100,000 damage limit. Unable to form an opinion as to the likely outcome.



## **BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

### **NOTE 17 - LITIGATION - Continued**

Claim filed: A motor vehicle accident involving a County vehicle occurred on June 20, 2011 with seven occupants in the other vehicle. The accident was investigated and injured were transported to hospital with minor injuries. Property damages and personal injury of the two adults have been settled. The County has agreed to settlement amounts for the minors, however, the minor's attorney needs to file a "friendly" lawsuit so the interests of the minors can be represented in court. There is a \$ 40,000 potential liability and this liability is probable.

Potential Claim: A motor vehicle accident involving a County vehicle occurred on September 30, 2011 with property damage only, and no demand has been made. The County is waiting on demand. County is investigating, however, too early to make assessment.

Potential Claim: A motor vehicle accident involving a County vehicle with damage to two vehicles occurred on November 22, 2011. Property damage demand has been made for \$ 8,750: possible personal injury, but no demand has been made. The County is waiting on demand. County is investigating, however, too early to make assessment.

There was \$ 42,862 in actual payables reported at September 30, 2011. 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, 2011.

### **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 reopened its review of the site and mandated further investigation and remediation if appropriate. Brazoria County and the City of Pearland agreed to split evenly the costs of such investigation and remediation because of the fact that both entities at one time had dominion over the property. A phase one study has been presented to the Texas Commission on Environmental Quality (TCEQ). The scope of work in compliance with the findings of the phase one study has also been submitted to the Commission. They responded with another comment letter on November 17, 2004 to which the County responded with a letter to the Commission dated December 30, 2004, agreeing to the installation of a fourth additional groundwater monitoring well. The County's legal and technical representatives met with the Commission on April 20, 2005 and agreed to relocate the three wells. Another comment letter dated October 11, 2005 was received from the Commission after that meeting, and the County's environmental consultants responded by letter on December 14, 2005 and proceeded to install the new monitoring wells in December 2005. Additional sampling was conducted in March 2006, and the new wells were found to not have contamination above applicable TCEQ standards. Results of the latest sampling were reported to TCEQ on October 31, 2006, but no response has been received. At this time the County proposes to leave all existing solid waste and radioactive material deposited at the landfill (as opposed to excavating and removing the same) coupled with a restriction of access and prohibition against future residential use of the site. Periodic future testing and financial assurance may also be necessary. Since the TCEQ has not yet responded to the last submission by the County, the County is not in a position to determine the extent of remediation activities that will ultimately be required in connection with the Landfill.

## **BRAZORIA COUNTY, TEXAS**

### *Notes to the Financial Statements*

For The Year Ended September 30, 2011

#### **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 estimates that the costs for additional work suggested by the Commission would total an additional \$ 27,338. Further, Brazoria County has retained outside assistance in the environmental legal aspects of this matter. To date the County has spent \$ 51,632 in such legal expenses. An additional \$ 10,326 has been authorized for further legal services.

At September 30, 2011, 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.

#### **NOTE 19 - RESTATEMENT OF FUND BALANCE AND NET ASSETS**

Fund Balance:

During the year ended September 30, 2011 the County determined that accounts receivable in the Road and Bridge Fund, for the years ended September 30, 2010 and 2009, was understated in the amount of \$ 163,539 and \$ 8,100, respectively. The County had been reporting expenditures made for the Conoco Phillips FM 524 By-Pass project, when in fact Conoco Phillips has entered into a contract with the County to reimburse all such expenditures. This adjustment resulted in an increase in Road and Bridge (Fund) fund balance and governmental activities net assets, as noted above. This adjustment also resulted in a decrease in Road and Bridge Fund maintenance expenditures and an increase in change in fund balance, and a decrease in governmental activities public transportation expenses and an increase in change in net assets for the year ended September 30, 2010, in the amount of \$ 155,439.

During the year ended September 30, 2011 the County determined (based on new information about the purpose of the fund) that the previously reported Special Revenue Fund – Brazoria County Toll Road Authority (“BCTRA”) should have been reported as an agency fund. This change in reporting resulted in the increase of fund balance in the Special Revenue Funds, for the years ended September 30, 2010 and 2009, and governmental net assets in the amount of \$ 245,690 and \$ 145,207, respectively. This adjustment resulted in an increase of Special Revenue Fund change in fund balance in the amount of \$ 100,483 (decrease in general administration expenditures of \$ 62,825, and a decrease in health and welfare expenditures in the amount of \$ 37,658), for the year ended September 30, 2010. This change also resulted in a decrease in governmental activities expenses and an increase in governmental activities change in net assets for the year ended September 30, 2010, in the amount of \$ 100,483.

During the year ended September 30, 2011 the County determined that fund balance in the TJPC Secure Felony Placement special revenue fund was reported both in the general fund and the special revenue fund. For the year ended September 30, 2010, fund balance was overstated in the amount of \$ 1,310. The County had reported interest income and fund balance in the special revenue fund, when in fact these amounts had been reported in the general fund. This adjustment resulted in a decrease fund balance in the special revenue fund and governmental activities net assets, as noted above. This change also resulted in a decrease in special revenue investment income and an increase in change in fund balance, and a decrease in governmental activities general revenues (investment earnings) and a decrease in change in net assets for the year ended September 30, 2010, in the amount of \$ 1,310.

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 19 - RESTATEMENT OF FUND BALANCE AND NET ASSETS - Continued**

During the year ended September 30, 2011 the County determined that deferred revenue and fund balance in the 2006 Section 8 Housing Choice Vouchers special revenue fund, for the years ended September 30, 2010, was understated in the amount of \$ 66,249. This adjustment resulted in an increase in special revenue fund balance and governmental activities net assets, as noted above. This adjustment also resulted in a decrease in special revenue fund intergovernmental revenues and an increase in change in fund balance, and a decrease in governmental activities program revenue (operating grants and contributions) and an increase in governmental activity change in net assets for the year ended September 30, 2010, in the amount of \$ 66,249.

<u>Road and Bridge Fund</u>	<u>2010</u>	<u>2009</u>
Fund balance, September 30, previously reported	\$ 13,207,253	\$ 12,743,315
Increase in accounts receivable	<u>163,539</u>	<u>8,100</u>
Fund balance, September 30, restated	<u>\$ 13,370,792</u>	12,751,415
Change in fund balance for the year ended September 30, 2010, previously reported	\$ 463,938	
Expenditures:		
Public Transportation:		
Decrease in maintenance expenditures	<u>155,439</u>	
Change in fund balance for the year ended September 30, 2010, restated	<u>\$ 619,377</u>	<u>619,377</u>
Fund balance, September 30, 2010, restated		<u>\$ 13,370,792</u>
 <u>Special Revenue Fund - Brazoria County Toll Road Authority</u>		
Fund balance, September 30, previously reported	\$( 245,690)	\$( 145,207 )
Transfer of BCTRA from special revenue to agency fund	<u>245,690</u>	<u>145,207</u>
Fund balance, September 30, restated	<u>\$ -0-</u>	-0-
Change in fund balance for the year ended September 30, 2010, previously reported	\$( 100,483)	
Expenditures:		
General Administration:		
Decrease in BCTRA expenditures	62,825	
Health and Welfare:		
Decrease in BCTRA expenditures	<u>37,658</u>	
Change in fund balance for the year ended September 30, 2010, restated	<u>\$ -0-</u>	<u>-0-</u>
Fund balance, September 30, 2010, restated		<u>\$ -0-</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 19 - RESTATEMENT OF FUND BALANCE AND NET ASSETS - Continued**

<u>Special Revenue Fund - TJPC Secure Felony Placement</u>	<u>2010</u>	<u>2009</u>
Fund balance, September 30, previously reported	\$ 1,310	\$
Previously reported in general fund	( 1,310)	_____
Fund balance, September 30, restated	<u>\$ -0-</u>	-0-
Change in fund balance for the year ended September 30, 2010, previously reported	\$ 1,310	
Revenues:		
Investment Income:		
Decrease in investment income	( 1,310)	
Change in fund balance for the year ended September 30, 2010, restated	<u>\$ -0-</u>	-0-
Fund balance, September 30, 2010, restated		<u>\$ -0-</u>
 <u>Special Revenue Fund - 2006 Section 8 Housing Choice Vouchers</u>	 <u>2010</u>	 <u>2009</u>
Fund balance, September 30, previously reported	\$ 35,620	\$ 34,600
Decrease in deferred revenues	<u>66,249</u>	_____
Fund balance, September 30, restated	<u>\$ 101,869</u>	34,600
Change in fund balance for the year ended September 30, 2010, previously reported	\$ 1,020	
Revenues:		
Intergovernmental:		
Increase in intergovernmental revenue	<u>66,249</u>	
Change in fund balance for the year ended September 30, 2010, restated	<u>\$ 67,269</u>	<u>67,269</u>
Fund balance, September 30, 2010, restated		<u>\$ 101,869</u>

Net Assets:

During the year ended September 30, 2011 the County determined that capital assets at September 30, 2010 had been understated in the amount of \$ 247,633. During the year ended September 30, 2010, capital assets were reported as non-capital expenditures and were not detected until the County began closing out construction in progress programs. This adjustment resulted in an increase in special revenue fund balance and governmental activities net assets, as noted above. This adjustment also resulted in an increase in governmental activities net assets (investment in capital assets, net of related debt), as noted above. This adjustment also resulted in a decrease in governmental activities expenses (public transportation) and an increase in change in net assets for the year ended September 30, 2010, in the amount of \$ 247,633. This adjustment had no effect on governmental funds fund balance.

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 19 - RESTATEMENT OF FUND BALANCE AND NET ASSETS - Continued**

Net Assets - Continued

During the year ended September 30, 2011 the County obtained a current actuarial valuation for the Post Employment Medical Care Plan (see note 11), an Other Post Employment Benefit (OPEB), and determined that contributions had not equaled or exceeded the annual OPEB costs, resulting in a net OPEB obligation in both current and prior years. The liability at September 30, 2010 of \$ 1,625,918 (\$ 1,613,361 in governmental activities and \$ 12,557 in business-like activities and the enterprise fund) and changes in the liability for the year ended September 30, 2010 of \$ 552,224 (\$ 547,959 in governmental activities and \$ 4,265 in business-like activities and the enterprise fund) was required to be reported in the government-wide Statement of Net Assets and the Statement of Activities, as well as the Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets of the enterprise fund. Further, these changes resulted in a decrease in net assets at September 30, 2010 and 2009 of \$ 1,625,918 (\$ 1,613,361 in governmental activities and \$ 12,557 in business-like activities and the enterprise fund) and \$ 1,073,694 (\$ 1,065,402 in governmental activities and \$ 8,292 in business-like activities and the enterprise fund), respectively. This adjustment had no effect on governmental funds fund balance.

<u>Enterprise Fund (Airport)</u>	<u>2010</u>	<u>2009</u>
Net assets, September 30, previously reported	\$ 18,880,602	\$ 11,514,149
Increase in net OPEB obligation	( 12,557)	( 8,292)
Fund balance, September 30, restated	<u>\$ 18,868,045</u>	11,505,857
Change in net assets for the year ended September 30, 2010, previously reported	\$ 7,366,453	
Expenses:		
Airport:		
Increase in OPEB expense	( 4,265)	
Change in net assets for the year ended September 30, 2010, restated	<u>\$ 7,362,188</u>	<u>7,362,188</u>
Net assets, September 30, 2010, restated		<u>\$ 18,868,045</u>
 <u>Business-Type Activities</u>	 <u>2010</u>	 <u>2009</u>
Net assets, September 30, previously reported	\$ 18,880,802	\$ 11,512,133
Increase in net OPEB obligation	( 12,557)	( 8,292)
Fund balance, September 30, restated	<u>\$ 18,868,245</u>	11,503,841
Change in net assets for the year ended September 30, 2010, previously reported	\$ 7,369,569	
Expenses:		
Airport:		
Increase in self funded health expense	( 900)	
Increase in OPEB expense	( 4,265)	
Change in net assets for the year ended September 30, 2010, restated	<u>\$ 7,364,404</u>	<u>7,364,404</u>
Net assets, September 30, 2010, restated		<u>\$ 18,868,245</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 19 - RESTATEMENT OF FUND BALANCE AND NET ASSETS - Continued**

Net Assets - Continued

<u>Governmental Activities</u>	<u>2010</u>	<u>2009</u>
Net assets, September 30, previously reported	\$ 184,440,213	\$ 174,005,069
Increase in capital assets	247,633	
Increase in accounts receivable – Conoco Phillips	163,539	8,100
Increase in net OPEB obligation	( 1,613,361)	( 1,065,402)
Transfer of BCTRA from special revenue to agency fund	245,690	145,207
Previously reported in general fund	( 1,310)	
Decreased in deferred revenues	<u>66,249</u>	
Fund balance, September 30, restated	<u>\$ 183,548,653</u>	173,092,974
Change in net assets for the year ended September 30, 2010, previously reported	\$ 10,435,144	
Program Revenue:		
Operating Grants and Contributions:		
Increase in Public Transportation revenues	66,249	
General Revenue:		
Unrestricted Investment Earnings:		
Decrease in investment income	( 1,310)	
Expenses:		
General Administration:		
Increase in OPEB expense	( 33,115)	
Decrease in BCTRA expenses	62,825	
Judicial and Legal:		
Increase in OPEB expense	( 83,185)	
Financial Administration:		
Increase in OPEB expense	( 47,248)	
Public Facilities:		
Increase in OPEB expense	( 9,779)	
Public Safety:		
Increase in OPEB expense	( 89,520)	
Corrections:		
Increase in OPEB expense	( 116,803)	
Public Transportation:		
Increase in OPEB expense	( 75,286)	
Decrease in maintenance expenses	403,072	
Health and Welfare:		
Increase in OPEB expense	( 39,711)	
Decrease in BCTRA expenses	37,658	
Culture and Recreation:		
Increase in OPEB expense	( 48,744)	
Conservation:		
Increase in OPEB expense	( 2,756)	
Environmental protection:		
Increase in OPEB expense	<u>( 1,812)</u>	
Change in net assets for the year ended September 30, 2010, restated	<u>\$ 10,455,679</u>	10,455,679
Net assets, September 30, 2010, restated		<u>\$ 183,548,653</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2011

**NOTE 20 – EVALUATION OF SUBSEQUENT EVENTS**

The County has evaluated subsequent events through February 22, 2012, the date which the financial statements were available to be issued.

**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, 2011

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 75,080,313	\$ 76,342,925	\$ 78,613,207	\$ 2,270,282
Intergovernmental	1,367,914	1,415,068	1,622,995	207,927
Charges for services	6,255,800	6,255,800	7,635,729	1,379,929
Licenses and permits	1,085,250	1,085,250	1,365,415	280,165
Fines and forfeitures	2,800,050	2,800,050	3,852,375	1,052,325
Special assessments				-0-
Investment income	700,000	700,000	812,718	112,718
Miscellaneous	<u>1,054,000</u>	<u>1,119,937</u>	<u>1,517,200</u>	<u>397,263</u>
Total revenues	<u>88,343,327</u>	<u>89,719,030</u>	<u>95,419,639</u>	<u>5,700,609</u>
Expenditures:				
Current:				
General administration	6,079,942	7,202,305	6,834,396	367,909
Judicial and legal	16,836,468	16,539,576	15,718,991	820,585
Financial administration	9,630,099	9,778,251	9,142,050	636,201
Elections	302,083	320,876	284,859	36,017
Public facilities	4,693,102	4,779,342	4,386,998	392,344
Public safety	16,023,697	17,133,023	16,687,125	445,898
Corrections	20,028,728	21,938,553	21,024,109	914,444
Public transportation				-0-
Health and welfare	4,241,636	4,706,869	4,297,449	409,420
Public assistance	296,000	296,000	296,000	-0-
Culture and recreation	8,444,749	8,974,604	8,460,543	514,061
Conservation	341,450	342,442	337,521	4,921
Environmental protection	228,859	230,992	225,825	5,167
Capital outlay				-0-
Total expenditures	<u>87,146,813</u>	<u>92,242,833</u>	<u>87,695,866</u>	<u>4,546,967</u>
Excess (deficiency) of revenues over expenditures	<u>1,196,514</u>	<u>( 2,523,803)</u>	<u>7,723,773</u>	<u>10,237,576</u>
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	35,000	35,000	217,985	182,985
Transfers in	200,000	200,000	200,000	-0-
Transfers out	<u>( 2,473,500)</u>	<u>( 1,803,066)</u>	<u>( 909,338)</u>	<u>893,728</u>
Total other financing sources (uses)	<u>( 2,238,500)</u>	<u>( 1,568,066)</u>	<u>( 491,353)</u>	<u>1,076,713</u>
Net change in fund balances	<u>( 1,041,986)</u>	<u>( 4,091,869)</u>	<u>7,232,420</u>	<u>11,314,289</u>
Fund balances – beginning (restated)	<u>31,222,862</u>	<u>31,222,862</u>	<u>31,222,862</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 30,180,876</u>	<u>\$ 27,128,993</u>	<u>\$ 38,455,282</u>	<u>\$ 11,314,289</u>

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

Road and Bridge Fund			
Budgeted Amounts			Variance With Final Budget Positive (Negative)
Original	Final	Actual	
\$ 17,993,602	\$ 18,180,034	\$ 18,021,108	\$( 158,926)
	30,000	367,253	337,253
1,500	1,500	1,136	( 364)
610,000	610,000	707,582	97,582
		-0-	-0-
		100,268	100,268
250,000	250,000	208,406	( 41,594)
	7,386,150	21,977	( 7,364,173)
18,855,102	26,457,684	19,427,730	( 7,029,954)
			-0-
			-0-
			-0-
			-0-
			-0-
			-0-
			-0-
			-0-
			-0-
			-0-
2,151,400	2,262,736	4,203,726	( 1,940,990)
20,479,202	29,492,294	21,403,540	8,088,754
( 1,624,100)	( 3,034,610)	( 1,975,810)	1,058,800
50,000	50,000	400	( 49,600)
			-0-
( 100,000)	( 382,300)	( 386,658)	( 4,358)
( 50,000)	( 332,300)	( 386,258)	( 53,958)
( 1,674,100)	( 3,366,910)	( 2,362,068)	1,004,842
13,370,792	13,370,792	13,370,792	-0-
\$ 11,969,692	\$ 10,003,882	\$ 11,008,724	\$ 1,004,842

**BRAZORIA COUNTY, TEXAS**

Exhibit 11

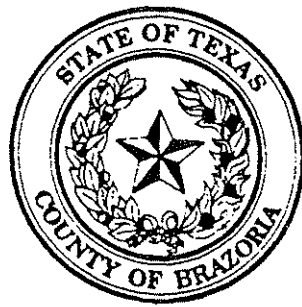
REQUIRED SUPPLEMENTARY INFORMATION  
 TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM  
 SCHEDULE OF FUNDING PROGRESS  
 LAST THREE YEARS

Actuarial Valuation Date	Actuarial Value of Assets*	Actuarial Accrued Liability* (AAL)- (b)	Unfunded AAL (UAAL) (b-a)	Percentage Funded (a/b)	Annual Covered Payroll** (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
12-31-08	\$ 127,379,170	\$ 150,672,455	\$ 23,293,285	84.54%	\$ 55,697,618	41.82%
12-31-09	141,509,411	164,484,412	22,975,001	86.03%	56,517,212	40.65%
12-31-10	149,273,671	175,537,311	26,263,640	85.04%	56,717,078	46.31%

\* 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 30<sup>th</sup> 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.

**Oakwood Creek Estates 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.

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

**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 with the TJPC and submits reports quarterly with an annual contract report submitted as of each fiscal year ended August 31.

**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. 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 - 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. 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 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. 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 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. 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.

**Juvenile Justice Alternative Education Program (JJAEP)** - 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.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**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.

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

**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) – RLSS-LPHS** - This fund accounts for grant proceeds awarded to provide outreach, education, testing and tracking STD/TB.

**Texas Department of State Health Services (TDSHS) – RLSS-SSBG** - This fund accounts for a one time grant awarded to purchase supplies and equipment used to provide outreach, education, testing and tracking STD/TB.

**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.



## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**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.

**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.

**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 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.

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

**CPS Title IV E Foster Care/Maintenance** - 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.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**Justice Assistance Grant Recovery** - This fund accounts for grant proceeds awarded through the United States department of Justice Office of the Justice Programs (OJP) under the American Recovery and Reinvestment Act of 2009 for local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support, and information systems for criminal justice, as well as research and evaluation activities that will improve or enhance: law enforcement programs; prosecution and court programs; prevention and education programs; corrections and community correction programs; drug treatment and enforcement programs; planning; evaluation; and technology improvement programs; and crime victim and witness programs (other than compensation).

**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.

**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.

**EOC Retrofit Project** - This fund accounts for grant proceeds from The Federal Emergency Management Agency (FEMA) through the Hazard Mitigation Grant Program (HMGP) to harden Brazoria County's Emergency Operations Center (EOC).

**EOCGP Emergency Operations Center** - This fund accounts for grant proceeds awarded through the United States Department of Homeland Security - Fiscal Year (FY) 2010 Emergency Operation Center Grant Program (EOCGP) to build an Emergency Operations Center.

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

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**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.

**HGAC Parks Solid Waste** - 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, source reduction and recycling, and technical studies.

**2007 - 2010 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.

**2010 CDBG Disaster Recovery Alternative** - This fund accounts for grant proceeds from Texas Department of Rural Affairs (TDRA) Disaster Recovery Division for non-housing hurricane recovery activities funded by the U.S. Department of Housing and Urban Development (HUD).

**2005 – 2011 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 County Clerk** - The "Records Management and Preservation" fee collected by the County Clerk pursuant to Local Government Code 118.011 is for the records management and preservation services performed after the filing and recording of a document in the records of the office of the clerk. The fee is used to provide funds for specific records preservation and automation projects.

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

**Records Archive 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.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**Records Preservation County/District Clerk** – This fund accounts for the mandate in House Bill 3637 that the District Clerk shall collect a filing fee of \$ 10 in each civil case filed. The County Clerk shall collect a filing fee of \$ 5 in each civil case filed. These funds are restricted to digitize and preserve court records from natural disasters. Commissioners' Court approved this fee on September 8, 2009.

**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.

**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.

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

**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.

**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.

**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.

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

**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 9-1-1 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.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**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.

**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.

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

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

**CMP Erosion Response** - This fund accounts for funding from the General Land Office to provide financial assistance with funds received under the Texas Coastal Management Program (CMP) Cycle 15 for implementation of a coastal zone management project.

**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.

**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.

**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.

**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

**Behavior Management Program (Gang Education)** – This fund accounts for grant proceeds awarded through the U.S. Department of Justice, Office of Juvenile Justice and Delinquency Prevention through the Criminal Justice Division to assist in reducing juvenile offending through accountability based programs of juvenile offenders. The proceeds are used to create a state mandated gang education program, early intervention and awareness for at-risk juveniles and their families.

**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 Supplemental Environmental Parks Project (SEP)** - This fund accounts for proceeds awarded through the Texas Commission on Environmental Quality (TCEQ) for replacement of gasoline and diesel powered lawn mowers, heavy equipment, and vehicles with lower-emission items to reduce air pollution emissions.

**TCEQ Supplemental Environmental Project (SEP)** - 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.

**Parks & Wildlife Boating Access** - This fund accounts for grant proceeds awarded through the Texas Parks & Wildlife Department which receives funding from the Federal Aid in Sport Fish Restoration Act for public recreational boating access.

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

### 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.

## NONMAJOR GOVERNMENTAL FUNDS

### Debt Service Funds – Continued

**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.

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

### 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.

**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 coastal areas.

**Hwy 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.

**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.

**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.

## NONMAJOR GOVERNMENTAL FUNDS

### Capital Projects Funds - Continued

**Quintana Park Beach Boardwalk** - This fund accounts for grant proceeds awarded through the United States Department of Commerce, National Oceanic and Atmospheric Administration (NOAA) filtered through the General Land Office (GLO) Coastal Management Program (CMP) for implementation of a coastal zone management project.

**Energy Efficiency and Conservation (EECBG) Block Grant** - This fund accounts for grant proceeds from the United States Department of Energy through the Golden Field Office to create and implement a variety of energy efficiency and conservation projects.

**Brazoria County Dune Restoration** – This fund accounts for proceeds from the General Land Office to provide financial assistance with funds received under the Texas Coastal Management Program (CMP) Cycle 14 for dune restoration in Brazoria County.

