

**BRAZORIA COUNTY, TEXAS**

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

For the Fiscal Year Ended  
September 30, 2013

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, 2013

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**INTRODUCTORY SECTION**



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



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

March 12, 2014

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, 2013, 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, 2013, 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, 2013 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.



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

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

### **Local Economy**

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

### **Long-term Financial Planning**

Brazoria County has adopted several financial management policies to provide guidelines to insure its long-term financial health. The General Fund Balance policy sets a minimum level for reserve funds in the General Fund at 15% of current budgeted expenditures. It also establishes guidelines for appropriate uses of excess reserves, and it sets out strategies for the County when compliance has not been maintained. The Debt Management policy establishes guidelines for debt issuance, debt levels, appropriate types of debt to issue, and debt repayment schedules. These policies have been adopted in the last several years, and the County has remained in compliance with them.

### **Relevant Financial Policies**

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

## **Major Initiatives**

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

In the summer of 2012 the County issued certificates of obligation to fund approximately \$27.5 million in numerous facilities and infrastructure projects. As of September 30, 2013, the County had initiated many of these projects. The County purchased property to build a new Precinct 4 satellite office to provide facilities for the Justice of the Peace, Constable and the Commissioner to better serve the residents in the north part of the County. The County partnered with the Texas Department of Transportation on the construction of a new Airport terminal building that was completed in late 2013. Initial plans for a new health clinic are in the design phase with construction expected to occur by late 2014 at the site of the existing health clinic. Major computer software implementations are progressing in the areas of judicial, financial and human resources. Completion of a new facility for Precinct 4 Commissioner, Justice of the Peace and Constable in West Columbia is expected by early 2014.

## **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Brazoria County for its comprehensive annual financial report for the fiscal year ended September 30, 2012. 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 20 consecutive fiscal years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

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

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,

A handwritten signature in black ink that reads "Connie Garner". The signature is written in a cursive style with a large, prominent initial "C".

Connie Garner  
County Auditor





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Brazoria County**  
**Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2012**

Executive Director/CEO



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

Raethella Jones, 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

**El Campo Office:**  
201 W. Webb  
El Campo, Texas 77437

**Houston Office:**  
10260 Westheimer, Suite 410  
Houston, Texas 77042

## Independent Auditor's Report

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Brazoria County, Texas (the "County") as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Brazoria County, Texas, as of September 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

www.kmandl.com – Email: kmkw@kmandl.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

***Emphasis of Matter***

As described in Note 19 to the financial statements, in 2013, the County adopted new accounting guidance, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5-17 and 90-91 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the Texas *Single Audit Circular* and are also not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2014, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Kennerly, Masters & Hunzford, LLC*

Lake Jackson, Texas  
March 6, 2014



## **BRAZORIA COUNTY, TEXAS**

### *Management's Discussion and Analysis For the Year Ended September 30, 2013*

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, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - v of this report.

### **Financial Highlights**

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year for governmental and business-type activities by \$ 252,016,843 and \$ 19,541,855 (net position), respectively. Of this amount, \$ 60,069,501 and \$ 759,597 (unrestricted net position), respectively, may be used to meet the government's ongoing obligations to citizens and creditors with the County's fund designations.
- The County's total net position increased for governmental activities by \$ 24,081,521 and decreased for business-type activities by \$ 249,498.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$ 107,943,915 and its enterprise fund reported ending net position of \$ 19,550,227. 45.89% and 3.93% of these total amounts, \$ 49,536,052 (unassigned fund balance) and \$ 767,969 (unrestricted net position), respectively, were available for use within the County's fund designations.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$ 50,715,965 or 53.69% 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 position* presents information on all of the County's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

## BRAZORIA COUNTY, TEXAS

### *Management's Discussion and Analysis For the Year Ended September 30, 2013*

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

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

The government-wide financial statements can be found on pages 20 through 23 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 four (104) 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 2012 Certificate of Obligation C & M (capital project fund); all of which are considered to be major funds. Data from the other one hundred and one (101) 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 24 through 31 of this report.



## BRAZORIA COUNTY, TEXAS

### *Management's Discussion and Analysis For the Year Ended September 30, 2013*

- **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 32 through 37 of this report.
- **Fiduciary Funds.** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's operations. The County is the trustee, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position that can be found on pages 38 and 39.

**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 41 through 87 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 90 through 92 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 104 through 181 of this report.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$ 271,558,398 as of September 30, 2013.

The largest portion of the County's net position, \$ 186,757,683 (68.77%) 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.

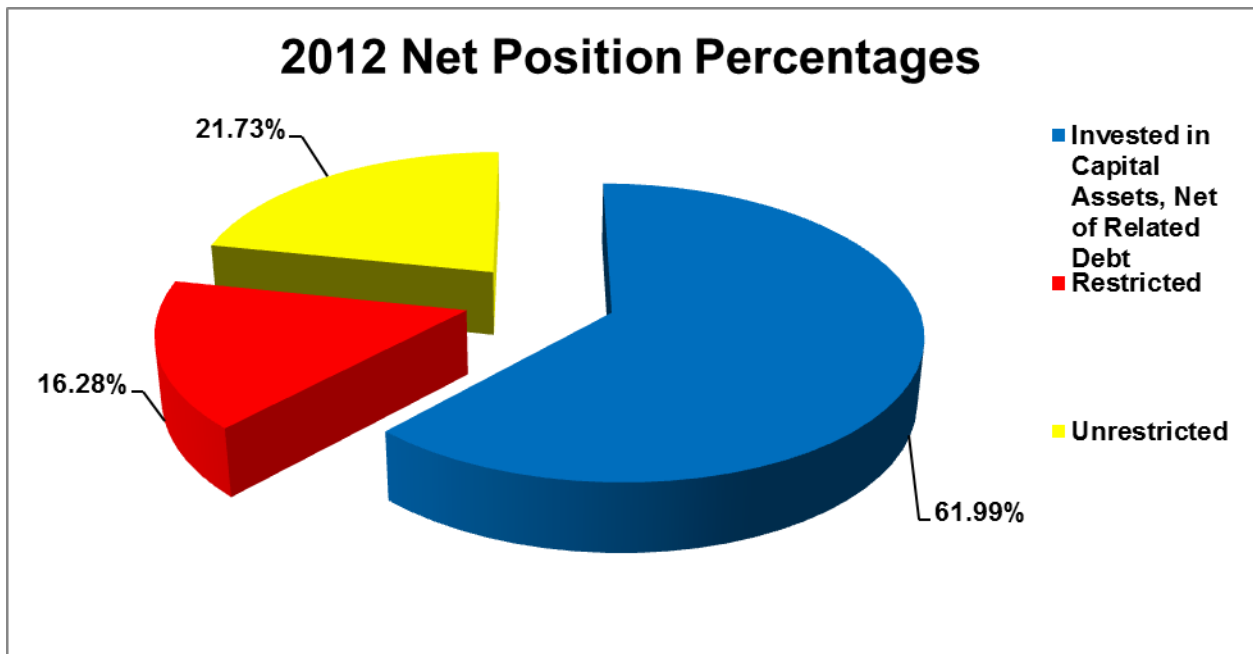
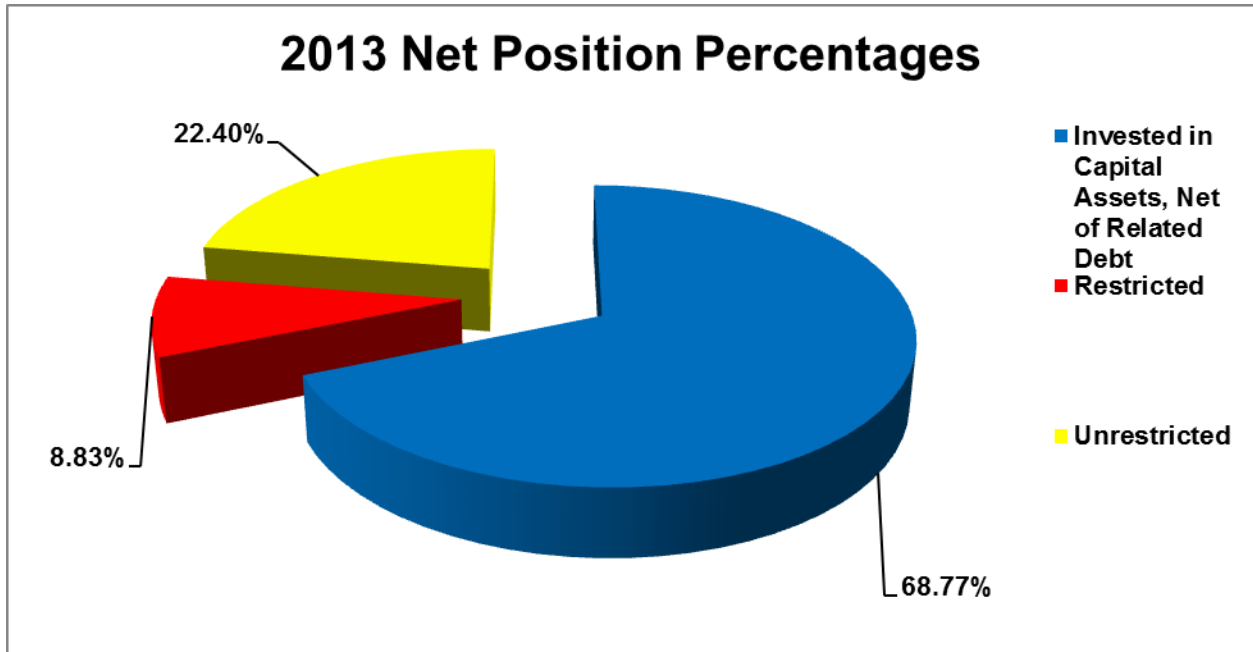
**BRAZORIA COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2013*

**BRAZORIA COUNTY'S NET POSITION**

	Governmental Activities		Business-type Activities		Totals	
	September 30, (Restated)		September 30,		September 30, (Restated)	
	2013	2012	2013	2012	2013	2012
<b>ASSETS</b>						
Current and other assets	\$ 137,449,167	\$ 142,014,088	\$ 1,035,715	\$ 2,922,381	\$ 138,484,882	\$ 144,936,469
Capital assets	<u>223,634,989</u>	<u>202,476,529</u>	<u>18,782,258</u>	<u>17,090,784</u>	<u>242,417,247</u>	<u>219,567,313</u>
Total assets	<u>361,084,156</u>	<u>344,490,617</u>	<u>19,817,973</u>	<u>20,013,165</u>	<u>380,902,129</u>	<u>364,503,782</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Bond refunding costs (net of accumulated amortization)	<u>134,791</u>	<u>165,311</u>			<u>134,791</u>	<u>165,311</u>
Total deferred outflows of resources	<u>134,791</u>	<u>165,311</u>	<u>-0-</u>	<u>-0-</u>	<u>134,791</u>	<u>165,311</u>
<b>LIABILITIES</b>						
Current and other liabilities	17,009,852	18,918,132	241,971	191,111	17,251,823	19,109,243
Long-term liabilities	<u>92,192,252</u>	<u>97,802,474</u>	<u>34,147</u>	<u>30,701</u>	<u>92,226,399</u>	<u>97,833,175</u>
Total liabilities	<u>109,202,104</u>	<u>116,720,606</u>	<u>276,118</u>	<u>221,812</u>	<u>109,478,222</u>	<u>116,942,418</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows of resources					<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<b>NET POSITION</b>						
Invest in capital assets, net of related debt	167,975,425	136,482,126	18,782,258	17,090,784	186,757,683	153,572,910
Restricted	23,971,917	40,315,843			23,971,917	40,315,843
Unrestricted	<u>60,069,501</u>	<u>51,137,353</u>	<u>759,597</u>	<u>2,700,569</u>	<u>60,829,098</u>	<u>53,837,922</u>
Total net position	<u>\$ 252,016,843</u>	<u>\$ 227,935,322</u>	<u>\$ 19,541,855</u>	<u>\$ 19,791,353</u>	<u>\$ 271,558,698</u>	<u>\$ 247,726,675</u>

An additional portion of the County's net position of \$ 23,971,917 (8.83%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$ 60,829,098 (22.40%) may be used to meet the government's ongoing obligations to citizens and creditors.

As of September 30, 2013, the County is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate categories- governmental and business-type activities.



**Analysis of the County's Operations.** Overall the County had an increase in net position of \$ 23,832,023. Governmental activities reported an increase in net position in the amount of \$ 24,081,521, while the business-type activities decreased the County's net position in the amount of \$ 249,498. The reasons for the increases of net position is primarily related to capital assets balances. Capital asset balances increased by \$ 22,849,934, substantially due to the receipt of federal and state grant funds such as the U.S. Department of Transportation - Highway Planning and Construction Program of \$ 9,318,400 for the repair and replacement of County Road 48 (FM 518 to County Road 894).

**BRAZORIA COUNTY, TEXAS**

*Management's Discussion and Analysis  
For the Year Ended September 30, 2013*

The following table provides a summary of the County's operations for the years ended September 30, 2013 and 2012:

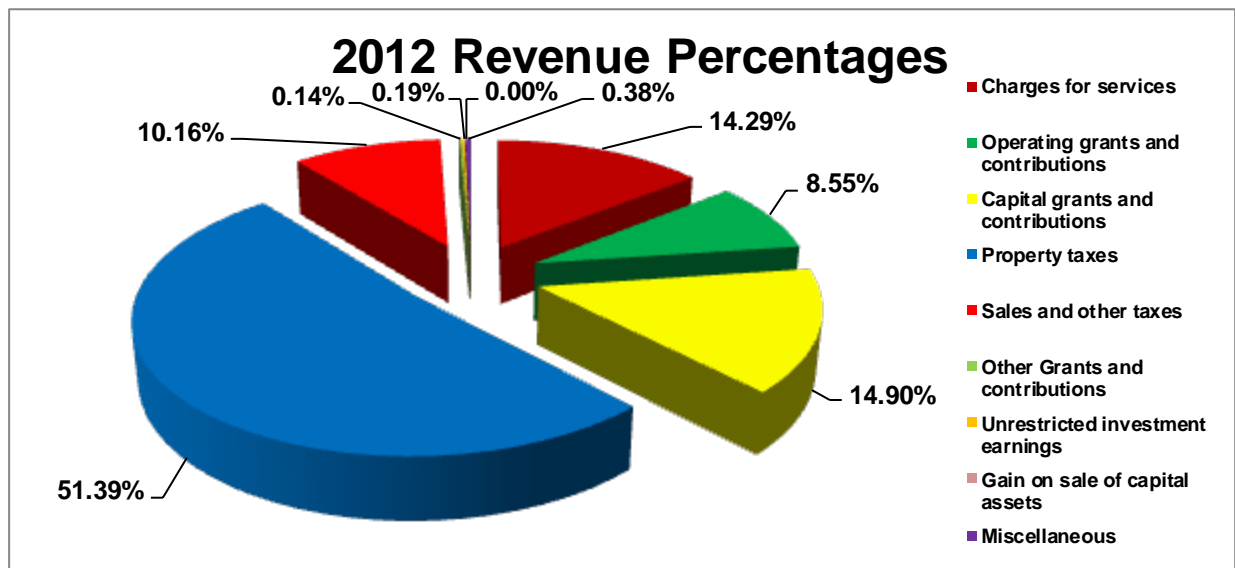
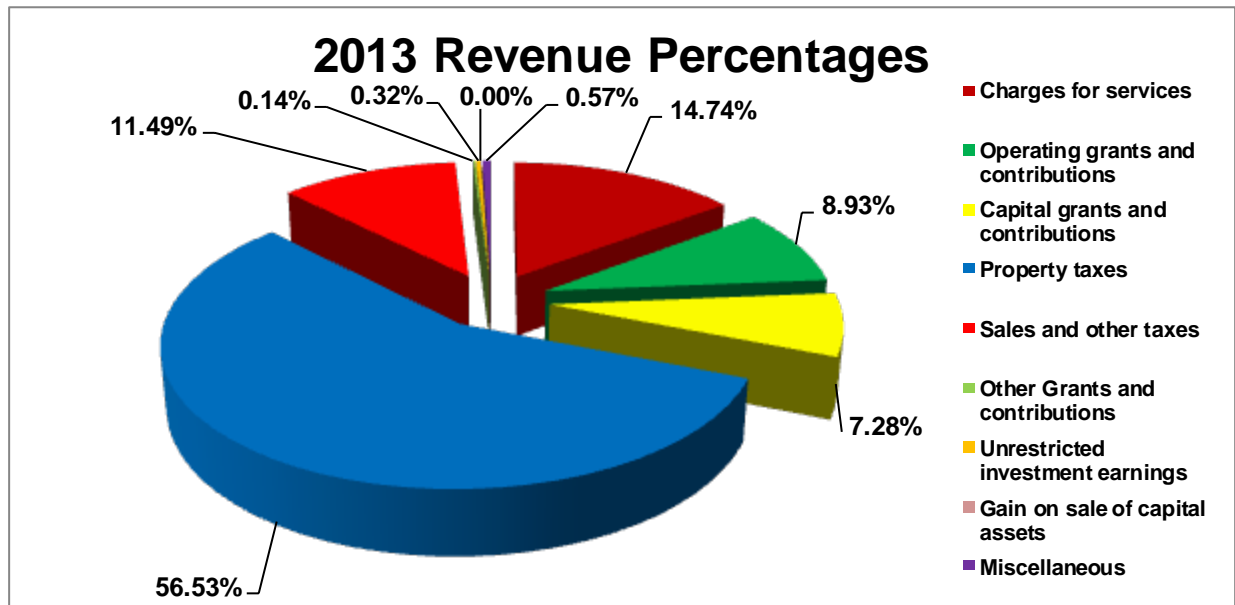
**BRAZORIA COUNTY'S CHANGES IN NET POSITION**

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2013	Restated 2012	2013	2012	2013	Restated 2012
Revenues:						
Program Revenues:						
Charges for services	\$ 22,943,334	\$ 22,574,395	\$ 3,275,992	\$ 3,096,897	\$ 26,219,326	\$ 25,671,292
Operating grants and contributions	15,898,124	15,345,237		8,509	15,898,124	15,353,746
Capital grants and contributions	11,995,116	26,617,632	964,718	157,535	12,959,834	26,775,167
General Revenues:						
Property taxes	100,582,765	92,323,262			100,582,765	92,323,262
Sales & other taxes	20,439,065	18,244,871			20,439,065	18,244,871
Grants and contributions not restricted to specific programs	243,808	254,896			243,808	254,896
Unrestricted investment earnings	563,572	341,652	2,583	2,760	566,155	344,412
Gain on disposition of capital assets				3,563		3,563
Miscellaneous	<u>1,010,487</u>	<u>671,000</u>		<u>2,674</u>	<u>1,010,487</u>	<u>673,674</u>
Total revenues	<u>173,676,271</u>	<u>176,372,945</u>	<u>4,243,293</u>	<u>3,271,938</u>	<u>177,919,564</u>	<u>179,644,883</u>
Expenses:						
General administration	9,096,823	8,531,830			9,096,823	8,531,830
Judicial and legal	18,506,367	17,444,241			18,506,367	17,444,241
Financial administration	11,048,456	9,885,427			11,048,456	9,885,427
Elections	501,530	429,119			501,530	429,119
Public facilities	4,482,211	4,295,595			4,482,211	4,295,595
Public safety	19,121,946	17,808,208			19,121,946	17,808,208
Corrections	26,263,608	24,767,932			26,263,608	24,767,932
Public transportation	28,234,409	27,267,696			28,234,409	27,267,696
Health and welfare	8,643,077	9,624,531			8,643,077	9,624,531
Public assistance	296,000	296,000			296,000	296,000
Culture and recreation	10,096,986	8,785,859			10,096,986	8,785,859
Conservation	528,928	348,908			528,928	348,908
Environmental protection	205,288	543,559			205,288	543,559
Community development	8,985,728	7,371,072			8,985,728	7,371,072
Airport			4,512,936	4,297,478	4,512,936	4,297,478
Interest on long-term debt	<u>3,563,248</u>	<u>3,235,032</u>			<u>3,563,248</u>	<u>3,235,032</u>
Total expenses	<u>149,574,605</u>	<u>140,635,009</u>	<u>4,512,936</u>	<u>4,297,478</u>	<u>154,087,541</u>	<u>144,932,487</u>

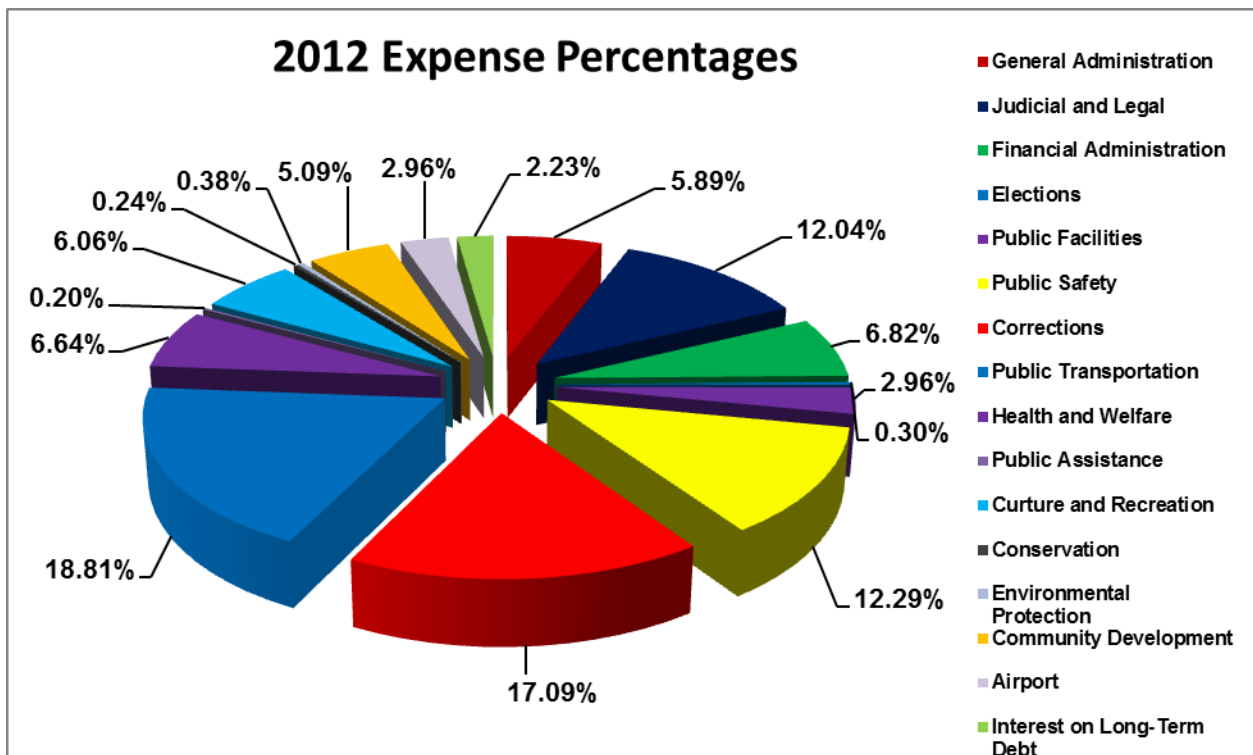
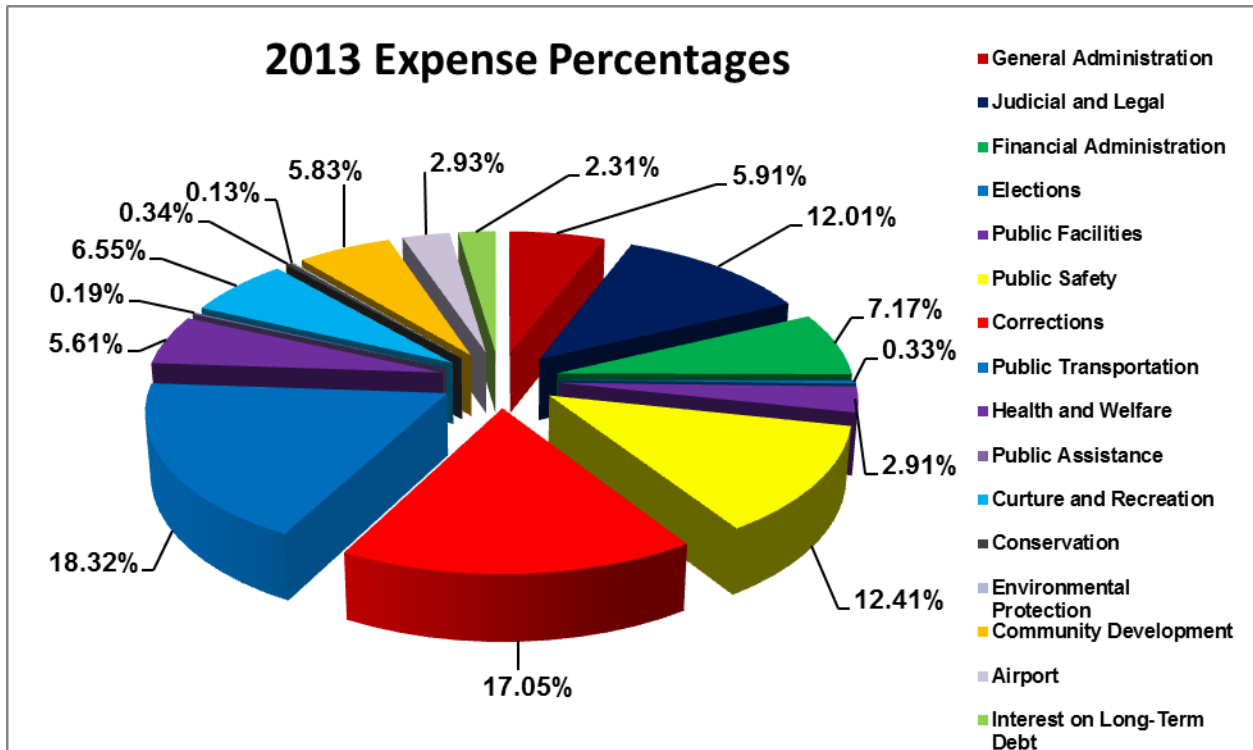
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**BRAZORIA COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2013*

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2013	(Restated) 2012	2013	2012	2013	(Restated) 2012
Increase (decrease) in net position before contributions and transfers	\$ 24,101,666	\$ 35,737,936	\$( 269,643)	\$( 1,025,540)	\$ 23,832,023	\$ 34,712,396
Transfers	( 20,145)	( 1,894,000)	20,145	1,894,000	-0-	-0-
Increase (decrease) in net position	24,081,521	33,843,936	( 249,498)	868,460	23,832,023	34,712,396
Net position - October 1,	<u>227,935,322</u>	<u>194,091,386</u>	<u>19,791,353</u>	<u>18,922,893</u>	<u>247,726,675</u>	<u>213,014,279</u>
Net position - September 30	<u>\$ 252,016,843</u>	<u>\$ 227,935,322</u>	<u>\$ 19,541,855</u>	<u>\$ 19,791,353</u>	<u>\$ 271,558,698</u>	<u>\$ 247,726,675</u>



**BRAZORIA COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2013*



## **BRAZORIA COUNTY, TEXAS**

*Management's Discussion and Analysis  
For the Year Ended September 30, 2013*

### **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 \$ 107,943,915. The unassigned fund balance of \$ 49,536,052 constitutes 45.89% of ending fund balance. The remainder of the fund balance is categorized as 1) non-spendable (\$ 2,663,353), 2) restricted (\$ 54,002,802), and 3) committed (\$ 1,741,708).

Fund balance of the General Fund increased by \$ 9,594,084; the Road and Bridge (special revenue fund) decreased by \$ 441,278; the 2012 Certificate of Obligation C & M (capital projects fund) decreased by \$ 6,557,036; and, other (non-major) governmental funds decreased by \$ 4,241,324. The General Fund revenue increased over the prior year by \$ 7.1 million. Taxes increased by \$ 6.0 million due to an increase in the property tax rates and 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 by \$ 4.4 million, primarily due to increased salaries and benefit costs. The Road & Bridge (special revenue fund) decreased mostly due to the timing of planned road projects. The 2012 Certificate of Obligation C & M (capital project fund) decreased due to the expenditure of bonds issued during the prior year.

**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 position at September 30, 2013 amounted to \$ 19,550,227. Total net position decreased \$ 240,177 (approximately 1.20%), and the decrease was due to an increase in operating costs.

**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 \$ 5.9 million increase in appropriations and were primarily for the following:

- The re-appropriation of funds for prior year-end encumbrances.
- Increased "Tax Increment Reinvestment Zone" (TIRZ) expenditures.
- Increased operating and capital expenditures related to Detention Center Commissary, District Attorney forfeiture and Library funds.
- Increased capital expenditures related to software upgrades and implementations.

## **BRAZORIA COUNTY, TEXAS**

### *Management's Discussion and Analysis For the Year Ended September 30, 2013*

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

- Sales Tax revenue exceeded budget by 22% (\$ 3.6 million) due to higher than expected collections.
- Charges for services exceeded budget by \$ 1.3 million due to more document filings by the public.
- Fines and fees exceeded budget due to increased numbers of cases.
- Expenditures in judicial and legal were less than budgeted due to declining number of court appointed attorneys.

### **Capital Assets**

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2013, amounts to \$ 242,417,247 (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 the Ring of Honor for \$ 271,373.
- Completion of the Narcotics Building and parking lot at the Sheriff's Department for \$ 295,116 and \$ 30,418, respectively.
- Communications Upgrade and OSSI software at the Sheriff's Department for \$ 848,736 and \$ 107,333, respectively.
- Completion of GIS System for \$ 87,098.
- Completion of Jury software upgrade for \$ 79,186.
- Completion of park projects including: Surfside Jetty for \$ 241,050; and, Quintana Playground for \$ 15,024.
- Completion of the Precinct 4 Truck Shed for \$ 149,514.
- Upgrading of bridge at CR 657 and CR 224 for \$ 46,805.
- Construction on CR 257 for \$ 20,302,405.
- Construction of special project on CR 59 at CR 566 for \$ 96,454.
- Vehicles and equipment were added to capital assets, primarily as replacements to vehicles and road and bridge equipment during the year for \$ 2,617,416.
- A variety of transportation construction projects were initiated or continued at a cost of \$ 23.4 million, much of which was financed by road bonds.
- A variety of construction in progress projects including: West Columbia Service Center which includes Road and Bridge, JP 4-2, Constable 4, and Commissioners Office for \$ 1,617,303; Oracle-PeopleSoft financials and human resources software reimplementation and upgrade for \$ 2,680,567; Airport Terminal Construction for \$ 2,496,572; Sheriff's Office fire alarm system for \$ 198,340; Precinct 4 relocation/construction for \$ 99,356; Facilities Management relocation/construction for \$ 48,127; Odyssey software for \$ 1,609,617; Fueling Station for Precinct 3 for \$ 185,758; and Parks Department projects for \$ 174,938.

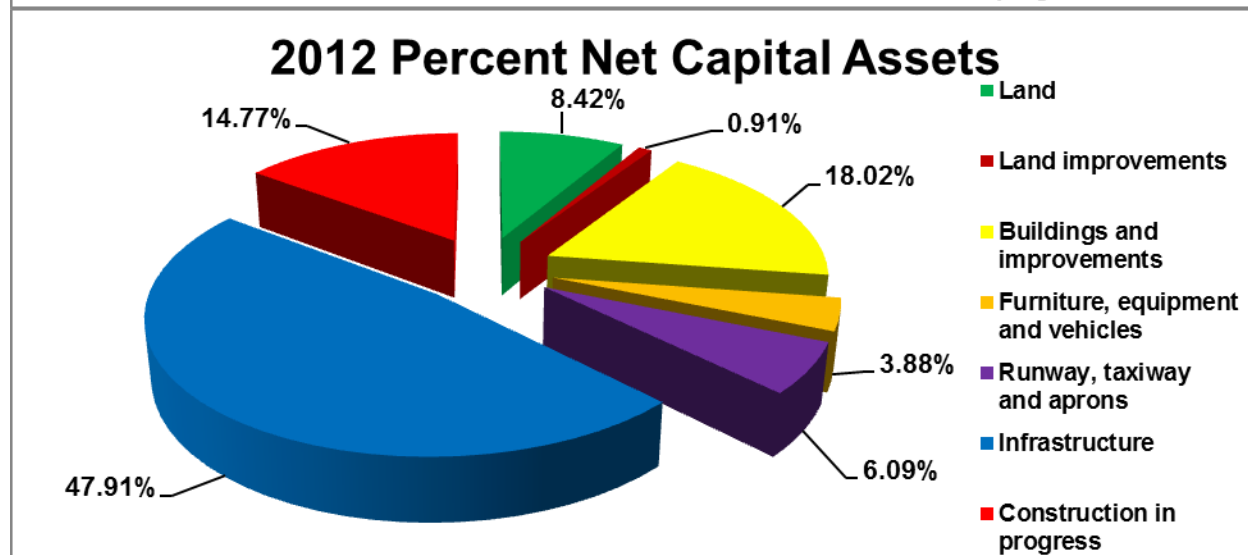
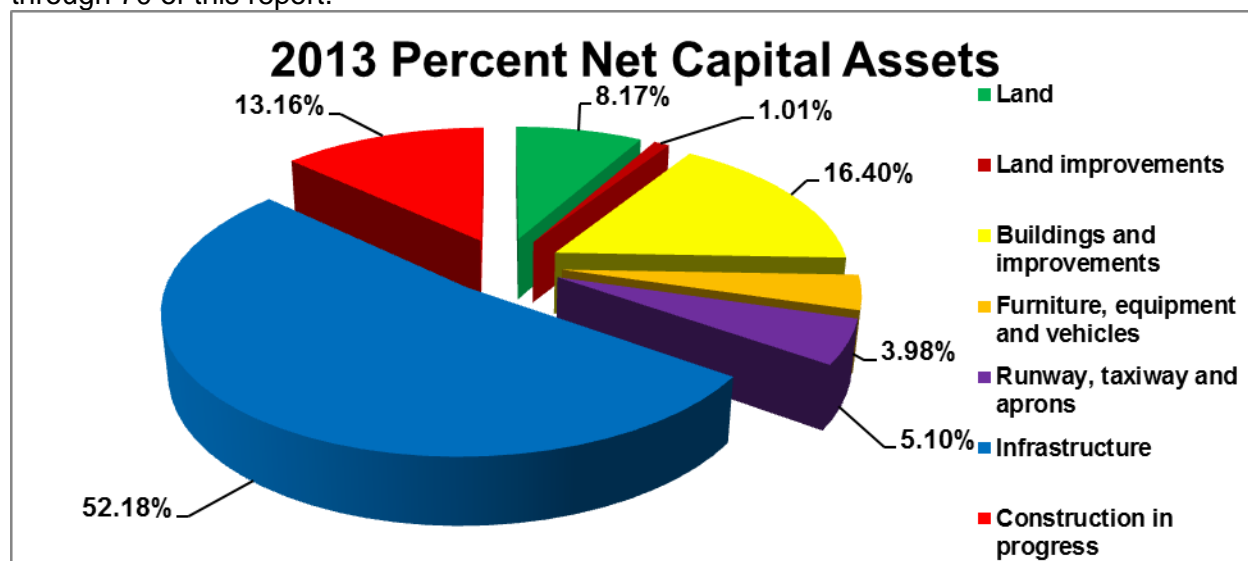


**BRAZORIA COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2013*

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

	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2013	2012	2013	2012	2013	2012
Land	\$ 18,250,713	\$ 16,918,642	\$ 1,558,687	\$ 1,558,687	\$ 19,809,400	\$ 18,477,329
Land improvements	2,443,229	1,996,987			2,443,229	1,996,987
Buildings & improvements	38,065,350	38,062,903	1,685,363	1,499,120	39,750,713	39,562,023
Furniture, equipment & vehicles	9,298,767	8,102,985	355,001	425,429	9,653,768	8,528,414
Runway, taxiway & aprons			12,355,579	13,375,780	12,355,579	13,375,780
Infrastructure	126,487,584	105,191,946			126,487,584	105,191,946
Construction in progress	<u>29,089,346</u>	<u>32,203,066</u>	<u>2,827,628</u>	<u>231,768</u>	<u>31,916,974</u>	<u>32,434,834</u>
Total	<u>\$ 223,634,989</u>	<u>\$ 202,476,529</u>	<u>\$ 18,782,258</u>	<u>\$ 17,090,784</u>	<u>\$ 242,417,247</u>	<u>\$ 219,567,313</u>

Additional information on the County's capital assets can be found in note 5 on pages 66 through 70 of this report.



