

BRAZOS COUNTY, TEXAS
Annual Comprehensive Financial Report
For The Year Ended September 30, 2022



Prepared by:

Katie Conner, C. P. A.
County Auditor



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**Office of the Brazos County Auditor
Brazos County Administration Building**

200 East S. Texas Avenue – Suite 218

Bryan, Texas 77803

(979) 361-4350

Email: kconner@brazoscountytexas.gov

March 15, 2023

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

Citizens, Honorable Judges and Commissioners of Brazos County, Texas:

In compliance with Section 114.025 of the Texas Local Government Code, the Annual Comprehensive Financial Report of Brazos County, Texas (the "County") for the fiscal year ended September 30, 2022, is hereby submitted.

This report consists of management's representation concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the basic financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the basic financial statements will be free from material misstatement. The responsibility for internal controls is shared by the Commissioners' Court, which is the governing body, the County Auditor, who is appointed by the District Judges, and the County Treasurer. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. We assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's basic financial statements have been audited by Ingram, Wallis & Company, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for the fiscal year ended September 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used, and evaluating the overall financial statement presentation. The independent auditors' report is presented as the first component of the financial section of this report.

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

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

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

PROFILE OF BRAZOS COUNTY

Geographic Information

Brazos County is located in East Central Texas, in an area bounded on all sides by large metropolitan areas. Dallas-Ft. Worth is 180 miles to the north, Houston 95 miles to the southeast, Austin 104 miles to the west, and San Antonio 166 miles to the southwest. There are two major cities in the County that make up the business and cultural center, Bryan and College Station. They have a combined population of approximately 215,000.

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

County Structure and Services

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

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

The County Auditor has responsibility for prescribing the systems and procedures for handling the finances of the County and "examining, auditing and approving" all disbursements from County

funds prior to their submission to the Commissioners' Court for approval. The County provides a full range of services as authorized by the Constitution and Statutes of the State of Texas. The primary functions include general government, justice system, law enforcement, juvenile services, public transportation, public health, human services, and debt service.

Budget Process

The annual budget serves as the foundation of the County's planning and control. Budget hearings are posted annually in July with the final budget approved by the Commissioners' Court in August or September. Appropriations for total budget cannot exceed total resources that will be available for the year as forecasted by the County Auditor. This is a legal level of control for the County budget. After adoption of the budget by the Commissioners' Court, the County Auditor is responsible for ensuring expenditures are made in compliance with budgeted appropriations. The final budget includes contingency and emergency reserves line items. Most appropriated budgets are prepared by fund, function, department and classification. Capital expenditures are approved on a line item basis. All budget transfers between departments must follow special approval processes. Budget to actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. Encumbrances are utilized to ensure effective budgetary control and accountability, and all outstanding encumbrances lapse at fiscal year-end.

Primary Government and Related Organizations

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

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

The Brazos County Health Facilities Development Corporation, the Brazos County Industrial Development Corporation and the Brazos County Housing Finance Corporation are related organizations to the County. These corporations were created by resolutions of the Commissioners' Court to enable the various third party organizations the ability to issue tax-exempt bonds to provide low cost funding to promote and improve the health and welfare of the public. The tax-exempt bonds issued by these corporations do not constitute a debt or a pledge of faith or credit of the corporation or the County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. Each corporation is governed by a Board of Directors made up of members of the Commissioners' Court. None of the corporations are reported in the County's financial statements.

The Brazos Valley Fair & Exposition (the "Fair") is another related organization to the County. This 501(c)3 organization was established for educational, scientific and charitable purposes in

2010 and is currently governed by a nine member Executive Committee of which seven members were appointed by the Brazos County Commissioners' Court. The Fair is not reported in the County's financial statements, but the County's financial support to the Fair is included in the operations and activities of the County's General Fund and the Hotel Occupancy Tax ("HOT") Fund.

During the 2019 State of Texas Legislative Session, Brazos County received authorization to create a Regional Mobility Authority (RMA). The purpose of the RMA is to finance, acquire, design, construct, operate, maintain, expand or extend transportation projects. Contributions were received from the City of Bryan, City of College Station, Texas A&M University, the Twin City Endowment, the Brazos Valley Economic Development Corporation and Brazos County. The RMA is not reported in the County's financial statements.

FACTORS AFFECTING FINANCIAL CONDITION

The official census for 2020 established the population of the County at 233,849, which is up from 194,851 in 2010. The 17% increase is larger than the overall growth of Texas (14%) in the past decade.

In September 2022, Brazos County had an unemployment rate of 3% compared to a Texas statewide unemployment rate of 4% for the same month. The unemployment rate at September 2021 was 3.7%. As of September 2022, the labor force figures for the County, as established by the Texas Workforce Commission, are 122,017 of which 118,368 are currently employed. The following schedule is an estimate of the number of employees and the corresponding percentage per industry as of September 2022.

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

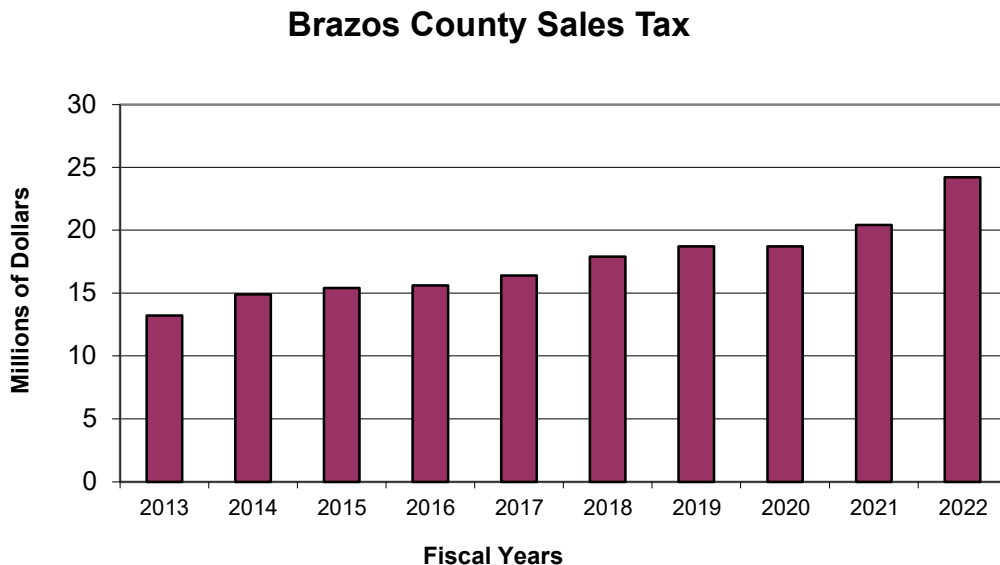
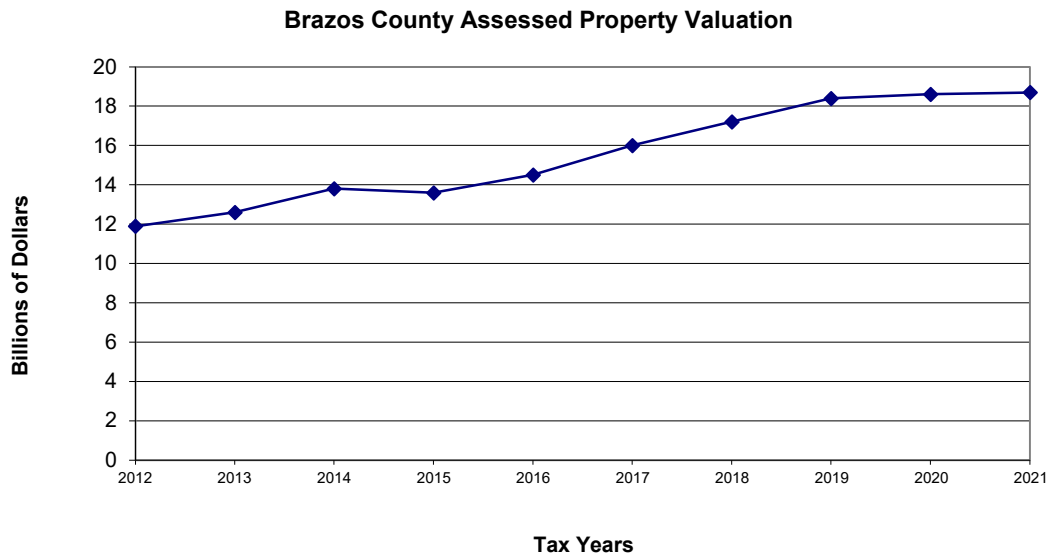
<u>Employer Group</u>	<u>Number of Employees</u>	<u>Percentage</u>
State, Local, Federal Government	87,200	46%
Trade, Transportation and Utilities	19,300	10%
Wholesale/Retail Trade	17,000	9%
Leisure and Hospitality	18,400	10%
Education and Health Services	12,800	7%
Professional and Business Services	12,000	6%
Mining, Logging and Construction	7,400	4%
Manufacturing	5,700	3%
Financial Activities	4,200	2%
Other Services	3,500	2%
Information	1,500	1%
TOTAL	<u><u>189,000</u></u>	<u><u>100%</u></u>

Source: Texas Workforce Commission

Recent employment statistics show the labor market conditions are improving. As of September 2022, the Texas Workforce Commission reflected an increase in non-farm and private sector jobs of 9,200, reflecting this trend locally.

According to the Real Estate Center at Texas A&M University, the real estate market in the Bryan-College Station area remained strong in 2022. The number of home sales decreased by 15.05%, the average sales price increased by 23.71%, and the average month's inventory increased by 1.1% in 2022 compared to 2021.

The County's assessed property valuation for tax year 2021 increased 1.03% compared to tax year 2020. Sales tax receipts for fiscal year 2022 increased 18.6% compared to fiscal year 2021. The following charts show the changes in the two categories:



Brazos County is the home of Texas A&M University which continues to rank as a top university in enrollment in the United States with a total enrollment for Fall 2022 of 71,871. Opened in 1876 as Texas' first public institution of higher learning, Texas A&M University is a research-intensive flagship university with students studying in over 130 undergraduate and 270 graduate degree programs in 17 colleges and schools. Texas A&M University is the first university in Texas to reach the \$4 billion mark in fundraising to support initiatives, scholarships, and professorships. The presence of Texas A&M has consistently provided incentive for residential development and growth and offered the area some insulation from adverse economic effects.

The University's main campus is one of the largest in America, spanning 5,200 acres and has the distinction of providing space for the George Bush Presidential Library Center and the George Bush School of International Study. The Library provides a tremendous research center. This facility, along with the 324-acre University Research Park, provides an attraction for both national and international visitors.

Founded in 2016, the 2,000-acre RELLIS Campus is one of the Texas A&M University System's private-public partnerships. Located in Bryan, the RELLIS Campus serves as an ecosystem that fosters cutting-edge research, technology development, higher education and workforce training. The Texas A&M Transportation Institute (TTI) and the Texas A&M Engineering Experiment Station (TEES), along with academic, corporate and private partners, conduct valuable research for world-changing technologies, processes and products with state-of-the-art research laboratories, testing and proving grounds. At the RELLIS campus, post-secondary degree education and training are offered with programs through Blinn College, multiple universities within the Texas A&M System and the Texas A&M Engineering Extension Service (TEEX). Academic courses began in fall 2018.

In addition to the four-year program Texas A&M offers, Blinn College offers a two-year program at four campuses: the main campus in Brenham, Bryan Campus, Schulenburg Campus, and Sealy Campus. All campuses offer various technical certificates and associates degrees in arts and sciences. The Bryan Campus offers the same programs and degrees as the main campus, but also takes part in a joint collaborative effort with Texas A&M University. About 9,674 students enrolled in Blinn's Bryan campus and RELLIS campus for the fall semester of 2022, a 2.79% increase over the previous year.

A comprehensive community college committed to educational excellence and to individual and community enhancement, Blinn College has served its 13-county Central Texas region since 1883. Blinn ranks among the nation's leaders in transferring students to leading four-year universities and has received national recognition for affordable educational excellence. Blinn College campuses provide an economic impact of \$370.1 million or 6,010 supported regional jobs.

Brazos County is a member of the Brazos Valley Economic Development Corporation (<http://brazosvalleyedc.org>), a private, non-profit economic development corporation dedicated to promoting the seven county area surrounding Brazos County and the cities of Bryan and College Station. The Corporation focuses its efforts on creating jobs and new investments primarily in the industry sectors of technology transfer/research development, information technology, life sciences and biotechnology, corporate and regional headquarters operation, value-added agricultural processing, customer support, manufacturing and logistics.

One of the key factors in the progress of the Corporation has been its ability to utilize and market the large skilled workforce in the areas surrounding Texas A&M University which includes

students, faculty, researchers and technological innovators and entrepreneurs. The development of the BioCorridor area has been a focus under the leadership of the Corporation. A unique vision has emerged for biotechnology, encompassing research, preclinical studies, clinical studies and manufacturing all in one corridor. The momentum and vision for the BioCorridor continues to grow.

Brazos County partnered with the City of Bryan to create the City of Bryan and Brazos County Economic Development Foundation, Inc. The County is looking forward to drawing quality businesses, encouraging and maintaining employment, and expanding both entities' tax base through Foundation activities. The industrial site, formed by the 1,000-acre tract of land and outfitted with infrastructure and utilities, is marketed as the Texas Triangle Park, named for its excellent geographic location. Currently, three companies, Axis Pipe and Tube, Kristen Distributing Company, and Federal Express are in operation in the park.

CAPITAL IMPROVEMENT PROGRAM

In 2022, the Commissioners' Court of Brazos County continued the strategic planning program concerning capital improvements and expansion that began in 1996. This program focuses on meeting current and future needs of the County.

During 2022, the County continued the construction of County roads to connect major thoroughfares and continues to provide adequate funding to enable the road and bridge improvement program to upgrade and widen rural County roads. The program has been in place since 1996 and the Commissioners' Court appropriated a public transportation budget for fiscal year 2022 that included \$14.9 million (includes personnel services, supplies and other charges, contingencies, repairs and maintenance, minor acquisitions, contract services, and professional services) for routine maintenance and \$13.4 million for improvements and upgrades. The County expended approximately \$10.7 million dollars in maintaining the roads, and upgraded and reconstructed roads at a cost of over \$5.3 million dollars during the year.

FINANCIAL POLICIES AND LONG-TERM FINANCIAL PLANNING

The County has adopted an investment policy as required by state law and in conformity with state investment statutes. The investment policy as adopted by the County employs the prudent person concept, in that priorities were established as to the investment vehicles the County would use. Safety was established as the first priority, followed by liquidity, low risk and diversification. The County Treasurer is responsible for administering the investment of idle funds in the County. At September 30, 2022, the County had cash and cash equivalents of \$161.7 million in governmental and business-type activities, the majority of which was invested in the County's depository. At September 30, 2022, the County also had \$145.4 million invested in two state wide investment pools and a money market account. During the fiscal year, the County earned approximately \$1.5 million in interest.

Debt administration is monitored through the Debt Service Fund. The County has never defaulted on the payment of principal or interest on its bonds or certificates of obligation. At September 30, 2022, the County had been assigned a bond rating of AA by Standard & Poor's Rating Service. In compliance with the requirements of the bond order and certificates of obligation agreements, the County maintains separate accountability. The tax rate set each year is calculated to provide sufficient funding to meet current year obligations. At September 30, 2022, the County had \$2.8

million reserved in the Debt Service Fund to meet future obligations. This \$5 million reduction can be attributed to the early pay off of a debt obligation and additional principal payment to another debt obligation.

The County is responsible for establishing its tax rate. For the fiscal year ended September 30, 2022, the tax rate to finance general governmental services was \$0.4423 per \$100 valuation and the tax rate for the payment of principal and interest on long-term debt was \$0.0512 per \$100 of valuation. For the fiscal year ended September 30, 2023, the tax rate to finance general government services is \$0.3893 per \$100 valuation and the tax rate for the payment of principal and interest on long-term debt is \$0.0401 per \$100 of valuation.

The County participates in one tax abatement with Axis Pipe and Tube. The abatement began in 2013. At that time, the real property had a value of approximately \$1.3 million. The real and personal property in 2022 had a value of \$231 million. This abatement facilitated the growth of this company in Brazos County.

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

- The Commissioners' Court of the County shall review and formally adopt the annual budget prepared by the Budget Officer.
- Expenditures are controlled to not exceed available resources. All elected officials and department heads are required to keep expenditures within allocated budgets.
- Balanced financial operations will be maintained. Adequate internal accounting controls are developed and maintained to safeguard assets and provide reasonable assurance of the proper recording of financial transactions.
- Technological solutions are used to improve operations.
- Delivery of service to the constituents.
- Take advantage of the low market price on construction work to satisfy the County's needs on capital improvements and expansion.
- Restrain the debt issuance to keep the tax rate low.
- Maintain full disclosure and open lines of communication with the rating agencies and seek to maintain a high debt rating with a stable outlook.

Significant budget initiatives in fiscal year 2022 included:

- The County continued the Jail Kitchen Expansion project during 2022. The projected cost of the expansion was over \$4.7 million.
- The County continued construction on the Justice of the Peace and Constable Precinct 1 building project in 2022. This project has a projected cost of \$5.1 million.

CERTIFICATE OF ACHIEVEMENT

This report has been prepared following the guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada. The GFOA awards a certificate of achievement to those governments whose annual financial reports are judged to conform substantially to high standards of public financial reporting, including generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. The County has been awarded the Certificate of Achievement for its annual financial report since 1988. The report has historically presented the financial information of the County in an easily

readable and efficient manner. A Certificate of Achievement is valid for one year. This office believes that the current year report continues to meet the program standards, and it will be submitted to the GFOA to determine County eligibility for another certificate.

We wish to express our thanks to the Commissioners' Court and the District Judges for their support and interest in planning and conducting the financial affairs of the County in a responsible and professional manner. This report could not have been completed in a timely manner without the dedicated efforts of all County elected officials, the Commissioners' Court, the County Auditor's staff, and the independent auditors, Ingram, Wallis & Company, P. C.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Katie Conner", written in a cursive style.

Katie Conner
County Auditor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Brazos County
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Executive Director/CEO

BRAZOS COUNTY, TEXAS
PRINCIPAL OFFICIALS
September 30, 2022

Commissioners' Court:

Duane Peters
Steven Aldrich
Russ Ford
Nancy Berry
Irma Cauley

County Judge
Commissioner, Precinct 1
Commissioner, Precinct 2
Commissioner, Precinct 3
Commissioner, Precinct 4

District Court:

Kyle Hawthorne
John Brick
David Hilburn

Judge, 85th Judicial District
Judge, 272nd Judicial District
Judge, 361st Judicial District

County Court-at-Law:

Amanda Matzke
James Locke

Judge, County Court-at-Law No. 1
Judge, County Court-at-Law No. 2

Law Enforcement and Correction:

Wayne Dicky
Earl Gray
Jarvis Parsons
Linda Ricketson *
Jennifer Goerig *

Sheriff
County Attorney
District Attorney
Chief Juvenile Probation Officer
Chief Adult Probation Officer

Financial Administration:

Laura Davis
Kristeen Roe
Katie Conner*

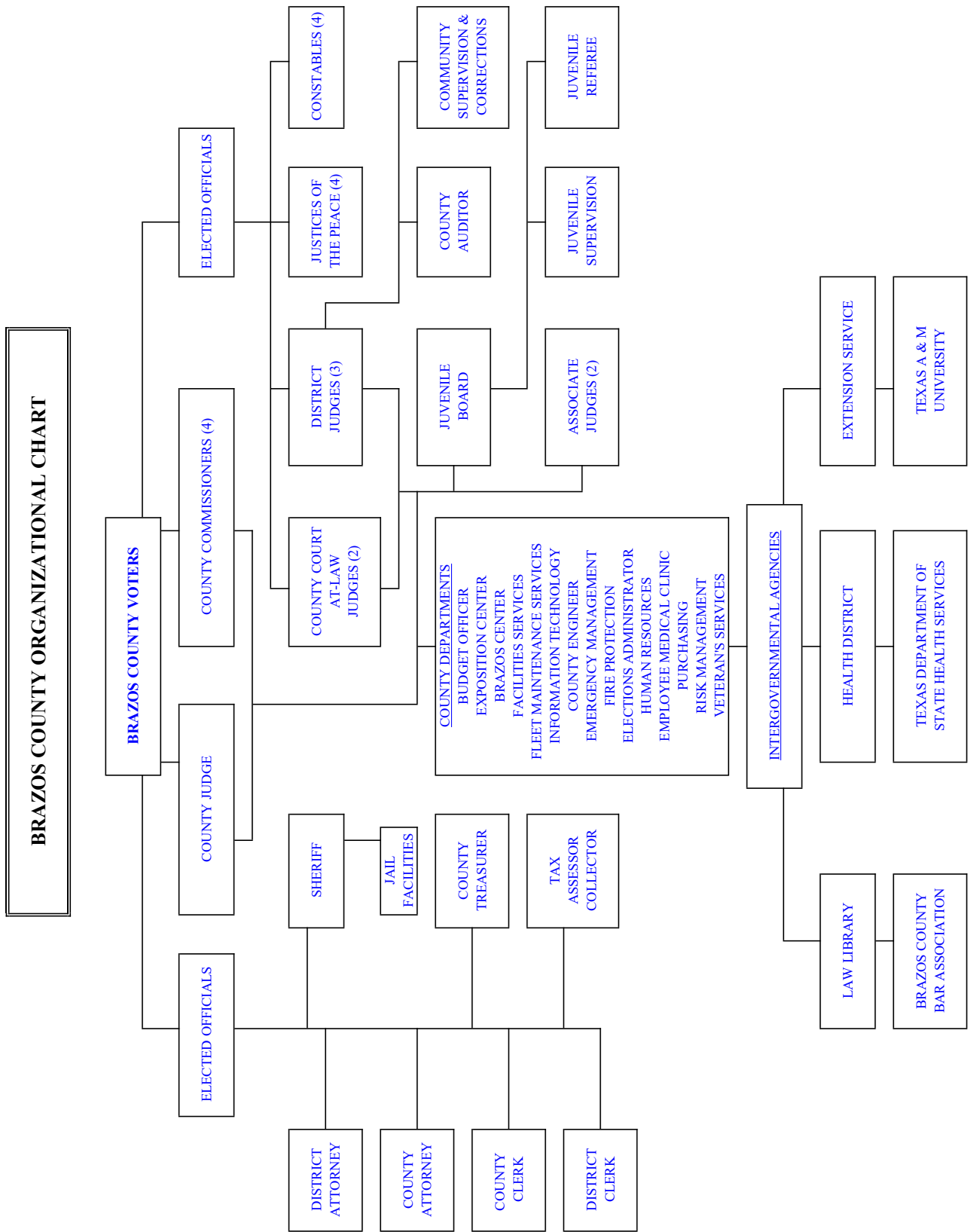
Treasurer
Tax Assessor-Collector
Auditor

Recording Offices:

Karen McQueen
Gabriel Garcia

County Clerk
District Clerk

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



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Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Brazos County, Texas (the "County"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2022, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government*

Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension plan information, other post-employment benefits information, infrastructure condition data, and budgetary comparison information on pages 16-27 and 83-106 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and *Texas Grant Management Standards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2023, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's 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.

Ingram, Wallis & Company, P.C.

Bryan, Texas
March 15, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

For the Year Ending September 30, 2022

This section of the Brazos County annual comprehensive financial report presents management's discussion and analysis ("MD&A") of the financial performance of the primary government during the fiscal year ended September 30, 2022. Please read the MD&A in conjunction with the transmittal letter at the front of this report and the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statements

- The total government-wide assets (and deferred outflows of resources) of the County exceeded the liabilities (and deferred inflows of resources) by \$366,921,112 at September 30, 2022 and are reported as the total net position of the primary government. The total net position was \$301,369,294 at September 30, 2021.
- The government-wide total net position increased \$65,551,818 during the fiscal year ending September 30, 2022. The net position from the governmental activities increased \$65,641,748 while the net position from business-type activities decreased \$89,930. The decrease is due to a fund that was previously classified as business-type activity being reclassified to a special revenue fund in fiscal year 2022.
- Total net position of the primary government is comprised of the following:

<u>Net Position by Category</u>	<u>September 30, 2022</u>	<u>September 30, 2021</u>
Net Investment in Capital Assets	\$ 267,297,724	\$ 245,438,566
Restricted	54,407,471	35,680,114
Unrestricted	45,215,917	20,250,614
Total Net Position	<u>\$ 366,921,112</u>	<u>\$ 301,369,294</u>

Fund Financial Statements

- As of September 30, 2022, the County governmental funds reported combined fund balances of \$183,275,893. This reflects an increase of \$30,488,453 from the previous fiscal year, primarily related to the increase in revenue received through the American Recovery Plan. Also, an increase in the tax rate used by local healthcare providers increased revenues received from the State Medicaid program. \$117,068,184 or 64% of the combined fund balances at September 30, 2022, are available to meet the County's current and future needs (unassigned fund balances).
- At the end of the fiscal year, the unassigned fund balance of the County's General Fund was \$117,068,184 or 82% of the General Fund's total expenditures and 90% of the revenues.
- The total fund balance for the nonmajor governmental funds was \$30,072,598 at September 30, 2022. Of this amount, \$9,497,132 is restricted by the legislature, \$20,571,099 is assigned for the capital improvement projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements. Required supplementary information is included in addition to the basic financial statements. The report also contains other supplementary information and statistical data.