**Follet's Beach Access Point** – This fund accounts for proceeds from the General Land Office to provide financial assistance with funds received under the Texas Coastal Management Program (CMP) Cycle 14 to construct parking and pedestrian beach access through a parcel of property within .8 miles of San Luis Pass County Park to access the beach.

**SJP Waterfront Revitalization** – This fund accounts for proceeds from the General Land Office to provide financial assistance with funds received under the Texas Coastal Management Program (CMP) Cycle 14 to revitalize Surfside Jetty Park waterfront by reconstructing a footbridge and overlaying an existing walking trail.



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

	<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	\$ 24,033	\$ 400	\$ 1,929,181
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 24,033</u>	<u>\$ 400</u>	<u>\$ 1,929,181</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$	\$
Due to other funds			
Deferred revenue			
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>Fund Balance (Deficit):</u>			
Non-spendable			
Restricted	24,033	400	1,929,181
Committed			
Unassigned			
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>24,033</u>	<u>400</u>	<u>1,929,181</u>
Total liabilities and fund balance	<u>\$ 24,033</u>	<u>\$ 400</u>	<u>\$ 1,929,181</u>

Revenue Funds

Oakwood Creek Estates 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
\$	\$	\$	\$	\$	\$
1,058,201					
<u>\$ 1,058,201</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
\$ 10,819	\$	\$	\$	\$	\$
371,752					
<u>1,058,201</u>					
<u>1,440,772</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
( 382,571)					
<u>( 382,571)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 1,058,201</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	Special		
	County Road 257 Repairs Fund	TJPC State Aid Fund	TJPC Community Corrections Fund
<u>Assets</u>			
Cash and temporary investments	\$	\$ 131,205	\$
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments	151,412		
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivable:			
Accounts			
Total assets	\$ 151,412	\$ 131,205	\$ -0-
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$ 12,475	\$ 45,804	\$
Due to other funds	138,937		
Deferred revenue		85,401	
Total liabilities	151,412	131,205	-0-
<u>Fund Balance (Deficit):</u>			
Non-spendable			
Restricted			
Committed			
Unassigned			
Total fund balance	-0-	-0-	-0-
Total liabilities and fund balance	\$ 151,412	\$ 131,205	\$ -0-

Revenue Funds

TJPC Salary Adjustment Funding Fund	TJPC Title IV-E Foster Care Fund	TJPC Progressive Sanctions JPO Fund	TJPC Progressive Sanctions ISP Fund	TJPC Diversionary Placement Fund	TJPC Intensive Community Based Program Fund
\$	\$	\$	\$	\$ 1,214	\$
	3,974				
<u>\$ -0-</u>	<u>\$ 3,974</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1,214</u>	<u>\$ -0-</u>
\$	\$ 3,974	\$	\$	\$ 1,214	\$
<u>-0-</u>	<u>3,974</u>	<u>-0-</u>	<u>-0-</u>	<u>1,214</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>\$ 3,974</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1,214</u>	<u>\$ -0-</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	<u>Special</u>		
	<u>JJAEP Boot Camp Fund</u>	<u>CJD Juvenile Incentive Block Grant Fund</u>	<u>Juvenile Case Manager Fund</u>
<u>Assets</u>			
Cash and temporary investments	\$	\$	\$ 146,571
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments	15,482	2,895	
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
Total assets	<u>\$ 15,482</u>	<u>\$ 2,895</u>	<u>\$ 146,571</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$ 14,046	\$ 418	\$ 2,113
Due to other funds	1,436	2,477	
Deferred revenue			
Total liabilities	<u>15,482</u>	<u>2,895</u>	<u>2,113</u>
<u>Fund Balance (Deficit):</u>			
Non-spendable			
Restricted			144,458
Committed			
Unassigned			
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>144,458</u>
Total liabilities and fund balance	<u>\$ 15,482</u>	<u>\$ 2,895</u>	<u>\$ 146,571</u>

Revenue Funds

Family Protection Fund	State Alien Assistance Fund	TDSHS Immunization Fund	TDSHS Supplemental Food Program WIC Fund	TDSHS RLSS- LPHS Fund	TDSHS RLSS- SSBG Fund
\$ 108,031	\$ 40,470	\$	\$	\$	\$
		66			
		44,899	97,046	3,000	
			10,309	3,000	
\$ 108,031	\$ 40,470	\$ 44,965	\$ 107,355	\$ 6,000	\$ -0-
\$	\$	2,621	20,941	\$	\$
		42,344	86,414	6,000	
	40,470				
-0-	40,470	44,965	107,355	6,000	-0-
108,031			10,309	3,000	
			( 10,309)	( 3,000)	
108,031	-0-	-0-	-0-	-0-	-0-
\$ 108,031	\$ 40,470	\$ 44,965	\$ 107,355	\$ 6,000	\$ -0-

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	TDSHS WIC Peer Counseling Program Fund	TDSHS WIC Registered Dietician Fund	Special 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	27,180	7,636	2,522
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
Total assets	<u>\$ 27,180</u>	<u>\$ 7,636</u>	<u>\$ 2,522</u>
<u>Liabilities and Fund Balance</u>			
Liabilities:			
Accounts and accrued liabilities payable	\$ 7,444	\$	\$ 537
Due to other funds	19,736	7,636	1,985
Deferred revenue			
Total liabilities	<u>27,180</u>	<u>7,636</u>	<u>2,522</u>
Fund Balance (Deficit):			
Non-spendable			
Restricted			
Committed			
Unassigned			
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities and fund balance	<u>\$ 27,180</u>	<u>\$ 7,636</u>	<u>\$ 2,522</u>

Revenue Funds

TDSHS WIC-OA Vendor Activities Fund	TDSHS WIC Special Allocation Fund	TDSHS WIC Obesity SHOP/FIT Fund	TDSHS Cities Readiness Initiative Fund	TDSHS Bioterrorism Grant Fund	CSCD Bond Supervision Fund
\$	\$	\$	\$	\$	\$ 1,068
701		1,566	16,480	22,704	
<u>701</u>	<u>-0-</u>	<u>1,566</u>	<u>16,480</u>	<u>22,704</u>	<u>1,068</u>
\$ 701	\$	\$ 1,566	\$ 181 16,299	\$ 4,028 18,676	\$ 569
<u>701</u>	<u>-0-</u>	<u>1,566</u>	<u>16,480</u>	<u>22,704</u>	<u>569</u>
					499
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>499</u>
<u>701</u>	<u>-0-</u>	<u>1,566</u>	<u>16,480</u>	<u>22,704</u>	<u>1,068</u>

(continued)



**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	<u>Special</u>		
	<u>CPS Title IV-E Foster Care/ Maintenance Fund</u>	<u>CPS Title IV-E Legal Services Fund</u>	<u>CPS Title IV-B (Concrete) Fund</u>
<u>Assets</u>			
Cash and temporary investments	\$	\$	\$
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments	15,505	6,099	47
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
Total assets	<u>\$ 15,505</u>	<u>\$ 6,099</u>	<u>\$ 47</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$ 4,533	\$ 2,249	\$
Due to other funds	10,972	3,850	47
Deferred revenue			
Total liabilities	<u>15,505</u>	<u>6,099</u>	<u>47</u>
<u>Fund Balance (Deficit):</u>			
Non-spendable			
Restricted			
Committed			
Unassigned			
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities and fund balance	<u>\$ 15,505</u>	<u>\$ 6,099</u>	<u>\$ 47</u>

Revenue Funds

Victim Assistance Grant 02G00551 Fund	Crime Victim Assistance Fund	Justice Assistance Grant Recovery Fund	Justice Assistance Grant (JAG) Fund	Justice Court Technology Fund	DEA Narcotics OT Expense Program Fund
\$	\$	\$	\$ 10,578	\$ 392,139	\$
3,500	28,633				127
<u>\$ 3,500</u>	<u>\$ 28,633</u>	<u>\$ -0-</u>	<u>\$ 10,578</u>	<u>\$ 392,139</u>	<u>\$ 127</u>
\$ 974 2,526	\$ 3,036 25,597	\$	\$	\$	\$
			10,289		127
<u>3,500</u>	<u>28,633</u>	<u>-0-</u>	<u>10,289</u>	<u>-0-</u>	<u>127</u>
			289	392,139	
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>289</u>	<u>392,139</u>	<u>-0-</u>
<u>\$ 3,500</u>	<u>\$ 28,633</u>	<u>\$ -0-</u>	<u>\$ 10,578</u>	<u>\$ 392,139</u>	<u>\$ 127</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	Special		
	JP Building Security Fund	Shoreline Restoration Task Force Fund	State Homeland Security Programs Fund
<u>Assets</u>			
Cash and temporary investments	\$ 88,851	\$ 12,366	\$
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			83,026
Due from other funds			
Inventory			
Prepaid expenditures		850	
Long-Term Receivables:			
Accounts			
Total assets	\$ 88,851	\$ 13,216	\$ 83,026
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$	\$ 55,180
Due to other funds			27,846
Deferred revenue			
Total liabilities	-0-	-0-	83,026
<u>Fund Balance (Deficit):</u>			
Non-spendable		850	
Restricted	88,851	12,366	
Committed			
Unassigned			
Total fund balance	88,851	13,216	-0-
Total liabilities and fund balance	\$ 88,851	\$ 13,216	\$ 83,026

Revenue Funds

EOC Retrofit Project Fund	EOCGP Emergency Operations Center Fund	Law Enforcement Officers Standards & Education Fund	Organized Crime Drug Enforcement Fund	Texas VINE Contract Fund	HGAC Parks Solid Waste Fund
\$	\$	\$ 63,775	\$	\$	\$
84,956	37,053			2,559	5,612
<u>\$ 84,956</u>	<u>\$ 37,053</u>	<u>\$ 63,775</u>	<u>\$ -0-</u>	<u>\$ 2,559</u>	<u>\$ 5,612</u>
\$ 84,956	\$ 14,586 22,467	\$ 159	\$	\$ 2,559	\$ 5,612
<u>84,956</u>	<u>37,053</u>	<u>159</u>	<u>-0-</u>	<u>2,559</u>	<u>5,612</u>
		63,616			
<u>-0-</u>	<u>-0-</u>	<u>63,616</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 84,956</u>	<u>\$ 37,053</u>	<u>\$ 63,775</u>	<u>\$ -0-</u>	<u>\$ 2,559</u>	<u>\$ 5,612</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	<u>Special</u>		
	<u>2007</u> CDBG County (HUD) Fund	<u>2008</u> CDBG County (HUD) Fund	<u>2009</u> CDBG County (HUD) Fund
<u>Assets</u>			
Cash and temporary investments	\$	\$ 693	\$
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			15,155
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ -0-</u>	<u>\$ 693</u>	<u>\$ 15,155</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$ 693	\$ 8,090
Due to other funds			7,065
Deferred revenue			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>-0-</u>	<u>693</u>	<u>15,155</u>
<u>Fund Balance (Deficit):</u>			
Non-Spendable			
Restricted			
Committed			
Unassigned			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities and fund balance	<u>\$ -0-</u>	<u>\$ 693</u>	<u>\$ 15,155</u>

Revenue Funds

2010 CDBG County (HUD) Fund	2010 CDBG Disaster Recovery Alternative 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
\$	\$	\$ 34,937	\$ 326,593	\$ 222,776	\$ 93,084
57,797	288,468				
<u>\$ 57,797</u>	<u>\$ 288,468</u>	<u>\$ 34,937</u>	<u>\$ 326,593</u>	<u>\$ 222,776</u>	<u>\$ 93,084</u>
\$ 27,765 30,032	\$ 251,934 36,534	\$	\$	\$	\$
			223,697	204,173	56,297
<u>57,797</u>	<u>288,468</u>	<u>-0-</u>	<u>223,697</u>	<u>204,173</u>	<u>56,297</u>
		34,937	102,896	18,603	36,787
<u>-0-</u>	<u>-0-</u>	<u>34,937</u>	<u>102,896</u>	<u>18,603</u>	<u>36,787</u>
<u>\$ 57,797</u>	<u>\$ 288,468</u>	<u>\$ 34,937</u>	<u>\$ 326,593</u>	<u>\$ 222,776</u>	<u>\$ 93,084</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	2009 Section 8 Housing Choice Vouchers Fund	2010 Section 8 Housing Choice Vouchers Fund	Special 2011 Section 8 Housing Choice Vouchers Fund
<u>Assets</u>			
Cash and temporary investments	\$ 80,611	\$ 324,569	\$ 61,012
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts	69		
Special assessments			
Due from other governments			15,934
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
Total assets	<u>\$ 80,680</u>	<u>\$ 324,569</u>	<u>\$ 76,946</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$	\$ 5,213
Due to other funds			
Deferred revenue		<u>207,668</u>	
Total liabilities	<u>-0-</u>	<u>207,668</u>	<u>5,213</u>
<u>Fund Balance (Deficit):</u>			
Non-spendable			
Restricted	80,680	116,901	71,733
Committed			
Unassigned			
Total fund balance	<u>80,680</u>	<u>116,901</u>	<u>71,733</u>
Total liabilities and fund balance	<u>\$ 80,680</u>	<u>\$ 324,569</u>	<u>\$ 76,946</u>

Revenue Funds

Records Management County Clerk Fund	Records Management District Clerk Fund	Record Archive County Clerk Fund	Record Archive District Clerk Fund	Records Preservation County/District Clerk Fund	Civil, Criminal & Probate Records Management Fund
\$ 1,455,684	\$ 220,847	\$ 421,498	\$ 48,734	\$ 100,950	\$ 982,972
<u>1,455,684</u>	<u>220,847</u>	<u>421,498</u>	<u>48,734</u>	<u>100,950</u>	<u>982,972</u>
\$ 30,599	\$ -	\$ 2,677	\$ -	\$ 10	\$ 1,793
<u>30,599</u>	<u>-0-</u>	<u>2,677</u>	<u>-0-</u>	<u>10</u>	<u>1,793</u>
1,425,085	220,847	418,821	48,734	100,940	981,179
<u>1,425,085</u>	<u>220,847</u>	<u>418,821</u>	<u>48,734</u>	<u>100,940</u>	<u>981,179</u>
<u>\$ 1,455,684</u>	<u>\$ 220,847</u>	<u>\$ 421,498</u>	<u>\$ 48,734</u>	<u>\$ 100,950</u>	<u>\$ 982,972</u>

(continued)



**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	<u>Special</u>		
	<u>Financial Security Fund</u>	<u>County/ District Court Technology Fund</u>	<u>Law Library Fund</u>
<u>Assets</u>			
Cash and temporary investments	\$ 190,965	\$ 17,283	\$ 393,949
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			665
Special assessments			
Due from other governments			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
Total assets	<u>\$ 190,965</u>	<u>\$ 17,283</u>	<u>\$ 394,614</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$	\$ 13,749
Due to other funds			
Deferred revenue			
Total liabilities	<u>-0-</u>	<u>-0-</u>	<u>13,749</u>
<u>Fund Balance (Deficit):</u>			
Non-spendable			
Restricted	190,965	17,283	380,865
Committed			
Unassigned			
Total fund balance	<u>190,965</u>	<u>17,283</u>	<u>380,865</u>
Total liabilities and fund balance	<u>\$ 190,965</u>	<u>\$ 17,283</u>	<u>\$ 394,614</u>

Revenue Funds

Lone Star Library Grant Fund	Mosquito Control District Fund	County Graffiti Eradication Fund	HGAC 911 Addressing Fund	Child Abuse Prevention Fund	Economic Development Tax Abatement Fund
\$	\$ 592,003	\$ 2,187	\$ 1,527	\$ 3,451	\$ 1,521
	32,280				
	343,783				
<u>\$ -0-</u>	<u>\$ 968,066</u>	<u>\$ 2,187</u>	<u>\$ 1,527</u>	<u>\$ 3,451</u>	<u>\$ 1,521</u>
\$	\$ 37,863	\$	\$ 314	\$	\$
	28,348				
<u>-0-</u>	<u>66,211</u>	<u>-0-</u>	<u>314</u>	<u>-0-</u>	<u>-0-</u>
	343,783				
	558,072	2,187	1,213	3,451	1,521
<u>-0-</u>	<u>901,855</u>	<u>2,187</u>	<u>1,213</u>	<u>3,451</u>	<u>1,521</u>
<u>\$ -0-</u>	<u>\$ 968,066</u>	<u>\$ 2,187</u>	<u>\$ 1,527</u>	<u>\$ 3,451</u>	<u>\$ 1,521</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	<u>Special</u>		
	<u>Mutual Fire Protection &amp; Disbursement Assistance Fund</u>	<u>Reliant Energy CARE/RELIEF Program Fund</u>	<u>United Way Emergency Assistance Fund</u>
<u>Assets</u>			
Cash and temporary investments	\$ 5,379	\$ 10,886	\$ 38,876
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 5,379</u>	<u>\$ 10,886</u>	<u>\$ 38,876</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$	\$
Due to other funds			
Deferred revenue	<u>5,379</u>	<u></u>	<u></u>
Total liabilities	<u>5,379</u>	<u>-0-</u>	<u>-0-</u>
<u>Fund Balance (Deficit):</u>			
Non-spendable			
Restricted		10,886	38,876
Committed			
Unassigned			
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>-0-</u>	<u>10,886</u>	<u>38,876</u>
Total liabilities and fund balance	<u>\$ 5,379</u>	<u>\$ 10,886</u>	<u>\$ 38,876</u>

Revenue Funds

Vital Statistics Fee Fund	Flood Protection Planning Contract Fund	CMP Erosion Response Plan Fund	Elections HAVA Equipment Rental Fund	Elections Services Contract Fund	Elections HAVA Grant Fund
\$ 14,541	\$	\$	\$ 128,030	\$ 40,842	\$
		15,251			
<u>14,541</u>	<u>-0-</u>	<u>15,251</u>	<u>128,030</u>	<u>40,842</u>	<u>-0-</u>
\$ 982	\$	\$	\$ 1,302	\$	\$
		15,251			
<u>982</u>	<u>-0-</u>	<u>15,251</u>	<u>1,302</u>	<u>-0-</u>	<u>-0-</u>
13,559			126,728	40,842	
<u>13,559</u>	<u>-0-</u>	<u>-0-</u>	<u>126,728</u>	<u>40,842</u>	<u>-0-</u>
<u>14,541</u>	<u>-0-</u>	<u>15,251</u>	<u>128,030</u>	<u>40,842</u>	<u>-0-</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	<u>Special</u>		
	<u>Voter Registration Tax Office Fund</u>	<u>Buffer Zone Protection Program Fund</u>	<u>Drug Court Program Fund</u>
<u>Assets</u>			
Cash and temporary investments	\$	\$	\$
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments	27,265		62,462
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
Total assets	<u>\$ 27,265</u>	<u>\$ -0-</u>	<u>\$ 62,462</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$	\$ 3,594
Due to other funds	27,265		58,868
Deferred revenue			
Total liabilities	<u>27,265</u>	<u>-0-</u>	<u>62,462</u>
<u>Fund Balance (Deficit):</u>			
Non-spendable			
Restricted			
Committed			
Unassigned			
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities and fund balance	<u>\$ 27,265</u>	<u>\$ -0-</u>	<u>\$ 62,462</u>

Revenue Funds

<u>Parks Improvement Fund</u>	<u>Behavioral Management Program (Gang Education) Fund</u>	<u>TCEQ LIRAP Program Fund</u>	<u>TCEQ Supplemental Environmental Parks Project Fund</u>	<u>TCEQ Supplemental Environmental Project Fund</u>	<u>Parks &amp; Wildlife Boating Access Fund</u>
\$ 1,000	\$	\$	\$ 210,932	\$ 40,725	\$
			1,833		27,900
<u>\$ 1,000</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 212,765</u>	<u>\$ 40,725</u>	<u>\$ 27,900</u>
\$	\$	\$	\$	\$	\$ 1,949 25,951
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>27,900</u>
1,000			212,765	40,725	
<u>1,000</u>	<u>-0-</u>	<u>-0-</u>	<u>212,765</u>	<u>40,725</u>	<u>-0-</u>
<u>\$ 1,000</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 212,765</u>	<u>\$ 40,725</u>	<u>\$ 27,900</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	Special Revenue Funds		Debt
	2006 GoM Energy Security Fund	Total Special Revenue Funds	C of O Sheriff and Detention Complex Series 1993 Fund
<u>Assets</u>			
Cash and temporary investments	\$ 40,612	\$ 9,059,551	\$ 2,228,092
Receivable (Net of Allowance for Uncollectible):			
Taxes		32,280	64,060
Accounts		800	
Special assessments		1,058,201	
Due from other governments		1,174,846	
Due from other funds		1,833	
Inventory		343,783	
Prepaid expenditures		14,159	
Long-Term Receivables:			
Accounts		-0-	
	\$ 40,612	\$ 11,685,453	\$ 2,292,152
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$ 595,013	\$
Due to other funds		1,104,899	
Deferred revenue		1,919,923	56,526
	-0-	3,619,835	56,526
<u>Fund Balance (Deficit):</u>			
Non-spendable		357,942	
Restricted	40,612	7,720,985	2,235,626
Committed		-0-	
Unassigned		( 13,309)	
	40,612	8,065,618	2,235,626
Total fund balance	40,612	8,065,618	2,235,626
Total liabilities and fund balance	\$ 40,612	\$ 11,685,453	\$ 2,292,152

Service Funds					Capital Projects Funds
C of O Construction and Maintenance Series 2003 Fund	C of O Construction and Maintenance Series 2006 Fund	Unlimited Tax Road Bonds Series 2006 Fund	Mobility Build America Series 2010 Fund	Total Debt Service Funds	Parks CIAP Grant Fund
\$ 369,664	\$ 499,084	\$ 673,125	\$ 5,208	\$ 3,775,173	\$
22,472	22,447	52,796		161,775	
				-0-	
				-0-	
				-0-	255,043
				-0-	
				-0-	
				-0-	
<u>\$ 392,136</u>	<u>\$ 521,531</u>	<u>\$ 725,921</u>	<u>\$ 5,208</u>	<u>\$ 3,936,948</u>	<u>\$ 255,043</u>
\$	\$	\$	\$	\$ -0-	\$
				-0-	255,043
<u>19,866</u>	<u>19,728</u>	<u>46,196</u>		<u>142,316</u>	
<u>19,866</u>	<u>19,728</u>	<u>46,196</u>	<u>-0-</u>	<u>142,316</u>	<u>255,043</u>
				-0-	
372,270	501,803	679,725	5,208	3,794,632	
				-0-	
				-0-	
<u>372,270</u>	<u>501,803</u>	<u>679,725</u>	<u>5,208</u>	<u>3,794,632</u>	<u>-0-</u>
<u>\$ 392,136</u>	<u>\$ 521,531</u>	<u>\$ 725,921</u>	<u>\$ 5,208</u>	<u>\$ 3,936,948</u>	<u>\$ 255,043</u>

(continued)



**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	Capital		
	Highway Right-of-Way Acquisition Funds	County Wide Road Fund	2006 Certificate of Obligation C & M Fund
<u>Assets</u>			
Cash and temporary investments	\$ 464,397	\$ 314,302	\$ 1,173,791
Receivable (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			335,315
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	\$ 464,397	\$ 314,302	\$ 1,509,106
Total assets			
	\$ 464,397	\$ 314,302	\$ 1,509,106
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$	\$ 74,737
Due to other funds			
Deferred revenue			
	-0-	-0-	74,737
Total liabilities			
	-0-	-0-	74,737
<u>Fund Balance (Deficit):</u>			
Non-spendable			
Restricted	464,397	314,302	1,434,369
Committed			
Unassigned			
	464,397	314,302	1,434,369
Total fund balance			
	464,397	314,302	1,434,369
Total liabilities and fund balance			
	\$ 464,397	\$ 314,302	\$ 1,509,106

Projects Funds

Wall of Honor Fund	Mobility Plan C & M Fund	Quintana Park Beach Boardwalk Fund	Energy Efficiency and Conservation Fund	Brazoria County Dune Restoration Fund	Follet's Beach Access Point Fund
\$ 97,951	\$	\$	\$	\$	\$
	115,293				
	1,506,242	7,972			3,115
	297,426				
<u>\$ 97,951</u>	<u>\$ 1,918,961</u>	<u>\$ 7,972</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 3,115</u>
\$	\$ 93,322	\$ 2,288	\$	\$	\$
	1,506,242	5,684			3,115
<u>-0-</u>	<u>1,599,564</u>	<u>7,972</u>	<u>-0-</u>	<u>-0-</u>	<u>3,115</u>
97,951	297,426 21,971				
<u>97,951</u>	<u>319,397</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 97,951</u>	<u>\$ 1,918,961</u>	<u>\$ 7,972</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 3,115</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2011