**BRAZORIA COUNTY, TEXAS**

*Management's Discussion and Analysis  
For the Year Ended September 30, 2013*

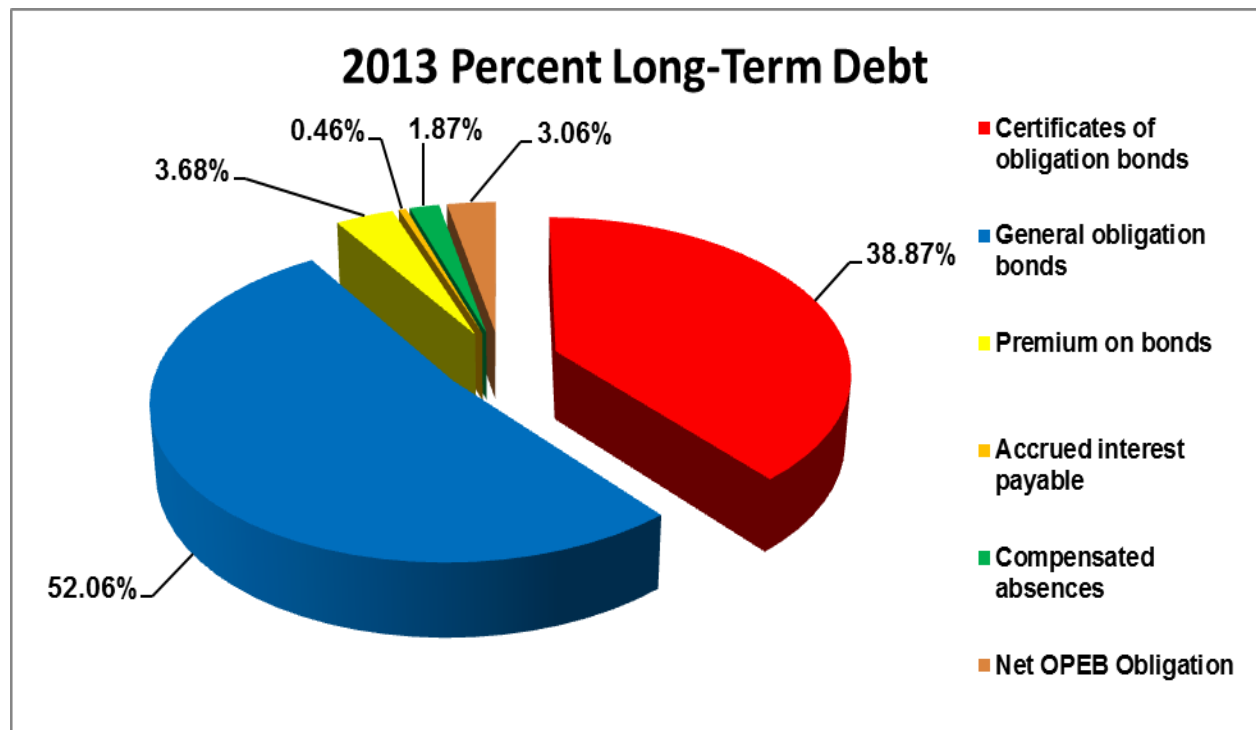
**DEBT ADMINISTRATION**

At the end of the current fiscal year, the County had a total bonded debt of \$ 83,865,000, 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**

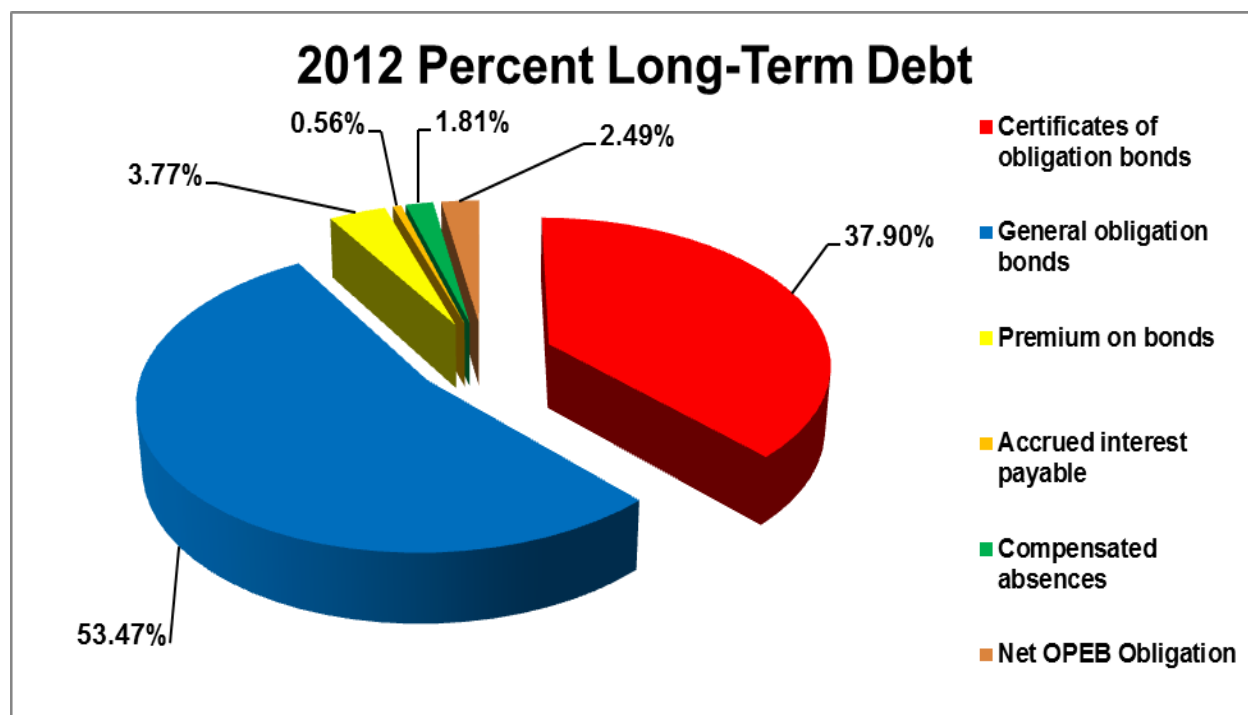
	Governmental Activities		Business-type Activities		Totals	
	September 30,		September 30,		September 30,	
	2013	2012	2013	2012	2013	2012
Certificates of obligation bonds	\$ 35,850,000	\$ 37,075,000	\$	\$	\$ 35,850,000	\$ 37,075,000
General obligation bonds	48,015,000	52,310,000			48,015,000	52,310,000
Components of Debt:						
Premium on bonds	3,394,545	3,690,314			3,394,545	3,690,314
Accrued interest payable	419,363	547,408			419,363	547,408
Compensated absences	1,714,448	1,764,533	10,849	10,232	1,725,297	1,774,765
Net OPEB obligation	<u>2,798,896</u>	<u>2,415,219</u>	<u>23,298</u>	<u>20,469</u>	<u>2,822,194</u>	<u>2,435,688</u>
 Total	 \$ <u>92,192,252</u>	 \$ <u>97,802,474</u>	 \$ <u>34,147</u>	 \$ <u>30,701</u>	 \$ <u>92,226,399</u>	 \$ <u>97,833,175</u>

During the fiscal year, the County's total debt decreased \$ 5,993,282 or 6.13%. The decrease was due primarily to the payment of \$ 5,520,000 of bond principal.



## BRAZORIA COUNTY, TEXAS

Management's Discussion and Analysis  
For the Year Ended September 30, 2013



All of the outstanding Bonds of the County payable from its limited taxes are insured and are, therefore, rated "Aa2" by Moody's Investors Service Inc. ("Moody's"), "AA" by Standard & Poor's ("S&P"), and "AA+" by Fitch.

Additional information on the County's long-term debt can be found in note 7 on pages 71 through 74 of this report.

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

- The unemployment rate for Brazoria County dropped to 6.5% an indication of continued economic growth.
- New construction continues at an increasing rate suggesting a stronger economy.
- Tax rolls saw an increase due to the economy.
- Sales tax and other revenues are continuing to improve.

All of these factors were considered in preparing Brazoria County's budget for the 2014 fiscal year. At the end of the current fiscal year, fund balances in the governmental funds decreased to \$ 107,943,915. Brazoria County has appropriated \$ 3.5 million of this amount for spending in the 2014 fiscal year budget. It is expected that conservative revenue budgets will serve to make the actual decrease in fund balance far less than budgeted.

### Request for Information

This financial report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Brazoria County Auditor, 111 E. Locust, Room 303, Angleton, Texas, 77515, or call (979) 864-1275.



## **BASIC FINANCIAL STATEMENTS**

**BRAZORIA COUNTY, TEXAS**  
**STATEMENT OF NET POSITION**  
September 30, 2013

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and temporary investments	\$ 81,019,694	\$ 591,950	\$ 81,611,644
Receivables (Net of Allowance for Uncollectibles):			
Taxes	1,348,684		1,348,684
Accounts	9,982,294	332,085	10,314,379
Special assessments	1,323,758		1,323,758
Due from other governments	7,317,768		7,317,768
Accrued interest	45,466		45,466
Loans receivable	3,752		3,752
Interfund balances	20,146	( 20,146)	-0-
Inventories	751,327	124,431	875,758
Prepaid items	1,399,715	7,395	1,407,110
Investments	33,647,220		33,647,220
Discounted loans receivable (net of current)	589,343		589,343
Capital Assets:			
Land	18,250,713	1,558,687	19,809,400
Land improvements (net)	2,443,229		2,443,229
Buildings and improvements (net)	38,065,350	1,685,363	39,750,713
Furniture, equipment and vehicles (net)	9,298,767	355,001	9,653,768
Runways, taxiways and aprons (net)		12,355,579	12,355,579
Infrastructure (net)	126,487,584		126,487,584
Construction in progress	29,089,346	2,827,628	31,916,974
Total assets	<u>361,084,156</u>	<u>19,817,973</u>	<u>380,902,129</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Bond refunding cost (net of accumulated amortization)	<u>134,791</u>		<u>134,791</u>
Total deferred outflows of resources	<u>134,791</u>	<u>-0-</u>	<u>134,791</u>
<b>LIABILITIES</b>			
Accounts and accrued liabilities payable	12,990,562	214,935	13,205,497
Estimated health claims payable	1,091,631		1,091,631
Due to others	575,008		575,008
Unearned revenue	2,352,651	27,036	2,379,687
Noncurrent Liabilities:			
Due within one year	5,874,616	10,849	5,885,465
Due in more than one year	86,317,636	23,298	86,340,934
Total liabilities	<u>109,202,104</u>	<u>276,118</u>	<u>109,478,222</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources			<u>-0-</u>
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

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

September 30, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
NET POSITION			
Invested in capital assets, net of related debt	\$ 167,975,425	\$ 18,782,258	\$ 186,757,683
Restricted:			
Debt service	3,570,603		3,570,603
Public transportation projects	13,593,152		13,593,152
Records management	2,551,020		2,551,020
Other	4,257,142		4,257,142
Unrestricted	<u>60,069,501</u>	<u>759,597</u>	<u>60,829,098</u>
Total net position	<u>\$ 252,016,843</u>	<u>\$ 19,541,855</u>	<u>\$ 271,558,698</u>

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

**BRAZORIA COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended September 30, 2013

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities:				
General administration	\$ 9,096,823	\$ 3,006,250	\$ 473,890	\$ 111,900
Judicial and legal	18,506,367	7,563,630	1,115,664	
Financial administration	11,048,456	3,305,013	56,379	
Elections	501,530	165,038	169,264	
Public facilities	4,482,211	726,709		241,223
Public safety	19,121,946	1,719,624	108,142	16,637
Corrections	26,263,608	617,597	1,768,887	
Public transportation	28,234,409	4,588,703	57,848	11,328,611
Health and welfare	8,643,077	908,637	2,145,520	
Public assistance	296,000			
Culture and recreation	10,096,986	331,142	787,521	295,029
Conservation	528,928	5,347		
Environmental protection	205,288	5,644	212,788	1,716
Community development	8,985,728		9,002,221	
Interest on long-term debt	<u>3,563,248</u>			
Total governmental activities	149,574,605	22,943,334	15,898,124	11,995,116
Business-type Activities:				
Airport	<u>4,512,936</u>	<u>3,275,992</u>		<u>964,718</u>
Total primary government	<u>\$ 154,087,541</u>	<u>\$ 26,219,326</u>	<u>\$ 15,898,124</u>	<u>\$ 12,959,834</u>
General Revenue:				
Property taxes				
Sales and other taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings				
Miscellaneous				
Transfers				
Total general revenues, special items, and transfers				
Change in net position				
Net position – beginning (restated)				
Net position – ending				

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



Net (Expense) Revenue and Changes In Net Position

<u>Primary Government</u>		
<u>Governmental</u>	<u>Business-</u>	
<u>Activities</u>	<u>Type</u>	<u>Total</u>
<u>Activities</u>	<u>Activities</u>	
\$( 5,504,783)	\$	\$( 5,504,783)
( 9,827,073)		( 9,827,073)
( 7,687,064)		( 7,687,064)
( 167,228)		( 167,228)
( 3,514,279)		( 3,514,279)
( 17,277,543)		( 17,277,543)
( 23,877,124)		( 23,877,124)
( 12,259,247)		( 12,259,247)
( 5,588,920)		( 5,588,920)
( 296,000)		( 296,000)
( 8,683,294)		( 8,683,294)
( 523,581)		( 523,581)
14,860		14,860
16,493		16,493
<u>( 3,563,248)</u>		<u>( 3,563,248)</u>
( 98,738,031)	-0-	( 98,738,031)
	<u>( 272,226)</u>	<u>( 272,226)</u>
<u>( 98,738,031)</u>	<u>( 272,226)</u>	<u>( 99,010,257)</u>
100,582,765		100,582,765
20,439,065		20,439,065
243,808		243,808
563,572	2,583	566,155
1,010,487		1,010,487
<u>( 20,145)</u>	<u>20,145</u>	<u>-0-</u>
<u>122,819,552</u>	<u>22,728</u>	<u>122,842,280</u>
24,081,521	( 249,498)	23,832,023
<u>227,935,322</u>	<u>19,791,353</u>	<u>247,726,675</u>
<u>\$ 252,016,843</u>	<u>\$ 19,541,855</u>	<u>\$ 271,558,398</u>

**BRAZORIA COUNTY, TEXAS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
September 30, 2013

	Major Funds		
	General Fund	Road & Bridge Fund	2012 Certificate of Obligation C&M Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$ 25,656,636	\$ 8,533,200	\$ 20,394,838
Investments	30,645,120	3,002,100	
Receivables (Net of Allowance for Uncollectibles):			
Taxes	935,020	254,320	
Accounts	138,281	191,159	
Special assessments		504,568	
Due from other governments	4,908,561	563,077	
Accrued interest	42,392	3,062	
Due from other funds	3,058,544		11,774
Inventories	60,072	583,929	
Prepaid expenditures	1,281,381	407	
Long-Term Receivables:			
Accounts	<u>9,752</u>		
Total assets	<u>66,735,759</u>	<u>13,635,822</u>	<u>20,406,612</u>
Deferred Outflows of Resources:			
Deferred outflows of resources			
Total deferred outflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 66,735,759</u>	<u>\$ 13,635,822</u>	<u>\$ 20,406,612</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$ 8,860,630	\$ 1,691,459	\$ 860,572
Due to others	575,008		
Due to other funds	37,345		318,687
Unearned revenue	<u>1,719,716</u>	<u>301,840</u>	
Total liabilities	<u>11,192,699</u>	<u>1,993,299</u>	<u>1,179,259</u>
Deferred Inflows of Resources:			
Deferred inflows of resources	<u>798,897</u>	<u>715,702</u>	
Total deferred inflows of resources	<u>798,897</u>	<u>715,702</u>	<u>-0-</u>
Fund Balances:			
Non-spendable	1,351,205	584,336	
Restricted	935,285	10,342,485	19,227,353
Committed	1,741,708		
Unassigned	<u>50,715,965</u>		
Total fund balances	<u>54,744,163</u>	<u>10,926,821</u>	<u>19,227,353</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 66,735,759</u>	<u>\$ 13,635,822</u>	<u>\$ 20,406,612</u>

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

<u>Non-Major Funds</u>		<u>Total Governmental Funds</u>
<u>Other Governmental Funds</u>		<u>Total Governmental Funds</u>
\$ 24,281,936	\$	78,866,610
		33,647,220
159,344		1,348,684
451		329,891
819,190		1,323,758
1,846,130		7,317,768
2		45,456
177,295		3,247,613
107,326		751,327
13,293		1,295,081
<u>607,193</u>		<u>616,945</u>
<u>28,012,160</u>		<u>128,790,353</u>
<u>-0-</u>		<u>-0-</u>
<u>-0-</u>		<u>-0-</u>
<u>\$ 28,012,160</u>	<u>\$</u>	<u>128,790,353</u>
\$ 1,354,553	\$	12,767,214
		575,008
2,379,807		2,735,839
<u>276,536</u>		<u>2,298,092</u>
<u>4,010,896</u>		<u>18,376,153</u>
<u>955,686</u>		<u>2,470,285</u>
<u>955,686</u>		<u>2,470,285</u>
727,812		2,663,353
23,497,679		54,002,802
		1,741,708
<u>( 1,179,913)</u>		<u>49,536,052</u>
<u>23,045,578</u>		<u>107,943,915</u>
<u>\$ 28,012,160</u>	<u>\$</u>	<u>128,790,353</u>

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

September 30, 2013

Exhibit 3R

Page 1

Total fund balances - governmental funds balance sheet (Exhibit 3) \$ 107,943,915

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Capital assets include \$ 396,023,779 in assets less \$ 172,388,790 in accumulated depreciation.	223,634,989
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 \$ 23,850.	( 23,850)
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 \$ 16,101,976 net of allowance for uncollectible accounts of \$ 6,647,391 of the general fund amounted to \$ 9,454,585.	9,454,585
Property taxes receivable unavailable to pay for current period expenditures are unearned in the funds. Deferred property tax revenues for the General fund, Road and Bridge special revenue fund, Mosquito Control District, Sheriff & Detention Center, I & S fund, General Obligation and Refunding Bonds, I & S fund, 2006 Certificates of Obligation, I & S fund, Unlimited Tax Road Bonds, (Mobility), I & S fund, and 2012 Certificates of Obligation Bonds, I & S fund amounted to \$ 798,897, \$ 254,320, \$ 30,630, \$ 31,658, \$ 9,555, \$ 13,688, \$ 40,989, and \$ 9,977, respectively.	1,189,714
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 \$ 461,382 and other special revenue funds (Oakwood Creek Estates Assessment \$ 801,359, and Benefield Assessment \$ 17,830).	1,280,571
Bond refunding costs are reported as current financial uses for governmental funds but the expenditures increase long-term assets in the statement of net position. This amount is amortized over the life of the bonds. Bond refunding costs of \$ 170,830 less accumulated amortization of \$ 36,039.	134,791
Payables for bond principal are not reported in the funds.	( 83,865,000)
Premium on the issuance of bonds provide current financial resources to governmental funds but the proceeds decrease long-term assets in the statement of net position. This amount is amortized over the life of the bonds. Net premium on the issuance of bonds were \$ 3,394,545 (premium on the sale of bonds of \$ 4,232,602 less amortization of \$ 838,057).	( 3,394,545)

(continued)

**BRAZORIA COUNTY, TEXAS**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENTAL ACTIVITIES STATEMENT OF NET POSITION - Continued**  
September 30, 2013

Exhibit 3R  
Page 2

Payables for bond interest are 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 \$ 419,363. \$( 419,363)

Payables for compensated absences are not reported in the funds. ( 1,714,448)

Payables for net OPEB obligation are not reported in the funds. ( 2,798,896)

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 deferred outflows of resources and liabilities and deferred inflows of resources of the service funds are not reported separately from the funds statements. The internal service funds balances (net of amount allocated to business-type activities and fiduciary funds) not included in other reconciling items:

	Self Insurance			
	Liability	Health	Clinic	
Cash and temporary investments	\$ 1,400,950	\$ 749,665	\$ 2,469	
Accounts receivable		197,818		
Prepaid items		10		
Accrued interest		104,634		
Accounts and accrued liabilities payable	( 19,585)	( 171,880)	( 31,883)	
Estimated claims payable	( 400,000)	( 691,631)		
Due to other funds		( 500,000)		
Unearned revenue		( 54,559)		
Net amount allocated to business-type activities	_____	8,096	276	
Net	\$ 981,365	\$( 357,847)	\$( 29,138)	594,380

Net position of governmental activities – statement of net position (Exhibit 1). \$ 252,016,843

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, 2013

	Major Funds		
	General Fund	Road & Bridge Fund	2012 Certificate of Obligation C&M Fund
Revenues:			
Taxes	\$ 87,303,976	\$ 21,649,217	\$
Intergovernmental	1,440,754		
Charges for services	8,651,084	814	
Licenses and permits	1,538,018	846,082	
Fines and forfeitures	4,319,338		
Special assessments		41,168	
Investment income	285,518	79,954	85,811
Miscellaneous	1,290,675	595,323	
Total revenues	<u>104,829,363</u>	<u>23,212,558</u>	<u>85,811</u>
Expenditures:			
Current:			
General administration	7,246,352		
Judicial and legal	16,635,007		
Financial administration	11,318,320		
Elections	279,001		
Public facilities	4,288,098		
Public safety	18,561,076		
Corrections	21,976,052		
Public transportation		17,888,135	17,369
Health and welfare	3,878,490		
Public assistance	296,000		
Culture and recreation	9,412,476		28,899
Conservation	376,549		
Environmental protection	189,858		
Community development			
Capital outlay		5,844,301	6,576,434
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>94,457,279</u>	<u>23,732,436</u>	<u>6,622,702</u>
Excess (deficiency) of revenues over expenditures	<u>10,372,084</u>	<u>( 519,878 )</u>	<u>( 6,536,891 )</u>
Other Financing Sources (Uses):			
Sale of capital assets	57,434	79,830	
Transfers in	250,000		11,774
Transfers out	( 1,085,434 )	( 1,230 )	( 31,919 )
Total other financing sources and (uses)	<u>( 778,000 )</u>	<u>78,600</u>	<u>( 20,145 )</u>
Net change in fund balances	9,594,084	( 441,278 )	( 6,557,036 )
Fund balances - beginning	<u>45,150,079</u>	<u>11,368,099</u>	<u>25,784,389</u>
Fund balances - ending	<u>\$ 54,744,163</u>	<u>\$ 10,926,821</u>	<u>\$ 19,227,353</u>

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

<u>Non-Major Funds</u>		<u>Total Governmental Funds</u>
\$ 12,127,604	\$	121,080,797
24,550,239		25,990,993
1,674,931		10,326,829
2,861,453		5,245,553
13,391		4,332,729
155,035		196,203
80,303		531,586
<u>474,821</u>		<u>2,360,819</u>
<u>41,937,777</u>		<u>170,065,509</u>
1,301,849		8,548,201
1,221,717		17,856,724
56,379		11,374,699
208,832		487,833
		4,288,098
112,570		18,673,646
2,496,785		24,472,837
2,180,241		20,085,745
4,354,938		8,233,428
		296,000
537,541		9,978,916
		376,549
132,814		322,672
8,986,548		8,986,548
15,956,234		28,376,969
5,520,000		5,520,000
<u>3,956,542</u>		<u>3,956,542</u>
<u>47,022,990</u>		<u>171,835,407</u>
( <u>5,085,213</u> )	(	<u>1,769,898</u> )
7,225		144,489
1,803,271		2,065,045
( <u>966,607</u> )	(	<u>2,085,190</u> )
<u>843,889</u>		<u>124,344</u>
( <u>4,241,324</u> )	(	<u>1,645,554</u> )
<u>27,286,902</u>		<u>109,589,469</u>
<u>\$ 23,045,578</u>	<u>\$</u>	<u>107,943,915</u>

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

For the Year Ended September 30, 2013

Exhibit 4R  
Page 1

Net change in fund balances - total governmental funds (Exhibit 4) \$( 1,645,554)

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

Governmental funds report capital outlays as expenditures. However, in the governmental activities statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays \$ 31,540,653 exceeded depreciation \$ 11,658,083 in the current period. 19,882,570

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, \$ 1,440,445 of roads were contributed to and accepted by the County. 1,440,445

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 Sheriff and Detention Center, I & S fund, the General Obligation and Refunding Bonds, I & S fund, the 2006 Certificates of Obligation Bonds, I & S fund, the Unlimited Tax Road Bonds (Mobility), I & S fund, and the 2012 Certificates of Obligation Bonds, I & S fund amounted to \$ 40,952, \$( 20,005), \$( 5,950), \$ 7,837, \$ 5,486, \$ 1,460, \$ 344, and \$( 9,977), respectively. ( 20,147)

Special assessment revenues in the governmental activities statement of activities do not provide current available resources and are not reported as revenues in the funds. Deferred special assessment tax revenues for Brazos Oaks/Forest Assessment, Brazos Bend Assessment, Bonnie Lane Assessment, Laura Lane Assessment, Sherwood Land Assessment, Norris Road Special Assessment, Brazos Bend 2 Special Assessment, Oakwood Creek Assessment, Manvel Assessment, Quail Ridge Assessment, Hampton Road Assessment, Pecan Estates Road Assessment, Westwood Road Assessment, Sally Lake Road Assessment, and Rose Mary Street Assessment reported in the Road and Bridge special revenue fund of \$ 79,987 and other special revenue funds (Oakwood Creek Estates Assessment) of \$ 147,230 and Benefield Assessment of \$ 7,806. ( 235,023)

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 \$ 164,555. (Cost of \$ 1,560,725 less accumulated depreciation of \$ 1,396,170). ( 164,555)

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. 247,029

Bond refunding costs is an expenditure in the governmental fund, but the costs increases long-term assets in the statements of net position. This amount is amortized over the life of the bond. Current amortization of \$ 30,520. ( 30,520)

(continued)



**BRAZORIA COUNTY, TEXAS**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE GOVERNMENTAL  
ACTIVITIES STATEMENT OF ACTIVITIES - Continued**  
For the Year Ended September 30, 2013

Exhibit 4R  
Page 2

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the governmental activities statement of net position. The funds statements reported \$ 5,520,000 in bond principal payments. 5,520,000

Premium on the issuance of bonds provide current financial resources to governmental funds, but the proceeds decrease long-term assets in the statement of net position. This amount is amortized over the life of the bonds. Amortization of bond premium was \$ 295,769. 295,769

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 \$ 128,045. 128,045

Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the amount of change in compensated absences. 50,085

Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the amount of change in net OPEB obligation. ( 383,677)

The change in noncurrent loan advance discounts do not produce current financial resources to governmental funds but these changes increase long-term assets in the statement of net position. The current change in noncurrent loan discounts was \$ 16,536 (prior discount of \$ 40,386 less current discount of \$ 23,850). 16,536

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	Clinic	
Investment income	\$ 2,611	\$ 12,839	\$	
Operating expenses	( 520,843)	( 12,614,930)	( 699,814)	
Contributions for self insurance	520,600	11,600,334	670,400	
Net amount allocated to business-type activities		9,045	276	
Net	\$ 2,368	\$( 992,712)	\$( 29,138)	( 1,019,482)

Net position of governmental activities – statement of net position (Exhibit 1). \$ 24,081,521

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

**BRAZORIA COUNTY, TEXAS**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
September 30, 2013

Exhibit 5

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2013	2012	
<b>ASSETS AND DEFERRED INFLOWS OF RESOURCES</b>			
Current Assets:			
Cash and temporary investments	\$ 591,950	\$ 2,481,374	\$ 2,153,084
Accounts receivable	332,085	229,739	197,818
Accrued interest			10
Due from other governments		44,191	
Inventory	124,431	153,437	
Prepaid expense	<u>7,395</u>	<u>12,691</u>	<u>104,634</u>
Total current assets	<u>1,055,861</u>	<u>2,921,432</u>	<u>2,455,546</u>
Noncurrent Assets:			
Capital Assets:			
Land	1,558,687	1,558,687	
Buildings and improvements	5,847,041	5,497,041	
Furniture, equipment and vehicles	1,213,042	1,213,042	
Runways, taxiways and aprons	26,014,529	26,014,529	
Construction in progress	2,827,628	231,768	
Accumulated depreciation	<u>( 18,678,669)</u>	<u>( 17,424,283)</u>	
Total capital assets (net of accumulated depreciation)	<u>18,782,258</u>	<u>17,090,784</u>	<u>-0-</u>
Total assets	<u>19,838,119</u>	<u>20,012,216</u>	<u>2,455,546</u>
Deferred Outflows of Resources:			
Deferred outflows of resources			
Total deferred outflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 19,838,119</u>	<u>\$ 20,012,216</u>	<u>\$ 2,455,546</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS - Continued**  
September 30, 2013

Exhibit 5

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2013	2012	
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITIONS</b>			
Current Liabilities:			
Accounts payable and accrued expenses	\$ 214,935	\$ 171,861	\$ 1,314,979
Compensated absences	10,849	10,232	
Due to other funds	11,774		500,000
Unearned revenue	27,036	19,250	54,559
Total current liabilities	264,594	201,343	1,869,538
Noncurrent Liabilities:			
Net OPEB obligation	23,298	20,469	
Total liabilities	287,892	221,812	1,869,538
Deferred Inflows of Resources:			
Deferred inflows of resources			
Total deferred inflows of resources	-0-	-0-	-0-
Net Position:			
Invested in capital assets	18,782,258	17,090,784	
Unrestricted	767,969	2,699,620	586,008
Total net position	19,550,227	19,790,404	\$ 586,008
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	( 8,372)	949	
Net position of business-type activities	\$ 19,541,855	\$ 19,791,353	

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 POSITION - PROPRIETARY FUNDS**

Exhibit 6

For the Year Ended September 30, 2013

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2013	2012	
Operating Revenues:			
Sales of fuel and supplies	\$ 2,404,245	\$ 2,301,954	\$
Cost of sales	<u>2,071,062</u>	<u>1,994,871</u>	
Gross profit	333,183	307,083	-0-
Other Operating Revenue:			
Contributions for self insurance			12,791,333
Rentals	389,818	397,697	
Fees	388,023	378,815	
Miscellaneous	<u>74,598</u>	<u>2,674</u>	
Net operating revenue	<u>1,185,622</u>	<u>1,086,269</u>	<u>12,791,333</u>
Operating Expenses:			
Salaries and wages	477,342	455,645	
Employee benefits	203,928	191,422	
Supplies	150,295	95,607	
Other charges	327,294	271,581	13,835,586
Depreciation	<u>1,254,386</u>	<u>1,274,713</u>	
Total operating expenses	<u>2,413,245</u>	<u>2,288,968</u>	<u>13,835,586</u>
Operating income (loss)	<u>( 1,227,623)</u>	<u>( 1,202,699)</u>	<u>( 1,044,253)</u>
Non-Operating Revenues (Expenses):			
Investment income	2,583	2,760	15,450
Gain on sale of assets		3,563	
Grant revenue		<u>8,509</u>	
Total non-operating revenues (expenses)	<u>2,583</u>	<u>14,832</u>	<u>15,450</u>
Net income (loss) before contributions and transfers	<u>( 1,225,040)</u>	<u>( 1,187,867)</u>	<u>( 1,028,803)</u>
Capital contributions	964,718	157,535	
Transfers in	31,919	1,894,000	
Transfers in	<u>( 11,774)</u>		
Change in net position	<u>( 240,177)</u>	<u>863,668</u>	<u>( 1,028,803)</u>
Net Position:			
Total net position - beginning of year	<u>19,790,404</u>	<u>18,926,736</u>	<u>1,614,811</u>
Total net position - end of year	<u>\$ 19,550,227</u>	<u>\$ 19,790,404</u>	<u>\$ 586,008</u>

(continued)

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

For the Year Ended September 30, 2013

Exhibit 6

	Business-Type Activities - Enterprise Fund	
	2013	Restated 2012
Business-type Activities:		
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	\$( <u>9,321</u> )	\$ <u>4,792</u>
Change in net position of business-type activities	( 249,498)	868,460
Net Position (Business-type Activities):		
Total net position - beginning of year	<u>19,791,353</u>	<u>18,922,893</u>
Total net position - end of year	<u>\$ 19,541,855</u>	<u>\$ 19,791,353</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, 2013

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	2013	2012	
Cash Flows from Operating Activities:			
Cash flows received from customers	\$ 3,206,315	\$ 3,084,509	\$
Cash receipts from interfund services provided			13,094,637
Cash paid to and on behalf of employees	( 674,427)	( 637,046)	( 11,893,912)
Cash paid to suppliers and others	( 2,462,898)	( 2,264,047)	( 2,766,506)
Net cash provided (used) by operating activities	<u>68,990</u>	<u>183,416</u>	<u>( 1,565,781)</u>
Cash Flows from Noncapital Financing Activities:			
Transfers from other funds	31,919	1,894,000	
Transfers to other funds	( 11,774)		
Cash received from operating grants		8,509	
Net cash provided by noncapital financing activities	<u>20,145</u>	<u>1,902,509</u>	<u>-0-</u>
Cash Flows from Capital and Financing Activities:			
Cash received from capital grants	964,718	157,535	
Cash received from sale of capital assets		3,563	
Acquisition of fixed assets	( 2,945,860)	( 274,145)	
Net cash provided (used) by capital financing activities	<u>( 1,981,142)</u>	<u>( 113,047)</u>	<u>-0-</u>
Cash Flows from Investing Activities:			
Investment income	2,583	2,760	15,440
Net cash provided by investment activities	<u>2,583</u>	<u>2,760</u>	<u>15,440</u>
Net increase (decrease) in cash	( 1,889,424)	1,975,638	( 1,550,341)
Cash and temporary investments - beginning of year	<u>2,481,374</u>	<u>505,736</u>	<u>3,703,425</u>
Cash and temporary investments - end of year	<u>\$ 591,950</u>	<u>\$ 2,481,374</u>	<u>\$ 2,153,084</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS - Continued**  
For the Year Ended September 30, 2013

Exhibit 7

	Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds
	2013	2012	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Activities:			
Operating income (loss)	\$( 1,227,623)	\$( 1,202,699)	\$( 1,044,253)
Depreciation	1,254,386	1,274,713	
Changes in Assets and Deferred Outflows of Resources, and Liabilities and Deferred Inflows of Resources:			
(Increase) Decrease In:			
Accounts receivable	( 102,346)	39,718	( 142,136)
Due from other governments	44,191	( 30,799)	
Inventory	29,006	( 8,973)	
Prepaid expenses	5,296	( 7,940)	( 67,434)
Increase (Decrease) In:			
Accounts and accrued liabilities payable	43,074	115,300	( 757,398)
Compensated absences	617	26	
Due to other funds	11,774		500,000
Unearned revenue	7,786	( 5,550)	( 54,560)
Net OPEB obligation	2,829	9,620	
	<u>\$ 68,990</u>	<u>\$ 183,416</u>	<u>\$( 1,565,781)</u>
Net cash provided (used) for operating activities			
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 POSITION**  
**FIDUCIARY FUNDS**  
September 30, 2013

Exhibit 8

	Private-Purpose Trust Fund <hr/> Historical Commission Fund <hr/>	Agency Funds <hr/>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
<b>Current Assets:</b>		
Cash and temporary investments	\$ 17,362	\$ 15,093,910
Receivables:		
Accounts receivable	<hr/>	<hr/> 791,563
Total current assets	<hr/> 17,362	<hr/> <u>\$ 15,885,473</u>
<b>Deferred Outflows of Resources:</b>		
Deferred outflows of resources	<hr/>	
Total deferred outflows of resources	<hr/> -0-	
Total assets and deferred outflows of resources	<hr/> <u>\$ 17,362</u>	
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>		
<b>Liabilities:</b>		
Accounts and accrued liabilities payable	\$	\$ 2,003,546
Amounts held for others	<hr/>	<hr/> 13,881,927
Total liabilities	<hr/> -0-	<hr/> <u>\$ 15,885,473</u>
<b>Deferred Inflows of Resources:</b>		
Deferred inflows of resources	<hr/>	
Total deferred outflows of resources	<hr/> -0-	
<b>Net Position:</b>		
Held in trust for historical commission	<hr/> 17,362	
Total net position	<hr/> 17,362	
Total liabilities, deferred inflows of resources and net position	<hr/> <u>\$ 17,362</u>	

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



**BRAZORIA COUNTY, TEXAS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
For the Year Ended September 30, 2013

Exhibit 9

	Private-Purpose Trust Fund <hr/> Historical Commission Funds <hr/>
<u>Additions</u>	
Investment Earnings:	
Interest	\$ <u>15</u>
Total additions	<u>15</u>
<u>Deductions</u>	
Culture and recreation (historical commission)	<u>2,700</u>
Total deductions	<u>2,700</u>
Change in net position	( 2,685)
<u>Net Position</u>	
Net position - beginning of the year	<u>20,047</u>
Net position - end of the year	<u><u>\$ 17,362</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, 2013

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

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

#### Reporting Entity

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

Included in the reporting entity:

Brazoria County, Texas (Primary Government) -

The County is a political subdivision of the State of Texas. The County is governed by the Commissioners' Court, composed of four elected County Commissioners and an elected County Judge. Each of these officials 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, 2013, 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, 2013

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

#### Reporting Entity - continued

##### Brazoria County Appraisal District -

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

##### City Libraries -

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

##### Brazoria County Children's Protective Services -

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

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

#### Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities report financial information on all of the 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, 2013

#### **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 unearned revenues until the related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the County to refund all or part of the unused amount.

## BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2013

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

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, 2013

### **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, Brazoria County Freshwater Supply District #2, Brazoria County Groundwater Conservation District, Brazoria County Toll Road Authority, Conoco Phillips FM 524 by-pass, Brazos Mall Entrance, and Community Corrections and Supervision (Adult Probation) funds.

#### New Pronouncements

GASB No. 60, "Accounting and Financial Reporting for Service Concession Arrangements", was issued November 2010. The statement was implemented and did not have an impact on the County's financial statements. 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 statement was implemented and did not have an impact on the County's financial statements. 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 statement was implemented and did not have an impact on the County's financial statements. 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 statement was implemented and did not have an impact on the County's financial statements. This statement is effective for periods beginning after December 15, 2011.

GASB No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions-and amendment of GASB Statements No. 53", was issued June 2011. The statement was implemented and did not have an impact on the County's financial statements. This statement is effective for periods beginning after June 15, 2011.

GASB No. 65, "Items Previously Reported as Assets and Liabilities", was issued March 2012. The statement was implemented and did have an impact on the County's financial statements, as it reclassified items previously recorded as assets and liabilities within the County's financial statements as outflow and inflows of resources and eliminated bond issuance cost. This statement is effective for periods beginning after December 15, 2012.

GASB No. 66, "Technical Corrections – 2012 - an amendment of GASB Statements No. 10 and No. 62", was issued March 2012. The statement was implemented and did not have an impact on the County's financial statements. This statement is effective for periods beginning after December 15, 2012.



## **BRAZORIA COUNTY, TEXAS**

### *Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

##### New Pronouncements - continued

GASB Statement No. 67, "Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25", was issued June 2012. 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, 2013.

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

GASB Statement No. 69, "Government Combinations and Disposals of Government Operations", was issued January 2013. 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, 2013.

GASB Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees", was issued April 2013. 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, 2013.

##### 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, employee benefits; operating expenses/expenditures; and capital outlay).

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

Budgetary Data - continued

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

Encumbrances

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

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

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Non-Major Funds</u>	<u>Total</u>
Encumbrances:				
Restricted	\$	\$ 371,624	\$ 1,546	\$ 373,170
Unassigned	<u>192,094</u>	<u>                    </u>	<u>                    </u>	<u>192,094</u>
	<u>\$ 192,094</u>	<u>\$ 371,624</u>	<u>\$ 1,546</u>	<u>\$ 565,264</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 and general obligations of the County.

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

Property Taxes

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

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

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

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

The County's 2012 tax levy, supporting the 2013 fiscal period budget, totaled \$ 0.485860 per \$ 100 valuation and was comprised as follows:

Constitutional Levy:	
General Fund	\$ 0.323913
Road and Bridge	0.045000
Mosquito Control	0.013947
Special Road and Bridge:	
Article 6790	0.060000
Article 7048a	-0-
Debt Service:	
General Obligation Refunding	
Bonds Series 1998	0.011587
Combination Tax and Revenue	
Certificates of Obligation Series 2003	0.002800
Combination Tax and Revenue	
Certificates of Obligation Series 2006	0.005363
Unlimited Tax Road Bonds Series 2008	0.017000
Certificate of Obligation Series 2012	<u>0.006250</u>
Combined tax rate	<u>\$ 0.485860</u>

# BRAZORIA COUNTY, TEXAS

Notes to the Financial Statements

For The Year Ended September 30, 2013

## 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, 2013, 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, 2013

**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, 2013, computed at pay rates in effect at that time.

The following is a summary of benefits payable as of September 30, 2013:

Governmental activities	\$ 1,714,448
Business-type activities	<u>10,849</u>
	<u>\$ 1,725,297</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.

Deferred Outflows and Inflows of Resources

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

## BRAZORIA COUNTY, TEXAS

### Notes to the Financial Statements

For The Year Ended September 30, 2013

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

##### Long-Term Debt

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

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

##### Fund Equity

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

##### Fund Balance Classifications:

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

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

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

Fund Equity - continued

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, which was formal action of Commissioners Court.