Government-Wide Financial Statements – These are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business. They include a Statement of Net Position and a Statement of Activities. Both of these statements are presented using the accrual method of accounting; therefore, revenues and expenses are taken into account regardless of when cash is received or paid.

The statement of net position presents information on all County assets, liabilities, and deferred inflows/outflows of resources, with the difference 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. However, other non-financial factors, such as changes in the County's property tax base and the condition of the County's roads, should be considered to assess the overall health of the County.

The statement of activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement may result in cash flows in future fiscal periods.

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

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

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

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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

The County maintains 30 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General, Debt Service, and Local Provider Participation, which are considered to be major funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules elsewhere in this report.

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

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs. One trust fund and four agency funds are presented under this category. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 43-82 of this report.

Required Supplementary Information is presented concerning the County's General Fund and Local Provider Participation Fund budgetary schedules. The schedules, which include the original and final amended budget and actual figures, have been provided to demonstrate compliance with these budgets. Also presented in this section are the pension related schedules required by GASB 68 and the OPEB related schedules required by GASB 74 and 75. The condition assessment information for county roads and bridges can also be found in this section. Required supplementary information can be found on pages 83-106 of this report.

Combining and Individual Fund Schedules provide information for nonmajor governmental funds, internal service funds and agency funds and are presented immediately following the required supplementary information. The combining/individual fund statements and schedules including budgetary comparisons can be found on pages 107-154 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time, net position may serve as a useful indicator of a government's financial position. The total net position of the County was \$366,921,112 for fiscal year 2022 and \$301,369,294 for fiscal year 2021.

Condensed Statement of Net Position September 30, 2022

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Current and other assets	\$ 253,003,417	\$ 1,446,653	\$ 254,450,070
Capital assets, net	333,148,382	23,844	333,172,226
Total assets	586,151,799	1,470,497	587,622,296
Deferred outflows of resources	21,327,679	46,892	21,374,571
Total deferred outflows of resources	21,327,679	46,892	21,374,571
Current and other liabilities	49,029,283	93,853	49,123,136
Long-term liabilities	150,485,227	108,772	150,593,999
Total liabilities	199,514,510	202,625	199,717,135
Deferred inflows of resources	42,271,696	86,924	42,358,620
Total deferred inflows of resources	42,271,696	86,924	42,358,620
Net position:			
Net investment in capital assets	267,273,880	23,844	267,297,724
Restricted	54,407,471	-	54,407,471
Unrestricted	44,011,921	1,203,996	45,215,917
Total net position	\$ 365,693,272	\$ 1,227,840	\$ 366,921,112

Condensed Statement of Net Position September 30, 2021

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Current and other assets	\$ 203,903,006	\$ 1,682,692	\$ 205,585,698
Capital assets, net	321,074,485	-	321,074,485
Total assets	524,977,491	1,682,692	526,660,183
Deferred outflows of resources	23,202,730	37,981	23,240,711
Total deferred outflows of resources	23,202,730	37,981	23,240,711
Current and other liabilities	39,036,369	152,360	39,188,729
Long-term liabilities	193,630,509	163,095	193,793,604
Total liabilities	232,666,878	315,455	232,982,333
Deferred inflows of resources	15,523,157	26,110	15,549,267
Total deferred inflows of resources	15,523,157	26,110	15,549,267
Net position:			
Net investment in capital assets	245,438,566	-	245,438,566
Restricted	35,680,114	-	35,680,114
Unrestricted	18,871,506	1,379,108	20,250,614
Total net position	\$ 299,990,186	\$ 1,379,108	\$ 301,369,294

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The largest portion of the County's current fiscal year net position reflects its investment of \$267,297,724 capital assets (e.g., land, buildings, equipment, and infrastructure, net of accumulated depreciation), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

The restricted net position of \$54,407,471 represents resources that are subject to external restrictions on how they may be used. The remaining balance of the unrestricted net position, \$45,215,917 (12%) may be used to meet the County's ongoing obligations to citizens and creditors. The County's net position increased by \$65,551,818 a result of its fiscal year 2022 operations. It is primarily attributable to the increase in various tax collections.

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

Condensed Statement of Activities For the Year Ended September 30, 2022			
	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 21,529,487	\$ 1,294,249	\$ 22,823,736
Operating grants and contributions	23,115,299	-	23,115,299
Capital grants and contributions	30,417	-	30,417
General revenues:			
Property taxes	101,651,835	-	101,651,835
Local health care provider assessments	37,254,069	-	37,254,069
Sales taxes	24,244,744	-	24,244,744
Motor vehicle taxes	1,847,748	-	1,847,748
Mixed drink taxes	1,229,711	-	1,229,711
Hotel occupancy taxes	3,360,758	-	3,360,758
Unrestricted investment earnings	1,522,614	4,496	1,527,110
Total revenues	215,786,682	1,298,745	217,085,427
Expenses:			
General Government	45,471,272	-	45,471,272
Justice System	21,913,723	-	21,913,723
Law Enforcement	25,492,123	1,388,675	26,880,798
Juvenile Services	7,021,682	-	7,021,682
Public Transportation	9,690,078	-	9,690,078
Public Health	28,481,580	-	28,481,580
Human Services	9,465,360	-	9,465,360
Interest and Other Fees	2,609,116	-	2,609,116
Total expenses	150,144,934	1,388,675	151,533,609
Change in net position	65,641,748	(89,930)	65,551,818
Net position - beginning *	300,051,524	1,317,770	301,369,294
Net position - ending	\$ 365,693,272	\$ 1,227,840	\$ 366,921,112

*Beginning balances have been restated to include the reclassification of the County Attorney Operating fund from a Proprietary fund to a Special Revenue fund in fiscal year 2022 due to a change in operations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Condensed Statement of Activities For the Year Ended September 30, 2021

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 21,707,742	\$ 1,316,050	\$ 23,023,792
Operating grants and contributions	19,149,777	-	19,149,777
Capital grants and contributions	886,245	-	886,245
General revenues:			
Property taxes	99,006,741	-	99,006,741
Local health care provider assessments	12,557,045	-	12,557,045
Sales taxes	20,443,754	-	20,443,754
Motor vehicle taxes	1,505,657	-	1,505,657
Mixed drink taxes	914,545	-	914,545
Hotel occupancy taxes	2,261,435	-	2,261,435
Unrestricted investment earnings	1,491,226	11,444	1,502,670
Total revenues	179,924,167	1,327,494	181,251,661
Expenses:			
General Government	39,739,274	-	39,739,274
Justice System	22,758,014	698	22,758,712
Law Enforcement	27,022,685	1,076,375	28,099,060
Juvenile Services	7,536,082	-	7,536,082
Public Transportation	10,510,675	-	10,510,675
Public Health	29,743,911	-	29,743,911
Human Services	10,745,294	-	10,745,294
Interest and Other Fees	2,726,657	-	2,726,657
Total expenses	150,782,592	1,077,073	151,859,665
Change in net position	29,141,575	250,421	29,391,996
Net position - beginning	270,848,611	1,128,687	271,977,298
Net position - ending	\$ 299,990,186	\$ 1,379,108	\$ 301,369,294

Revenue Analysis

For fiscal year ended September 30, 2022, revenues for the primary government totaled \$217,085,427. The revenues are categorized by activity type: governmental activities totaled \$215,786,682 and business-type activities totaled \$1,298,745.

Program revenues are derived from the program itself and thereby reduce the cost of the function to the County. Total program revenues were \$45,969,452 and 21% of total revenues. Of that \$44,675,203 is from governmental activities, which represents the fees collected by the tax collector, the clerks of the courts and other departments. The business-type charges for services were \$1,294,249 which represents primarily commissary sales to the inmates held in County jails. The largest portions of program revenues are charges for service of \$22,823,736 (11% of the total revenues) and operating grants and contributions of \$23,115,299 (10.6% of total revenues). The other portions of program revenues are \$30,417 in capital contributions from various federal, state and local agencies, which in total are .01% of the total revenues.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Revenue Analysis (Continued)

General revenues are revenues that do not qualify as program revenue. Property taxes of \$101,651,835 were the largest revenue source for governmental activities and 47% of total revenues. Besides property taxes, the general revenues also consist of local health care provider assessments, sales taxes, motor vehicle taxes, mixed drink taxes, hotel occupancy taxes, and investment earnings, which in total are \$69,464,140 or 32% of the total revenues.

	<u>Year Ended</u> <u>September 30, 2022</u>		<u>Year Ended</u> <u>September 30, 2021</u>	
<u>Program Revenues</u>				
Charges for services - governmental	\$ 21,529,487	9.92%	\$ 21,707,742	11.98%
Charges for services - business-type	1,294,249	0.60%	1,316,050	0.73%
Operating grants and contributions	23,115,299	10.64%	19,149,777	10.56%
Capital grants and contributions	30,417	0.01%	886,245	0.49%
<u>General Revenues</u>				
Property taxes	101,651,835	46.83%	99,006,741	54.62%
Local health care provider assessments	37,254,069	17.16%	12,557,045	6.93%
Sales taxes	24,244,744	11.17%	20,443,754	11.28%
Motor vehicle taxes	1,847,748	0.85%	1,505,657	0.83%
Mixed drink taxes	1,229,711	0.57%	914,545	0.50%
Hotel occupancy taxes	3,360,758	1.55%	2,261,435	1.25%
Unrestricted investment earnings	<u>1,527,110</u>	<u>0.70%</u>	<u>1,502,670</u>	<u>0.83%</u>
Total Revenues	<u>\$ 217,085,427</u>	<u>100.00%</u>	<u>\$ 181,251,661</u>	<u>100.0%</u>

In fiscal year 2022, the County's revenues increased by \$35,833,766, or less than 1 percent as a net result of the changes in local health care provider assessments collected. The County received about \$24.2 million in sales tax in 2022. Revenue generated by the local health care provider assessments was \$37.2 million during 2022. The property tax revenue for fiscal year 2022 increased \$2.6 million from fiscal year 2021.

Expense Analysis

For the year ended September 30, 2022, the function and program expenses for the primary government were \$150,144,934 for the governmental activities and \$1,388,675 for the business-type activities. A comparative overview of expenses for the County's primary government for the current and previous year is as follows:

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)
Expense Analysis (Continued)

	Year Ended		Year Ended	
	<u>September 30, 2022</u>		<u>September 30, 2021</u>	
<u>Function</u>				
General Government	\$ 45,471,272	30.3%	\$ 39,739,274	26.4%
Justice System	21,913,723	14.6%	22,758,014	15.1%
Law Enforcement	25,492,123	17.0%	27,022,685	17.9%
Juvenile Services	7,021,682	4.7%	7,536,082	5.0%
Public Transportation	9,690,078	6.4%	10,510,675	7.0%
Public Health	28,481,580	19.0%	29,743,911	19.7%
Human Services	9,465,360	6.3%	10,745,294	7.1%
Interest and Other Fees	2,609,116	1.7%	2,726,657	1.8%
Total Governmental Activities	\$ 150,144,934	100.0%	\$ 150,782,592	100.0%
<u>Business-Type Activities</u>				
County Attorney Operating Fund*	\$ -	0.0%	\$ 698	0.1%
Jail Commissary Fund	1,388,675	100.0%	1,076,375	99.9%
Total Business-Type Activities	\$ 1,388,675	100.0%	\$ 1,077,073	100.0%

* County Attorney Operating Fund was reclassified to Special Revenue Fund in fiscal year 2022 due to a change in operations.

In fiscal year 2022, the County's expenses decreased \$637,658 or less than 1 percent from the prior year. The key elements of the change are as follows:

- The debt expenses increased by \$6.5 million with the early payoff of one debt obligation and an additional principal payment on another debt obligation, with less revenues being generated for the debt service fund.
- There was no new debt issued by the County in 2022, decreasing revenues by \$25.8 million from prior year.
- Insurance recoveries from prior year inclement weather damages decreased by \$393,922 in 2022.

FINANCIAL ANALYSIS OF MAJOR FUNDS

The County's major general governmental functions are contained in the General, Special Revenue, Debt Service, and Capital Project Funds. At September 30, 2022, the County's governmental funds reported combined fund balances of \$183,275,893 an increase of \$30,488,453 or 20% in comparison with the prior year. The change represents the reduction in remittance of local health care provider assessments. Of the combined fund balance, \$3,531,457 (2%) were nonspendable for prepaids and inventory, \$42,105,153 (23%) were restricted to various purposes by external restrictions imposed, \$20,571,099 (11%) were assigned to the County's capital improvement plans and other programs as directed by the Commissioners' Court, and \$117,068,184 (64%) constituted unassigned fund balance, which is available to meet the County's current and future needs without any restrictions.

FINANCIAL ANALYSIS OF MAJOR FUNDS (Continued)

General Fund

The General Fund is the chief operating fund of the County. At September 30, 2022, the General Fund reported a net fund balance of \$136,154,224, an increase of \$32,871,851 from fiscal year 2021. The fund experienced an excess of revenues over expenditures of \$36,099,825. This increase is attributed to an increase in various tax revenues collected in 2022.

Debt Service Fund

The Debt Service Fund is used to account for receipts and disbursements of funds relating to the County's long-term bonded debt obligations. At the end of fiscal year 2022, the fund balance decreased \$4,987,546, or 63% from fiscal year 2021. This decrease was due to the early payoff and pay down of two debt obligations.

For fiscal year 2023, the County's debt service requirements for the governmental activities are \$6,610,000 in principal and \$2,417,373 in interest. Additional information is available to the readers in Note 9 (Long-Term Debt) to the Financial Statements.

Local Provider Participation Fund

The Local Provider Participation Fund has been established to account for the mandatory assessments to local institutional health care providers in support of the State Medicaid program. By taking part in paying the State share of Medicaid expansion through the new provider assessments, the local health care providers will be able to benefit from the federal financial match. The fund reported a fund balance of \$14,013,107 at September 30, 2022. This is an increase of \$10.7 million and is due to the increased tax rate from 2021 at 2.21% of net patient revenue to 6% of net patient revenue for 2022.

Grant Fund

The Grant Fund has been established to account for the revenues and expenditures related to grant activities. At September 30, 2022, the Grant Fund reported a net fund balance of \$166,375, a decrease of \$45,998 from fiscal year 2021. Program income generated in prior years from grant purchased equipment was spent in 2022, creating an excess of expenditures over revenues.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County adopts an annual budget for the General Fund. Budget amounts represent the original budget for 2022 as subsequently amended by the Commissioners' Court. Budgets are adopted on a basis consistent with GAAP (modified accrual basis). Budget variances are not expected to impact future services or liquidity.

GENERAL FUND BUDGETARY HIGHLIGHTS (Continued)

The following table summarizes General Fund budgeted and actual amounts for fiscal year 2022:

Brazos County, Texas			
FY 2022 General Fund Budget Vs. Actual Amounts - GAAP Basis			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>Revenues and Other Financing Sources</u>			
Taxes	\$ 111,571,000	\$ 111,571,000	\$ 116,116,899
Charges for Services	11,230,348	11,281,248	14,017,730
Intergovernmental	846,000	9,314,825	9,447,771
Interest	467,000	467,000	1,234,978
Other	632,224	648,593	1,166,709
Subscription-Based Information Technology Arrangements	-	-	291,155
Transfers In	20,000	7,016,789	1,055,575
Sale of Capital Assets	30,000	30,000	218,649
Insurance Recoveries	50,000	50,000	926,919
Total	<u>124,846,572</u>	<u>140,379,455</u>	<u>144,476,385</u>
<u>Expenditures and Other Financing Uses</u>			
Expenditures	146,053,290	155,742,901	105,884,262
Transfers Out	9,565,035	15,408,307	5,720,272
Total	<u>155,618,325</u>	<u>171,151,208</u>	<u>111,604,534</u>
Net Change in Fund Balance	<u>\$ (30,771,753)</u>	<u>\$ (30,771,753)</u>	<u>\$ 32,871,851</u>

Differences between the original budget and the final amended budget reflected an increase of \$15,532,883 in available resources and the same amount of increase in appropriations.

Actual revenues and transfers increased by \$4,096,930 (3%) over the final budget due to an increase in taxes collected and the intergovernmental funds revenue recognized from the American Recovery Act. Actual expenditures and transfers out were \$59,546,674 (35%) under the final budget as a result of the restrained spending of the County.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The capital assets of the County are those assets (land, right-of-way, buildings, improvements, roads, bridges, machinery, and equipment) which are used by the County in performance of the County's functions. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2022, amounted to \$333,172,226 (net of accumulated depreciation) and at September 30, 2021, it was \$321,074,485. Depreciation on capital assets is recognized in the government-wide financial statements. Depreciation provided for the current fiscal period was \$7,298,982 compared to \$7,226,908 for the year ended September 30, 2021.

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

- The County purchased the BISD building for the new public defender office. The total amount spent was \$2.4 million during fiscal year 2022.

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)

- The County acquired approximately \$1.6 million and disposed of \$1.1 million in machinery and equipment in fiscal year 2022.
- The County continued to work on the jail kitchen remodel in 2022 and the project continues progress in fiscal year 2023.
- The County began construction on the Justice of the Peace, Precinct 1 and Constable Precinct 1 building and spent \$900,000 during fiscal year 2022.
- The County acquired approximately \$1.7 million in software in fiscal year 2022.

The County has elected to use the “Modified Approach” as defined by GASB 34 for reporting infrastructure assets, which include 479 miles of roads and 72 bridges. The County has adopted a minimum condition level of 80% for all County roads. In fiscal year 2022 approximately 92% of the County roads meet the targeted condition level. For the year ended September 30, 2022, the actual amounts of expense incurred for the annual maintenance and preservation of the roads and bridges at the targeted condition level was \$10.7 million and the amount estimated to be necessary for the purpose was \$13.5 million. The \$2.7 million variance was mainly due to two major road projects being contracted out in 2022.

The following table provides a comparative overview of the County’s capital assets for the current and previous year. For further information regarding capital assets, see Note 6 to the financial statements.

	Balance September 30, 2022	Balance September 30, 2021
<u>Governmental Activities:</u>		
Land	\$ 40,687,274	\$ 39,374,368
Construction in progress	12,050,670	9,111,732
Infrastructure	137,340,602	126,497,822
Buildings	160,683,967	158,891,813
Improvements other than buildings	31,898,180	31,898,180
Machinery and equipment	29,129,886	28,479,795
Intangible assets - computer software	13,854,912	12,018,902
	<u>425,645,491</u>	<u>406,272,612</u>
Less: Accumulated depreciation	(92,497,109)	(85,198,127)
Governmental activities capital assets, net	<u>\$ 333,148,382</u>	<u>\$ 321,074,485</u>
<u>Business-type activities:</u>		
Machinery and equipment	\$ 73,701	\$ 93,836
	<u>73,701</u>	<u>93,836</u>
Less: Accumulated depreciation	(49,857)	(93,836)
Business-type activities capital assets, net	<u>\$ 23,844</u>	<u>\$ -</u>

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Debt Administration

At September 30, 2022, the County had total long-term debt outstanding of \$67,255,000 as compared to \$81,300,000 in the prior year. \$14,045,000 debt principal was paid during 2022.

Refer to Note 9 in the Notes to the Basic Financial Statements for a detailed breakdown of long-term debt owed by the County. County officials, citizens and investors will find the ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita as useful indicators of the County's debt position. These are shown in the statistical section of this report.

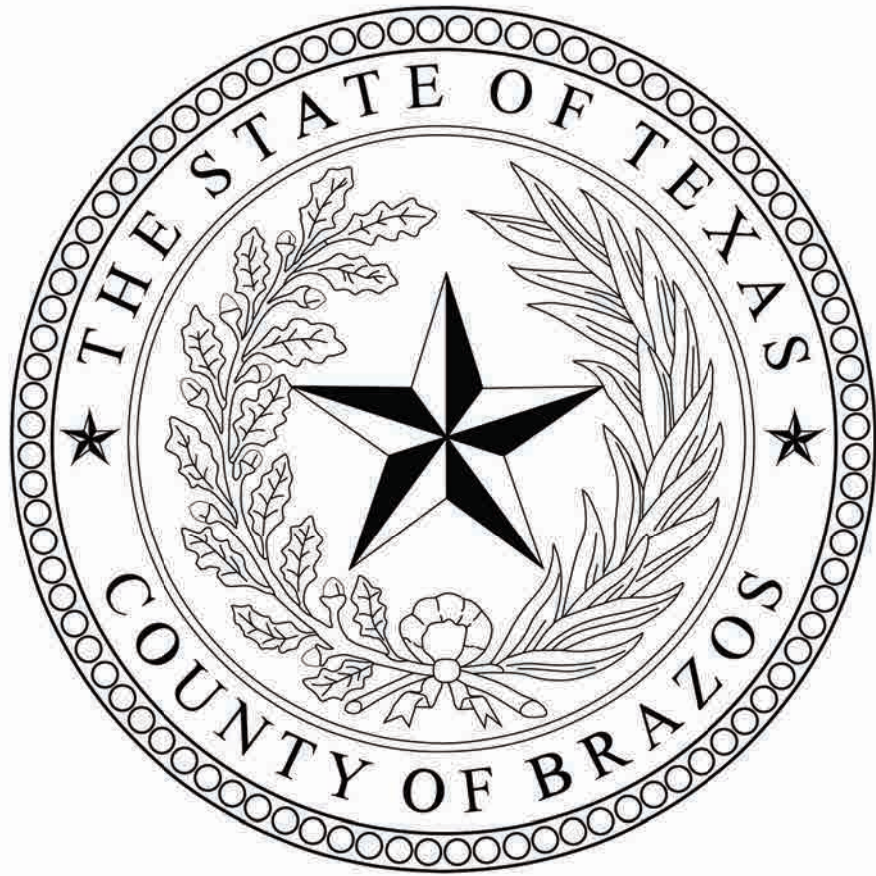
ECONOMIC FACTORS

The Commissioners' Court adopted the fiscal year 2022 budget on September 7, 2021. The fiscal year 2022 budget was prepared in a conservative manner with an emphasis on maintaining current service levels and building reserves. The budget was adopted based on anticipated resources and estimated uses in fiscal year 2022. The total resources of the County's General Fund are estimated to be \$158,800,000 including the appropriated fund balance of \$34,000,000.

The property tax rate for fiscal year 2022 is \$0.4935 per \$100 valuation compared to \$0.4950 in fiscal year 2021. For the past four years, the County has been using an estimated collection rate of 98% on property taxes for budgeting purposes.