	<u>Capital Projects Funds</u>		
	<u>SJP Waterfront Revitalization Fund</u>	<u>Total Capital Projects Funds</u>	<u>Total Non-Major Governmental Funds</u>
<u>Assets</u>			
Cash and temporary investments	\$	\$ 2,050,441	\$ 14,885,165
Receivable (Net of Allowance for Uncollectible):			
Taxes		-0-	194,055
Accounts		115,293	116,093
Special assessments		-0-	1,058,201
Due from other governments		601,445	1,776,291
Due from other funds		1,506,242	1,508,075
Inventory		-0-	343,783
Prepaid expenditures		-0-	14,159
Long-Term Receivables:			
Accounts		<u>297,426</u>	<u>297,426</u>
Total assets	<u>\$ -0-</u>	<u>\$ 4,570,847</u>	<u>\$ 20,193,248</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities:</u>			
Accounts and accrued liabilities payable	\$	\$ 170,347	\$ 765,360
Due to other funds		1,770,084	2,874,983
Deferred revenue		<u>-0-</u>	<u>2,062,239</u>
Total liabilities	<u>-0-</u>	<u>1,940,431</u>	<u>5,702,582</u>
<u>Fund Balance (Deficit):</u>			
Non-spendable		297,426	655,368
Restricted		1,554,291	13,069,908
Committed		778,699	778,699
Unassigned		<u>-0-</u>	<u>( 13,309)</u>
Total fund balance	<u>-0-</u>	<u>2,630,416</u>	<u>14,490,666</u>
Total liabilities and fund balance	<u>\$ -0-</u>	<u>\$ 4,570,847</u>	<u>\$ 20,193,248</u>



**BRAZORIA COUNTY, TEXAS**

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

For the Year Ended September 30, 2011

	Special		
	Lateral Road Fund	Road and Bridge Tax Code Chapter 152 Fund	Special Road and Bridge Projects Fund
Revenues:			
Taxes	\$	\$ 554,092	\$
Intergovernmental	87,421		
Charges for services			
Licenses and permits			2,675,923
Fines and forfeitures			
Special assessment			
Investment income	117	3,331	
Miscellaneous			
Total revenues	<u>87,538</u>	<u>557,423</u>	<u>2,675,923</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation	105,116	257,952	1,317,437
Health and welfare			
Culture and recreation			
Environmental protection			
Community development			
Capital outlay	112,681	299,071	1,150,670
Debt Service:			
Principal			
Interest			
Total expenditures	<u>217,797</u>	<u>557,023</u>	<u>2,468,107</u>
Excess (deficiency) of revenue over (under) expenditures	<u>( 130,259 )</u>	<u>400</u>	<u>207,816</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>( 130,259 )</u>	<u>400</u>	<u>207,816</u>
Fund Balance (Deficits):			
Beginning of year (restated)	<u>154,292</u>		<u>1,721,365</u>
End of year	<u>\$ 24,033</u>	<u>\$ 400</u>	<u>\$ 1,929,181</u>

Revenue Funds

Oakwood Creek Estates 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
\$	\$	\$	\$	\$	\$
121,505					
<u>121,505</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
303,653					
<u>303,653</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
( <u>182,148</u> )	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	93,811	109,021	80,114	21,337	78,016
<u>-0-</u>	<u>93,811</u>	<u>109,021</u>	<u>80,114</u>	<u>21,337</u>	<u>78,016</u>
( <u>182,148</u> )	93,811	109,021	80,114	21,337	78,016
( <u>200,423</u> )	( <u>93,811</u> )	( <u>109,021</u> )	( <u>80,114</u> )	( <u>21,337</u> )	( <u>78,016</u> )
<u>\$(382,571)</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, 2011

	Special		
	County Road 257 Repairs Fund	TJPC State Aid Fund	TJPC Community Corrections Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	296,776	367,782	339,576
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessments			
Investment income		172	
Miscellaneous			
Total revenues	<u>296,776</u>	<u>367,954</u>	<u>339,576</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections		457,365	529,187
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection			
Community development	296,776		
Capital outlay			
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>296,776</u>	<u>457,365</u>	<u>529,187</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>( 89,411 )</u>	<u>( 189,611 )</u>
Other Financing Sources (Uses):			
Transfers in		89,411	189,611
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>89,411</u>	<u>189,611</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 (restated)			
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 ISP Fund	TJPC Diversionary Placement Fund	TJPC Intensive Community Based Program Fund
\$ 145,911	\$ 87,143	\$ 130,136	\$ 23,094	\$ 149,655	\$ 119,832
87	315			1,166	
<u>145,998</u>	<u>87,458</u>	<u>130,136</u>	<u>23,094</u>	<u>150,821</u>	<u>119,832</u>
146,600	87,458	153,144	38,107	150,821	119,832
<u>146,600</u>	<u>87,458</u>	<u>153,144</u>	<u>38,107</u>	<u>150,821</u>	<u>119,832</u>
( 602)	-0-	( 23,008)	( 15,013)	-0-	-0-
602		23,008	15,013		
<u>602</u>	<u>-0-</u>	<u>23,008</u>	<u>15,013</u>	<u>-0-</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, 2011

	Special		
	JJAEP Boot Camp Fund	CJD Juvenile Incentive Block Grant Fund	Juvenile Case Manager Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	353,771	27,630	
Charges for services			115,064
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income			910
Miscellaneous			
Total revenues	<u>353,771</u>	<u>27,630</u>	<u>115,974</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections	661,325	32,825	123,494
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>661,325</u>	<u>32,825</u>	<u>123,494</u>
Excess (deficiency) of revenue over (under) expenditures	<u>( 307,554 )</u>	<u>( 5,195 )</u>	<u>( 7,520 )</u>
Other Financing Sources (Uses):			
Transfers in	307,554	5,195	
Transfers out			
Total other financing sources (uses)	<u>307,554</u>	<u>5,195</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	-0-	-0-	( 7,520 )
Fund Balance (Deficits):			
Beginning of year (restated)			151,978
End of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 144,458</u>

Revenue Funds

Family Protection Fund	State Alien Assistance Fund	TDSHS Immunization Fund	TDSHS Supplemental Food Program WIC Fund	TDSHS RLSS-LPHS Fund	TDSHS RLSS-SSBG Fund
\$ 23,340	\$ 185,664	\$ 186,090	\$ 1,119,641	\$ 3,000	\$ 13,019
1,573	1,492				
<u>24,913</u>	<u>187,156</u>	<u>186,090</u>	<u>1,119,641</u>	<u>3,000</u>	<u>13,019</u>
34,000	61,543				
	16,548				
		186,090	1,119,641	3,000	13,019
	109,065				
<u>34,000</u>	<u>187,156</u>	<u>186,090</u>	<u>1,119,641</u>	<u>3,000</u>	<u>13,019</u>
( 9,087)	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
( 9,087)	-0-	-0-	-0-	-0-	-0-
<u>117,118</u>					
<u>\$ 108,031</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, 2011

	TDSHS WIC Peer Counseling Program Fund	TDSHS WIC Registered Dietician Fund	Special TDSHS WIC Lactation Reimbursement Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	109,011	59,328	20,849
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>109,011</u>	<u>59,328</u>	<u>20,849</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare	109,011	59,328	20,849
Culture and recreation			
Environmental protection			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>109,011</u>	<u>59,328</u>	<u>20,849</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	-0-	-0-	-0-
Fund Balance (Deficits):			
Beginning of year (restated)			
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 Cities Readiness Initiative Fund	TDSHS Bioterrorism Grant Fund	CSCD Bond Supervision Fund
\$ 6,392	\$ 9,139	\$ 15,389	\$ 86,311	\$ 209,872	\$ 320
<u>6,392</u>	<u>9,139</u>	<u>15,389</u>	<u>86,311</u>	<u>209,872</u>	<u>320</u>
6,392	9,139	15,389	81,039	209,872	9,116
			5,272		
<u>6,392</u>	<u>9,139</u>	<u>15,389</u>	<u>86,311</u>	<u>209,872</u>	<u>9,116</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>( 8,796)</u>
					9,295
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>9,295</u>
-0-	-0-	-0-	-0-	-0-	499
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 499</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, 2011

	CPS Title IV-E Foster Care/ Maintenance Fund	CPS Title IV-E Legal Services Fund	Special CPS Title IV-B (Concrete) Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	48,363	23,086	2,620
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>48,363</u>	<u>23,086</u>	<u>2,620</u>
Expenditures:			
Current:			
General administration			
Judicial and legal		105,176	
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare	130,216		2,620
Culture and recreation			
Environmental protection			
Community development			
Capital outlay		6,820	
Debt Service:			
Principal			
Interest			
Total expenditures	<u>130,216</u>	<u>111,996</u>	<u>2,620</u>
Excess (deficiency) of revenue over (under) expenditures	<u>( 81,853)</u>	<u>( 88,910)</u>	<u>-0-</u>
Other Financing Sources (Uses):			
Transfers in	81,853	88,910	
Transfers out			
Total other financing sources (uses)	<u>81,853</u>	<u>88,910</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	-0-	-0-	-0-
Fund Balance (Deficits):			
Beginning of year (restated)			
End of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Revenue Funds

Victim Assistance Grant 02G00551 Fund	Crime Victim Assistance Fund	Justice Assistance Grant Recovery Fund	Justice Assistance Grant (JAG) Fund	Justice Court Technology Fund	DEA Narcotics OT Expense Program Fund
\$ 37,638	\$ 132,331	\$ 4,372	\$	\$	\$ 12,603
				95,197	
		29	178	4,666	
	27,794				
<u>37,638</u>	<u>160,125</u>	<u>4,401</u>	<u>178</u>	<u>99,863</u>	<u>12,603</u>
53,718	108,706			7,622	
		4,401			12,603
	85,116				
				48,345	
<u>53,718</u>	<u>193,822</u>	<u>4,401</u>	<u>-0-</u>	<u>55,967</u>	<u>12,603</u>
( <u>16,080</u> )	( <u>33,697</u> )	<u>-0-</u>	<u>178</u>	<u>43,896</u>	<u>-0-</u>
16,080	33,697				
<u>16,080</u>	<u>33,697</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
-0-	-0-	-0-	178	43,896	-0-
			111	348,243	
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 289</u>	<u>\$ 392,139</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, 2011*

	JP Building Security Fund	Shoreline Restoration Task Force Fund	Special State Homeland Security Programs Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			492,132
Charges for services	23,287		
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income	971	228	
Miscellaneous			
Total revenues	<u>24,258</u>	<u>228</u>	<u>492,132</u>
Expenditures:			
Current:			
General administration			231,565
Judicial and legal	2,996		
Financial administration			
Elections			
Public facilities			
Public safety			147,349
Corrections			
Public transportation			
Health and welfare			
Culture and recreation		2,896	
Environmental protection			
Community development			
Capital outlay			113,218
Debt Service:			
Principal			
Interest			
Total expenditures	<u>2,996</u>	<u>2,896</u>	<u>492,132</u>
Excess (deficiency) of revenue over (under) expenditures	<u>21,262</u>	<u>( 2,668 )</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	21,262	( 2,668 )	-0-
Fund Balance (Deficits):			
Beginning of year (restated)	<u>67,589</u>	<u>15,884</u>	<u></u>
End of year	<u>\$ 88,851</u>	<u>\$ 13,216</u>	<u>\$ -0-</u>

Revenue Funds

EOC Retrofit Project Fund	EOCGP Emergency Operations Center Fund	Law Enforcement Officers Standards & Education Fund	Organized Crime Drug Enforcement Fund	Texas VINE Contract Fund	HGAC Parks Solid Waste Fund
\$ 110,883	\$ 37,053	\$ 24,542	\$ 5,358	\$ 30,710	\$ 31,058
		919			
<u>110,883</u>	<u>37,053</u>	<u>25,461</u>	<u>5,358</u>	<u>30,710</u>	<u>31,058</u>
		312		30,710	
		5,779	5,358		
110,883	37,053				31,058
<u>110,883</u>	<u>37,053</u>	<u>6,091</u>	<u>5,358</u>	<u>30,710</u>	<u>31,058</u>
<u>-0-</u>	<u>-0-</u>	<u>19,730</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>
-0-	-0-	19,370	-0-	-0-	-0-
		44,246			
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 63,616</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, 2011

	Special		
	2007 CDBG County (HUD) Fund	2008 CDBG County (HUD) Fund	2009 CDBG County (HUD) Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	71,815	438,303	749,766
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>71,815</u>	<u>438,303</u>	<u>749,766</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection			
Community development	71,815	438,303	749,766
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>71,815</u>	<u>438,303</u>	<u>749,766</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	-0-	-0-	-0-
Fund Balance (Deficits):			
Beginning of year (restated)			
End of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Revenue Funds

2010 CDBG County (HUD) Fund	2010 CDBG Disaster Recovery Alternative 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
\$ 1,248,202	\$ 3,455,806				
		586	1,027	312	617
<u>150</u>					
<u>1,249,202</u>	<u>3,455,806</u>	<u>586</u>	<u>1,027</u>	<u>312</u>	<u>617</u>
1,249,202	3,455,806				
<u>1,249,202</u>	<u>3,455,806</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>586</u>	<u>1,027</u>	<u>312</u>	<u>617</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>586</u>	<u>1,027</u>	<u>312</u>	<u>617</u>
		<u>34,351</u>	<u>101,869</u>	<u>18,291</u>	<u>36,170</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 34,937</u>	<u>\$ 102,896</u>	<u>\$ 18,603</u>	<u>\$ 36,787</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, 2011

	2009 Section 8 Housing Choice Vouchers Fund	2010 Section 8 Housing Choice Vouchers Fund	Special 2011 Section 8 Housing Choice Vouchers Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental		968,982	2,925,970
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income	1,350	2,076	711
Miscellaneous			
Total revenues	<u>1,350</u>	<u>971,058</u>	<u>2,926,681</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare		940,974	2,854,948
Culture and recreation			
Environmental protection			
Community development			
Capital outlay		16,928	
Debt Service:			
Principal			
Interest			
Total expenditures	<u>-0-</u>	<u>957,902</u>	<u>2,854,948</u>
Excess (deficiency) of revenue over (under) expenditures	<u>1,350</u>	<u>13,156</u>	<u>71,733</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	1,350	13,156	71,733
Fund Balance (Deficits):			
Beginning of year (restated)	<u>79,330</u>	<u>103,745</u>	<u>-0-</u>
End of year	<u>\$ 80,680</u>	<u>\$ 116,901</u>	<u>\$ 71,733</u>

Revenue Funds

Records Management County Clerk Fund	Records Management District Clerk Fund	Record Archive County Clerk Fund	Record Archive District Clerk Fund	Records Preservation County/District Clerk Fund	Civil, Criminal & Probate Records Management Fund
\$	\$	\$	\$	\$	\$
284,861	31,046	277,259	26,798	61,334	131,898
8,889	3,182	13,259	520	1,034	4,289
<u>293,750</u>	<u>34,228</u>	<u>290,518</u>	<u>27,318</u>	<u>62,368</u>	<u>136,187</u>
151,388	5,556	702,265			55,292 89,132
27,211		2,050			65,202
<u>178,599</u>	<u>5,556</u>	<u>704,315</u>	<u>-0-</u>	<u>-0-</u>	<u>209,626</u>
<u>115,151</u>	<u>28,672</u>	<u>( 413,797)</u>	<u>27,318</u>	<u>62,368</u>	<u>( 73,439)</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
115,151	28,672	( 413,797)	27,318	62,368	( 73,439)
<u>1,309,934</u>	<u>192,175</u>	<u>832,618</u>	<u>21,416</u>	<u>38,572</u>	<u>1,054,618</u>
<u>\$ 1,425,085</u>	<u>\$ 220,847</u>	<u>\$ 418,821</u>	<u>\$ 48,734</u>	<u>\$ 100,940</u>	<u>\$ 981,179</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, 2011

	Special		
	Financial Security Fund	County/ District Court Technology Fund	Law Library Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			
Charges for services	179,151	13,235	210,147
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income	3,131	124	1,755
Miscellaneous	343		14,824
Total revenues	<u>182,625</u>	<u>13,359</u>	<u>226,726</u>
Expenditures:			
Current:			
General administration			
Judicial and legal	1,370		235,541
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>1,370</u>	<u>-0-</u>	<u>235,541</u>
Excess (deficiency) of revenue over (under) expenditures	<u>181,255</u>	<u>13,359</u>	<u>( 8,815)</u>
Other Financing Sources (Uses):			
Transfers in			35,500
Transfers out	( 200,000)		
Total other financing sources (uses)	<u>( 200,000)</u>	<u>-0-</u>	<u>35,500</u>
Excess of revenue and other financing sources over (under) expenditures and other financing uses	<u>( 18,745)</u>	<u>13,359</u>	<u>26,685</u>
Fund Balance (Deficits):			
Beginning of year (restated)	<u>209,710</u>	<u>3,924</u>	<u>354,180</u>
End of year	<u>\$ 190,965</u>	<u>\$ 17,283</u>	<u>\$ 380,865</u>

Revenue Funds

Lone Star Library Grant Fund	Mosquito Control District Fund	County Graffiti Eradication Fund	HGAC 911 Addressing Fund	Child Abuse Prevention Fund	Economic Development Tax Abatement Fund
\$ 57,494	\$ 1,558,150	\$ 302	\$ 41,806	\$ 1,035	\$ 2,000
	788	30	49	33	360
	511				110,556
<u>57,494</u>	<u>1,559,449</u>	<u>332</u>	<u>41,855</u>	<u>1,068</u>	<u>112,916</u>
					111,410
			41,994		
57,494	1,109,189				
	83,580				
<u>57,494</u>	<u>1,192,769</u>	<u>-0-</u>	<u>41,994</u>	<u>-0-</u>	<u>111,410</u>
<u>-0-</u>	<u>366,680</u>	<u>332</u>	<u>( 139)</u>	<u>1,068</u>	<u>1,506</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
-0-	366,680	332	( 139)	1,068	1,506
	535,175	1,855	1,352	2,383	15
<u>\$ -0-</u>	<u>\$ 901,855</u>	<u>\$ 2,187</u>	<u>\$ 1,213</u>	<u>\$ 3,451</u>	<u>\$ 1,521</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, 2011

	Mutual Fire Protection & Disbursement Assistance Fund	Reliant Energy CARE Program Fund	Special United Way Emergency Assistance Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income			490
Miscellaneous		32,500	60,000
Total revenues	-0-	32,500	60,490
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			
Public transportation			
Health and welfare		21,614	59,530
Culture and recreation			
Environmental protection			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	-0-	21,614	59,530
Excess (deficiency) of revenue over (under) expenditures	-0-	10,886	960
Other Financing Sources (Uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)	-0-	-0-	-0-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-0-	10,886	960
Fund Balance (Deficits):			
Beginning of year (restated)			37,916
End of year	\$ -0-	\$ 10,886	\$ 38,876

Revenue Funds

Vital Statistics Fee Fund	Flood Protection Planning Contract Fund	CMP Erosion Response Plan Fund	Elections HAVA Equipment Rental Fund	Elections Services Contract Fund	Elections HAVA Grant Fund
\$	\$	\$	\$	\$	\$
12,448		46,336	37,083	102,672	51,103
375			1,425	785	
<u>12,823</u>	<u>-0-</u>	<u>46,336</u>	<u>38,508</u>	<u>103,457</u>	<u>51,103</u>
69,293					
			4,163	98,936	25,128
		46,336			25,975
<u>69,293</u>	<u>-0-</u>	<u>46,336</u>	<u>4,163</u>	<u>98,936</u>	<u>51,103</u>
( <u>56,470</u> )	<u>-0-</u>	<u>-0-</u>	<u>34,345</u>	<u>4,521</u>	<u>-0-</u>
	4,359				
<u>-0-</u>	<u>4,359</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
( <u>56,470</u> )	4,359	-0-	34,345	4,521	-0-
<u>70,029</u>	( <u>4,359</u> )		<u>92,383</u>	<u>36,321</u>	
<u>\$ 13,559</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 126,728</u>	<u>\$ 40,842</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, 2011*

	Special		
	Voter Registration Tax Office Fund	Buffer Zone Protection Program Fund	Drug Court Program Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	67,659	341,222	303,293
Charges for services			34,740
Licenses and permits			
Fines and forfeitures			16,181
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>67,659</u>	<u>341,222</u>	<u>354,214</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			354,214
Financial administration	62,162		
Elections			
Public facilities			
Public safety		191,015	
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection			
Community development			
Capital outlay	5,497	150,207	
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>67,659</u>	<u>341,222</u>	<u>354,214</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Other Financing Sources (Uses):			
Transfers in	5,217		
Transfers out			
Total other financing sources (uses)	<u>5,217</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	5,217	-0-	-0-
Fund Balance (Deficits):			
Beginning of year (restated)	( 5,217 )		
End of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Revenue Funds

Parks Improvement Fund	Behavioral Management Program (Gang Education) Fund	TCEQ LIRAP Program Fund	TCEQ Supplemental Environmental Parks Project Fund	TCEQ Supplemental Environmental Project Fund	Parks & Wildlife Boating Access Fund
\$	\$	\$	\$	\$	\$
	20,295	991,203			22,227
			972	618	
			305,502	15,000	
<u>-0-</u>	<u>20,295</u>	<u>991,203</u>	<u>306,474</u>	<u>15,618</u>	<u>22,227</u>
		991,203			
	22,559				
				6,350	
			93,709		27,495
<u>-0-</u>	<u>22,559</u>	<u>991,203</u>	<u>93,709</u>	<u>6,350</u>	<u>27,495</u>
<u>-0-</u>	<u>( 2,264 )</u>	<u>-0-</u>	<u>212,765</u>	<u>9,268</u>	<u>( 5,268 )</u>
	2,264				5,268
<u>-0-</u>	<u>2,264</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>5,268</u>
-0-	-0-	-0-	212,765	9,268	-0-
1,000				31,457	
<u>\$ 1,000</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 212,765</u>	<u>\$ 40,725</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, 2011

	Special Revenue Funds		Debt
	2006 GoM Energy Security Fund	Total Special Revenue Funds	C of O Sheriff and Detention Complex Series 1993 Fund
Revenues:			
Taxes	\$	\$ 2,112,242	\$ 2,951,104
Intergovernmental		16,947,663	
Charges for services		1,663,217	
Licenses and permits		2,675,923	
Fines and forfeitures		16,181	
Special assessment		121,505	
Investment income	679	65,620	41,481
Miscellaneous	1,196	568,226	
Total revenues	1,875	24,170,577	2,992,585
Expenditures:			
Current:			
General administration		2,312,416	
Judicial and legal		1,029,053	
Financial administration		62,162	
Elections		128,227	
Public facilities		41,994	
Public safety		428,048	
Corrections		2,633,497	
Public transportation		1,984,158	
Health and welfare		6,958,210	
Culture and recreation		91,448	
Environmental protection		46,336	
Community development		5,964,892	
Capital outlay		2,787,708	
Debt Service:			
Principal		-0-	2,485,000
Interest and fiscal charges		-0-	364,838
Total expenditures	-0-	24,468,149	2,849,838
Excess (deficiency) of revenue over (under) expenditures	1,875	( 297,572 )	142,747
Other Financing Sources (Uses):			
Transfers in		1,295,136	
Transfers out		( 200,000 )	
Total other financing sources (uses)	-0-	1,095,136	-0-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,875	797,564	142,747
Fund Balance (Deficits):			
Beginning of year (restated)	38,737	7,268,054	2,092,879
End of year	\$ 40,612	\$ 8,065,618	\$ 2,235,626



**BRAZORIA COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued**  
For the Year Ended September 30, 2011

	Highway Right-of-Way Acquisition Funds	County Wide Road Fund	Capital 2006 Certificate of Obligation C & M Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			
Charges for services	12,000		
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income	3,397	2,468	
Miscellaneous			
Total revenues	<u>15,397</u>	<u>2,468</u>	<u>-0-</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public facilities			
Public safety			
Corrections			2,023
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection			
Community development			
Capital outlay	15,540		1,400,243
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>15,540</u>	<u>-0-</u>	<u>1,402,266</u>
Excess (deficiency) of revenue over (under) expenditures	<u>( 143 )</u>	<u>2,468</u>	<u>( 1,402,266 )</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	<u>( 143 )</u>	<u>2,468</u>	<u>( 1,402,266 )</u>
Fund Balance (Deficits):			
Beginning of year (restated)	<u>464,540</u>	<u>311,834</u>	<u>2,836,635</u>
End of year	<u>\$ 464,397</u>	<u>\$ 314,302</u>	<u>\$ 1,434,369</u>