The *assigned* fund balance includes amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Such intent should be expressed by Commissioners Court or its designated officials to assign amounts to be used. Constraints imposed on the use of assigned amounts can be removed with no formal Commissioners Court actions. At September 30, 2013, 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, 2013

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

Governmental Fund Financial Statements:

The following schedule presents details of fund balance components at September 30, 2013:

	Major Funds			Non-Major	Total
	General Fund	Road & Bridge Fund	2012 Certificate of Obligation C & M Fund	Other Governmental Funds	
Fund Balances:					
Nonspendable:					
Inventory	\$ 60,072	\$ 583,929	\$	\$ 107,326	\$ 751,327
Prepaid expenditures	1,281,381	407		13,293	1,295,081
Long-term receivables	9,752			607,193	616,945
Restricted:					
Capital projects			19,227,353	11,630,644	30,857,997
Contributor purposes	281,466			77,312	358,778
Court improvements and operations				705,722	705,722
Debt service				3,884,099	3,884,099
Elections services				342,044	342,044
Family protection services				86,328	86,328
Federal grants				518,757	518,757
Health services				848,582	848,582
Inmate services	623,278				623,278
Juvenile services				7,442	7,442
Library services				382,108	382,108
Public safety personnel training				52,698	52,698
Public transportation projects		10,342,485		2,295,145	12,637,630
Records management				2,551,020	2,551,020
State grants and appropriations	30,541			51,214	81,755
Other				64,564	64,564
Committed:					
Capital projects	234,770				234,770
District Attorney supplement	126,797				126,797
District Clerk supplement	543,397				543,397
Narcotics operations	295,813				295,813
Juvenile services	199,457				199,457
Sheriff supplement	280,921				280,921
Tax Collector supplement	60,553				60,553
Unassigned	<u>50,715,965</u>			<u>( 1,179,913)</u>	<u>49,536,052</u>
Total	<u>\$54,744,163</u>	<u>\$10,926,821</u>	<u>\$19,227,353</u>	<u>\$23,045,578</u>	<u>\$107,943,915</u>



**BRAZORIA COUNTY, TEXAS***Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

Net position represent the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position 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 position 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 Position:			
Invested in capital, net of related debt	\$ 167,975,425	\$ 18,782,258	\$ 186,757,683
Restricted:			
Debt service	3,570,603		3,570,603
Public transportation projects	13,593,152		13,593,152
Records management	2,551,020		2,551,020
Other:			
Contributor purposes	893,167		893,167
Court improvements and operations	174,195		174,195
Elections services	342,044		342,044
Family protection services	86,328		86,328
Federal grants	518,757		518,757
Health services	986,538		986,538
Inmate services	670,461		670,461
Juvenile services	4,416		4,416
Library services	382,108		382,108
Public safety personnel training	52,698		52,698
State grants and appropriations	81,932		81,932
Other	64,498		64,498
Unrestricted	<u>60,069,501</u>	<u>759,597</u>	<u>60,829,098</u>
Total	<u>\$ 252,016,843</u>	<u>\$ 19,541,855</u>	<u>\$ 271,558,698</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, 2013 are as follows:

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

	<u>Unrestricted</u>
Cash and Temporary Investments:	
Cash (petty cash accounts)	\$ 27,075
Financial Institution Deposits:	
Demand deposits	55,407,666
Local Government Investment Pools:	
Texpool	18,396,319
MBIA Texas Class Pool	<u>22,891,856</u>
	96,722,916
Investments:	
Government agency securities	<u>33,647,220</u>
	<u>\$ 130,370,136</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 \$ 27,075, the carrying amount, of the County's deposits, was \$ 55,407,666, while the financial institution balances totaled \$ 55,838,708. Of these balances, \$ 11,578,336 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, \$ 16,647,820 was covered by federal depository insurance coverage, and \$ 39,190,888 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, 2013

#### **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, 2013

**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, 2013 Texpool and MBIA Texas Class had a weighted average maturity of 60 days and 43 days, respectively. Although Texpool and MBIA Texas Class portfolios had a weighted average maturity of 60 days and 43 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, 2013, 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 September 24, 2015 through September 27, 2016 and had a market value of \$ 33,647,220 at September 30, 2013.

As of September 30, 2013, the County had the following investments:

<u>Investment Type</u>	<u>Interest Rate</u>	<u>Fair Value</u>	<u>Weighted Avg. Maturity (Days)</u>
Local Government Investment Pools:			
Texpool	Varies	\$ 18,396,319	60
MBIA Texas Class Pool	Varies	<u>22,891,856</u>	43
		<u>41,288,175</u>	15.35
Government Agency Securities:			
Federal National Mortgage Association	0.400%	1,998,400	757
Federal National Mortgage Association	0.450%	1,998,200	815
Federal Home Loan Mortgage Corporation	0.400%	999,600	724
Federal Home Loan Mortgage Corporation	0.500%	2,000,000	1,198
Federal Farm Credit Bank	0.340%	1,998,600	1,032
Federal National Mortgage Association	0.600%	2,000,200	1,232
Federal Home Loan Mortgage Corporation	0.300%	1,999,000	941
Federal Home Loan Bank	0.340%	997,500	777
Federal National Mortgage Association	0.520%	1,995,800	1,327
Federal Home Loan Bank	0.750%	3,000,000	1,362
Federal Home Loan Bank	0.700%	3,000,300	1,365
Federal Home Loan Mortgage Corporation	1.000%	3,000,600	1,393
Federal National Mortgage Association	0.900%	2,652,120	1,397
Federal National Mortgage Association	1.000%	2,002,200	1,397
Federal Home Loan Mortgage Corporation	0.875%	3,002,100	1,418
Federal National Mortgage Association	1.250%	<u>1,002,600</u>	1,457
		<u>33,647,220</u>	243.72
		<u>\$ 74,935,395</u>	259.07

**BRAZORIA COUNTY, TEXAS***Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

Credit Risk - As of September 30, 2013, the LGIPs (which represent approximately 55.10% 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 44.90% 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, 2013, and holds no direct investments in derivatives at September 30, 2013.

**NOTE 3 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, DEFERRED INFLOWS OF RESOURCES AND UNEARNED REVENUES**Receivables and Allowances

Receivables as of September 30, 2013, 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:

	<u>Governmental Funds</u>			<u>Total</u>
	<u>General Fund</u>	<u>Road &amp; Bridge Funds</u>	<u>Other Governmental Funds</u>	
Receivables:				
Property taxes	\$ 1,907,850	\$ 652,474	\$ 290,439	\$ 2,850,763
Accounts	138,281	191,159	451	329,891
Special assessments		648,665	830,308	1,478,973
Due from other governments	4,908,561	563,077	1,846,130	7,317,768
Accrued interest	<u>42,392</u>	<u>3,062</u>	<u>2</u>	<u>45,456</u>
Gross receivables	6,997,084	2,058,437	2,967,330	12,022,851
Less Allowance for Uncollectible:				
Property taxes	972,830	398,154	131,095	1,502,079
Special assessments		<u>144,097</u>	<u>11,118</u>	<u>155,215</u>
Net receivables	<u>\$ 6,024,254</u>	<u>\$ 1,516,186</u>	<u>\$ 2,825,117</u>	<u>\$ 10,365,557</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 3 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, DEFERRED INFLOWS OF RESOURCES AND UNEARNED REVENUES - Continued**

Receivables and Allowances - continued

	<u>Proprietary Funds</u>			<u>Fiduciary Funds</u>
	<u>Enterprise Fund</u>	<u>Internal Service Funds</u>	<u>Total</u>	
Receivables:				
Accounts:				
Airport customers	\$ 376,153	\$	\$ 376,153	\$
Stop loss insurance		197,818	197,818	
Other			-0-	791,563
	<u>376,153</u>	<u>197,818</u>	<u>573,971</u>	<u>791,563</u>
Gross receivables	376,153	197,818	573,971	791,563
Less Allowance for Uncollectible:				
Accounts:				
Airport customers	<u>44,068</u>		<u>44,068</u>	
Net total receivables	<u>\$ 332,085</u>	<u>\$ 197,818</u>	<u>\$ 529,903</u>	<u>\$ 791,563</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, 2013 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	\$ 3,601,175	\$ 1,206,946	\$ 51,047	\$ 49,393	\$ 4,908,561
Road & Bridge Fund		495,287	67,790		563,077
Non major governmental Funds	<u>8,165</u>	<u>1,676,977</u>	<u>153,744</u>	<u>7,244</u>	<u>1,846,130</u>
Total	<u>\$ 3,609,340</u>	<u>\$ 3,379,210</u>	<u>\$ 272,581</u>	<u>\$ 56,637</u>	<u>\$ 7,317,768</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 3 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, DEFERRED INFLOWS OF RESOURCES AND UNEARNED REVENUES - Continued**

Loans Receivable (Discounted)

The County advanced funds to the Brazoria County Toll Road Authority in the amount of \$ 607,193 (\$ 1,534, \$ 6,269, \$ 63,387, \$ 64,017, \$ 100,483, \$ 61,736, and \$ 309,767 during the years ended September 30, 2006, 2007, 2008, 2009, 2010, 2011 and 2012, 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 funds, 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 \$ 6,000 due during the years ended September 30, 2013, 2012 and 2011 was unpaid and reported as an allowance for uncollectible accounts at September 30, 2013.

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. The Center paid off this loan to the to the County during the year ended September 30, 2013.

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

	<u>2013</u>
Receivable current	\$ 3,752
Receivable within one year	3,000
Receivable within two years	3,000
Receivable within five years	<u>607,193</u>
Total loan receivable	616,945
Less allowance for uncollectible accounts	6,000
Less discounts to net present value	<u>17,850</u>
Net loan receivable at September 30, 2013	<u>\$ 593,095</u>

The discount rate used on long-term loans was 1.70% for the year ended September 30, 2013.

The loan receivable (discounted) is reported as an asset in the governmental activities statement of net position 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, 2013

**NOTE 3 - RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, DEFERRED INFLOWS OF RESOURCES AND UNEARNED REVENUES - Continued**

Judicial Receivables

Judicial receivables are reported in the governmental activities statement of net position. Since these receivables do not represent current available resources, they are not reported in the governmental funds balance sheet. The allowance for uncollectible receivables related to the County's various court assessments is determined based on historical experience and evaluation of collectability in relation to the aging of customer accounts. The following is a summary of the receivable and allowance for uncollectible as of September 30, 2013:

	<u>Judicial Receivable</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivable</u>
Judicial Receivables:			
Justice of the Peace	\$ 8,243,508	\$ 3,709,579	\$ 4,533,929
County courts	1,578,061	473,418	1,104,643
District courts	5,802,715	2,321,086	3,481,629
Juvenile probation	<u>477,692</u>	<u>143,308</u>	<u>334,384</u>
	<u>\$ 16,101,976</u>	<u>\$ 6,647,391</u>	<u>\$ 9,454,585</u>

Deferred Inflows of Resources and Unearned Revenue

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of September 30, 2013, the various components of deferred outflows of resources 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>	<u>Internal Service Fund</u>
Deferred Inflows of Resources:						
Delinquent property taxes receivable	\$ 798,897	\$ 715,702	\$ 136,497	\$ 1,651,096	\$	\$
Special assessment receivable			819,189	819,189		
Unearned Revenue:						
Federal grants	321,550	301,840	98,275	721,665		
State grants			178,261	178,261		
Bail bonds	823,364			823,364		
Public safety seizures	568,352			568,352		
Rental deposits	6,450			6,450		
Airport hangar deposits					27,036	
Third-party provider advance						54,559
	<u>\$ 2,518,613</u>	<u>\$ 1,017,542</u>	<u>\$ 1,232,222</u>	<u>\$ 4,768,377</u>	<u>\$ 27,036</u>	<u>\$ 54,559</u>



**BRAZORIA COUNTY, TEXAS***Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

Interfund receivables and payables at September 30, 2013 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>09-30-13</u>
General	2012 Certificate of Obligation C & M	\$ 318,687
General	Other governmental	2,239,857
General	Internal Service	500,000
2012 Certificate of Obligation C & M	Airport	11,774
Other governmental	General	37,345
Other governmental	Other governmental	<u>139,950</u>
		<u>\$ 3,247,613</u>

Detail interfund receivables and payables at September 30, 2013 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>09-30-13</u>
General	CPS Title IV-E	\$ 2,507
General	2012 Certificate of Obligation C & M	318,687
General	Oakwood Creek Estates Special Assessment	985,738
General	CR 313A Special Assessment Fund	34,135
General	Wink Wynn Special Assessment Fund	29,148
General	CR 64 Extension Special Assessment Fund	114,684
General	CR 257 Repairs	97,874
General	TJJD State Aid Fund	38,995
General	Juvenile Case Manager Fund	3,026
General	TDSHS Immunization Fund	24,554
General	TDSHS Supplemental Food Program WIC Fund	201,798
General	TDSHS Community and Rural Health Fund	6,100
General	TDSHS WIC Peer Counseling Program Fund	20,060
General	TDSHS WIC Registered Dietician Fund	15,815
General	TDSHS WIC Lactation Reimbursement Fund	4,939
General	TDSHS WIC Obesity SHOP/FIT Fund	1,500
General	TDSHS Cities Readiness Initiative Fund	17,709
General	Bioterrorism Grant Fund	43,039
General	CPS Title IV-E Fund	16,862
General	CPS Title IV-E Legal Services Fund	11,923
General	CSCD Bond Supervision Fund	14,772
General	State Homeland Security Fund	56,161
General	Victim Assistance Grant 02G00551 Fund	6,345
General	Crime Victim Assistance Fund	26,600
General	DEA Narcotics OT Expense Program Fund	665
General	2010 CDBG Disaster Recovery Alternative Fund	22,764
General	2011 CDBG County (HUD) Fund	9,609
General	2012 CDBG County (HUD) Fund	158,852
General	2013 Section 8 Housing Choice Vouchers Fund	147,017
General	EOC Retrofit Project Fund	17,950

(continued)

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>09-30-13</u>
General	Drug Court Program Fund	\$ 80,759
General	Amy Young Barrier Removal Fund	1,505
General	Buffer Zone Protection Program (BZPP)	8,980
General	Regional Mental Health Services Fund	3,680
General	SLP Dune Walkover Fund	30
General	Swan Lake Boat Ramp Fund	3,748
General	Parks CIAP Grant Fund	10,014
General	Health Care Benefits	500,000
Regional Mental Health Services	General	210
Drug Court Program	General	3,312
TDSHS Supplemental Food Program WIC	General	13,300
Law Library	General	3,800
CSCD Bond Supervision	General	15,782
Amy Young Barrier Removal	General	941
2006 Sec.8 Housing Voucher Prgrm-HAP	2010 Sec.8 Housing Voucher Prgrm-HAP	3,587
2013 Sec.8 Housing Voucher Prgrm-ADM	2005 Sec.8 Housing Voucher Prgrm-ADM	2,253
2013 Sec.8 Housing Voucher Prgrm-HAP	2012 Sec.8 Housing Voucher Prgrm-HAP	16,125
2013 Sec.8 Housing Voucher Prgrm-HAP	2007 Sec.8 Housing Voucher Prgrm-HAP	225
2013 Sec.8 Housing Voucher Prgrm-HAP	2008 Sec.8 Housing Voucher Prgrm-HAP	67
2013 Sec.8 Housing Voucher Prgrm-HAP	2010 Sec.8 Housing Voucher Prgrm-HAP	117,654
2011 CDBG County (HUD)	2012 CDBG County (HUD)	39
2012 Certificate of Obligation C & M	Airport	<u>11,774</u>
Total		<u>\$ 3,247,613</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, 2013 consisted of the following individual fund transfers in and transfers out:

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>09-30-13</u>
General	Other governmental	\$ 1,085,434
Road and Bridge	Other governmental	1,230
2012 Certificate of Obligation C&M	Airport	31,919
Other governmental	General	250,000
Other governmental	Other governmental	716,607
Airport	2012 Certificate of Obligation C & M	<u>11,774</u>
Total		<u>\$ 2,096,964</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

Detail interfund transfers for the year ended September 30, 2013 consisted of the following individual fund transfers in and transfers out:

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>09-30-13</u>
General	TJJD State Aid	\$ 315,810
General	JJAEP Boot Camp	375,918
General	Law Library	41,000
General	CPS Title IV-E	73,274
General	CPS Title IV-E Legal Services	158,927
General	Crime Victim Assistance	36,757
General	VAG Grant #2000551	17,612
General	Bioterrorism Grant	1,118
General	CSCD Bond Supervision	15,782
General	Amy Young Barrier Removal	941
General	Drug Court Program	3,312
General	Repetitive Flood Claims Program	27,636
General	SJP Waterfront Revitalization	1,254
General	Swan Lake Boat Ramp	16,093
Road and Bridge	County Road 257 Repairs	1,230
2012 Certificate of Obligation C & M	Airport	31,919
Financial Security	General	250,000
Mobility I & S	Build America I & S	716,607
Airport	2012 Certificate of Obligation C & M	<u>11,774</u>
		<u>\$ 2,096,964</u>

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

**BRAZORIA COUNTY, TEXAS***Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 5 - CAPITAL ASSETS**Capital Transactions

	<u>Balance 10-01-12</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance 09-30-13</u>
Governmental Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 16,918,642	\$ 1,352,171	\$ 20,100	\$	\$ 18,250,713
Construction in progress	<u>32,203,066</u>	<u>20,600,203</u>	<u>23,702,149</u>	<u>( 11,774)</u>	<u>29,089,346</u>
Total capital assets not being depreciated	<u>49,121,708</u>	<u>21,952,374</u>	<u>23,722,249</u>	<u>( 11,774)</u>	<u>47,340,059</u>
Capital Assets, Being Depreciated:					
Land improvements	2,720,587	622,931			3,343,518
Buildings and improvements	58,161,311	1,842,859	411		60,003,759
Furniture, equipment and vehicles	45,199,530	4,576,916	1,540,214		48,236,232
Infrastructure	<u>209,400,270</u>	<u>27,699,941</u>	<u></u>	<u></u>	<u>237,100,211</u>
Total capital assets being depreciated	<u>315,481,698</u>	<u>34,742,647</u>	<u>1,540,625</u>	<u>-0-</u>	<u>348,683,720</u>
Less Accumulated Depreciation For:					
Land improvements	723,600	176,689			900,289
Buildings and improvements	20,098,408	1,840,412	411		21,938,409
Furniture, equipment and vehicles	37,096,545	3,236,679	1,395,759		38,937,465
Infrastructure	<u>104,208,324</u>	<u>6,404,303</u>	<u></u>	<u></u>	<u>110,612,627</u>
Total accumulated depreciation	<u>162,126,877</u>	<u>11,658,083</u>	<u>1,396,170</u>	<u>-0-</u>	<u>172,388,790</u>
Total capital assets being depreciated, net	<u>153,354,821</u>	<u>23,084,564</u>	<u>144,455</u>	<u>-0-</u>	<u>176,294,930</u>
Governmental activities capital assets, net	<u>\$ 202,476,529</u>	<u>\$ 45,036,938</u>	<u>\$ 23,866,704</u>	<u>\$ ( 11,774)</u>	<u>\$ 223,634,989</u>

**BRAZORIA COUNTY, TEXAS**  
*Notes to the Financial Statements*  
 For The Year Ended September 30, 2013

**NOTE 5 - CAPITAL ASSETS - Continued**

Capital Transactions - continued

	<u>Balance</u> 10-01-12	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance</u> 09-30-13
Business-type Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 1,558,687	\$	\$	\$	\$ 1,558,687
Construction in progress	<u>231,768</u>	<u>2,584,086</u>	<u></u>	<u>11,774</u>	<u>2,827,628</u>
Total capital assets not being depreciated	<u>1,790,455</u>	<u>2,584,086</u>	<u>-0-</u>	<u>11,774</u>	<u>4,386,315</u>
Capital Assets, Being Depreciated:					
Buildings and improvements	5,497,041	350,000			5,847,041
Furniture, equipment and vehicles	1,213,042				1,213,042
Runways, taxiways and aprons	<u>26,014,529</u>	<u></u>	<u></u>	<u></u>	<u>26,014,529</u>
Total capital assets being depreciated	<u>32,724,612</u>	<u>350,000</u>	<u>-0-</u>	<u>-0-</u>	<u>33,074,612</u>
Less Accumulated Depreciation For:					
Buildings and improvements	3,997,921	163,757			4,161,678
Furniture, equipment and vehicles	787,613	70,428			858,041
Runways, taxiways and aprons	<u>12,638,749</u>	<u>1,020,201</u>	<u></u>	<u></u>	<u>13,658,950</u>
Total accumulated depreciation	<u>17,424,283</u>	<u>1,254,386</u>	<u>-0-</u>	<u>-0-</u>	<u>18,678,669</u>
Total capital assets being depreciated, net	<u>15,300,329</u>	<u>( 904,386)</u>	<u>-0-</u>	<u>-0-</u>	<u>14,395,943</u>
Business-type activities capital assets, net	<u>\$ 17,090,784</u>	<u>\$ 1,679,700</u>	<u>\$ -0-</u>	<u>\$ 11,774</u>	<u>\$ 18,782,258</u>

Depreciation

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

	<u>09-30-13</u>
Governmental Activities:	
General government	\$ 407,163
Judicial and legal	175,260
Financial administration	197,918
Elections	12,992
Public facilities	346,893
Public safety	1,008,588
Corrections	1,294,500

(continued)

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 5 - CAPITAL ASSETS - Continued**

Depreciation - continued

	<u>09-30-13</u>
Public transportation	\$ 7,667,708
Health and welfare	188,326
Culture and recreation	348,479
Conservation	6,080
Environmental protection	<u>4,176</u>
	<u>\$ 11,658,083</u>
Business-type Activities:	
Airport	<u>\$ 1,254,386</u>

Function and Activity - Original Cost

	<u>Balance</u> <u>10-01-12</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers and</u> <u>Adjustments</u>	<u>Balance</u> <u>09-30-13</u>
Governmental Activities:					
Function and Activity:					
General government	\$ 6,461,457	\$ 799,684	\$ 511	\$	\$ 7,260,630
Judicial and legal	4,904,399	104,694		( 40,789)	4,968,304
Financial administration	948,360	925,261	22,169	19,288	1,870,740
Elections	260,713	446			261,159
Public facilities	9,322,030	220,462		( 35,254)	9,507,238
Public safety	8,181,702	2,615,438	312,918	( 83,834)	10,400,388
Corrections	41,722,432	304,241		20,991	42,047,664
Public transportation	247,000,945	29,681,433	1,025,936	( 41,676)	275,614,766
Health and welfare	4,512,724	56,116	27,915		4,540,925
Culture and recreation	8,871,883	1,385,328	171,276	161,274	10,247,209
Conservation	186,734				186,734
Environmental protection	<u>26,961</u>	<u>1,715</u>	<u></u>	<u></u>	<u>28,676</u>
	332,400,340	36,094,818	1,560,725	-0-	366,934,433
Non-Functional:					
Construction in progress	<u>32,203,066</u>	<u>20,600,203</u>	<u>23,702,149</u>	<u>( 11,774)</u>	<u>29,089,346</u>
Total governmental activities	<u>\$ 364,603,406</u>	<u>\$ 56,695,021</u>	<u>\$ 25,262,874</u>	<u>\$ ( 11,774)</u>	<u>\$ 396,023,779</u>
Business-type Activities:					
Function and Activity:					
Airport	\$ 34,283,299	\$ 350,000	\$	\$	\$ 34,633,299
Non-Functional:					
Construction in progress	<u>231,768</u>	<u>2,584,087</u>	<u></u>	<u>11,774</u>	<u>2,827,629</u>
Total business-type activities	<u>\$ 34,515,067</u>	<u>\$ 2,934,087</u>	<u>\$ -0-</u>	<u>\$ 11,774</u>	<u>\$ 37,460,928</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 5 - CAPITAL ASSETS - Continued**

Function and Activity - Original Cost - continued

	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings and Improvements</u>	<u>Furniture, Equipment and Vehicles</u>	<u>Infrastructure/ Runways, Taxiways and Aprons</u>
Governmental Activities:					
Function and Activity:					
General government	\$ 1,391,199	\$ 569,318	\$ 3,745,225	\$ 1,554,888	\$
Judicial and legal	232,206	15,319	1,412,485	3,308,294	
Financial administration	26,875	49,048	82,221	1,712,596	
Elections			89,196	171,963	
Public facilities	1,377,281	559,735	6,572,752	988,352	9,118
Public safety	10,963	65,898	687,832	7,438,973	2,196,722
Corrections	159,014	429,676	38,566,239	2,892,735	
Public transportation	11,019,744	149,105	3,624,611	26,745,712	234,075,594
Health and welfare	1,604,735	15,795	1,391,405	1,523,036	5,954
Culture and recreation	2,418,046	1,489,624	3,653,994	1,872,722	812,823
Conservation	8,935		177,799		
Environmental protection	1,715			26,961	
Total governmental activities	<u>\$ 18,250,713</u>	<u>\$ 3,343,518</u>	<u>\$ 60,003,759</u>	<u>\$ 48,236,232</u>	<u>\$ 237,100,211</u>

Business-type Activities:					
Function and Activity:					
Airport	<u>\$ 1,558,687</u>	<u>\$ -0-</u>	<u>\$ 5,847,041</u>	<u>\$ 1,213,042</u>	<u>\$ 26,014,529</u>

Construction Commitments

	<u>Projects Authorized</u>	<u>Expended To Date</u>	<u>Commitment</u>	<u>Requiring Further Financing</u>
September 30, 2013:				
Governmental Activities:				
Health department – health clinic	\$ 65,550	\$ 29,364	\$ 36,186	\$
Pct 4 Commissioner/JP	1,873,235	717,602	1,155,633	
Facilities management relocation	122,285	48,127	74,158	
Pct 2 crew room	328,571	13,400	315,171	
Pct 1 truck shed	224,092	11,850	212,242	
Pct 4 north	162,869	123,597	39,272	
Odyssey	2,821,358	1,590,416	1,230,942	
Peoplesoft - financials	3,151,238	2,331,579	819,659	
CR 220	7,260,152	5,762,225	1,497,927	
CR 48	6,479,826	6,238,927	240,899	
CR 403 (Hughes Ranch Road)	1,220,266	1,029,964	190,302	
SH 36 (North West Columbia-South SH 35)	2,706,000	1,092,360	1,613,640	

(continued)

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 5 - CAPITAL ASSETS - Continued**

Construction Commitments - continued

	<u>Projects Authorized</u>	<u>Expended To Date</u>	<u>Commitment</u>	<u>Requiring Further Financing</u>
CR 101	\$ 1,670,905	\$ 1,291,537	\$ 379,368	\$
SH 36 (through Damon @ FM 2004)	12,500	6,942	5,558	
SH 36 (overpass @ FM 2004)	12,500	6,942	5,558	
CR 59	<u>674,039</u>	<u>591,993</u>	<u>82,046</u>	
Total governmental activities	<u>\$ 28,785,386</u>	<u>\$ 20,886,825</u>	<u>\$ 7,898,561</u>	<u>\$ -0-</u>
Business-type Activities:				
Airport Improvement Programs:				
Wildlife assessment	\$ 80,460	\$ 73,827	\$ 6,633	\$
Terminal design	1,100,000	885,217	214,783	
Apron	<u>207,000</u>	<u>24,280</u>	<u>182,720</u>	
	<u>\$ 1,387,460</u>	<u>\$ 983,324</u>	<u>\$ 404,136</u>	<u>\$ -0-</u>

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

Accounts and accrued liabilities payable as of September 30, 2013, for the government's individual governmental major and nonmajor funds, proprietary major fund, internal service funds, and fiduciary funds in the aggregate are as follows:

	<u>Governmental Funds</u>				<u>Total</u>
	<u>General Fund</u>	<u>Road &amp; Bridge Fund</u>	<u>2012 Certificate of Obligation C &amp; M</u>	<u>Other Governmental Funds</u>	
Accounts and Accrued Liabilities Payable:					
Vendors	\$ 6,145,402	\$ 1,491,858	\$ 860,572	\$ 1,248,469	\$ 9,746,301
Other governments	1,303,578	61		654	1,304,293
Accrued compensation	1,117,841	165,052		85,073	1,367,966
Accrued benefits	231,145	34,488		20,357	285,990
Other accrued liabilities	<u>62,664</u>				<u>62,664</u>
	<u>\$ 8,860,630</u>	<u>\$ 1,691,459</u>	<u>\$ 860,572</u>	<u>\$ 1,354,553</u>	<u>\$ 12,767,214</u>



**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

	Proprietary Funds			Fiduciary Funds
	Enterprise Fund	Internal Service Fund	Total	
Accounts and Accrued Liabilities Payable:				
Vendors	\$ 205,645	\$ 223,348	\$ 428,993	\$ 800,385
Other governments	34		34	
Accrued compensation	11,581		11,581	66,096
Accrued benefits	( 2,325 )		( 2,325 )	1,137,065
Other accrued liabilities		1,091,631	1,091,631	
	<u>\$ 214,935</u>	<u>\$ 1,314,979</u>	<u>\$ 1,529,914</u>	<u>\$ 2,003,546</u>

**NOTE 7 - LONG-TERM DEBT**

General Obligation Debt

General obligation and certificates of obligations payable at September 30, 2013, are summarized as follows:

	Interest Rate %	Series Dates			Bonds Outstanding 09-30-13
		Issued	Maturity	Callable	
General Obligation:					
Unlimited Tax Road Bonds, Series 2006	4.250 - 5.250	2006	2027		\$ 11,035,000
Unlimited Tax Road Bonds, Series 2008	3.500 - 5.000	2008	2013		6,565,000
Unlimited Tax Road Bonds, Series 2010	1.750 - 3.750	2010	2018		4,180,000
Unlimited Tax Road Bonds, (Build America Bonds) Series 2010	4.594 - 6.026	2010	2030		13,225,000
Unlimited Tax Road Bonds, Series 2012	2.000 - 3.625	2012	2018		8,575,000
Refunding Bonds, Series 2012	2.000 - 3.000	2012	2032		4,435,000
Combination Tax and Revenue Certificates of Obligation Bonds Series 2006	4.200 - 5.000	2006	2026	2017	10,735,000
Combination Tax and Revenue Certificates of Obligation Series 2012	3.500 - 5.000	2012	2032	2022	<u>25,115,000</u>
Total					<u>\$ 83,865,000</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

General Obligation Debt - continued

General obligation and certificates of obligation bond transactions for the year ended September 30, 2013 were as follows:

Bonds outstanding, October 1, 2012	\$ 89,385,000
Matured	<u>( 5,520,000)</u>
 Bonds outstanding, September 30, 2013	 <u>\$ 83,865,000</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, 2013, the amount of ad valorem taxes collected for interest and sinking were \$ 8,908,606, while the debt service requirements for principal and interest was \$ 9,476,542. The bond resolutions provide no express remedies in the event of default and make no provision for acceleration of maturity of the bonds.

The following is a summary of general obligation bond requirements by year as of September 30, 2013:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2014	\$ 3,500,000	\$ 3,579,121	\$ 7,079,121
2015	3,620,000	3,469,924	7,089,924
2016	3,740,000	3,349,525	7,089,525
2017	3,865,000	2,219,181	6,084,181
2018	5,195,000	3,054,736	8,249,736
2019-2023	24,050,000	12,218,490	36,268,490
2024-2028	26,570,000	5,910,432	32,480,432
2029-2032	<u>13,325,000</u>	<u>965,084</u>	<u>14,290,084</u>
	<u>\$ 83,865,000</u>	<u>\$ 34,766,493</u>	<u>\$ 118,631,493</u>

The scheduled federal subsidy for the 2010 Unlimited Tax Road Bonds (Build America Bonds) to be received at September 30, 2013 is as follows:

<u>September 30,</u>	<u>Federal Subsidy</u>
2014	\$ 254,896
2015	254,896
2016	254,896
2017	254,896
2018	254,896
2019-2023	1,076,709
2024-2028	584,826
2029-2030	<u>55,996</u>
	<u>\$ 2,992,011</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

General Obligation Debt - continued

During the year ended September 30, 2013, the County received \$ 234,808 in federal subsidy under the Build America Bond program. The federal subsidy is provided to offset the interest paid on the bonds.

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

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

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

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

Debt Defeasement

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.

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. As of September 30, 2013, these bonds were paid off.

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

General Obligation Debt - continued

On July 26, 2012 the County sold \$ 4,435,000 of General Obligation Refunding Bonds, Series 2012. The net proceeds of \$ 4,590,372 along with \$ 70,458 from the general fund, a total of \$ 4,660,830 were placed in escrow for the defeasement of \$ 4,490,000 in Certificates of Obligation Bonds, Series 2003. These refunding bonds, Series 2012, 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 2003. 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 \$ 217,063. The economic gain resulting from the transaction was \$ 213,231. As of September 30, 2013, these bonds were paid off.

Proprietary Debt

Other than accrued compensated absences and net pension obligation, there was no proprietary long-term debt at or during the year ended September 30, 2013.

Changes in Long-Term Debt

Transactions for the year ended September 30, 2013 are summarized as follows:

	<u>Balance</u> 10-01-12	<u>Issues or</u> <u>Additions</u>	<u>Payments or</u> <u>Expenditures</u>	<u>Balance</u> 09-30-13	<u>Due Within</u> <u>One Year</u>
<b>Governmental Type Activities:</b>					
Certificates of obligation bonds	\$ 37,075,000	\$	\$ 1,225,000	\$ 35,850,000	\$ 625,000
General obligation bonds	52,310,000		4,295,000	48,015,000	2,875,000
Component of Bonded Debt:					
Premium on bonds	3,690,314		295,769	3,394,545	240,805
Accrued interest	547,408	419,363	547,408	419,363	419,363
Compensated absences	1,764,533	2,212,329	2,262,414	1,714,448	1,714,448
Net OPEB obligation	<u>2,415,219</u>	<u>1,513,164</u>	<u>1,129,487</u>	<u>2,798,896</u>	
Total governmental activities	<u>97,802,474</u>	<u>4,144,856</u>	<u>9,755,078</u>	<u>92,192,252</u>	<u>5,874,616</u>
<b>Business-Type Activities:</b>					
Compensated absences	10,232	12,755	12,138	10,849	10,849
Net OPEB obligation	<u>20,469</u>	<u>12,824</u>	<u>9,995</u>	<u>23,298</u>	
Total business-type activities	<u>30,701</u>	<u>25,579</u>	<u>22,133</u>	<u>34,147</u>	<u>10,849</u>
Total government	<u>\$ 97,833,175</u>	<u>\$ 4,170,435</u>	<u>\$ 9,777,211</u>	<u>\$ 92,226,399</u>	<u>\$ 5,885,465</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**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 the coffee shop are leased on either a month-to-month or year-to-year arrangement. The County has not determined the cost of these facilities as of September 30, 2013.

Governmental Funds:

There are no minimum future rentals to be received on noncancelable leases, as of September 30, 2013.

Gross rental income for operating leases, including one-time or month-to-month, for the year ended September 30, 2013 was as follows:

	<u>2013</u>
Park and fairgrounds rental	\$ 646,656
HAVA equipment rental	54,713
Right-of-way rental	12,000
Coffee shop	<u>5,280</u>
	<u>\$ 718,649</u>

Proprietary Funds (Enterprise Fund - Airport):

Minimum future rentals to be received on noncancelable leases, as of September 30, 2013, for each of the next five years and in the aggregate are:

<u>Year Ended September 30,</u>	<u>2013</u>
2014	\$ 145,832
2015	130,476
2016	131,197
2017	131,933
2018	132,683
2019-2023	464,460
2024-2028	252,253
2029-2033	132,532
2034-2037	<u>48,381</u>
	<u>\$ 1,569,747</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 8 - LEASING OPERATIONS - Continued**

Operating Leases – Lessor - continued

Gross rental income for operating leases, including one-time and month-to-month, for the year ended September 30, 2013 was as follows:

	<u>2013</u>
Building rental	\$ 187,863
Hangar rental	198,463
Ground rental	43,756
Other rental	<u>84,953</u>
	<u>\$ 515,035</u>

Operating Leases - Lessee

Governmental Funds:

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

Minimum future rentals to be paid on non-cancelable leases, as of September 30, 2013, for each of the next five years and in the aggregate are as follows:

<u>Year Ended September 30,</u>	<u>2013</u>
2014	\$ 67,878
2015	32,400
2016	32,400
2017	32,400
2018	32,400
2019-2020	<u>48,600</u>
	<u>\$ 246,078</u>

Gross rental expenditures for operating leases, including month-to-month for the year ended September 30, 2013 was as follows:

	<u>2013</u>
Building rental	\$ 130,668
Copier rental	239,986
Ground rental	22,119
Equipment rental	295,144
Section 8 Housing Voucher Choice rentals	3,605,193
Other rental	<u>184</u>
	<u>\$ 4,293,294</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 8 - LEASING OPERATIONS - Continued**

Operating Leases - Lessee - continued

Proprietary Funds (Enterprise Fund - Airport):

The County is involved in various operating leases as lessee. These leases are for properties such as buildings, copiers, ground, equipment and other facilities. Most are on month-to-month or year-to-year, however one building lease expires on October 16, 2013. Therefore, there are no minimum future rentals required to be paid on noncancelable leases, as of September 30, 2013

Gross rental expenditure for operating leases, including month-to-month, for the year ended September 30, 2013 were as follows:

	<u>2013</u>
Building rental	\$ 15,619
Copier rental	3,880
Equipment rental	<u>4,575</u>
	<u>\$ 24,074</u>

**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 641 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.

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.

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 9 - PENSION PLAN - Continued**

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 11.63% for the months of the accounting year in 2013, and 10.96% for the months of the accounting year in 2012.

The contribution rate payable by the employee members for calendar years 2012 and 2011 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, 2013 and 2012, the annual pension cost for the TCDRS plan for its employees was \$ 11,199,246 and \$ 10,477,651, and the actual contributions were \$ 11,199,246 and \$ 10,477,651, 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, 2011 and December 31, 2012, the basis for determining the contribution rates for calendar years 2012 and 2013. The December 31, 2012 actuarial valuation is the most recent valuation.