REQUESTS FOR INFORMATION

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



BASIC FINANCIAL STATEMENTS

BRAZOS COUNTY, TEXAS
STATEMENT OF NET POSITION
September 30, 2022

	Governmental Activities	Business-Type Activities	TOTAL
ASSETS			
Cash and Cash Equivalents	\$ 84,064,986	\$ 1,234,509	\$ 85,299,495
Investments	143,358,185	-	143,358,185
Prepaid Expenses	1,917,135	-	1,917,135
Receivables, net of allowance for uncollectible amounts of \$17,264,977			
Taxes	5,294,178	-	5,294,178
Accounts and Other	3,348,605	45	3,348,650
Inventories	1,663,167	84,335	1,747,502
Due From Other Funds	-	110,988	110,988
Restricted Assets			
Investments	2,074,067	-	2,074,067
Receivables, net of allowance for uncollectible amounts of \$82,064			
Taxes	354,252	860	355,112
Net Pension Asset	5,413,839	15,916	5,429,755
Joint Venture	5,515,003	-	5,515,003
Capital Assets (net of accumulated depreciation)			
Land	40,687,274	-	40,687,274
Buildings	103,982,437	-	103,982,437
Improvements Other than Buildings	19,426,574	-	19,426,574
Intangible Assets - Computer Software	5,960,803	-	5,960,803
Machinery and Equipment	13,700,022	23,844	13,723,866
Infrastructure	137,340,602	-	137,340,602
Construction in Progress	12,050,670	-	12,050,670
TOTAL ASSETS	586,151,799	1,470,497	587,622,296
DEFERRED OUTFLOWS OF RESOURCES			
Change in Pension Assumptions or Inputs	7,866,941	14,045	7,880,986
Change in Pension Allocated Share	53	-	53
Differences Between Expected and Actual Pension Experience	1,093,759	3,295	1,097,054
Pension Contributions After the Measurement Date	5,882,523	8,572	5,891,095
Change in OPEB Allocated Share	1,601,811	6,774	1,608,585
Difference Between Expected and Actual OPEB Experience	433,547	5,957	439,504
OPEB Contributions After the Measurement Date	3,715,940	8,249	3,724,189
Deferred Charges - Refunding	733,105	-	733,105
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 21,327,679	\$ 46,892	\$ 21,374,571

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

BRAZOS COUNTY, TEXAS
STATEMENT OF NET POSITION - Continued
September 30, 2022

	Governmental Activities	Business-Type Activities	TOTAL
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 13,463,030	\$ 88,885	\$ 13,551,915
Accrued Salaries and Wages	2,266,261	1,092	2,267,353
Accrued Interest Payable	202,784	-	202,784
Unclaimed Funds	332,070	-	332,070
Unearned Revenue	30,866,753	-	30,866,753
Liabilities for Compensated Absences	1,898,385	3,876	1,902,261
Noncurrent Liabilities			
Due within one year	7,233,691	-	7,233,691
Due in more than one year	143,251,536	108,772	143,360,308
TOTAL LIABILITIES	199,514,510	202,625	199,717,135
DEFERRED INFLOWS OF RESOURCES			
Difference Between Projected and Actual Earnings			
on Pension Plan	31,604,398	57,848	31,662,246
Differences Between Expected and Actual Pension Experience	615,257	2,437	617,694
Change in Pension Allocated Shares	-	53	53
Difference Between Projected and Actual Earnings			
on OPEB Plan	720,697	1,464	722,161
Change in OPEB Allocated Share	15,466	69	15,535
Differences Between Expected and Actual OPEB Experience	6,858,201	17,410	6,875,611
Change in OPEB Assumptions or Inputs	2,457,677	7,643	2,465,320
TOTAL DEFERRED INFLOWS OF RESOURCES	42,271,696	86,924	42,358,620
NET POSITION			
Net Investment in Capital Assets	267,273,880	23,844	267,297,724
Restricted for:			
Debt Service	2,869,289	-	2,869,289
Capital Projects	12,297,950	-	12,297,950
Legislative	39,240,232	-	39,240,232
Unrestricted	44,011,921	1,203,996	45,215,917
TOTAL NET POSITION	\$ 365,693,272	\$ 1,227,840	\$ 366,921,112

BRAZOS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Governmental Activities:			
General Government	\$ 45,471,272	\$ 6,931,792	\$ 18,256,521
Justice System	21,913,723	7,434,533	991,741
Law Enforcement	25,492,123	2,074,157	125,476
Juvenile Services	7,021,682	81,903	1,282,624
Public Transportation	9,690,078	3,016,352	368,464
Public Health	28,481,580	30,558	101,339
Human Services	9,465,360	1,960,192	1,989,134
Interest and Other Fees	2,609,116	-	-
Total Governmental Activities	<u>150,144,934</u>	<u>21,529,487</u>	<u>23,115,299</u>
Business-Type Activities:			
Jail Commissary Fund	1,388,675	1,294,249	-
Total Business-Type Activities	<u>1,388,675</u>	<u>1,294,249</u>	<u>-</u>
Total Government	<u>\$ 151,533,609</u>	<u>\$ 22,823,736</u>	<u>\$ 23,115,299</u>

General revenues:

Taxes:

Property taxes
Local health care provider assessments
Sales taxes
Motor vehicle taxes
Mixed drink taxes
Hotel occupancy taxes
Unrestricted investment earnings
Total general revenues

Change in net position

Net position - beginning, as restated

Net position - ending

*Beginning balances have been restated to include the reclassification of the County Attorney Operating fund from a Proprietary fund to a Special Revenue fund in fiscal year 2022 due to a change in operations.

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

Program Revenues Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business - Type Activities	Total
\$ -	\$ (20,282,959)	\$ -	\$ (20,282,959)
-	(13,487,449)	-	(13,487,449)
-	(23,292,490)	-	(23,292,490)
-	(5,657,155)	-	(5,657,155)
30,417	(6,274,845)	-	(6,274,845)
-	(28,349,683)	-	(28,349,683)
-	(5,516,034)	-	(5,516,034)
-	(2,609,116)	-	(2,609,116)
<u>30,417</u>	<u>(105,469,731)</u>	<u>-</u>	<u>(105,469,731)</u>
-	-	(94,426)	(94,426)
<u>-</u>	<u>-</u>	<u>(94,426)</u>	<u>(94,426)</u>
<u>\$ 30,417</u>	<u>(105,469,731)</u>	<u>(94,426)</u>	<u>(105,564,157)</u>
	101,651,835	-	101,651,835
	37,254,069	-	37,254,069
	24,244,744	-	24,244,744
	1,847,748	-	1,847,748
	1,229,711	-	1,229,711
	3,360,758	-	3,360,758
	1,522,614	4,496	1,527,110
	<u>171,111,479</u>	<u>4,496</u>	<u>171,115,975</u>
	65,641,748	(89,930)	65,551,818
	<u>300,051,524</u> *	<u>1,317,770</u> *	<u>301,369,294</u>
<u>\$</u>	<u>365,693,272</u>	<u>\$ 1,227,840</u>	<u>\$ 366,921,112</u>

**BRAZOS COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2022**

	Major Funds	
	General	Debt Service
ASSETS		
Cash and Cash Equivalents	\$ 36,334,213	\$ 791,167
Investments	103,791,628	2,074,067
Prepaid Expenses	1,851,513	300
Receivables		
Taxes, net	4,850,725	354,252
Officials	128,969	734
Interest	34,829	321
Accounts, net	2,009,378	-
State	429,197	-
Due from Other Funds	502	-
Inventories	1,663,167	-
TOTAL ASSETS	\$ 151,094,121	\$ 3,220,841
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES		
Liabilities		
Accounts Payable	\$ 7,577,638	\$ 3,500
Accrued Expenditures Payable	154,303	-
Accrued Salaries and Wages	2,161,540	-
Unclaimed Funds	-	-
Unearned Revenues	1,367,429	-
Total Liabilities	11,260,910	3,500
Deferred Inflows of Resources		
Unavailable Revenues	3,678,987	347,752
Total Deferred Inflows of Resources	3,678,987	347,752
Fund Balances		
Nonspendable	3,514,680	300
Restricted	15,571,360	2,869,289
Assigned	-	-
Unassigned	117,068,184	-
Total Fund Balances	136,154,224	2,869,589
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 151,094,121	\$ 3,220,841

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

Local Provider Participation	Grants	Nonmajor Governmental Funds	Total Governmental Funds
\$ 13,864,739	\$ 68,399	\$ 23,374,953	\$ 74,433,471
-	29,493,928	10,072,627	145,432,250
-	12,110	4,367	1,868,290
-	-	443,453	5,648,430
-	-	-	129,703
14,122	-	10,014	59,286
134,246	-	46,193	2,189,817
-	158,068	-	587,265
-	-	-	502
-	-	-	1,663,167
<u>\$ 14,013,107</u>	<u>\$ 29,732,505</u>	<u>\$ 33,951,607</u>	<u>\$ 232,012,181</u>
\$ -	\$ 3,456	\$ 2,197,229	\$ 9,781,823
-	-	1,321,894	1,476,197
-	63,352	27,816	2,252,708
-	-	332,070	332,070
-	29,499,322	-	30,866,751
<u>-</u>	<u>29,566,130</u>	<u>3,879,009</u>	<u>44,709,549</u>
-	-	-	4,026,739
<u>-</u>	<u>-</u>	<u>-</u>	<u>4,026,739</u>
-	12,110	4,367	3,531,457
14,013,107	154,265	9,497,132	42,105,153
-	-	20,571,099	20,571,099
-	-	-	117,068,184
<u>14,013,107</u>	<u>166,375</u>	<u>30,072,598</u>	<u>183,275,893</u>
<u>\$ 14,013,107</u>	<u>\$ 29,732,505</u>	<u>\$ 33,951,607</u>	<u>\$ 232,012,181</u>

BRAZOS COUNTY, TEXAS
RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
September 30, 2022

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

Total fund balances - governmental funds	\$	183,275,893
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		333,148,382
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Deferred outflows of resources and the net pension asset represent a consumption of net position that applies to future periods and therefore will not be recognized as an outflow of resources until then. Deferred outflows of resources and the net pension asset are not reported in the governmental funds:

Change in Pension Assumptions or Inputs	7,866,941	
Change in Pension Allocated Share	51	
Differences Between Expected and Actual Pension Experience	1,093,760	
Pension Contributions After the Measurement Date	5,882,523	
Change in OPEB Allocated Share	1,593,539	
Difference Between Expected and Actual OPEB Experience	423,310	
OPEB Contributions After the Measurement Date	3,699,253	
Deferred Charges - Refunding	733,105	
Net Pension Asset	5,413,839	
		26,706,321

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.		4,026,719
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Internal service funds are used by the County's management for self insurance. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the funds are included in governmental activities in the Statement of Net Position but are not included at the fund level.		7,517,353
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The County's equity interest in a joint venture is included in the Statement of Net Position but is not included at the fund level.		5,515,003
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Liabilities for compensated absences are considered current but are not reported as liabilities in the funds.		(1,885,473)
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds:

Bonds Payable	(74,879,311)	
Accrued Interest Payable	(202,784)	
Subscription Based Information Technology Liability	(2,226,960)	
Net OPEB Liability	(73,086,254)	
		(150,395,309)

Deferred inflows of resources represent an acquisition of net position that applies to future periods and therefore will not be recognized as an inflow of resources until then. Deferred inflows of resources are not reported in the governmental funds:

Differences Between Expected and Actual Pension Experience	(615,258)	
Difference Between Projected and Actual Earnings on Pension Plan	(31,604,395)	
Difference Between Projected and Actual Earnings on OPEB Plan	(717,395)	
Change in OPEB Allocated Shares	(15,384)	
Differences Between Expected and Actual OPEB Experience	(6,817,595)	
Change in OPEB Assumptions or Inputs	(2,445,590)	
		(42,215,617)

Total net position - governmental activities	\$	<u>365,693,272</u>
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The accompanying notes to the financial statements are an integral part of this statement.



BRAZOS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended September 30, 2022

	Major Funds	
	General	Debt Service
REVENUES		
Taxes	\$ 116,116,899	\$ 10,766,579
Charges for Services	14,017,730	-
Intergovernmental	9,447,771	-
Interest	1,234,978	89,607
Other Revenue	1,166,709	-
TOTAL REVENUES	141,984,087	10,856,186
EXPENDITURES		
Current		
General Government	29,699,589	-
Justice System	21,580,942	-
Law Enforcement	25,840,514	-
Juvenile Services	6,000,753	-
Public Transportation	10,705,642	-
Public Health	2,111,045	-
Human Services	4,643,349	-
Capital Outlay	5,302,428	-
Debt Service		
Principal Retirement	-	14,045,000
Interest and Other Fees	-	2,954,947
Agent Fees	-	9,500
TOTAL EXPENDITURES	105,884,262	17,009,447
Excess (Deficiency) of Revenues Over (Under) Expenditures	36,099,825	(6,153,261)
OTHER FINANCING SOURCES (USES)		
Subscription-Based Information Technology Arrangement	291,155	-
Transfers In	1,055,575	1,165,715
Transfers Out	(5,720,272)	-
Sale of Capital Assets	218,649	-
Insurance Recoveries	926,919	-
TOTAL OTHER FINANCING SOURCES (USES)	(3,227,974)	1,165,715
Net Change in Fund Balances	32,871,851	(4,987,546)
FUND BALANCES, OCTOBER 1, as restated	103,282,373	7,857,135
FUND BALANCES, SEPTEMBER 30	\$ 136,154,224	\$ 2,869,589

*Nonmajor Governmental Funds beginning balance has been restated to include the reclassification of the County Attorney Operating fund from a Proprietary fund to a Special Revenue fund in fiscal year 2022 due to a change in operations.

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

Local Provider Participation	Grants	Nonmajor Governmental Funds	Total Governmental Funds
\$ 37,254,069	\$ -	\$ 3,364,380	\$ 167,501,927
-	-	1,266,960	15,284,690
-	13,620,966	78,805	23,147,542
50,392	(1,391)	137,581	1,511,167
-	-	99,928	1,266,637
<u>37,304,461</u>	<u>13,619,575</u>	<u>4,947,654</u>	<u>208,711,963</u>
-	9,500,063	176,012	39,375,664
-	407,935	800,356	22,789,233
-	56,301	1,615,621	27,512,436
-	1,275,467	-	7,276,220
-	368,465	-	11,074,107
26,568,700	-	-	28,679,745
-	2,035,699	1,391,522	8,070,570
-	322,412	13,787,474	19,412,314
-	-	-	14,045,000
-	-	-	2,954,947
-	-	-	9,500
<u>26,568,700</u>	<u>13,966,342</u>	<u>17,770,985</u>	<u>181,199,736</u>
10,735,761	(346,767)	(12,823,331)	27,512,227
-	-	1,539,503	1,830,658
-	300,769	4,418,870	6,940,929
(20,000)	-	(1,200,657)	(6,940,929)
-	-	-	218,649
-	-	-	926,919
<u>(20,000)</u>	<u>300,769</u>	<u>4,757,716</u>	<u>2,976,226</u>
10,715,761	(45,998)	(8,065,615)	30,488,453
<u>3,297,346</u>	<u>212,373</u>	<u>38,138,213</u>	<u>152,787,440</u>
<u>\$ 14,013,107</u>	<u>\$ 166,375</u>	<u>\$ 30,072,598</u>	<u>\$ 183,275,893</u>

BRAZOS COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

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

Net change in fund balances - total governmental funds	\$	30,488,453
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount that expenditures for capital outlay exceeded depreciation expense.

Capital outlay	19,412,314	
Depreciation expense	(7,298,982)	
		12,113,332

Revenues and contributed assets in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	673,366
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, road annexations, and donations) is to affect net position.	(1,341,118)
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The County's investment in a joint venture is reported at the government-wide level but not at the fund level. This amount represents the current year change.	(44,236)
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The liabilities for compensated absences are accrued at the government-wide level but not at the fund level. This is the current year change in those liabilities, reported as expense in the statement of activities.	55,097
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The net OPEB liability per GASB 75 is accrued at the government-wide level but not at the fund level. This is the current year change in those liabilities, reported as expense in the statement of activities.	1,132,318
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The net pension liability/(asset) per GASB 68 is accrued at the government-wide level but not at the fund level. This is the current year change in those liabilities/(assets), reported as expense in the statement of activities.	5,851,358
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premium, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

This amount is the net effect of these differences in the treatment of long-term debt

*Begin and related items.	14,400,331
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Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet maintenance, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.

	2,312,847
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Change in net position of governmental activities	\$	65,641,748
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The accompanying notes to the financial statements are an integral part of this statement.

BRAZOS COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2022

	Business - Type Activities - Enterprise Fund	Governmental Activities
	Jail Commissary	Internal Service Fund
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 1,234,509	\$ 9,631,513
Prepaid Expenses	-	48,846
Accounts Receivable	905	382,554
Inventories	84,335	-
Due from Other Funds	110,988	-
Total Current Assets	<u>1,430,737</u>	<u>10,062,913</u>
Noncurrent Assets		
Net Pension Asset	15,916	-
Property, Plant and Equipment	73,702	-
Less: Accumulated Depreciation	<u>(49,858)</u>	<u>-</u>
Total Noncurrent Assets	<u>39,760</u>	<u>-</u>
TOTAL ASSETS	<u>1,470,497</u>	<u>10,062,913</u>
DEFERRED OUTFLOWS OF RESOURCES		
Change in Pension Assumptions or Inputs	14,045	-
Differences Between Expected and Actual Pension Experience	3,295	-
Pension Contributions After the Measurement Date	8,572	-
Change in OPEB Allocated Share	6,774	8,271
Differences Between Expected and Actual OPEB Experience	5,957	10,236
OPEB Contributions After the Measurement Date	<u>8,249</u>	<u>16,687</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>46,892</u>	<u>35,194</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	88,885	2,205,145
Accrued Salaries and Wages	1,092	13,553
Compensated Absences	3,876	12,912
Due to Other Funds	-	368
Total Current Liabilities	<u>93,853</u>	<u>2,231,978</u>
Noncurrent Liabilities		
Due in more than one year	108,772	292,700
Total Noncurrent Liabilities	<u>108,772</u>	<u>292,700</u>
TOTAL LIABILITIES	<u>202,625</u>	<u>2,524,678</u>
DEFERRED INFLOWS OF RESOURCES		
Difference Between Projected and Actual Earnings on Pension Plan	57,848	-
Change in Pension Allocated Share	53	-
Differences Between Expected and Actual Pension Experience	2,437	-
Difference Between Projected and Actual Earnings on OPEB Plan	1,464	3,302
Change in OPEB Allocated Share	69	81
Change in OPEB Assumptions or Inputs	7,643	12,087
Differences Between Expected and Actual OPEB Experience	<u>17,410</u>	<u>40,606</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>86,924</u>	<u>56,076</u>
NET POSITION		
Net Investment in Capital Assets	23,844	-
Unrestricted	<u>1,203,996</u>	<u>7,517,353</u>
TOTAL NET POSITION	<u>\$ 1,227,840</u>	<u>\$ 7,517,353</u>

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

BRAZOS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION
PROPRIETARY FUNDS
For The Year Ended September 30, 2022

	Business - Type Activities - Enterprise Fund	Governmental Activities
	Jail Commissary	Internal Service Fund
OPERATING REVENUES		
Charges for Services	\$ -	\$ -
Commissary Sales	1,258,239	-
Employee Dependents	-	2,777,750
Self Pays	-	11,216
Excess Risk Benefits	-	1,467,582
Participant Payments	-	-
Brazos County	-	15,498,715
Retirees	-	655,041
Other Revenue	36,010	499,437
TOTAL OPERATING REVENUES	1,294,249	20,909,741
OPERATING EXPENSES		
Personnel Services	112,286	276,103
Supplies and Other Charges	229,101	50,614
Cost of Goods Sold	950,141	-
Repairs and Maintenance	7,381	93
Life Insurance	-	15,448
Stop Loss Premiums	-	2,900,737
Benefit Claims	-	14,426,497
Administrative Fees	-	648,138
Contract Services	-	748
Professional Services	89,515	289,964
Depreciation	251	-
TOTAL OPERATING EXPENSES	1,388,675	18,608,342
OPERATING INCOME	(94,426)	2,301,399
NONOPERATING REVENUES		
Interest	4,496	11,448
TOTAL NONOPERATING REVENUES	4,496	11,448
CHANGE IN NET POSITION	(89,930)	2,312,847
TOTAL NET POSITION - OCTOBER 1	1,317,770	5,204,506
TOTAL NET POSITION - SEPTEMBER 30	\$ 1,227,840	\$ 7,517,353

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

BRAZOS COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For The Year Ended September 30, 2022

	Business - Type Activities - Enterprise Fund	Governmental Activities
	Jail Commissary	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 1,291,155	\$ 3,441,352
Receipts from interfund services provided	-	15,498,715
Payments to contractors and vendors	(1,345,125)	(3,317,088)
Claims paid	-	(12,870,660)
Payments to employees for services	(123,665)	(301,991)
NET CASH PROVIDED BY (used in) OPERATING ACTIVITIES	(177,635)	2,450,328
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets:		
Property	(24,095)	-
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(24,095)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	4,680	16,873
NET CASH PROVIDED BY INVESTING ACTIVITIES	4,680	16,873
NET INCREASE IN CASH AND CASH EQUIVALENTS	(197,050)	2,467,201
CASH AND CASH EQUIVALENTS, OCTOBER 1	1,431,559	7,164,312
CASH AND CASH EQUIVALENTS, SEPTEMBER 30	\$ 1,234,509	\$ 9,631,513
Reconciliation of operating income to net cash provided by (used in) operating activities:		
Operating income	\$ (94,426)	\$ 2,301,399
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense	251	-
Change in accounts receivable	-	(32,474)
Change in prepaid expenses	-	(47,346)
Change in due from other funds	(3,095)	-
Change in inventory	(6,315)	-
Change in net pension asset	(15,916)	-
Change in pension/OPEB related deferred outflows of resources	(9,643)	47,803
Change in accounts payable	(62,671)	257,571
Change in accrued salaries and compensated absences	4,164	5,196
Change in unearned revenues	-	(2,934)
Change in noncurrent liabilities	(50,255)	(32,476)
Change in pension/OPEB related deferred inflows of resources	60,271	(46,411)
Total adjustments	(83,209)	148,929
Net cash provided by (used in) operating activities	\$ (177,635)	\$ 2,450,328

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

BRAZOS COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2022

	<u>OPEB Trust Fund</u>	<u>Custodial Funds</u>
ASSETS		
Cash and Cash Equivalents	\$ 241,252	\$ 8,296,891
Accounts Receivable	428	281
Investments		
Fixed Income	2,653,458	-
Domestic Equities	4,454,111	-
TOTAL ASSETS	<u>7,349,249</u>	<u>8,297,172</u>
LIABILITIES		
Accounts Payable	-	3,823
Due to Other Funds	-	110,988
TOTAL LIABILITIES	<u>-</u>	<u>114,811</u>
NET POSITION		
Restricted for:		
OPEB	7,349,249	-
Individuals, Organizations and Other		
Governments	-	8,182,361
TOTAL NET POSITION	<u>\$ 7,349,249</u>	<u>\$ 8,182,361</u>

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

BRAZOS COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2022

	<u>OPEB Trust Fund</u>	<u>Custodial Funds</u>
ADDITIONS		
Contributions:		
Employer	\$ 2,000,000	\$ -
Members	-	6,508,658
Investment Earnings:		
Interest and Dividends	218,707	18,759
Total Additions	<u>2,218,707</u>	<u>6,527,417</u>
DEDUCTIONS		
Payments to Individuals or Organizations	-	6,669,532
Administrative Expenses	37,120	3,412
Net Depreciation in the Fair Value of Investments	1,817,620	-
Total Deductions	<u>1,854,740</u>	<u>6,672,944</u>
NET INCREASE IN FIDUCIARY NET POSITION	363,967	(145,527)
NET POSITION - OCTOBER 1	<u>6,985,282</u>	<u>8,327,888</u>
NET POSITION - SEPTEMBER 30	<u><u>\$ 7,349,249</u></u>	<u><u>\$ 8,182,361</u></u>

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

BRAZOS COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Brazos County, Texas (“County”) have been developed to be in conformity with accounting principles generally accepted in the United States of America (“GAAP”) for local government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

A. Reporting Entity

The Brazos County Government (the “County”) was created in 1841. The County is a public corporation and a political subdivision of the State of Texas. It performs governmental functions as required or authorized by the Texas Constitution and the Laws of the State. A Commissioners’ Court composed of an elected County Judge and four elected Commissioners governs the County. The combined financial statements include all departments, funds or accounts for the County, the primary government.

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The financial statements should allow users to distinguish between the primary government (the County) and its component units. GASB Statement 14, as amended by GASB Statement 61, defines the reporting entity as the primary government and its component units. Brazos County is the primary governmental unit. The financial statements include all funds, agencies, boards, commissions, and authorities for which the elected officials of the County are financially accountable. The financial statements include those entities for which the nature and significance of the relationship between the entity and the County are such that to exclude the entity from the financial reporting entity would render the financial statements misleading or incomplete.

B. Related Organizations

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

Brazos County Health Facilities Development Corporation

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Related Organizations (Continued)

The BCHFDC is governed by a five-member Board of Directors which is comprised of the members of the Brazos County Commissioners' Court.

Brazos County Industrial Development Corporation

The Brazos County Industrial Development Corporation ("BCIDC") is a Texas public, non-profit corporation created in accordance with the Texas Development Corporation Act of 1979. The BCIDC's purpose is to issue bonds on behalf of the Corporation, to promote and develop industrial and manufacturing enterprises, to promote and encourage employment and the public welfare, and to finance projects as defined by the Act. The tax-exempt bonds issued by the BCIDC do not constitute a debt or a pledge of faith or credit of the BCIDC or the County but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. Interest received on the bonds is generally exempt from federal income tax under Section 103 of the Internal Revenue Code. The BCIDC is governed by a three-member Board of Directors which is comprised of three members of the Brazos County Commissioners' Court.

Brazos County Housing Finance Corporation

The Brazos County Housing Finance Corporation ("BCHFC") is a Texas public, non-profit corporation created in accordance with the Texas Housing Finance Corporations Act in 1980. This Act authorizes the BCHFC to finance residential housing by issuing tax-exempt revenue bonds to acquire mortgage loans made to low or moderate income persons, and to pledge such mortgage loans as security for the payment of the principal and interest of such revenue bonds. The tax-exempt bonds issued by the BCHFC do not constitute a debt or a pledge of faith or credit of the BCHFC or Brazos County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. Interest received on the bonds is generally exempt from federal income tax under Section 103 of the Internal Revenue Code. The BCHFC is governed by a five-member Board of Directors, three of which are members of the Brazos County Commissioners' Court.

Brazos Valley Fair & Exposition

The Brazos Valley Fair & Exposition (the "Fair") is a non-profit, 501(c)3 corporation that was organized in 2010 for educational, scientific and charitable purposes to encourage, promote and maintain agricultural science, research, and education. It is a mid-major or regional fair whose reach or scope encompasses the entire state of Texas and surrounding states. Initially, the Executive Committee of the Fair consisted of seven members, all of which were appointed by the Brazos County Commissioners' Court. Currently, the Executive Committee consists of nine members, the last two added by the Committee in 2015. Future additions and replacements to the Board of Directors will be determined by the Executive Committee at the time the changes are made.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Related Organizations (Continued)

The start-up funding for the Fair came from the Hotel Occupancy Tax (“HOT”) Fund, a special revenue fund of the County. The amount of annual funding is approved first by the HOT Committee and subsequently by the Brazos County Commissioners’ Court. The HOT Fund has funded the Fair \$590,000 cumulatively from fiscal year 2011 to fiscal year 2022. In addition, the County pays the salaries and wages of the three primary employees of the Fair and provides various resources to the Fair at no charge, such as office space, utilities, telephone services, internet services, periodic use of a County vehicle, etc.