Projects Funds

Wall of Honor Fund	Mobility Plan C & M Fund	Quintana Park Beach Boardwalk Fund	Energy Efficiency and Conservation Fund	Brazoria County Dune Restoration Fund	Follet's Beach Access Point Funds
\$	\$	\$	\$	\$	\$
		18,852	1,557,274	52,886	12,475
1,711	2,954		288		
<u>34,122</u>					
<u>35,833</u>	<u>2,954</u>	<u>18,852</u>	<u>1,557,562</u>	<u>52,886</u>	<u>12,475</u>
14,609					
	1,236,285				
29,725	5,400,955	18,852	1,557,562	53,746	12,475
<u>44,334</u>	<u>6,637,240</u>	<u>18,852</u>	<u>1,557,562</u>	<u>53,746</u>	<u>12,475</u>
( 8,501)	( 6,634,286)	-0-	-0-	( 860)	-0-
	5,496,329			860	
			-0-		
<u>-0-</u>	<u>5,496,329</u>	<u>-0-</u>	<u>-0-</u>	<u>860</u>	<u>-0-</u>
( 8,501)	( 1,137,957)	-0-	-0-	-0-	-0-
<u>106,452</u>	<u>1,457,354</u>				
<u>\$ 97,951</u>	<u>\$ 319,397</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, 2011

Exhibit 13  
Page 14 of 14

	<u>Capital Projects Funds</u>		
	<u>SJP Waterfront Revitalization Fund</u>	<u>Total Capital Projects Funds</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Taxes	\$	\$ -0-	\$ 10,472,385
Intergovernmental	1,905	1,944,231	19,262,201
Charges for services		12,000	1,675,217
Licenses and permits		-0-	2,675,923
Fines and forfeitures		-0-	16,181
Special assessment		-0-	121,505
Investment income		10,818	135,757
Miscellaneous		<u>34,122</u>	<u>602,348</u>
Total revenues	<u>1,905</u>	<u>2,001,171</u>	<u>34,961,517</u>
Expenditures:			
Current:			
General administration		14,609	2,327,025
Judicial and legal		-0-	1,029,053
Financial administration		-0-	62,162
Elections		-0-	128,227
Public facilities		-0-	41,994
Public safety		-0-	428,048
Corrections		2,023	2,635,520
Public transportation		1,236,285	3,220,443
Health and welfare		-0-	6,958,210
Culture and recreation		95,763	187,211
Environmental protection		-0-	48,336
Community development		-0-	5,964,892
Capital outlay	1,905	8,696,079	11,483,787
Debt Service:			
Principal		-0-	5,030,000
Interest and fiscal charges		<u>-0-</u>	<u>3,319,324</u>
Total expenditures	<u>1,905</u>	<u>10,044,759</u>	<u>42,862,232</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>( 8,043,588 )</u>	<u>( 7,900,715 )</u>
Other Financing Sources (Uses):			
Transfers in		5,497,189	7,486,208
Transfers out		<u>-0-</u>	<u>( 893,883 )</u>
Total other financing sources (uses)	<u>-0-</u>	<u>5,497,189</u>	<u>6,592,325</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-0-	<u>( 2,546,399 )</u>	<u>( 1,308,390 )</u>
Fund Balance (Deficits):			
Beginning of year (restated)		<u>5,176,815</u>	<u>15,799,056</u>
End of year	<u>\$ -0-</u>	<u>\$ 2,630,416</u>	<u>\$ 14,490,666</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, 2011

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	\$ 388,615	\$ 388,615	\$ 380,998	\$ 7,617
Operating expenditures	15,650	15,650	6,798	8,852
Total County Judge	404,265	404,265	387,796	16,469
South Service Center:				
Salaries and wages, and employee benefits	284,242	285,442	285,440	2
Operating expenditures	15,200	15,200	9,449	5,751
Total South Service Center	299,442	300,642	294,889	5,753
Central Service Center:				
Salaries and wages, and employee benefits	339,986	339,986	339,507	479
Operating expenditures	17,811	17,867	12,553	5,314
Total Central Service Center	357,797	357,853	352,060	5,793
North Service Center:				
Salaries and wages, and employee benefits	349,194	349,194	322,691	26,503
Operating expenditures	17,784	17,784	10,140	7,644
Total North Service Center	366,978	366,978	332,831	34,147
West Service Center:				
Salaries and wages, and employee benefits	333,347	333,347	280,581	52,766
Operating expenditures	11,285	11,285	9,123	2,162
Total West Service Center	344,632	344,632	289,704	54,928
County Clerk:				
Salaries and wages, and employee benefits	2,176,732	2,176,732	2,153,800	22,932
Operating expenditures	61,792	61,792	57,656	4,136
Total County Clerk	2,238,524	2,238,524	2,211,456	27,068
Veteran's Service:				
Salaries and wages, and employee benefits	166,765	166,765	120,448	46,317
Operating expenditures	3,615	4,098	3,491	607
Total veteran's service	170,380	170,863	123,939	46,924

(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, 2011

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	\$ 182,950	\$ 274,450	\$ 265,379	\$ 9,071
Operating expenditures	60,550	64,050	45,812	18,238
Total emergency management	243,500	338,500	311,191	27,309
Non-departmental:				
Salaries and wages, and employee benefits	250,000			-0-
Operating expenditures	1,404,424	2,680,048	2,530,530	149,518
Total non-departmental	1,654,424	2,680,048	2,530,530	149,518
Total general administration	6,079,942	7,202,305	6,834,396	367,909
Judicial and Legal:				
County Court at Law 1:				
Salaries and wages, and employee benefits	343,111	345,511	345,478	33
Operating expenditures	35,200	35,200	18,225	16,975
Total County Court at Law 1	378,311	380,711	363,703	17,008
County Court at Law 2:				
Salaries and wages, and employee benefits	342,968	344,868	344,746	122
Operating expenditures	38,800	38,800	25,122	13,678
Total County Court at Law 2	381,768	383,668	369,868	13,800
County Court at Law 3:				
Salaries and wages, and employee benefits	342,775	344,675	344,544	131
Operating expenditures	34,600	34,600	28,279	6,321
Total County Court at Law 3	377,375	379,275	372,823	6,452
County Court at Law 4:				
Salaries and wages, and employee benefits	343,898	345,898	345,769	129
Operating expenses	29,500	29,500	20,584	8,916
Total County Court at Law 4	373,398	375,398	366,353	9,045
Probate Court Investigations:				
Salaries and wages, and employee benefits	128,563	129,463	129,266	197
Operating expenditures	3,371	3,371	2,750	621
Total probate court investigations	131,934	132,834	132,016	818
District Courts:				
Salaries and wages, and employee benefits	1,161,738	1,161,738	1,081,793	79,945
Operating expenditures	272,305	272,305	258,374	13,931
Total district courts	1,434,043	1,434,043	1,340,167	93,876

(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, 2011

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	\$ 1,593,757	\$ 1,593,757	\$ 1,549,942	\$ 43,815
Operating expenditures	<u>73,659</u>	<u>74,239</u>	<u>65,230</u>	<u>9,009</u>
Total District Clerk	<u>1,667,416</u>	<u>1,667,996</u>	<u>1,615,172</u>	<u>52,824</u>
Justice of the Peace Pct. 1, Pl. 1:				
Salaries and wages, and employee benefits	352,356	354,556	354,465	91
Operating expenditures	<u>8,401</u>	<u>8,401</u>	<u>5,958</u>	<u>2,443</u>
Total Justice of the Peace Pct. 1, Pl. 1	<u>360,757</u>	<u>362,957</u>	<u>360,423</u>	<u>2,534</u>
Justice of the Peace Pct. 1, Pl. 2:				
Salaries and wages, and employee benefits	340,205	343,105	342,963	142
Operating expenditures	<u>10,150</u>	<u>10,150</u>	<u>4,316</u>	<u>5,834</u>
Total Justice of the Peace Pct. 1, Pl. 2	<u>350,355</u>	<u>353,255</u>	<u>347,279</u>	<u>5,976</u>
Justice of the Peace Pct. 2, Pl. 1:				
Salaries and wages, and employee benefits	368,583	368,583	363,301	5,282
Operating expenditures	<u>9,900</u>	<u>9,900</u>	<u>7,100</u>	<u>2,800</u>
Total Justice of the Peace Pct. 2, Pl. 1	<u>378,483</u>	<u>378,483</u>	<u>370,401</u>	<u>8,082</u>
Justice of the Peace Pct. 2, Pl. 2:				
Salaries and wages, and employee benefits	433,924	433,924	381,537	52,387
Operating expenditures	<u>8,890</u>	<u>8,890</u>	<u>7,789</u>	<u>1,101</u>
Total Justice of the Peace Pct. 2, Pl. 2	<u>442,814</u>	<u>442,814</u>	<u>389,326</u>	<u>53,488</u>
Justice of the Peace Pct. 3, Pl. 1:				
Salaries and wages, and employee benefits	323,968	323,968	313,109	10,859
Operating expenditures	<u>24,554</u>	<u>24,554</u>	<u>17,127</u>	<u>7,427</u>
Total Justice of the Peace Pct. 3, Pl. 1	<u>348,522</u>	<u>348,522</u>	<u>330,236</u>	<u>18,286</u>
Justice of the Peace Pct. 3, Pl. 2:				
Salaries and wages, and employee benefits	270,376	270,376	269,415	961
Operating expenditures	<u>7,150</u>	<u>7,150</u>	<u>6,641</u>	<u>509</u>
Total Justice of the Peace Pct. 3, Pl. 2	<u>277,526</u>	<u>277,526</u>	<u>276,056</u>	<u>1,470</u>
Justice of the Peace Pct. 4, Pl. 1:				
Salaries and wages, and employee benefits	382,383	384,383	384,349	34
Operating expenditures	<u>22,446</u>	<u>22,446</u>	<u>20,953</u>	<u>1,493</u>
Total Justice of the Peace Pct. 4, Pl. 1	<u>404,829</u>	<u>406,829</u>	<u>405,302</u>	<u>1,527</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, 2011

Exhibit 14  
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	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Judicial and Legal - Continued:				
Justice of the Peace Pct. 4, Pl. 2:				
Salaries and wages, and employee benefits	\$ 350,223	\$ 351,723	\$ 350,462	\$ 1,261
Operating expenditures	12,650	12,650	7,239	5,411
Total Justice of the Peace Pct. 4, Pl. 2	362,873	364,373	357,701	6,672
District Attorney:				
Salaries and wages, and employee benefits	4,657,368	4,713,368	4,679,320	34,048
Operating expenditures	106,810	276,004	232,152	43,852
Capital outlay		107,000	90,921	16,079
Total District Attorney	4,764,178	5,096,372	5,002,393	93,979
Juror Fees and Costs:				
Operating expenditures	410,000	410,000	341,515	68,485
Total juror fees and costs	410,000	410,000	341,515	68,485
Judicial Miscellaneous:				
Salaries and wages, and employee benefits	15,000	15,300	15,062	238
Operating expenditures	1,355,000	1,105,234	924,661	180,573
Total judicial miscellaneous	1,370,000	1,120,534	939,723	180,811
Indigent Defense:				
Salaries and wages, and employee benefits	57,953	59,253	58,944	309
Operating expenditures	2,246,000	1,846,000	1,688,989	157,011
Total indigent defense	2,303,953	1,905,253	1,747,933	157,320
Child Support:				
Salaries and wages, and employee benefits	207,390	207,390	181,811	25,579
Operating expenditures	3,065	3,065	2,256	809
Total child support	210,455	210,455	184,067	26,388
Bail Bond Board:				
Salaries and wages, and employee benefits	104,078	104,878	104,671	207
Operating expenditures	3,400	3,400	1,863	1,537
Total bail bond board	107,478	108,278	106,534	1,744
Total judicial and legal	16,836,468	16,539,576	15,718,991	820,585
Financial Administration:				
County Auditor:				
Salaries and wages, and employee benefits	1,098,685	1,098,685	1,079,346	19,339
Operating expenditures	13,677	13,677	10,610	3,067
Total county auditor	1,112,362	1,112,362	1,089,956	22,406

(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, 2011

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	\$ 477,609	\$ 477,609	\$ 414,993	\$ 62,616
Operating expenditures	20,813	20,960	16,488	4,472
Total purchasing	<u>498,422</u>	<u>498,569</u>	<u>431,481</u>	<u>67,088</u>
County Treasurer:				
Salaries and wages, and employee benefits	262,138	263,438	263,370	68
Operating expenditures	<u>159,787</u>	<u>165,430</u>	<u>128,219</u>	<u>37,211</u>
Total County Treasurer	<u>421,925</u>	<u>428,868</u>	<u>391,589</u>	<u>37,279</u>
Human Resources:				
Salaries and wages, and employee benefits	353,693	353,693	342,790	10,903
Operating expenditures	<u>31,753</u>	<u>35,027</u>	<u>32,925</u>	<u>2,102</u>
Total human resources	<u>385,446</u>	<u>388,720</u>	<u>375,715</u>	<u>13,005</u>
Tax Assessor-Collector:				
Salaries and wages, and employee benefits	2,575,633	2,610,182	2,405,694	204,488
Operating expenditures	<u>368,262</u>	<u>408,262</u>	<u>367,578</u>	<u>40,684</u>
Total Tax Assessor-Collector	<u>2,943,895</u>	<u>3,018,444</u>	<u>2,773,272</u>	<u>245,172</u>
Information Systems:				
Salaries and wages, and employee benefits	1,647,758	1,647,758	1,581,160	66,598
Operating expenditures	1,907,116	1,963,737	1,797,664	166,073
Capital outlay	<u>63,175</u>	<u>63,175</u>	<u>44,596</u>	<u>18,579</u>
Total information systems	<u>3,618,049</u>	<u>3,674,670</u>	<u>3,423,420</u>	<u>251,250</u>
Appraisal District Assessment:				
Operating expenditures	<u>650,000</u>	<u>656,618</u>	<u>656,617</u>	<u>1</u>
Total appraisal district assessment	<u>650,000</u>	<u>656,618</u>	<u>656,617</u>	<u>1</u>
Total financial administration	<u>9,630,099</u>	<u>9,778,251</u>	<u>9,142,050</u>	<u>636,201</u>
Elections:				
Salaries and wages, and employee benefits	155,000	153,000	126,356	26,644
Operating expenditures	<u>147,083</u>	<u>167,876</u>	<u>158,503</u>	<u>9,373</u>
Total elections	<u>302,083</u>	<u>320,876</u>	<u>284,859</u>	<u>36,017</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, 2011

Exhibit 14  
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	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Facilities:				
Courthouses and Associated Buildings:				
Salaries and wages, and employee benefits	\$ 1,417,627	\$ 1,417,627	\$ 1,285,302	\$ 132,325
Operating expenditures	1,567,550	1,775,866	1,569,196	206,670
Capital outlay	<u>790,616</u>	<u>668,340</u>	<u>620,019</u>	<u>48,321</u>
Total courthouses and associated buildings	<u>3,775,793</u>	<u>3,861,833</u>	<u>3,474,517</u>	<u>387,316</u>
Construction Management:				
Salaries and wages, and employee benefits	<u>67,309</u>	<u>67,509</u>	<u>66,111</u>	<u>1,398</u>
Total construction management	<u>67,309</u>	<u>67,509</u>	<u>66,111</u>	<u>1,398</u>
Property Insurance:				
Operating expenditures	<u>850,000</u>	<u>850,000</u>	<u>846,370</u>	<u>3,630</u>
Total property insurance	<u>850,000</u>	<u>850,000</u>	<u>846,370</u>	<u>3,630</u>
Total public facilities	<u>4,693,102</u>	<u>4,779,342</u>	<u>4,386,998</u>	<u>392,344</u>
Public Safety:				
County Sheriff:				
Salaries and wages, and employee benefits	11,449,061	11,949,061	11,915,505	33,556
Operating expenditures	1,671,451	2,055,970	1,806,732	249,238
Capital outlay	<u>384,368</u>	<u>503,018</u>	<u>445,231</u>	<u>57,787</u>
Total County Sheriff	<u>13,504,880</u>	<u>14,508,049</u>	<u>14,167,468</u>	<u>340,581</u>
Texas Department of Public Safety:				
Salaries and wages, and employee benefits	<u>131,526</u>	<u>131,726</u>	<u>131,477</u>	<u>249</u>
Total Texas Department of Public Safety:	<u>131,526</u>	<u>131,726</u>	<u>131,477</u>	<u>249</u>
Constable – Precinct 1:				
Salaries and wages, and employee benefits	327,753	328,653	328,491	162
Operating expenditures	<u>17,595</u>	<u>17,595</u>	<u>15,341</u>	<u>2,254</u>
Total Constable – Precinct 1	<u>345,348</u>	<u>346,248</u>	<u>343,832</u>	<u>2,416</u>
Constable – Precinct 2:				
Salaries and wages, and employee benefits	347,523	361,823	361,521	302
Operating expenditures	66,505	59,450	44,709	14,741
Capital outlay	<u>43,000</u>	<u>61,688</u>	<u>61,566</u>	<u>122</u>
Total Constable – Precinct 2	<u>457,028</u>	<u>482,961</u>	<u>467,796</u>	<u>15,165</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, 2011

Exhibit 14  
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	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Safety - Continued:				
Constable – Precinct 3:				
Salaries and wages, and employee benefits	\$ 334,002	\$ 337,702	\$ 337,684	\$ 18
Operating expenditures	45,544	50,012	43,082	6,930
Capital outlay	21,000	34,656	4,600	30,056
Total Constable – Precinct 3	400,546	422,370	385,366	37,004
Constable – Precinct 4:				
Salaries and wages, and employee benefits	346,319	346,319	338,811	7,508
Operating expenditures	48,000	48,000	33,731	14,269
Total Constable – Precinct 4	394,319	394,319	372,542	21,777
Inmate Community Service Work Program:				
Salaries and wages, and employee benefits	82,592	82,592	79,894	2,698
Operating expenditures	45,458	45,458	40,099	5,359
Total inmate community service work program	128,050	128,050	119,993	8,057
Ambulance EMS:				
Operating expenditures	96,000	96,000	96,000	-0-
Total ambulance EMS	96,000	96,000	96,000	-0-
Fire Protection:				
Salaries and wages, and employee benefits		47,300	47,041	259
Operating expenditures	566,000	576,000	555,610	20,390
Total fire protection	566,000	623,300	602,651	20,649
Total public safety	16,023,697	17,133,023	16,687,125	445,898
Corrections:				
Detention Center:				
Salaries and wages, and employee benefits	9,534,904	10,119,904	10,021,229	98,675
Operating expenditures	4,261,350	5,219,075	5,215,915	3,160
Capital outlay	22,601	322,601	92,428	230,173
Total detention center	13,818,855	15,661,580	15,329,572	332,008
Juvenile Probation:				
Salaries and wages, and employee benefits	5,114,204	5,114,204	4,965,327	148,877
Operating expenditures	949,535	1,016,930	591,876	425,054
Capital outlay	60,000	60,000	57,503	2,497
Total juvenile probation	6,123,739	6,191,134	5,614,706	576,428

(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, 2011

Exhibit 14  
Page 8 of 10

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Adult Probation:				
Operating expenditures	\$ 86,134	\$ 85,839	\$ 79,831	\$ 6,008
Total adult probation	86,134	85,839	79,831	6,008
Total corrections	20,028,728	21,938,553	21,024,109	914,444
Health and Welfare:				
Health Department:				
Salaries and wages, and employee benefits	849,702	839,702	691,679	148,023
Operating expenditures	84,998	101,340	63,902	37,438
Total health department	934,700	941,042	755,581	185,461
Environmental Health:				
Salaries and wages, and employee benefits	628,078	776,078	763,807	12,271
Other charges	35,180	35,522	22,018	13,504
Total environmental health	663,258	811,600	785,825	25,775
Child Protective Services:				
Operating expenditures	113,868	123,481	66,380	57,101
Total child protective services	113,868	123,481	66,380	57,101
Water Lab:				
Salaries and wages, and employee benefits	181,436	181,436	179,979	1,457
Operating expenditures	42,525	43,636	37,467	6,169
Total water lab	223,961	225,072	217,446	7,626
County Welfare:				
Salaries and wages, and employee benefits	129,208	129,208	129,488	( 280)
Operating expenditures	13,950	14,066	3,115	10,951
Total county welfare	143,158	143,274	132,603	10,671
Indigent Health Care:				
Salaries and wages, and employee benefits	81,992	81,992	72,428	9,564
Operating expenditures	2,080,699	2,380,408	2,267,186	113,222
Total indigent health care	2,162,691	2,462,400	2,339,614	122,786
Total health and welfare	4,241,636	4,706,869	4,297,449	409,420
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-

(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, 2011

Exhibit 14  
Page 9 of 10

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Assistance - Continued:				
Actions, Inc.:				
Operating expenditures	\$ 50,000	\$ 50,000	\$ 50,000	\$ -0-
Total Actions, Inc.	50,000	50,000	50,000	-0-
Brazoria County Marine Protection:				
Operating expenditures	\$ 12,000	\$ 12,000	\$ 12,000	\$ -0-
Total Brazoria County marine protection	12,000	12,000	12,000	-0-
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	4,189,935	4,189,935	4,061,707	128,228
Operating expenditures	969,427	1,249,006	1,171,800	77,206
Total library	5,159,362	5,438,941	5,233,507	205,434
Parks and Recreation:				
Salaries and wages, and employee benefits	1,710,216	1,710,216	1,689,907	20,309
Operating expenditures	552,670	708,834	491,597	217,237
Capital outlay	75,000	163,484	241,524	( 78,040)
Total parks and recreation	2,337,886	2,582,534	2,423,028	159,506
Fairgrounds:				
Salaries and wages, and employee benefits	64,891	65,291	65,058	233
Operating expenditures	105,000	110,228	94,723	15,505
Capital outlay	250,000	250,000	231,036	18,964
Total fairgrounds	419,891	425,519	390,817	34,702
Museum Supplement:				
Salaries and wages, and employee benefits	415,960	415,960	400,139	15,821
Operating expenditures	15,550	15,550	13,052	2,498
Capital outlay	96,100	96,100		96,100
Total museum supplement	527,610	527,610	413,191	114,419
Total culture and recreation	8,444,749	8,974,604	8,460,543	514,061
Conservation:				
Salaries and wages, and employee benefits	309,815	309,815	305,929	3,886
Operating expenditures	31,635	32,627	31,592	1,035
Total conservation	341,450	342,442	337,521	4,921

(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, 2011

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	\$ 198,564	\$ 200,164	\$ 200,016	\$ 148
Operating expenditures	5,295	5,828	4,932	896
Capital outlay	25,000	25,000	20,877	4,123
Total flood plan administrator	<u>228,859</u>	<u>230,992</u>	<u>225,825</u>	<u>5,167</u>
Total environmental protection	<u>228,859</u>	<u>230,992</u>	<u>225,825</u>	<u>5,167</u>
Total current expenditures	<u>\$ 87,146,813</u>	<u>\$ 92,242,833</u>	<u>\$ 87,695,866</u>	<u>\$ 4,546,967</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, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Transportation:				
Engineers Office:				
Salaries and wages, and employee benefits	\$ 9,965,298	\$ 9,815,298	\$ 9,641,969	\$ 173,329
Operating expenditures	8,362,504	17,414,260	7,557,845	9,856,415
Capital outlay	<u>2,151,400</u>	<u>2,262,736</u>	<u>4,203,726</u>	<u>(1,940,990)</u>
Total public transportation	<u>20,479,202</u>	<u>29,492,294</u>	<u>21,403,540</u>	<u>8,088,754</u>
Total expenditures	<u>\$ 20,479,202</u>	<u>\$ 29,492,294</u>	<u>\$ 21,403,540</u>	<u>\$ 8,088,754</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, 2011