Actuarial Valuation Information			
Actuarial valuation date	12/31/10	12/31/11	12/31/12
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>12/31/10</u>	<u>12/31/11</u>	<u>12/31/12</u>
Actuarial Assumptions:			
Investment return <sup>1</sup>	8.0%	8.0%	8.0%
Projected salary increases <sup>1</sup>	5.4%	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



**BRAZORIA COUNTY, TEXAS**

Notes to the Financial Statements

For The Year Ended September 30, 2013

**NOTE 9 - PENSION PLAN - Continued**

Annual Pension Cost - continued

<u>Trend Information</u>			
Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
9/30/11	10,014,322	100.00%	-0-
9/30/12	10,477,651	100.00%	-0-
9/30/13	11,199,246	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)
12/31/10	\$ 149,273,671	\$ 175,537,311	\$ 26,263,640	85.04%	\$ 56,717,078	46.31%
12/31/11	157,442,013	187,166,198	29,724,185	84.12%	57,650,743	51.56%
12/31/12	165,235,084	200,529,448	35,294,364	82.40%	59,218,810	59.60%

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

**NOTE 10 - DELAYED COMPENSATION AND POST-RETIREMENT LIFE INSURANCE BENEFITS**

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

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

Balance - October 1, 2012	\$ 58,149,323
Contributions and earnings	10,868,475
Withdrawals, premiums, and benefits	<u>( 4,603,039)</u>
 Balance - September 30, 2013	 <u>\$ 64,414,759</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 10 - DELAYED COMPENSATION AND POST-RETIREMENT LIFE INSURANCE BENEFITS -**  
Continued

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

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

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

A Group Annuity Contract to reimburse TCDRS eligible employees for amounts paid for health insurance benefits became effective on October 1, 1990. The plan provides \$ 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, 2012	\$ 7,609,566	\$ 10,137,683
Contributions and earnings	828,993	1,139,482
Withdrawals, premiums, benefits	( 573,251)	( 808,647)
Balance - September 30, 2013	<u>\$ 7,865,308</u>	<u>\$ 10,468,518</u>

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

	<u>Nationwide</u>	<u>Lincoln</u>
Balance - October 1, 2012	\$ 2,139,704	\$ 242,798
Contribution and earnings	917,102	25,885
Withdrawals, premiums, benefits, and losses	( 651,430)	( 63,369)
Balance - September 30, 2013	<u>\$ 2,405,376</u>	<u>\$ 205,314</u>

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

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**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, 2013, 2012, and 2011, the County contributed \$ 1,139,482, \$ 1,246,251, and \$ 1,031,400 to the Group Annuity Contract which includes net investment earnings of \$ 281,376, \$ 417,686, and \$ 347,290, 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, 2013, 2012, and 2011:

	<u>09-30-13</u>	<u>09-30-12</u>	<u>09-30-11</u>
Annual required contribution	\$ 1,515,728	\$ 1,545,515	\$ 1,559,089
Interest on net OPEB obligation	109,606	95,713	73,166
Adjustment to annual required contribution	<u>( 99,346)</u>	<u>( 86,244)</u>	<u>( 99,818)</u>
Annual OPEB cost	1,525,988	1,554,984	1,532,437
Contributions made	<u>( 1,139,482)</u>	<u>( 1,246,251)</u>	<u>( 1,060,571)</u>
Increase (decrease) in net OPEB obligation	386,506	308,733	471,866
Net OPEB obligation – beginning of year	<u>2,435,688</u>	<u>2,126,955</u>	<u>1,625,918</u>
Net OPEB obligation – end of year	<u>\$ 2,822,194</u>	<u>\$ 2,435,688</u>	<u>\$ 2,097,784</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, 2013 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>
9/30/11	\$ 1,532,437	67.3%	\$ 2,126,955
9/30/12	1,554,984	80.1%	2,435,688
9/30/13	1,525,988	74.7%	2,822,194

## BRAZORIA COUNTY, TEXAS

### Notes to the Financial Statements

For The Year Ended September 30, 2013

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

*Funding Status and Funding Progress* - As of September 30, 2013, the most recent actuarial valuation date, the plan was 45.0% funded. The actuarial accrued liability for benefits was \$ 23,263,653, and the actuarial value of assets was \$ 10,468,518, resulting in an unfunded liability (UAAL) of \$ 12,795,135. The County's general fund is ultimately responsible for the liquidation of the net obligation. The covered payroll was \$ 58,348,922 and the ratio of the UAAL to the covered payroll was 21.9 percent.

*Actuarial Methods and Assumptions* - In the September 30, 2013 actuarial valuation, the projected unit credit method was used. The actuarial assumptions include a 4.5% investment rate of return. An inflation rate of 3.0%, salary growth rate of 3.0%, and health care cost trend rate ranging from 10% down to 5% over a 10 year period is used. An interest discount rate of 4.5% was used to value the liability. The UAAL is being amortized over a closed period of thirty years at 4.5% using the level percent of payroll method. The remaining amortization period at September 30, 2013, was 24.52 years.

#### NOTE 12 - SELF INSURANCE

##### Health Insurance

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

The County, under the direction of the plan supervisor, Third Party Administrators, shall evaluate the cost of the plan and determine the amount to be contributed to the plan. The current contribution to the plan by the County was \$ 647 per eligible employee per month for the period October 1, 2012 through September 30, 2013. 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, 2013 was \$ 11,600,434. 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 Aetna, 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, 2013 was \$ 691,631.

The following is a reconciliation of changes in the aggregate liabilities for claims for the years ended September 30, 2013 and 2012.

	<u>2013</u>	<u>2012</u>
Claims payable - October 1,	\$ 1,654,811	\$ 912,095
Incurred claims	10,436,057	9,225,284
Payment of claims	<u>( 11,227,357)</u>	<u>( 8,482,568)</u>
Claims payable - September 30,	<u>\$ 863,511</u>	<u>\$ 1,654,811</u>

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 12 - SELF INSURANCE - Continued**

Health Insurance - continued

Claims payable:

Actual	\$ 171,880	\$ 198,981
Estimated	<u>691,631</u>	<u>1,455,830</u>
Total claims payable	<u>\$ 863,511</u>	<u>\$ 1,654,811</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, 2013 was \$ 400,000.

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial coverage for these risks and self-insures amounts in excess of insurance coverage. There have been no significant changes in insurance coverage and settlements (related to self insurance). For the year's ended September 30, 2013, 2012, and 2011 claims and settlements in excess of insurance coverage amounted to \$ 520,843, \$ 384,089, and \$ 271,710, respectively.

The following is a reconciliation of changes in the aggregate liabilities for claims for the years ended September 30, 2013 and 2012 for both actual and estimated liabilities:

	<u>2013</u>	<u>2012</u>
Claims payable - October 1,	\$ 417,566	\$ 442,862
Incurred claims	520,843	384,089
Payment of claims	<u>( 518,824)</u>	<u>( 409,385)</u>
Claims payable - September 30,	<u>\$ 419,585</u>	<u>\$ 417,566</u>
Claims payable:		
Actual	\$ 19,585	\$ 17,566
Estimated	<u>400,000</u>	<u>400,000</u>
Total claims payable	<u>\$ 419,585</u>	<u>\$ 417,566</u>

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

**BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

**NOTE 12 - SELF INSURANCE - Continued**

Insurance Reserve

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

The following is a reconciliation of changes in the aggregate liabilities for claims for the year ended September 30, 2013 for actual liabilities:

	<u>2013</u>
Claims payable - October 1,	\$ -0-
Incurred claims	699,814
Payment of claims	<u>( 667,931)</u>
Claims payable - September 30,	<u>\$ 31,883</u>
Claims payable:	
Actual	<u>\$ 31,883</u>
Total claims payable	<u>\$ 31,883</u>

**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, 2013.

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

As of September 30, 2013, various funds of the County had deficit fund balances as itemized below:

	<u>2013</u>
Fund Balances:	
Special Revenue Funds:	
Oakwood Creek Estates Special Assessment Fund	\$ 985,738
CR 313A Special Assessment Fund	34,135
Wink Wynn Special Assessment Fund	29,148
CR 64 Extension Special Assessment Fund	114,864
Juvenile Case Manager Fund	3,026
CSCD Bond Supervision Fund	55
Net Position:	
Internal Service Funds:	
Self Insurance Health Fund	365,943
Self Insurance Health Clinic Fund	29,414

## **BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

### **NOTE 14 - DEFICIT FUND BALANCES - Continued**

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

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

During the year ended September 30, 2013, 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, 2013. As of September 30, 2013, bail bonds outstanding totaled \$ 40,440,412 and collateral pledged against these bonds amounted to \$ 4,044,041 (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 14, 2014.

Civil Action No. 3:12-CV-75; styled Shelly McPeak-Torres and Alexander James-Joseph Torres v. Brazoria County Texas and Sheriff Wagner; in the Federal District Court Southern District of Texas Galveston Division. Section 1983, violation to civil rights based on an in custody death. The case is currently in litigation. The County is unable to form a judgment as to the outcome at this time.

Cause No. 60970 styled Juanita D. Lovett and John T. Lovett v. Brazoria County; in the 239<sup>th</sup> Judicial District Court of Brazoria County, Texas. Personal Injury claim (fall). The case is currently in litigation; unable to form judgment as to outcome.

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

Cause No. 67953 styled Blanca Garcia v. Brazoria County in the 149<sup>th</sup> Judicial Court of Brazoria County, Texas. Personal Injury claim (motor vehicle accident). The case is currently in litigation; unable to form judgment as to outcome.

Cause No. 3:13-CV-00395 styled Stephanie Harrold v. Jason Burrows et al in the United States District Court, Southern District of Texas Galveston Division. Civil rights litigation, Sheriff's Office. The case is currently in litigation; unable to form judgment as to outcome.

## **BRAZORIA COUNTY, TEXAS**

*Notes to the Financial Statements*

For The Year Ended September 30, 2013

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

EEOC No. 460-2013-01467 Basis – Title VII National Origin-Hispanic, Retaliation; Issue: Discharge. This claim is currently under EEOC investigation.

EEOC No. 460-2013-03701 Basis – Title VII National Origin-Hispanic, Color, Retaliation, Race White; Issue: Discharge, Harassment. This claim is currently under EEOC investigation.

EEOC No. 460-2014-00586 Basis – Title VII National Origin-Hispanic, Retaliation; Issue: Discharge, Harassment. This claim is currently under EEOC investigation.

There was \$ 19,585 in actual payables reported at September 30, 2013. 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, 2013.

### **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, 2013

#### 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, 2013, 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 - CHANGE IN ACCOUNTING PRINCIPLE

During the year ended September 30, 2013, the County implemented GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities". This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. As a result, bond issuance costs are no longer accounted for as an asset to be amortized over future periods. Accounting changes adopted to conform to the provisions of this Statement should be applied retroactively by restating financial statements, if practical, for all periods presented.

The following represents the retroactive restatement of net position and changes in net position as a result of implementation of GASB Statement No. 65 as noted above:

	<u>2012</u>	<u>2011</u>
<u>Governmental Activities</u>		
Net position, September 30, 2012 previously reported	\$ 229,358,826	\$ 195,091,553
Elimination of net bond issuance costs	<u>( 1,423,504)</u>	<u>( 1,000,167)</u>
Net position, September 30, 2012 restated	\$ <u>227,935,322</u>	<u>194,091,386</u>
Change in net position for the year ended September 30, 2012, previously reported	\$ 34,267,273	
Expenses:		
Debt Service – Interest and Fees on Long-Term Debt:		
Increase in bond issuance costs	<u>423,337</u>	
Change in net position for the year ended September 30, 2012 restated	\$ <u>33,843,936</u>	<u>33,843,936</u>
Net position, September 30, 2012, restated		\$ <u>227,935,322</u>

This change in accounting principle had no effect on governmental funds fund balance or changes in fund balance.

#### NOTE 20 - EVALUATION OF SUBSEQUENT EVENTS

The County has evaluated subsequent events through March 6, 2014, 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 FUNDS  
(ROAD AND BRIDGE FUND)**

For the Year Ended September 30, 2013

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 80,998,887	\$ 82,323,788	\$ 87,303,976	\$ 4,980,188
Intergovernmental	1,231,838	1,231,838	1,440,754	208,916
Charges for services	7,296,250	7,298,050	8,651,084	1,353,034
Licenses and permits	1,242,000	1,399,500	1,538,018	138,518
Fines and forfeitures	3,640,050	3,640,050	4,319,338	679,288
Special assessments				-0-
Investment income	600,000	600,000	285,518	( 314,482)
Miscellaneous	<u>1,129,000</u>	<u>1,185,803</u>	<u>1,290,675</u>	<u>104,872</u>
Total revenues	<u>96,138,025</u>	<u>97,679,029</u>	<u>104,829,363</u>	<u>7,150,334</u>
Expenditures:				
Current:				
General administration	7,317,657	7,649,559	7,246,352	403,207
Judicial and legal	17,715,829	18,240,959	16,635,007	1,605,952
Financial administration	11,591,203	11,943,731	11,318,320	625,411
Elections	359,350	364,021	279,001	85,020
Public facilities	4,686,308	4,858,746	4,288,098	570,648
Public safety	17,926,005	19,224,390	18,561,076	663,314
Corrections	20,835,192	22,803,123	21,976,052	827,071
Public transportation				-0-
Health and welfare	4,706,037	4,876,958	3,878,490	998,468
Public assistance	296,000	296,000	296,000	-0-
Culture and recreation	9,244,872	10,285,465	9,412,476	872,989
Conservation	411,353	411,956	376,549	35,407
Environmental protection	206,994	216,444	189,858	26,586
Capital outlay				-0-
Total expenditures	<u>95,296,800</u>	<u>101,171,352</u>	<u>94,457,279</u>	<u>6,714,073</u>
Excess (deficiency) of revenues over expenditures	<u>841,225</u>	<u>( 3,492,323)</u>	<u>10,372,084</u>	<u>13,864,407</u>
Other Financing Sources (Uses):				
Sale of capital assets	35,000	35,000	57,434	22,434
Transfers in	250,000	250,000	250,000	-0-
Transfers out	<u>( 1,522,600)</u>	<u>( 1,350,655)</u>	<u>( 1,085,434)</u>	<u>265,221</u>
Total other financing sources (uses)	<u>( 1,237,600)</u>	<u>( 1,065,655)</u>	<u>( 778,000)</u>	<u>287,655</u>
Net change in fund balances	<u>( 396,375)</u>	<u>( 4,557,978)</u>	<u>9,594,084</u>	<u>14,152,062</u>
Fund balances – beginning	<u>45,150,079</u>	<u>45,150,079</u>	<u>45,150,079</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 44,753,704</u>	<u>\$ 40,592,101</u>	<u>\$ 54,744,163</u>	<u>\$ 14,152,062</u>

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



**BRAZORIA COUNTY, TEXAS**

Exhibit 11

REQUIRED SUPPLEMENTARY INFORMATION  
 TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM  
 SCHEDULE OF 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)
12-31-10	\$ 149,273,671	\$ 175,537,311	\$ 26,263,640	85.04%	\$ 56,717,078	46.31%
12-31-11	157,442,013	187,166,198	29,724,185	84.12%	57,650,743	51.56%
12-31-12	165,235,084	200,529,448	35,294,364	82.40%	59,218,810	59.60%

\* 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.

**Benfield 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.

**CR 313A 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.

**Wink Wynn 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.

**CR 64 Extension 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.

**CR 257 Repairs Fund** - 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 Justice Department (TJJD) - State Aid** - This fund accounts for revenues received from the Texas Juvenile Justice Department to supplement expenditures of the County in administering a Juvenile Justice Department. The County operates under an approved budget with the TJJD and submits reports quarterly with an annual contract report submitted as of each fiscal year ended August 31.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

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

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

**TJJD Title IV-E Federal Foster Care** - This fund accounts for an interagency agreement between TJJD 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.

**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.

**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) – Local Public Health System (LPHS)** - This fund accounts for grant proceeds awarded to provide medical services, prescriptions, and supplies to STD and TB patients.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

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

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

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

**Texas Department of State Health Services (TDSHS) – WIC (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.

**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.

**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.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**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.

**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.

**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.

**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.

**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.

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

**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.

**Repetitive Flood Claims Program** - This fund accounts for grant proceeds received for activities that reduce or eliminate the long-term risk of flood damage to structures, insured under the National Flood Insurance Program (NFIP), that have one or more claims for flood damages.

**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.

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

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

**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.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**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.

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

**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.

**2008 - 2012 CDBG County (HUD)** - These funds account for direct grant proceeds awarded for projects conducted throughout the county. The County is the fiscal agent for these projects, which are performed for municipalities and other non-profit organizations within Brazoria County, Texas.

**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 – 2013 Section 8 Housing Choice Voucher Program** - These funds account for the activities of the Brazoria County Housing Agency (BCHA) that was established in 2004 and empowered with the responsibility and authority to maintain the Public Housing Program for the County. In 2004, BCHA established the Section 8 Housing program. The BCHA mission is to serve the needs of low-income, very low-income and extremely low-income families in the County by increasing the availability of decent, safe and affordable housing in its communities, by ensuring equal opportunity in housing, by promoting self-sufficiency and asset development of families and individuals and by improving community quality of life and economic viability. Through federal funding from the U.S. Department of Housing and Urban Development (HUD) and landlord participation, BDHA provides low-income families with rental assistance; job training; education opportunities; and support services to obtain housing in a courteous, patient and efficient manner, while promoting self-sufficiency for County growth.

**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.

**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.

**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).

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

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**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.

**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.

**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 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.

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

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

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

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**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.

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

**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.

**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.

**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.

**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.

**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.

**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.

**Amy Young Barriers Removal** - This fund accounts for grant proceeds from the Texas Department of Housing and Community Affairs for the purpose of providing handicap modifications in the home for disabled families.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds - Continued

**Buffer Zone Protection Program (BZPP)** - 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.

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

**Follet's Island Conservation Program** - This fund accounts for proceeds from the General Land Office to provide financial assistance using funds by the Texas Commission on Environmental Quality (TCEQ). Brazoria County will use the funds to permanently conserve a 484-acre tract of land on Follet's Island by purchasing the fee title and donating the tract to Texas Parks and Wildlife Department for long-term management.

### 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.

**Sheriff and Detention Center, I & S** - 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.

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

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

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

**Mobility Build America Bonds (Mobility), I & S** - 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.

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



## NONMAJOR GOVERNMENTAL FUNDS

### Capital Projects Funds

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

**Highway 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.

**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.

**SJP Dune Walkover** -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.

**Swan Lake Boat Ramp** - This fund accounts for grant proceeds awarded through U.S. Department of Interior, Texas Parks & Wildlife Department State Boating Access Program, to support activities which include restoring, conservation, and providing boating access to public waters.

**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 related to conservation, protection and/or restoration of coastal areas.

**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.

**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.

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

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
September 30, 2013

	Special		
	Lateral Road Fund	Road and Bridge Tax Code Chapter 152 Fund	Special Road and Bridge Projects Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$ 52,844	\$ 34,057	\$ 2,076,639
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Accrued interest			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>52,844</u>	<u>34,057</u>	<u>2,076,639</u>
Total assets			
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 52,844</u>	<u>\$ 34,057</u>	<u>\$ 2,076,639</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$	\$ 4,703
Due to other funds			
Unearned revenue			
	<u>-0-</u>	<u>-0-</u>	<u>4,703</u>
Total liabilities			
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources			
Fund Balance (Deficit):			
Non-spendable			
Restricted	52,844	34,057	2,071,936
Unassigned			
	<u>52,844</u>	<u>34,057</u>	<u>2,071,936</u>
Total fund balance			
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 52,844</u>	<u>\$ 34,057</u>	<u>\$ 2,076,639</u>

Revenue Funds

Oakwood Creek Estates Special Assessment Fund	Benefield Special Assessment Fund	CR 313A Special Assessment Fund	Wink Wynn Special Assessment Fund	CR 64 Extension Special Assessment Fund	CR 257 Repairs Fund
\$	\$ 25,408	\$	\$	\$	\$
801,360	17,830				97,874
<u>801,360</u>	<u>43,238</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>97,874</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 801,360</u>	<u>\$ 43,238</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 97,874</u>
\$ 985,738	\$	\$ 34,135	\$ 29,148	\$ 114,684	\$ 97,874
<u>985,738</u>	<u>-0-</u>	<u>34,135</u>	<u>29,148</u>	<u>114,684</u>	<u>97,874</u>
<u>801,360</u>	<u>17,830</u>				
<u>801,360</u>	<u>17,830</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
( <u>985,738</u> )	25,408	( <u>34,135</u> )	( <u>29,148</u> )	( <u>114,684</u> )	
( <u>985,738</u> )	<u>25,408</u>	( <u>34,135</u> )	( <u>29,148</u> )	( <u>114,684</u> )	<u>-0-</u>
<u>\$ 801,360</u>	<u>\$ 43,238</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 97,874</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2013

	TJJD State Aid Fund	TJJD Mental Health Services Fund	Special Juvenile Justice Alternative Education Program Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$	\$	\$ 33,001
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments	98,660	8,624	8,523
Accrued interest			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>98,660</u>	<u>8,624</u>	<u>41,524</u>
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>          </u>	<u>          </u>	<u>          </u>
Total deferred outflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 98,660</u>	<u>\$ 8,624</u>	<u>\$ 41,524</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$ 59,665	\$ 8,624	\$ 41,524
Due to other funds	38,995		
Unearned revenue			
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>98,660</u>	<u>8,624</u>	<u>41,524</u>
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>          </u>	<u>          </u>	<u>          </u>
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficit):			
Non-spendable			
Restricted			
Unassigned			
	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 98,660</u>	<u>\$ 8,624</u>	<u>\$ 41,524</u>

Revenue Funds

TJJD Title IV-E Foster Care Fund	Juvenile Case Manager Fund	Family Protection Fund	TDSHS Immunization Fund	TDSHS Supplemental Food Program WIC Fund	TDSHS Local Public Health System Fund
\$ 2,507	\$	\$ 86,328	\$	\$	\$
			251		
			34,194	199,019	3,200
				13,300	
				10,116	3,000
<u>2,507</u>	<u>-0-</u>	<u>86,328</u>	<u>34,445</u>	<u>222,435</u>	<u>6,200</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 2,507</u>	<u>\$ -0-</u>	<u>\$ 86,328</u>	<u>\$ 34,445</u>	<u>\$ 222,435</u>	<u>\$ 6,200</u>
\$ 2,507	\$ 3,026	\$	\$ 9,891 24,554	\$ 20,637 201,798	\$ 100 6,100
<u>2,507</u>	<u>3,026</u>	<u>-0-</u>	<u>34,445</u>	<u>222,435</u>	<u>6,200</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
		86,328		10,116	3,000
	( 3,026)			( 10,116)	( 3,000)
<u>-0-</u>	<u>( 3,026)</u>	<u>86,328</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 2,507</u>	<u>\$ -0-</u>	<u>\$ 86,328</u>	<u>\$ 34,445</u>	<u>\$ 222,435</u>	<u>\$ 6,200</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2013

	TDSHS WIC Peer Counseling Program Fund	TDSHS WIC Registered Dietician Fund	Special TDSHS WIC Lactation Reimbursement Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$	\$	\$
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments	22,394	17,595	5,623
Accrued interest			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>22,394</u>	<u>17,595</u>	<u>5,623</u>
Total assets	<u>22,394</u>	<u>17,595</u>	<u>5,623</u>
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 22,394</u>	<u>\$ 17,595</u>	<u>\$ 5,623</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$ 2,334	\$ 1,780	\$ 684
Due to other funds	20,060	15,815	4,939
Unearned revenue			
	<u>22,394</u>	<u>17,595</u>	<u>5,623</u>
Total liabilities	<u>22,394</u>	<u>17,595</u>	<u>5,623</u>
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficit):			
Non-spendable			
Restricted			
Unassigned			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total fund balance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 22,394</u>	<u>\$ 17,595</u>	<u>\$ 5,623</u>

Revenue Funds

TDSHS WIC Obesity SHOP/FIT Fund	TDSHS Cities Readiness Initiative Fund	TDSHS Bioterrorism Grant Fund	CPS Title IV-E Fund	CPS Title IV-E Legal Services Fund	CPS Title IV-B (Concrete) Fund
\$	\$	\$	\$	\$	\$
1,500	24,252	89,766	28,377	21,571	
<u>1,500</u>	<u>24,252</u>	<u>89,766</u>	<u>28,377</u>	<u>21,571</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 1,500</u>	<u>\$ 24,252</u>	<u>\$ 89,766</u>	<u>\$ 28,377</u>	<u>\$ 21,571</u>	<u>\$ -0-</u>
\$ 1,500	\$ 6,543 17,709	\$ 46,727 43,039	\$ 11,515 16,862	\$ 9,648 11,923	\$
<u>1,500</u>	<u>24,252</u>	<u>89,766</u>	<u>28,377</u>	<u>21,571</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 1,500</u>	<u>\$ 24,252</u>	<u>\$ 89,766</u>	<u>\$ 28,377</u>	<u>\$ 21,571</u>	<u>\$ -0-</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2013

	Special		
	JP Building Security Fund	Shoreline Restoration Task Force Fund	State Criminal Alien Assistance Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$ 121,735	\$ 9,064	\$ 43,132
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Accrued interest			
Due from other funds			
Inventory			
Prepaid expenditures		177	
Long-Term Receivables:			
Accounts			
	<u>121,735</u>	<u>9,241</u>	<u>43,132</u>
Total assets			
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 121,735</u>	<u>\$ 9,241</u>	<u>\$ 43,132</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$	\$ 30,459
Due to other funds			
Unearned revenue			<u>12,673</u>
Total liabilities	<u>-0-</u>	<u>-0-</u>	<u>43,132</u>
Deferred Inflows of Resources:			
Deferred inflows of resources			
Total deferred inflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficit):			
Non-spendable		177	
Restricted	121,735	9,064	
Unassigned			
Total fund balance	<u>121,735</u>	<u>9,241</u>	<u>-0-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 121,735</u>	<u>\$ 9,241</u>	<u>\$ 43,132</u>



Revenue Funds

Mutual Fire Protection & Disbursement Assistance Fund	CSCD Bond Supervision Fund	Texas VINE Contract Fund	EOCGP Emergency Operations Center Fund	United Way Emergency Assistance Fund	Reliant Energy CARE/RELIEF Program Fund
\$ 15	\$	\$	\$	\$ 40,982	\$ 20,312
	15,782				
<u>15</u>	<u>15,782</u>	<u>-0-</u>	<u>-0-</u>	<u>40,982</u>	<u>20,312</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 15</u>	<u>\$ 15,782</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 40,982</u>	<u>\$ 20,312</u>
\$	\$ 1,076 14,772	\$	\$	\$ 1,304	\$ 797
<u>-0-</u>	<u>15,848</u>	<u>-0-</u>	<u>-0-</u>	<u>1,304</u>	<u>797</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
15	( 66)			39,678	19,515
<u>15</u>	<u>( 66)</u>	<u>-0-</u>	<u>-0-</u>	<u>39,678</u>	<u>19,515</u>
<u>\$ 15</u>	<u>\$ 15,782</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 40,982</u>	<u>\$ 20,312</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2013

	Special		
	Repetitive Flood Claims Program Fund	State Homeland Security Fund	Child Abuse Prevention Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$ 17,904	\$	\$ 7,442
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments	6,783	56,455	
Accrued interest			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>24,687</u>	<u>56,455</u>	<u>7,442</u>
Total assets			
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 24,687</u>	<u>\$ 56,455</u>	<u>\$ 7,442</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$ 24,687	\$ 294	\$
Due to other funds		56,161	
Unearned revenue			
	<u>24,687</u>	<u>56,455</u>	<u>-0-</u>
Total liabilities			
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources			
Fund Balance (Deficit):			
Non-spendable			
Restricted			7,442
Unassigned			
	<u>-0-</u>	<u>-0-</u>	<u>7,442</u>
Total fund balance			
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 24,687</u>	<u>\$ 56,455</u>	<u>\$ 7,442</u>

Revenue Funds

<u>Economic Development Tax Abatement Fund</u>	<u>Victim Assistance Grant 02G00551 Fund</u>	<u>Crime Victim Assistance Fund</u>	<u>Law Enforce- ment Officers Standards &amp; Education Fund</u>	<u>Justice Court Technology Fund</u>	<u>DEA Narcotics OT Expense Program Fund</u>
\$ 506	\$	\$	\$ 53,304	\$ 531,527	\$
	7,609	32,373			665
<u>506</u>	<u>7,609</u>	<u>32,373</u>	<u>53,304</u>	<u>531,527</u>	<u>665</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 506</u>	<u>\$ 7,609</u>	<u>\$ 32,373</u>	<u>\$ 53,304</u>	<u>\$ 531,527</u>	<u>\$ 665</u>
\$	\$ 1,264 6,345	\$ 5,773 26,600	\$ 606	\$	\$ 665
<u>-0-</u>	<u>7,609</u>	<u>32,373</u>	<u>606</u>	<u>-0-</u>	<u>665</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>506</u>			<u>52,698</u>	<u>531,527</u>	
<u>506</u>	<u>-0-</u>	<u>-0-</u>	<u>52,698</u>	<u>531,527</u>	<u>-0-</u>
<u>\$ 506</u>	<u>\$ 7,609</u>	<u>\$ 32,373</u>	<u>\$ 53,304</u>	<u>\$ 531,527</u>	<u>\$ 665</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2013

	2008 CDBG County (HUD) Fund	2010 CDBG County (HUD) Fund	Special 2010 CDBG Disaster Recovery Alternative Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$	\$	\$
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			277,435
Accrued interest			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>                    -0-</u>	<u>                    -0-</u>	<u>                    277,435</u>
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total deferred outflows of resources	<u>                    -0-</u>	<u>                    -0-</u>	<u>                    -0-</u>
Total assets and deferred outflows of resources	<u>\$                    -0-</u>	<u>\$                    -0-</u>	<u>\$                    277,435</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$	\$ 254,671
Due to other funds			22,764
Unearned revenue			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>                    -0-</u>	<u>                    -0-</u>	<u>                    277,435</u>
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total deferred inflows of resources	<u>                    -0-</u>	<u>                    -0-</u>	<u>                    -0-</u>
Fund Balance (Deficit):			
Non-spendable			
Restricted			
Unassigned			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balance	<u>                    -0-</u>	<u>                    -0-</u>	<u>                    -0-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$                    -0-</u>	<u>\$                    -0-</u>	<u>\$                    277,435</u>

Revenue Funds

2011 CDBG County (HUD) Fund	2012 CDBG County (HUD) Fund	2005 Section 8 Housing Choice Vouchers Fund	2006 Section 8 Housing Choice Vouchers Fund	2007 Section 8 Housing Choice Vouchers Fund	2008 Section 8 Housing Choice Vouchers Fund
\$	\$	\$ 35,169	\$ 100,944	\$ 19,123	\$ 37,439
14,409	421,531				
39			3,587		
<u>14,448</u>	<u>421,531</u>	<u>35,169</u>	<u>104,531</u>	<u>19,123</u>	<u>37,439</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 14,448</u>	<u>\$ 421,531</u>	<u>\$ 35,169</u>	<u>\$ 104,531</u>	<u>\$ 19,123</u>	<u>\$ 37,439</u>
\$ 4,839	\$ 262,640	\$	\$	\$	\$
9,609	158,891	2,253		225	67
<u>14,448</u>	<u>421,531</u>	<u>2,253</u>	<u>-0-</u>	<u>225</u>	<u>67</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
		32,916	104,531	18,898	37,372
<u>-0-</u>	<u>-0-</u>	<u>32,916</u>	<u>104,531</u>	<u>18,898</u>	<u>37,372</u>
<u>\$ 14,448</u>	<u>\$ 421,531</u>	<u>\$ 35,169</u>	<u>\$ 104,531</u>	<u>\$ 19,123</u>	<u>\$ 37,439</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2013

	Special		
	2009	2010	2011
	Section 8	Section 8	Section 8
	Housing Choice	Housing Choice	Housing Choice
	Vouchers	Vouchers	Vouchers
	Fund	Fund	Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$ 288,804	\$ 118,759	\$ 89,006
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Accrued interest			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>288,804</u>	<u>118,759</u>	<u>89,006</u>
Total assets			
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 288,804</u>	<u>\$ 118,759</u>	<u>\$ 89,006</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$	\$
Due to other funds	121,241		
Unearned revenue	<u>85,601</u>		
Total liabilities	<u>206,842</u>	<u>-0-</u>	<u>-0-</u>
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources			
Fund Balance (Deficit):			
Non-spendable			
Restricted	81,962	118,759	89,006
Unassigned			
Total fund balance	<u>81,962</u>	<u>118,759</u>	<u>89,006</u>
Total liabilities, deferred inflows of resources			
and fund balances	<u>\$ 288,804</u>	<u>\$ 118,759</u>	<u>\$ 89,006</u>

Revenue Funds

2012 Section 8 Housing Choice Vouchers Fund	2013 Section 8 Housing Choice Vouchers Fund	Vital Statistics Fee Fund	TCEQ LIRAP Program Fund	EOC Retrofit Project Fund	TCEQ Local Initiatives Program Fund
\$ 51,395	\$	\$ 7,253	\$	\$	\$ 178,314
43	19,254			17,950	
	136,324				
<u>51,438</u>	<u>155,578</u>	<u>7,253</u>	<u>-0-</u>	<u>17,950</u>	<u>178,314</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 51,438</u>	<u>\$ 155,578</u>	<u>\$ 7,253</u>	<u>\$ -0-</u>	<u>\$ 17,950</u>	<u>\$ 178,314</u>
\$ 16,125	\$ 8,561	\$ 65	\$	\$ 17,950	\$
	147,017				178,262
<u>16,125</u>	<u>155,578</u>	<u>65</u>	<u>-0-</u>	<u>17,950</u>	<u>178,262</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
35,313		7,188			52
<u>35,313</u>	<u>-0-</u>	<u>7,188</u>	<u>-0-</u>	<u>-0-</u>	<u>52</u>
<u>\$ 51,438</u>	<u>\$ 155,578</u>	<u>\$ 7,253</u>	<u>\$ -0-</u>	<u>\$ 17,950</u>	<u>\$ 178,314</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2013

	Special		
	TCEQ Supplemental Environmental Project Fund	TCEQ Supplemental Environmental Parks Project Fund	Records Management County Clerk Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$ 14,552	\$ 115,218	\$ 1,165,611
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments			
Accrued interest			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>14,552</u>	<u>115,218</u>	<u>1,165,611</u>
Total assets			
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 14,552</u>	<u>\$ 115,218</u>	<u>\$ 1,165,611</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$ 2,274	\$	\$ 56,356
Due to other funds			
Unearned revenue			
	<u>2,274</u>	<u>-0-</u>	<u>56,356</u>
Total liabilities			
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources			
Fund Balance (Deficit):			
Non-spendable			
Restricted	12,278	115,218	1,109,255
Unassigned			
	<u>12,278</u>	<u>115,218</u>	<u>1,109,255</u>
Total fund balance			
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 14,552</u>	<u>\$ 115,218</u>	<u>\$ 1,165,611</u>



Revenue Funds

Records Management District Clerk Fund	Records Archive County Clerk Fund	Records Archive District Clerk Fund	Financial Security Fund	Records Preservation County/District Clerk Fund	Civil, Criminal & Probate Records Management Fund
\$ 121,917	\$ 254,580	\$ 94,978	\$ 62,125	\$ 220,182	\$ 785,630
10		10	7	20	10
<u>121,927</u>	<u>254,580</u>	<u>94,988</u>	<u>62,132</u>	<u>220,202</u>	<u>785,640</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 121,927</u>	<u>\$ 254,580</u>	<u>\$ 94,988</u>	<u>\$ 62,132</u>	<u>\$ 220,202</u>	<u>\$ 785,640</u>
\$ 1,483	\$ 16,343	\$ 5	\$ 42	\$ 10	\$ 24,919
<u>1,483</u>	<u>16,343</u>	<u>5</u>	<u>42</u>	<u>10</u>	<u>24,919</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
120,444	238,237	94,983	62,090	220,192	760,721
<u>120,444</u>	<u>238,237</u>	<u>94,983</u>	<u>62,090</u>	<u>220,192</u>	<u>760,721</u>
<u>\$ 121,927</u>	<u>\$ 254,580</u>	<u>\$ 94,988</u>	<u>\$ 62,132</u>	<u>\$ 220,202</u>	<u>\$ 785,640</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2013

	County/ District Court Technology Fund	Law Library Fund	Special County Graffiti Eradication Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$ 52,460	\$ 400,267	\$ 2,474
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts		70	
Special assessments			
Due from other governments			
Accrued interest			
Due from other funds		3,800	
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>52,460</u>	<u>404,137</u>	<u>2,474</u>
Total assets			
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 52,460</u>	<u>\$ 404,137</u>	<u>\$ 2,474</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$ 22,029	\$
Due to other funds			
Unearned revenue			
	<u>-0-</u>	<u>22,029</u>	<u>-0-</u>
Total liabilities			
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources			
Fund Balance (Deficit):			
Non-spendable			
Restricted	52,460	382,108	2,474
Unassigned			
	<u>52,460</u>	<u>382,108</u>	<u>2,474</u>
Total fund balance			
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 52,460</u>	<u>\$ 404,137</u>	<u>\$ 2,474</u>

Revenue Funds

2006 GoM Energy Security Fund	Mosquito Control District Fund	Voter Registration Tax Office Fund	Elections HAVA Equipment Rental Fund	Elections Services Contract Fund	Elections HAVA Grant Fund
\$ 42,150	\$ 1,035,785	\$ 190	\$ 294,677	\$ 59,475	\$
	35,648				
		8,165			
	107,326				
<u>42,150</u>	<u>1,178,759</u>	<u>8,355</u>	<u>294,677</u>	<u>59,475</u>	<u>-0-</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 42,150</u>	<u>\$ 1,178,759</u>	<u>\$ 8,355</u>	<u>\$ 294,677</u>	<u>\$ 59,475</u>	<u>\$ -0-</u>
\$	\$ 319,769	\$ 8,355	\$ 10,586	\$ 1,522	\$
<u>-0-</u>	<u>319,769</u>	<u>8,355</u>	<u>10,586</u>	<u>1,522</u>	<u>-0-</u>
	30,630				
<u>-0-</u>	<u>30,630</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
42,150	107,326 721,034		284,091	57,953	
<u>42,150</u>	<u>828,360</u>	<u>-0-</u>	<u>284,091</u>	<u>57,953</u>	<u>-0-</u>
<u>\$ 42,150</u>	<u>\$ 1,178,759</u>	<u>\$ 8,355</u>	<u>\$ 294,677</u>	<u>\$ 59,475</u>	<u>\$ -0-</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2013

	Special		
	Parks Improvement Fund	Drug Court Program Fund	Amy Young Barriers Removal Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$ 1,000	\$	\$
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments		82,821	976
Accrued interest			
Due from other funds		3,312	941
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>1,000</u>	<u>86,133</u>	<u>1,917</u>
Total assets			
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 1,000</u>	<u>\$ 86,133</u>	<u>\$ 1,917</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$ 5,374	\$ 412
Due to other funds		80,759	1,505
Unearned revenue			
	<u>-0-</u>	<u>86,133</u>	<u>1,917</u>
Total liabilities			
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources			
Fund Balance (Deficit):			
Non-spendable			
Restricted	1,000		
Unassigned			
	<u>1,000</u>	<u>-0-</u>	<u>-0-</u>
Total fund balance			
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,000</u>	<u>\$ 86,133</u>	<u>\$ 1,917</u>

Revenue Funds				Debt Service Funds	
Buffer Zone Protection Program (BZPP) Fund	Regional Mental Health Services Fund	Follet's Island Conservation Program Fund	Total Special Revenue Fund	Sheriff & Detention Center, I & S Fund	General Obligation and Refunding Bonds, I & S Fund
\$	\$	\$	\$ 8,806,184	\$ 1,906,258	\$ 431,576
			35,648	37,282	11,223
			421		
8,980	3,680		819,190		
			1,620,258		
			-0-		
	210		177,295		
			107,326		
			13,293		
			-0-		
<u>8,980</u>	<u>3,890</u>	<u>-0-</u>	<u>11,579,615</u>	<u>1,943,540</u>	<u>442,799</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 8,980</u>	<u>\$ 3,890</u>	<u>\$ -0-</u>	<u>\$ 11,579,615</u>	<u>\$ 1,943,540</u>	<u>\$ 442,799</u>
\$	\$	\$	\$	\$	\$
8,980	210		1,293,100		
	3,680		2,366,015		
			276,536		
<u>8,980</u>	<u>3,890</u>	<u>-0-</u>	<u>3,933,651</u>	<u>-0-</u>	<u>-0-</u>
			849,820	31,658	9,555
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>849,820</u>	<u>31,658</u>	<u>9,555</u>
			120,619		
			7,855,438	1,911,882	433,244
			(1,179,913)		
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>6,796,144</u>	<u>1,911,882</u>	<u>433,244</u>
<u>\$ 8,980</u>	<u>\$ 3,890</u>	<u>\$ -0-</u>	<u>\$ 11,579,615</u>	<u>\$ 1,943,540</u>	<u>\$ 442,799</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2013