The annual fair generated enough revenue to pay all its direct expenses and the facility rental fees for the Exposition Complex. It is the general policy of the Fair that the majority of the excess of its revenue over expenses will be used for the furtherance of its exempt purpose, including the granting of scholarships and the funding of related capital additions and improvements at the Brazos County Exposition Center.

Brazos County Regional Mobility Authority

During the 2019 State of Texas Legislative Session, Brazos County received authorization to create a Regional Mobility Authority (RMA). The purpose of the RMA is to finance, acquire, design, construct, operate, maintain, expand or extend transportation projects. The Board of Directors consists of 6 members. The Chairman is appointed by the Governor of the State of Texas and the other 5 members are appointed by the Commissioners Court of Brazos County.

Texas House Bill 1698, authorizing an optional county fee on vehicle registration in certain counties to be used for transportation projects was passed during the legislative session. Brazos County voters will decide on Proposition B, a \$10.00 fee added to vehicle registration, in the November 2022 election to support the RMA and aid in the design and construction of new roads in Brazos County. Proposition B did not pass.

C. Government-Wide Financial Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units, if any. Governmental activities are supported by taxes and intergovernmental revenues and are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the expenses of a given function are offset by program revenues. Expenses are those that are clearly identifiable with a specific

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-Wide Financial Statements (Continued)

function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

D. Fund Level Financial Statements

All governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. If accrued revenue is not yet available, the related receivable is matched by a deferred inflow of resources for unavailable revenue and revenue recognition occurs only when the revenue eventually does become available. Debt service expenditures as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property tax revenues, the County's primary revenue source, are susceptible to accrual and are considered available to the extent of delinquent taxes collected within sixty (60) days of the fiscal year end. Grant and entitlement revenues are also susceptible to accrual. Encumbrances are used during the year and all outstanding encumbrances lapse at the end of each fiscal year.

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

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

All proprietary funds, including the enterprise funds and internal service fund, are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using the economic resources measurement focus. This means that all assets and liabilities (whether current or non-current) associated with their activity are included in the funds' statement of net position.

The fiduciary funds are used to account for assets held by a governmental entity for other parties (either as a trustee or as a custodian) and cannot be used to finance the governmental

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Level Financial Statements (Continued)

entity's own operating programs. They are accounted for using the accrual basis of accounting. These funds are not included in the government-wide financial statements.

The County's accounts are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which are comprised of each fund's assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses.

Funds are classified into three categories: Governmental, Proprietary and Fiduciary. The major funds of the County are noted within each category.

Governmental Funds

Governmental funds are used to account for all or most of a government's general activity. The County has reported four major funds under this category for the year ended September 30, 2022:

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

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

Local Provider Participation Fund – The Local Provider Participation Fund was established to account for the mandatory assessments collected from institutional health care providers located in the County that may be used to fund intergovernmental transfers, indigent programs, or other activities as allowed by State statute.

Grant Fund – A fund established to account for the revenues and expenditures related to grant activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Level Financial Statements (Continued)

Governmental Funds (Continued)

The County reports the following nonmajor governmental funds:

Special Revenue Funds – Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The phrase “proceeds of specific revenue sources”, establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The County Attorney Operating fund was reclassified from a Proprietary Fund in the fiscal year 2022 due to a change in operations.

Capital Improvement Fund – The Capital Improvement Fund is used to account for expenditures for new construction and acquisition of capital assets to support the County’s various functions.

2017 Certificates of Obligation – This fund is used to account for expenditures for the Juvenile Services building expansion. The expenditures are financed through the issuance of \$11,650,000 of Certificates of Obligation, Series 2017.

2020 Certificates of Obligation – This fund is used to account for various building construction projects throughout the County including the Jail Kitchen, Ag Extension building, and the Justice of the Peace and Constable Precinct 1 building and land. The expenditures are financed through the issuance of \$24,020,000 of Certificates of Obligation, Series 2020 in October 2020.

Proprietary Funds

Proprietary funds are used to account for operations that are financed in a manner similar to those in the private sector, where the determination of net income is appropriate for sound financial administration. The County reports one internal service fund and one enterprise fund. The internal service fund is used to account for the provision of health, dental and life insurance to the departments of the County as well as to outside entities that have contracted with the County for this service. The enterprise fund is classified as major fund. The account is used for the business-type operations of the Commissary. The County Attorney Operating fund was reclassified to the Special Revenue Fund in fiscal year 2022 due to a change in operations.

Fiduciary Funds

The County reports one Other Postemployment Benefit (OPEB) trust fund and five custodial funds as fiduciary funds. The OPEB trust fund is used to account for resources held in trust for employees and their beneficiaries based on other postemployment benefit arrangements. Custodial funds are used to account for situations where the government’s role is purely custodial, such as the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Assets have been held in these funds on behalf of individuals involving certain legal processes, bail bondsmen, and other governmental units.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Implementation of New Standards

In fiscal year 2022, the County evaluated and/or implemented the following new standards:

The GASB issued Statement No. 87, "Leases", in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. GASB 87 did not have an impact on the County's financial statements for the year ended September 30, 2022.

F. Cash, Cash Equivalents and Investments

The County defines all cash, money market accounts, and certificates of deposit that have an original maturity date of ninety days or less as cash or cash equivalents. Cash and cash equivalents related to restricted assets are also included. Cash and cash equivalents are short term, highly liquid investments, which may be converted to cash (see Note 3). The County maintains a cash and investment pool that is available for use by all funds. Equity in cash and cash equivalents and interest income from the cash pool is allocated to the participating funds on a monthly basis. The amount of the allocation is determined by calculating a ratio of each fund's equity in the pool to the total pool.

All County funds must be on deposit with the County depository unless the Commissioners' Court directs the County Treasurer to invest funds as otherwise provided by law. State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements. Investments are stated at fair value or amortized cost (see Note 3B).

G. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 of a given year. Taxes levied on October 1 are payable by January 31 of the following year, and by statute become delinquent on February 1, at which time they begin accruing penalty and interest. The enforceable legal claim date for property taxes is the assessment date and therefore the County did not record a receivable for taxes assessed after September 30. Accordingly, there are no current taxes receivable reported. On July 1, unpaid taxes are subject to additional penalties and collection expenses.

Taxes have been reported in the government-wide financial statements net of the allowance for uncollectible taxes. At the governmental fund level, taxes are recognized as revenue when they become available and the amount not yet available (not collectible within sixty days) has been reported as unavailable revenue. For the year ended September 30, 2022, the tax rate to finance general governmental services was \$0.442257 per \$100.00 valuation. The tax rate for the payment of principal and interest on long-term debt was \$0.051243 per \$100.00 valuation. Under provisions adopted by the State, the maximum rate that can be set to service governmental services is \$0.80 per \$100 of assessed value.

The Brazos County Appraisal District is responsible for the appraisal and recording of property for all taxing units in the County. The Appraisal District is required to assess property at 100% of its appraised value. Real property is subject to reappraisal on a four-year cycle.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Property Taxes (Continued)

The County's Tax Assessor-Collector acts as agent in the billing and collecting of taxes for the City of Bryan, the City of College Station, the City of Kurten, the City of Navasota, the Bryan Independent School District, the College Station Independent School District, the Navasota Independent School District, and Brazos County Emergency Services Districts 1, 2, 3, and 4. These transactions are recorded in the general property checking account of the Tax Assessor-Collector and transferred to the appropriate entity.

H. Interfund Transactions

The County has many transactions between funds during its normal course of operations. The accompanying fund level financial statements reflect such transactions as transfers, interfund receivables and payables. The effect of interfund activity has been eliminated in the government-wide financial statements, except for transactions between governmental and business-type activities, which are presented as internal balances.

I. Inventory

Inventory is valued at cost using the first-in, first-out method and is accounted for under the consumption method. Inventories of paper, pellets and shavings, and road maintenance materials are maintained within the General Fund. Inventories of consumable food and personal items are maintained within the Jail Commissary Enterprise Fund.

J. Prepays

Certain payments to vendors for services that will benefit future accounting periods are reported as prepaid items in both the government-wide and fund level financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

K. Restricted Assets

The Debt Service Fund's current assets are classified as restricted assets because their use is completely restricted for debt service on bonds in accordance with applicable bond covenants.

L. Investment in Joint Venture

The County's investment in a joint venture, the City of Bryan and Brazos County Economic Development Foundation, Inc., is reported in the government-wide financial statements using the equity method of accounting. Required disclosures concerning the joint venture are presented in Note 10.

M. Capital Assets

Capital assets include land, land improvements, right-of-way land, infrastructure, buildings, building improvements, site improvements, leasehold improvements, vehicles, machinery, furniture, equipment, other systems, works of art and intangible assets that are used in operations and benefit more than a single fiscal period. Infrastructure assets are long-lived assets that normally are stationary in nature and typically can be preserved for a significantly

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Capital Assets (Continued)

greater number of years than most capital assets, such as roads, bridges, and sewer systems.

The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Buildings and building improvements with an estimated cost to exceed \$25,000 are capitalized while infrastructure assets with an estimated cost to exceed \$50,000 are capitalized.

When capital assets are purchased, they are recorded as expenditures of the current period in the governmental fund financial statements. Capital assets are valued at cost where historical records are available and at an estimated historical cost where no records exist. Donated capital assets are reported at acquisition value. Capital assets are capitalized and depreciated in the government-wide financial statements and the proprietary fund statements.

Improvements to capital assets that materially extend the life of the asset or add to the value are capitalized. Other repairs and normal maintenance are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Capital assets, except for land and infrastructure, are depreciated over the useful lives of the assets or classes of assets on a straight-line basis as follows:

Buildings and improvements	20 - 40 years
Machinery and equipment	3 - 10 years
Intangible assets – computer software	2.5 - 5 years

The County uses the modified approach to report its infrastructure assets in the government-wide statement of net position. Infrastructure assets are listed at historical costs but they are not depreciated. Rather, under the modified approach allowed by GASB Statement No. 34, the County reports annual expenses for maintaining roads and bridges and the estimated costs for preserving them at 80% condition level out of a 100% scale.

N. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has the following items that qualify for reporting in this category.

- Change in pension assumptions about future economic or demographic factors or of other inputs – This difference is deferred and amortized over a closed 5 year period.
- Change in pension allocated share – This change results from the disaggregation of the aggregated County results. It is deferred and recognized over a closed 5 year period.
- Difference between expected and actual pension experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Deferred Inflows/Outflows of Resources (Continued)

- Pension contributions after the measurement date – These contributions are deferred and recognized in the following fiscal year.
- Change in OPEB allocated share – This change results from the disaggregation of the aggregated County results. It is deferred and recognized over a closed 7.7196 year period.
- Difference between expected and actual OPEB experience – This difference is deferred and recognized over a closed 7.7196 year period.
- OPEB contributions after the measurement date – These contributions are deferred and recognized in the following fiscal year.
- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has the following items that qualify for reporting in this category.

- Unavailable revenues – The unavailable revenues which arise only under the modified accrual basis of accounting qualify for reporting in this category in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and court-assessed fines and costs.
- Difference between projected and actual earnings on pension plan – This difference is deferred and amortized over a closed 5 year period.
- Difference between expected and actual pension experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Change in pension allocated share – This change results from the disaggregation of the aggregated County results. It is deferred and recognized over a closed 5 year period.
- Difference between projected and actual earnings on OPEB benefit plan – This difference is deferred and amortized over a closed 5 year period.
- Difference between expected and actual OPEB experience – This difference is deferred and recognized over a closed 7.7196 year period.
- Change in OPEB assumptions or inputs – Changes of assumptions reflects updates to the health care trend and participation. This difference results from the change in service lives of all active employees at a varying rate.

O. Compensated Absences

All non-exempt employees except temporary employees may earn compensatory time based on Fair Labor Standards Act regulations. Compensatory time earned during the year must be used by the last pay period in December of each calendar. At termination, all compensatory time is paid at the wage rate in place at termination.

All employees except temporary employees of the County are granted vacation benefits in

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Compensated Absences (Continued)

varying annual amounts up to a maximum allowable accumulation of 240 hours per year. Sick leave benefits are earned by all employees except temporary employees at a rate up to twelve days per year and may be accumulated without limit. Sick leave benefits are recognized as they are used by the employees. In the event of termination, an employee is entitled to receive accumulated vacation pay but not the accumulated sick leave pay.

The County's policy provides that only half of the vacation hours earned from the previous year can be carried over but must be used first in the current year. The liability of the County's vacation pay is calculated at the end of each fiscal year and reported as "Liabilities for Compensated Absences", a current liability item in the County's government-wide statements due to the fact that the accumulated vacation pay has an average maturity of less than one year.

P. Debt Related to Governmental Activities

In the government-wide financial statements, long-term debt is reported as noncurrent liabilities. Bonds payable are reported net of the applicable bond premium or discount. On new bond issues, bond premiums and discounts are amortized on a straight-line basis over the life of the bonds. On refunding bond issues, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense on a straight-line basis over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Q. Pensions

For purposes of measuring 1) the net pension liability, 2) pension related deferred inflows/outflows of resources, and 3) pension expense, County specific information about its fiduciary net position in the Texas County and District Retirement System ("TCDRS") and additions to/deductions from the County's fiduciary net position have been determined on the same basis as they are reported by TCERS, administrator of the statewide agent multiple-employer pension plan system. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the County's total pension liability can be obtained from TCERS through a report prepared for the County by TCERS consulting actuary, Milliman, Inc., in compliance with Governmental Accounting Standards Board (GASB) Statement No. 67, Accounting and Financial Reporting for Pension Plans – An Amendment of GASB Statement No. 25. The General Fund has been used to liquidate the pension liabilities in prior years.

R. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Brazos County Retiree Health Care Plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Information regarding the County's net OPEB liability can be obtained from GRS Retirement Consulting Company, who prepared a report in compliance with Governmental Accounting Standards Board (GASB) Statement No. 74 and Statement No. 75. The address is 5605 North MacArthur Boulevard, Suite 870, Irving, Texas 75038-2631 and the telephone number is (469)524-0000. The Internal Service Fund has been used to liquidate the OPEB liabilities in prior years.

S. Fund Balances and Net Position

Fund Balance Classifications

The County's Commissioners' Court meets on a regular basis to manage and review cash financial activities and to ensure compliance with established policies. It is the County's policy to fund current expenditures with current revenues and the County's mission is to strive to maintain a diversified and stable revenue stream to protect the government from problematic fluctuations in any single revenue source and provide stability to ongoing services.

Under GASB 54, fund balances are required to be reported according to the following classifications in descending order, from most constraining to least constraining:

Nonspendable Fund Balance – Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale, long-term receivables, the principal of an endowment or a revolving loan fund, etc.

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

Committed Fund Balance – Amounts that can only be used for specific purposes imposed by a formal resolution approved by Commissioner's Court, the government's highest level of decision-making authority. The constraints imposed by the resolution of the Commissioners' Court remain binding unless removed or changed in the same manner employed to previously commit those resources.

Assigned Fund Balance – Amounts that are constrained by the County's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. According to the County's policy, the Commissioners' Court, which is the governing body of the County, authorizes the County Judge, who is the County's budget officer by Texas Statute, to assign amounts for particular purposes during the budget process or throughout the year in the normal course of business.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. **Fund Balances and Net Position (Continued)**

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

For the classification of fund balance in the governmental funds, the County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The County's unassigned fund balances are maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.

Net Position Classifications

The government-wide and business-type activities financial statements utilize a net position presentation. Net position represents the difference between all other elements in a statement of financial position and should be displayed by its components: net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, adjusted by the capital-related deferred outflows of resources and deferred inflows of resources, and reduced by outstanding balances for bonds and other debt that is attributed to the acquisition, construction, or improvement of those assets.

Restricted - The restricted net position represents the difference between (1) non-capital assets whose use is restricted and (2) related liabilities and deferred inflows of resources. The use of noncapital assets is considered to be restricted only if the limitation is externally enforceable. Externally enforceable limitations result from constraints imposed by:

- Parties outside the government (grantors, donors, other governments);
- Constitutional provisions; or
- Enabling legislation (legislation that raises resources from external parties subject to a legally enforceable requirement that those resources “be used only for the specific purpose stipulated in the legislation”).

The amount that represents the County's net position restricted by enabling legislation was \$39,240,232 as reported in the Statement of Net Position.

Unrestricted - Any portion of net position not already classified as either net investment in capital assets or restricted is automatically classified as unrestricted.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Policy and Procedures

Annual budgets are legally adopted for general, special revenue, debt service, and capital project funds. Budgets are adopted on a basis consistent with GAAP (modified accrual basis). The County employs an encumbrance accounting system as a method of accomplishing budgetary control. At year-end, open encumbrances are closed. The department is required to re-appropriate the funds within the following year's budget.

The County Judge is recognized by State statutes as the budget officer for the County and responsible for the preparation of the proposed budget. The proposed expenditures may not exceed the revenue estimates prepared by the County Auditor. The County, in the preparation of the budget, adheres to the following procedures:

- Departmental annual budget requests are submitted by the department head to the budget officer during the third quarter of the current fiscal year for the fiscal year beginning October 1.
- The County Auditor prepares an estimate of available resources for the coming fiscal year and presents the estimates to the budget officer by July 25 each year.
- Departmental hearings are held with the budget officer.
- The budget officer prepares the proposed annual operating budget to be presented to the Commissioners' Court for consideration. The budget represents the financial plan for the new fiscal year.
- Formal public hearings are held on the proposed budget.
- The adopted budget must be balanced; i.e., available resources must be sufficient to support annual appropriations. The adopted budget must be approved by a majority of the Commissioners' Court on or before November 1 each year.
- The budget is adopted using classifications within each department.
- The budget may not be increased through the use of supplemental appropriations each year unless the County Auditor certifies to the Commissioners' Court that supplemental receipts have been realized and are available to support disbursements that were not included in the budget for the fiscal year.
- Transfer of appropriations for all funds between departments requires the expressed permission of the Commissioners' Court, and all appropriations lapse at year-end.

Appropriations for total budget cannot exceed total resources that will be available for the year as forecasted by the County Auditor. This is a legal level of control for the County budget. Expenditures may not exceed budgeted appropriations at the fund level except for the General Fund, which is appropriated at the classification level. Administrative control is maintained through the establishment of more detailed line-item budgets.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Policy and Procedures (Continued)

Amendments increasing budget appropriations are restricted to those for “emergency expenditures, in case of grave public necessity, to meet unusual and unforeseen conditions that could not, by reasonably diligent thought and attention, have been included in the original budget.” The Commissioners’ Court must approve the original budget appropriations and subsequent amendments. The County Auditor is required to monitor the expenditures of all the funds in comparison to that which has been appropriated. The following schedule of changes in the original budget appropriations includes those funds for which the Commissioners’ Court has legally adopted a budget, as well as funds with managerial budgets:

	Original Budgeted Expenditures and Other Financing Uses	Supplemental Appropriations	Original As Amended
General Fund	\$ 155,618,325	\$ 15,532,883	\$ 171,151,208
Special Revenue	23,689,051	25,505,261	49,194,312
Grants	10,280,854	(137,529)	10,143,325
Debt Service	12,115,448	6,000,000	18,115,448
Capital Projects	34,736,177	1,747,278	36,483,455
Totals	<u>\$ 236,439,855</u>	<u>\$ 48,647,893</u>	<u>\$ 285,087,748</u>

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

A. Cash and Cash Equivalents

Chapter 2257 of the Texas Government Code, also known as the Public Funds Collateral Act, provides guidelines for the amount of collateral that is required to secure the deposit of public funds. It requires that the deposit of public funds be collateralized in an amount not less than the total deposit, reduced by the amount of Federal Depository insurance (FDIC) available. At September 30, 2022, the carrying amounts of the County’s deposits were \$85,299,495 reported as “Cash and Cash Equivalents” on the balance sheet of the governmental funds and the statement of net position of the proprietary funds. The County had \$90,767,931 on deposit with PNC Bank at September 30, 2022. The County’s depository agreement with PNC Bank requires collateralization with a fair value of at least 102 percent up to 110 percent of County funds in excess of the FDIC coverage of \$250,000. The collateralized fair value of the County’s deposits at September 30, 2022, was \$110,239,738. The collateral includes pledged securities issued by PNC Bank in favor of Brazos County.

B. Investments

The County is authorized to invest its funds in accordance with the Texas Public Funds Act, Government Code Chapter 2256 and its subsequent amendments. The County’s investment policy is strictly based on the State law. During the year ended September 30, 2022, the County’s investments consisted of \$22,421,948 in TexPool valued at amortized cost, \$123,005,213 in Texas Cooperative Liquid Assets Securities System (Texas CLASS) valued at net asset value, and \$5,089 in a Dreyfus Money Market Account.

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

B. Investments (Continued)

Interest-Rate Risk

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

Texas CLASS is a local government investment pool that emphasizes safety, liquidity, convenience, and competitive yield and invests only in securities allowed by the Texas Public Funds Investment Act. It is subject to the general supervision of the Board of Trustees and its Advisory Board, both of which are elected by the participants. The portfolio's weighted average maturity to reset (WAM(R)) is kept under 60 days to enhance liquidity and limit market price exposure.

The investment pools do not have any limitations or restrictions on withdrawals and do not impose any liquidity fees or redemption gates.

In accordance with its investment policy, the County manages its exposure to interest rate risk by limiting maturities of individual securities to two years maximum and maintaining a weighted average maturity of 180 days or less. The County also follows a policy of holding investments to maturity, thereby avoiding the need to sell on the secondary market.

Custodial Credit Risk

Investments are exposed to custodial risk if the investments are uninsured, are not registered in the County's name and are held by the counterparty.

Credit Risk

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

C. Investments of Other Postemployment Benefits Trust Fund

At the end of fiscal year 2016, the County Commissioners' Court approved the establishment of its Other Postemployment Benefits Trust Fund to partially fund the County's OPEB plan. A board of trustees comprised of the current members of the Brazos County's Commissioners' Court was created. The County also appointed an OPEB Investment Plan Committee to oversee certain policies and procedures related to the operation and administration of the Trust. All Other Postemployment Benefits Trust investments are held by its trustee, US Bank. The trustee is contracted to manage the portfolio in accordance with the trust documents as approved by the Commissioners' Court. The investment policy mandates a diversified portfolio in growth assets and income assets.

NOTE 4 – TAXES AND OTHER RECEIVABLES

Below is the detail of receivables for the major and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible amounts:

	General	Debt Service	Local Provider Participation	Grants	Nonmajor	Total
Property Taxes	\$ 1,983,867	\$ 259,016	\$ -	\$ -	\$ -	\$ 2,242,883
Property Tax Penalties & Interest	1,279,701	177,299	-	-	-	1,457,000
Hotel & Motel Taxes	-	-	-	-	443,453	443,453
Sales Taxes	2,199,705	-	-	-	-	2,199,705
Officials	128,969	734	-	-	-	129,703
Interest	34,829	322	14,122	-	10,014	59,287
Court Fines	18,224,404	-	-	-	-	18,224,404
Accounts	437,404	-	134,246	-	50,560	622,210
State	429,197	-	-	158,068	-	587,265
Gross Receivables	24,718,076	437,371	148,368	158,068	504,027	25,965,910
Less: Allowance for Uncollectibles	(17,264,978)	(82,064)	-	-	-	(17,347,042)
Net Receivables	<u>\$ 7,453,098</u>	<u>\$ 355,307</u>	<u>\$ 148,368</u>	<u>\$ 158,068</u>	<u>\$ 504,027</u>	<u>\$ 8,618,868</u>

NOTE 5 – INTERFUND BALANCES AND TRANSFERS

In the fund financial statements, interfund balances are the result of normal transactions between funds and will be liquidated in the subsequent fiscal year. The following is a summary of amounts due from and due to other funds as of September 30, 2022:

	Interfund Receivables	Interfund Payables
General Fund	\$ 368	\$ -
Inmate Trust Fund	-	110,988
Health and Life Insurance Fund	-	368
Jail Commissary Enterprise Fund	110,988	-
Total	<u>\$ 111,356</u>	<u>\$ 111,356</u>

The summary of the County's transfers for the year ended September 30, 2022, is as follows:

	General Fund	Nonmajor Governmental Funds	Grant Fund	Debt Fund	Total
Transfer Out:					
General Fund	\$ -	\$ 4,408,870	\$ 300,769	\$ -	\$ 4,709,639
Local Provider Participation Fund	20,000	-	-	-	20,000
Nonmajor Governmental Funds	1,035,575	10,000	-	1,165,715	2,211,290
	<u>\$1,055,575</u>	<u>\$ 4,418,870</u>	<u>\$ 300,769</u>	<u>\$ 1,165,715</u>	<u>\$ 6,940,929</u>

The General Fund transferred out \$4,408,870 to the nonmajor governmental funds and \$300,769 to grant fund for anticipated expenditures in various capital improvements, grant matching, healthcare costs and other requirements. The Local Provider Participation Fund transferred \$20,000 to the General Fund for the program support cost incurred. The nonmajor governmental funds transferred \$1,035,575 back to the General Fund and \$10,000 to other nonmajor governmental funds in anticipation of capital improvement needs. In addition, the nonmajor governmental funds transferred \$1,165,715 to the Debt Fund for capital improvements expenditures that exceeded the bond amount.