	Lateral Road Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$	\$	\$	\$ -0-
Intergovernmental	87,500	87,500	87,421	( 79)
Investment income	200	200	117	( 83)
Total revenues	<u>87,700</u>	<u>87,700</u>	<u>87,538</u>	<u>( 162)</u>
Expenditures:				
Current:				
Public Transportation:				
Operating expenditures	220,000	220,000	105,116	114,884
Capital outlay	<u>                    </u>	<u>                    </u>	<u>112,681</u>	<u>( 112,681)</u>
Total public transportation	<u>220,000</u>	<u>220,000</u>	<u>217,797</u>	<u>2,203</u>
Total expenditures	<u>220,000</u>	<u>220,000</u>	<u>217,797</u>	<u>2,203</u>
Excess (deficiency) of revenues over expenditures	<u>( 132,300)</u>	<u>( 132,300)</u>	<u>( 130,259)</u>	<u>2,041</u>
Other Financing Sources (Uses):				
Transfers in	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>-0-</u>
Total other financing sources (uses)	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>-0-</u>
Net change in fund balances	<u>( 132,300)</u>	<u>( 132,300)</u>	<u>( 130,259)</u>	<u>2,041</u>
Fund balances – beginning	<u>154,292</u>	<u>154,292</u>	<u>154,292</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 21,992</u>	<u>\$ 21,992</u>	<u>\$ 24,033</u>	<u>\$ 2,041</u>

Road and Bridge Tax Code Chapter 152 Fund			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 640,000	\$ 640,000	\$ 554,092	\$( 85,908 )
<u>10,000</u>	<u>10,000</u>	<u>3,331</u>	<u>( 6,669 )</u>
<u>650,000</u>	<u>650,000</u>	<u>557,423</u>	<u>( 92,577 )</u>
650,000	650,000	257,952	392,048
<u>650,000</u>	<u>650,000</u>	<u>299,071</u>	<u>( 299,071 )</u>
<u>650,000</u>	<u>650,000</u>	<u>557,023</u>	<u>92,977</u>
<u>650,000</u>	<u>650,000</u>	<u>557,023</u>	<u>92,997</u>
<u>-0-</u>	<u>-0-</u>	<u>400</u>	<u>400</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>400</u>	<u>400</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 400</u>	<u>\$ 400</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, 2011

	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	2,000,000	2,000,000	2,675,923	675,923
Investment income	500	500		( 500)
Miscellaneous				-0-
Total revenues	<u>2,000,500</u>	<u>2,000,500</u>	<u>2,675,923</u>	<u>675,423</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	2,400,000	2,500,000	1,317,437	1,182,563
Capital outlay			<u>1,150,670</u>	<u>( 1,150,670)</u>
Total public transportation	<u>2,400,000</u>	<u>2,500,000</u>	<u>2,468,107</u>	<u>31,893</u>
Total expenditures	<u>2,400,000</u>	<u>2,500,000</u>	<u>2,468,107</u>	<u>31,893</u>
Excess (deficiency) of revenues over expenditures	<u>( 399,500)</u>	<u>( 499,500)</u>	<u>207,816</u>	<u>707,316</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>( 399,500)</u>	<u>( 499,500)</u>	<u>207,816</u>	<u>707,316</u>
Fund balances – beginning	<u>1,721,365</u>	<u>1,721,365</u>	<u>1,721,365</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 1,321,865</u>	<u>\$ 1,221,865</u>	<u>\$ 1,929,181</u>	<u>\$ 707,316</u>

Law Library Fund			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 180,000	\$ 180,000	\$ 210,147	\$ 30,147
			-0-
3,500	3,500	1,755	( 1,745 )
<u>14,000</u>	<u>14,000</u>	<u>14,824</u>	<u>824</u>
<u>197,500</u>	<u>197,500</u>	<u>226,726</u>	<u>29,226</u>
57,487	58,187	57,874	313
213,150	217,612	177,667	39,945
<u>15,000</u>	<u>15,000</u>	<u>          </u>	<u>15,000</u>
<u>285,637</u>	<u>290,799</u>	<u>235,541</u>	<u>55,258</u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>-0-</u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>285,637</u>	<u>290,799</u>	<u>235,541</u>	<u>55,258</u>
<u>( 88,137 )</u>	<u>( 93,299 )</u>	<u>( 8,815 )</u>	<u>84,484</u>
<u>34,500</u>	<u>34,500</u>	<u>35,500</u>	<u>( 1,000 )</u>
<u>34,500</u>	<u>34,500</u>	<u>35,500</u>	<u>( 1,000 )</u>
<u>( 53,637 )</u>	<u>( 58,799 )</u>	<u>26,685</u>	<u>83,484</u>
<u>294,862</u>	<u>294,862</u>	<u>294,862</u>	<u>-0-</u>
<u>\$ 241,225</u>	<u>\$ 236,063</u>	<u>\$ 321,547</u>	<u>\$ 83,484</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, 2011

Exhibit 16  
Page 3 of 3

	Mosquito Control District Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 1,579,740	\$ 1,579,740	\$ 1,558,150	\$( 21,590)
Investment income	10,000	10,000	788	( 9,212)
Miscellaneous	500	500	511	11
Total revenues	<u>1,590,240</u>	<u>1,590,240</u>	<u>1,559,449</u>	<u>( 30,791)</u>
Expenditures:				
Current:				
Judicial and Legal:				
Salaries and wages, and employee benefits	1,190,785	1,190,785	1,005,777	185,008
Operating expenditures	1,245,628	1,245,657	103,412	1,142,245
Capital outlay	<u>91,325</u>	<u>91,325</u>	<u>83,580</u>	<u>7,745</u>
Total judicial and legal	<u>2,527,738</u>	<u>2,527,767</u>	<u>1,192,769</u>	<u>1,334,998</u>
Total expenditures	<u>2,527,738</u>	<u>2,527,767</u>	<u>1,192,769</u>	<u>1,334,998</u>
Excess (deficiency) of revenues over expenditures	<u>( 937,498)</u>	<u>( 937,527)</u>	<u>366,680</u>	<u>1,304,207</u>
Other Financing Sources (Uses):				
Transfers in	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>-0-</u>
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balances	<u>( 937,498)</u>	<u>( 937,527)</u>	<u>366,680</u>	<u>1,304,207</u>
Fund balances – beginning	<u>535,175</u>	<u>535,175</u>	<u>535,175</u>	<u>-0-</u>
Fund balances – ending	<u>\$( 402,323)</u>	<u>\$( 402,352)</u>	<u>\$ 901,855</u>	<u>\$ 1,304,207</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, 2011

	C of O Sheriff & Detention Complex – Series 1993			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 3,068,385	\$ 3,068,385	\$ 2,951,104	\$( 117,281)
Investment income	50,000	50,000	41,481	( 8,519)
Total revenues	<u>3,118,385</u>	<u>3,118,385</u>	<u>2,992,585</u>	<u>( 125,800)</u>
Expenditures:				
Debt Service:				
Principal on long-term debt	2,485,000	2,485,000	2,485,000	-0-
Interest on long-term debt	355,100	404,838	364,838	40,000
Total expenditures	<u>2,840,100</u>	<u>2,889,838</u>	<u>2,849,838</u>	<u>40,000</u>
Excess (deficiency) of revenues over expenditures	<u>278,285</u>	<u>228,547</u>	<u>142,747</u>	<u>( 85,800)</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	278,285	228,547	142,747	( 85,800)
Fund balances – beginning	<u>2,092,879</u>	<u>2,092,879</u>	<u>2,092,879</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 2,371,164</u>	<u>\$ 2,321,426</u>	<u>\$ 2,235,626</u>	<u>\$( 85,800)</u>

C of O Construction and Maintenance – Series 2003			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 1,055,195	\$ 1,055,195	\$ 1,013,800	\$( 41,395 )
<u>20,000</u>	<u>20,000</u>	<u>6,334</u>	<u>( 13,666 )</u>
<u>1,075,195</u>	<u>1,075,195</u>	<u>1,020,134</u>	<u>( 55,061 )</u>
725,000	725,000	725,000	-0-
<u>236,352</u>	<u>236,652</u>	<u>236,652</u>	<u>-0-</u>
<u>961,352</u>	<u>961,652</u>	<u>961,652</u>	<u>-0-</u>
<u>113,843</u>	<u>113,543</u>	<u>58,482</u>	<u>( 55,061 )</u>
			<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
113,843	113,543	58,482	( 55,061 )
<u>313,788</u>	<u>313,788</u>	<u>313,788</u>	<u>-0-</u>
<u>\$ 427,631</u>	<u>\$ 427,331</u>	<u>\$ 372,270</u>	<u>\$( 55,061 )</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, 2011

	C of O Construction and Maintenance – Series 2006			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,133,479	\$ 1,133,479	\$ 1,090,357	\$( 43,122)
Investment income	20,000	20,000	6,445	( 13,555)
Total revenues	<u>1,153,479</u>	<u>1,153,479</u>	<u>1,096,802</u>	<u>( 56,677)</u>
Expenditures:				
Debt Service:				
Principal on long-term debt	550,000	550,000	550,000	-0-
Interest on long-term debt	547,964	548,564	548,564	-0-
Total expenditures	<u>1,097,964</u>	<u>1,098,564</u>	<u>1,098,564</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	<u>55,515</u>	<u>54,915</u>	<u>( 1,762)</u>	<u>( 56,677)</u>
Other Financing Sources (Uses):				
Proceeds from sale of bonds				-0-
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balances	55,515	54,915	( 1,762)	( 56,677)
Fund balances – beginning	<u>503,565</u>	<u>503,565</u>	<u>503,565</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 559,080</u>	<u>\$ 558,480</u>	<u>\$ 501,803</u>	<u>\$( 56,677)</u>

Unlimited Tax Road Bonds – Series 2006			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 1,736,860	\$ 1,736,860	\$ 3,304,882	\$ 1,568,022
<u>15,000</u>	<u>15,000</u>	<u>5,059</u>	<u>( 9,941)</u>
<u>1,751,860</u>	<u>1,751,860</u>	<u>3,309,941</u>	<u>1,558,081</u>
1,270,000	1,270,000	1,270,000	-0-
<u>1,798,402</u>	<u>1,804,573</u>	<u>1,110,288</u>	<u>694,285</u>
<u>3,068,402</u>	<u>3,074,573</u>	<u>2,380,288</u>	<u>694,285</u>
<u>( 1,316,542)</u>	<u>( 1,322,723)</u>	<u>929,653</u>	<u>2,252,366</u>
		<u>( 693,883)</u>	<u>( 693,883)</u>
<u>-0-</u>	<u>-0-</u>	<u>( 693,883)</u>	<u>( 693,883)</u>
<u>( 1,316,542)</u>	<u>( 1,322,713)</u>	<u>235,770</u>	<u>1,558,483</u>
<u>443,955</u>	<u>443,955</u>	<u>443,955</u>	<u>-0-</u>
<u>\$( 872,587)</u>	<u>\$( 878,758)</u>	<u>\$ 679,725</u>	<u>\$ 1,558,483</u>

**BRAZORIA COUNTY, TEXAS**

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

For the Year Ended September 30, 2011

Exhibit 18

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating Revenues:				
Sales:				
Fuel and supplies	\$ 2,811,793	\$ 2,811,793	\$ 2,356,036	\$( 455,757)
Cost of sales	<u>1,969,718</u>	<u>2,026,251</u>	<u>2,015,458</u>	<u>10,793</u>
Gross profit	842,075	785,542	340,578	( 444,964)
Other Revenue:				
Rentals	448,720	448,720	410,031	( 38,689)
Fees	320,802	320,802	279,789	( 41,013)
Miscellaneous	<u>800</u>	<u>800</u>	<u>29,134</u>	<u>28,334</u>
Net operating revenue	<u>1,612,397</u>	<u>1,555,864</u>	<u>1,059,532</u>	<u>( 496,332)</u>
Operating Expenses:				
Salaries and wages	434,151	434,151	409,002	25,149
Employee benefits	165,678	165,678	157,067	8,611
Supplies	121,885	142,409	142,409	-0-
Other charges	351,837	351,837	303,356	48,481
Depreciation		<u>1,160,000</u>	<u>850,725</u>	<u>309,275</u>
Total operating expenses	<u>1,073,551</u>	<u>2,254,075</u>	<u>1,862,559</u>	<u>391,516</u>
Operating income (loss)	<u>538,846</u>	<u>( 698,211)</u>	<u>( 803,027)</u>	<u>( 104,816)</u>
Non-Operating Revenues (Expenses):				
Interest			7,550	7,550
Grant revenue			<u>46,750</u>	<u>46,750</u>
Total non-operating revenues (expenses)	<u>-0-</u>	<u>-0-</u>	<u>54,300</u>	<u>54,300</u>
Net income (loss) before contributions and transfers	538,846	( 698,211)	( 748,727)	( 50,516)
Capital contributions			<u>807,418</u>	<u>807,418</u>
Change in net assets	538,846	( 698,211)	58,691	756,902
Net Assets:				
Total net assets – beginning of year	<u>18,868,045</u>	<u>18,868,045</u>	<u>18,868,045</u>	<u>-0-</u>
Total net assets – end of year	<u>\$ 19,406,891</u>	<u>\$ 18,169,834</u>	<u>\$ 18,926,736</u>	<u>\$ 756,902</u>

**BRAZORIA COUNTY, TEXAS**  
**COMBINING STATEMENT OF NET ASSETS -**  
**INTERNAL SERVICE FUNDS**  
September 30, 2011

Exhibit 19

	<u>Self Insurance Liability</u>	<u>Self Insurance Health</u>	<u>Total</u>
<u>Assets</u>			
Current Assets:			
Cash and temporary investments	\$ 1,423,355	\$ 971,477	\$ 2,394,832
Accounts receivable		150	150
Prepaid expenses		<u>100,383</u>	<u>100,383</u>
Total assets	<u>\$ 1,423,355</u>	<u>\$ 1,072,010</u>	<u>\$ 2,495,365</u>
 <u>Liabilities and Fund Balance</u>			
Current Liabilities:			
Accounts and accrued liabilities payable	\$ 42,862	\$ 7,261	\$ 50,123
Estimated claims payable	<u>400,000</u>	<u>904,834</u>	<u>1,304,834</u>
Total liabilities	<u>442,862</u>	<u>912,095</u>	<u>1,354,957</u>
 <u>Net Assets</u>			
Unrestricted	<u>980,493</u>	<u>159,915</u>	<u>1,140,408</u>
Total net assets	<u>980,493</u>	<u>159,915</u>	<u>1,140,408</u>
Total liabilities and net assets	<u>\$ 1,423,355</u>	<u>\$ 1,072,010</u>	<u>\$ 2,495,365</u>

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

For the Year Ended September 30, 2011

Exhibit 20

	<u>Self Insurance Liability</u>	<u>Self Insurance Health</u>	<u>Total</u>
Operating Revenues:			
Contributions for self insurance	\$ 494,783	\$ 11,805,081	\$ 12,299,864
Total operating revenues	<u>494,783</u>	<u>11,805,081</u>	<u>12,299,864</u>
Operating Expenses:			
Legal expenses and settlements	271,710		271,710
Health claims expense		10,895,758	10,895,758
Administrative expense		<u>1,471,182</u>	<u>1,471,182</u>
Total operating expenses	<u>271,710</u>	<u>12,366,940</u>	<u>12,638,650</u>
Operating income (loss)	223,073	( 561,859)	( 338,786)
Non-Operating Revenue (Expense):			
Investment income	<u>4,992</u>		<u>4,992</u>
Net income (loss)	228,065	( 561,859)	( 333,794)
Net assets – beginning of year	<u>752,428</u>	<u>721,774</u>	<u>1,474,202</u>
Net assets – end of year	<u>\$ 980,493</u>	<u>\$ 159,915</u>	<u>\$ 1,140,408</u>

**BRAZORIA COUNTY, TEXAS**  
**COMBINING STATEMENT OF CASH FLOWS -**  
**INTERNAL SERVICE FUNDS**  
For the Year Ended September 30, 2011

Exhibit 21

	Self Insurance Liability	Self Insurance Health	Total
Cash Flows from Operating Activities:			
Cash flows received from employees and other funds	\$ 494,783	\$ 11,805,081	\$ 12,299,864
Cash paid to and on behalf of employees	( 228,848)	( 10,669,471)	( 10,669,471)
Cash paid to suppliers and others	<u>( 228,848)</u>	<u>( 1,433,278)</u>	<u>( 1,662,126)</u>
Net cash provided (used) by operating activities	<u>265,935</u>	<u>( 297,668)</u>	<u>( 31,733)</u>
Cash Flows from Non-Capital Financing Activities:			
Net cash provided (used) by non-capital financing activities	<u>                    </u>	<u>                    </u>	<u>-0-</u>
Cash Flows from Capital and Financing Activities:			
Net cash provided (used) by capital and financing activities	<u>                    </u>	<u>                    </u>	<u>-0-</u>
Cash Flows from Investing Activities:			
Investment income	<u>5,053</u>	<u>                    </u>	<u>5,053</u>
Net cash provided (used) by investment activities	<u>5,053</u>	<u>-0-</u>	<u>5,053</u>
Net increase (decrease) in cash	270,988	( 297,668)	( 26,680)
Cash and temporary investments - beginning of year	<u>1,152,367</u>	<u>1,269,145</u>	<u>2,421,512</u>
Cash and temporary investments - end of year	<u>\$ 1,423,355</u>	<u>\$ 971,477</u>	<u>\$ 2,394,832</u>
Reconciliation of Operating Income to Net Cash Provided (Used) By Operating Activities:			
Operating Activities:			
Operating income (loss)	\$ 223,073	\$( 561,859)	\$( 338,786)
Changes in Assets and Liabilities:			
(Increase) Decrease In:			
Accounts receivable		417	417
Prepaid expenses		37,904	37,904
Increase (Decrease) In:			
Accounts and accrued liabilities payable	<u>42,862</u>	<u>225,870</u>	<u>268,732</u>
Net cash provided (used) for operating activities	<u>\$ 265,935</u>	<u>\$( 297,668)</u>	<u>\$( 31,733)</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, 2011

Exhibit 22  
Page 1 of 3

	<u>Balance 10-01-10</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 09-30-11</u>
<b>PAYROLL CLEARING:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ 1,116,507	\$ 68,025,880	\$ 67,995,686	\$ 1,146,701
Accounts receivable		148		148
Due from other funds	<u>344</u>		<u>344</u>	<u>-0-</u>
Total assets	<u>\$ 1,116,851</u>	<u>\$ 68,026,028</u>	<u>\$ 67,996,030</u>	<u>\$ 1,146,849</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expense	<u>\$ 1,116,851</u>	<u>\$ 68,026,028</u>	<u>\$ 67,996,030</u>	<u>\$ 1,146,849</u>
Total liabilities	<u>\$ 1,116,851</u>	<u>\$ 68,026,028</u>	<u>\$ 67,996,030</u>	<u>\$ 1,146,849</u>
<b>BRAZORIA COUNTY FRESH WATER SUPPLY DISTRICT #2:</b>				
<i>Assets</i>				
Cash and temporary investments	<u>\$ 4,289</u>	<u>\$ 2,381</u>	<u>\$ 6,407</u>	<u>\$ 263</u>
Total assets	<u>\$ 4,289</u>	<u>\$ 2,381</u>	<u>\$ 6,407</u>	<u>\$ 263</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 176	\$ 121	\$ 176	\$ 121
Due to others	<u>4,113</u>	<u>2,260</u>	<u>6,231</u>	<u>142</u>
Total liabilities	<u>\$ 4,289</u>	<u>\$ 2,381</u>	<u>\$ 6,407</u>	<u>\$ 263</u>
<b>BRAZORIA COUNTY GROUNDWATER CONSERVATION DISTRICT:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ 239,344	\$ 704,541	\$ 464,276	\$ 479,609
Accounts receivable	<u>37,206</u>	<u>37,158</u>	<u>37,206</u>	<u>37,158</u>
Total assets	<u>\$ 276,550</u>	<u>\$ 741,699</u>	<u>\$ 501,482</u>	<u>\$ 516,767</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 5,541	\$ 189,123	\$ 193,314	\$ 1,350
Due to others	<u>271,009</u>	<u>552,576</u>	<u>308,168</u>	<u>515,417</u>
Total liabilities	<u>\$ 276,550</u>	<u>\$ 741,699</u>	<u>\$ 501,482</u>	<u>\$ 516,767</u>

(continued)

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

For the Year Ended September 30, 2011

Exhibit 22

Page 2 of 3

	<u>Balance</u> 10-01-10	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> 09-30-11
<b>CHILD SUPPORT:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ <u>2,330</u>	\$ <u>11,268</u>	\$ <u>11,958</u>	\$ <u>1,640</u>
Total assets	\$ <u>2,330</u>	\$ <u>11,268</u>	\$ <u>11,958</u>	\$ <u>1,640</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Due to others	\$ <u>2,330</u>	\$ <u>11,268</u>	\$ <u>11,958</u>	\$ <u>1,640</u>
Total liabilities	\$ <u>2,330</u>	\$ <u>11,268</u>	\$ <u>11,958</u>	\$ <u>1,640</u>
<b>TDCJ-CJAD:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ 937,761	\$ 3,905,273	\$ 3,750,737	\$ 1,092,297
Accounts receivable	<u>5,753</u>	<u>34</u>	<u>5,753</u>	<u>34</u>
Total assets	\$ <u>943,514</u>	\$ <u>3,905,307</u>	\$ <u>3,756,490</u>	\$ <u>1,092,331</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 32,949	\$ 232,158	\$ 32,949	\$ 232,158
Due to others	<u>910,565</u>	<u>3,673,149</u>	<u>3,723,541</u>	<u>860,173</u>
Total liabilities	\$ <u>943,514</u>	\$ <u>3,905,307</u>	\$ <u>3,756,490</u>	\$ <u>1,092,331</u>
<b>DISTRICT/COUNTY CLERKS TRUSTS:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ <u>15,399,711</u>	\$ <u>19,926,091</u>	\$ <u>24,526,532</u>	\$ <u>10,799,270</u>
Total assets	\$ <u>15,399,711</u>	\$ <u>19,926,091</u>	\$ <u>24,526,532</u>	\$ <u>10,799,270</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Due to others	\$ <u>15,399,711</u>	\$ <u>19,926,091</u>	\$ <u>24,526,532</u>	\$ <u>10,799,270</u>
Total liabilities	\$ <u>15,399,711</u>	\$ <u>19,926,091</u>	\$ <u>24,526,532</u>	\$ <u>10,799,270</u>

(continued)

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

For the Year Ended September 30, 2011

Exhibit 22  
Page 3 of 3

	<u>Balance 10-01-10</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 09-30-11</u>
<b>CONOCO PHILLIPS FM 524 BY-PASS:</b>				
<i>Assets</i>				
Cash and temporary investments	\$	\$ 6,912,597	\$ 6,912,597	\$ -0-
Accounts receivable	163,539		163,539	-0-
Due from other funds		<u>45,869</u>		<u>45,869</u>
Total assets	<u>\$ 163,539</u>	<u>\$ 6,958,466</u>	<u>\$ 7,076,136</u>	<u>\$ 45,869</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Due to other funds	\$ 163,539		\$ 163,539	\$ -0-
Due to others		<u>6,958,466</u>	<u>6,912,597</u>	<u>45,869</u>
Total liabilities	<u>\$ 163,539</u>	<u>\$ 6,958,466</u>	<u>\$ 7,076,136</u>	<u>\$ 45,869</u>
<b>BRAZORIA COUNTY TOLL ROAD AUTHORITY:</b>				
<i>Assets</i>				
Cash and temporary investments	\$	\$ 61,736	\$ 67,136	\$ -0-
Total assets	<u>\$ -0-</u>	<u>\$ 61,736</u>	<u>\$ 67,136</u>	<u>\$ -0-</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Due to others	\$	\$ 61,736	\$ 61,736	\$ -0-
Total liabilities	<u>\$ -0-</u>	<u>\$ 61,736</u>	<u>\$ 61,736</u>	<u>\$ -0-</u>
<b>TOTALS - ALL AGENCY FUNDS:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ 17,699,942	\$ 99,549,767	\$ 103,729,929	\$ 13,519,780
Accounts receivable	206,498	37,340	206,498	37,340
Due from other funds	<u>344</u>	<u>45,869</u>	<u>344</u>	<u>45,869</u>
Total assets	<u>\$ 17,906,784</u>	<u>\$ 99,632,976</u>	<u>\$ 103,936,771</u>	<u>\$ 13,602,989</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 1,155,517	\$ 68,447,430	\$ 68,222,469	\$ 1,380,478
Due to other funds	163,539		163,539	-0-
Due to others	<u>16,587,728</u>	<u>31,185,546</u>	<u>35,550,763</u>	<u>12,222,511</u>
Total liabilities	<u>\$ 17,906,784</u>	<u>\$ 99,632,976</u>	<u>\$ 103,936,771</u>	<u>\$ 13,602,989</u>

## **STATISTICAL SECTION**



# BRAZORIA COUNTY, TEXAS

Statistical Section  
(unaudited)

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

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

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

<b>Debt Capacity</b>	9-11
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These tables present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

<b>Demographic and Economic Indicators</b>	12-14
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These tables offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

<b>Operating Information</b>	15-16
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These tables contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides.