	Debt		
	2006 Certificates of Obligation Bonds, I & S Fund	Unlimited Tax Road Bonds (Mobility), I & S Fund	Build America Bonds (Mobility) I & S Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$ 556,194	\$ 924,159	\$ 767
Receivables (Net of Allowance for Uncollectibles):			
Taxes	15,973	47,668	
Accounts			
Special assessments			
Due from other governments			
Accrued interest			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			
	<u>572,167</u>	<u>971,827</u>	<u>767</u>
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 572,167</u>	<u>\$ 971,827</u>	<u>\$ 767</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$	\$	\$
Due to other funds			
Unearned revenue			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities			
Deferred Inflows of Resources:			
Deferred inflows of resources	<u>13,688</u>	<u>40,989</u>	
Total deferred inflows of resources	<u>13,688</u>	<u>40,989</u>	<u>-0-</u>
Fund Balance (Deficit):			
Non-spendable			
Restricted	558,479	930,838	767
Unassigned			
	<u>558,479</u>	<u>930,838</u>	<u>767</u>
Total fund balance	<u>558,479</u>	<u>930,838</u>	<u>767</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 572,167</u>	<u>\$ 971,827</u>	<u>\$ 767</u>

Service Funds		Capital Projects Funds			
2012 Certificate of Obligation Bonds, I & S Fund	Total Debt Service Funds	Highway Right-of-Way Acquisition Fund	Wall of Honor Fund	SLP Dune Walkover Fund	Swan Lake Boat Ramp Fund
\$ 47,315	\$ 3,866,269	\$ 117,076	\$ 16,568	\$	\$
11,550	123,696		30		
	-0-				
	-0-			1,662	7,312
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
	-0-				
<u>58,865</u>	<u>3,989,965</u>	<u>117,076</u>	<u>16,598</u>	<u>1,662</u>	<u>7,312</u>
	-0-				
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 58,865</u>	<u>\$ 3,989,965</u>	<u>\$ 117,076</u>	<u>\$ 16,598</u>	<u>\$ 1,662</u>	<u>\$ 7,312</u>
\$	\$ -0-	\$ 6,176	\$	\$ 1,632	\$ 3,564
	-0-			30	3,748
	-0-				
<u>-0-</u>	<u>-0-</u>	<u>6,176</u>	<u>-0-</u>	<u>1,662</u>	<u>7,312</u>
<u>9,976</u>	<u>105,866</u>				
<u>9,976</u>	<u>105,866</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	-0-				
48,889	3,884,099	110,900	16,598		
	-0-				
<u>48,889</u>	<u>3,884,099</u>	<u>110,900</u>	<u>16,598</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 58,865</u>	<u>\$ 3,989,965</u>	<u>\$ 117,076</u>	<u>\$ 16,598</u>	<u>\$ 1,662</u>	<u>\$ 7,312</u>

(continued)

**BRAZORIA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS - Continued**  
September 30, 2013

	Capital		
	Parks CIAP Grant Fund	2006 Certificate of Obligation C & M Fund	Mobility Plan C & M Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and temporary investments	\$	\$ 719,114	\$ 4,945,418
Receivables (Net of Allowance for Uncollectibles):			
Taxes			
Accounts			
Special assessments			
Due from other governments	10,981	205,917	
Accrued interest			
Due from other funds			
Inventory			
Prepaid expenditures			
Long-Term Receivables:			
Accounts			607,193
	<u>10,981</u>	<u>925,031</u>	<u>5,552,611</u>
Total assets			
Deferred Outflows of Resources:			
Deferred outflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 10,981</u>	<u>\$ 925,031</u>	<u>\$ 5,552,611</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts and accrued liabilities payable	\$ 967	\$	\$ 51,114
Due to other funds	10,014		
Unearned revenue			
	<u>10,981</u>	<u>-0-</u>	<u>51,114</u>
Total liabilities			
Deferred Inflows of Resources:			
Deferred inflows of resources			
	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deferred inflows of resources			
Fund Balance (Deficit):			
Non-spendable			607,193
Restricted		925,031	4,894,304
Unassigned			
	<u>-0-</u>	<u>925,031</u>	<u>5,501,497</u>
Total fund balance			
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,981</u>	<u>\$ 925,031</u>	<u>\$ 5,552,611</u>



Projects Funds Mobility Build America Bonds C & M Fund	Total Capital Projects Funds	Total Non-Major Governmental Fund
\$ 5,811,307	\$ 11,609,483	\$ 24,281,936
	-0-	159,344
	30	451
	-0-	819,190
	225,872	1,846,130
2	2	2
	-0-	177,295
	-0-	107,326
	-0-	13,293
	607,193	607,193
5,811,309	12,442,580	28,012,160
	-0-	
-0-	-0-	-0-
\$ <u>5,811,309</u>	\$ <u>12,442,580</u>	\$ <u>28,012,160</u>
\$	\$ 63,453	\$ 1,354,553
	13,792	2,379,807
	-0-	276,536
-0-	77,245	4,010,896
	-0-	955,686
-0-	-0-	955,686
	607,193	727,812
5,811,309	11,758,142	23,497,679
	-0-	( 1,179,913)
5,811,309	12,365,335	23,045,578
\$ <u>5,811,309</u>	\$ <u>12,442,580</u>	\$ <u>28,012,160</u>

**BRAZORIA COUNTY, TEXAS**

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

For the Year Ended September 30, 2013

	Special		
	Lateral Road Fund	Road and Bridge Tax Code Chapter 152 Fund	Special Road and Bridge Projects Fund
Revenues:			
Taxes	\$	\$ 351,199	\$
Intergovernmental	85,248		
Charges for services			
Licenses and permits			2,861,453
Fines and forfeitures			
Special assessment			
Investment income	2	1,654	
Miscellaneous			
Total revenues	<u>85,250</u>	<u>352,853</u>	<u>2,861,453</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation	5,098	7,965	951,214
Health and welfare			
Culture and recreation			
Environmental protection			
Community development			
Capital outlay	54,130	485,799	1,384,587
Debt Service:			
Principal			
Interest and agent fees			
Total expenditures	<u>59,228</u>	<u>493,764</u>	<u>2,335,801</u>
Excess (deficiency) of revenue over (under) expenditures	<u>26,022</u>	<u>( 140,911)</u>	<u>525,652</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in			
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financial sources over (under) expenditure and other financing uses	26,022	( 140,911)	525,652
Fund Balance (Deficits):			
Beginning of year	<u>26,822</u>	<u>174,968</u>	<u>1,546,284</u>
End of year	<u>\$ 52,844</u>	<u>\$ 34,057</u>	<u>\$ 2,071,936</u>

Revenue Funds

Oakwood Creek Estates Special Assessment Fund	Benefield Special Assessment Fund	CR 313A Special Assessment Fund	Wink Wynn Special Assessment Fund	CR 64 Extension Special Assessment Fund	CR 257 Repairs Fund
\$	\$	\$	\$	\$	\$
					385,141
147,230	7,805				
<u>147,230</u>	<u>7,805</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>385,141</u>
220,115			29,148	114,684	27,960
					358,411
<u>220,115</u>	<u>-0-</u>	<u>-0-</u>	<u>29,148</u>	<u>114,684</u>	<u>386,371</u>
( <u>72,885</u> )	<u>7,805</u>	<u>-0-</u>	( <u>29,148</u> )	( <u>114,684</u> )	( <u>1,230</u> )
					1,230
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>1,230</u>
( <u>72,885</u> )	<u>7,805</u>	<u>-0-</u>	( <u>29,148</u> )	( <u>114,684</u> )	<u>-0-</u>
( <u>912,853</u> )	<u>17,603</u>	( <u>34,135</u> )			
<u>\$(985,738)</u>	<u>\$25,408</u>	<u>\$(34,135)</u>	<u>\$(29,148)</u>	<u>\$(114,684)</u>	<u>\$-0-</u>

**BRAZORIA COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued**  
For the Year Ended September 30, 2013

	TJJD State Aid Fund	TJJD Mental Health Services Fund	Special Juvenile Justice Alternative Education Program Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	1,300,958	8,624	274,335
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessments			
Investment income			
Miscellaneous			
Total revenues	<u>1,300,958</u>	<u>8,624</u>	<u>274,335</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public safety			
Corrections	1,616,768	8,624	650,253
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>1,616,768</u>	<u>8,624</u>	<u>650,253</u>
Excess (deficiency) of revenue over (under) expenditures	<u>( 315,810)</u>	<u>-0-</u>	<u>( 375,918)</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in	315,810		375,918
Transfers out			
Total other financing sources (uses)	<u>315,810</u>	<u>-0-</u>	<u>375,918</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			
End of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Revenue Funds

TJJD Title IV-D Foster Care Fund	Juvenile Case Manager Fund	Family Protection Fund	TDSHS Immunization Fund	TDSHS Supplemental Food Program WIC Fund	TDSHS Local Public Health System Fund
\$ 2,507	\$ 6,209	\$ 22,239	\$ 183,655	\$ 1,053,512	\$ 37,584
	48	572			
<u>2,507</u>	<u>6,257</u>	<u>22,811</u>	<u>183,655</u>	<u>1,053,512</u>	<u>37,584</u>
		34,000			
2,507	43,002		183,655	1,053,512	37,584
<u>2,507</u>	<u>43,002</u>	<u>34,000</u>	<u>183,655</u>	<u>1,053,512</u>	<u>37,584</u>
<u>-0-</u>	<u>( 36,745)</u>	<u>( 11,189)</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-	( 36,745)	( 11,189)	-0-	-0-	-0-
	33,719	97,517			
<u>\$ -0-</u>	<u>\$( 3,026)</u>	<u>\$ 86,328</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

**BRAZORIA COUNTY, TEXAS**

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

For the Year Ended September 30, 2013

	TDSHS WIC Peer Counseling Program Fund	TDSHS WIC Registered Dietician Fund	Special TDSHS WIC Lactation Reimbursement Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	107,654	40,672	20,945
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>107,654</u>	<u>40,672</u>	<u>20,945</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare	107,654	40,672	20,945
Culture and recreation			
Environmental protection			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>107,654</u>	<u>40,672</u>	<u>20,945</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in			
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficits):			
Beginning of year			
End of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Revenue Funds

TDSHS WIC Obesity SHOP/FIT Fund	TDSHS Cities Readiness Initiative Fund	TDSHS Bioterrorism Grant Fund	CPS Title IV-E Fund	CPS Title IV-E Legal Services Fund	CPS Title IV-B (Concrete) Fund
\$ 23,500	\$ 84,291	\$ 240,983	\$ 33,345	\$ 39,626	\$ 915
<u>23,500</u>	<u>84,291</u>	<u>240,983</u>	<u>33,345</u>	<u>39,626</u>	<u>915</u>
				198,553	
23,500	84,291	242,101	106,619		915
<u>23,500</u>	<u>84,291</u>	<u>242,101</u>	<u>106,619</u>	<u>198,553</u>	<u>915</u>
<u>-0-</u>	<u>-0-</u>	<u>( 1,118)</u>	<u>( 73,274)</u>	<u>( 158,927)</u>	<u>-0-</u>
		1,118	73,274	158,927	
<u>-0-</u>	<u>-0-</u>	<u>1,118</u>	<u>73,274</u>	<u>158,927</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>

**BRAZORIA COUNTY, TEXAS**

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

For the Year Ended September 30, 2013

	JP Building Security Fund	Shoreline Restoration Task Force Fund	Special State Criminal Alien Assistance Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			80,076
Charges for services	17,802		
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income	815	71	383
Miscellaneous			
Total revenues	<u>18,617</u>	<u>71</u>	<u>80,459</u>
Expenditures:			
Current:			
General administration			
Judicial and legal	4,345		
Financial administration			
Elections			
Public safety			50,000
Corrections			30,459
Public transportation			
Health and welfare			
Culture and recreation		1,600	
Environmental protection			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>4,345</u>	<u>1,600</u>	<u>80,459</u>
Excess (deficiency) of revenue over (under) expenditures	<u>14,272</u>	<u>( 1,529 )</u>	<u>-0-</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in			
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	14,272	( 1,529 )	-0-
Fund Balance (Deficits):			
Beginning of year	<u>107,463</u>	<u>10,770</u>	<u></u>
End of year	<u>\$ 121,735</u>	<u>\$ 9,241</u>	<u>\$ -0-</u>



Revenue Funds

Mutual Fire Protection & Disbursement Assistance Fund	CSCD Bond Supervision Fund	Texas VINE Contract Fund	EOCGP Emergency Operations Center Fund	United Way Emergency Assistance Fund	Reliant Energy CARE/RELIEF Program Fund
\$	\$	\$	\$	\$	\$
	22,397	28,924	10,602		
				261	
				60,481	21,850
<u>-0-</u>	<u>22,397</u>	<u>28,924</u>	<u>10,602</u>	<u>60,742</u>	<u>21,850</u>
			3,402		
		28,924			
	38,462				
				24,532	18,746
			7,200		
<u>-0-</u>	<u>38,462</u>	<u>28,924</u>	<u>10,602</u>	<u>24,532</u>	<u>18,746</u>
<u>-0-</u>	<u>( 16,065)</u>	<u>-0-</u>	<u>-0-</u>	<u>36,210</u>	<u>3,104</u>
	15,782				
<u>-0-</u>	<u>15,782</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
-0-	( 283)	-0-	-0-	36,210	3,104
<u>15</u>	<u>217</u>			<u>3,468</u>	<u>16,411</u>
<u>\$ 15</u>	<u>\$( 66)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 39,678</u>	<u>\$ 19,515</u>

**BRAZORIA COUNTY, TEXAS**

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

For the Year Ended September 30, 2013

	Special		
	Repetitive Flood Claims Program Fund	State Homeland Security Fund	Child Abuse Prevention Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	106,894	329,655	
Charges for services			2,269
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income			45
Miscellaneous			
Total revenues	<u>106,894</u>	<u>329,655</u>	<u>2,314</u>
Expenditures:			
Current:			
General administration		187,278	
Judicial and legal			
Financial administration			
Elections			
Public safety		33,942	
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection	132,814		
Community development			
Capital outlay	1,716	108,435	
Debt Service:			
Principal			
Interest			
Total expenditures	<u>134,530</u>	<u>329,655</u>	<u>-0-</u>
Excess (deficiency) of revenue over (under) expenditures	<u>( 27,636 )</u>	<u>-0-</u>	<u>2,314</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in	27,636		
Transfers out			
Total other financing sources (uses)	<u>27,636</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-0-	-0-	2,314
Fund Balance (Deficits):			
Beginning of year			<u>5,128</u>
End of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 7,442</u>

Revenue Funds

<u>Economic Development Tax Abatement Fund</u>	<u>Victim Assistance Grant 02G00551 Fund</u>	<u>Crime Victim Assistance Fund</u>	<u>Law Enforce- ment Officers Standards &amp; Education Fund</u>	<u>Justice Court Technology Fund</u>	<u>DEA Narcotics OT Expense Program Fund</u>
\$	\$	\$	\$	\$	\$
3,500	42,338	138,024		72,280	15,220
89			400	3,569	
<u>56,966</u>	<u></u>	<u>34,754</u>	<u></u>	<u></u>	<u></u>
<u>60,555</u>	<u>42,338</u>	<u>172,778</u>	<u>400</u>	<u>75,849</u>	<u>15,220</u>
63,079	59,950	112,835		10,556	
		96,700	4,428		15,220
<u>63,079</u>	<u>59,950</u>	<u>209,535</u>	<u>4,428</u>	<u>10,556</u>	<u>15,220</u>
<u>( 2,524)</u>	<u>( 17,612)</u>	<u>( 36,757)</u>	<u>( 4,028)</u>	<u>65,293</u>	<u>-0-</u>
	17,612	36,757			
<u>-0-</u>	<u>17,612</u>	<u>36,757</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>( 2,524)</u>	<u>-0-</u>	<u>-0-</u>	<u>( 4,028)</u>	<u>65,293</u>	<u></u>
<u>3,030</u>	<u></u>	<u></u>	<u>56,726</u>	<u>466,234</u>	<u></u>
<u>\$ 506</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 52,698</u>	<u>\$ 531,527</u>	<u>\$ -0-</u>

**BRAZORIA COUNTY, TEXAS**

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

For the Year Ended September 30, 2013

	2008 CDBG County (HUD) Fund	2009 CDBG County (HUD) Fund	Special 2010 CDBG Disaster Recovery Alternative Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental	65,442	362,548	1,781,643
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>65,442</u>	<u>362,548</u>	<u>1,781,643</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection			
Community development	65,442	362,548	1,781,643
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>65,422</u>	<u>362,548</u>	<u>1,781,643</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in			
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance (Deficits):			
Beginning of year			
End of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Revenue Funds

2011 CDBG County (HUD) Fund	2012 CDBG County (HUD) Fund	2005 Section 8 Housing Choice Vouchers Fund	2006 Section 8 Housing Choice Vouchers Fund	2007 Section 8 Housing Choice Vouchers Fund	2008 Section 8 Housing Choice Vouchers Fund
\$ 1,030,225	\$ 1,725,431				
		252	749	360	335
<u>1,030,225</u>	<u>1,725,431</u>	<u>252</u>	<u>749</u>	<u>360</u>	<u>335</u>
1,030,225	1,725,431	2,574		225	67
<u>1,030,225</u>	<u>1,725,431</u>	<u>2,574</u>	<u>-0-</u>	<u>225</u>	<u>67</u>
<u>-0-</u>	<u>-0-</u>	<u>( 2,322)</u>	<u>749</u>	<u>135</u>	<u>268</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	
<u>-0-</u>	<u>-0-</u>	<u>( 2,322)</u>	<u>749</u>	<u>135</u>	<u>268</u>
		<u>35,238</u>	<u>103,782</u>	<u>18,763</u>	<u>37,104</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 32,916</u>	<u>\$ 104,531</u>	<u>\$ 18,898</u>	<u>\$ 37,372</u>

**BRAZORIA COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued**  
For the Year Ended September 30, 2013

	2009 Section 8 Housing Choice Vouchers Fund	2010 Section 8 Housing Choice Vouchers Fund	2011 Section 8 Housing Choice Vouchers Fund	Special
Revenues:				
Taxes	\$	\$	\$	
Intergovernmental	119,998			
Charges for services				
Licenses and permits				
Fines and forfeitures				
Special assessment				
Investment income	1,471	851	638	
Miscellaneous				
Total revenues	<u>121,469</u>	<u>851</u>	<u>638</u>	
Expenditures:				
Current:				
General administration				
Judicial and legal				
Financial administration				
Elections				
Public safety				
Corrections				
Public transportation				
Health and welfare				
Culture and recreation				
Environmental protection				
Community development	120,882			
Capital outlay				
Debt Service:				
Principal				
Interest				
Total expenditures	<u>120,882</u>	<u>-0-</u>	<u>-0-</u>	
Excess (deficiency) of revenue over (under) expenditures	<u>587</u>	<u>851</u>	<u>638</u>	
Other Financing Sources (Uses):				
Sale of capital assets				
Transfers in				
Transfers out				
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	587	851	638	
Fund Balance (Deficits):				
Beginning of year	<u>81,375</u>	<u>117,908</u>	<u>88,368</u>	
End of year	<u>\$ 81,692</u>	<u>\$ 118,759</u>	<u>\$ 89,006</u>	

Revenue Funds

2012 Section 8 Housing Choice Vouchers Fund	2013 Section 8 Housing Choice Vouchers Fund	Vital Statistics Fee Fund	TCEQ LIRAP Program Fund	EOC Retrofit Project Fund	TCEQ Local Initiatives Program Fund
\$ 988,691	\$ 2,891,731	\$ 12,412	\$ 120,525	\$	\$
289	36	7			52
<u>16,712</u>					
<u>1,005,692</u>	<u>2,891,767</u>	<u>12,419</u>	<u>120,525</u>	<u>-0-</u>	<u>52</u>
		5,516	120,525		
985,003	2,891,767				
<u>985,003</u>	<u>2,891,767</u>	<u>5,516</u>	<u>120,525</u>	<u>-0-</u>	<u>-0-</u>
<u>20,689</u>	<u>-0-</u>	<u>6,903</u>	<u>-0-</u>	<u>-0-</u>	<u>52</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
20,689	-0-	6,903	-0-	-0-	-0-
<u>14,624</u>		<u>285</u>			
<u>\$ 35,313</u>	<u>\$ -0-</u>	<u>\$ 7,188</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

**BRAZORIA COUNTY, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS - Continued**  
For the Year Ended September 30, 2013

	Special		
	TCEQ Supplemental Environmental Project Fund	TCEQ Supplemental Environmental Parks Project Fund	Records Management County Clerk Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			
Charges for services			335,852
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income	21	1,305	3,670
Miscellaneous	<u>14,514</u>		
Total revenues	<u>14,535</u>	<u>1,305</u>	<u>339,522</u>
Expenditures:			
Current:			
General administration			543,796
Judicial and legal			
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare	2,274		
Culture and recreation			
Environmental protection			
Community development			
Capital outlay		23,887	29,161
Debt Service:			
Principal			
Interest			
Total expenditures	<u>2,274</u>	<u>23,887</u>	<u>572,957</u>
Excess (deficiency) of revenue over (under) expenditures	<u>12,261</u>	<u>( 22,582)</u>	<u>( 233,435)</u>
Other Financing Sources (Uses):			
Sale of capital assets		1,372	
Transfers in			
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>1,372</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	12,261	( 21,210)	( 233,435)
Fund Balance (Deficits):			
Beginning of year	<u>17</u>	<u>136,428</u>	<u>1,342,690</u>
End of year	<u>\$ 12,278</u>	<u>\$ 115,218</u>	<u>\$ 1,109,255</u>



Revenue Funds

Records Management District Clerk Fund	Records Archive County Clerk Fund	Records Archive District Clerk Fund	Financial Security Fund	Records Preservation County/District Clerk Fund	Civil, Criminal & Probate Records Management Fund
\$	\$	\$	\$	\$	\$
26,166	328,220	22,451	169,894	58,794	139,604
1,231	1,424	593	1,618	1,347	2,792
<u>27,397</u>	<u>329,644</u>	<u>23,044</u>	<u>171,893</u>	<u>60,141</u>	<u>142,396</u>
97,862	339,582		12,521		36,960
					109,160
12,560	2,553				
<u>110,422</u>	<u>342,135</u>	<u>-0-</u>	<u>12,521</u>	<u>-0-</u>	<u>146,120</u>
( <u>83,025</u> )	( <u>12,491</u> )	<u>23,044</u>	<u>159,372</u>	<u>60,141</u>	( <u>3,724</u> )
			( <u>250,000</u> )		
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	( <u>250,000</u> )	<u>-0-</u>	<u>-0-</u>
( <u>83,025</u> )	( <u>12,491</u> )	<u>23,044</u>	( <u>90,628</u> )	<u>60,141</u>	( <u>3,724</u> )
<u>203,469</u>	<u>250,728</u>	<u>71,939</u>	<u>152,718</u>	<u>160,051</u>	<u>764,445</u>
<u>\$ 120,444</u>	<u>\$ 238,237</u>	<u>\$ 94,983</u>	<u>\$ 62,090</u>	<u>\$ 220,192</u>	<u>\$ 760,721</u>

**BRAZORIA COUNTY, TEXAS**

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

For the Year Ended September 30, 2013

	County/ District Court Technology Fund	Law Library Fund	Special  County Graffiti Eradication Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental			
Charges for services	17,655	196,208	50
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income	310	1,493	17
Miscellaneous		<u>13,025</u>	
Total revenues	<u>17,965</u>	<u>210,726</u>	<u>67</u>
Expenditures:			
Current:			
General administration			
Judicial and legal		258,779	
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection			
Community development			
Capital outlay			
Debt Service:			
Principal			
Interest			
Total expenditures	<u>-0-</u>	<u>258,779</u>	<u>-0-</u>
Excess (deficiency) of revenue over (under) expenditures	<u>17,965</u>	<u>( 48,053)</u>	<u>67</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in		41,000	
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>41,000</u>	<u>-0-</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	17,965	( 7,053)	67
Fund Balance (Deficits):			
Beginning of year	<u>34,495</u>	<u>389,161</u>	<u>2,407</u>
End of year	<u>\$ 52,460</u>	<u>\$ 382,108</u>	<u>\$ 2,474</u>

Revenue Funds

2006 GoM Energy Security Fund	Mosquito Control District Fund	Voter Registration Tax Office Fund	Elections HAVA Equipment Rental Fund	Elections Services Contract Fund	Elections HAVA Grant Fund
\$	\$ 2,867,799	\$ 56,379	\$ 54,713	\$ 110,325	\$ 84,139
300	3,844		1,347	589	
442	444		85,125		
<u>742</u>	<u>2,872,087</u>	<u>56,379</u>	<u>141,185</u>	<u>110,914</u>	<u>84,139</u>
		56,379	19,266	105,427	84,139
	2,407,938				
	66,493			447	
<u>-0-</u>	<u>2,474,431</u>	<u>56,379</u>	<u>19,266</u>	<u>105,874</u>	<u>84,139</u>
<u>742</u>	<u>397,656</u>	<u>-0-</u>	<u>121,919</u>	<u>5,040</u>	<u>-0-</u>
	5,853				
<u>-0-</u>	<u>5,853</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
742	403,509	-0-	121,919	5,040	-0-
<u>41,408</u>	<u>424,851</u>	<u>-0-</u>	<u>162,172</u>	<u>52,913</u>	<u>-0-</u>
<u>\$ 42,150</u>	<u>\$ 828,360</u>	<u>\$ -0-</u>	<u>\$ 284,091</u>	<u>\$ 57,953</u>	<u>\$ -0-</u>

**BRAZORIA COUNTY, TEXAS**

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

For the Year Ended September 30, 2013

	Special		
	Parks Improvement Fund	Drug Court Program Fund	Amy Young Barriers Removal Fund
Revenues:			
Taxes	\$	\$	\$
Intergovernmental		233,638	19,800
Charges for services		43,891	
Licenses and permits			
Fines and forfeitures		13,391	
Special assessment			
Investment income			
Miscellaneous			
Total revenues	<u>-0-</u>	<u>290,920</u>	<u>19,800</u>
Expenditures:			
Current:			
General administration			
Judicial and legal		294,232	
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection			
Community development			20,741
Capital outlay			
Debt Service:			
Principal			
Interest and fiscal charges			
Total expenditures	<u>-0-</u>	<u>294,232</u>	<u>20,741</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-0-</u>	<u>( 3,312 )</u>	<u>( 941 )</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in		3,312	941
Transfers out			
Total other financing sources (uses)	<u>-0-</u>	<u>3,312</u>	<u>941</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	<u>1,000</u>		
End of year	<u>\$ 1,000</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Revenue Funds

Buffer Zone Protection Program (BZPP) Fund	Regional Mental Health Services Fund	Follet's Island Conservation Program Fund	Total Special Revenue Funds	Sheriff & Detention Center, I & S Fund	General Obligation and Refunding Bonds, I & S Fund
\$ 8,980	\$ 10,010	\$ 42,900	\$ 3,218,998	\$ 2,421,265	\$ 594,554
			14,217,308		
			1,662,931		
			2,861,453		
			13,391		
			155,035		
			34,850	17,231	4,096
			304,694		
<u>8,980</u>	<u>10,010</u>	<u>42,900</u>	<u>22,468,660</u>	<u>2,438,496</u>	<u>598,650</u>
			1,300,138		
			1,221,717		
			56,379		
			208,832		
8,980	10,010		112,570		
			2,496,785		
			1,356,184		
			4,354,938		
		42,900	44,500		
			132,814		
			8,986,548		
			2,535,379		
			-0-	2,650,000	625,000
			-0-	135,000	137,294
<u>8,980</u>	<u>10,010</u>	<u>42,900</u>	<u>22,806,784</u>	<u>2,785,000</u>	<u>762,294</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>( 338,124 )</u>	<u>( 346,504 )</u>	<u>( 163,644 )</u>
			7,225		
			1,069,317		
			( 250,000 )		
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>826,542</u>		<u>-0-</u>
-0-	-0-	-0-	488,418	( 346,504 )	( 163,644 )
			6,307,726	2,258,386	596,888
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 6,796,144</u>	<u>\$ 1,911,882</u>	<u>\$ 433,244</u>

**BRAZORIA COUNTY, TEXAS**

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

For the Year Ended September 30, 2013

	2006 Certificate of Obligation Bonds, I & S Fund	Unlimited Tax Road Bonds (Mobility) I & S Fund	Debt Build America Bonds (Mobility) I & S Fund
Revenues:			
Taxes	\$ 1,113,021	\$ 3,514,312	\$
Intergovernmental			243,808
Charges for services			
Licenses and permits			
Fines and forfeitures			
Special assessment			
Investment income	3,175		99
Miscellaneous			
Total revenues	<u>1,116,196</u>	<u>3,514,312</u>	<u>243,907</u>
Expenditures:			
Current:			
General administration			
Judicial and legal			
Financial administration			
Elections			
Public safety			
Corrections			
Public transportation			
Health and welfare			
Culture and recreation			
Environmental protection			
Community development			
Capital outlay			
Debt Service:			
Principal	600,000	1,645,000	
Interest and fiscal charges	<u>499,089</u>	<u>1,238,733</u>	<u>728,274</u>
Total expenditures	<u>1,099,089</u>	<u>2,883,733</u>	<u>728,274</u>
Excess (deficiency) of revenue over (under) expenditures	<u>17,107</u>	<u>630,579</u>	<u>( 484,367 )</u>
Other Financing Sources (Uses):			
Sale of capital assets			
Transfers in			716,607
Transfers out		<u>( 716,607 )</u>	
Total other financing sources (uses)	<u>-0-</u>	<u>( 716,607 )</u>	<u>716,607</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	17,107	( 86,028 )	232,240
Fund Balance (Deficits):			
Beginning of year	<u>541,372</u>	<u>1,016,866</u>	<u>( 231,473 )</u>
End of year	<u>\$ 558,479</u>	<u>\$ 930,838</u>	<u>\$ 767</u>







<u>Projects Funds</u>	<u>Total Capital Projects Funds</u>	<u>Total Non-Major Governmental Fund</u>
Mobility		
Build America		
Bonds		
C & M		
Fund		
\$	\$ -0-	\$ 12,127,604
	10,089,123	24,550,239
	12,000	1,674,931
	-0-	2,861,453
	-0-	13,391
	-0-	155,035
9,206	19,265	80,303
	170,127	474,821
<u>9,206</u>	<u>10,290,515</u>	<u>41,937,777</u>
	1,711	1,301,849
	-0-	1,221,717
	-0-	56,379
	-0-	208,832
	-0-	112,570
	-0-	2,496,785
	824,057	2,180,241
	-0-	4,354,938
	493,041	537,541
	-0-	132,814
	-0-	8,986,548
	13,420,855	15,956,234
	-0-	5,520,000
	-0-	3,956,542
<u>-0-</u>	<u>14,739,664</u>	<u>47,022,990</u>
<u>9,206</u>	<u>( 4,449,149)</u>	<u>( 5,085,213)</u>
	-0-	7,225
	17,347	1,803,271
	-0-	( 966,607)
<u>-0-</u>	<u>17,347</u>	<u>843,889</u>
9,206	( 4,431,802)	( 4,241,324)
<u>5,802,103</u>	<u>16,797,137</u>	<u>27,286,902</u>
<u>\$ 5,811,309</u>	<u>\$ 12,365,335</u>	<u>\$ 23,045,578</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, 2013

Exhibit 14  
Page 1 of 9

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
General Administration:				
County Judge:				
Salaries and wages, and employee benefits	\$ 431,746	\$ 436,046	\$ 433,608	\$ 2,438
Operating expenditures	15,650	15,650	4,784	10,866
Capital outlay		26,000	25,480	520
<b>Total County Judge</b>	<b>447,396</b>	<b>477,696</b>	<b>463,872</b>	<b>13,824</b>
South Service Center:				
Salaries and wages, and employee benefits	313,403	315,903	315,807	96
Operating expenditures	16,000	16,000	9,136	6,864
<b>Total South Service Center</b>	<b>329,403</b>	<b>331,903</b>	<b>324,943</b>	<b>6,960</b>
Central Service Center:				
Salaries and wages, and employee benefits	361,845	364,445	364,445	-0-
Operating expenditures	19,261	19,261	12,732	6,529
<b>Total Central Service Center</b>	<b>381,106</b>	<b>383,706</b>	<b>377,177</b>	<b>6,529</b>
North Service Center:				
Salaries and wages, and employee benefits	353,867	357,367	357,273	94
Operating expenditures	17,820	17,820	11,360	6,460
<b>Total North Service Center</b>	<b>371,687</b>	<b>375,187</b>	<b>368,633</b>	<b>6,554</b>
West Service Center:				
Salaries and wages, and employee benefits	301,704	309,504	309,297	207
Operating expenditures	17,611	17,611	11,702	5,909
<b>Total West Service Center</b>	<b>319,315</b>	<b>327,115</b>	<b>320,999</b>	<b>6,116</b>
County Clerk:				
Salaries and wages, and employee benefits	2,257,949	2,283,749	2,233,438	50,311
Operating expenditures	65,350	65,915	47,297	18,618
Capital outlay	25,000	25,000	25,000	-0-
<b>Total County Clerk</b>	<b>2,348,299</b>	<b>2,374,664</b>	<b>2,305,735</b>	<b>68,929</b>
Veteran's Service:				
Salaries and wages, and employee benefits	171,785	172,385	158,173	14,212
Operating expenditures	6,733	5,689	4,065	1,624
<b>Total veteran's service</b>	<b>178,518</b>	<b>178,074</b>	<b>162,238</b>	<b>15,836</b>

(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, 2013

Exhibit 14  
Page 2 of 9

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
General Administration - Continued:				
Emergency Management:				
Salaries and wages, and employee benefits	\$ 197,909	\$ 277,709	\$ 271,704	\$ 6,005
Operating expenditures	60,500	70,500	52,870	17,630
Total emergency management	258,409	348,209	324,574	23,635
Non-departmental:				
Salaries and wages, and employee benefits	250,000			
Operating expenditures	2,411,524	2,753,005	2,598,181	154,824
Capital outlay	22,000	100,000		100,000
Total non-departmental	2,683,524	2,853,005	2,598,181	254,824
Total general administration	7,317,657	7,649,559	7,246,352	403,207
Judicial and Legal:				
County Court at Law 1:				
Salaries and wages, and employee benefits	374,272	376,072	369,569	6,503
Operating expenditures	15,500	15,500	7,203	8,297
Total County Court at Law 1	389,772	391,572	376,772	14,800
County Court at Law 2:				
Salaries and wages, and employee benefits	377,917	379,717	371,894	7,823
Operating expenditures	19,000	19,000	8,401	10,599
Total County Court at Law 2	396,917	398,717	380,295	18,422
County Court at Law 3:				
Salaries and wages, and employee benefits	380,106	384,906	380,308	4,598
Operating expenditures	13,200	13,200	4,710	8,490
Total County Court at Law 3	393,306	398,106	385,018	13,088
County Court at Law 4:				
Salaries and wages, and employee benefits	378,713	380,513	373,328	7,185
Operating expenditures	12,250	12,250	4,312	7,938
Total County Court at Law 4	390,963	392,763	377,640	15,123
Probate Court Investigations:				
Salaries and wages, and employee benefits	123,878	125,678	125,568	110
Operating expenditures	4,446	6,446	5,578	868
Total probate court investigations	128,324	132,124	131,146	978
District Courts:				
Salaries and wages, and employee benefits	1,394,776	1,403,976	1,372,281	31,695
Operating expenditures	130,805	132,181	85,622	46,559
Total district courts	1,525,581	1,536,157	1,457,903	78,254

(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, 2013

Exhibit 14  
Page 3 of 9

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Judicial and Legal - Continued:				
District Clerk:				
Salaries and wages, and employee benefits	\$ 1,789,295	\$ 1,809,295	\$ 1,786,426	\$ 22,869
Operating expenditures	76,190	77,032	62,280	14,752
Total District Clerk	1,865,485	1,886,327	1,848,706	37,621
Justice of the Peace Pct. 1, Pl. 1:				
Salaries and wages, and employee benefits	374,426	377,626	366,693	10,933
Operating expenditures	8,401	9,809	8,529	1,280
Total Justice of the Peace Pct. 1, Pl. 1	382,827	387,435	375,222	12,213
Justice of the Peace Pct. 1, Pl. 2:				
Salaries and wages, and employee benefits	354,349	359,149	359,149	-0-
Operating expenditures	10,150	10,150	7,432	2,718
Total Justice of the Peace Pct. 1, Pl. 2	364,499	369,299	366,581	2,718
Justice of the Peace Pct. 2, Pl. 1:				
Salaries and wages, and employee benefits	387,255	391,155	389,646	1,509
Operating expenditures	10,050	10,050	7,133	2,917
Total Justice of the Peace Pct. 2, Pl. 1	397,305	401,205	396,779	4,426
Justice of the Peace Pct. 2, Pl. 2:				
Salaries and wages, and employee benefits	403,306	412,406	406,801	5,605
Operating expenditures	10,365	10,365	8,700	1,665
Total Justice of the Peace Pct. 2, Pl. 2	413,671	422,771	415,501	7,270
Justice of the Peace Pct. 3, Pl. 1:				
Salaries and wages, and employee benefits	346,113	349,313	334,973	14,340
Operating expenditures	25,739	26,018	20,903	5,115
Total Justice of the Peace Pct. 3, Pl. 1	371,852	375,331	355,876	19,455
Justice of the Peace Pct. 3, Pl. 2:				
Salaries and wages, and employee benefits	286,777	289,077	284,236	4,841
Operating expenditures	9,425	9,425	7,586	1,839
Total Justice of the Peace Pct. 3, Pl. 2	296,202	298,502	291,822	6,680
Justice of the Peace Pct. 4, Pl. 1:				
Salaries and wages, and employee benefits	353,627	356,227	308,725	47,502
Operating expenditures	9,400	9,400	6,239	3,161
Total Justice of the Peace Pct. 4, Pl. 1	363,027	365,627	314,964	50,663

(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, 2013

Exhibit 14  
Page 4 of 9

	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	\$ 416,143	\$ 420,043	\$ 401,582	\$ 18,461
Operating expenditures	15,400	15,400	7,657	7,743
Total Justice of the Peace Pct. 4, Pl. 2	431,543	435,443	409,239	26,204
District Attorney:				
Salaries and wages, and employee benefits	5,037,994	5,125,794	5,092,586	33,208
Operating expenditures	104,310	349,364	263,529	85,835
Capital outlay		101,000	70,841	30,159
Total District Attorney	5,142,304	5,576,158	5,426,956	149,202
Juror Fees and Costs:				
Operating expenditures	410,000	410,000	286,618	123,382
Total juror fees and costs	410,000	410,000	286,618	123,382
Judicial Miscellaneous:				
Salaries and wages, and employee benefits	15,000	16,200	16,119	81
Operating expenditures	1,355,000	1,355,368	867,083	488,285
Total judicial miscellaneous	1,370,000	1,371,568	883,202	488,366
Indigent Defense:				
Salaries and wages, and employee benefits	78,902	83,702	82,225	1,477
Operating expenditures	2,303,350	2,303,350	1,770,809	532,541
Total indigent defense	2,382,252	2,387,052	1,853,034	534,018
Child Support:				
Salaries and wages, and employee benefits	181,965	183,765	183,236	529
Operating expenditures	2,928	4,131	3,231	900
Total child support	184,893	187,896	186,467	1,429
Bail Bond Board:				
Salaries and wages, and employee benefits	110,706	112,506	112,380	126
Operating expenditures	4,400	4,400	2,886	1,514
Total bail bond board	115,106	116,906	115,266	1,640
Total judicial and legal	17,715,829	18,240,959	16,635,007	1,605,952
Financial Administration:				
County Auditor:				
Salaries and wages, and employee benefits	1,171,948	1,179,948	1,160,311	19,637
Operating expenditures	13,677	13,677	11,647	2,030
Total county auditor	1,185,625	1,193,625	1,171,958	21,667