NOTE 6 – CAPITAL ASSETS

Depreciation expense for fiscal year 2022 was charged to functions as follows:

Governmental Activities:

General Government	\$ 2,142,733
Justice System	1,252,679
Law Enforcement	2,119,906
Juvenile Services	669,222
Public Transportation	(6,241)
Public Health	3,496
Human Services	1,117,187

Total depreciation expense - governmental activities	<u>\$ 7,298,982</u>
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Capital Asset activity for the year ended September 30, 2022, was as follows:

	Balance at September 30, 2021	Additions	Deletions & Adjustments	Balance at September 30, 2022
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 39,374,368	\$ 1,314,133	\$ (1,227)	\$ 40,687,274
Construction in progress	9,111,732	2,938,938	-	12,050,670
Infrastructure	126,497,822	10,849,495	(6,715)	137,340,602
Total capital assets, not being depreciated	<u>174,983,922</u>	<u>15,102,566</u>	<u>(7,942)</u>	<u>190,078,546</u>
Capital assets, being depreciated:				
Buildings	158,891,813	1,792,154	-	160,683,967
Improvements other than buildings	31,898,180	-	-	31,898,180
Machinery and equipment	28,479,795	2,567,064	(1,916,973)	29,129,886
Intangible assets - computer software	12,018,902	1,847,900	(11,890)	13,854,912
Total capital assets, being depreciated	<u>231,288,690</u>	<u>6,207,118</u>	<u>(1,928,863)</u>	<u>235,566,945</u>
Less accumulated depreciation for:				
Buildings	(52,719,766)	(3,961,158)	(20,606)	(56,701,530)
Improvements other than buildings	(11,001,309)	(1,465,589)	(4,708)	(12,471,606)
Machinery and equipment	(15,523,120)	62,061	31,195	(15,429,864)
Intangible assets - computer software	(5,953,932)	(1,521,210)	(418,967)	(7,894,109)
Total accumulated depreciation	<u>(85,198,127)</u>	<u>(6,885,896)</u>	<u>(413,086)</u>	<u>(92,497,109)</u>
Total capital assets, being depreciated, net	<u>146,090,563</u>	<u>(678,778)</u>	<u>(2,341,949)</u>	<u>143,069,836</u>
Governmental activities capital assets, net	<u>\$ 321,074,485</u>	<u>\$ 14,423,788</u>	<u>\$ (2,349,891)</u>	<u>\$ 333,148,382</u>
Business-type activities:				
Capital assets, being depreciated:				
Machinery and equipment	\$ 93,836	\$ 24,095	\$ (44,230)	\$ 73,701
Total capital assets, being depreciated	<u>93,836</u>	<u>24,095</u>	<u>(44,230)</u>	<u>73,701</u>
Less accumulated depreciation for:				
Machinery and equipment	(93,836)	(251)	44,230	(49,857)
Total accumulated depreciation	<u>(93,836)</u>	<u>(251)</u>	<u>44,230</u>	<u>(49,857)</u>
Total capital assets, being depreciated, net	<u>-</u>	<u>23,844</u>	<u>-</u>	<u>23,844</u>
Business-type activities capital assets, net	<u>\$ -</u>	<u>\$ 23,844</u>	<u>\$ -</u>	<u>\$ 23,844</u>

NOTE 7 – COMPENSATED ABSENCES

The cost of the County’s liability for compensated absences is calculated at the end of the fiscal year based on the employee’s pay rate and the accumulated vacation hours earned but not taken. It is reported as a current liability in the County’s government-wide financial statements due to the fact that the average maturity of the liability is less than one year. The general fund and some special revenue funds have been used in prior years to liquidate the liability for compensated absences in governmental funds.

The amount of compensated absences due within one year of the date of the Statement of Net Position of fiscal year 2022 is \$2,481,962. Changes in compensated absences for the year were as follows:

	Balance Outstanding October 1, 2021	Earned	Taken/ Paid	Balance Outstanding September 30, 2022
Governmental Activities	\$ 2,408,722	\$ 4,203,832	\$ (4,134,936)	\$ 2,477,618
Business-type Activities	3,107	5,707	(4,470)	4,344
Total	<u>\$ 2,411,829</u>	<u>\$ 4,209,539</u>	<u>\$ (4,139,406)</u>	<u>\$ 2,481,962</u>

NOTE 8 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The County entered into four new “cloud” or subscription-based integrated software contracts. One of the contracts is for 10 years and two are for five years. The remaining contract is for a year with an option to renew for four additional years. The implementation of these projects were completed in fiscal year 2022. The final initial investment for all four contracts, including licensing, configuration and implementation totaled \$1,830,659. The contract that may renew annually is expected to renew each year over the next four years. In accordance with GASB Statement 96 “Subscription-Based Information Technology Arrangements”, the County has added the initial cost of the software plus expected future payments of \$1,847,900 as a capital asset and recorded a liability for the future principal payments on the government-wide statements. The table below reflects the two contracts completed in fiscal year 2021, as well as the four contracts completed in fiscal year 2022.

Below is the expected payment and amortization schedule for the term of the contracts.

Year Ended September 30,	Scheduled Payment	Principal	Interest
2023	\$ 660,442	\$ 623,691	\$ 36,751
2024	534,993	508,372	26,621
2025	371,772	352,324	19,448
2026	335,076	322,164	12,912
2027	88,511	81,230	7,281
2028-2031	354,041	339,179	14,862
Total	<u>\$ 2,344,835</u>	<u>\$ 2,226,960</u>	<u>\$ 117,875</u>

The total cost for all contracts was \$5,488,019 and accumulated amortization was \$283,399 as of September 30, 2022.

NOTE 9 – LONG-TERM DEBT

A. Bonded Debt

Bonded debt of the County consists of various issues of General Obligation Bonds and Certificates of Obligation. General Obligation Bonds and Certificates of Obligation are direct obligations of the County with the County's full faith and credit pledged towards the payment of these obligations. General Obligation Bonds are issued upon approval by the public at an election. Certifications of Obligation are issued by the vote of the Commissioners' Court as allowed under the Certificates of Obligation Act. Debt service is primarily paid from ad valorem taxes. The following are debt issues with activity or outstanding balances at September 30, 2022:

Description	Original Amount	Interest Rates (%)	Year of Issue	Year of Maturity	Outstanding at 9/30/22
<u>Certificates of Obligation</u>					
Series 2012 - Various	\$ 9,700,000	2.0 - 5.0	2012	2032	\$ 4,040,000
Series 2017 - Juvenile Expansion	11,650,000	2.0 - 4.0	2017	2037	9,440,000
Series 2020 - Various	24,020,000	1.375 - 4.00	2020	2040	23,095,000
<u>Limited Tax Refunding Bonds</u>					
Series 2012 - Debt Refunding	14,640,000	2.0 - 5.0	2012	2025	-
Series 2017 - Debt Refunding	39,895,000	2.25 - 5.0	2017	2034	27,470,000
<u>Notes from Direct Placements</u>					
Certificates of Obligation, Series 2015 - Courthouse Renovation & Expo Expansion	9,100,000	1.92	2015	2025	3,210,000
Total					<u>\$ 67,255,000</u>

Activity for long-term debt of the County for the year ended September 30, 2022, was as follows:

Description	Balance Outstanding 10/1/2021	Additions	Reductions	Balance Outstanding 9/30/2022	Amount Due Within One Year
<u>Certificates of Obligation</u>					
Series 2012 - Various	\$ 6,550,000	\$ -	\$ 2,510,000	\$ 4,040,000	\$ 525,000
Series 2017 - Juvenile Expansion	9,910,000	-	470,000	9,440,000	485,000
Series 2020 - Various	24,020,000	-	925,000	23,095,000	960,000
<u>Limited Tax Refunding Bonds</u>					
Series 2012 - Debt Refunding	5,665,000	-	5,665,000	-	-
Series 2017 - Debt Refunding	30,915,000	-	3,445,000	27,470,000	3,590,000
<u>Notes from Direct Placements</u>					
Certificates of Obligation, Series 2015 - Courthouse Renovation & Expo Expansion	4,240,000	-	1,030,000	3,210,000	1,050,000
Premium	8,302,813	-	678,502	7,624,311	-
Total	<u>\$ 89,602,813</u>	<u>\$ -</u>	<u>\$ 14,723,502</u>	<u>\$ 74,879,311</u>	<u>\$ 6,610,000</u>

NOTE 9 – LONG-TERM DEBT (Continued)

A. Bonded Debt (Continued)

Annual debt service requirements as of September 30, 2022, are as follows:

Fiscal Year	Governmental Activities				
	Bonds		Notes from Direct Placements		Total
	Principal	Interest	Principal	Interest	
2023	\$ 5,560,000	\$ 2,355,741	\$ 1,050,000	\$ 61,632	\$ 9,027,373
2024	5,785,000	2,102,691	1,070,000	41,472	8,999,163
2025	5,980,000	1,840,481	1,090,000	20,928	8,931,409
2026	6,270,000	1,568,331	-	-	7,838,331
2027	6,540,000	1,282,631	-	-	7,822,631
2028-2032	17,505,000	3,144,751	-	-	20,649,751
2033-2037	11,855,000	1,273,800	-	-	13,128,800
2038-2040	4,550,000	192,900	-	-	4,742,900
Totals	<u>\$ 64,045,000</u>	<u>\$ 13,761,326</u>	<u>\$ 3,210,000</u>	<u>\$ 124,032</u>	<u>\$ 81,140,358</u>

The County's outstanding notes from direct placements related to governmental activities of \$3,210,000 contain a provision that in the event of default, outstanding amounts will bear interest at the default rate which is the base rate plus 4.00% per annum.

B. Arbitrage Rebate Liability

The Tax Recovery Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local governmental bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due on an annual basis and remit the amount due at least every five years. The County has not incurred such a liability in the fiscal year 2022.

NOTE 10 – INVESTMENT IN JOINT VENTURE

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

The Foundation was formed pursuant to the provisions of Subchapter D, Chapter 431 of the Texas Transportation Code, as amended. The funding sources of the Foundation have come from contributions from Brazos County and the City of Bryan, a grant from the Twin Cities Endowment, Inc., cash contributions from Research Valley Partnership (RVP) and cash from the sale of land acquired by the Foundation. The affairs of the Foundation are managed by a Board of Directors which is composed of nine persons including the County Judge of Brazos County and three other persons appointed by the Commissioners' Court of Brazos County, the Mayor of the City of Bryan and three other persons appointed by the City Council of the City of Bryan, and one individual appointed by the Board of Directors of Twin Cities Endowment, Inc. However, the director appointed by the Board of Directors of Twin Cities

NOTE 10 – INVESTMENT IN JOINT VENTURE (Continued)

Endowment, Inc. has no voting rights except in the case of a deadlock in votes by the other directors.

The Foundation is reported as a joint venture in the County's government-wide financial statements, as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, GASB Statement No. 39 and GASB Statement No. 61. The Foundation's statement of net position and statement of activities for fiscal year 2022 are presented as follows:

CITY OF BRYAN AND BRAZOS COUNTY ECONOMIC DEVELOPMENT FOUNDATION, INC. STATEMENT OF NET POSITION SEPTEMBER 30, 2022

Assets		
Cash and cash equivalents	\$	3,441,002
Capital assets		
Land and land improvements		6,449,072
Total Assets		<u>9,890,074</u>
Liabilities		
Accounts payable and accrued expenses		500
Unearned revenue		1,238
Total Liabilities		<u>1,738</u>
Net Position		
Net investment in capital assets		6,449,072
Unrestricted		3,439,264
Total Net Position	\$	<u><u>9,888,336</u></u>

CITY OF BRYAN AND BRAZOS COUNTY ECONOMIC DEVELOPMENT FOUNDATION, INC. STATEMENT OF ACTIVITIES YEAR ENDED SEPTEMBER 30, 2022

Program Activities	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities					
General government and administration	\$ 95,305	\$ -	\$ -	\$ -	\$ (95,305)
Total primary government	<u>\$ 95,305</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(95,305)</u>
General Revenues					
Unrestricted investment earnings					1,878
Lease revenue					4,950
Gain on disposition of capital assets					6
Total general revenues					<u>6,834</u>
Change in net position					(88,471)
Net position - beginning of year					<u>9,976,807</u>
Net position - end of year					<u><u>\$ 9,888,336</u></u>

NOTE 10 – INVESTMENT IN JOINT VENTURE (Continued)

Besides the entity's investment in the Foundation, each entity also reports a 50% ownership in the residual net position of the Foundation. The County reports \$5,515,003 as its share of the Foundation's net position for fiscal year 2022. A copy of the Foundation's financial statements may be obtained from the Foundation at 200 S. Texas Avenue, Suite 332, Bryan, TX 77803.

NOTE 11 – RISK MANAGEMENT

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

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

The County currently provides medical insurance for its employees with basic prescription and life benefits attached. The group insurance plan is self-insured. The plan pays the full cost of the claims for its members.

The County has established a Health and Life Insurance Internal Service Fund to account for the costs associated with various health-related insurance programs. The Internal Service Fund collects the premium payments from the County, the employees, and the retirees. All funds are available to pay claims and administrative fees and have been reserved for such purposes. The County has purchased reinsurance that provides a \$200,000 per individual specific stop loss deductible and an additional aggregating specific annual deductible of \$60,000. After the \$200,000 per individual deductible and the annual \$60,000 aggregating specific deductible have been met, the County is reimbursed by the reinsurer for claims over the deductibles. There is also aggregate protection included in the policy which means if the County exceeds the aggregate attachment point, the County will be reimbursed up to a maximum of \$1,000,000. The minimum aggregate attachment point is \$1,319,950. The County experienced claims of \$12,870,660 and \$13,538,554 for fiscal year 2022 and 2021 respectively. At September 30, 2022, the County had accrued \$1,376,575 for anticipated claims that had not been filed at year-end. The estimated amount is based on prior claims paid. This amount is classified as a current liability in the Statement of Net Position of the Internal Service Fund and is due within one year of September 30, 2022.

Changes in the balance of unpaid medical claims during fiscal years 2021 and 2022 were as follows:

	Beginning of Fiscal Year <u>Liability</u>	Current Year Claims and Estimated <u>Changes</u>	Claims <u>Paid</u>	Balance at Fiscal <u>Year End</u>	Amount Due Within <u>One Year</u>
2021	\$ 1,928,881	\$ 12,874,496	\$(13,538,554)	\$ 1,264,823	\$ 1,264,823
2022	1,264,823	12,982,412	(12,870,660)	1,376,575	1,376,575

NOTE 11 – RISK MANAGEMENT (Continued)

The Commissioners' Court of Brazos County is aware that the County has risk of loss exposure to liability and accidental loss of real and personal property as well as human resources. County operations involve a variety of high-risk activities including, but not limited to, cash collections, road and bridge maintenance, law enforcement, and construction. The Commissioners' Court has created the office of Risk Management, whose responsibility is to identify, evaluate, and manage risk in an effort to reduce the liability and accidental loss of property and human services. In the management process, the Risk Manager is assigned the responsibility of ensuring that all County employees are properly trained in safety. Brazos County employs risk-financing activities to include the purchase of insurance for general liability, vehicle liability, and liability from property damage claims. In addition, the County purchases property insurance, errors and omission coverage, professional liability insurance, as well as crime and fidelity coverage. Any liability that arises from the operation of motorized equipment will be considered to fall within the confines of the Texas Tort Claims Act, and thereby limit the County's exposure. At September 30, 2022, all claims against the County had been paid or accrued for payment, or the County's underwriter had accepted responsibility for the claim.

The County has not made any significant reductions in insurance coverage from coverage in the previous fiscal year. No settlements exceeded insurance coverage for the past three fiscal years.

NOTE 12 – PENSION PLAN

A. General Information about the 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 Texas County and District Retirement System ("TCDRS" or "System"). The Board of Trustees of the System is responsible for the administration of the statewide agent multiple-employer system consisting of over 500 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a annual comprehensive financial report (ACFR) on a calendar year basis. To obtain a copy send a written request for the ACFR to the TCDRS Board of Trustees at P. O. Box 2034, Austin, Texas 78768-2034.

Benefits Provided

The Commissioners' Court of Brazos County adopts the plan provisions within the options available in the Texas State statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service or with 30 years of service regardless of age or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service, but accumulated contributions must be left in the plan. Retirement benefits are based on the members' final account balance and is matched by an employer set percentage which is currently 225%. Members who withdraw their personal contributions in a lump sum are not entitled to any employer matching. Disability retirement benefits are determined in the same manner as retirement benefits. Death benefits are available to the beneficiaries of the members with four or more years of service. Cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date are at the discretion of the County Commissioners' Court.

NOTE 12 - PENSION PLAN (Continued)

A. General Information about the Pension Plan (Continued)

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

Employees Covered by Benefit Terms

At December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	471
Inactive employees entitled to but not yet receiving benefits	710
Active employees	825
	<u>2,006</u>

Contributions

Brazos County has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Brazos County's contribution rate was 16.75% for calendar year 2022 and will remain the same for calendar year 2023. The employee's member contribution rate remained at 7% for 2022 and will remain the same for 2023. Contributions to the pension plan from the County were \$7,626,655 for the year ended September 30, 2022.

B. Net Pension Liability/(Asset)

The County's net pension liability/(asset) was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Payroll growth	3.00 percent, including inflation
Investment rate of return	7.60 percent

NOTE 12 - PENSION PLAN (Continued)

B. Net Pension Liability/(Asset) (Continued)

The mortality assumptions in the actuarial valuation are 135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 110% of the MP-2021 Ultimate Scale after 2010.

All other actuarial assumptions used in the December 31, 2021, valuation were based on the results of an actuarial experience study for the period January 1, 2013 – December 31, 2016, except where required to be different by GASB 68. The economic assumptions were reviewed at the March 2021 TCDRS Board of Trustees meeting and revised assumptions were adopted. These revisions included reductions in the investment return, wage growth, and maximum payroll growth assumptions.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The building-block method allows the development of the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimate of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Geometric Real Rate of Return (Expected - Inflation) (2)</u>
US Equities	11.50%	3.80%
Private Equity	25.00%	6.80%
Global Equities	2.50%	4.10%
International Equities - Developed Markets	5.00%	3.80%
International Equities - Emerging Markets	6.00%	4.30%
Investment-Grade Bonds	3.00%	-0.85%
Strategic Credit	9.00%	1.77%
Direct Lending	16.00%	6.25%
Distressed Debt	4.00%	4.50%
REIT Equities	2.00%	3.10%
Master Limited Partnerships (MLPs)	2.00%	3.85%
Private Real Estate Partnerships	6.00%	5.10%
Hedge Funds	6.00%	1.55%
Cash Equivalents	2.00%	-1.05%
	<u>100.00%</u>	

(1) Target asset allocation adopted at the March 2022 TCDRS Board meeting.

(2) Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.6 %, per Cliffwater's 2022 capital market assumptions.

NOTE 12 - PENSION PLAN (Continued)

B. Net Pension Liability/(Asset) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.60 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability / (Asset)			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) – (b)
Balances as of December 31, 2020	\$258,525,294	\$229,686,440	\$28,838,854
Changes for the year:			
Service cost	7,217,305	-	7,217,305
Interest on total pension liability	19,914,547	-	19,914,547
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(721,801)	-	(721,801)
Effect of assumptions changes or inputs	140,758	-	140,758
Refund of contributions	(412,393)	(412,393)	-
Benefit payments	(10,734,926)	(10,734,926)	-
Administrative expenses	-	(152,089)	152,089
Member contributions	-	3,139,868	(3,139,868)
Net investment income	-	50,729,634	(50,729,634)
Employer contributions	-	7,064,436	(7,064,436)
Other	-	37,569	(37,569)
Net Changes	<u>15,403,490</u>	<u>49,672,099</u>	<u>(34,268,609)</u>
Balances as of December 31, 2021	<u>\$273,928,784</u>	<u>\$279,358,539</u>	<u>(\$5,429,755)</u>

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

The following presents the net pension liability/(asset) of the County, calculated using the discount rate of 7.60 percent, as well as what the County's net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60 percent) or 1-percentage-point higher (8.60 percent) than the current rate:

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
County's net pension liability/(asset)	\$ 33,525,809	\$ (5,429,755)	\$ (37,783,998)

NOTE 12 - PENSION PLAN (Continued)

C. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2022, the County recognized pension expense of \$1,844,517. At September 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions or inputs	\$ 7,880,986	\$ -
Change in pension allocated share	-	53
Differences between expected and actual pension experience	1,097,054	617,694
Difference between projected and actual earnings on pension plan	-	31,662,246
Pension contributions made after the measurement date	5,891,095	-
Total	<u>\$ 14,869,135</u>	<u>\$ 32,279,993</u>

Deferred outflows of resources related to pensions resulting from pension contributions made after the measurement date of \$5,891,095 will be recognized as an increase in the net pension asset in the County's financial statements for the fiscal year ending September 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding pension contributions made after the measurement date, will be recognized in pension expense as follows:

Year ended September 30,	
2023	\$ (2,698,986)
2024	(6,257,261)
2025	(7,709,859)
2026	(6,635,792)
Thereafter	-

D. Payable to the Pension Plan

As of September 30, 2022, the County reported a short-term payable of \$648,677 for the outstanding pension contributions to TCDRS. The amount represents the legally required contributions outstanding from the employer as of the September 30, 2022, which was due by October 15, 2022.

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. COBRA

The County provides health care benefits as required by the Federal government under the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”). COBRA requires employers that sponsor group health plans to provide continuation of group coverage to terminated employees and their dependents in circumstances where coverage would normally end. The election to be covered is at the request of the employee. The employee is then required to pay the premium costs for themselves and their dependents. Expenditures are recognized as claims are submitted. The benefit levels of the COBRA participants are the same as those afforded to active employees. The County uses the Health and Life Insurance Internal Service fund to liquidate the benefit obligation for COBRA participants. At September 30, 2022, the County had been fully reimbursed for costs related to COBRA participants.

B. Post-Retirement Benefits

General Information about the OPEB Plan

Plan Description

Texas Local Government Code Section 157.101 assigns the authority to establish and amend group health benefit provisions to the Commissioners’ Court. Brazos County has elected to offer post-retirement healthcare benefits to certain retirees through the Brazos County Retiree Health Care Plan. County policy allows full-time employees to become eligible for post-retirement healthcare benefits after meeting the service and retirement age requirements of the TCDRS retirement plan. The County’s post-retirement benefit plan is a single employer defined benefit plan. It includes medical, dental and drug care benefits, all of which are provided through the County’s self-insured healthcare plan. The benefit levels are the same as those afforded to active employees. The County’s post-retirement benefit plan does not issue a stand-alone financial report. The plan is administered through an OPEB trust. See pages 41 and 42 for the OPEB trust financial statements as of and for the year ended September 30, 2022.

As of December 31, 2021, the membership of the County’s self-insured plan consists of:

Inactive Employees or Beneficiaries Currently Receiving OPEB Benefit Payments	228
Inactive Employees Entitled to but not yet Receiving OPEB Benefit Payments	-
Active Employees	699
Total	<u>927</u>

Funding Policy

The County uses the Health and Life Insurance Internal Service fund to liquidate the OPEB liabilities. The County evaluates and establishes the plan premium amounts, which includes the employee portion and the County’s subsidy, under Texas Local Government Code Section 157.102 on an annual basis. The eligible retirees who retired prior to January 1, 2000 may pay a fixed premium amount to maintain coverage through the County’s healthcare plan. Eligible retirees who were hired before August 30, 2011, and with eight or more years of cumulative services with Brazos County upon retirement are entitled to the County’s subsidy and may

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

B. Post-Retirement Benefits (Continued)

pay the employee portion of the premium only to maintain coverage. Eligible retirees who were hired before August 30, 2011 but have less than eight years of cumulative service with Brazos County at retirement must pay the full premium to maintain coverage. Employees hired on or after August 30, 2011, must pay the full premiums to maintain coverage regardless of the years of service. Upon a retiree reaching 65 years of age, the County's healthcare plan becomes secondary to Medicare automatically.

The County established an OPEB Trust Fund to partially fund its OPEB Plan in 2016. The County contributed \$4,739,417 in total toward its OPEB obligation for the calendar year ended December 31, 2021, including \$1,000,000 to the OPEB Trust.

Net OPEB Liability

The County's net OPEB liability and the total OPEB liability calculated for fiscal year ending September 30, 2022 was determined by an actuarial valuation using a measurement date of December 31, 2021.

Actuarial Methods and Assumptions

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation Rate	2.50 percent
Salary Increases	0.40 to 5.25 percent, not including wage inflation of 3.00 percent
Investment Rate of Return	6.50 percent
Healthcare Cost Trend Rate	initial rate of 7.00 percent declining an ultimate rate of 4.15 percent after 13 years.

For healthy retirees, the gender-distinct Pub-2010 Healthy Retiree tables are used with male rates multiplied by 135% and female rates multiplied by 120%. Those rates are projected on fully generational mortality projections based on 100% of the ultimate rates of mortality improvement scale MP-2021.