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

**BRAZORIA COUNTY, TEXAS**  
**NET ASSETS BY COMPONENTS**  
Last Nine 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	\$ 82,951,384	\$ 81,631,717	\$ 81,466,363	\$ 96,668,961	\$ 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
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>30,957,200</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>\$ 151,281,857</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>340,261</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>\$ 11,537,252</u>
Primary Government:					
Invested in capital assets, net of related debt	\$ 90,837,965	\$ 91,924,991	\$ 91,084,052	\$ 107,540,879	\$ 110,593,460
Restricted	12,458,177	12,237,534	13,343,520	16,920,341	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>31,297,461</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>\$ 162,819,109</u>

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

Fiscal Year			
<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 105,895,455	\$ 118,386,142	\$ 107,946,044	\$ 125,443,284
11,785,704	14,812,978	28,317,997	12,899,517
2,397,569	2,674,027	2,642,145	5,589,069
6,903,230	11,038,528	9,138,277	7,857,542
<u>30,975,246</u>	<u>29,373,464</u>	<u>35,504,190</u>	<u>45,667,087</u>
<u>\$ 157,957,204</u>	<u>\$ 176,285,139</u>	<u>\$ 183,548,653</u>	<u>\$ 197,456,499</u>
\$ 10,654,958	\$ 10,262,087	\$ 17,932,099	\$ 18,063,644
49,419			
17,781			
<u>488,387</u>	<u>1,240,854</u>	<u>936,146</u>	<u>859,249</u>
<u>\$ 11,210,545</u>	<u>\$ 11,502,941</u>	<u>\$ 18,868,245</u>	<u>\$ 18,922,893</u>
\$ 116,550,413	\$ 128,648,229	\$ 125,878,143	\$ 143,506,928
21,153,703	28,525,533	40,098,419	26,346,128
<u>32,463,633</u>	<u>30,614,318</u>	<u>36,440,336</u>	<u>46,526,336</u>
<u>\$ 169,167,749</u>	<u>\$ 187,788,080</u>	<u>\$ 202,416,898</u>	<u>\$ 216,379,392</u>



**BRAZORIA COUNTY, TEXAS**  
**CHANGES IN NET ASSETS**  
**Last Nine Fiscal Years**  
**(accrual basis of accounting)**

Table 2

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>Expenses</b>					
Governmental Activities:					
General administration	\$ 4,105,945	\$ 4,588,331	\$ 5,292,979	\$ 4,974,768	\$ 5,806,262
Judicial and legal	12,002,634	12,540,748	13,078,631	13,797,943	15,208,486
Financial administration	6,433,818	7,017,884	7,441,233	7,726,563	8,093,087
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	3,522,780
Public safety	10,535,578	11,064,291	12,177,212	13,317,747	14,026,836
Corrections	16,251,641	17,824,167	18,334,618	18,966,237	20,270,216
Public transportation	20,038,508	22,626,704	22,895,228	18,864,434	24,475,813
Health and welfare	6,644,933	7,844,979	8,178,159	9,745,180	10,170,647
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	7,316,858
Conservation	377,647	408,329	350,218	393,433	366,651
Environmental protection	125,604	132,419	142,928	150,987	189,657
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>102,728,143</u>	<u>104,280,219</u>	<u>114,875,222</u>
Business-type Activities:					
Airport	<u>1,379,687</u>	<u>1,635,067</u>	<u>1,819,390</u>	<u>2,124,407</u>	<u>2,344,879</u>
Total business-type activities expenses	<u>1,379,687</u>	<u>1,635,067</u>	<u>1,819,390</u>	<u>2,124,407</u>	<u>2,344,879</u>
Total primary government expenses	<u>\$ 90,448,533</u>	<u>\$ 100,071,565</u>	<u>\$ 104,547,533</u>	<u>\$ 106,404,626</u>	<u>\$ 117,220,101</u>
<b>Program Revenues</b>					
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>

Fiscal Year

	2008	2009	2010	2011
\$	7,505,494	\$ 8,402,752	\$ 9,765,100	\$ 9,367,760
	16,425,146	17,095,026	17,108,112	17,185,013
	8,825,918	9,274,787	9,417,717	9,421,715
	717,673	460,608	471,550	436,854
	3,608,908	3,726,303	4,007,936	4,145,921
	16,714,660	16,565,137	17,203,454	17,825,709
	22,487,177	23,084,589	23,167,977	25,415,355
	28,116,886	33,663,115	30,129,895	27,572,896
	10,269,808	11,379,348	12,684,269	11,619,175
	296,000	296,000	296,000	296,000
	7,810,785	8,501,264	8,514,714	8,690,800
	407,178	433,198	389,848	352,487
	205,704	211,300	204,162	261,926
	2,228,027	2,477,725	3,433,743	5,965,680
	<u>2,497,944</u>	<u>2,242,764</u>	<u>2,650,328</u>	<u>2,842,829</u>
	<u>128,117,308</u>	<u>137,813,916</u>	<u>139,444,805</u>	<u>141,400,120</u>
	<u>3,283,991</u>	<u>3,746,623</u>	<u>3,273,887</u>	<u>3,898,445</u>
	<u>3,283,991</u>	<u>3,746,623</u>	<u>3,273,887</u>	<u>3,898,445</u>
\$	<u>131,401,299</u>	<u>141,560,539</u>	<u>142,718,692</u>	<u>145,298,565</u>

\$	3,592,424	\$ 3,078,349	\$ 3,068,103	\$ 2,916,705
	6,510,075	6,719,465	7,562,837	8,806,300
	1,607,565	1,782,317	1,774,714	2,472,605
	216,604	163,679	213,801	139,755
	32,625	1,168,851	36,305	1,610,574
	1,690,817	735,649	1,285,185	725,934
	585,301	395,555	786,547	691,574
	3,910,942	4,092,757	3,467,955	4,881,755
	531,764	501,588	613,305	351,506
	303,660	320,080	329,062	353,387
	10,147	11,448	106,364	113,441
	62,375	6,759	6,728	7,420
	14,474,328	20,615,452	17,275,047	18,663,189
	<u>7,102,464</u>	<u>15,200,393</u>	<u>6,058,920</u>	<u>3,315,829</u>
	<u>40,631,091</u>	<u>54,792,342</u>	<u>42,584,873</u>	<u>45,049,974</u>

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

Table 2

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>Business-type Activities:</b>					
Charges for Services	\$ 1,101,170	\$ 1,178,963	\$ 1,269,237	\$ 1,616,331	\$ 1,715,941
Operating Grants and Contributions	13,325			29,461	45,940
Capital Grants and Contributions	<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>
<b>Net (Expense)/Revenue:</b>					
Governmental activities	\$( 67,871,757)	\$( 74,180,565)	\$( 73,990,994)	\$( 56,652,061)	\$( 78,087,957)
Business-type activities	<u>1,815,468</u>	<u>2,235,150</u>	<u>674,165</u>	<u>( 70,462)</u>	<u>( 21,656)</u>
Total primary governmental net expense	<u>( 66,056,289)</u>	<u>( 71,945,415)</u>	<u>( 73,316,829)</u>	<u>( 56,722,523)</u>	<u>( 78,109,613)</u>
<b>General Revenues &amp; Other Changes in Net Assets</b>					
<b>Governmental Activities:</b>					
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	12,689,046	17,543,873
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 on disposition of capital assets	114,143	117,822		85,872	520
Miscellaneous	1,414,756	1,691,398	1,954,155	1,666,557	1,737,063
Transfers		<u>( 150,000)</u>	<u>( 150,000)</u>	<u>( 237,475)</u>	
Total governmental activities	<u>66,851,430</u>	<u>71,432,042</u>	<u>77,382,994</u>	<u>84,618,197</u>	<u>92,783,144</u>
<b>Business-type Activities:</b>					
Unrestricted investment earnings	11,229	2,125	1,293	2,646	4,723
Gain 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>77,534,287</u>	<u>84,858,318</u>	<u>92,787,867</u>
<b>Change in Net Assets</b>					
Governmental activities	( 1,020,327)	( 2,748,523)	3,392,000	27,966,136	14,695,187
Business-type activities	<u>1,826,697</u>	<u>2,387,275</u>	<u>825,458</u>	<u>169,659</u>	<u>( 16,933)</u>
Total primary government	<u>\$ 806,370</u>	<u>\$( 361,248)</u>	<u>\$ 4,217,458</u>	<u>\$ 28,135,795</u>	<u>\$ 14,678,254</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.

Fiscal Year			
2008	2009	2010	2011
\$ 2,696,391	\$ 3,281,882	\$ 2,523,391	\$ 3,091,375
5,498	43,086		46,750
<u>141,668</u>	<u>354,225</u>	<u>8,085,786</u>	<u>807,418</u>
<u>2,843,557</u>	<u>3,679,183</u>	<u>10,609,177</u>	<u>3,945,543</u>
<u>43,474,648</u>	<u>58,471,535</u>	<u>53,194,050</u>	<u>48,995,517</u>
( 87,486,217)	( 83,021,574)	( 96,859,932)	( 96,350,146)
( 440,434)	( 67,430)	7,335,290	47,098
( <u>87,926,651</u> )	( <u>83,089,004</u> )	( <u>89,524,642</u> )	( <u>96,303,048</u> )
72,549,360	81,235,296	86,026,984	90,322,731
16,825,916	16,794,059	15,538,547	16,971,997
217,066	78,956		370,307
2,950,658	1,686,538	1,304,639	1,178,754
111,195	10,106		69,146
1,607,369	1,894,054	1,253,276	1,345,057
( 100,000)	( 349,500)		
<u>94,161,564</u>	<u>101,349,509</u>	<u>104,123,446</u>	<u>110,257,992</u>
13,227	10,326	16,585	7,550
500		13,429	
<u>100,000</u>	<u>349,500</u>		
<u>113,727</u>	<u>359,826</u>	<u>30,014</u>	<u>7,550</u>
<u>94,275,291</u>	<u>101,709,335</u>	<u>104,153,460</u>	<u>110,265,542</u>
6,675,347	18,327,935	7,263,514	13,907,846
( 326,707)	292,396	7,365,304	54,648
<u>\$ 6,348,640</u>	<u>\$ 18,620,331</u>	<u>\$ 14,628,818</u>	<u>\$ 13,962,494</u>

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

Table 3

	Fiscal Year				
	2002	2003	2004	2005	2006
General Fund:					
Reserved	\$ 417,389	\$ 776,941	\$ 1,149,125	\$ 1,035,239	\$ 1,181,546
Unreserved	11,217,028	10,628,263	10,119,747	12,398,370	17,368,350
Non-spendable					
Restricted					
Committed					
Unassigned					
Total general fund	<u>\$ 11,634,417</u>	<u>\$ 11,405,204</u>	<u>\$ 11,268,872</u>	<u>\$ 13,433,609</u>	<u>\$ 18,549,896</u>
All Other Governmental Funds:					
Reserved	\$ 2,430,409	\$ 2,127,108	\$ 2,341,383	\$ 2,904,897	\$ 3,780,614
Unreserved:					
Designated:					
Capital projects funds	3,077,085	10,894,981	7,288,634	5,482,269	16,542,134
Undesignated:					
Capital projects funds				85,098	
Special revenue funds	8,906,476	10,506,768	9,262,935	9,825,608	12,453,432
Non-spendable					
Restricted					
Committed					
Assigned					
Unassigned					
Total all other governmental funds	<u>\$ 14,413,970</u>	<u>\$ 23,528,857</u>	<u>\$ 18,892,952</u>	<u>\$ 18,297,872</u>	<u>\$ 32,776,180</u>

Fiscal Year				
2007	2008	2009	2010	2011
\$ 1,536,623	\$ 945,689	\$ 3,668,508	\$ 4,099,579	\$
23,816,764	24,057,655	22,719,603	27,121,283	
				1,158,255
				1,530,251
				1,553,849
				<u>34,200,927</u>
<u>\$ 25,353,387</u>	<u>\$ 25,003,344</u>	<u>\$ 26,388,111</u>	<u>\$ 31,220,862</u>	<u>\$ 38,443,282</u>
\$ 5,025,466	\$ 4,426,316	\$ 29,103,256	\$ 41,438,332	\$ 33,101,953
23,553,119	19,157,559	792,514	776,374	
14,721,315	16,417,485			
				1,053,294
				31,269,960
				778,699
				( 13,309)
<u>\$ 43,299,900</u>	<u>\$ 40,001,360</u>	<u>\$ 29,895,770</u>	<u>\$ 42,214,706</u>	<u>\$ 33,088,644</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				
	2002	2003	2004	2005	2006
Revenues:					
Taxes	\$ 59,790,710	\$ 64,712,267	\$ 68,926,987	\$ 74,871,254	\$ 80,618,481
Intergovernmental	9,225,776	9,673,483	10,554,254	13,154,480	14,658,241
Charges for services	5,607,940	5,497,608	6,777,239	6,946,094	8,505,724
Licenses and permits	2,688,644	3,061,146	2,716,482	3,510,492	4,192,040
Fines and forfeitures	2,418,302	2,480,513	2,755,884	2,681,213	2,937,726
Special assessments	89,692	388,636	40,622	21,142	20,355
Investment income	1,207,685	812,240	896,098	1,189,482	2,558,836
Miscellaneous	1,684,999	1,593,134	2,775,181	2,168,765	1,650,000
Total revenues	<u>82,713,748</u>	<u>88,219,027</u>	<u>95,442,747</u>	<u>104,542,922</u>	<u>115,141,403</u>
Expenditures:					
General administration	3,659,565	3,944,682	4,490,510	5,036,224	5,193,392
Judicial and legal	10,763,642	11,784,197	11,702,822	12,132,962	13,101,418
Financial administration	6,138,232	6,436,503	6,825,415	7,307,863	7,477,425
Elections	103,424	156,447	77,817	109,644	2,276,634
Public facilities	2,168,715	2,300,228	2,544,981	2,757,631	2,667,167
Public safety	9,535,724	10,260,660	10,726,572	12,224,147	13,229,168
Corrections	14,482,329	15,468,693	16,441,503	16,995,740	17,823,526
Public transportation	17,391,246	19,091,164	20,201,559	20,923,768	20,482,267
Health and welfare	5,786,983	6,628,407	7,724,836	8,014,313	9,779,785
Public assistance	226,000	226,000	226,000	296,000	296,000
Culture and recreation	5,859,727	5,954,913	6,724,925	6,114,890	6,335,099
Conservation	367,473	377,852	388,549	334,836	373,006
Environmental protection	133,460	123,226	122,224	135,140	142,056
Community development		2,502,382	3,869,450	4,158,810	2,867,898
Capital outlay	5,943,962	2,650,785	3,416,104	1,720,896	2,841,843
Debt Service:					
Principal	1,430,650	2,305,504	3,016,366	3,164,604	2,975,208
Interest and fiscal charges	2,022,063	1,581,102	1,565,351	1,395,797	1,556,717
Total expenditures	<u>86,013,195</u>	<u>91,792,745</u>	<u>100,064,984</u>	<u>102,823,265</u>	<u>109,418,609</u>
Excess of revenues over (under) expenditures	<u>( 3,299,447 )</u>	<u>( 3,573,718 )</u>	<u>( 4,622,237 )</u>	<u>1,719,657</u>	<u>5,722,794</u>

(continued)

		Fiscal Year							
		2007	2008	2009	2010	2011			
\$	85,899,285	\$	89,733,333	\$	97,948,315	\$	101,144,578	\$	107,106,700
	12,553,652		16,962,416		23,271,447		19,425,363		21,252,449
	9,339,206		9,170,529		8,513,053		8,825,218		9,312,082
	4,319,103		4,178,179		4,364,604		4,632,972		4,748,920
	3,030,492		2,932,468		2,999,714		3,349,587		3,868,556
	39,984		41,366		65,891		127,307		221,773
	4,437,291		2,910,886		1,670,081		1,299,600		1,197,606
	<u>2,707,950</u>		<u>2,256,193</u>		<u>2,461,330</u>		<u>1,837,188</u>		<u>2,131,525</u>
	<u>122,326,963</u>		<u>128,185,370</u>		<u>141,294,435</u>		<u>140,641,813</u>		<u>149,839,611</u>
	5,647,182		7,338,056		8,316,067		8,967,373		9,161,421
	14,720,532		16,024,206		16,581,752		16,795,972		16,748,044
	7,895,801		8,618,867		9,014,398		9,234,021		9,204,212
	378,867		692,279		433,657		441,531		413,086
	3,379,986		3,428,404		3,716,015		3,762,477		4,428,992
	13,543,831		17,059,446		16,101,590		16,467,367		17,115,173
	19,110,690		21,462,209		21,802,308		21,811,543		23,659,629
	19,549,824		21,173,785		26,550,726		19,813,342		20,420,257
	9,925,766		9,945,531		10,964,979		12,373,186		11,255,659
	296,000		296,000		296,000		296,000		296,000
	7,046,649		7,660,650		8,429,724		8,872,828		8,647,754
	350,210		393,215		411,494		376,220		337,521
	179,182		199,402		203,304		196,019		272,161
	2,241,638		2,227,029		2,476,674		3,433,742		5,964,892
	9,988,904		17,263,186		17,780,454		13,286,022		15,687,513
	2,805,000		3,760,000		4,240,000		4,450,000		5,030,000
	<u>2,617,009</u>		<u>2,472,201</u>		<u>2,391,636</u>		<u>2,510,730</u>		<u>3,319,324</u>
	<u>119,677,071</u>		<u>140,014,466</u>		<u>149,710,778</u>		<u>143,088,373</u>		<u>151,961,638</u>
	<u>2,649,892</u>		<u>( 11,829,096 )</u>		<u>( 8,416,343 )</u>		<u>( 2,446,560 )</u>		<u>( 2,122,027 )</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				
	2002	2003	2004	2005	2006
Other Financing Sources (Uses):					
Issuance of bonds	\$	\$ 11,000,000	\$	\$	\$ 13,880,000
Premium on issuance of bonds					117,050
Proceeds from sale of capital assets		1,459,392			
Issuance of capital leases					134,081
Proceeds from refunding bonds					
Payments to escrow agent					
Other					( 21,855)
Transfers in	1,012,089	1,101,179	1,859,610	1,266,797	1,496,992
Transfers out	( 1,293,667)	( 1,101,179)	( 2,009,610)	( 1,416,797)	( 1,734,467)
Total other financing sources (uses)	( 281,578)	12,459,392	( 150,000)	( 150,000)	13,871,801
Net change in fund balances	\$( 3,581,025)	\$ 8,885,674	\$( 4,772,237)	\$ 1,569,657	\$ 19,594,595
Debt service as a percentage of noncapital expenditures	4.3%	4.4%	4.7%	4.5%	4.3%

		Fiscal Year				
		2007	2008	2009	2010	2011
\$	14,000,000	\$	17,950,000	\$	19,425,000	\$
	606,572		330,304		101,722	
	70,747		344,569	45,020	71,525	218,385
			( 10,344,360)			
	988,139		1,802,660	2,097,774	1,204,557	7,686,208
(	988,139)	(	1,902,660)	( 2,447,274)	( 1,204,557)	( 7,686,208)
	<u>14,677,319</u>		<u>8,180,513</u>	( <u>304,480</u> )	<u>19,598,247</u>	<u>218,385</u>
\$	<u>17,327,211</u>	\$	( <u>3,648,583</u> )	\$	( <u>8,720,823</u> )	\$
					<u>17,151,687</u>	( <u>1,903,642</u> )
	4.9%		5.1%	5.0%	5.4%	6.1%

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

Table 5

Last Ten Fiscal Years

(Amounts in thousands)

Fiscal Year	Real Property			Less: Exemptions	Net Real Property	Minerals	Personal Property	Total Taxable Assessed Value
	Residential	Commercial	Total					
2011	\$ 12,144,343	\$ 10,995,245	\$ 23,139,588	\$ 7,556,250	\$ 15,583,338	\$ 391,224	\$ 3,599,879	\$ 19,574,441
2010	11,317,327	13,509,869	24,827,196	7,405,684	17,421,512	453,986	2,320,561	20,196,059
2009	11,551,683	13,546,817	25,098,500	7,174,101	17,924,399	512,177	2,435,863	20,872,439
2008	10,501,274	12,734,892	23,236,166	6,223,999	17,012,167	443,245	2,250,737	19,706,149
2007	9,527,254	13,172,882	22,700,136	7,152,420	15,547,716	405,484	2,055,336	18,008,536
2006	8,487,677	11,709,803	20,197,480	6,400,362	13,797,118	386,629	1,847,430	16,031,177
2005	9,114,072	9,824,879	18,938,951	5,150,588	13,788,363	387,153	1,774,176	15,949,692
2004	8,261,046	9,134,771	17,395,817	4,951,648	12,444,169	313,207	1,593,186	14,350,562
2003	7,433,887	9,266,226	16,700,113	4,939,527	11,760,586	223,890	1,492,274	13,476,750
2002	5,696,992	8,919,374	14,616,366	4,189,088	10,427,278	212,272	1,461,238	12,100,788

Source: Brazoria County Appraisal District

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

Fiscal  
Year

---

\$ 0.463101  
0.426286  
0.390000  
0.321396  
0.381701  
0.407987  
0.421955  
0.419500  
0.419500  
0.399500

**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

	2002 Tax Rate	2003 Tax Rate	2004 Tax Rate	2005 Tax Rate
<b>County Direct Rates:</b>				
General Fund	0.257269	0.278287	0.284237	0.286210
Road & Bridge	0.060000	0.060000	0.047500	0.047500
Mosquito Control				
Special R&B - Article 6790	0.060000	0.060000	0.060000	0.060000
Debt Service Fund - Jail Building Bonds	0.022231	0.021213	0.020513	0.020995
Certificate of Obligation - Series 2003			0.007250	0.007250
Certificate of Obligation - Series 2006				
Unlimited Tax Road Bonds - Series 2008				
Total direct rate	<u>0.399500</u>	<u>0.419500</u>	<u>0.419500</u>	<u>0.421955</u>
<b>City Rates:</b>				
Alvin	0.803600	0.803600	0.803600	0.803600
Angleton	0.754774	0.744774	0.744774	0.739774
Brazoria	0.728300	0.728300	0.728300	0.728300
Brookside Village	0.460000	0.460000	0.460000	0.460000
Clute	0.723000	0.723000	0.723000	0.723000
Danbury	0.804816	0.841738	0.841738	0.823830
Freeport	0.764000	0.748500	0.748500	0.716900
Hillcrest Village	0.374512	0.374512	0.374512	0.374512
Town of Holiday Lakes	1.306045	1.269340	1.269340	1.230848
Village of Jones Creek	0.310000	0.310000	0.310000	0.310000
Lake Jackson	0.375000	0.370300	0.370300	0.370000
Liverpool	0.175800	0.175800	0.175800	0.175800
Manvel	0.713231	0.710247	0.710247	0.659603
Village of Oyster Creek	0.394700	0.411106	0.411106	0.411106
Pearland	0.686000	0.696000	0.696000	0.694755
Town of Quintana	0.160000	0.160000	0.160000	0.050000
Richwood	0.691200	0.691200	0.691200	0.691200
Village of Surfside Beach	0.400354	0.400354	0.400354	0.400354
Sweeny	0.790950	0.775571	0.775571	0.775571
West Columbia	0.838837	0.838837	0.838837	0.838837
<b>School District Rates:</b>				
Alvin ISD	1.586116	1.626100	1.626100	1.676000
Angleton ISD	1.630000	1.630000	1.630000	1.610000
Brazosport ISD	1.422800	1.472800	1.472800	1.522800
Columbia-Brazoria ISD	1.576300	1.576300	1.576300	1.870000
Damon ISD	1.360000	1.360000	1.360000	1.420000
Danbury ISD	1.540000	1.540000	1.540000	1.561500
Pearland ISD	1.837200	1.809200	1.809200	1.792200
Sweeny ISD	1.673588	1.675000	1.675000	1.692000
<b>Special District Rates:</b>				
Alvin Community College	0.255300	0.254766	0.254766	0.240561
Angleton-Danbury Hospital	0.193494	0.260562	0.260562	0.248244
Brazoria Co. DD # 1 (Angleton)	0.200000	0.185000	0.185000	0.185000
Brazoria Co. DD # 2 (Velasco)	0.071370	0.073924	0.073924	0.076210
Brazoria Co. DD # 3 (Alvin or C&R #3)	0.116623	0.116623	0.116623	0.131623
Brazoria Co. DD # 4 (Pearland)	0.150934	0.142820	0.142820	0.142009
Brazoria Co. DD # 5 (Iowa Colony)	0.288048	0.266328	0.266328	0.244006
Brazoria Co. DD # 8 (Danbury)	0.361863	0.372689	0.372689	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	0.400000
Brazoria Co. MUD # 1 (Pearland)	0.550000	0.540000	0.540000	0.530000
Brazoria Co. MUD # 2 (Southwyck)	0.740000	0.670000	0.670000	0.550000
Brazoria Co. MUD # 3 (Silverlake)	0.917000	0.817000	0.817000	0.717000
Brazoria Co. MUD # 4 (Country Place)	0.888000	0.778000	0.778000	0.728000
Brazoria Co. MUD # 5 (Southdown)	0.670000	0.670000	0.670000	0.670000
Brazoria Co. MUD # 6 (Weatherford)	0.987500	0.987500	0.987500	0.890000
Brazoria Co. MUD #16				0.950000
Brazoria Co. MUD #17	0.750000	0.750000	0.750000	0.750000
Brazoria Co. MUD #18	0.650000	0.650000	0.650000	0.650000
Brazoria Co. MUD #19	0.800000	0.800000	0.800000	0.800000
Brazoria Co. MUD #21		1.350000	1.350000	1.350000
Brazoria Co. MUD #23	0.850000	0.850000	0.850000	0.850000