(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, 2013

Exhibit 14  
Page 5 of 9

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Financial Administration - Continued:				
Purchasing:				
Salaries and wages, and employee benefits	\$ 426,764	\$ 447,764	\$ 445,723	\$ 2,041
Operating expenditures	20,813	21,813	19,989	1,824
Total purchasing	447,577	469,577	465,712	3,865
County Treasurer:				
Salaries and wages, and employee benefits	281,351	284,851	284,610	241
Operating expenditures	156,226	156,226	129,452	26,774
Total County Treasurer	437,577	441,077	414,062	27,015
Human Resources:				
Salaries and wages, and employee benefits	448,085	450,885	382,544	68,341
Operating expenditures	47,033	52,064	47,475	4,589
Total human resources	495,118	502,949	430,019	72,930
Tax Assessor-Collector:				
Salaries and wages, and employee benefits	2,700,808	2,727,908	2,520,415	207,493
Operating expenditures	407,234	452,327	401,896	50,431
Total Tax Assessor-Collector	3,108,042	3,180,235	2,922,311	257,924
Information Systems:				
Salaries and wages, and employee benefits	1,748,681	1,763,581	1,704,296	59,285
Operating expenditures	2,822,217	2,995,025	2,722,365	272,660
Capital outlay	651,366	702,662	803,901	(101,239)
Total information systems	5,222,264	5,461,268	5,230,562	230,706
Appraisal District Assessment:				
Operating expenditures	695,000	695,000	683,696	11,304
Total appraisal district assessment	695,000	695,000	683,696	11,304
Total financial administration	11,591,203	11,943,731	11,318,320	625,411
Elections:				
Salaries and wages, and employee benefits	200,000	200,000	137,832	62,168
Operating expenditures	159,350	164,021	141,169	22,852
Total elections	359,350	364,021	279,001	85,020

(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, 2013

Exhibit 14  
Page 7 of 9

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Safety - Continued:				
Constable – Precinct 4:				
Salaries and wages, and employee benefits	\$ 392,437	\$ 394,637	\$ 389,498	\$ 5,139
Operating expenditures	48,450	48,450	38,912	9,538
Capital outlay	<u>79,000</u>	<u>108,703</u>	<u>97,086</u>	<u>11,617</u>
Total Constable – Precinct 4	<u>519,887</u>	<u>551,790</u>	<u>525,496</u>	<u>26,294</u>
Inmate Community Service Work Program:				
Salaries and wages, and employee benefits	87,877	87,877	82,855	5,022
Operating expenditures	<u>44,817</u>	<u>47,817</u>	<u>41,787</u>	<u>6,030</u>
Total inmate community service work program	<u>132,694</u>	<u>135,694</u>	<u>124,642</u>	<u>11,052</u>
Ambulance EMS:				
Operating expenditures	<u>96,000</u>	<u>96,000</u>	<u>96,000</u>	<u>-0-</u>
Total ambulance EMS	<u>96,000</u>	<u>96,000</u>	<u>96,000</u>	<u>-0-</u>
Fire Protection:				
Salaries and wages, and employee benefits	49,053	50,353	50,353	-0-
Operating expenditures	<u>566,000</u>	<u>576,000</u>	<u>566,160</u>	<u>9,840</u>
Total fire protection	<u>615,053</u>	<u>626,353</u>	<u>616,513</u>	<u>9,840</u>
Total public safety	<u>17,926,005</u>	<u>19,224,390</u>	<u>18,561,076</u>	<u>663,314</u>
Corrections:				
Detention Center:				
Salaries and wages, and employee benefits	10,029,972	10,421,872	10,357,786	64,086
Operating expenditures	4,424,515	5,479,161	5,277,650	201,511
Capital outlay	<u>24,701</u>	<u>425,201</u>	<u>304,241</u>	<u>120,960</u>
Total detention center	<u>14,479,188</u>	<u>16,326,234</u>	<u>15,939,677</u>	<u>386,557</u>
Juvenile Probation:				
Salaries and wages, and employee benefits	5,326,406	5,378,006	5,317,038	60,968
Operating expenditures	<u>960,061</u>	<u>1,027,678</u>	<u>655,963</u>	<u>371,715</u>
Total juvenile probation	<u>6,286,467</u>	<u>6,405,684</u>	<u>5,973,001</u>	<u>432,683</u>
Adult Probation:				
Operating expenditures	<u>69,537</u>	<u>71,205</u>	<u>63,374</u>	<u>7,831</u>
Total adult probation	<u>69,537</u>	<u>71,205</u>	<u>63,374</u>	<u>7,831</u>
Total corrections	<u>20,835,192</u>	<u>22,803,123</u>	<u>21,976,052</u>	<u>827,071</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, 2013

Exhibit 14  
Page 8 of 9

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Health and Welfare:				
Health Department:				
Salaries and wages, and employee benefits	\$ 735,082	\$ 741,282	\$ 712,449	\$ 28,833
Operating expenditures	<u>132,480</u>	<u>132,950</u>	<u>52,255</u>	<u>80,695</u>
Total health department	<u>867,562</u>	<u>874,232</u>	<u>764,704</u>	<u>109,528</u>
Environmental Health:				
Salaries and wages, and employee benefits	659,753	814,053	801,077	12,976
Other charges	<u>44,750</u>	<u>43,768</u>	<u>16,785</u>	<u>26,983</u>
Total environmental health	<u>704,503</u>	<u>857,821</u>	<u>817,862</u>	<u>39,959</u>
Child Protective Services:				
Salaries and wages, and employee benefits	107,550	109,660		109,660
Operating expenditures	<u>100,000</u>	<u>100,000</u>	<u>58,758</u>	<u>41,242</u>
Total child protective services	<u>207,550</u>	<u>209,660</u>	<u>58,758</u>	<u>150,902</u>
Water Lab:				
Salaries and wages, and employee benefits	190,799	193,199	192,986	213
Operating expenditures	<u>49,665</u>	<u>52,349</u>	<u>40,038</u>	<u>12,311</u>
Total water lab	<u>240,464</u>	<u>245,548</u>	<u>233,024</u>	<u>12,524</u>
County Welfare:				
Salaries and wages, and employee benefits	147,410	149,010	122,787	26,223
Operating expenditures	<u>13,950</u>	<u>13,950</u>	<u>1,792</u>	<u>12,158</u>
Total county welfare	<u>161,360</u>	<u>162,960</u>	<u>124,579</u>	<u>38,381</u>
Indigent Health Care:				
Salaries and wages, and employee benefits	85,486	87,486	85,457	2,029
Operating expenditures	<u>2,439,112</u>	<u>2,439,251</u>	<u>1,794,106</u>	<u>645,145</u>
Total indigent health care	<u>2,524,598</u>	<u>2,526,737</u>	<u>1,879,563</u>	<u>647,174</u>
Total health and welfare	<u>4,706,037</u>	<u>4,876,958</u>	<u>3,878,490</u>	<u>998,468</u>
Public Assistance:				
Mental Health-Mental Retardation:				
Operating expenditures	<u>220,000</u>	<u>220,000</u>	<u>220,000</u>	<u>-0-</u>
Total mental health-mental retardation	<u>220,000</u>	<u>220,000</u>	<u>220,000</u>	<u>-0-</u>
Actions, Inc.:				
Operating expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-0-</u>
Total Actions, Inc.	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-0-</u>
Brazoria County Marine Protection:				
Operating expenditures	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>-0-</u>
Total Brazoria County marine protection	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>-0-</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, 2013

Exhibit 14  
Page 9 of 9

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Assistance - Continued:				
Helpline:				
Operating expenditures	\$ 14,000	\$ 14,000	\$ 14,000	\$ -0-
Total helpline	14,000	14,000	14,000	-0-
Total public assistance	296,000	296,000	296,000	-0-
Culture and Recreation:				
Library:				
Salaries and wages, and employee benefits	4,538,677	4,581,677	4,381,948	199,729
Operating expenditures	1,061,745	1,617,316	1,494,369	122,947
Capital outlay		13,700	13,483	217
Total library	5,600,422	6,212,693	5,889,800	322,893
Parks and Recreation:				
Salaries and wages, and employee benefits	1,877,888	1,892,488	1,733,227	159,261
Operating expenditures	598,670	708,281	593,071	115,210
Capital outlay	125,000	398,418	310,174	88,244
Total parks and recreation	2,601,558	2,999,187	2,636,472	362,715
Fairgrounds:				
Salaries and wages, and employee benefits	69,308	70,408	70,204	204
Operating expenditures	105,000	130,547	129,940	607
Capital outlay	400,000	400,000	218,571	181,429
Total fairgrounds	574,308	600,955	418,715	182,240
Museum Supplement:				
Salaries and wages, and employee benefits	452,249	456,749	453,057	3,692
Operating expenditures	16,335	15,881	14,432	1,449
Total museum supplement	468,584	472,630	467,489	5,141
Total culture and recreation	9,244,872	10,285,465	9,412,476	872,989
Conservation:				
Salaries and wages, and employee benefits	372,673	374,473	341,177	33,296
Operating expenditures	38,680	37,483	35,372	2,111
Total conservation	411,353	411,956	376,549	35,407
Environmental protection:				
Flood Plain Administrator:				
Salaries and wages, and employee benefits	198,749	200,549	180,499	20,050
Operating expenditures	8,245	15,895	9,359	6,536
Total flood plan administrator	206,994	216,444	189,858	26,586
Total environmental protection	206,994	216,444	189,858	26,586
Total current expenditures	\$ 95,296,800	\$ 101,171,352	\$ 94,457,279	\$ 6,714,073

**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, 2013

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Public Transportation:				
Engineers Office:				
Salaries and wages, and employee benefits	\$ 10,423,882	\$ 10,518,282	\$ 10,137,799	\$ 380,483
Operating expenditures	12,048,246	16,087,556	7,750,336	8,337,220
Capital outlay	<u>3,329,740</u>	<u>1,874,676</u>	<u>5,844,301</u>	<u>(3,969,625)</u>
Total public transportation	<u>25,801,868</u>	<u>28,480,514</u>	<u>23,732,436</u>	<u>4,748,078</u>
Total expenditures	<u>\$ 25,801,868</u>	<u>\$ 28,480,514</u>	<u>\$ 23,732,436</u>	<u>\$ 4,748,078</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, 2013

	Lateral Road Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$	\$	\$	\$ -0-
Intergovernmental	87,500	87,500	85,248	( 2,252)
Investment income			2	2
Total revenues	<u>87,500</u>	<u>87,500</u>	<u>85,250</u>	<u>( 2,250)</u>
Expenditures:				
Current:				
Public Transportation:				
Operating expenditures	87,500	33,300	5,098	28,202
Capital outlay		<u>54,200</u>	<u>54,130</u>	<u>70</u>
Total public transportation	<u>87,500</u>	<u>87,500</u>	<u>59,228</u>	<u>28,272</u>
Total expenditures	<u>87,500</u>	<u>87,500</u>	<u>59,228</u>	<u>28,272</u>
Excess (deficiency) of revenues over expenditures	<u>-0-</u>	<u>-0-</u>	<u>26,022</u>	<u>26,022</u>
Other Financing Sources (Uses):				
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balances	-0-	-0-	26,022	26,022
Fund balances – beginning	<u>26,822</u>	<u>26,822</u>	<u>26,822</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 26,822</u>	<u>\$ 26,822</u>	<u>\$ 52,844</u>	<u>\$ 26,022</u>

Road and Bridge Tax Code Chapter 152 Fund			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 450,000	\$ 450,000	\$ 351,199	\$( 98,801 )
<u>1,000</u>	<u>1,000</u>	<u>1,654</u>	<u>-0- 654</u>
<u>451,000</u>	<u>451,000</u>	<u>352,853</u>	<u>( 98,147 )</u>
550,000	62,600	7,965	54,635
<u>550,000</u>	<u>487,400</u>	<u>485,799</u>	<u>1,601</u>
<u>550,000</u>	<u>550,000</u>	<u>493,764</u>	<u>56,236</u>
<u>550,000</u>	<u>550,000</u>	<u>493,764</u>	<u>56,236</u>
<u>( 99,000 )</u>	<u>( 99,000 )</u>	<u>( 140,911 )</u>	<u>( 41,911 )</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>( 99,000 )</u>	<u>( 99,000 )</u>	<u>( 140,911 )</u>	<u>( 41,911 )</u>
<u>174,968</u>	<u>174,968</u>	<u>174,968</u>	<u>-0-</u>
<u>\$ 75,968</u>	<u>\$ 75,968</u>	<u>\$ 34,057</u>	<u>\$( 41,911 )</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, 2013

	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	2,861,453	861,453
Investment income				-0-
Miscellaneous				-0-
Total revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,861,453</u>	<u>861,453</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	2,500,000	1,013,600	951,214	62,386
Capital outlay		<u>1,486,400</u>	<u>1,384,587</u>	<u>101,813</u>
Total public transportation	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,335,801</u>	<u>164,199</u>
Total expenditures	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,335,801</u>	<u>164,199</u>
Excess (deficiency) of revenues over expenditures	<u>( 500,000)</u>	<u>( 500,000)</u>	<u>525,652</u>	<u>1,025,652</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>( 500,000)</u>	<u>( 500,000)</u>	<u>525,652</u>	<u>1,025,652</u>
Fund balances – beginning	<u>1,546,284</u>	<u>1,546,284</u>	<u>1,546,284</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 1,046,284</u>	<u>\$ 1,046,284</u>	<u>\$ 2,071,936</u>	<u>\$ 1,025,652</u>

Law Library Fund			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 185,000	\$ 185,600	\$ 196,208	\$ 10,608
			-0-
500	500	1,493	993
<u>14,000</u>	<u>14,000</u>	<u>13,025</u>	<u>( 975 )</u>
<u>199,500</u>	<u>200,100</u>	<u>210,726</u>	<u>10,626</u>
61,016	61,616	61,578	38
265,800	265,800	197,201	68,599
<u>20,000</u>	<u>20,000</u>	<u>          </u>	<u>20,000</u>
<u>346,816</u>	<u>347,416</u>	<u>258,779</u>	<u>88,637</u>
			-0-
			-0-
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>346,816</u>	<u>347,416</u>	<u>258,779</u>	<u>88,637</u>
<u>( 147,316 )</u>	<u>( 147,316 )</u>	<u>( 48,053 )</u>	<u>99,263</u>
<u>41,000</u>	<u>41,000</u>	<u>41,000</u>	<u>-0-</u>
<u>41,000</u>	<u>41,000</u>	<u>41,000</u>	<u>-0-</u>
<u>( 106,316 )</u>	<u>( 106,316 )</u>	<u>( 7,053 )</u>	<u>99,263</u>
<u>389,161</u>	<u>389,161</u>	<u>389,161</u>	<u>-0-</u>
<u>\$ 282,845</u>	<u>\$ 282,845</u>	<u>\$ 382,108</u>	<u>\$ 99,263</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, 2013

Exhibit 16  
Page 3 of 3

	Mosquito Control District Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 2,832,242	\$ 2,840,842	\$ 2,867,799	\$ 26,957
Investment income	5,000	5,000	3,844	( 1,156)
Miscellaneous	500	500	444	( 56)
Total revenues	<u>2,837,742</u>	<u>2,846,342</u>	<u>2,872,087</u>	<u>25,745</u>
Expenditures:				
Current:				
Health and Welfare:				
Salaries and wages, and employee benefits	1,254,569	1,263,169	1,030,421	232,748
Operating expenditures	1,586,058	1,601,672	1,377,517	224,155
Capital outlay	<u>120,724</u>	<u>120,724</u>	<u>66,493</u>	<u>54,231</u>
Total judicial and legal	<u>2,961,351</u>	<u>2,985,565</u>	<u>2,474,431</u>	<u>511,134</u>
Total expenditures	<u>2,961,351</u>	<u>2,985,565</u>	<u>2,474,431</u>	<u>511,134</u>
Excess (deficiency) of revenues over expenditures	( 123,609)	( 139,223)	397,656	536,879
Other Financing Sources (Uses):				
Sale of capital assets	<u>                    </u>	<u>                    </u>	5,853	( 5,853)
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	5,853	( 5,853)
Net change in fund balances	( 123,609)	( 139,223)	403,509	531,026
Fund balances – beginning	<u>424,851</u>	<u>424,851</u>	<u>424,851</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 301,242</u>	<u>\$ 285,628</u>	<u>\$ 828,360</u>	<u>\$ 531,026</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, 2013

	Sheriff & Detention Center, I & S Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 2,343,023	\$ 2,343,023	\$ 2,421,265	\$ 78,242
Investment income	10,000	10,000	17,231	7,231
Total revenues	<u>2,353,023</u>	<u>2,353,023</u>	<u>2,438,496</u>	<u>85,473</u>
Expenditures:				
Debt Service:				
Principal on long-term debt	2,665,000	2,650,000	2,650,000	-0-
Interest on long-term debt	109,100	135,100	135,000	-0-
Total expenditures	<u>2,774,100</u>	<u>2,785,100</u>	<u>2,785,000</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	<u>( 421,077)</u>	<u>( 432,077)</u>	<u>( 346,504)</u>	<u>85,473</u>
Other Financing Sources (Uses):				
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balances	<u>( 421,077)</u>	<u>( 432,077)</u>	<u>( 346,504)</u>	<u>85,473</u>
Fund balances – beginning	<u>2,258,386</u>	<u>2,258,386</u>	<u>2,258,386</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 1,837,309</u>	<u>\$ 1,826,309</u>	<u>\$ 1,911,882</u>	<u>\$ 85,473</u>

General Obligation and Refunding Bonds, I & S Fund			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 573,192	\$ 573,192	\$ 594,554	\$ 21,362
<u>3,000</u>	<u>3,000</u>	<u>4,096</u>	<u>1,096</u>
<u>576,192</u>	<u>576,192</u>	<u>598,650</u>	<u>22,458</u>
636,094	636,094	625,000	11,094
<u>125,200</u>	<u>140,200</u>	<u>137,294</u>	<u>2,906</u>
<u>761,294</u>	<u>776,294</u>	<u>762,294</u>	<u>14,000</u>
( <u>185,102</u> )	( <u>200,102</u> )	( <u>163,644</u> )	<u>36,458</u>
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
( <u>185,102</u> )	( <u>200,102</u> )	( <u>163,644</u> )	<u>36,458</u>
<u>596,888</u>	<u>596,888</u>	<u>596,888</u>	<u>-0-</u>
<u>\$ 411,786</u>	<u>\$ 396,786</u>	<u>\$ 433,244</u>	<u>\$ 36,458</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, 2013

	2006 Certificates of Obligation Bonds, I & S Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 1,089,459	\$ 1,089,459	\$ 1,113,021	\$ 23,562
Investment income	<u>1,000</u>	<u>1,000</u>	<u>3,175</u>	<u>2,175</u>
Total revenues	<u>1,090,459</u>	<u>1,090,459</u>	<u>1,116,196</u>	<u>25,737</u>
Expenditures:				
Debt Service:				
Principal on long-term debt	600,000	600,000	600,000	-0-
Interest on long-term debt	<u>499,089</u>	<u>499,089</u>	<u>499,089</u>	<u>-0-</u>
Total expenditures	<u>1,099,089</u>	<u>1,099,089</u>	<u>1,099,089</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	<u>( 8,630)</u>	<u>( 8,630)</u>	<u>17,107</u>	<u>25,737</u>
Other Financing Sources (Uses):				
Transfers out				-0-
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balances	<u>( 8,630)</u>	<u>( 8,630)</u>	<u>17,107</u>	<u>25,737</u>
Fund balances – beginning	<u>541,372</u>	<u>541,372</u>	<u>541,372</u>	<u>-0-</u>
Fund balances – ending	<u>\$ 532,742</u>	<u>\$ 532,742</u>	<u>\$ 558,479</u>	<u>\$ 25,737</u>

Unlimited Tax Road Bonds (Mobility), I & S Fund			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 3,447,593	\$ 3,447,593	\$ 3,514,312	\$ 66,719
<u>5,000</u>	<u>5,000</u>		( 5,000 )
<u>3,452,593</u>	<u>3,452,593</u>	<u>3,514,312</u>	<u>61,719</u>
1,645,000	1,645,000	1,645,000	-0-
<u>1,704,735</u>	<u>1,236,035</u>	<u>1,238,733</u>	( 2,698 )
<u>3,349,735</u>	<u>2,881,035</u>	<u>2,883,733</u>	( 2,698 )
<u>102,858</u>	<u>571,558</u>	<u>630,579</u>	<u>59,021</u>
	( 595,700 )	( 716,607 )	( 120,907 )
-0-	( 595,700 )	( 716,607 )	( 120,907 )
102,858	( 24,142 )	( 86,028 )	( 61,886 )
<u>1,016,866</u>	<u>1,016,866</u>	<u>1,016,866</u>	<u>-0-</u>
<u>\$ 1,119,724</u>	<u>\$ 992,724</u>	<u>\$ 930,838</u>	<u>\$( 61,886 )</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, 2013

	Build America Bonds (Mobility), I & S Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$	\$	\$	\$ -0-
Intergovernmental			243,808	243,808
Investment income			99	99
Total revenues	-0-	-0-	243,907	243,907
Expenditures:				
Debt Service:				
Interest on long-term debt		728,300	728,274	26
Total expenditures	-0-	728,300	728,274	26
Excess (deficiency) of revenues over expenditures	-0-	( 728,300)	( 484,367)	243,933
Other Financing Sources (Uses):				
Transfers in			716,607	716,607
Total other financing sources (uses)	-0-	-0-	716,607	716,607
Net change in fund balances	-0-	( 728,300)	232,240	960,540
Fund balances – beginning	( 231,473)	( 231,473)	( 231,473)	-0-
Fund balances – ending	\$( 231,473)	\$( 959,773)	\$ 767	\$ 960,540

2012 Certificates of Obligation, I & S Fund			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final		
\$	\$	\$ 1,265,454	\$ 1,265,454
			-0-
		<u>1,587</u>	<u>1,587</u>
<u>-0-</u>	<u>-0-</u>	<u>1,267,041</u>	<u>1,267,041</u>
<u>1,217,753</u>	<u>1,219,253</u>	<u>1,218,152</u>	<u>1,101</u>
<u>1,217,753</u>	<u>1,219,253</u>	<u>1,218,152</u>	<u>1,101</u>
<u>( 1,217,753 )</u>	<u>( 1,219,253 )</u>	<u>48,889</u>	<u>1,268,142</u>
			-0-
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>( 1,217,753 )</u>	<u>( 1,219,253 )</u>	<u>48,889</u>	<u>1,268,142</u>
			-0-
<u>\$( 1,217,753 )</u>	<u>\$( 1,219,253 )</u>	<u>\$ 48,889</u>	<u>\$ 1,268,142</u>

**BRAZORIA COUNTY, TEXAS**

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

Exhibit 18

For the Year Ended September 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating Revenues:				
Sales:				
Fuel and supplies	\$ 2,248,744	\$ 2,302,044	\$ 2,404,245	\$ 102,201
Cost of sales	<u>2,086,066</u>	<u>2,096,789</u>	<u>2,071,062</u>	<u>25,727</u>
Gross profit	162,678	205,255	333,183	127,928
Other Revenue:				
Rentals	363,760	397,760	389,818	( 7,942)
Fees	289,031	314,031	388,023	73,992
Miscellaneous	<u>56,400</u>	<u>66,400</u>	<u>74,598</u>	<u>8,198</u>
Net operating revenue	<u>871,869</u>	<u>983,446</u>	<u>1,185,622</u>	<u>202,176</u>
Operating Expenses:				
Salaries and wages	501,449	505,885	477,342	28,543
Employee benefits	210,664	212,528	203,928	8,600
Supplies	99,978	100,261	150,295	( 50,034)
Other charges	283,996	284,801	327,294	( 42,493)
Depreciation	<u>98,000</u>	<u>1,398,000</u>	<u>1,254,386</u>	<u>143,614</u>
Total operating expenses	<u>1,194,087</u>	<u>2,501,475</u>	<u>2,413,245</u>	<u>88,230</u>
Operating income (loss)	( 322,218)	( 1,518,029)	( 1,227,623)	290,406
Non-Operating Revenues (Expenses):				
Interest			2,583	2,583
Interest and fiscal charges		( 728,300)		728,300
Total non-operating revenues (expenses)	<u>-0-</u>	<u>( 728,300)</u>	<u>2,583</u>	<u>730,833</u>
Net income (loss) before contributions and transfers	( 322,218)	( 2,246,329)	( 1,225,040)	1,021,289
Capital contributions			964,718	964,718
Transfers in		34,000	31,919	( 2,081)
Transfers out	( 65,000)	( 68,300)	( 11,774)	56,526
Change in net position	( 387,218)	( 2,280,629)	( 240,177)	2,040,452
Net Position:				
Total net position – beginning of year	<u>19,790,404</u>	<u>19,790,404</u>	<u>19,790,404</u>	<u>-0-</u>
Total net position – end of year	<u>\$ 19,403,186</u>	<u>\$ 17,509,775</u>	<u>\$ 19,550,227</u>	<u>\$ 2,040,452</u>



**BRAZORIA COUNTY, TEXAS**  
**COMBINING STATEMENT OF NET POSITION -**  
**INTERNAL SERVICE FUNDS**  
September 30, 2013

Exhibit 19

	<u>Self Insurance Liability</u>	<u>Self Insurance Health</u>	<u>Self Insurance Health Clinic</u>	<u>Total</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Current Assets:				
Cash and temporary investments	\$ 1,400,950	\$ 749,665	\$ 2,469	\$ 2,153,084
Accounts receivable		197,818		197,818
Accrued interest		10		10
Prepaid expenses		<u>104,634</u>		<u>104,634</u>
Total current assets	<u>1,400,950</u>	<u>1,052,127</u>	<u>2,469</u>	<u>2,455,546</u>
Deferred Outflows of Resources:				
Deferred outflows of resources				<u>-0-</u>
Total deferred outflows of resources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets and deferred outflows of resources	<u>\$ 1,400,950</u>	<u>\$ 1,052,127</u>	<u>\$ 2,469</u>	<u>\$ 2,455,546</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>				
Current Liabilities:				
Accounts and accrued liabilities payable	\$ 19,585	\$ 171,880	\$ 31,883	\$ 223,348
Due to other funds		500,000		500,000
Estimated claims payable	400,000	691,631		1,091,631
Unearned revenue		<u>54,559</u>		<u>54,559</u>
Total current liabilities	<u>419,585</u>	<u>1,418,070</u>	<u>31,883</u>	<u>1,869,538</u>
Deferred Inflows of Resources:				
Deferred inflows of resources				<u>-0-</u>
Total deferred inflows of resources	<u>419,585</u>	<u>1,418,070</u>	<u>31,883</u>	<u>1,869,538</u>
Net Position				
Unrestricted net position	<u>981,365</u>	<u>( 365,943)</u>	<u>( 29,414)</u>	<u>586,008</u>
Total net position	<u>981,365</u>	<u>( 365,943)</u>	<u>( 29,414)</u>	<u>586,008</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,400,950</u>	<u>\$ 1,052,127</u>	<u>\$ 2,469</u>	<u>\$ 2,455,546</u>

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

For the Year Ended September 30, 2013

Exhibit 20

	<u>Self Insurance Liability</u>	<u>Self Insurance Health</u>	<u>Self Insurance Health Clinic</u>	<u>Total</u>
Operating Revenues:				
Contributions for self insurance	\$ <u>520,600</u>	\$ <u>11,600,333</u>	\$ <u>670,400</u>	\$ <u>12,791,333</u>
Total operating revenues	<u>520,600</u>	<u>11,600,333</u>	<u>670,400</u>	<u>12,791,333</u>
Operating Expenses:				
Legal expenses and settlements	520,843			520,843
Health claims expense		10,436,057		10,436,057
Health services expense			698,146	698,146
Administrative expense	<u>                    </u>	<u>2,178,872</u>	<u>1,668</u>	<u>2,180,540</u>
Total operating expenses	<u>520,843</u>	<u>12,614,929</u>	<u>699,814</u>	<u>13,835,586</u>
Operating income (loss)	( 243)	( 1,014,596)	( 29,414)	( 1,044,253)
Non-Operating Revenue (Expense):				
Investment income	<u>2,611</u>	<u>12,839</u>	<u>                    </u>	<u>15,450</u>
Net income (loss)	2,368	( 1,001,757)	( 29,414)	( 1,028,803)
Net position – beginning of year	<u>978,997</u>	<u>635,814</u>	<u>                    </u>	<u>1,614,811</u>
Net position – end of year	<u>\$ 981,365</u>	<u>\$ ( 365,943)</u>	<u>\$ ( 29,414)</u>	<u>\$ 586,008</u>

**BRAZORIA COUNTY, TEXAS**  
**COMBINING STATEMENT OF CASH FLOWS -**  
**INTERNAL SERVICE FUNDS**  
For the Year Ended September 30, 2013

Exhibit 21

	Self Insurance Liability	Self Insurance Liability	Self Insurance Health Clinic	Total
Cash Flows from Operating Activities:				
Cash flows received from employees and other funds	\$ 520,600	\$ 11,903,637	\$ 670,400	\$ 13,094,637
Cash paid to and on behalf of employees	( 518,824)	( 11,227,649)	( 666,263)	( 11,893,912)
Cash paid to suppliers and others	( 1,776)	( 2,246,014)	( 1,668)	( 2,766,506)
Net cash provided (used) by operating activities	<u>1,776</u>	<u>( 1,570,026)</u>	<u>2,469</u>	<u>( 1,565,781)</u>
Cash Flows from Non-Capital Financing Activities:				
Net cash provided by non-capital financing activities	<u>          </u>	<u>          </u>	<u>          </u>	<u>-0-</u>
Cash Flows from Capital and Financing Activities:				
Net cash provided by capital and financing activities	<u>          </u>	<u>          </u>	<u>          </u>	<u>-0-</u>
Cash Flows from Investing Activities:				
Investment income	<u>2,611</u>	<u>12,829</u>	<u>          </u>	<u>15,440</u>
Net cash provided by investment activities	<u>2,611</u>	<u>12,829</u>	<u>-0-</u>	<u>15,440</u>
Net increase (decrease) in cash	4,387	( 1,557,197)	2,469	( 1,550,341)
Cash and temporary investments - beginning of year	<u>1,396,563</u>	<u>2,306,862</u>	<u>          </u>	<u>3,703,425</u>
Cash and temporary investments - end of year	<u>\$ 1,400,950</u>	<u>\$ 749,665</u>	<u>\$ 2,469</u>	<u>\$ 2,153,084</u>
Reconciliation of Operating Income to Net Cash Provided (Used) By Operating Activities:				
Operating Activities:				
Operating income (loss)	\$( 243)	\$( 1,014,596)	\$( 29,414)	\$( 1,044,253)
Changes in Assets and Deferred Outflows of Resources, and Liabilities and Deferred Inflows of Resources:				
(Increase) Decrease In:				
Accounts receivable		( 142,136)		( 142,136)
Prepaid expenses		( 67,434)		( 67,434)
Increase (Decrease) In:				
Accounts and accrued liabilities payable	2,019	( 27,101)	31,883	6,801
Estimated claims payable		( 764,199)		( 764,199)
Due to other funds		500,000		500,000
Deferred revenue		<u>( 54,560)</u>		<u>( 54,560)</u>
Net cash provided (used) for operating activities	<u>\$ 1,776</u>	<u>\$( 1,570,026)</u>	<u>\$ 2,469</u>	<u>\$( 1,565,781)</u>
Noncash Transactions Affecting Financial Position:				
Net noncash transactions affecting financial position	<u>\$ -0-</u>	<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, 2013

Exhibit 22  
Page 1 of 4

	<u>Balance 10-01-12</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 09-30-13</u>
<b>PAYROLL CLEARING:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ <u>1,057,582</u>	\$ <u>72,168,656</u>	\$ <u>72,102,073</u>	\$ <u>1,124,165</u>
Total assets	\$ <u><u>1,057,582</u></u>	\$ <u><u>72,168,656</u></u>	\$ <u><u>72,102,073</u></u>	\$ <u><u>1,124,165</u></u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expense	\$ <u>1,057,582</u>	\$ <u>72,168,656</u>	\$ <u>72,102,073</u>	\$ <u>1,124,165</u>
Total liabilities	\$ <u><u>1,057,582</u></u>	\$ <u><u>72,168,656</u></u>	\$ <u><u>72,102,073</u></u>	\$ <u><u>1,124,165</u></u>
<b>BRAZORIA COUNTY FRESH WATER SUPPLY DISTRICT #2:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ <u>6,900</u>	\$ _____	\$ <u>4,337</u>	\$ <u>2,563</u>
Total assets	\$ <u><u>6,900</u></u>	\$ <u><u>-0-</u></u>	\$ <u><u>4,337</u></u>	\$ <u><u>2,563</u></u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Due to others	\$ <u>6,900</u>	\$ _____	\$ <u>4,337</u>	\$ <u>2,563</u>
Total liabilities	\$ <u><u>6,900</u></u>	\$ <u><u>-0-</u></u>	\$ <u><u>4,337</u></u>	\$ <u><u>2,563</u></u>
<b>BRAZORIA COUNTY GROUNDWATER CONSERVATION DISTRICT:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ <u>724,145</u>	\$ <u>456,106</u>	\$ <u>314,183</u>	\$ <u>866,068</u>
Accounts receivable	<u>35,245</u>	<u>65,401</u>	<u>35,245</u>	<u>65,401</u>
Total assets	\$ <u><u>759,390</u></u>	\$ <u><u>521,507</u></u>	\$ <u><u>349,248</u></u>	\$ <u><u>931,469</u></u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ <u>5,877</u>	\$ <u>278,416</u>	\$ <u>282,593</u>	\$ <u>1,700</u>
Due to others	<u>753,513</u>	<u>243,091</u>	<u>66,835</u>	<u>929,769</u>
Total liabilities	\$ <u><u>759,390</u></u>	\$ <u><u>521,507</u></u>	\$ <u><u>349,428</u></u>	\$ <u><u>931,469</u></u>

(continued)

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

For the Year Ended September 30, 2013

Exhibit 22

Page 2 of 4

	<u>Balance 10-01-12</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 09-30-13</u>
<b>CHILD SUPPORT:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ <u>150</u>	\$ <u>11,954</u>	\$ <u>10,279</u>	\$ <u>1,825</u>
Total assets	\$ <u>150</u>	\$ <u>11,954</u>	\$ <u>10,279</u>	\$ <u>1,825</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Due to others	\$ <u>150</u>	\$ <u>11,954</u>	\$ <u>10,279</u>	\$ <u>1,825</u>
Total liabilities	\$ <u>150</u>	\$ <u>11,954</u>	\$ <u>10,279</u>	\$ <u>1,825</u>
<b>TDCJ-CJAD:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ 1,378,134	\$ 4,485,054	\$ 4,362,435	\$ 1,500,753
Accounts receivable	<u>65</u>	<u>        </u>	<u>65</u>	<u>        </u>
Total assets	\$ <u>1,378,199</u>	\$ <u>4,485,054</u>	\$ <u>4,362,500</u>	\$ <u>1,500,753</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 88,129	\$ 4,425,890	\$ 4,362,500	\$ 151,519
Due to others	<u>1,290,070</u>	<u>59,164</u>	<u>        </u>	<u>1,349,234</u>
Total liabilities	\$ <u>1,378,199</u>	\$ <u>4,485,054</u>	\$ <u>4,362,500</u>	\$ <u>1,500,753</u>
<b>DISTRICT/COUNTY CLERKS TRUSTS:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ <u>10,770,990</u>	\$ <u>20,523,873</u>	\$ <u>19,716,527</u>	\$ <u>11,578,336</u>
Total assets	\$ <u>10,770,990</u>	\$ <u>20,523,873</u>	\$ <u>19,716,527</u>	\$ <u>11,578,336</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Due to others	\$ <u>10,770,990</u>	\$ <u>20,523,873</u>	\$ <u>19,716,527</u>	\$ <u>11,578,336</u>
Total liabilities	\$ <u>10,770,990</u>	\$ <u>20,523,873</u>	\$ <u>19,716,527</u>	\$ <u>11,578,336</u>

(continued)

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

For the Year Ended September 30, 2013

Exhibit 22  
Page 3 of 4

	<u>Balance 10-01-12</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 09-30-13</u>
<b>CONOCO PHILLIPS FM 524 BY-PASS:</b>				
<i>Assets</i>				
Cash and temporary investments	\$	\$ 955,369	\$ 955,369	\$
Accounts receivable	<u>614,006</u>	<u>                    </u>	<u>614,006</u>	<u>                    </u>
Total assets	<u>\$ 614,006</u>	<u>\$ 955,369</u>	<u>\$ 1,569,375</u>	<u>\$ -0-</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 329,938	\$ 955,369	\$ 1,285,307	\$
Due to other funds	<u>284,068</u>	<u>                    </u>	<u>284,068</u>	<u>                    </u>
Total liabilities	<u>\$ 614,006</u>	<u>\$ 955,369</u>	<u>\$ 1,569,375</u>	<u>\$ -0-</u>
<b>BRAZORIA COUNTY TOLL ROAD AUTHORITY:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ 167,286	\$	\$ 167,286	\$
Accounts receivable	<u>215,909</u>	<u>510,253</u>	<u>                    </u>	<u>726,162</u>
Total assets	<u>\$ 383,195</u>	<u>\$ 510,253</u>	<u>\$ 167,286</u>	<u>\$ 726,162</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 383,195	\$ 510,253	\$ 167,286	\$ 726,162
Total liabilities	<u>\$ 383,195</u>	<u>\$ 510,253</u>	<u>\$ 167,286</u>	<u>\$ 726,162</u>
<b>BRAZOS MALL ENTRANCE:</b>				
<i>Assets</i>				
Cash and temporary investments	\$	\$ 20,200	\$	\$ 20,200
Total assets	<u>\$ -0-</u>	<u>\$ 20,200</u>	<u>\$ -0-</u>	<u>\$ 20,200</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Due to others	\$	\$ 20,200	\$	\$ 20,200
Total liabilities	<u>\$ -0-</u>	<u>\$ 20,200</u>	<u>\$ -0-</u>	<u>\$ 20,200</u>

**BRAZORIA COUNTY, TEXAS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**

**AGENCY FUNDS - Continued**

For the Year Ended September 30, 2013

Exhibit 22  
Page 4 of 4

	<u>Balance 10-01-12</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 09-30-13</u>
<b>TOTALS - ALL AGENCY FUNDS:</b>				
<i>Assets</i>				
Cash and temporary investments	\$ 14,105,187	\$ 98,621,212	\$ 97,632,489	\$ 15,093,910
Accounts receivable	<u>865,225</u>	<u>575,654</u>	<u>649,316</u>	<u>791,563</u>
Total assets	<u>\$ 14,970,412</u>	<u>\$ 99,196,866</u>	<u>\$ 98,281,805</u>	<u>\$ 15,885,473</u>
<i>Liabilities and Fund Balance</i>				
Liabilities:				
Accounts payable and accrued expenses	\$ 1,864,721	\$ 78,338,584	\$ 78,199,759	\$ 2,003,546
Due to other funds	284,068		284,068	-0-
Due to others	<u>12,821,623</u>	<u>20,858,282</u>	<u>19,797,978</u>	<u>13,881,927</u>
Total liabilities	<u>\$ 14,970,412</u>	<u>\$ 99,196,866</u>	<u>\$ 98,281,805</u>	<u>\$ 15,885,473</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 POSITION BY COMPONENTS**  
**Last Nine Fiscal Years**  
**(accrual basis of accounting)**