For disabled retirees, the gender-distinct Pub-2010 Disabled Retiree tables are used with male rates multiplied by 160% and female rates multiplied by 125%. Those rates are projected on fully generational mortality projections based on 100% of the ultimate rates of mortality improvement scale MP-2021.

For active employees, the gender-distinct Pub-2010 Employee tables are used for male rates multiplied by 135% and females multiplied by 120%. Those rates are projected on fully generational mortality projections based on 100% of the ultimate rates of mortality improvement scale MP-2021.

The demographic assumptions were based on the assumptions that were developed for the defined benefit plan in which the County participates. The assumptions were based on the experience study covering the four-year period ending December 31, 2020 as conducted for the Texas County and District Retirement System (TCDRS).

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

B. Post-Retirement Benefits (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) and developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Classes</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Growth Assets		
Domestic Equity	39%	5.17%
International Equity	21%	5.02%
Income Assets		
Fixed Income	40%	2.11%
Total	<u>100%</u>	

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 6.50%; the municipal bond rate is 1.84% (based on the daily rate closest to but not later than the measurement date of the Fidelity “20-Year Municipal GO AA Index”); and the resulting single discount rate is 6.50%. The County’s current funding policy is to pay the benefits using its own assets and to contribute \$1,000,000 per year into the OPEB trust. Based on this funding policy, the plan’s projected assets are never depleted in the projection required to determine the single discount rate. Under this policy, the County does not calculate an actuarially determined contribution. In addition, the contribution requirements are not established statutorily or contractually.

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the year ended December 31, 2021, the annual money-weighted rate of return on investments, net of investment expense, was -19.85%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

B. Post-Retirement Benefits (Continued)

Changes in the Net OPEB Liability

	Changes in Net OPEB Liability / (Asset)		
	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability / (Asset)
	(a)	(b)	(a) – (b)
Balances as of December 31, 2020	\$82,550,752 *	\$6,526,806 *	\$76,023,946 *
Changes for the year:			
Service cost	1,233,131	-	1,233,131
Interest on total OPEB liability	5,284,975	-	5,284,975
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(1,756,550)	-	(1,756,550)
Changes of assumptions	(1,797,599)	-	(1,797,599)
Benefit payments	(3,720,023)	(3,720,023)	-
Administrative expenses	-	(34,180)	34,180
Employer contributions	-	4,719,623	(4,719,623)
Net investment income	-	814,735	(814,735)
Net Changes	(756,066)	1,780,155	(2,536,221)
Balances as of December 31, 2021	\$81,794,686	\$8,306,961	\$73,487,725

* The beginning balances as of December 31, 2020 have been adjusted to reflect the increased percentage change of the total OPEB liability for the County from 96% to 98%.

The percentage for calculating OPEB is split between Brazos County and the Brazos County Health District. Since the reporting of OPEB began, 96% of the total OPEB has been allocated to the County. The allocation increased to 98% with the fiscal year 2022 actuarial report based on total contribution amounts of both entities. The Changes in Net OPEB liability schedule for fiscal year ending September 30, 2022, reflect ending balances as of the measurement date of December 31, 2021. The total Fiduciary Net Position is 10 percent of the total OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of the County, calculated using the discount rate of 6.50 percent, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percent lower (5.50 percent) or 1-percent higher (7.50 percent) than the current rate:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
County's net OPEB liability	\$ 85,065,987	\$ 73,487,725	\$ 63,965,938

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

B. Post-Retirement Benefits (Continued)

The following presents the net OPEB liability of the County, calculated using the assumed trend rates as well as what the County's net OPEB liability would be if it were calculated using a trend rate that is 1-percent lower or 1-percent higher than the current rates:

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
County's net OPEB liability	\$ 63,224,626	\$ 73,487,725	\$ 86,124,786

Additional Disclosure

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

Because the County is given the authority to pay OPEB for its retired employees, it may incur a debt obligation to pay for OPEB as long as the County follows the constitutional requirement that it has sufficient taxing authority available at the time such debt is incurred to provide for the payment of the debt and has in fact levied a tax for such purpose concurrently with the incurrence of the debt. Any debt incurred in contravention of this constitutional requirement is considered void and payment will not be due. Brazos County has not incurred a legal debt obligation for OPEB and has not levied a tax for the same.

GAAP requires governmental organizations to recognize an actuarially calculated net liability for OPEB, even though it may not have a legally enforceable obligation to pay OPEB benefits. Information and amounts presented in the County's Annual Comprehensive Financial Report relative to OPEB expenses, related liabilities (assets), note disclosures, and supplementary information are only intended to achieve compliance with the requirements of generally accepted accounting principles (GASB 75) and does not constitute or imply that the County is legally obligated to provide OPEB benefits.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2022, the County recognized OPEB expense of \$4,270,800. At September 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in OPEB plan allocated share	\$ 1,608,585	\$ 15,535
Difference between projected and actual earnings on OPEB plan	-	722,161
Differences between expected and actual OPEB experience	439,504	6,875,611
Changes in Assumptions	-	2,465,320
OPEB contributions made after the measurement date	3,724,189	-
Total	<u>\$ 5,772,278</u>	<u>\$ 10,078,627</u>

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

B. Post-Retirement Benefits (Continued)

Deferred outflows of resources related to OPEB resulting from OPEB contributions made after the measurement date of \$3,724,189 will be recognized as a reduction of the net OPEB liability in the County's financial statements for the fiscal year ending September 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB, excluding OPEB contributions made after the measurement date, will be recognized in OPEB expense as follows:

Year ended September 30,	
2023	\$ (221,138)
2024	(1,891,735)
2025	(1,796,658)
2026	(1,689,500)
2027	(1,632,737)
Thereafter	(798,770)

C. Deferred Compensation

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, as amended, is available to all employees, and permits them to defer a portion of their salary until future years. The plan funds are not available to employees until termination, retirement, death, or emergency. Brazos County is not the plan administrator nor the trustee, therefore the assets of the plan are not a reportable fund within the County's financial statements.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

A. Construction Contracts

The County has budgeted \$11.2 million for various contracts in connection with the construction and renovation of County facilities, buildings, and the rehabilitation of County roads for fiscal year 2023. They are allocated as follows:

- \$2.9 million for the rehabilitation of County roads.
- \$2 million for the construction of the new building for the Justice of the Peace and Constable of precinct 1.
- \$5.1 million for hail and roof repairs to county buildings.
- \$340,000 for the facilities services building.
- \$550,000 for the Jail Kitchen Expansion
- \$284,000 for Road & Bridge heavy equipment.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)

B. Tax Increment Financing Zones (TIFZ's)

As of September 30, 2022, the County had entered into several inter-local agreements with the City of Bryan for the creation of Tax Increment Financing Zones as allowed by Chapter 311 of the Texas Tax Code.

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

Once a city has designated a TIFZ, the Commissioners' Court must decide whether the County will participate in the TIFZ and to what extent. After the County has elected to participate, a base value for the property located within the TIFZ is established. At the date of creation, the appraised value is normally accepted as the base value. As the property within the TIFZ develops, the County collects taxes based on the appreciated appraised values at the rate established annually by the Commissioners' Court. Once the taxes have been paid each year the County remits the amount of taxes attributable to the increase in the appraised values (captured value) to the TIFZ to be used to fund the project plan. Project plans normally include the creation of infrastructure such as roads, street improvements, light systems, sewer systems, landscaping, parks, etc. A TIFZ can be terminated either on the date designated in the ordinance creating the zone, or the date on which all project costs, tax increment bonds, and interest on the bonds have been paid.

Brazos County has entered into two inter-local agreements with the City of Bryan to create Reinvestment Zone Number Ten – “Traditions” and Reinvestment Zone Number Twenty-Two – “Bryan Towne Center”. The Traditions zone is approximately 790 acres on the west side of the City of Bryan and was originally scheduled for 15 years of County participation. It was extended to 24 years ending May 2025. The Bryan Towne Center on the east side of the City is scheduled for 20 years of County participation ending April 2027. During fiscal year 2022 (for the tax year ended 12/31/2021), the County reimbursed \$1,656,009 to the City of Bryan on the TIFZ's.

C. Tax Rebates

As of September 30, 2022, the County had entered into ten inter-local agreements with various entities to stimulate business and commercial activity in the County as allowed by Chapter 381 of the Texas Local Government Code. The entities are entitled to the ad valorem tax rebates under different terms. During fiscal year 2022, the County rebated \$592,026 to local business entities.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)

D. Tax Abatements

Chapter 312 of the Texas Tax Code authorizes the County to provide property tax abatements for limited time periods to encourage development or expansion of property. The terms of each agreement are limited by the guidelines and criteria established by the Commissioners' Court. The County may recapture the abated taxes in case the property owner is in default of the agreement.

For the fiscal year ended September 30, 2022, the County abated property taxes totaling \$426,388 through a tax abatement agreement with Axis Pipe and Tube Inc. According to the agreement, an 80 percent property tax abatement is given on increased value of the facility of Axis Pipe and Tube Inc. for expanding their facility, increasing investment valuation, and increasing employment. The tax abatement percentage will gradually decrease through the ten-year term of the agreement.

E. Contingent Liabilities

The County is a defendant in various lawsuits. All are matters that are pending and have arisen in the normal course of the County's operations. Although the outcome of these lawsuits is not presently determinable, the County's various legal counsels are of the opinion that the settlement of these claims and pending litigation will not have a material effect on the County's financial statements. Consequently, there has been no current provision to reserve funds for such claims.

The County receives various grant monies that are subject to audit and adjustment by the grantor agencies. Any disallowed expenditure will become a liability of the County. The amount cannot be determined at this time, but the County expects such amounts, if any, to be immaterial.

F. Purchase Commitment

During fiscal year 2022, the County entered into a 10-year, \$2.9 million purchase commitment with Axon Enterprise, Inc., with \$2.4 million remaining at September 30, 2022.

NOTE 15 – FUND BALANCES

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned as described in Note 1-S. The following is a detail of fund balances for all the major and nonmajor governmental funds at September 30, 2022:

	General Fund	Debt Service Fund	Local Provider Participation Fund	Grant Fund	Nonmajor Funds	Total
Fund Balances:						
Nonspendable:						
Prepays	\$ 1,851,513	\$ 300	\$ -	\$ 12,110	\$ 4,367	\$ 1,868,290
Inventories	1,663,167	-	-	-	-	1,663,167
Total Nonspendable	<u>3,514,680</u>	<u>300</u>	<u>-</u>	<u>12,110</u>	<u>4,367</u>	<u>3,531,457</u>
Restricted for:						
Debt Service	-	2,869,589	-	-	-	2,869,589
Juvenile Services	31,028	-	-	-	-	31,028
Election Services	-	-	-	-	12,144	12,144
Human Services	80,899	-	-	-	3,955,346	4,036,245
State Lateral Road Fund	-	-	-	-	186,116	186,116
Unclaimed Property	-	-	-	-	65,234	65,234
Administration of Justice	594,420	-	-	-	294,697	889,117
Health Care Provider Part.	-	-	14,013,107	-	-	14,013,107
Revenue Replacement	14,865,013	-	-	-	-	14,865,013
Records Management	-	-	-	-	3,638,635	3,638,635
Special Forfeitures	-	-	-	-	37,527	37,527
Law Enforcement	-	-	-	-	446,618	446,618
DA Hot Check Collection	-	-	-	-	4,729	4,729
Bail Bond Board Fees	-	-	-	-	103,025	103,025
Admin. of Tax Office	-	-	-	-	312,663	312,663
SO Crime Fund	-	-	-	-	117,843	117,843
DA Crime Fund	-	-	-	-	256,753	256,753
CA Operating	-	-	-	-	65,802	65,802
Grant Fund	-	-	-	154,265	-	154,265
Total Restricted	<u>15,571,360</u>	<u>2,869,589</u>	<u>14,013,107</u>	<u>154,265</u>	<u>9,497,132</u>	<u>42,105,453</u>
Assigned to:						
Capital Improvements	-	-	-	-	20,571,099	20,571,099
Total Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,571,099</u>	<u>20,571,099</u>
Unassigned	<u>117,068,184</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,068,184</u>
Total Fund Balances	<u><u>\$ 136,154,224</u></u>	<u><u>\$2,869,889</u></u>	<u><u>\$14,013,107</u></u>	<u><u>\$ 166,375</u></u>	<u><u>\$ 30,072,598</u></u>	<u><u>\$ 183,276,193</u></u>

NOTE 16 – SUBSEQUENT EVENTS

In May 2023, the County will issue Certificates of Obligation in the amount of \$10 million for the purpose of paying the costs for the following projects:

- Improvements to the existing County Administrative Building
- Improvements to the existing County Courthouse
- Improvements to the County Bisd Building for the public defenders and adult probation facilities including parking lot renovations
- Brazos County Dispatch and Emergency Operations Center
- County Sheriff Office facilities including a central receiving and storage facility
- Payment for contractual obligations for professional services in connection with such projects

NOTE 16 – SUBSEQUENT EVENTS (Continued)

The County will also issue \$30 million in Road Bonds in May 2023, that were authorized by the voters in the November 2022 election for the purpose of construction of roads, bridges, and highways throughout the county and to pay any professional services in connection with the projects.

A subscription-based integrated software contract entered into in fiscal year 2021 renewed in November 2022 for an amount over the original contract price due to variations between expected and actual licensing. The table below reflects the expected payments for all subscription-based information technology arrangements adjusted for the amount over the original contract price for the contract that was renewed in November 2022. The increase in licensing is expected to continue along with the increase in payments.

Below is the adjusted expected payment and amortization schedule for the term of the contracts.

Year Ended September 30,	Scheduled Payment	Principal	Interest
2023	\$ 739,957	\$ 698,417	\$ 41,540
2024	768,500	739,050	29,450
2025	371,772	352,324	19,448
2026	335,076	322,164	12,912
2027	88,511	81,230	7,281
2028-2031	354,041	339,179	14,862
Total	<u>\$ 2,657,857</u>	<u>\$ 2,532,364</u>	<u>\$ 125,493</u>

NOTE 17 - NEW ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standard Board (GASB) has issued the following Statements which are not yet effective:

The GASB issued Statement No. 91, “Conduit Debt Obligations” in May 2019. This Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a debt conduit debt obligation is not a liability of the issuer; establishing standards of accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

The GASB issued Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangement” in March 2020. This Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset for a period of time in exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which

NOTE 17 - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

(1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). An APA is an arrangement in which a government compensates an operator for service that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. This Statement is effective for fiscal years beginning after June 15, 2022.

The GASB issued Statement No. 97, “Certain Component Unit Criteria and Accounting and Financial Reporting For Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32” in June 2020. This Statement is to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employer benefit plans) as fiduciary component units in fiduciary fund financial statements; (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The GASB issued Statement No. 99, “Omnibus 2022”, in April 2022. This Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The Statement addresses the following:

- The classification and reporting of derivative instruments with Statement No. 53, that do not meet the definition of either investment or hedging derivative instrument.
- The clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of lease liability and a lease asset, and identification of lease incentives.
- The clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to the determination of the public-private and public-public partnership term and recognition and measurement of installment payments and the transfer of the underlying PPP asset.
- The clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.

NOTE 17 - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

- The extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.
- Disclosures related to nonmonetary transactions.
- Pledges of future revenues when resources are not received by the pledging government.
- Clarification of provisions in Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments related to the focus of the government-wide financial statements.
- Terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.
- Terminology used in Statement 53 to refer to resource flows statements.

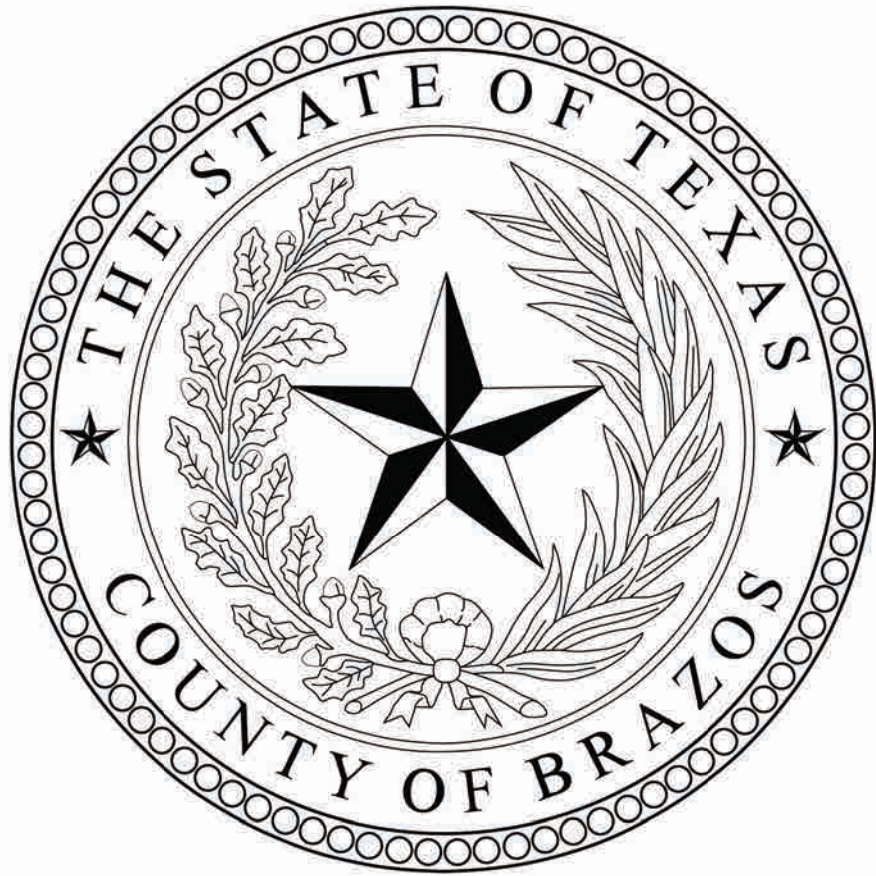
The GASB issued Statement No. 100, “Accounting Changes and Error Corrections” in June 2022. This Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Statement defines changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements, addresses disclosures in the notes, and how the information could affect and need to be presented in the required supplementary information. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter, though earlier application is encouraged.

The GASB issued Statement No. 101, “Compensated Absences”, issued in June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The Statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. This Statement requires a liability for certain types of compensated absences not to be recognized until the leave commences and a liability for specific types of compensated absences not be recognized until the leave is used. Expenditures would be recognized for the amount that normally would be liquidated with expendable available financial resources. The requirements of this Statement are effective for all fiscal years beginning after December 15, 2023, and earlier application is encouraged.

Management has not determined the effects these new GASB Statements may have on prospective financial statements.



REQUIRED SUPPLEMENTARY INFORMATION



BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
For The Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Current Ad Valorem Taxes	\$ 89,899,000	\$ 89,899,000	\$ 89,908,623	\$ 9,623
Delinquent Ad Valorem Taxes	400,000	400,000	325,621	(74,379)
Penalties & Interest - Taxes	425,000	425,000	408,200	(16,800)
Mixed Drink Taxes	800,000	800,000	1,229,711	429,711
County Sales Taxes	20,047,000	20,047,000	24,244,744	4,197,744
Total Taxes	111,571,000	111,571,000	116,116,899	4,545,899
Charges For Services				
Contracted Detention Services	25,000	25,000	(2,890)	(27,890)
JJAEP Service Fee	32,000	32,000	45,551	13,551
Contracted Jail Services	127,000	127,000	137,305	10,305
Alternative Dispute	-	50,900	36,773	(14,127)
Arrest/Warrant Fees	136,050	136,050	143,321	7,271
Brazos Center	80,000	80,000	209,336	129,336
Exposition Center	1,000,000	1,000,000	1,740,342	740,342
Bond Service/Forfeitures	124,000	124,000	542,957	418,957
County Clerk	1,200,000	1,200,000	1,364,338	164,338
Vital Statistics Preservation	6,000	6,000	7,308	1,308
County Attorney	27,000	27,000	37,454	10,454
Hot Check Fees	2,500	2,500	3,600	1,100
Collections	26,000	26,000	29,836	3,836
Constables	103,000	103,000	282,836	179,836
Court Reporter	32,000	32,000	69,169	37,169
Magistrate	400	400	673	273
Specialty Court Fees	34,000	34,000	47,824	13,824
District Clerk	238,100	238,100	311,672	73,572
District Attorney	20,500	20,500	30,522	10,022
Family Protection	29,000	29,000	27,635	(1,365)
Election Services	78,500	78,500	238,640	160,140
Motor Carrier Weight	25,000	25,000	54,619	29,619
Inmate Medical Fees	12,000	12,000	37,957	25,957
Jail Record Services	1,000	1,000	1,008	8
Justice of the Peace	1,237,450	1,237,450	1,322,512	85,062
Juvenile Probation Fees	5,000	5,000	6,081	1,081
License and Weights	-	-	4,180	4,180
Omnibus Crime Control Fees	80,330	80,330	109,228	28,898
Judicial Support Fees	250	250	223	(27)
Optional License Fees	1,500,000	1,500,000	1,695,310	195,310
Probate Fees	4,000	4,000	5,963	1,963
Road & Bridge Fees	48,500	48,500	91,445	42,945
School Crossing Fees	25,000	25,000	29,254	4,254
Sheriff	804,668	804,668	771,046	(33,622)
Solid Waste Fees	30,000	30,000	30,558	558
Tax Assessor-Collector	1,000,000	1,000,000	739,890	(260,110)
Vehicle Registration Fees	353,500	353,500	351,950	(1,550)
Motor Vehicle Sales Taxes	1,450,000	1,450,000	1,844,124	394,124
Licenses and Permits	57,600	57,600	77,870	20,270
Pretrial Bond Supervision	195,000	195,000	182,844	(12,156)
Court Fines	1,080,000	1,080,000	1,302,136	222,136
Court Facility Fund	-	-	41,740	41,740
Language Access Fees	-	-	13,590	13,590
Total Charges For Services	\$ 11,230,348	\$ 11,281,248	\$ 14,017,730	\$ 2,736,482

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES (continued)				
Intergovernmental - Federal				
Department of Justice	\$ 40,000	\$ 40,000	\$ 51,895	\$ 11,895
Department of Agriculture	53,500	53,500	94,939	41,439
Department of Health & Human Services	38,000	38,000	23,222	(14,778)
Emergency Management Agency	-	-	(44,739)	(44,739)
Total Intergovernmental - Federal	131,500	131,500	125,317	(6,183)
Intergovernmental - State & Local				
Attorney General	70,000	70,000	121,361	51,361
Department of Criminal Justice	347,000	347,000	351,054	4,054
D. A. Salary Supplement	22,500	22,500	30,000	7,500
Office of the Court Administrator	80,000	80,000	145,342	65,342
Texas Juvenile Justice Department	80,000	80,000	58,806	(21,194)
Juror Reimbursement	35,000	35,000	69,360	34,360
Tobacco Settlement	80,000	103,633	101,339	(2,294)
Revenue Replacement Funds	-	8,445,192	8,445,192	-
Total Intergovernmental - State	714,500	9,183,325	9,322,454	139,129
Total Intergovernmental	846,000	9,314,825	9,447,771	132,946
Interest	467,000	467,000	1,234,978	767,978
Other Revenue				
Donations	15,000	31,369	44,336	12,967
State Traffic Fee	8,200	8,200	8,160	(40)
Reimbursements	346,924	346,924	395,867	48,943
Leases and Rentals	12,400	12,400	3,569	(8,831)
Other	75,500	75,500	114,753	39,253
Inmate Phone/Video Visitation System	149,000	149,000	569,549	420,549
Oil and Gas Lease	20,200	20,200	26,137	5,937
Informal Adjudication Probation	5,000	5,000	4,338	(662)
Total Other Revenue	632,224	648,593	1,166,709	518,116
TOTAL REVENUES	\$ 124,746,572	\$ 133,282,666	\$ 141,984,087	\$ 8,701,421

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
EXPENDITURES				
General Government				
County Judge				
Personnel Services	\$ 1,396,284	\$ 1,401,829	\$ 1,109,762	\$ 292,067
Supplies and Other Charges	34,350	40,668	26,475	14,193
Repairs and Maintenance	410	410	378	32
Contract Services	4,000	4,000	-	4,000
	1,435,044	1,446,907	1,136,615	310,292
Budget Office				
Personnel Services	288,592	288,592	142,978	145,614
Supplies and Other Charges	7,900	8,894	4,125	4,769
Contract Services	45,000	45,000	12,075	32,925
	341,492	342,486	159,178	183,308
Commissioners' Court				
Personnel Services	4,207,576	4,235,192	4,194,443	40,749
Supplies and Other Charges	40,950	122,419	34,093	88,326
Repairs and Maintenance	1,163	216,113	1,123	214,990
Professional Services	-	47,928	-	47,928
	4,249,689	4,621,652	4,229,659	391,993
Non-Departmental				
Personnel Services	1,000,000	2,000,000	2,000,000	-
Discretionary Funding	6,419,821	14,865,013	-	14,865,013
Supplies and Other Charges	1,961,705	1,796,310	1,140,792	655,518
Repairs and Maintenance	226,440	6,440	448	5,992
Contract Services	1,196,525	1,187,300	60,255	1,127,045
Professional Services	858,400	808,400	171,449	636,951
Community Support	-	4,225	4,225	-
	11,662,891	20,667,688	3,377,169	17,290,519
Community Support				
Community Support	3,926,182	3,926,182	3,615,949	310,233
	3,926,182	3,926,182	3,615,949	310,233
Fleet Maintenance				
Personnel Services	543,546	543,546	531,745	11,801
Supplies and Other Charges	13,650	22,017	19,993	2,024
Repairs and Maintenance	175,028	166,700	124,934	41,766
Contract Services	2,520	4,020	2,475	1,545
	\$ 734,744	\$ 736,283	\$ 679,147	\$ 57,136