2006 Tax Rate	2007 Tax Rate	2008 Tax Rate	2009 Tax Rate	2010 Tax Rate	2011 Tax Rate
0.279356	0.266000	0.247671	0.255767	0.288745	0.319268
0.047500	0.034500	0.028800	0.035500	0.035000	0.032800
		0.010200	0.008550	0.008000	0.008000
0.060000	0.060000	0.600000	0.600000	0.060000	0.060000
0.015000	0.011000	0.008925	0.011404	0.015141	0.015141
0.006131	0.005131	0.004950	0.004650	0.005200	0.005200
	0.005070	0.005150	0.005129	0.005600	0.005600
		0.005700	0.009000	0.008600	0.017092
<u>0.407987</u>	<u>0.381701</u>	<u>0.371396</u>	<u>0.390000</u>	<u>0.426286</u>	<u>0.463101</u>
0.803600	0.803600	0.803600	0.803600	0.803600	0.883600
0.734150	0.706000	0.706000	0.706000	0.706000	0.723500
0.728300	0.728300	0.728300	0.728300	0.762300	0.762300
0.460000	0.460000	0.460000	0.460000	0.500000	0.500000
0.723000	0.698000	0.693000	0.672000	0.672000	0.672000
0.775664	0.766940	0.760600	0.762014	0.769538	0.826940
0.710000	0.710000	0.700000	0.708266	0.708266	0.680000
0.374512	0.374512	0.374512	0.374512	0.377754	0.386105
0.719325	0.945784	0.924070	0.950737	0.983434	1.035704
0.310000	0.310000	0.340000	0.340000	0.380000	0.380000
0.380000	0.385000	0.390000	0.390000	0.390000	0.390000
0.175800	0.175800	0.175800	0.236852	0.236850	0.296850
0.648500	0.587831	0.587863	0.587863	0.587863	0.587863
0.452100	0.387211	0.395000	0.401142	0.423154	0.431106
0.674400	0.652600	0.652600	0.652600	0.665100	0.685100
0.040000	0.032000	0.027140	0.033365	0.024413	0.024413
0.691200	0.681080	0.693660	0.693660	0.693660	0.693660
0.490000	0.342392	0.352392	0.442056	0.408801	0.402610
0.750000	0.750000	0.762105	0.741595	0.772818	0.782818
0.838837	0.831900	0.831900	0.831900	0.831900	0.831900
1.705800	1.328200	1.328200	1.304100	1.304100	1.344100
1.571000	1.197000	1.314000	1.455200	1.455200	1.455200
1.572800	1.133900	1.192200	1.228500	1.241500	1.241500
1.770000	1.296500	1.296500	1.296500	1.296500	1.296500
1.420000	1.040000	1.170000	1.170000	1.170000	1.170000
1.557600	1.134900	1.134900	1.143900	1.135400	1.137000
1.792200	1.427200	1.419400	1.419400	1.419400	1.419400
1.671000	1.211700	1.211700	1.211700	1.211700	1.211700
0.237555	0.210280	0.199832	0.199830	0.199830	0.199485
0.247745	0.246500	0.246500	0.246500	0.279998	0.299592
0.175000	0.170850	0.183900	0.183900	0.183900	0.176563
0.082113	0.082075	0.082075	0.087130	0.090907	0.094214
0.130634	0.128143	0.150000	0.150000	0.150000	0.150000
0.143845	0.143845	0.143845	0.143845	0.156000	0.156000
0.221958	0.190894	0.186897	0.189727	0.189098	0.188304
0.372541	0.353723	0.361000	0.366000	0.366000	0.366000
0.020000	0.020000	0.200000	0.020000	0.020000	0.020000
0.360000	0.310000	0.300000	0.295000	0.280000	0.280000
0.460000					
0.480000	0.510000	0.500000	0.500000	0.500000	0.500000
0.647000	0.650000	0.630000	0.630000	0.630000	0.630000
0.688000	0.628000	0.628000	0.630000	0.630000	0.660000
0.670000	0.000000				
0.800000	0.670000	0.630000	0.630000	0.630000	0.630000
	0.950000	0.950000	0.950000	0.950000	0.950000
0.750000	0.730000	0.630000	0.600000	0.547000	0.547000
0.640000	0.590000	0.570000	0.560000	0.550000	0.545000
0.800000	0.680000	0.660000	0.630000	0.620000	0.600000
1.350000	1.350000	1.350000	1.450000	1.430000	1.430000
0.850000	0.850000	0.820000	0.800000	0.770000	1.630000

(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

<u>Taxing Jurisdictions</u>	<u>2002 Tax Rate</u>	<u>2003 Tax Rate</u>	<u>2004 Tax Rate</u>	<u>2005 Tax Rate</u>
Special Districts: (continued)				
Brazoria Co. MUD #25		1.250000	1.250000	1.250000
Brazoria Co. MUD #26		0.850000	0.850000	0.850000
Brazoria Co. MUD #28		0.820000	0.820000	0.820000
Brazoria Co. MUD #29				0.750000
Brazoria Co. MUD #31				
Brazoria Co. MUD #34				0.850000
Brazoria Co. MUD #35				
Brazoria Co. MUD #36				
Brazoria/Ft. Bend MUD #1				0.850000
Sedona Lakes MUD #1				
Port Freeport	0.071200	0.070000	0.070000	0.067500
Brazosport College	0.085000	0.105000	0.105000	0.114000
Commodore Cove Improvement District	0.816436	0.986093	0.986093	0.986093
Oak Manor MUD	0.400000	0.400000	0.400000	0.360000
Treasure Island MUD	0.927240	0.927240	0.927240	0.823466
Varner Creek Utility District	0.650000	0.592300	0.592300	0.540000
Sweeny Hospital *	0.323660	0.352600	0.352600	0.349000
Rural Fire District #1	0.030000	0.030000	0.030000	
Emergency Svc District #1	0.060000	0.070000	0.070000	0.080000
Emergency Svc District #2		0.030000	0.030000	0.030000
Emergency Svc District #3				0.100000

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

<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>	<u>2010</u> <u>Tax Rate</u>	<u>2011</u> <u>Tax Rate</u>
1.250000	1.230000	1.100000	1.100000	1.100000	1.100000
0.850000	0.710000	0.710000	0.710000	0.710000	0.690000
0.820000	0.820000	0.820000	0.820000	0.820000	0.820000
0.750000	0.750000	0.750000	0.800000	0.800000	0.800000
	1.390000	1.402040	1.300000	1.300000	1.300000
0.850000	0.850000	0.850000	0.850000	0.850000	0.850000
		0.850000	0.890000	1.020000	1.020000
	0.700000	0.700000	0.700000	0.700000	0.700000
0.850000	0.850000	0.850000	0.850000	0.850000	0.850000
			1.250000	1.250000	1.250000
0.065000	0.056000	0.053500	0.053500	0.053500	0.053500
0.119000	0.121000	0.156488	0.175754	0.190175	0.239198
0.890000	0.597220	0.597220	0.620318	0.472234	0.475693
0.398000	0.363000	0.421852	0.451178	0.480000	0.500000
0.739283	0.595802	0.563556	1.258218	0.576368	0.604590
0.510000	0.661890	0.814000	0.858000	0.858000	0.888220
0.343781	0.298289	0.323170	0.349917	0.380692	0.393133
0.080000	0.080000	0.080000	0.080000	0.080000	0.080000
0.030000	0.030000	0.029987	0.030000	0.030000	0.030000
0.089975	0.093414	0.093410	0.093700	0.095000	0.097200



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

Table 7

<u>2011 Taxpayer</u>	<u>Type of Business</u>	<u>2011 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Dow Chemical Company	Chemical Manufacturer	\$ 2,529,358	13.23%
Conoco/Phillips Company	Petroleum Refinery	495,699	2.59%
BASF Corp	Chemical Manufacturer	424,098	2.22%
Ineos USA LLC	Chemical Manufacturer	376,366	1.97%
Chevron Phillips Chemical Co LP	Petroleum Refinery	262,285	1.37%
Ascend Performance Materials LLC	Chemical Manufacturer	149,371	0.78%
Shintech, Inc.	Chemical Manufacturer	139,551	0.73%
Centerpoint Energy Inc.	Utility	125,415	0.66%
Hilcorp Energy Co	Utility	107,288	0.56%
Denbury Onshore LLC		106,580	0.56%
		<u>\$ 4,716,011</u>	<u>\$ 24.67%</u>

<u>2002 Taxpayer</u>	<u>Type of Business</u>	<u>2002 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Dow Chemical Company	Chemical Manufacturer	\$ 2,465,663	20.38%
Phillips Petroleum	Petroleum Refinery	796,768	6.58%
BP Amoco Chemical	Chemical Manufacturer	504,246	4.17%
BASF Corp - Chemical Division	Chemical Manufacturer	496,765	4.11%
Equistar Chemicals	Chemical Manufacturer	223,589	1.85%
Oyster Creek Limited	Contract Services	160,710	1.33%
Shintech, Inc.	Chemical Manufacturer	157,226	1.30%
Houston Lighting & Power	Electric Utility Company	97,757	0.81%
Hoffman LaRoche, Inc.	Land/Improvements	75,958	0.63%
Southwestern Bell Telephone Co.	Utility	73,881	0.61%
		<u>\$ 5,052,563</u>	<u>\$ 41.75%</u>

Source: Brazoria County Appraisal District  
Assessed Valuation - 2011 \$ 19,116,193  
Assessed Valuation - 2002 \$ 12,100,788

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

Table 8

Fiscal Year	Taxies Levied For the Fiscal Year (Original Levy)		Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Original Levy	Amount	Percentage of Original Levy		Amount	Percentage of Levy
2011	\$ 89,443		\$ 88,280	98.70%	\$ --	\$ 88,280	98.70%
2010	85,056		83,846	98.58%	670	84,516	99.37%
2009	80,634		79,473	98.56%	629	80,102	98.34%
2008	72,190		71,118	98.52%	474	71,592	99.17%
2007	67,995		66,923	98.42%	507	67,430	99.17%
2006	64,505		63,508	98.45%	505	64,013	99.97%
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%

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
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-
2010	47,320,000	19,050,000	3,354,187	63,015,813	-0-	-0-	-0-
2011	43,565,000	17,775,000	3,794,632	57,545,368	-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 &amp; 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>
\$ 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	0.41%
37,441,247	0.23%	132	0.54%
47,716,803	0.26%	163	0.61%
52,830,218	0.28%	175	0.64%
48,447,264	0.24%	157	0.59%
63,015,813	0.33%	201	0.76%
57,545,368	0.30%	180	0.70%

# BRAZORIA COUNTY, TEXAS

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of September 30, 2011

Governmental Unit	Debt As Of	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
<b>Special Districts:</b>				
Angleton-Danbury Hospital District	11/30/2011	\$ 15,320,000 *	100.00%	\$ 15,320,000
Angleton Drainage District	11/30/2007	--	100.00%	--
Brazoria Co. MUD #1 (Pearland)	11/30/2007	--	100.00%	--
Brazoria Co. MUD #2 (Southwyck)	06/03/2010	8,078,164	100.00%	8,078,164
Brazoria Co. MUD #3	06/03/2010	10,837,258	100.00%	10,837,258
Brazoria Co. MUD #4 (Country Place)	02/14/2011	5,533,807 *	100.00%	5,533,807
Brazoria Co. MUD #6 (Weatherford)	12/14/2010	25,329,016	100.00%	25,329,016
Brazoria Co. MUD #16	11/15/2010	6,329,733	100.00%	6,329,733
Brazoria Co. MUD #17	10/20/2010	28,171,544	100.00%	28,171,544
Brazoria Co. MUD #18	11/16/2010	29,197,820	53.66%	15,667,550
Brazoria Co. MUD #19	03/23/2010	36,299,629 *	100.00%	36,299,629
Brazoria Co. MUD #21	04/19/2010	21,153,305	100.00%	21,153,305
Brazoria Co. MUD #23	06/28/2011	16,044,028	100.00%	16,044,028
Brazoria Co. MUD #25	03/18/2011	17,090,112	100.00%	17,090,112
Brazoria Co. MUD #26	01/04/2011	49,471,134	100.00%	49,471,134
Brazoria Co. MUD #28	10/20/2010	12,682,029	99.89%	12,668,079
Brazoria Co. MUD #29	10/22/2010	9,353,695	100.00%	9,353,695
Brazoria Co. MUD #31	06/30/2010	3,163,183 *	100.00%	3,163,183
Brazoria Co. MUD #34	10/31/2011	19,999,462	100.00%	19,999,462
Brazoria Co. MUD #35	12/31/2010	9,157,643 *	100.00%	9,157,643
Brazoria-Fort Bend Co. MUD #1	09/30/2010	53,351,852	75.09%	40,061,906
Brazosport College District	11/30/2011	67,860,000 *	100.00%	67,860,000
Varner Creek Utility District	11/30/2011	9,810,000	100.00%	9,810,000
Port Freeport	11/30/2011	7,765,000	100.00%	7,765,000
Brazoria Co. FWSD #1	11/30/2011	75,000 *	100.00%	75,000
Commodore Cove Improvement District	11/30/2011	265,000 *	100.00%	265,000
Sedona Lakes MUD #1	06/28/2011	2,961,046	100.00%	2,961,046
<b>Total Special Districts</b>		<b>\$ 465,299,460</b>		<b>\$ 438,465,294</b>
<b>Cities:</b>				
Alvin	09/30/2010	\$ 13,261,369	100.00%	\$ 13,261,369
Angleton	11/30/2011	19,465,000 *	100.00%	19,465,000
Brazoria	11/30/2011	2,135,000 *	100.00%	2,135,000
Clute	11/30/2011	5,980,000	100.00%	5,980,000
Danbury	11/30/2011	2,400,000 *	100.00%	2,400,000
Freeport	11/30/2011	5,701,000 *	100.00%	5,701,000
Hillcrest Village	11/30/2011	150,000 *	100.00%	150,000
Town of Holiday Lakes	11/30/2011	52,000 *	100.00%	52,000
Lake Jackson	09/30/2010	18,739,503	100.00%	18,739,503
Manvel	11/30/2011	2,990,000 *	100.00%	2,990,000
Oyster Creek	11/30/2011	315,000 *	100.00%	315,000
Pearland	06/30/2011	286,414,392	91.89%	263,186,185
Richwood	09/30/2011	1,465,772 *	100.00%	1,465,772
Sweeny	09/30/2010	1,442,552	100.00%	1,442,552
West Columbia	09/30/2010	295,263	100.00%	295,263
<b>Total Cities</b>		<b>\$ 360,806,851</b>		<b>\$ 337,578,644</b>

(continued)

**BRAZORIA COUNTY, TEXAS**

*DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT - Continued*

Table 10

As of September 30, 2011

Governmental Unit	Debt As Of	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
<b>School Districts:</b>				
Alvin CCD	08/31/2010	\$ 16,216,000 *	100.00%	\$ 16,216,000
Alvin ISD	11/30/2011	325,285,000	100.00%	325,285,000
Angleton ISD	08/31/2010	144,969,933	100.00%	144,969,933
Brazosport ISD	08/31/2010	138,115,762	100.00%	138,115,762
Columbia-Brazoria ISD	06/01/2011	37,014,912	100.00%	37,014,912
Damon ISD	11/30/2011	--	100.00%	--
Danbury ISD	08/31/2010	2,853,536 *	100.00%	2,853,536
Pearland ISD	09/21/2011	316,556,075 *	97.94%	310,035,020
Sweeny ISD	11/30/2011	<u>21,470,000 *</u>	100.00%	<u>21,470,000</u>
Total School Districts		<u>\$ 1,002,481,218</u>		<u>\$ 995,960,163</u>
Subtotal, overlapping debt				\$ 1,772,004,100
Total direct debt - Brazoria County			9/30/2010	<u>63,015,813</u>
Total direct and overlapping debt				<u>\$ 1,835,019,913</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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Assessed Value	\$ 12,103,174	\$ 12,611,927	\$ 13,498,808	\$ 14,521,217
Debt Limit 25%	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Debt Limit	\$ 3,025,794	\$ 3,152,982	\$ 3,374,702	\$ 3,630,304
Total bonded debt	\$ 25,955	\$ 23,930	\$ 32,320	\$ 29,200
Less: Amount available-repayment of General obligation bonds	<u>1,520</u>	<u>1,094</u>	<u>1,103</u>	<u>1,225</u>
Total net debt applicable to limit	\$ 24,435	\$ 22,836	\$ 31,217	\$ 27,975
Legal debt margin	<u>\$ 3,001,359</u>	<u>\$ 3,130,146</u>	<u>\$ 3,343,485</u>	<u>\$ 3,602,329</u>
Total net debt applicable to the limit As a percentage of debt limit	0.8%	0.7%	0.9%	0.8%

Texas Constitution Article 3 Section 52b

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

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 16,031,076 <u>25%</u>	\$ 18,008,536 <u>25%</u>	\$ 19,706,149 <u>25%</u>	\$ 20,872,439 <u>25%</u>	\$ 20,196,059 <u>25%</u>	\$ 19,596,750 <u>25%</u>
\$ 4,007,794	\$ 4,502,134	\$ 4,926,537	\$ 5,218,110	\$ 5,049,015	\$ 4,899,188
\$ 40,375	\$ 51,570	\$ 55,635	\$ 51,395	\$ 66,370	\$ 61,340
<u>3,109</u>	<u>3,895</u>	<u>4,097</u>	<u>2,948</u>	<u>3,354</u>	<u>3,795</u>
\$ 37,266	\$ 47,675	\$ 51,538	\$ 48,447	\$ 63,016	\$ 57,545
<u>\$ 3,970,528</u>	<u>\$ 4,454,459</u>	<u>\$ 4,874,999</u>	<u>\$ 5,169,663</u>	<u>\$ 4,985,999</u>	<u>\$ 4,841,643</u>
0.9%	1.1%	1.0%	0.9%	1.2%	1.2%



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

Table 12

<u>Fiscal Year</u>	<u>Population*</u>	<u>Personal Income** (thousands of dollars)</u>	<u>Per Capita Personal Income**</u>	<u>School Enrollment***</u>	<u>Unemployment Rate****</u>
2002	255,306	\$ 7,204,298	\$ 28,219	48,628	6.3
2003	261,132	7,375,136	28,241	49,951	7.3
2004	267,879	7,750,217	28,927	51,045	6.9
2005	274,045	6,630,519	24,195	52,598	5.7
2006	283,934	6,934,804	24,424	54,578	5.0
2007	293,106	7,881,620	26,890	56,226	4.5
2008	301,228	8,278,348	27,482	58,002	5.2
2009	309,208	8,229,571	26,615	59,074	8.2
2010	313,166	8,306,728	26,525	60,251	8.3
2011	319,781	8,184,475	25,594	61,341	8.9

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

\*\* Years 2001-2004 Information from <http://www.tracer2.com>

\*\* Years 2005-2010 Information from The Economic Development Alliance for Brazoria County.

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

\*\*\*\* Information from <http://www.tracer2.com>

**BRAZORIA COUNTY, TEXAS***PRINCIPAL EMPLOYERS*

Current Year

Table 13

<u>Employer</u>	<u>2011</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
The Dow Chemical Company	4,200	1	3.1%
Alvin ISD	2,653	2	2.0%
Texas Department of Criminal Justice	2,335	3	1.7%
Pearland ISD	2,230	4	1.6%
Infinity Group	1,951	5	1.3%
Brazosport ISD	1,726	6	1.3%
Brand Energy Solutions LLC	1,233	7	0.9%
Brazoria County	1,143	8	0.8%
Conoco Phillips	900	9	0.7%
Dish Network	879	10	0.6%
	<u>19,250</u>		<u>14.2%</u>

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

Note: Total employment is 135,559. 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,									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General administration	67	67	70	69	68	69	76	76	74	72
Judicial and legal	173	175	171	172	177	186	191	195	191	197
Financial administration	109	110	112	112	113	114	111	115	111	108
Elections	4	7	2	5	6	7	136	169	183	191
Public facilities	21	24	24	26	24	24	24	25	25	26
Public safety	160	159	162	161	170	185	195	200	208	206
Corrections	299	307	303	308	317	329	341	339	362	356
Public transportation	176	172	176	168	168	173	172	173	165	167
Health and welfare	69	71	76	78	77	81	84	102	98	92
Culture and recreation	153	152	145	148	148	152	151	157	162	161
Conservation	11	11	10	10	9	11	11	11	9	8
Environmental protection	3	3	3	3	3	4	4	4	4	4
Community development	1	2	3	3	4	4	4	5	6	5
Airport	8	9	9	10	10	8	9	9	8	11
Total	<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>	<u>1,606</u>	<u>1,604</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				
	2002	2003	2004	2005	2006
General Administration:					
County Clerk:					
Marriage License applications	1,637	2,461	1,643	1,674	1,871
Birth certificates filed	1,219	1,178	1,194	1,304	1,194
Death certificates filed	1,044	1,138	959	1,202	1,177
Probate cases filed	782	744	732	783	803
Beer license applications	76	78	87	78	63
Judicial and Legal:					
District Court Level:					
Beginning civil cases pending	6,004	6,019	6,331	6,288	6,304
Civil cases docket adjustment	( 1)	1			
Civil cases filed	5,841	6,036	6,078	6,015	6,075
Civil cases disposed	<u>5,825</u>	<u>5,725</u>	<u>6,121</u>	<u>5,999</u>	<u>6,836</u>
Ending civil cases pending	<u>6,019</u>	<u>6,331</u>	<u>6,288</u>	<u>6,304</u>	<u>5,543</u>
Beginning criminal cases pending	1,952	2,052	1,837	1,820	1,934
Criminal cases docket adjustment			10	( 73)	
Criminal cases filed	2,379	2,470	2,498	2,840	2,954
Criminal cases disposed	<u>2,279</u>	<u>2,685</u>	<u>2,525</u>	<u>2,653</u>	<u>2,767</u>
Ending criminal cases pending	<u>2,052</u>	<u>1,837</u>	<u>1,820</u>	<u>1,934</u>	<u>2,121</u>
County Court Level:					
Beginning civil cases pending	391	437	842	996	941
Civil cases docket adjustment	( 57)	503			
Civil cases filed	2,218	2,226	2,767	2,673	3,276
Civil cases disposed	<u>2,115</u>	<u>2,324</u>	<u>2,613</u>	<u>2,728</u>	<u>2,835</u>
Ending civil cases pending	<u>437</u>	<u>842</u>	<u>996</u>	<u>941</u>	<u>1,382</u>
Beginning criminal cases pending	3,067	2,959	3,509	4,113	5,948
Criminal cases docket adjustment		1,050	1		
Criminal cases filed	5,957	6,587	7,581	7,716	8,466
Criminal cases disposed	<u>6,065</u>	<u>7,087</u>	<u>6,978</u>	<u>5,881</u>	<u>7,651</u>
Ending criminal cases pending	<u>2,959</u>	<u>3,509</u>	<u>4,113</u>	<u>5,948</u>	<u>6,763</u>
Beginning juvenile cases pending	117	153	163	174	171
Juvenile cases docket adjustment	( 1)		1		
Juvenile cases filed	587	569	566	621	667
Juvenile cases disposed	<u>550</u>	<u>559</u>	<u>556</u>	<u>624</u>	<u>647</u>
Ending juvenile cases pending	<u>153</u>	<u>163</u>	<u>174</u>	<u>171</u>	<u>191</u>