Table 1

	Fiscal Year				
	2004	2005	2006	2007	2008
Governmental Activities:					
Invested in capital assets, net of related debt	\$ 81,631,717	\$ 81,466,363	\$ 96,668,961	\$ 99,498,617	\$ 105,895,455
Restricted For:					
Roads and bridges	8,055,178	7,847,782	9,671,499	11,599,655	11,785,704
Debt service	1,341,841	2,157,744	3,310,158	4,334,733	2,397,569
Capital projects					
Other purposes	2,717,710	3,237,218	3,863,186	4,891,652	6,903,230
Restricted					
Unrestricted	<u>11,482,088</u>	<u>13,911,427</u>	<u>23,072,866</u>	<u>30,957,200</u>	<u>30,975,246</u>
Total governmental activities net position	<u>\$ 105,228,534</u>	<u>\$ 108,620,534</u>	<u>\$ 136,586,670</u>	<u>\$ 151,281,857</u>	<u>\$ 157,957,204</u>
Business-type Activities:					
Invested in capital assets, net of related debt	\$ 10,293,274	\$ 9,617,689	\$ 10,871,918	\$ 11,094,843	\$ 10,654,958
Restricted For:					
Debt service	50,168	52,674	56,663	43,582	49,419
Other purposes	72,637	48,102	18,835	58,566	17,781
Unrestricted	<u>142,989</u>	<u>1,666,061</u>	<u>606,769</u>	<u>340,261</u>	<u>488,387</u>
Total business-type activities net position	<u>\$ 10,559,068</u>	<u>\$ 11,384,526</u>	<u>\$ 11,554,185</u>	<u>\$ 11,537,252</u>	<u>\$ 11,210,545</u>
Primary Government:					
Invested in capital assets, net of related debt	\$ 91,924,991	\$ 91,084,052	\$ 107,540,879	\$ 110,593,460	\$ 116,550,413
Restricted	12,237,534	13,343,520	16,920,341	20,928,188	21,153,703
Unrestricted	<u>11,625,077</u>	<u>15,577,488</u>	<u>23,679,635</u>	<u>31,297,461</u>	<u>32,463,633</u>
Total primary government net position	<u>\$ 115,787,602</u>	<u>\$ 120,005,060</u>	<u>\$ 148,140,855</u>	<u>\$ 162,819,109</u>	<u>\$ 170,167,749</u>

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

Fiscal Year				
2009	2010	2011	2012	2013
\$ 118,386,142	\$ 107,946,044	\$ 125,443,284	\$ 137,905,630	\$ 167,975,425
14,812,978	28,317,997	12,899,517	29,463,484	13,593,152
2,674,027	2,642,145	5,589,069	3,745,648	3,570,603
			2,793,607	2,551,020
11,038,528	9,138,277	7,857,542	4,313,104	4,257,142
<u>29,373,464</u>	<u>35,504,190</u>	<u>45,667,087</u>	<u>51,242,021</u>	<u>60,069,501</u>
<u>\$ 176,285,139</u>	<u>\$ 183,548,653</u>	<u>\$ 197,456,499</u>	<u>\$ 229,463,494</u>	<u>\$ 252,016,843</u>
\$ 10,262,087	\$ 17,932,099	\$ 18,063,644	\$ 17,090,784	\$ 18,782,258
<u>1,240,854</u>	<u>936,146</u>	<u>859,249</u>	<u>2,700,569</u>	<u>759,597</u>
<u>\$ 11,502,941</u>	<u>\$ 18,868,245</u>	<u>\$ 18,922,893</u>	<u>\$ 19,791,353</u>	<u>\$ 19,541,855</u>
\$ 128,648,229	\$ 125,878,143	\$ 143,506,928	\$ 154,996,414	\$ 186,757,683
28,525,533	40,098,419	26,346,128	40,315,843	23,971,917
<u>30,614,318</u>	<u>36,440,336</u>	<u>46,526,336</u>	<u>53,942,590</u>	<u>60,829,098</u>
<u>\$ 187,788,080</u>	<u>\$ 202,416,898</u>	<u>\$ 216,379,392</u>	<u>\$ 249,254,847</u>	<u>\$ 271,558,698</u>

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

Table 2

	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Expenses</b>					
Governmental Activities:					
General administration	\$ 4,588,331	\$ 5,292,979	\$ 4,974,768	\$ 5,806,262	\$ 7,505,494
Judicial and legal	12,540,748	13,078,631	13,797,943	15,208,486	16,425,146
Financial administration	7,017,884	7,441,233	7,726,563	8,093,087	8,825,918
Elections	77,817	109,644	2,169,341	402,710	717,673
Public facilities	2,732,495	2,826,693	2,809,843	3,522,780	3,608,908
Public safety	11,064,291	12,177,212	13,317,747	14,026,836	16,714,660
Corrections	17,824,167	18,334,618	18,966,237	20,270,216	22,487,177
Public transportation	22,626,704	22,895,228	18,864,434	24,475,813	28,116,886
Health and welfare	7,844,979	8,178,159	9,745,180	10,170,647	10,269,808
Public assistance	226,000	296,000	296,000	296,000	296,000
Culture and recreation	6,437,956	6,262,357	6,652,453	7,316,858	7,810,785
Conservation	408,329	350,218	393,433	366,651	401,178
Environmental protection	132,419	142,928	150,987	189,657	205,704
Community development	3,458,661	3,956,237	2,937,926	2,320,743	2,228,027
Interest on long-term debt	<u>1,455,717</u>	<u>1,386,006</u>	<u>1,477,364</u>	<u>2,408,476</u>	<u>2,497,944</u>
Total governmental activities expenses	<u>98,436,498</u>	<u>102,728,143</u>	<u>104,280,219</u>	<u>114,875,222</u>	<u>128,117,308</u>
Business-type Activities:					
Airport	<u>1,635,067</u>	<u>1,819,390</u>	<u>2,124,407</u>	<u>2,344,879</u>	<u>3,283,991</u>
Total business-type activities expenses	<u>1,635,067</u>	<u>1,819,390</u>	<u>2,124,407</u>	<u>2,344,879</u>	<u>3,283,991</u>
Total primary government expenses	<u>\$ 100,071,565</u>	<u>\$ 104,547,533</u>	<u>\$ 106,404,626</u>	<u>\$ 117,220,101</u>	<u>\$ 131,401,299</u>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services:					
General administration	\$ 1,986,196	\$ 3,023,513	\$ 3,831,544	\$ 4,140,190	\$ 3,592,424
Judicial and legal	5,695,541	5,936,348	6,314,663	6,824,945	6,510,075
Financial administration	897,500	915,332	1,140,119	1,392,176	1,607,565
Elections	3,512	11,604	74,959	198,739	216,604
Public facilities	22,116	31,385	29,897	31,464	32,625
Public safety	1,516,419	1,314,159	1,355,560	1,688,373	1,690,817
Corrections	533,296	401,742	496,467	653,232	585,301
Public transportation	2,172,502	2,921,637	3,369,217	3,795,045	3,910,942
Health and welfare	433,374	401,182	402,469	663,374	531,764
Culture and recreation	397,668	390,327	436,156	482,471	303,660
Conservation	10,683	12,777	12,662	11,572	10,147
Environmental protection	45,485	49,706	76,386	70,206	62,375
Operating grants and contributions	6,392,287	8,765,064	11,055,123	9,672,233	14,474,328
Capital grants and contributions	<u>4,149,354</u>	<u>4,562,373</u>	<u>19,032,936</u>	<u>7,163,245</u>	<u>7,102,464</u>
Total governmental activities program revenues	<u>24,255,933</u>	<u>28,737,149</u>	<u>47,628,158</u>	<u>36,787,265</u>	<u>40,631,091</u>

		Fiscal Year							
		2009	2010	2011	2012	2013			
\$	8,402,752	\$	9,765,100	\$	9,367,760	\$	8,531,830	\$	9,096,823
	17,095,026		17,108,112		17,185,013		17,444,241		18,506,367
	9,274,787		9,417,717		9,421,715		9,885,427		11,048,456
	460,608		471,550		436,854		429,119		501,530
	3,726,303		4,007,936		4,145,921		4,295,595		4,482,211
	16,565,137		17,203,454		17,825,709		17,808,208		19,121,946
	23,084,589		23,167,977		25,415,355		24,663,264		26,263,608
	33,663,115		30,129,895		27,572,896		27,267,696		28,234,409
	11,379,348		12,684,269		11,619,175		9,624,531		8,643,077
	296,000		296,000		296,000		296,000		296,000
	8,501,264		8,514,714		8,690,800		8,785,859		10,096,986
	433,198		389,848		352,487		348,908		528,928
	211,300		204,162		261,926		543,559		205,288
	2,477,725		3,433,743		5,965,680		7,371,072		8,985,728
	<u>2,242,764</u>		<u>2,650,328</u>		<u>2,842,829</u>		<u>2,811,695</u>		<u>3,563,248</u>
	<u>137,813,916</u>		<u>139,444,805</u>		<u>141,400,120</u>		<u>140,107,004</u>		<u>149,574,605</u>
	<u>3,746,623</u>		<u>3,273,887</u>		<u>3,898,445</u>		<u>4,297,478</u>		<u>4,512,936</u>
	<u>3,746,623</u>		<u>3,273,887</u>		<u>3,898,445</u>		<u>4,297,478</u>		<u>4,512,936</u>
\$	<u>141,560,539</u>	\$	<u>142,718,692</u>	\$	<u>145,298,565</u>	\$	<u>144,404,482</u>	\$	<u>154,087,541</u>
\$	3,078,349	\$	3,068,103	\$	2,916,705	\$	3,570,554	\$	3,006,250
	6,719,465		7,562,837		8,806,300		7,245,046		7,563,630
	1,782,317		1,774,714		2,472,605		2,838,356		3,305,013
	163,679		213,801		139,755		185,989		165,038
	1,168,851		36,305		1,610,574		955,404		726,709
	735,649		1,285,185		725,934		1,476,484		1,719,624
	395,555		786,547		691,574		581,751		617,597
	4,092,757		3,467,955		4,881,755		4,911,763		4,588,703
	501,588		613,305		351,506		459,708		908,637
	320,080		329,062		353,387		337,249		331,142
	11,448		106,364		113,441		5,308		5,347
	6,759		6,728		7,420		6,783		5,644
	20,615,452		17,275,047		18,663,189		15,345,237		15,898,124
	<u>15,200,393</u>		<u>6,058,920</u>		<u>3,315,829</u>		<u>26,617,632</u>		<u>11,995,116</u>
	<u>54,792,342</u>		<u>42,584,873</u>		<u>45,049,974</u>		<u>64,537,264</u>		<u>50,836,574</u>

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

Table 2

	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Business-type Activities:</b>					
Charges for Services	\$ 1,178,963	\$ 1,269,237	\$ 1,616,331	\$ 1,715,941	\$ 2,696,391
Operating Grants and Contributions			29,461	45,940	5,498
Capital Grants and Contributions	<u>2,691,254</u>	<u>1,224,318</u>	<u>408,153</u>	<u>561,342</u>	<u>141,668</u>
Total business-type activities program revenues	<u>3,870,217</u>	<u>2,493,555</u>	<u>2,053,945</u>	<u>2,323,223</u>	<u>2,843,557</u>
Total primary government program revenues	<u>\$ 28,126,150</u>	<u>\$ 31,230,704</u>	<u>\$ 49,682,103</u>	<u>\$ 39,110,488</u>	<u>\$ 43,474,648</u>
<b>Net (Expense)/Revenue:</b>					
Governmental activities	\$( 74,180,565)	\$( 73,990,994)	\$( 56,652,061)	\$( 78,087,957)	\$( 87,486,217)
Business-type activities	<u>2,235,150</u>	<u>674,165</u>	<u>( 70,462)</u>	<u>( 21,656)</u>	<u>( 440,434)</u>
Total primary governmental net expense	<u>( 71,945,415)</u>	<u>( 73,316,829)</u>	<u>( 56,722,523)</u>	<u>( 78,109,613)</u>	<u>( 87,926,651)</u>
<b>General Revenues &amp; Other Changes in Net Position</b>					
<b>Governmental Activities:</b>					
Property taxes	56,725,407	60,611,489	67,484,298	68,739,287	72,549,360
Sales and other taxes	11,874,486	13,541,179	12,689,046	17,543,873	16,825,916
Grants and contributions not restricted to specific programs	244,538	199,006	314,168	245,477	217,066
Unrestricted investment earnings	928,391	1,227,165	2,615,731	4,516,924	2,950,658
Gain on disposition of capital assets	117,822		85,872	520	111,195
Miscellaneous	1,691,398	1,954,155	1,666,557	1,737,063	1,607,369
Transfers	<u>( 150,000)</u>	<u>( 150,000)</u>	<u>( 237,475)</u>		<u>( 100,000)</u>
Total governmental activities	<u>71,432,042</u>	<u>77,382,994</u>	<u>84,618,197</u>	<u>92,783,144</u>	<u>94,161,564</u>
<b>Business-type Activities:</b>					
Unrestricted investment earnings	2,125	1,293	2,646	4,723	13,227
Gain (loss) on disposition of capital assets					500
Transfers	<u>150,000</u>	<u>150,000</u>	<u>237,475</u>		<u>100,000</u>
Total business-type activities	<u>152,125</u>	<u>151,293</u>	<u>240,121</u>	<u>4,723</u>	<u>113,727</u>
Total primary government	<u>71,584,167</u>	<u>77,534,287</u>	<u>84,858,318</u>	<u>92,787,867</u>	<u>94,275,291</u>
<b>Change in Net Position</b>					
Governmental activities	( 2,748,523)	3,392,000	27,966,136	14,695,187	6,675,347
Business-type activities	<u>2,387,275</u>	<u>825,458</u>	<u>169,659</u>	<u>( 16,933)</u>	<u>( 326,707)</u>
Total primary government	<u>\$( 361,248)</u>	<u>\$ 4,217,458</u>	<u>\$ 28,135,795</u>	<u>\$ 14,678,254</u>	<u>\$ 6,348,640</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							
		2009	2010	2011	2012	2013			
\$	3,281,882	\$	2,523,391	\$	3,091,375	\$	3,096,897	\$	3,275,992
	43,086				46,750		8,509		
	<u>354,225</u>		<u>8,085,786</u>		<u>807,418</u>		<u>157,535</u>		<u>964,718</u>
	<u>3,679,183</u>		<u>10,609,177</u>		<u>3,945,543</u>		<u>3,262,941</u>		<u>4,240,710</u>
	<u>58,471,535</u>		<u>53,194,050</u>		<u>48,995,517</u>		<u>67,800,205</u>		<u>55,077,284</u>
(	83,021,574)	(	96,859,932)	(	96,350,146)		75,569,740		98,738,031
(	<u>67,430</u> )		<u>7,335,290</u>		<u>47,098</u>		<u>1,034,537</u>		<u>272,226</u>
(	<u>83,089,004</u> )	(	<u>89,524,642</u> )	(	<u>96,303,048</u> )		<u>76,604,277</u>		<u>99,010,257</u>
	81,235,296		86,026,984		90,322,731		92,323,262		100,582,765
	16,794,059		15,538,547		16,971,997		18,244,871		20,439,065
	78,956				370,307		254,896		243,808
	1,686,538		1,304,639		1,178,754		341,652		563,572
	10,106				69,146		671,000		
	1,894,054		1,253,276		1,345,057	(	1,894,000)		1,010,487
(	<u>349,500</u> )								( <u>20,145</u> )
	<u>101,349,509</u>		<u>104,123,446</u>		<u>110,257,992</u>		<u>109,941,681</u>		<u>122,819,552</u>
	10,326		16,585		7,550		2,760		2,583
			13,429				3,563		
	<u>349,500</u>						<u>1,894,000</u>		<u>20,145</u>
	<u>359,826</u>		<u>30,014</u>		<u>7,550</u>		<u>1,902,997</u>		<u>22,728</u>
	<u>101,709,335</u>		<u>104,153,460</u>		<u>110,265,542</u>		<u>111,844,678</u>		<u>122,842,280</u>
	18,327,935		7,263,514		13,907,846		185,511,421		24,081,521
	<u>292,396</u>		<u>7,365,304</u>		<u>54,648</u>		<u>868,460</u>		( <u>249,498</u> )
\$	<u>18,620,331</u>	\$	<u>14,628,818</u>	\$	<u>13,962,494</u>	\$	<u>186,379,881</u>	\$	<u>23,832,023</u>

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

Table 3

	Fiscal Year				
	2004	2005	2006	2007	2008
General Fund:					
Reserved	\$ 1,149,125	\$ 1,035,239	\$ 1,181,546	\$ 1,536,623	\$ 945,689
Unreserved	10,119,747	12,398,370	17,368,350	23,816,764	24,057,655
Non-spendable					
Restricted					
Committed					
Unassigned					
Total general fund	<u>\$ 11,268,872</u>	<u>\$ 13,433,609</u>	<u>\$ 18,549,896</u>	<u>\$ 25,353,387</u>	<u>\$ 25,033,344</u>
All Other Governmental Funds:					
Reserved	\$ 2,341,383	\$ 2,904,897	\$ 3,780,614	\$ 5,025,466	\$ 4,426,316
Unreserved:					
Designated:					
Capital projects funds	7,288,634	5,482,269	16,542,134	23,553,119	19,157,559
Undesignated:					
Capital projects funds		85,098			
Special revenue funds	9,262,935	9,825,608	12,453,432	14,721,315	16,417,485
Non-spendable					
Restricted					
Committed					
Assigned					
Unassigned					
Total all other governmental funds	<u>\$ 18,892,952</u>	<u>\$ 18,297,872</u>	<u>\$ 32,776,180</u>	<u>\$ 43,299,900</u>	<u>\$ 40,001,360</u>

		Fiscal Year				
		2009	2010	2011	2012	2013
\$	3,668,508	\$	4,099,579	\$		\$
	22,719,603		27,121,283			
				1,158,255	1,165,424	1,351,205
				1,530,251	1,453,855	935,285
				1,553,849	1,467,868	1,741,708
				<u>34,200,927</u>	<u>41,062,932</u>	<u>50,715,965</u>
\$	<u>26,388,111</u>	\$	<u>31,220,862</u>	\$	<u>38,443,282</u>	\$
					<u>45,150,079</u>	<u>54,744,163</u>
\$	29,103,256	\$	41,438,332	\$	33,101,953	\$
	792,514		776,374			
				1,053,294	1,542,479	1,312,148
				31,269,960	63,146,748	53,067,517
				778,699		
				( 13,309 )	( 249,837 )	( 1,179,913 )
\$	<u>29,895,770</u>	\$	<u>42,214,706</u>	\$	<u>33,088,644</u>	\$
					<u>64,439,390</u>	<u>53,199,752</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				
	2004	2005	2006	2007	2008
Revenues:					
Taxes	\$ 68,926,987	\$ 74,871,254	\$ 80,618,481	\$ 85,899,285	\$ 89,733,333
Intergovernmental	10,554,254	13,154,480	14,658,241	12,553,652	16,962,416
Charges for services	6,777,239	6,946,094	8,505,724	9,339,206	9,170,529
Licenses and permits	2,716,482	3,510,492	4,192,040	4,319,103	4,178,179
Fines and forfeitures	2,755,884	2,681,213	2,937,726	3,030,492	2,932,468
Special assessments	40,622	21,142	20,355	39,984	41,366
Investment income	896,098	1,189,482	2,558,836	4,437,291	2,910,886
Miscellaneous	2,775,181	2,168,765	1,650,000	2,707,950	2,256,193
Total revenues	<u>95,442,747</u>	<u>104,542,922</u>	<u>115,141,403</u>	<u>122,326,963</u>	<u>128,185,370</u>
Expenditures:					
Current Expenditures:					
General administration	4,490,510	5,036,224	5,193,392	5,647,182	7,338,056
Judicial and legal	11,702,822	12,132,962	13,101,418	14,720,532	16,024,206
Financial administration	6,825,415	7,307,863	7,477,425	7,895,801	8,618,867
Elections	77,817	109,644	2,276,634	378,867	692,279
Public facilities	2,544,981	2,757,631	2,667,167	3,379,986	3,428,404
Public safety	10,726,572	12,224,147	13,229,168	13,543,831	17,059,446
Corrections	16,441,503	16,995,740	17,823,526	19,110,690	21,462,209
Public transportation	20,201,559	20,923,768	20,482,267	19,549,824	21,173,785
Health and welfare	7,724,836	8,014,313	9,779,785	9,925,766	9,945,531
Public assistance	226,000	296,000	296,000	296,000	296,000
Culture and recreation	6,724,925	6,114,890	6,335,099	7,046,649	7,660,650
Conservation	388,549	334,836	373,006	350,210	393,215
Environmental protection	122,224	135,140	142,056	179,182	199,402
Community development	3,869,450	4,158,810	2,867,898	2,241,638	2,227,029
Capital outlay	3,416,104	1,720,896	2,841,843	9,988,904	17,263,186
Debt Service:					
Principal	3,016,366	3,164,604	2,975,208	2,805,000	3,760,000
Interest and fiscal charges	1,565,351	1,395,797	1,556,717	2,617,009	2,472,201
Total expenditures	<u>100,064,984</u>	<u>102,823,265</u>	<u>109,418,609</u>	<u>119,677,071</u>	<u>140,014,466</u>
Excess of revenues over (under) expenditures	<u>( 4,622,237 )</u>	<u>1,719,657</u>	<u>5,722,794</u>	<u>2,649,892</u>	<u>( 11,829,096 )</u>

(continued)

Fiscal Year				
2009	2010	2011	2012	2013
\$ 97,948,315	\$ 101,144,578	\$ 107,106,700	\$ 110,958,850	\$ 121,080,797
23,271,447	19,425,363	21,252,449	36,457,092	25,990,993
8,513,053	8,825,218	9,312,082	9,630,462	10,326,829
4,364,604	4,632,972	4,748,920	4,876,770	5,245,553
2,999,714	3,349,587	3,868,556	3,772,795	4,332,729
65,891	127,307	221,773	193,309	196,203
1,670,081	1,299,600	1,197,606	330,704	531,586
<u>2,461,330</u>	<u>1,837,188</u>	<u>2,131,525</u>	<u>2,259,033</u>	<u>2,360,819</u>
<u>141,294,435</u>	<u>140,641,813</u>	<u>149,839,611</u>	<u>168,479,015</u>	<u>170,065,509</u>
8,316,067	8,967,373	9,161,421	8,086,323	8,548,201
16,581,752	16,795,972	16,748,044	16,980,083	17,856,724
9,014,398	9,234,021	9,204,212	10,309,390	11,374,699
433,657	441,531	413,086	412,593	487,833
3,716,015	3,762,477	4,428,992	4,876,561	4,288,098
16,101,590	16,467,367	17,115,173	17,558,737	18,673,646
21,802,308	21,811,543	23,659,629	23,475,441	24,472,837
26,550,726	19,813,342	20,420,257	18,796,758	20,085,745
10,964,979	12,373,186	11,255,659	9,296,836	8,233,428
296,000	296,000	296,000	296,000	296,000
8,429,724	8,872,828	8,647,754	8,977,994	9,978,916
411,494	376,220	337,521	334,459	509,363
203,304	196,019	272,161	532,919	9,176,406
2,476,674	3,433,742	5,964,892	7,369,411	15,956,234
17,780,454	13,286,022	15,687,513	29,094,764	12,420,735
4,240,000	4,450,000	5,030,000	5,590,000	5,520,000
<u>2,391,636</u>	<u>2,510,730</u>	<u>3,319,324</u>	<u>3,187,785</u>	<u>3,956,542</u>
<u>149,710,778</u>	<u>143,088,373</u>	<u>151,961,638</u>	<u>165,176,054</u>	<u>171,835,407</u>
( 8,416,343 )	( 2,446,560 )	( 2,122,027 )	3,302,961	( 1,769,898 )

**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				
	2004	2005	2006	2007	2008
Other Financing Sources (Uses):					
Issuance of bonds	\$	\$	\$ 13,880,000	\$ 14,000,000	\$ 17,950,000
Premium on issuance of bonds			117,050	606,572	330,304
Proceeds from sale of capital assets					
Issuance of capital leases			134,081	70,747	344,569
Proceeds from refunding bonds					
Payments to escrow agent					
Other			( 21,855)		( 10,344,360)
Transfers in	1,859,610	1,266,797	1,496,992	988,139	1,802,660
Transfers out	( 2,009,610)	( 1,416,797)	( 1,734,467)	( 988,139)	( 1,902,660)
Total other financing sources (uses)	( 150,000)	( 150,000)	13,871,801	14,677,319	8,180,513
Net change in fund balances	<u>\$( 4,772,237)</u>	<u>\$ 1,569,657</u>	<u>\$ 19,594,595</u>	<u>\$ 17,327,211</u>	<u>\$( 3,648,583)</u>
Debt service as a percentage of noncapital expenditures	4.7%	4.5%	4.3%	4.9%	5.1%

Fiscal Year				
2009	2010	2011	2012	2013
\$	\$ 19,425,000	\$	\$ 38,125,000	\$
	101,722		3,076,953	
45,020	71,525	218,385	107,459	144,489
			( 4,660,830)	
2,097,774	1,204,557	7,686,208	4,097,912	2,065,045
( 2,447,274)	( 1,204,557)	( 7,686,208)	( 5,991,912)	( 2,085,190)
( 304,480)	19,598,247	218,385	34,754,582	124,344
<u>\$( 8,720,823)</u>	<u>\$ 17,151,687</u>	<u>\$( 1,903,642)</u>	<u>\$ 38,057,543</u>	<u>\$( 1,645,554)</u>
5.0%	5.4%	6.1%	6.5%	5.9%

**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					
2013	\$ 12,262,875	\$ 11,064,702	\$ 23,327,577	\$ 7,382,439	\$ 15,945,138	\$ 378,102	\$ 3,897,896	\$ 20,221,136
2012	12,144,343	10,995,245	23,139,588	7,556,250	15,583,338	391,224	3,599,879	19,574,441
2011	11,317,327	13,509,869	24,827,196	7,405,684	17,421,512	453,986	2,320,561	20,196,059
2010	11,551,683	13,546,817	25,098,500	7,174,101	17,924,399	512,177	2,435,863	20,872,439
2009	10,501,274	12,734,892	23,236,166	6,223,999	17,012,167	443,245	2,250,737	19,706,149
2008	9,527,254	13,172,882	22,700,136	7,152,420	15,547,716	405,484	2,055,336	18,008,536
2007	8,487,677	11,709,803	20,197,480	6,400,362	13,797,118	386,629	1,847,430	16,031,177
2006	9,114,072	9,824,879	18,938,951	5,150,588	13,788,363	387,153	1,774,176	15,949,692
2005	8,261,046	9,134,771	17,395,817	4,951,648	12,444,169	313,207	1,593,186	14,350,562
2004	7,433,887	9,266,226	16,700,113	4,939,527	11,760,586	223,890	1,492,274	13,476,750

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

---

\$ 0.485860  
0.473101  
0.463101  
0.426286  
0.390000  
0.371396  
0.381701  
0.407987  
0.421955  
0.419500

**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

	2004 Tax Rate	2005 Tax Rate	2006 Tax Rate	2007 Tax Rate
<b>County Direct Rates:</b>				
General Fund	0.284237	0.286210	0.279356	0.266000
Road & Bridge	0.047500	0.047500	0.047500	0.034500
Mosquito Control				
Special R&B - Article 6790	0.060000	0.060000	0.060000	0.060000
Debt Service Fund - Jail Building Bonds	0.020513	0.020995	0.015000	0.011000
Certificate of Obligation - Series 2003	0.007250	0.007250	0.006131	0.005131
Certificate of Obligation - Series 2006				0.005070
Certificate of Obligation - Series 2012				
Unlimited Tax Road Bonds - Series 2008				
Total direct rate	0.419500	0.421955	0.407987	0.381701
<b>City Rates:</b>				
Alvin	0.803600	0.803600	0.803600	0.803600
Angleton	0.744774	0.739774	0.734150	0.706000
Brazoria	0.728300	0.728300	0.728300	0.728300
Brookside Village	0.460000	0.460000	0.460000	0.460000
Clute	0.723000	0.723000	0.723000	0.698000
Danbury	0.841738	0.823830	0.775664	0.766940
Freeport	0.716900	0.716900	0.710000	0.710000
Hillcrest Village	0.374512	0.374512	0.374512	0.374512
Town of Holiday Lakes	1.269340	1.230848	0.719325	0.945784
Village of Jones Creek	0.310000	0.310000	0.310000	0.310000
Lake Jackson	0.370300	0.370000	0.380000	0.385000
Liverpool	0.175800	0.175800	0.175800	0.175800
Manvel	0.710247	0.659603	0.648500	0.587831
Village of Oyster Creek	0.411106	0.411106	0.452100	0.387211
Pearland	0.696000	0.694755	0.674400	0.652600
Town of Quintana	0.160000	0.050000	0.040000	0.032000
Richwood	0.691200	0.691200	0.691200	0.681080
Village of Surfside Beach	0.400354	0.400354	0.490000	0.342392
Sweeny	0.775571	0.775571	0.750000	0.750000
West Columbia	0.838837	0.838837	0.838837	0.831900
<b>School District Rates:</b>				
Alvin ISD	1.626100	1.676000	1.705800	0.328200
Angleton ISD	1.630000	1.610000	1.571000	1.197000
Brazosport ISD	1.472800	1.522800	1.572800	1.133900
Columbia-Brazoria ISD	1.576300	1.870000	1.770000	1.296500
Damon ISD	1.360000	1.420000	1.420000	1.040000
Danbury ISD	1.540000	1.561500	1.557600	1.134900
Pearland ISD	1.809200	1.792200	1.792200	1.427200
Sweeny ISD	1.675000	1.692000	1.671000	1.211700
<b>Special District Rates:</b>				
Alvin Community College	0.254766	0.240561	0.237555	0.210280
Angleton-Danbury Hospital	0.260562	0.248244	0.247745	0.246500
Brazoria Co. DD # 1 (Angleton)	0.185000	0.185000	0.175000	0.170850
Brazoria Co. DD # 2 (Velasco)	0.073924	0.076210	0.082113	0.082075
Brazoria Co. DD # 3 (Alvin or C&R #3)	0.116623	0.131623	0.130634	0.128143
Brazoria Co. DD # 4 (Pearland)	0.142820	0.142009	0.143845	0.143845
Brazoria Co. DD # 5 (Iowa Colony)	0.266328	0.244006	0.221958	0.190894
Brazoria Co. DD # 8 (Danbury)	0.372689	0.372689	0.372541	0.353723
Brazoria Co. DD #11 (W. Brazoria Co.)	0.020000	0.020000	0.020000	0.200000
Brazoria Co. FWSD # 1	0.730000	0.400000	0.360000	0.310000
Brazoria Co. MUD # 1 (Pearland)	0.540000	0.530000	0.460000	
Brazoria Co. MUD # 2 (Southwyck)	0.670000	0.550000	0.480000	0.510000
Brazoria Co. MUD # 3 (Silverlake)	0.817000	0.717000	0.647000	0.650000
Brazoria Co. MUD # 4 (Country Place)	0.778000	0.728000	0.688000	0.628000
Brazoria Co. MUD # 5 (Southdown)	0.670000	0.670000	0.670000	
Brazoria Co. MUD # 6 (Weatherford)	0.987500	0.890000	0.800000	0.670000
Brazoria Co. MUD #16		0.950000		0.950000
Brazoria Co. MUD #17	0.750000	0.750000	0.750000	0.730000
Brazoria Co. MUD #18	0.650000	0.650000	0.640000	0.590000
Brazoria Co. MUD #19	0.800000	0.800000	0.800000	0.680000
Brazoria Co. MUD #21	1.350000	1.350000	1.350000	1.350000

<u>2008 Tax Rate</u>	<u>2009 Tax Rate</u>	<u>2010 Tax Rate</u>	<u>2011 Tax Rate</u>	<u>2012 Tax Rate</u>	<u>2013 Tax Rate</u>
0.247671	0.255767	0.288745	0.319268	0.323617	0.323913
0.028800	0.035500	0.035000	0.032800	0.036500	0.045000
0.010200	0.008550	0.008000	0.008000	0.010000	0.013947
0.600000	0.600000	0.060000	0.060000	0.060000	0.060000
0.008925	0.011404	0.015141	0.015141	0.015000	0.011587
0.004950	0.004650	0.005200	0.005200	0.006000	0.002800
0.005150	0.005129	0.005600	0.005600	0.005784	0.005363
					0.006250
<u>0.005700</u>	<u>0.009000</u>	<u>0.008600</u>	<u>0.017092</u>	<u>0.016200</u>	<u>0.017000</u>
<u>0.371396</u>	<u>0.390000</u>	<u>0.426286</u>	<u>0.463101</u>	<u>0.473101</u>	<u>0.485860</u>
0.803600	0.803600	0.803600	0.883600	0.843800	0.843600
0.706000	0.706000	0.706000	0.723500	0.723500	0.723500
0.728300	0.728300	0.762300	0.762300	0.762300	0.770700
0.460000	0.460000	0.500000	0.500000	0.500000	0.500000
0.693000	0.672000	0.672000	0.672000	0.672000	0.672000
0.760600	0.762014	0.769538	0.826940	0.826940	0.829169
0.700000	0.708266	0.708266	0.680000	0.700000	0.675586
0.374512	0.374512	0.377754	0.386105	0.391782	0.432600
0.924070	0.950737	0.983434	1.035704	1.085564	1.062565
0.340000	0.380000	0.380000	0.380000	0.380000	0.410000
0.390000	0.390000	0.390000	0.390000	0.390000	0.390000
0.175800	0.236852	0.236850	0.296850	0.230463	0.230463
0.587863	0.587863	0.587863	0.587863	0.587863	0.587863
0.395000	0.401142	0.423154	0.431106	0.473161	0.476394
0.652600	0.652600	0.665100	0.685100	0.705100	0.705100
0.027140	0.033365	0.024413	0.024413	0.023640	0.022882
0.693660	0.693660	0.693660	0.693660	0.735680	0.735680
0.352392	0.442056	0.408801	0.402610	0.432601	0.432601
0.762105	0.741595	0.772818	0.782818	0.844034	0.887456
0.831900	0.831900	0.831900	0.831900	0.831900	0.831900
1.328200	1.304100	1.304100	1.344100	1.329100	1.329100
1.314000	1.455200	1.455200	1.455200	1.455200	1.455200
1.192200	1.228500	1.241500	1.241500	0.125950	1.255300
1.296500	1.296500	1.296500	1.296500	1.296500	1.296500
1.170000	1.170000	1.170000	1.170000	1.170000	1.170000
1.134900	1.143900	1.135400	1.137000	1.136445	1.141081
1.419400	1.419400	1.419400	1.419400	1.419400	1.415700
1.211700	1.211700	1.211700	1.211700	1.211700	1.211700
0.199832	0.199830	0.199830	0.199485	0.199756	0.199756
0.246500	0.246500	0.279998	0.299592	0.359592	0.362678
0.183900	0.183900	0.183900	0.176563	0.176563	0.175448
0.082075	0.087130	0.090907	0.094214	0.094805	0.100226
0.150000	0.150000	0.150000	0.150000	0.150000	0.150000
0.143845	0.143845	0.156000	0.156000	0.156000	0.156000
0.186897	0.189727	0.189098	0.188304	0.193966	0.193194
0.361000	0.366000	0.366000	0.366000	0.366000	0.349474
0.200000	0.020000	0.020000	0.020000	0.020000	0.020000
0.300000	0.295000	0.280000	0.280000	0.250000	0.250000
0.500000	0.500000	0.500000	0.500000	0.490000	0.490000
0.630000	0.630000	0.630000	0.630000	0.630000	0.630000
0.628000	0.630000	0.630000	0.660000	0.630000	0.630000
0.630000	0.630000	0.630000	0.630000	0.630000	0.630000
0.950000	0.950000	0.950000	0.950000	0.940000	0.940000
0.630000	0.600000	0.547000	0.547000	0.547000	0.544000
0.570000	0.560000	0.550000	0.545000	0.530000	0.510000
0.660000	0.630000	0.620000	0.600000	0.580000	0.550000
1.350000	1.450000	1.430000	1.430000	1.430000	1.430000

(continued)

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

Last Ten Fiscal Years

(rate per \$100 of assessed value)

Table 6

Page 2 of 2

<u>Taxing Jurisdictions</u>	<u>2004 Tax Rate</u>	<u>2005 Tax Rate</u>	<u>2006 Tax Rate</u>	<u>2007 Tax Rate</u>
Special Districts: (continued)				
Brazoria Co. MUD #22				
Brazoria Co. MUD #23	0.850000	0.850000	0.850000	0.850000
Brazoria Co. MUD #25	1.250000	1.250000	1.250000	1.230000
Brazoria Co. MUD #26	0.850000	0.850000	0.850000	0.710000
Brazoria Co. MUD #28	0.820000	0.820000	0.820000	0.820000
Brazoria Co. MUD #29		0.750000	0.750000	0.750000
Brazoria Co. MUD #31				1.390000
Brazoria Co. MUD #34		0.850000	0.850000	0.850000
Brazoria Co. MUD #35				
Brazoria Co. MUD #36				0.700000
Brazoria/Ft. Bend MUD #1		0.850000		0.850000
Sedona Lakes MUD #1				
Port Freeport	0.070000	0.067500	0.065000	0.056000
Brazosport College	0.105000	0.114000	0.119000	0.121000
Commodore Cove Improvement District	0.986093	0.986093	0.890000	0.597220
Oak Manor MUD	0.400000	0.360000	0.398000	0.363000
Treasure Island MUD	0.927240	0.823466	0.739283	0.595802
Varner Creek Utility District	0.592300	0.540000	0.510000	0.661890
Sweeny Hospital *	0.352600	0.349000	0.343781	0.298289
Rural Fire District #1	0.030000			
Emergency Svc District #1	0.070000	0.080000	0.080000	0.080000
Emergency Svc District #2	0.030000	0.030000	0.030000	0.030000
Emergency Svc District #3		0.100000	0.089975	0.093414

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

<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>	<u>2012</u> <u>Tax Rate</u>	<u>2013</u> <u>Tax Rate</u>
0.820000	0.800000	0.770000	1.630000	0.610000	1.400000
1.100000	1.100000	1.100000	1.100000	1.050000	0.600000
0.710000	0.710000	0.710000	0.690000	0.690000	1.000000
0.820000	0.820000	0.820000	0.820000	0.820000	0.690000
0.750000	0.800000	0.800000	0.800000	0.900000	0.820000
1.402040	1.300000	1.300000	1.300000	1.300000	0.940000
0.850000	0.850000	0.850000	0.850000	0.850000	1.300000
0.850000	0.890000	1.020000	1.020000	1.020000	0.850000
0.700000	0.700000	0.700000	0.700000	0.700000	1.020000
0.850000	0.850000	0.850000	0.850000	0.850000	0.700000
	1.250000	1.250000	1.250000	1.250000	0.850000
0.053500	0.053500	0.053500	0.053500	0.051500	1.250000
0.156488	0.175754	0.190175	0.239198	0.259436	0.045000
0.597220	0.620318	0.472234	0.475693	0.461570	0.267309
0.421852	0.451178	0.480000	0.500000	0.505000	0.467538
0.563556	1.258218	0.576368	0.604590	0.551848	0.520000
0.814000	0.858000	0.858000	0.888220	0.928000	0.575262
0.323170	0.349917	0.380692	0.393133	0.429109	0.890000
					0.470003
0.080000	0.080000	0.080000	0.080000	0.080000	0.080000
0.029987	0.030000	0.030000	0.030000	0.030000	0.030000
0.093410	0.093700	0.095000	0.097200	0.098322	0.098322