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

				Variance with Final Budget Positive (Negative)				
		Budgeted Amounts						
		Original	Final	Actual				
EXPENDITURES (continued)								
General Government (continued)								
Elections								
Personnel Services	\$	678,463	\$	678,463	\$	652,859	\$	25,604
Outside Labor Costs		128,000		190,585		186,676		3,909
Supplies and Other Charges		169,328		96,833		80,825		16,008
Repairs and Maintenance		947,322		7,000		1,339		5,661
Contract Services		164,022		155,300		155,235		65
Professional Services		200		200		-		200
		2,087,335		1,128,381		1,076,934		51,447
County Treasurer								
Personnel Services		625,111		625,111		588,803		36,308
Supplies and Other Charges		16,290		37,572		20,150		17,422
Repairs and Maintenance		550		550		467		83
Contract Services		-		6,187		4,512		1,675
		641,951		669,420		613,932		55,488
Risk Management								
Personnel Services		265,382		265,382		253,618		11,764
Discretionary Funding		-		538		-		538
Supplies and Other Charges		25,305		57,769		69,916		(12,147)
Repairs and Maintenance		75,250		93,500		64,053		29,447
Contract Services		15,000		11,660		10,815		845
Professional Services		-		1,750		-		1,750
		380,937		430,599		398,402		32,197
Tax Assessor-Collector								
Personnel Services		2,614,811		2,614,811		2,152,579		462,232
Supplies and Other Charges		81,160		110,508		100,433		10,075
Repairs and Maintenance		1,100		12,773		12,090		683
Contract Services		11,500		11,488		8,942		2,546
		2,708,571		2,749,580		2,274,044		475,536
Information Technology								
Personnel Services		3,460,097		3,460,097		3,044,331		415,766
Supplies and Other Charges		1,377,263		319,916		183,775		136,141
Repairs and Maintenance		49,160		66,059		65,099		960
Contract Services		2,445,745		2,358,721		2,263,494		95,227
Professional Fees		-		106,665		53,332		53,333
Community Support		95,400		3,673		1,904		1,769
		7,427,665		6,315,131		5,611,935		703,196
Human Resources								
Personnel Services		756,650		756,650		637,211		119,439
Discretionary Funding		-		848		-		848
Supplies and Other Charges		139,250		140,835		48,865		91,970
Repairs and Maintenance		900		900		846		54
Contract Services		25,000		25,000		-		25,000
Professional Services		25,000		25,000		-		25,000
	\$	946,800	\$	949,233	\$	686,922	\$	262,311

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

				Variance with Final Budget Positive (Negative)
Budgeted Amounts				
Original		Final	Actual	
EXPENDITURES (continued)				
General Government (continued)				
County Auditor				
Personnel Services	\$ 1,286,194	\$ 1,286,194	\$ 1,233,368	\$ 52,826
Supplies and Other Charges	220,575	23,043	16,026	7,017
Repairs and Maintenance	375	375	367	8
Contract Services	-	326,742	213,337	113,405
	1,507,144	1,636,354	1,463,098	173,256
Purchasing				
Personnel Services	708,095	708,095	556,271	151,824
Discretionary Funding	-	283	-	283
Supplies and Other Charges	109,650	110,473	13,568	96,905
Repairs and Maintenance	7,750	24,412	10,035	14,377
Contract Services	19,950	19,950	19,611	339
	845,445	863,213	599,485	263,728
Facilities Services				
Personnel Services	2,640,284	2,640,284	2,351,767	288,517
Discretionary Funding	-	11,157	-	11,157
Supplies and Other Charges	140,690	167,093	141,551	25,542
Repairs and Maintenance	1,567,800	1,360,304	341,022	1,019,282
Contract Services	250,800	227,894	191,065	36,829
Professional Services	-	10,000	4,000	6,000
	4,599,574	4,416,732	3,029,405	1,387,327
Landscaping				
Personnel Services	470,408	470,408	389,475	80,933
Supplies and Other Charges	5,400	6,800	5,778	1,022
Repairs and Maintenance	75,650	74,250	55,466	18,784
Contract Services	70,000	70,000	40,613	29,387
	621,458	621,458	491,332	130,126
County Records Management				
Personnel Services	-	281,724	246,046	35,678
Supplies and Other Charges	-	41,565	8,613	32,952
Repairs and Maintenance	-	100	20	80
Contract Services	-	8,695	1,704	6,991
	-	332,084	256,383	75,701
Total General Government	44,116,922	51,853,383	29,699,589	22,153,794
Justice System				
Pre-Trial Bond Supervision				
Personnel Services	179,961	179,961	143,389	36,572
	179,961	179,961	143,389	36,572
County Attorney				
Personnel Services	3,368,054	3,368,054	2,955,618	412,436
Discretionary Funding	-	41	-	41
Supplies and Other Charges	121,650	142,321	79,859	62,462
Repairs and Maintenance	7,500	7,500	6,944	556
Contract Services	850	850	549	301
Community Support	-	2,250	2,250	-
	\$ 3,498,054	\$ 3,521,016	\$ 3,045,220	\$ 475,796

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Justice System (continued)				
District Attorney				
Personnel Services	\$ 4,545,175	\$ 4,545,175	\$ 4,256,485	\$ 288,690
Supplies and Other Charges	188,193	212,100	153,646	58,454
Repairs and Maintenance	8,100	11,100	10,562	538
Community Support	-	692	692	-
	<u>4,741,468</u>	<u>4,769,067</u>	<u>4,421,385</u>	<u>347,682</u>
 D.A. - Child Protective Services				
Personnel Services	373,802	373,802	300,904	72,898
Supplies and Other Charges	9,750	9,150	4,318	4,832
	<u>383,552</u>	<u>382,952</u>	<u>305,222</u>	<u>77,730</u>
 District Clerk				
Personnel Services	1,279,068	1,279,068	1,186,248	92,820
Supplies and Other Charges	47,475	50,753	30,308	20,445
Repairs and Maintenance	3,100	3,100	3,068	32
Contract Services	-	2,000	2,000	-
	<u>1,329,643</u>	<u>1,334,921</u>	<u>1,221,624</u>	<u>113,297</u>
 Court and Jury Services				
Personnel Services	153,624	153,624	141,457	12,167
Discretionary Funding	-	9,190	-	9,190
Supplies and Other Charges	177,150	177,150	152,522	24,628
Repairs and Maintenance	110	110	108	2
Contract Services	12,700	12,700	-	12,700
	<u>343,584</u>	<u>352,774</u>	<u>294,087</u>	<u>58,687</u>
 Collections				
Personnel Services	476,292	476,292	469,104	7,188
Supplies and Other Charges	16,450	18,095	15,749	2,346
Repairs and Maintenance	500	500	326	174
	<u>493,242</u>	<u>494,887</u>	<u>485,179</u>	<u>9,708</u>
 County Clerk				
Personnel Services	1,101,776	1,101,776	1,087,199	14,577
Discretionary Funding	-	9,729	-	9,729
Supplies and Other Charges	28,180	32,722	24,355	8,367
Repairs and Maintenance	1,650	11,146	1,893	9,253
Contract Services	90,016	90,016	76,175	13,841
Professional Services	-	1,900	1,900	-
	<u>1,221,622</u>	<u>1,247,289</u>	<u>1,191,522</u>	<u>55,767</u>
 Vital Statistics Preservation				
Supplies and Other Charges	11,700	11,700	2,727	8,973
	<u>\$ 11,700</u>	<u>\$ 11,700</u>	<u>\$ 2,727</u>	<u>\$ 8,973</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

				Variance with Final Budget Positive (Negative)
Budgeted Amounts				
Original		Final	Actual	
EXPENDITURES (continued)				
Justice System (continued)				
85th District Court				
Personnel Services	\$ 435,843	\$ 435,843	\$ 413,910	\$ 21,933
Discretionary Funding	-	679	-	679
Supplies and Other Charges	33,060	108,602	19,016	89,586
Repairs and Maintenance	1,200	1,200	665	535
Professional Services	-	42,275	-	42,275
	470,103	588,599	433,591	155,008
272nd District Court				
Personnel Services	438,304	438,304	431,642	6,662
Discretionary Funding	-	467	-	467
Supplies and Other Charges	41,084	37,696	36,213	1,483
Repairs and Maintenance	1,105	1,105	278	827
Professional Services	34,240	37,629	37,628	1
	514,733	515,201	505,761	9,440
361st District Court				
Personnel Services	427,633	427,633	398,995	28,638
Discretionary Funding	-	3,393	-	3,393
Supplies and Other Charges	63,460	59,764	44,286	15,478
Repairs and Maintenance	1,225	1,225	125	1,100
Professional Services	37,215	45,604	45,603	1
	529,533	537,619	489,009	48,610
Juvenile Court Referee				
Personnel Services	201,590	201,590	199,123	2,467
Discretionary Funding	-	1,195	-	1,195
Supplies and Other Charges	4,120	4,120	3,269	851
	205,710	206,905	202,392	4,513
Associate Judge #1				
Personnel Services	359,962	359,962	357,171	2,791
Supplies and Other Charges	7,682	7,682	7,640	42
Repairs and Maintenance	667	667	417	250
Contracts Services	420	420	-	420
	368,731	368,731	365,228	3,503
Specialty Court Program				
Personnel Services	28,652	28,652	22,991	5,661
Supplies and Other Charges	60,180	60,180	27,454	32,726
Contracts Services	150,801	155,000	138,790	16,210
	239,633	243,832	189,235	54,597
Associate Judge #2				
Personnel Services	463,296	463,296	433,843	29,453
Supplies and Other Charges	9,750	14,184	6,783	7,401
Repairs and Maintenance	314	314	97	217
	\$ 473,360	\$ 477,794	\$ 440,723	\$ 37,071

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

EXPENDITURES (continued)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Justice System (continued)				
County Court At Law #1				
Personnel Services	\$ 775,477	\$ 776,146	\$ 761,681	\$ 14,465
Discretionary Funding	-	4,471	-	4,471
Supplies and Other Charges	17,510	21,228	13,655	7,573
Repairs and Maintenance	447	447	73	374
	793,434	802,292	775,409	26,883
County Court At Law #2				
Personnel Services	657,036	657,036	650,199	6,837
Discretionary Funding	-	1,196	-	1,196
Supplies and Other Charges	18,790	25,790	12,533	13,257
Repairs and Maintenance	131	131	44	87
Contract Services	86,400	79,400	16,703	62,697
	762,357	763,553	679,479	84,074
Justice of the Peace Precinct 1				
Personnel Services	404,987	404,987	359,854	45,133
Discretionary Funding	-	19,356	-	19,356
Supplies and Other Charges	27,225	27,225	22,108	5,117
Repairs and Maintenance	841	841	173	668
Contract Services	32,022	32,022	30,161	1,861
	465,075	484,431	412,296	72,135
Justice of the Peace Precinct 2				
Personnel Services	390,933	390,933	367,570	23,363
Supplies and Other Charges	12,150	12,150	5,918	6,232
Repairs and Maintenance	300	300	235	65
Contract Services	450	450	-	450
Professional Services	150	150	-	150
	403,983	403,983	373,723	30,260
Justice of the Peace Precinct 3				
Personnel Services	473,434	473,434	427,933	45,501
Supplies and Other Charges	15,800	16,358	13,556	2,802
Repairs and Maintenance	650	650	333	317
Contract Services	2,500	2,500	2,300	200
	492,384	492,942	444,122	48,820
Justice of the Peace Precinct 4				
Personnel Services	321,631	321,631	291,057	30,574
Supplies and Other Charges	9,476	9,476	8,044	1,432
Repairs and Maintenance	240	240	240	-
	\$ 331,347	\$ 331,347	\$ 299,341	\$ 32,006

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Justice System (continued)				
Community Supervision Support				
Supplies and Other Charges	\$ 79,900	\$ 98,237	\$ 83,234	\$ 15,003
Repairs and Maintenance	3,000	3,000	1,782	1,218
Community Support	-	692	692	-
	<u>82,900</u>	<u>101,929</u>	<u>85,708</u>	<u>16,221</u>
Judicial Court Support				
Personnel Services	1,088	1,088	-	1,088
Supplies and Other Charges	551,575	751,575	714,809	36,766
Contract Services	1,150,000	1,253,000	821,686	431,314
Professional Services	5,141,250	5,083,250	3,176,302	1,906,948
	<u>6,843,913</u>	<u>7,088,913</u>	<u>4,712,797</u>	<u>2,376,116</u>
Alternative Dispute Resolution				
Professional Services	-	75,900	61,773	14,127
	<u>-</u>	<u>75,900</u>	<u>61,773</u>	<u>14,127</u>
Total Justice System	<u>25,180,022</u>	<u>25,778,538</u>	<u>21,580,942</u>	<u>4,197,596</u>
Law Enforcement				
Sheriff Administration				
Personnel Services	6,840,602	6,840,602	6,212,454	628,148
Supplies and Other Charges	266,745	461,596	383,079	78,517
Repairs and Maintenance	166,250	246,206	244,951	1,255
Contract Services	8,440	62,724	152,509	(89,785) *
Professional Services	3,400	3,400	250	3,150
Community Support	-	29,249	29,249	-
	<u>7,285,437</u>	<u>7,643,777</u>	<u>7,022,492</u>	<u>621,285</u>
Sheriff Jail Administration				
Personnel Services	13,247,928	13,247,928	11,790,958	1,456,970
Supplies and Other Charges	1,462,900	1,838,962	1,705,887	133,075
Repairs and Maintenance	95,730	483,592	229,655	253,937
Contract Services	1,560	12,910	172,916	(160,006) *
Professional Services	31,350	21,350	16,098	5,252
Community Support	-	9,519	9,519	-
	<u>14,839,468</u>	<u>15,614,261</u>	<u>13,925,033</u>	<u>1,689,228</u>
Jail Medical Services				
Personnel Services	1,127,580	1,127,580	1,040,174	87,406
Supplies and Other Charges	49,950	33,950	28,586	5,364
Repairs and Maintenance	624	624	-	624
Contract Services	3,280	3,280	2,899	381
Professional Services	30,375	38,375	33,275	5,100
	<u>1,211,809</u>	<u>1,203,809</u>	<u>1,104,934</u>	<u>98,875</u>
SO-CSISD School Security				
Personnel Services	698,418	698,418	643,369	55,049
Supplies and Other Charges	48,430	48,430	23,310	25,120
Repairs and Maintenance	2,300	2,300	-	2,300
Professional Services	520	520	-	520
Community Support	-	7,442	7,442	-
	<u>\$ 749,668</u>	<u>\$ 757,110</u>	<u>\$ 674,121</u>	<u>\$ 82,989</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

				Variance with Final Budget Positive (Negative)	
		Budgeted Amounts		Actual	
		Original	Final		
EXPENDITURES (continued)					
Law Enforcement (continued)					
Constable Precinct 1					
Personnel Services	\$	589,854	\$ 589,854	\$ 575,394	\$ 14,460
Supplies and Other Charges		34,690	52,835	44,648	8,187
Repairs and Maintenance		17,900	18,600	15,284	3,316
Contract Services		23,690	23,690	23,671	19
Community Support		-	2,423	2,423	-
		666,134	687,402	661,420	25,982
Constable Precinct 2					
Personnel Services		870,426	870,426	866,114	4,312
Supplies and Other Charges		29,050	38,853	28,496	10,357
Repairs and Maintenance		26,818	32,418	32,094	324
Contract Services		1,500	1,500	-	1,500
Community Support		-	3,288	3,288	-
		927,794	946,485	929,992	16,493
Constable Precinct 3					
Personnel Services		577,178	577,178	558,509	18,669
Supplies and Other Charges		29,175	32,265	24,820	7,445
Repairs and Maintenance		11,390	12,590	12,440	150
Contract Services		2,700	2,700	2,300	400
Professional Services		-	50	5	45
Community Support		-	1,904	1,904	-
		620,443	626,687	599,978	26,709
Constable Precinct 4					
Personnel Services		877,923	877,923	847,917	30,006
Supplies and Other Charges		25,400	47,760	36,837	10,923
Repairs and Maintenance		21,964	32,438	32,438	-
Contract Services		2,342	2,342	2,237	105
Community Support		-	3,115	3,115	-
		927,629	963,578	922,544	41,034
Total Law Enforcement		27,228,382	28,443,109	25,840,514	2,602,595
Juvenile Services					
Juvenile Services					
Personnel Services		6,720,677	6,720,677	5,121,619	1,599,058
Discretionary Funding		-	3,074	-	3,074
Supplies and Other Charges		439,610	503,007	435,381	67,626
Repairs and Maintenance		19,005	519,005	15,143	503,862
Contract Services		52,114	576,384	70,353	506,031
Professional Services		51,440	93,710	74,547	19,163
	\$	7,282,846	\$ 8,415,857	\$ 5,717,043	\$ 2,698,814

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Juvenile Services (continued)				
Juvenile Justice Alternative Education				
Personnel Services	294,661	294,661	282,170	12,491
Supplies and Other Charges	810	2,421	1,540	881
	<u>295,471</u>	<u>297,082</u>	<u>283,710</u>	<u>13,372</u>
TDHS - Commodities				
Supplies and Other Charges	3,500	3,500	-	3,500
	<u>3,500</u>	<u>3,500</u>	<u>-</u>	<u>3,500</u>
Total Juvenile Services	<u>7,581,817</u>	<u>8,716,439</u>	<u>6,000,753</u>	<u>2,715,686</u>
Public Transportation				
Road and Bridge Administration				
Personnel Services	6,610,521	6,610,521	5,312,938	1,297,583
Supplies and Other Charges	1,357,095	135,953	107,408	28,545
Repairs and Maintenance	6,417,991	2,383,561	1,174,740	1,208,821
Contract Services	314,480	4,191,530	3,967,998	223,532
Professional Services	120,000	143,398	142,558	840
Total Public Transportation	<u>14,820,087</u>	<u>13,464,963</u>	<u>10,705,642</u>	<u>2,759,321</u>
Public Health				
Environmental Protection				
Supplies and Other Charges	11,166	11,166	10,104	1,062
Repairs and Maintenance	1,000	1,000	-	1,000
Contract Services	318,731	321,231	304,060	17,171
	<u>330,897</u>	<u>333,397</u>	<u>314,164</u>	<u>19,233</u>
Indigent Health Care				
Supplies and Other Charges	1,745,169	1,745,169	944,348	800,821
Professional Services	4,707,803	4,707,803	687,399	4,020,404
Community Support	896,700	896,700	96,700	800,000
	<u>7,349,672</u>	<u>7,349,672</u>	<u>1,728,447</u>	<u>5,621,225</u>
Community Public Health				
Community Support	987,000	-	-	-
	<u>\$ 987,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Public Health (Continued)				
Health Department Support				
Supplies and Other Charges	\$ 54,675	\$ 54,675	\$ 50,004	\$ 4,671
Professional Services	18,000	21,430	18,430	3,000
	<u>72,675</u>	<u>76,105</u>	<u>68,434</u>	<u>7,671</u>
Total Public Health	<u>8,740,244</u>	<u>7,759,174</u>	<u>2,111,045</u>	<u>5,648,129</u>
Human Services				
Veteran Services				
Personnel Services	84,595	89,329	73,056	16,273
Supplies and Other Charges	1,500	1,500	105	1,395
Repairs and Maintenance	500	500	285	215
	<u>86,595</u>	<u>91,329</u>	<u>73,446</u>	<u>17,883</u>
County Fire Protection				
Community Support	733,212	733,212	733,211	1
	<u>733,212</u>	<u>733,212</u>	<u>733,211</u>	<u>1</u>
County Welfare				
Supplies and Other Charges	5,000	6,600	5,400	1,200
	<u>5,000</u>	<u>6,600</u>	<u>5,400</u>	<u>1,200</u>
Emergency Management				
Personnel Services	225,620	225,620	224,240	1,380
Supplies and Other Charges	13,200	13,200	4,790	8,410
Repairs and Maintenance	8,450	10,850	5,446	5,404
Contract Services	116,100	116,100	115,870	230
Community Support	-	31,153	31,153	-
	<u>363,370</u>	<u>396,923</u>	<u>381,499</u>	<u>15,424</u>
Brazos Center				
Personnel Services	651,844	651,844	548,705	103,139
Supplies and Other Charges	158,062	162,707	156,087	6,620
Repairs and Maintenance	27,766	13,106	10,836	2,270
Contract Services	1,820	15,915	12,972	2,943
	<u>839,492</u>	<u>843,572</u>	<u>728,600</u>	<u>114,972</u>
Exposition Center				
Personnel Services	1,902,762	1,902,762	1,638,923	263,839
Supplies and Other Charges	523,880	524,285	476,326	47,959
Repairs and Maintenance	59,850	85,500	61,729	23,771
Contract Services	55,000	81,000	75,802	5,198
	<u>\$ 2,541,492</u>	<u>\$ 2,593,547</u>	<u>\$ 2,252,780</u>	<u>\$ 340,767</u>

BRAZOS COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Human Services (continued)				
Agricultural Extension				
Personnel Services	\$ 431,785	\$ 431,785	\$ 327,705	\$ 104,080
Discretionary Funding	-	75	-	75
Supplies and Other Charges	66,620	66,620	47,674	18,946
Repairs and Maintenance	6,000	7,800	6,530	1,270
Contract Services	33,650	33,650	30,240	3,410
	<u>538,055</u>	<u>539,930</u>	<u>412,149</u>	<u>127,781</u>
Boonville Heritage Park				
Supplies and Other Charges	-	2,982	2,764	218
Repairs and Maintenance	4,600	2,618	420	2,198
Contract Services	5,000	4,000	-	4,000
	<u>9,600</u>	<u>9,600</u>	<u>3,184</u>	<u>6,416</u>
Child Protective Services				
Supplies and Other Charges	50,000	50,500	43,080	7,420
	<u>50,000</u>	<u>50,500</u>	<u>43,080</u>	<u>7,420</u>
Family Protection Services				
Community Support	10,000	10,000	10,000	-
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total Human Services	<u>5,176,816</u>	<u>5,275,213</u>	<u>4,643,349</u>	<u>631,864</u>
Contingency	<u>4,405,000</u>	<u>4,221,398</u>	<u>-</u>	<u>4,221,398</u>
Capital Outlay	<u>8,804,000</u>	<u>10,230,684</u>	<u>5,302,428</u>	<u>4,928,256</u>
TOTAL EXPENDITURES	<u>146,053,290</u>	<u>155,742,901</u>	<u>105,884,262</u>	<u>49,858,639</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,306,718)	(22,460,235)	36,099,825	58,560,060
OTHER FINANCING SOURCES (USES)				
Subscription-Based Information Technology Arrangements	-	-	291,155	291,155
Transfers In	20,000	7,016,789	1,055,575	(5,961,214)
Transfers Out	(9,565,035)	(15,408,307)	(5,720,272)	9,688,035
Sale of Capital Assets	30,000	30,000	218,649	188,649
Insurance Recoveries	50,000	50,000	926,919	876,919
TOTAL OTHER FINANCING SOURCES (USES)	<u>(9,465,035)</u>	<u>(8,311,518)</u>	<u>(3,227,974)</u>	<u>5,083,544</u>
Net Change in Fund Balances	(30,771,753)	(30,771,753)	32,871,851	63,643,604
FUND BALANCE, OCTOBER 1	<u>103,282,373</u>	<u>103,282,373</u>	<u>103,282,373</u>	<u>-</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 72,510,620</u>	<u>\$ 72,510,620</u>	<u>\$ 136,154,224</u>	<u>\$ 63,643,604</u>

* Note: Expenditures exceed final budget due to a non-cash expenditure journal entry recorded for GASB 96 subscription-based information technology arrangements that were not budgeted since it represents future years of the term of the contracts.