Fiscal Year				
2007	2008	2009	2010	2011
1,905	1,865	1,978	1,979	1,998
1,330	1,325	1,251	1,262	1,044
1,270	1,126	1,248	1,251	1,347
738	762	763	773	747
118	126	126	88	89
5,543	5,684	5,171	6,332	6,544
	178	( 132)	( 387)	232
5,947	6,028	6,686	6,709	7,085
<u>5,806</u>	<u>6,719</u>	<u>5,393</u>	<u>6,110</u>	<u>6,836</u>
<u>5,684</u>	<u>5,171</u>	<u>6,332</u>	<u>6,544</u>	<u>7,025</u>
2,121	1,973	2,334	2,312	2,448
4	70		2	( 290)
2,788	3,668	3,201	2,918	3,548
<u>2,940</u>	<u>3,377</u>	<u>3,223</u>	<u>2,784</u>	<u>3,572</u>
<u>1,973</u>	<u>2,334</u>	<u>2,312</u>	<u>2,448</u>	<u>2,134</u>
1,382	1,975	1,760	1,260	1,053
2		29	1	93
3,453	2,620	1,891	1,863	1,951
<u>2,862</u>	<u>2,835</u>	<u>2,420</u>	<u>2,071</u>	<u>1,929</u>
<u>1,975</u>	<u>1,760</u>	<u>1,260</u>	<u>1,053</u>	<u>1,168</u>
6,763	6,181	5,266	5,758	6,007
		18	( 4)	( 5,888)
7,176	6,192	7,650	6,707	7,578
<u>7,758</u>	<u>7,107</u>	<u>7,176</u>	<u>6,454</u>	<u>7,687</u>
<u>6,181</u>	<u>5,266</u>	<u>5,758</u>	<u>6,007</u>	<u>-0-</u>
191	202	197	181	135
718	536	519	462	
<u>707</u>	<u>541</u>	<u>535</u>	<u>508</u>	
<u>202</u>	<u>197</u>	<u>181</u>	<u>135</u>	<u>135</u>

(continued)

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

Table 15  
 Page 2 of 3

Function	Fiscal Year				
	2002	2003	2004	2005	2006
<b>Judicial and Legal:</b>					
Justice of the Peace Level:					
Cases Filed:					
Traffic	25,966	22,729	29,651	28,634	28,265
Non-traffic	12,519	11,175	11,055	10,474	11,127
Small claims suits	741	562	730	544	506
Forcible entry & detainer	1,699	1,492	1,925	1,978	2,075
Other civil suits	601	483	665	522	769
Cases Disposed:					
Traffic	25,570	22,647	26,037	26,859	27,634
Non-traffic	11,626	11,224	9,449	10,527	11,396
Small claims suits	601	445	636	450	452
Forcible entry and detainer	1,656	1,368	1,814	1,765	1,959
Other civil suits	528	366	523	379	511
Inquests	414	337	361	336	371
<b>Financial Administration:</b>					
County Auditor:					
Accounts payable check issued	17,294	17,834	17,954	18,720	18,633
Human Resources:					
Pre-employment drug screens	N/A	175	109	179	298
Employee random drug screen	54	N/A	55	68	25
Payroll checks	5,643	5,137	5,143	4,750	4,657
Payroll advices	26,623	27,836	28,189	29,680	29,133
Purchasing:					
Number of purchase orders issued	8,821	9,062	9,350	8,901	8,815
Tax Assessor-Collector:					
Registered voters	152,741	148,726	161,485	156,126	161,683
Voting precincts	78	78	75	77	77
Elections:					
Computerized Voting Equipment:					
Judges booths	0	0	0	125	125
Regular voting machines	0	0	0	499	499
ADA compliant voting machine	0	0	0	125	125

Fiscal Year				
2007	2008	2009	2010	2011
30,787	29,008	26,236	22,763	24,317
10,990	9,406	9,857	8,467	7,779
429	496	528	455	421
2,480	2,345	2,322	2,481	2,177
1,114	2,294	1,787	1,226	1,429
31,162	28,688	24,556	24,329	23,823
12,632	10,299	9,079	8,914	7,988
476	471	473	513	378
2,248	2,328	2,257	2,388	2,105
862	1,675	1,712	1,487	1,208
341	316	335	311	N/A
19,650	20,171	20,242	20,199	19,317
274	242	185	166	288
64	73	99	89	70
4,866	4,444	4,071	3,382	3,170
30,231	31,800	33,051	33,764	33,911
8,991	8,754	8,026	8,305	7,662
160,507	172,768	167,921	164,625	168,769
77	71	72	72	62
125	125	135	135	135
499	623	623	623	623
125	125	125	125	125

(continued)



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

Table 15  
 Page 3 of 3

Function	Fiscal Year				
	2002	2003	2004	2005	2006
<b>Corrections:</b>					
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	24	24	24	24	24
<b>Health and Welfare:</b>					
Environmental Health:					
Septic permits issued	752	794	736	730	710
Indigent Health Care:					
Indigent patients	N/A	N/A	6,408	2,196	1,632
Water Lab:					
Water test performed	9,627	9,535	8,879	8,629	8,846
<b>Culture and Recreation:</b>					
Library:					
Library locations	11	11	11	11	11
Bookmobiles	0	0	0	0	0
Collection inventory	550,000	574,651	576,449	589,066	589,747
Items checked out	1,114,707	1,170,520	1,282,210	1,284,806	1,326,618
Library program attendance	43,913	37,097	42,554	41,339	43,771
Internet usage	91,583	118,307	134,836	147,645	179,147
Parks and Recreation:					
Museum	1	1	1	1	1
<b>Environmental Protection:</b>					
Flood Plain Administrator:					
Construction permits issued	3,152	3,326	3,751	4,307	3,596
Estimated value of construction	545,557,052	587,327,075	714,353,069	2,619,633,789	838,167,441
<b>Community Development:</b>					
First time homebuyers	N/A	N/A	36	39	26
Reconstructions (home replacement)	N/A	N/A	2	5	3
Rehabilitation (home repair)	N/A	N/A	2	4	9

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				
2007	2008	2009	2010	2011
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	30	52	52
24	24	24	24	24
600	1,063	409	419	388
1,200	1,172	406	526	412
8,639	8,827	8,395	8,234	8,129
11	11	11	12	12
0	0	0	0	0
590,399	593,128	608,484	612,028	608,127
1,364,303	1,335,901	1,305,167	1,424,178	1,460,912
44,642	43,468	45,046	41,586	41,893
218,607	292,449	316,054	337,804	286,277
1	1	1	1	1
3,127	2,308	1,708	1,895	2,157
896,501,328	623,458,910	423,848,799	405,085,040	379,486,135
18	12	23	22	20
6	3	4	3	2
1	2	2	3	1

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

Table 16

Function/Program	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
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	8	8	8	8	9	9	9	9	9	9
Public Safety:										
Sheriff Vehicles	N/A	100	98	98	116	109	125	119	116	123
Constable Vehicles	N/A	12	12	13	15	16	25	25	28	26
Public Transportation:										
Roads - Paved (miles)	965.3	979.6	999.65	1002.53	1004.14	1012.47	1020.42	1042.69	1048.04	1048.65
Roads - Unpaved (miles)	171.45	170.85	170.15	169.95	169.95	169.95	169.95	169.95	167.82	167.82
Bridges	120	120	120	124	126	126	126	127	128	130

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*

February 22, 2012

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, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated February 22, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

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The Honorable County Judge,  
and Members of Commissioners'  
Court of Brazoria County, Texas  
February 22, 2012  
Page 2

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, 2011, no instances of noncompliance were found.

We noted certain matters that we reported to management of the County, in a separate letter dated February 22, 2012.

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 & Hunford, LLC*

# KENNEMER, MASTERS & LUNSFORD

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## Independent Auditor's Report

Report on Compliance with Requirements that Could Have a Direct and  
Material Effect on Each Major Program and on Internal Control  
Over Compliance in Accordance with OMB Circular A-133

February 22, 2012

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, 2011. The County's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County, complied, in all material respects, with the requirements referred to above that are applicable to each of its major state and federal programs for the year ended September 30, 2011.

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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 deficiency in 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 and correct noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

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

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 & Hurdford, LLC*

**BRAZORIA COUNTY, TEXAS**

*SCHEDULE OF FINDINGS AND QUESTIONED COSTS*

For the Year Ended September 30, 2011

*Page 1 of 1*

I. Summary of auditor's results:

1. Type of auditor's report issued on the financial statements: Unqualified.
2. No internal control finding, that was required to be reported in this schedule, was disclosed in the audit of the financial statements.
3. Noncompliance, which is material to the financial statements: None.
4. No internal control findings, that 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:
    - 14.228 Community Development Block Grant – Recovery Alternative
    - 14.257 HPRP – Allocation (ARRA)
    - 81.128 Energy Efficiency and Conservation Block Grant (EECBG)
    - 97.008 UASI Grants
  - State:
    - TJPC Cluster Programs
    - Aircheck Texas Repair and Replacement Assistance Program
8. Dollar threshold used to distinguish between Type A and Type B programs: Federal \$ 508,672; State \$ 300,000.
9. Low Risk Auditee: Federal – Yes; State – Yes.

II. Findings related to the financial statements

None.

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

None.

**BRAZORIA COUNTY, TEXAS**  
*SCHEDULE OF STATUS OF PRIOR FINDINGS*  
Year Ended September 30, 2011

None.

**BRAZORIA COUNTY, TEXAS**  
*CORRECTIVE ACTION PLAN*  
Year Ended September 30, 2011

None.

**BRAZORIA COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended September 30, 2011

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	TDH746000044509	\$ 20,849
Women, Infants and Children (WIC Program)	10.557	TDH746000044510	68,467
Women, Infants and Children (WIC Program)	10.557	TDH746000044511	<u>1,255,032</u>
			1,344,348
Passed Through Texas Department of Agriculture:			
School Breakfast Program (1)	10.553	TX-020-2011	29,219
National School Lunch Program (1)	10.555	TX-020-2011	<u>47,546</u>
TOTAL DEPARTMENT OF AGRICULTURE			<u>\$ 1,421,113</u>
U.S. Department of Commerce:			
Passed Through General Land Office:			
Texas Coastal Management Program (CMP) Cycle 14	11.419	10-056-000-3752	\$ 18,852
Texas Coastal Management Program (CMP) Cycle 14	11.419	10-053-000-3749	52,886
Texas Coastal Management Program (CMP) Cycle 14	11.419	10-054-000-3750	12,475
Texas Coastal Management Program (CMP) Cycle 14	11.419	10-057-000-3753	<u>1,905</u>
TOTAL DEPARTMENT OF COMMERCE			<u>\$ 86,118</u>
U.S. Department of Housing and Urban Development:			
Direct Program:			
Community Development Block Grant (2)	14.218	B-07-UC-48-0005	\$ 46,730
Community Development Block Grant (2)	14.218	B-08-UC-48-0005	227,650
Community Development Block Grant (2)	14.218	B-09-UC-48-0005	617,408
Community Development Block Grant (2)	14.218	B-10-UC-48-0005	<u>1,152,939</u>
			<u>2,044,727</u>
Home Program	14.239	M-07-UC-48-0230	25,085
Home Program	14.239	M-08-UC-48-0230	57,614
Home Program	14.239	M-09-UC-48-0230	132,358
Home Program	14.239	M-10-UC-48-0230	<u>96,262</u>
			<u>311,319</u>
Community Development Block Grant – Recovery (2)	14.253	B-09-UY-48-0005	<u>24,107</u>
HPRP – Allocation (ARRA)	14.257	S-09-UY-48-0004	<u>128,933</u>
Section 8 Housing Choice Voucher Program	14.871	TX484VO 0010	968,982
Section 8 Housing Choice Voucher Program	14.871	TX484VO 0011	<u>2,925,970</u>
			<u>3,894,952</u>

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

For the Year Ended September 30, 2011

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 Housing and Urban Development: - continued Passed Through Texas Department of Rural Affairs: Community Development Block Grant – Recovery Alternative	14.228	DRS010014	\$ <u>3,455,806</u>
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<b>\$ <u>9,859,844</u></b>
U.S. Department of Interior: Passed Through Minerals Management Service: Coastal Impact Assistance Program - Quintana Beach Education Center	15.426	F12AF70005	\$ 10,808
Coastal Impact Assistance Program – Sediment Management	15.426	F12AF70212	28,492
Coastal Impact Assistance Program – Land Acquisition Phase 1	15.426	F12AF70240	10,700
Coastal Impact Assistance Program – Restoration of Wetland	15.426	M11AF0042-001	42,966
Coastal Impact Assistance Program – Administrative Costs	15.426	M10AF00042	<u>215,829</u> 308,795
Passed Through Fish and Wildlife Service: Refuge Revenue Sharing Act of 1978	15.000	---	49,558
Sport Fish Restoration Program	15.605	F-201-B (E)	<u>22,227</u>
<b>TOTAL U.S. DEPARTMENT OF INTERIOR</b>			<b>\$ <u>380,580</u></b>
U.S. Department of Justice: Direct: Organized Crime Drug Enforcement Task Force - State & Local OT & Authorized Expense Agreement	16.592	SW-TXE-0250	\$ <u>5,358</u>
State Criminal Alien Assistance Program	16.606	2009-AP-BX-0760	105,318
State Criminal Alien Assistance Program	16.606	2010-AP-BX-0632	<u>80,346</u> <u>185,664</u>
Passed Through the Drug Enforcement Administration: State and Local Task Force Agreement	16.540	--	12,603
Passed Through Office of the Governor - Criminal Justice Division: Juvenile Incentive Block Grant	16.540	JB-11-J20-19113-03	2,895
Juvenile Incentive Block Grant	16.540	JB-12-J20-19113-04	<u>24,735</u> <u>40,233</u>
Behavior Management Program	16.523	JB-08-J20-21571-01	2,018
Gang Education, Early Intervention and Gang Awareness	16.523	2336601	<u>20,295</u> <u>22,313</u>
Crime Victim Assistance Program	16.575	VA-10-V30-13535-11	68,307
Crime Victim Assistance Program	16.575	VA-11-V30-13535-12	6,701
Crime Victim Assistance Program	16.575	VA-10-V30-13536-11	52,055
Crime Victim Assistance Program	16.575	VA-11-V30-13536-12	<u>5,268</u> <u>132,331</u>

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

For the Year Ended September 30, 2011

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 Justice: - continued			
Direct:			
Bulletproof Vest Partnership	16.607	---	\$ <u>836</u>
Edward Byrne Memorial Assistance Grant - Drug Court (3)	16.738	DJ-09-A10-20527-03	280,150
Edward Byrne Memorial Assistance Grant - Drug Court (3)	16.738	DJ-09-A10-20527-04	<u>23,143</u>
			303,293
Recovery Act – Edward Byrne Memorial Assistance Grant (3)	16.804	2009-SB-B9-3055	<u>4,372</u>
			<u>307,665</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			\$ <u>694,400</u>
U.S. Department of Transportation:			
Passed Through Texas Department of Transportation:			
Airport Improvement Program (Runway Construction)	20.106	09MPANGLE	\$ 26,992
Airport Improvement Program (Runway Construction)	20.106	0912ANGLE	<u>780,426</u>
			<u>807,418</u>
Highway Planning and Construction Program	20.205	0912-31-236	21,760
Highway Planning and Construction Program	20.205	0912-31-236	<u>341,725</u>
			<u>363,485</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			\$ <u>1,170,903</u>
U.S. Department of Energy:			
Direct:			
Energy Efficiency and Conservation Block Grant (EECBG)	81.128	DE-EE0000917	\$ <u>1,557,274</u>
TOTAL U.S. DEPARTMENT OF ENERGY			\$ <u>1,557,274</u>
U.S. Election Commission:			
Passed Through Texas Secretary of State:			
Help America Vote Act - General HAVA Compliance	90.401	---	\$ <u>51,103</u>
TOTAL U.S. GENERAL SERVICES ADMINISTRATION			\$ <u>51,103</u>
U.S. Department of Health and Human Service:			
Passed Through Texas Department of State Health Services:			
Social Services Emergency Disaster Relief DSHS-RLSS-SSBG	93.667	2010-034941	\$ <u>13,019</u>
RLSS/LPHS Community & Rural Health Program	93.268	TDH746000044511	43,476
RLSS/LPHS Community & Rural Health Program	93.268	TDH746000044512	<u>3,000</u>
			<u>46,476</u>
CPS - Cities Readiness Initiative	93.283	2009-031679	10,789
CPS - Cities Readiness Initiative	93.283	2010-035633	64,217
CPS - Cities Readiness Initiative	93.283	2011-038666	12,157
Bioterrorism	93.283	2009-031933	12,902
Bioterrorism	93.283	2010-035674	169,028
Bioterrorism	93.283	2011-035674	<u>32,819</u>
			<u>301,912</u>

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

For the Year Ended September 30, 2011

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 Health and Human Service: - continued			
Passed Through Texas Department of Family and Protective Services:			
Foster Care Title IV-E Legal Costs	93.658	23379422	\$ 33,907
Foster Care Title IV-E Legal Costs	93.658	23402021	23,086
Foster Care Title IV-E Maintenance	93.658	23379419	<u>48,363</u>
			105,356
Passed Through Texas Juvenile Probation Commission:			
Foster Care Title IV-E	93.658	23379422	<u>87,143</u>
			<u>192,499</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>\$ 553,906</u>
U.S. Department of Homeland Security:			
Direct:			
Public Assistance Grant – Hurricane Ike	97.036	Various	<u>\$ 140,418</u>
Passed Through Texas Department of Public Safety's Division Of Emergency Management:			
Hazard Mitigation Grant – Brazoria County EOC Retrofit	97.039	DR-1791-133	<u>110,883</u>
Emergency Management Performance Grant (4)	97.042	11TX-EMPG-0310	58,774
2005 Buffer Zone Protection (4)	97.078	2007-BZ-T7-0023	<u>341,222</u>
			<u>399,996</u>
Passed Through Governor's Division of Emergency Management:			
UASI – Emergency Operations Center	97.008	2008-GE-T8-0034	364,659
2010 – UASI-LETPA	97.008	2010-SS-T0-0008	<u>100,526</u>
			<u>465,185</u>
FY 2004 Urban Areas LETPP (5)	97.053	2007-GE-T7-0024	14,346
Homeland Security SHSP (5)	97.073	2008-GE-T8-0034	<u>12,601</u>
			<u>26,947</u>
2010 – Emergency Operations Center Grant Program	97.052	2010-EO-MX-0017	<u>37,053</u>
TOTAL DEPARTMENT OF HOMELAND SECURITY			<u>\$ 1,180,482</u>
TOTAL FEDERAL ASSISTANCE			<u>\$ 16,955,723</u>
TOTAL MAJOR PROGRAMS			<u>\$ 5,607,198</u>
TYPE A PROGRAM			<u>\$ 508,672</u>
(1) Child Nutrition Cluster			
(2) HUD Cluster (ARRA)			
(3) Edward Byrne Memorial Assistance Grant Cluster (ARRA)			
(4) Buffer Zone Protection Grants Cluster			
(5) Homeland Security Grant Programs Cluster			



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

For the Year Ended September 30, 2011

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 11	\$ 167,903
Immunization OPTS/LHS	TDH 7460000445 12	<u>12,142</u>
<b>TOTAL TEXAS DEPARTMENT OF HEALTH</b>		<b><u>\$ 180,045</u></b>
Texas Juvenile Probation Commission:		
Direct Programs:		
State Aid Program (1)	TJPC-A-11-020	\$ 231,902
State Aid Program (1)	TJPC-A-12-020	135,880
Community Correction Assistance Program (1)	TJPC-Y-11-020	339,56
Salary Adjustment Funding JP and Detention Centers (1)	TJPC-Z-11-020	145,911
Progressive Sanctions JPO (1)	TJPC-F-11-020	130,136
Progressive Sanctions ISP (1)	TJPC-O-11-020	23,094
Intensive Community Based Placement - Regional (1)	TJPC-X-11-020	119,832
Diversionary Placement	TJPC-H-11-020	149,655
Secure Felony Placement	TJPC-L-11-020	100,415
Secure Felony Placement	TJPC-L-12-020	90,060
Passed Through Texas Education Agency:		
Juvenile Justice Alternative Education Program (JJAEP) (1)	TJPC-P-11-020	<u>193,428</u>
<b>TOTAL TEXAS JUVENILE PROBATION COMMISSION</b>		<b><u>\$ 1,659,889</u></b>
Texas Commission on Environmental Quality:		
Direct:		
FY 10 Solid Waste Implementation Program	10-16-G21	\$ 31,058
Aircheck Texas Repair and Replacement Assistance Program	582-9-90416-3	<u>991,203</u>
<b>TOTAL TEXAS COMMISSION ON ENVIRONMENTAL QUALITY</b>		<b><u>\$ 1,022,261</u></b>
Texas Department of Family and Protective Services:		
Direct Program:		
Title IV-B Concrete Services	23619621	<u>\$ 2,620</u>
<b>TOTAL TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES</b>		<b><u>\$ 2,620</u></b>
Texas Department of Transportation:		
Direct Program:		
Reconstruction CR 257 – Permanent	0912-31-236	\$ 275,016
Routine Airport Maintenance	M112ANGLE	<u>46,750</u>
<b>TOTAL TEXAS DEPARTMENT OF TRANSPORTATION</b>		<b><u>\$ 321,766</u></b>
Commission on State of Texas Emergency Communications:		
Passed Through Houston-Galveston Area Council:		
911 Addressing Maintenance Contract	911410	<u>\$ 41,806</u>
<b>TOTAL COMMISSION ON STATE OF TEXAS EMERGENCY COMMUNICATIONS</b>		<b><u>\$ 41,806</u></b>

**BRAZORIA COUNTY, TEXAS****SCHEDULE OF EXPENDITURES OF STATE AWARDS - Continued**  
For the Year Ended September 30, 2011Exhibit 24  
Page 2

State Grantor/ Pass-Through Grantor/ Program Title	Contract/ Program Number	Expenditures or Award Amount
Office of Attorney General:		
Direct Program:		
Victim Coordinator Liaison Grant (VCLG)	10-13994	\$ 34,138
Victim Coordinator Liaison Grant (VCLG)	12-26270	3,500
Texas Victim Information and Notification Everyday (VINE)	11-20476	28,151
Texas Victim Information and Notification Everyday (VINE)	12-23973	<u>2,559</u>
TOTAL OFFICE OF ATTORNEY GENERAL		<u>\$ 68,348</u>
Texas Task Force on Indigent Defense:		
Direct Program:		
Indigent Defense Services	212-11-020	<u>\$ 263,956</u>
TOTAL TEXAS TASK FORCE ON INDIGENT DEFENSE		<u>\$ 263,956</u>
Texas State Library and Archives Commission:		
Direct Program:		
Loan Star Libraries Grant	442-11712	<u>\$ 57,494</u>
TOTAL TEXAS STATE LIBRARY AND ARCHIVES COMMISSION		<u>\$ 57,494</u>
General Land Office:		
Direct Program:		
Beach Cleanup and Maintenance Assistance	11-205-001-4775	\$ 39,073
CERPA Project #1517 – Structural Removal Expense	11-280-000-4912	24,900
CMP Cycle 15 – Erosion Response Plan	022-111-4320	<u>46,336</u>
TOTAL GENERAL LAND OFFICE		<u>\$ 110,309</u>
TOTAL STATE ASSISTANCE		<u>\$ 3,728,494</u>
TOTAL MAJOR PROGRAMS		<u>\$ 2,310,962</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, 2011

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, 2011

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 \$ 18,284 in reimbursements for indirect costs during the year ended September 30, 2011, \$ 4,599 for the BNS Food Cards (WIC Program) CFDA #10.557, \$ 7,956 Coastal Impact Assistance Program CFDA #15.426, \$ 4,877 Bioterrorism CFDA #93.283, and \$ 852 for the CPS – Cities Readiness Initiative CFDA #93.583.