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

Table 7

<u>2013 Taxpayer</u>	<u>Type of Business</u>	<u>2013 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Dow Chemical Company	Chemical Manufacturer	\$ 2,388,633	11.81%
Conoco/Phillips Company	Petroleum Refinery	657,723	3.25%
Ineos USA LLC	Chemical Manufacturer	511,179	2.53%
BASF Corp	Chemical Manufacturer	444,359	2.20%
Chevron Phillips Chemical Co LP	Petroleum Refinery	294,900	1.46%
Shintech, Inc.	Chemical Manufacturer	146,477	0.72%
Freeport Energy Center		140,767	0.70%
Centerpoint Energy Inc.	Utility	128,715	0.64%
Denbury Onshore LLC	Utility	110,311	0.55%
Sweeny Cogeneration Limited Ptnshp	Utility	99,204	0.49%
		<u>\$ 4,921,268</u>	<u>\$ 24.35%</u>

<u>2004 Taxpayer</u>	<u>Type of Business</u>	<u>2004 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Dow Chemical Company	Chemical Manufacturer	\$ 2,483,434	18.43%
Phillips Petroleum	Petroleum Refinery	731,556	5.43%
BASF Corp - Chemical Division	Chemical Manufacturer	435,855	3.23%
BP Amoco Chemical	Chemical Manufacturer	415,648	3.08%
Equistar Chemicals	Chemical Manufacturer	171,655	1.27%
Shintech, Inc.	Chemical Manufacturer	158,421	1.18%
Oyster Creek Limited	Contract Services	136,765	1.01%
Centerpoint Lighting & Power	Electric Utility Company	113,490	0.84%
Schenectady International	Chemical/Manufacturer	76,400	0.57%
Southwestern Bell Telephone Co.	Utility	64,134	0.48%
		<u>\$ 4,787,358</u>	<u>\$ 35.52%</u>

Source: Brazoria County Appraisal District  
Assessed Valuation - 2013 \$ 20,221,136  
Assessed Valuation - 2004 \$ 13,476,750

**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
2013	\$ 98,767		\$ 97,705	98.92%	\$ --	\$ 97,705	98.92%
2012	91,984		90,896	98.82%	577	91,473	99.44%
2011	89,443		88,280	98.70%	573	88,853	99.34%
2010	85,056		83,846	98.58%	670	84,516	99.37%
2009	80,634		79,473	98.56%	629	80,102	98.34%
2008	72,190		71,118	98.52%	474	71,592	99.17%
2007	67,995		66,923	98.42%	507	67,430	99.17%
2006	64,505		63,508	98.45%	505	64,013	99.97%
2005	60,641		59,638	98.35%	482	60,120	99.14%
2004	56,304		55,284	98.19%	479	55,763	99.04%

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
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-
2012	52,310,000	37,075,000	4,182,039	85,202,961	-0-	-0-	-0-
2013	48,015,000	35,850,000	3,884,099	79,980,901	-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>
\$ 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%
85,202,961	0.44%	264	0.89%
79,980,901	0.40%	242	0.85%

# BRAZORIA COUNTY, TEXAS

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of September 30, 2013

Governmental Unit	Debt As Of	Debt Outstanding	Estimated Percentage Applicable **	Estimated Share of Direct and Overlapping Debt
<b>Special Districts:</b>				
Angleton-Danbury Medical Center	01/31/2014	\$ 12,715,000	*	\$ 12,715,000
Angleton Drainage District	11/30/2007	--	100.00%	--
Brazoria Co. MUD #1 (Pearland)	11/30/2007	--	100.00%	--
Brazoria Co. MUD #2 (Southwyck)	01/01/2014	5,975,000	100.00%	5,975,000
Brazoria Co. MUD #3	06/06/2013	7,929,600	100.00%	7,929,600
Brazoria Co. MUD #4 (Country Place)	02/14/2011	5,533,807	100.00%	5,533,807
Brazoria Co. MUD #6 (Weatherford)	11/13/2012	23,126,686	100.00%	23,126,686
Brazoria Co. MUD #16	07/31/2012	5,754,360	100.00%	5,754,360
Brazoria Co. MUD #17	03/21/2013	27,497,319	100.00%	27,497,319
Brazoria Co. MUD #18	02/28/2013	28,524,428	52.01%	14,835,555
Brazoria Co. MUD #19	03/21/2013	33,860,827	100.00%	33,860,827
Brazoria Co. MUD #21	07/15/2013	21,707,490	100.00%	21,707,490
Brazoria Co. MUD #23	06/06/2013	15,669,518	100.00%	15,669,518
Brazoria Co. MUD #25	09/02/2012	20,393,670	100.00%	20,393,670
Brazoria Co. MUD #26	03/28/2013	37,906,921	100.00%	37,906,921
Brazoria Co. MUD #28	04/17/2013	14,975,616	92.10%	13,792,542
Brazoria Co. MUD #29	04/26/2013	11,319,824	100.00%	11,319,824
Brazoria Co. MUD #31	07/26/2012	6,155,908	100.00%	6,155,908
Brazoria Co. MUD #34	06/27/2013	25,874,384	100.00%	25,874,384
Brazoria Co. MUD #35	01/31/2014	9,010,000	*	9,010,000
Brazoria-Fort Bend Co. MUD #1	09/30/2012	54,715,597	66.42%	36,342,100
Brazosport College District	01/31/2014	65,510,000	*	65,510,000
Varner Creek Utility District	12/31/2012	8,522,125	100.00%	8,522,125
Port Freeport	09/30/2012	4,374,071	100.00%	4,374,071
Brazoria Co. FWSD #1	06/30/2012	--	*	--
Commodore Cove Improvement District	01/31/2014	170,000	*	170,000
Sedona Lakes MUD #1	09/27/2012	7,336,961	100.00%	7,336,961
Velasco Drainage District	01/31/2014	6,125,000	100.00%	6,125,000
<b>Total Special Districts</b>		<b>\$ 460,684,112</b>		<b>\$ 427,438,668</b>
<b>Cities:</b>				
Alvin	09/30/2013	\$ 10,606,443	100.00%	\$ 10,606,443
Angleton	09/30/2012	5,967,928	100.00%	5,967,928
Brazoria	01/31/2014	1,670,000	*	1,670,000
Clute	01/31/2014	--	100.00%	--
Danbury	01/31/2014	2,101,000	*	2,101,000
Freeport	01/31/2014	4,584,000	*	4,584,000
Hillcrest Village	01/31/2014	120,000	*	120,000
Town of Holiday Lakes	01/31/2014	18,000	*	18,000
Lake Jackson	07/31/2013	22,372,885	100.00%	22,372,885
Manvel	01/31/2014	2,715,000	*	2,715,000
Oyster Creek	09/30/2012	169,133	100.00%	169,133
Pearland	06/30/2013	283,880,626	90.77%	257,678,444
Richwood	01/31/2014	2,795,000	*	2,795,000
Sweeny	01/31/2014	2,951,000	*	2,951,000
West Columbia	01/31/2014	220,000	*	220,000
<b>Total Cities</b>		<b>\$ 340,171,015</b>		<b>\$ 313,968,833</b>

(continued)

**BRAZORIA COUNTY, TEXAS**

*DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT - Continued*

Table 10

As of September 30, 2013

Governmental Unit	Debt As Of	Debt Outstanding	Estimated Percentage Applicable **	Estimated Share of Direct and Overlapping Debt
<b>School Districts:</b>				
Alvin CCD	08/31/2012	\$ 14,607,000	100.00%	\$ 14,607,000
Alvin ISD	01/31/2014	307,545,000 *	100.00%	307,545,000
Angleton ISD	01/31/2014	138,273,258 *	100.00%	138,273,258
Brazosport ISD	08/31/2012	146,124,819	100.00%	146,124,819
Columbia-Brazoria ISD	06/01/2013	38,764,268	100.00%	38,764,268
Damon ISD	01/31/2014	--	100.00%	--
Danbury ISD	08/31/2012	2,780,197	100.00%	2,780,197
Pearland ISD	06/30/2013	296,391,008	97.88%	290,107,519
Sweeny ISD	08/31/2012	<u>18,621,847</u>	100.00%	<u>18,621,847</u>
Total School Districts		\$ <u>963,107,397</u>		\$ <u>956,823,908</u>
Subtotal, overlapping debt				\$ 1,698,231,409
Total direct debt - Brazoria County			9/30/2012	<u>95,102,961</u>
Total direct and overlapping debt				<u>\$ 1,793,334,370</u>

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

\* Gross Debt

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

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

Table 11

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Assessed Value	\$ 13,498,808	\$ 14,521,217	\$ 16,031,176	\$ 18,008,536
Debt Limit 25%	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Debt Limit	<u>\$ 3,374,702</u>	<u>\$ 3,630,304</u>	<u>\$ 4,007,794</u>	<u>\$ 4,502,134</u>
Total bonded debt	\$ 32,320	\$ 29,200	\$ 40,375	\$ 51,570
Less: Amount available-repayment of General obligation bonds	<u>1,103</u>	<u>1,225</u>	<u>3,109</u>	<u>3,895</u>
Total net debt applicable to limit	<u>\$ 31,217</u>	<u>\$ 27,975</u>	<u>\$ 37,266</u>	<u>\$ 47,675</u>
Legal debt margin	<u>\$ 3,343,485</u>	<u>\$ 3,602,329</u>	<u>\$ 3,970,528</u>	<u>\$ 4,454,459</u>
Total net debt applicable to the limit As a percentage of debt limit	0.9%	0.8%	0.9%	1.1%

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>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</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>	\$ 19,574,441 <u>25%</u>	\$ 20,221,136 <u>25%</u>
\$ <u>4,926,537</u>	\$ <u>5,218,110</u>	\$ <u>5,049,015</u>	\$ <u>4,899,188</u>	\$ <u>4,893,610</u>	\$ <u>5,055,284</u>
\$ 55,635	\$ 51,395	\$ 66,370	\$ 61,340	\$ 89,385	\$ 83,865
<u>4,097</u>	<u>2,948</u>	<u>3,354</u>	<u>3,795</u>	<u>4,182</u>	<u>3,884</u>
\$ <u>51,538</u>	\$ <u>48,447</u>	\$ <u>63,016</u>	\$ <u>57,545</u>	\$ <u>85,203</u>	\$ <u>79,981</u>
\$ <u>4,874,999</u>	\$ <u>5,169,663</u>	\$ <u>4,985,999</u>	\$ <u>4,841,643</u>	\$ <u>4,808,407</u>	\$ <u>4,975,303</u>
1.1%	0.9%	1.2%	1.2%	1.7%	1.6%

**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>
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
2012	323,185	9,572,093	29,618	62,244	7.0
2013	330,460	9,463,383	28,637	63,460	6.5

\* Information from The Economic Development Alliance for Brazoria County – Gary Basinger, CEcD  
 \*\* Year 2004 Information from <http://www.tracer2.com>  
 \*\* Years 2005-2013 Information from The Economic Development Alliance for Brazoria County.  
 \*\*\* Information from <http://www.tea.state.tx.us/>

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

Current Year

Table 13

<u>Employer</u>	2013		<u>Percentage of Total County Employment</u>
	<u>Employees</u>	<u>Rank</u>	
The Dow Chemical Company	4,200	1	2.8%
Alvin ISD	2,652	2	1.8%
Pearland ISD	2,450	3	1.6%
Texas Department of Criminal Justice	2,382	4	1.6%
Fluor Corporation	1,700	5	1.1%
Brazosport ISD	1,618	6	1.1%
Miken Specialities	1,569	7	1.1%
Infinity Group	1,492	8	1.0%
Brazoria County	1,335	9	0.9%
Zachary Construction Company	<u>964</u>	10	<u>0.6%</u>
	<u>20,362</u>		<u>13.6%</u>

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

Note: Total employment is 148,491. Table should reflect comparison data from nine years ago; however, data was unavailable. All employers are non-retail.

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

Table 14

Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of September 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General administration	67	66	66	66	73	73	72	70	70	73
Judicial and legal	165	165	172	181	186	191	187	192	196	200
Financial administration	109	111	110	111	110	111	108	105	113	112
Elections	9	12	22	29	34	42	46	48	58	63
Public facilities	22	23	22	22	23	24	24	25	24	23
Public safety	162	160	169	183	193	197	206	204	204	207
Corrections	301	306	314	324	337	335	358	351	350	354
Public transportation	175	167	166	172	171	172	164	167	163	164
Health and welfare	73	75	73	79	80	91	91	86	85	82
Culture and recreation	120	125	124	127	126	132	136	133	133	135
Conservation	10	10	9	11	11	11	9	8	10	9
Environmental protection	3	3	3	4	4	4	4	4	3	4
Community development	3	3	4	4	4	5	6	5	5	5
Airport	9	10	10	8	9	9	8	11	11	11
<b>Total</b>	<b><u>1,228</u></b>	<b><u>1,236</u></b>	<b><u>1,264</u></b>	<b><u>1,321</u></b>	<b><u>1,361</u></b>	<b><u>1,397</u></b>	<b><u>1,419</u></b>	<b><u>1,409</u></b>	<b><u>1,425</u></b>	<b><u>1,442</u></b>

Source: Brazoria County Human Resource Reports – “Job Function Report”

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





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

Table 15  
 Page 1 of 3

Function	Fiscal Year				
	2004	2005	2006	2007	2008
General Administration:					
County Clerk:					
Marriage License applications	1,643	1,674	1,871	1,905	1,865
Birth certificates filed	1,194	1,304	1,194	1,330	1,325
Death certificates filed	959	1,202	1,177	1,270	1,126
Probate cases filed	732	783	803	738	762
Beer license applications	87	78	63	118	126
Judicial and Legal:					
District Court Level:					
Beginning civil cases pending	6,331	6,288	6,304	5,543	5,684
Civil cases docket adjustment					178
Civil cases filed	6,078	6,015	6,075	5,947	6,028
Civil cases disposed	<u>6,121</u>	<u>5,999</u>	<u>6,836</u>	<u>5,806</u>	<u>6,719</u>
Ending civil cases pending	<u>6,288</u>	<u>6,304</u>	<u>5,543</u>	<u>5,684</u>	<u>5,171</u>
Beginning criminal cases pending	1,837	1,820	1,934	2,121	1,973
Criminal cases docket adjustment	10	( 73)		4	70
Criminal cases filed	2,498	2,840	2,954	2,788	3,668
Criminal cases disposed	<u>2,525</u>	<u>2,653</u>	<u>2,767</u>	<u>2,940</u>	<u>3,377</u>
Ending criminal cases pending	<u>1,820</u>	<u>1,934</u>	<u>2,121</u>	<u>1,973</u>	<u>2,334</u>
County Court Level:					
Beginning civil cases pending	842	996	941	1,382	1,975
Civil cases docket adjustment				2	
Civil cases filed	2,767	2,673	3,276	3,453	2,620
Civil cases disposed	<u>2,613</u>	<u>2,728</u>	<u>2,835</u>	<u>2,862</u>	<u>2,835</u>
Ending civil cases pending	<u>996</u>	<u>941</u>	<u>1,382</u>	<u>1,975</u>	<u>1,760</u>
Beginning criminal cases pending	3,509	4,113	5,948	6,763	6,181
Criminal cases docket adjustment	1				
Criminal cases filed	7,581	7,716	8,466	7,176	6,192
Criminal cases disposed	<u>6,978</u>	<u>5,881</u>	<u>7,651</u>	<u>7,758</u>	<u>7,107</u>
Ending criminal cases pending	<u>4,113</u>	<u>5,948</u>	<u>6,763</u>	<u>6,181</u>	<u>5,266</u>
Beginning juvenile cases pending	163	174	171	191	202
Juvenile cases docket adjustment	1				
Juvenile cases filed	566	621	667	718	536
Juvenile cases disposed	<u>556</u>	<u>624</u>	<u>647</u>	<u>707</u>	<u>541</u>
Ending juvenile cases pending	<u>174</u>	<u>171</u>	<u>191</u>	<u>202</u>	<u>197</u>

Fiscal Year					
2009	2010	2011	2012	2013	
1,978	1,979	1,998	2,087	2,076	
1,251	1,262	1,044	1,222	1,176	
1,248	1,251	1,347	1,461	1,446	
763	773	747	753	824	
126	88	89	71	67	
5,171	6,332	6,544	7,025	6,345	
( 132)	( 387)	232	2		
6,686	6,709	7,085	6,634	5,655	
5,393	6,110	6,836	7,316	5,935	
6,332	6,544	7,025	6,345	6,065	
2,334	2,312	2,448	2,134	2,137	
	2	( 290)	5	2	
3,201	2,918	3,548	3,308	3,435	
3,223	2,784	3,572	3,308	3,346	
2,312	2,448	2,134	2,137	2,228	
1,760	1,260	1,053	1,167	1,189	
29	1	93	( 14)	1	
1,891	1,863	1,951	1,885	1,796	
2,420	2,071	1,929	1,849	1,790	
1,260	1,053	1,168	1,189	1,196	
5,266	5,758	6,007	5,022	4,766	
18	( 4)	( 866)	( 8)	14	
7,650	6,707	7,578	7,971	7,845	
7,176	6,454	7,697	8,219	8,046	
5,758	6,007	5,022	4,766	4,579	
197	181	135	165	116	
		86	98	90	
519	462	593	561	515	
535	508	649	708	567	
181	135	165	116	154	

(continued)

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

Table 15  
 Page 2 of 3

Function	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Judicial and Legal:</b>					
Justice of the Peace Level:					
Cases Filed:					
Traffic	29,651	28,634	28,265	30,787	29,008
Non-traffic	11,055	10,474	11,127	10,990	9,406
Small claims suits	730	544	506	429	496
Forcible entry & detainer	1,925	1,978	2,075	2,480	2,345
Other civil suits	665	522	769	1,114	2,294
Cases Disposed:					
Traffic	26,037	26,859	27,634	31,162	28,688
Non-traffic	9,449	10,527	11,396	12,632	10,299
Small claims suits	636	450	452	476	471
Forcible entry and detainer	1,814	1,765	1,959	2,248	2,328
Other civil suits	523	379	511	862	1,675
Inquests	361	336	371	341	316
<b>Financial Administration:</b>					
County Auditor:					
Accounts payable check issued	17,954	18,720	18,633	19,650	20,171
Human Resources:					
Pre-employment drug screens	109	179	298	274	242
Employee random drug screen	55	68	25	64	73
Payroll checks	5,143	4,750	4,657	4,866	4,444
Payroll advices	28,189	29,680	29,133	30,231	31,800
Purchasing:					
Number of purchase orders issued	9,350	8,901	8,815	8,991	9,754
Tax Assessor-Collector:					
Registered voters	161,485	156,126	161,683	160,507	172,768
Voting precincts	75	77	77	77	71
Elections:					
Computerized Voting Equipment:					
Judges booths	0	125	125	125	125
Regular voting machines	0	499	499	499	623
ADA compliant voting machine	0	125	125	125	125

Fiscal Year				
2009	2010	2011	2012	2013
26,236	22,763	24,317	50,384	43,565
9,857	8,467	7,779	35,067	33,162
528	455	421	681	568
2,322	2,481	2,177	3,008	2,752
1,787	1,226	1,429	3,072	2,779
24,556	24,329	23,823	21,937	19,835
9,079	8,914	7,988	13,503	13,285
473	513	378	438	310
2,257	2,388	2,105	2,722	2,428
1,712	1,487	1,208	1,696	1,294
335	311	N/A	N/A	N/A
20,242	20,199	19,317	18,329	18,434
185	166	288	178	181
99	89	70	89	164
4,071	3,382	3,170	2,834	2,212
33,051	33,764	33,911	34,853	35,853
8,026	8,305	7,662	7,943	7,241
167,921	164,625	168,769	181,576	179,063
72	72	62	66	68
135	135	135	135	135
623	623	623	623	623
125	125	125	125	125

(continued)

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

Table 15  
 Page 3 of 3

Function	Fiscal Year				
	2004	2005	2006	2007	2008
<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	736	730	710	600	1,063
Indigent Health Care:					
Indigent patients	6,408	2,196	1,632	1,200	1,172
Water Lab:					
Water test performed	8,879	8,629	8,846	8,639	8,827
<b>Culture and Recreation:</b>					
Library:					
Library locations	11	11	11	11	11
Bookmobiles	0	0	0	0	0
Collection inventory	576,449	589,066	589,747	590,399	593,128
Items checked out	1,282,210	1,284,806	1,326,618	1,364,303	1,335,901
Library program attendance	42,554	41,339	43,771	44,642	43,468
Internet usage	134,836	147,645	179,147	218,607	292,449
Parks and Recreation:					
Museum	1	1	1	1	1
<b>Environmental Protection:</b>					
Flood Plain Administrator:					
Construction permits issued	3,751	4,307	3,596	3,127	2,308
Estimated value of construction	714,353,069	2,619,633,789	838,167,441	896,501,328	623,458,910
<b>Community Development:</b>					
First time homebuyers	36	39	26	18	12
Reconstructions (home replacement)	2	5	3	6	3
Rehabilitation (home repair)	2	4	9	1	2

Sources: Various County departments. Case data is reported to the Texas Office of Court Administration. In addition to the Flood Plain Administrator, cities within the County provided construction permit information. For the Indigent Health Care patients, the numbers reflect a decrease from 100% coverage of the federal poverty guidelines to the present coverage of 21%.

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

Fiscal Year				
2009	2010	2011	2012	2013
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
30	52	52	52	52
24	24	24	24	24
409	419	388	400	454
406	526	412	394	351
8,395	8,234	8,129	7,942	7,621
11	12	12	12	12
0	0	0	0	0
608,484	612,028	608,127	587,243	609,649
1,305,167	1,424,178	1,460,912	1,444,729	1,436,680
45,046	41,586	41,893	45,978	55,458
316,054	337,804	286,277	270,668	250,548
1	1	1	1	1
1,708	1,895	2,157	1,936	2,208
423,848,799	405,085,040	379,486,135	434,749,197	595,509,275
23	22	20	19	17
4	3	2	7	5
2	3	1	2	1

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

Table 16

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
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	9	9	9	9	9	9	9	9
Public Safety:										
Sheriff Vehicles	98	98	116	109	125	119	116	123	124	103
Constable Vehicles	12	13	15	16	25	25	28	26	27	28
Public Transportation:										
Roads - Paved (miles)	999.65	1002.53	1004.14	1012.47	1020.42	1042.69	1048.04	1048.65	1055.34	1057.75
Roads - Unpaved (miles)	170.15	169.95	169.95	169.95	169.95	169.95	167.82	167.82	168.82	168.82
Bridges	120	124	126	126	126	127	128	130	131	131

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.



**FEDERAL AND STATE AWARDS SECTION**



# KENNEMER, MASTERS & LUNSFORD

CERTIFIED PUBLIC ACCOUNTANTS

Limited Liability Company

**Lake Jackson Office:**  
8 West Way Court  
Lake Jackson, Texas 77566

**El Campo Office:**  
201 W. Webb  
El Campo, Texas 77437

**Houston Office:**  
10260 Westheimer, Suite 410  
Houston, Texas 77042

## Independent Auditor's Report

On Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Brazoria County, Texas (the "County"), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 6, 2014.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

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

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Kennemer, Masters & Kingford, LLC*

Lake Jackson, Texas  
March 6, 2014

# KENNEMER, MASTERS & LUNSFORD

CERTIFIED PUBLIC ACCOUNTANTS

Limited Liability Company

**Lake Jackson Office:**  
8 West Way Court  
Lake Jackson, Texas 77566

**El Campo Office:**  
201 W. Webb  
El Campo, Texas 77437

**Houston Office:**  
10260 Westheimer, Suite 410  
Houston, Texas 77042

## Independent Auditor's Report

On Compliance for each Major Program and on Internal  
Control over Compliance Required by OMB Circular A-133

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

### **Report on Compliance for Each Major Federal Program**

We have audited Brazoria County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal and state programs for the year ended September 30, 2013. The County's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the Texas *Single Audit Circular*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the County's compliance.

#### ***Opinion on Each Major Federal Program***

In our opinion, Brazoria County, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2013.

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Court of Brazoria County, Texas

## Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Kennemer, Masters & Hunsford, LLC*

Lake Jackson, Texas 77566  
March 6, 2014

**BRAZORIA COUNTY, TEXAS**

*SCHEDULE OF FINDINGS AND QUESTIONED COSTS*

For the Year Ended September 30, 2013

*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:
    - 10.557 Women, Infants and Children (WIC)
    - 14.218 Community Development Block Grant
    - 14.871 Section 8 Housing Voucher Program
    - 15.668 Coastal Impact Assistance Program
    - 20.106 Airport Improvement Program
  - State:
    - TJJD Cluster Programs
8. Dollar threshold used to distinguish between Type A and Type B programs: Federal \$ 669,435; 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, 2013

*Page 1 of 1*

None.



**BRAZORIA COUNTY, TEXAS**  
*CORRECTIVE ACTION PLAN*  
Year Ended September 30, 2013

None.

**BRAZORIA COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended September 30, 2013

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	TDH746000044513	\$ <u>1,266,326</u> 1,266,326
Passed Through Texas Health and Human Services Commission:			
School Breakfast Program (1)	10.553	TX-020-2013	25,054
National School Lunch Program (1)	10.555	TX-020-2013	<u>45,289</u>
TOTAL DEPARTMENT OF AGRICULTURE			\$ <u><u>1,336,669</u></u>
U.S. Department of Commerce:			
Passed Through General Land Office:			
Texas Coastal Management Program (CMP) Cycle 14	11.419	13-047-000-6914	\$ <u>4,506</u>
TOTAL DEPARTMENT OF COMMERCE			\$ <u><u>4,506</u></u>
U.S. Department of Housing and Urban Development:			
Direct Program:			
Community Development Block Grant	14.218	B-09-UC-48-0005	\$ 65,442
Community Development Block Grant	14.218	B-10-UC-48-0005	362,548
Community Development Block Grant	14.218	B-11-UC-48-0005	773,481
Community Development Block Grant	14.218	B-12-UC-48-0005	<u>1,289,670</u> <u>2,491,141</u>
Home Program	14.239	M-11-UC-48-0230	215,424
Home Program	14.239	M-12-UC-48-0230	<u>306,264</u> <u>521,688</u>
Emergency Shelter Program (ESG)	14.231	S-11-UC-48-0006	41,320
Emergency Shelter Program (ESG)	14.231	S-12-UC-48-0006	<u>129,497</u> <u>170,817</u>
Section 8 Housing Choice Voucher Program	14.871	TX484VO 0010	119,998
Section 8 Housing Choice Voucher Program	14.871	TX484VO 0012	988,691
Section 8 Housing Choice Voucher Program	14.871	TX484VO 0013	<u>2,891,731</u> <u>4,000,420</u>
Passed Through Texas Department of Rural Affairs:			
Community Development Block Grant – Recovery Alternative	14.228	DRS010014	<u>1,781,643</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			\$ <u><u>8,965,709</u></u>

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

For the Year Ended September 30, 2013

Exhibit 23

Page 2

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Contract/ Program Number	Expenditures Indirect Costs or Award Amount
U.S. Department of Interior:			
Passed Through Minerals Management Service:			
Coastal Impact Assistance Program - Quintana Beach Education Center	15.668	F12AF70055	\$ 40,245
Coastal Impact Assistance Program – Administrative Costs	15.668	F12AF00815	9,865
Coastal Impact Assistance Program – Restoration of Wetland	15.668	F12AF70266	10,344
Coastal Impact Assistance Program – Sediment Management	15.668	F12AF70012	232,658
Coastal Impact Assistance Program – Bryan Mound wastewater	15.668	F12AF00831	115,794
Coastal Impact Assistance Program – Fresh Water District #2	15.668	F12AF00934	<u>350,000</u>
			758,906
Passed Through Fish and Wildlife Service:			
Refuge Revenue Sharing Act of 1978	15.000	---	51,806
Rural Fire Assistance	15.608	F-241-B	<u>7,312</u>
<b>TOTAL U.S. DEPARTMENT OF INTERIOR</b>			<b>\$ <u>818,024</u></b>
U.S. Department of Justice:			
Direct:			
State Criminal Alien Assistance Program	16.606	2011-AP-BX-0344	54,872
State Criminal Alien Assistance Program	16.606	2012-AP-BX-0582	<u>25,204</u>
			<u>80,076</u>
Passed Through the Drug Enforcement Administration:			
State and Local Task Force Agreement	16.540	--	15,220
Passed Through Office of the Governor - Criminal Justice Division:			
Crime Victim Assistance Program	16.575	VA-12-V30-13535-13	69,287
Crime Victim Assistance Program	16.575	VA-13-V30-13535-14	6,790
Crime Victim Assistance Program	16.575	VA-12-V30-13536-13	56,551
Crime Victim Assistance Program	16.575	VA-13-V30-13536-14	<u>5,395</u>
			<u>138,023</u>
Edward Byrne Memorial Assistance Grant - Drug Court	16.738	DJ-13-A10-20527-05	218,765
Edward Byrne Memorial Assistance Grant - Drug Court	16.738	DJ-14-A10-20527-06	<u>14,873</u>
			<u>233,638</u>
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>			<b>\$ <u>466,957</u></b>

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

For the Year Ended September 30, 2013

Exhibit 23

Page 3

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Contract/ Program Number	Expenditures Indirect Costs or Award Amount
U.S. Department of Transportation:			
Passed Through Texas Department of Transportation:			
Airport Improvement Program (Terminal Building)	20.106	12TBANGLE	\$ 784,608
Airport Improvement Program (Wildlife Assessment Plan)	20.106	1212ANGLE	65,318
Airport Improvement Program (Apron)	20.106	1213ANGLE	<u>24,280</u>
			<u>874,206</u>
Highway Planning and Construction Program	20.205	0912-31-236	238,632
Highway Planning and Construction Program	20.205	0912-31-275	<u>9,318,400</u>
			<u>9,557,032</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>\$ 10,431,238</u>
U.S. Election Commission:			
Passed Through Texas Secretary of State:			
Help American Vote Act - General HAVA Compliance	90.401	---	<u>\$ 84,139</u>
U.S. Department of Health and Human Service:			
Passed Through Texas Department of State Health Services:			
RLSS/LPHS Community & Rural Health Program	93.268	TDH746000044513	37,484
RLSS/LPHS Community & Rural Health Program	93.268	TDH746000044514	<u>100</u>
CPS - Cities Readiness Initiative	93.283	2013-041394	77,830
CPS - Cities Readiness Initiative	93.283	2014-001171	7,562
Bioterrorism	93.283	2012-040287-001	4,278
Bioterrorism	93.283	2013-041394-003	222,593
Bioterrorism	93.283	2014-001182-001	<u>14,701</u>
			<u>326,964</u>
Passed Through Texas Department of Family and Protective Services:			
Foster Care Title IV-E Legal Costs	93.658	23940143	55,575
Foster Care Title IV-E Maintenance	93.658	23379419	<u>33,345</u>
			88,920
Passed Through Texas Juvenile Justice Department:			
Foster Care Title IV-E	93.658	TJJD-E-12-020	<u>2,507</u>
			<u>91,427</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>\$ 455,975</u>

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

For the Year Ended September 30, 2013

Exhibit 23

Page 4

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Contract/ Program Number	Expenditures Indirect Costs or Award Amount
U.S. Department of Homeland Security:			
Direct:			
Public Assistance Grant - Hurricane Ike	97.036	Various	\$ <u>241,223</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>8,980</u>
Emergency Management Performance Grant	97.042	13TX-EMPG-0310	<u>53,913</u>
Passed Through Governor's Division of Emergency Management:			
2012-UASI - LETPA	97.008	2012-SS-00018S	<u>56,143</u>
Homeland Security SHSP	97.073	2012-SS-T0-0018	<u>50,000</u>
2010 - Emergency Operations Center Grant Program	97.052	2010-EO-MX-0017	<u>10,602</u>
2011 - UASI-LETPA	97.067	EMW-2011-SS-00019	165,077
2011 - UASI-LETPA	97.067	EMW-2012-SS-00019	<u>223,512</u>
			<u>223,512</u>
2011 - Repetitive Food Claims Program	97.092	RFC-FY11-002	<u>106,894</u>
TOTAL DEPARTMENT OF HOMELAND SECURITY			\$ <u>751,267</u>
TOTAL FEDERAL ASSISTANCE			\$ <u>23,314,484</u>
TOTAL MAJOR PROGRAMS			\$ <u>9,390,999</u>
TYPE A PROGRAM			\$ <u>699,435</u>

(1) Child Nutrition Cluster

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

For the Year Ended September 30, 2013

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 13	\$ 160,663
Immunization OPTS/LHS	TDH 7460000445 14	<u>19,602</u>
TOTAL TEXAS DEPARTMENT OF HEALTH		<u>\$ 180,265</u>
Texas Juvenile Justice Department:		
Direct Programs:		
State Aid Program (1)	TJJD-A-13-020	\$ 1,202,297
State Aid Program (1)	TJJD-A-14-020	98,661
Mental health Services Program (1)	TJJD-N-14-020	8,624
Passed Through Texas Education Agency:		
Juvenile Justice Alternative Education Program (1)	TJJD-P-13-020	<u>179,646</u>
TOTAL TEXAS JUVENILE JUSTICE DEPARTMENT		<u>\$ 1,489,228</u>
Texas Commission on Environmental Quality:		
Direct:		
Aircheck Texas Repair and Replacement Assistance Program	582-13-20280	<u>\$ 120,525</u>
TOTAL TEXAS COMMISSION ON ENVIRONMENTAL QUALITY		<u>\$ 120,525</u>
Texas Department of Family and Protective Services:		
Direct Program:		
Title IV-B Concrete Services	23619621	<u>\$ 915</u>
TOTAL TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES		<u>\$ 915</u>
Texas Department of Transportation:		
Direct Program:		
Reconstruction CR 257 – Permanent	0912-31-236	\$ 146,509
Terminal Design – Road/Parking	12TBANGLE	62,824
Routine Airport Maintenance	M312ANGLE	<u>27,688</u>
TOTAL TEXAS DEPARTMENT OF TRANSPORTATION		<u>\$ 237,021</u>

**BRAZORIA COUNTY, TEXAS****SCHEDULE OF EXPENDITURES OF STATE AWARDS - Continued**  
For the Year Ended September 30, 2013Exhibit 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)	13-32816	\$ 38,804
Victim Coordinator Liaison Grant (VCLG)	14-32816	3,533
Texas Victim Information and Notification Everyday (VINE)	13-36346	26,615
Texas Victim Information and Notification Everyday (VINE)	14-45154	<u>2,310</u>
TOTAL OFFICE OF ATTORNEY GENERAL		<u>\$ 71,262</u>
Texas Task Force on Indigent Defense:		
Direct Program:		
Indigent Defense Services	212-12-020	\$ 6,633
Indigent Defense Services	212-13-020	<u>204,188</u>
TOTAL TEXAS TASK FORCE ON INDIGENT DEFENSE		<u>\$ 210,821</u>
General Land Office:		
Direct Program:		
Beach Cleanup and Maintenance Assistance	12-414-001-6558	\$ 38,587
Follett's Island Conservation Project	12-355-000-6076	<u>42,900</u>
TOTAL GENERAL LAND OFFICE		<u>\$ 81,487</u>
Texas Department of Housing and Community Affairs:		
Direct Program:		
Amy Young Barrier Removal Program	1001627	<u>\$ 19,800</u>
TOTAL DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS		<u>\$ 19,800</u>
Office of the Governor (Criminal Justice Division):		
Passed Through Houston-Galveston Area Council:		
Regional Mental Health Services	SF421#26067-01	<u>\$ 10,010</u>
TOTAL OFFICE OF THE GOVERNOR		<u>\$ 10,010</u>
TOTAL STATE ASSISTANCE		<u>\$ 2,421,334</u>
TOTAL MAJOR PROGRAMS		<u>\$ 1,489,228</u>
TYPE A PROGRAM		<u>\$ 300,000</u>
(1) Cluster Programs		

## **BRAZORIA COUNTY, TEXAS**

### *NOTES ON ACCOUNTING POLICIES FOR FEDERAL AND STATE AWARDS*

Year Ended September 30, 2013

1. The County uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designated to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designated to provide accountability for certain assets and deferred outflows of resources, and liabilities and deferred inflows of resources that are not recorded in the funds because they do not directly affect net expendable available resources. Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn is divided into separate "fund types". The following fund types were utilized to account for federal awards.

#### Governmental Fund Types:

General Fund - is the general operating fund of the County. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. Federal financial assistance not required to be reported in other funds is accounted for in the General Fund.

Special Revenue Funds - used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Federal financial assistance generally is accounted for in a Special Revenue Fund unless required to be reported in a Capital Projects Fund or a proprietary fund type. Generally, unused balances are returned to the grantor at the close of specified project periods.

Capital Projects Funds - used to account for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by Proprietary and Trust Funds. Federal financial assistance for the construction of major capital facilities generally is accounted for in a Capital Projects Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

#### Proprietary Fund Types:

Enterprise Fund - used to account for activities similar to those found in the private business enterprises, where the intent of the governing body is that costs (expenses, including depreciation) of providing services be financed primarily through user charges, or where periodic determination of net income is appropriate. Federal financial assistance for the benefiting enterprise operations generally is accounted for in the Enterprise Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance. Federal and State grant funds were accounted for in the General Fund, Special Revenue Fund, and the Capital Projects Fund, a component of the Governmental Fund type.



## **BRAZORIA COUNTY, TEXAS**

### *NOTES ON ACCOUNTING POLICIES FOR FEDERAL AND STATE AWARDS - Continued*

Year Ended September 30, 2013

The Proprietary Fund Types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources, and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the balance sheet. Fund equity (net total position) is segregated into contributed capital and retained earnings components for proprietary funds. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position. Federal grant funds were accounted for in the Enterprise Fund, a component of the Proprietary Fund type.

The modified accrual basis of accounting is used for the Governmental Fund Types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The accrual basis of accounting is used for the Proprietary Fund Types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Federal grant funds are considered to be earned to the extent of expenditures/expenses made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as Unearned revenues until earned.

3. The period of availability for state grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Availability of Federal Funds, Part 3, OMB Circular A-133 Compliance Supplement.
4. Indirect Costs - Brazoria County, Texas received \$ 21,730 in reimbursements for indirect costs during the year ended September 30, 2013, \$ 13,120 for the BNS Food Cards (WIC Program) CFDA #10.557, \$ 5,421 Registered Dietician (WIC Program) CFDA #10.557, \$ 1,500 Obesity/Shop Program (WIC Program) CFDA # 10.557, \$ 588 Bioterrorism CFDA #93.283, and \$ 1,101 for the CPS – Cities Readiness Initiative CFDA #93.583.