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
LOCAL PROVIDER PARTICIPATION
For the Year Ended September 30, 2022

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 34,415,000	\$ 37,254,069	\$ 2,839,069
Interest	10,000	50,392	40,392
TOTAL REVENUES	<u>34,425,000</u>	<u>37,304,461</u>	<u>2,879,461</u>
EXPENDITURES			
Public Health			
Community Support	<u>45,405,000</u>	<u>26,568,700</u>	<u>18,836,300</u>
TOTAL EXPENDITURES	<u>45,405,000</u>	<u>26,568,700</u>	<u>18,836,300</u>
Deficiency of Revenues Under Expenditures	(10,980,000)	10,735,761	(15,956,839)
OTHER FINANCING USES			
Transfers Out	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
TOTAL OTHER FINANCING USES	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Net Change in Fund Balance	(11,000,000)	10,715,761	(15,956,839)
FUND BALANCE, OCTOBER 1	<u>3,297,346</u>	<u>3,297,346</u>	<u>3,297,346</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ (7,702,654)</u></u>	<u><u>\$ 14,013,107</u></u>	<u><u>\$ (12,659,493)</u></u>



BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
GRANT FUND
For the Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Intergovernmental - Federal			
Department of Justice	\$ 251,903	\$ 111,903	\$ 256,350
Department of Homeland Security	22,735	22,735	22,735
Department of Treasury	15,840,954	22,260,775	10,458,156
Department of Transportation	391,954	391,954	368,464
Federal Election Assistance Commission	32,856	1,338,071	1,332,677
Total Intergovernmental - Federal	16,540,402	24,125,438	12,438,382
Intergovernmental - State			
Texas Juvenile Justice Department	1,108,901	1,110,871	1,117,231
Texas Office of the Governor	5,595	200,995	5,995
Texas Office of the Attorney General	30,144	30,144	30,144
Texas Indigent Defense Commission	-	1,859,900	7,174
Total Intergovernmental - State	1,144,640	3,201,910	1,160,544
Intergovernmental - Other			
Texas Education Agency	-	6,429	6,429
National Rifle Association	2,564	18,136	15,611
Total Intergovernmental - Other	2,564	24,565	22,040
Interest	-	-	(1,391)
TOTAL REVENUES	17,687,606	27,351,913	13,619,575
EXPENDITURES			
General Government			
Personnel Services	188,012	188,012	-
Discretionary Spending	4,811,988	30,705,967	8,445,192
Supplies and Other Charges	77,463	116,423	111,029
Repairs and Maintenance	-	936,636	936,636
Contract Services	-	3,367	3,366
Professional Services	-	3,840	3,840
	5,077,463	31,954,245	9,500,063
Justice System			
Personnel Services	395,052	1,067,751	398,409
Supplies and Other Charges	-	1,239,253	9,526
Repairs and Maintenance	-	5,300	-
	395,052	2,312,304	407,935
Law Enforcement			
Discretionary Spending	-	1,119	-
Supplies and Other Charges	11,060	27,563	26,157
Contract Services	35,739	30,144	30,144
	\$ 46,799	\$ 58,826	\$ 56,301

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
GRANT FUND
For the Year Ended September 30, 2022

	Budgeted Amounts		Actual
	Original	Final	
EXPENDITURES (Continued)			
Juvenile Services			
Personnel Services	\$ 1,396,948	\$ 1,396,948	\$ 1,248,329
Supplies and Other Charges	-	9,134	9,134
Contract Services	17,146	18,004	18,004
	<u>1,414,094</u>	<u>1,424,086</u>	<u>1,275,467</u>
Public Transportation			
Personnel Services	320,167	322,105	322,038
Discretionary Spending	840,954	840,954	-
Supplies and Other Charges	26,517	24,579	7,431
Repairs and Maintenance	1,850	1,850	600
Contract Services	43,420	43,420	38,396
	<u>1,232,908</u>	<u>1,232,908</u>	<u>368,465</u>
Human Services			
Personnel Services	-	-	-
Discretionary Spending	5,000,000	1,366,796	-
Supplies and Other Charges	1,295,000	1,295,000	70,238
Repairs and Maintenance	5,000	5,000	-
Contract Services	4,222,735	4,222,735	1,965,461
	<u>10,522,735</u>	<u>6,889,531</u>	<u>2,035,699</u>
Public Health			
Discretionary Spending	5,000,000	5,000,000	-
	<u>5,000,000</u>	<u>5,000,000</u>	<u>-</u>
Capital Outlay	-	322,412	322,412
TOTAL EXPENDITURES	<u>23,689,051</u>	<u>49,194,312</u>	<u>13,966,342</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,001,445)	(21,842,399)	(346,767)
OTHER FINANCING SOURCES (USES)			
Transfers In	456,838	456,838	300,769
TOTAL OTHER FINANCING SOURCES (USES)	<u>456,838</u>	<u>456,838</u>	<u>300,769</u>
Net Change in Fund Balance	(5,544,607)	(21,385,561)	(45,998)
FUND BALANCE, OCTOBER 1	<u>212,373</u>	<u>212,373</u>	<u>212,373</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ (5,332,234)</u>	<u>\$ (21,173,188)</u>	<u>\$ 166,375</u>

BRAZOS COUNTY, TEXAS

Required Supplementary Information

Schedule of Changes in the County's Net Pension Liability and Related Ratios

September 30, 2022

	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2019
Total pension liability			
Service cost	\$ 7,217,305	\$ 6,285,745	\$ 5,876,104
Interest on total pension liability	19,914,547	18,592,028	17,376,903
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(721,801)	1,588,690	756,777
Effect of assumptions changes or inputs	140,758	15,550,836	-
Benefit payments/refunds of contributions	(11,147,319)	(9,759,883)	(9,088,943)
Net change in total pension liability	15,403,490	32,257,416	14,920,841
Total pension liability - beginning	258,525,294	226,267,878	211,347,037
Total pension liability - ending (a)	\$273,928,784	\$258,525,294	\$226,267,878
Plan fiduciary net position			
Contributions - employer	\$ 7,064,436	\$ 7,199,215	\$ 6,428,974
Contributions - employee	3,139,868	3,304,274	3,103,640
Net investment income	50,729,634	21,615,125	29,464,650
Benefit payments/refunds of contributions	(11,147,319)	(9,759,883)	(9,088,943)
Administrative expenses	(152,089)	(169,356)	(159,432)
Effect of change in proportion	-	-	-
Other	37,569	41,736	44,335
Net change in plan fiduciary net position	49,672,099	22,231,111	29,793,224
Plan fiduciary net position - beginning	229,686,440	207,455,329	177,662,105
Plan fiduciary net position - ending (b)	\$279,358,539	\$229,686,440	\$207,455,329
County's net pension liability/(asset) - ending (a) - (b)	\$ (5,429,755)	\$ 28,838,854	\$ 18,812,549
Plan fiduciary net position as a percentage of the total pension liability	101.98%	88.84%	91.69%
Covered payroll	\$ 49,291,479	\$ 47,203,911	\$ 44,337,703
County's net pension liability as a percentage of covered payroll	-11.02%	61.09%	42.43%

NOTE: The schedule represents only the years for which the new GASB statements have been implemented.

Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
\$ 5,790,537	\$ 5,538,125	\$ 5,458,140	\$ 4,924,972	\$ 4,799,043
16,311,051	15,239,878	13,990,940	13,101,037	12,180,043
-	-	-	(994,692)	-
(381,713)	(206,958)	435,824	(1,634,734)	(509,172)
-	463,166	-	1,777,888	-
(8,221,490)	(7,909,136)	(6,769,254)	(6,136,013)	(5,502,073)
13,498,385	13,125,075	13,115,650	11,038,458	10,967,841
197,848,652	184,723,577	171,607,927	160,569,469	149,601,628
<u>\$ 211,347,037</u>	<u>\$ 197,848,652</u>	<u>\$ 184,723,577</u>	<u>\$ 171,607,927</u>	<u>\$ 160,569,469</u>
\$ 5,955,352	\$ 5,483,953	\$ 6,048,390	\$ 4,795,371	\$ 4,525,390
2,925,433	2,741,978	2,582,026	2,426,133	2,262,096
(3,388,097)	23,193,898	10,801,592	(1,901,404)	9,163,233
(8,221,490)	(7,909,136)	(6,769,254)	(6,136,013)	(5,502,073)
(144,115)	(121,208)	(117,506)	(105,209)	(108,831)
-	-	(60,030)	(25,413)	-
37,950	4,910	261,584	93,156	(232,905)
(2,834,967)	23,394,395	12,746,802	(853,379)	10,106,910
180,497,072	157,102,677	144,355,875	145,209,254	135,102,344
<u>\$ 177,662,105</u>	<u>\$ 180,497,072</u>	<u>\$ 157,102,677</u>	<u>\$ 144,355,875</u>	<u>\$ 145,209,254</u>
\$ 33,684,932	\$ 17,351,580	\$ 27,620,900	\$ 27,252,052	\$ 15,360,215
84.06%	91.23%	85.05%	84.12%	90.43%
\$ 41,791,912	\$ 39,171,115	\$ 36,702,824	\$ 34,252,648	\$ 32,321,377
80.60%	44.30%	75.26%	79.56%	47.52%

BRAZOS COUNTY, TEXAS
Required Supplementary Information
Schedule of Pension Contributions
September 30, 2022

Year Ending September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2013	\$ 3,747,336	\$ 4,979,169	\$ (1,231,833)	\$ 38,301,300	13.0%
2014	4,053,792	4,357,815	(304,023)	31,127,250	14.0%
2015	4,389,243	4,692,679	(303,436)	33,519,136	14.0%
2016	4,586,430	5,254,156	(667,726)	37,529,686	14.0%
2017	4,863,125	6,378,368	(1,515,243)	38,656,776	16.5%
2018	5,346,857	5,902,627	(555,770)	42,161,621	14.0%
2019	5,909,376	6,371,671	(462,295)	44,557,140	14.3%
2020	6,096,431	6,897,733	(801,302)	47,570,572	14.5%
2021	6,806,804	7,083,113	(276,309)	46,294,856	15.3%
2022	\$ 6,306,648	\$ 7,064,436	\$ (757,788)	\$ 44,855,245	15.7%

Notes to Schedule

Valuation timing: Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age (level percentage of pay)
Amortization method	Level percentage of payroll, closed
Remaining amortization period	12.7 years (based on contribution rate calculated in 12/31/2021 valuation)
Asset valuation method	5-year smoothed fair value
Inflation	2.50%
Salary increases	Varies by age and service. 4.7% average over career including inflation
Investment rate of return	7.50%, net of administrative and investment expenses, including inflation
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

**Changes in assumptions and
methods reflected in the schedule
of employer contributions**

2015: New inflation, mortality and other assumptions were reflected.
2017: New mortality assumptions were reflected.
2019: New inflation, mortality and other assumptions were reflected.

**Changes in plan provisions
reflected in the schedule
of employer contributions**

2015: No changes in plan provisions were reflected in the Schedule.
2016: No changes in plan provisions were reflected in the Schedule.
2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.
2018: No changes in plan provisions were reflected in the Schedule.
2019: No changes in plan provisions were reflected in the Schedule.
2020: No changes in plan provisions were reflected in the Schedule.
2021: No changes in plan provisions were reflected in the Schedule.

BRAZOS COUNTY, TEXAS
Required Supplementary Information
Schedule of Changes in the County's Net OPEB Liability and Related Ratios
September 30, 2022

	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
Total OPEB liability					
Service cost	\$ 1,233,131	\$ 1,449,609	\$ 1,576,408	\$ 1,759,902	\$ 1,708,643
Interest on total OPEB liability	5,284,975	4,955,442	5,334,589	5,057,106	4,772,561
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	(1,756,550)	493,124	(8,343,147)	119,825	-
Changes of assumptions	(1,797,599)	-	(1,405,321)	-	-
Benefit payments	(3,720,023)	(3,089,792)	(2,774,536)	(2,377,704)	(1,880,728)
Net change in total OPEB liability	(756,066)	3,808,383	(5,612,007)	4,559,129	4,600,476
Total OPEB liability - beginning	82,550,752	77,057,659	82,669,666	78,110,537	73,510,061
Total OPEB liability - ending (a)	\$ 81,794,686	\$ 80,866,042	\$ 77,057,659	\$ 82,669,666	\$ 78,110,537
Plan fiduciary net position					
Employer contributions	\$ 4,719,623	\$ 3,588,992	\$ 3,753,737	\$ 3,356,904	\$ 3,839,128
Net investment income	814,735	869,814	716,251	(180,132)	152,228
Benefit payments	(3,720,023)	(3,089,792)	(2,774,536)	(2,377,704)	(1,880,728)
Administrative expense	(34,180)	(26,335)	(19,342)	(14,021)	(6,482)
Other	-	-	-	-	-
Net change in plan fiduciary net position	1,780,155	1,342,679	1,676,110	785,047	2,104,146
Plan fiduciary net position - beginning	6,526,806	5,050,928	3,374,818	2,589,771	485,625
Plan fiduciary net position - ending (b)	\$ 8,306,961	\$ 6,393,607	\$ 5,050,928	\$ 3,374,818	\$ 2,589,771
County's net OPEB liability - ending (a) - (b)	\$ 73,487,725	\$ 74,472,435	\$ 72,006,731	\$ 79,294,848	\$ 75,520,766
Plan fiduciary net position as a percentage of the total OPEB liability	10.16%	7.91%	6.55%	4.08%	3.32%
Covered-employee payroll	\$ 46,623,568	\$ 44,801,592	\$ 42,581,075	\$ 39,461,997	\$ 37,138,215
County's net OPEB liability as a percentage of covered-employee payroll	157.62%	166.23%	169.11%	200.94%	203.35%

Note 1: The schedule represents only the years for which the new GASB statements have been implemented.

Note 2: The contributions to the OPEB plan are based on covered-employee payroll as the measure of payroll.

Note 3: The County does not calculate an actuarially determined contribution. Contribution requirements are not established statutorily or contractually.

Note 4: The beginning balances for the year ending December 31, 2021 have been adjusted to reflect the increased percentage change of the total OPEB liability for the County from 96% to 98%.

BRAZOS COUNTY, TEXAS
Required Supplementary Information
Schedule of Investment Returns on OPEB Trust
September 30, 2022

<u>Fiscal Year</u>	<u>Annual Money- Weighted Rate of Return, Net of Investment Expenses</u>
2022	-19.85%
2021	17.86%
2020	11.68%
2019	5.40%
2018	6.97%

NOTE: The schedule represents only the years for which the new GASB statements have been implemented.

BRAZOS COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022

BUDGET

Annual budgets are legally adopted for general, special revenue, debt service, capital project, and internal service funds. Budget amounts represent the original budget for 2022 as subsequently amended by the Commissioners' Court. Budgets are adopted on a basis consistent with GAAP (modified accrual basis). The County employs an encumbrance accounting system as a method of accomplishing budgetary control. At year-end, open encumbrances are closed. The departments are required to re-appropriate those funds within the following year's budget.

INFRASTRUCTURE ASSETS UNDER MODIFIED APPROACH

As permitted by Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, Brazos County has adopted the modified approach for reporting its road and bridge system. Under the modified approach, depreciation is not reported and certain preservation and maintenance costs are expensed.

The modified approach requires that Brazos County maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets, perform condition assessments of the eligible infrastructure assets and summarize the results using a measurement scale in order to document that the eligible infrastructure assets are being preserved approximately at or above the condition level established and disclosed by the government, and estimate each year the annual amount needed to maintain and preserve the eligible infrastructure assets at the condition level established and disclosed by the government.

For the year ended September 30, 2022, annual maintenance and preservation costs of \$13,464,963 for both roads and bridges were less than the estimated amount needed of \$10,705,642. This variance is mainly due to a contingency budget (roll-over of prior years' positive variance), employee turnover, and the delays in road preparation and weather conditions.

For the Fiscal Year Ended:	Estimated Dollars to Maintain Roads and Bridges at Required Condition Level	Actual Dollars Spent to Maintain Roads and Bridges at Required Condition Level
September 30, 2017	\$12,102,201	\$9,542,395
September 30, 2018	\$12,443,584	\$9,406,932
September 30, 2019	\$11,498,435	\$10,111,474
September 30, 2020	\$13,996,410	\$11,221,097
September 30, 2021	\$11,680,545	\$9,479,803
September 30, 2022	\$13,464,963	\$10,705,642

INFRASTRUCTURE ASSETS UNDER MODIFIED APPROACH (Continued)

Roads

The Brazos County Road and Bridge department performs condition assessments of County roads continually throughout the year and evaluates and prioritizes the results annually. The condition assessment team consists of the County Engineer (Registered Professional Engineer), a planning and development supervisor, a general superintendent, an assistant general superintendent and three road supervisors, one for each precinct in the County. This team utilizes various criteria for evaluating the condition of the roads including the traffic volume of the road, the number of man hours used to maintain the road in the last year, the potential traffic on the road based on observed development of properties accessing the road, the number of traffic accidents and the type of accidents, and a visual inspection of the road for settlement spots, rough pavement, areas requiring patching, and the frequency of repair activities on the road. Each road is assessed on a scale of zero to 100 with 100 representing a road in perfect condition. The County has adopted a minimum condition level of 80% for all County roads. The results of the condition assessment are as follows:

Precinct	Fiscal Year	Percentage of Miles at 80% or greater condition level	Percentage of Miles at 70% or greater condition level	Percentage of Miles at 60% or greater condition level
1	2020	92%	7%	1%
2	2020	91%	8%	1%
4	2020	95%	3%	2%
1	2021	89%	10%	1%
2	2021	91%	7%	2%
4	2021	95%	3%	2%
1	2022	89%	8%	3%
2	2022	91%	8%	1%
4	2022	93%	7%	0%

All roads with 60% to 80% of condition level are scheduled for upgrade or reconstruction within the next 2 year period.

Bridges

The condition of the County's bridges is determined using the State of Texas Bridge Inventory Inspection System (BRINSAP). The bridges are inspected by the State every two years. A numerical condition range 0.0 (beyond repair) to 9.0 (excellent condition) is used to assess each of seven elements of the structure. These include deck, superstructure, substructure, channel, culvert, approaches and miscellaneous items. The BRINSAP summary shows 70 bridges in the County were rated. Brazos County policy requires that bridges be maintained at a minimum of good condition. The chart below shows that the County's bridges are well maintained and in very good condition.

INFRASTRUCTURE ASSETS UNDER MODIFIED APPROACH (Continued)

<u>Year of Inspection</u>	<u>Condition</u>	<u>Rating</u>	<u>Number</u>	<u>%</u>
2017	Very Good	6.0 - 9.0	69	100%
2017	Good	4.0 - 5.9	0	0%
2017	Fair	3.0 - 3.9	0	0%
2017	Poor	0.0 - 2.9	0	0%
		Total	69	100%
2019	Very Good	6.0 - 9.0	70	100%
2019	Good	4.0 - 5.9	0	0%
2019	Fair	3.0 - 3.9	0	0%
2019	Poor	0.0 - 2.9	0	0%
		Total	70	100%
2021	Very Good	6.0 - 9.0	73	100%
2021	Good	4.0 - 5.9	0	0%
2021	Fair	3.0 - 3.9	0	0%
2021	Poor	0.0 - 2.9	0	0%
		Total	73	100%



SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
September 30, 2022

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 9,696,977	\$ 13,677,976	\$ 23,374,953
Investments	-	10,072,627	\$ 10,072,627
Receivables			
Taxes	443,453	-	443,453
Interest	7,181	2,833	10,014
Accounts	46,193	-	46,193
Prepaid Expenses	4,367	-	4,367
TOTAL ASSETS	<u>\$ 10,198,171</u>	<u>\$ 23,753,436</u>	<u>\$ 33,951,607</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 336,786	\$ 1,860,443	\$ 2,197,229
Accrued Expenditures Payable	-	1,321,894	1,321,894
Accrued Salaries and Wages	27,816	-	27,816
Unclaimed Funds	332,070	-	332,070
Total Liabilities	<u>696,672</u>	<u>3,182,337</u>	<u>3,879,009</u>
Fund Balances			
Nonspendable	4,367	-	4,367
Restricted	9,497,132	-	9,497,132
Assigned	-	20,571,099	20,571,099
Total Fund Balances	<u>9,501,499</u>	<u>20,571,099</u>	<u>30,072,598</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,198,171</u>	<u>\$ 23,753,436</u>	<u>\$ 33,951,607</u>

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
For The Year Ended September 30, 2022

	Special Revenue	Capital Project	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 3,364,380	\$ -	\$ 3,364,380
Charges for Services	1,266,960	-	1,266,960
Intergovernmental	78,805	-	78,805
Interest	31,824	105,757	137,581
Other Revenue	4,129	95,799	99,928
TOTAL REVENUES	4,746,098	201,556	4,947,654
EXPENDITURES			
General Government	176,012	-	176,012
Justice System	800,356	-	800,356
Law Enforcement	485,163	1,130,458	1,615,621
Human Services	1,391,522	-	1,391,522
Capital Outlay	33,586	13,753,888	13,787,474
TOTAL EXPENDITURES	2,886,639	14,884,346	17,770,985
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,859,459	(14,682,790)	(12,823,331)
OTHER FINANCING SOURCES (USES)			
Subscription-Based Information Technology Agreement	-	1,539,503	1,539,503
Transfers In	484,870	3,934,000	4,418,870
Transfers Out	(1,175,715)	(24,942)	(1,200,657)
TOTAL OTHER FINANCING SOURCES (USES)	(690,845)	5,448,561	4,757,716
Net Change in Fund Balances	1,168,614	(9,234,229)	(8,065,615)
FUND BALANCES, OCTOBER 1, as restated	8,332,885 *	29,805,328	38,138,213
FUND BALANCES, SEPTEMBER 30	<u>\$ 9,501,499</u>	<u>\$ 20,571,099</u>	<u>\$ 30,072,598</u>

*Special Revenue fund beginning balance has been restated to include the reclassification of the County Attorney Operating fund from a Proprietary fund in fiscal year 2022 due to a change in operations.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to be expended for specified purposes:

NONMAJOR GOVERNMENTAL FUNDS

Hotel Occupancy Tax Fund - A fund established to account for hotel occupancy taxes received under Chapter 352, Texas Tax Code.

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

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

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

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

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

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

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

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

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

SPECIAL REVENUE FUNDS (continued)

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

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

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

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

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

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

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

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

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

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

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

SPECIAL REVENUE FUNDS (continued)

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

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

County Attorney Operating Fund - A fund established to account for Hot Check fees collected from the cases prosecuted by the County Attorney's Office.

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
September 30, 2022

	Hotel Occupancy Tax	State Lateral Road	Unclaimed Property	Law Library
ASSETS				
Cash and Cash Equivalents	\$ 3,512,060	\$ 186,116	\$ 371,931	\$ 19,491
Receivables				
Taxes	443,453	-	-	-
Interest	3,390	-	-	-
Accounts	2,840	-	22,386	-
Prepaid Expenses	-	-	-	-
TOTAL ASSETS	<u><u>\$ 3,961,743</u></u>	<u><u>\$ 186,116</u></u>	<u><u>\$ 394,317</u></u>	<u><u>\$ 19,491</u></u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 2,294	\$ -	\$ -	\$ 2,708
Accrued Salaries and Wages	4,103	-	-	-
Unclaimed Funds	-	-	329,083	-
Total Liabilities	<u><u>6,397</u></u>	<u><u>-</u></u>	<u><u>329,083</u></u>	<u><u>2,708</u></u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	3,955,346	186,116	65,234	16,783
Total Fund Balances	<u><u>3,955,346</u></u>	<u><u>186,116</u></u>	<u><u>65,234</u></u>	<u><u>16,783</u></u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 3,961,743</u></u>	<u><u>\$ 186,116</u></u>	<u><u>\$ 394,317</u></u>	<u><u>\$ 19,491</u></u>

Alternative Dispute Resolution	Law Enforcement Education	County Records Management and Preservation	County Clerk Records Management and Preservation	County Clerk Archival
\$ -	\$ 67,429	\$ 649,954	\$ 1,437,160	\$ 1,579,990
-	-	-	-	-
-	-	-	1,387	1,525
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 67,429</u>	<u>\$ 649,954</u>	<u>\$ 1,438,547</u>	<u>\$ 1,581,515</u>
\$ -	\$ -	\$ -	\$ 31,023	\$ 299,991
-	-	-	5,123	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>36,146</u>	<u>299,991</u>
-	-	-	-	-
-	67,429	649,954	1,402,401	1,281,524
<u>-</u>	<u>67,429</u>	<u>649,954</u>	<u>1,402,401</u>	<u>1,281,524</u>
<u>\$ -</u>	<u>\$ 67,429</u>	<u>\$ 649,954</u>	<u>\$ 1,438,547</u>	<u>\$ 1,581,515</u>

(continued)

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
September 30, 2022

	Courthouse Security	Justice Court Security	District Clerk Records Management and Preservation
ASSETS			
Cash and Cash Equivalents	\$ 223,858	\$ 172,012	\$ 284,502
Receivables			
Taxes	-	-	-
Interest	-	-	-
Accounts	-	-	-
Prepaid Expenses	4,367	-	-
TOTAL ASSETS	<u><u>\$ 228,225</u></u>	<u><u>\$ 172,012</u></u>	<u><u>\$ 284,502</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 39	\$ -	\$ -
Accrued Salaries and Wages	16,642	-	-
Unclaimed Funds	-	-	-
Total Liabilities	<u><u>16,681</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Fund Balances			
Nonspendable	4,367	-	-
Restricted	207,177	172,012	284,502
Total Fund Balances	<u><u>211,544</u></u>	<u><u>172,012</u></u>	<u><u>284,502</u></u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 228,225</u></u>	<u><u>\$ 172,012</u></u>	<u><u>\$ 284,502</u></u>

District Clerk Archival	Justice of the Peace Technology	County & District Court Technology	Special Forfeitures	District Attorney Hot Check Collection	Bail Bond Board Fees
\$ 21,645	\$ 171,020	\$ 106,894	\$ 37,527	\$ 4,729	\$ 103,025
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 21,645</u>	<u>\$ 171,020</u>	<u>\$ 106,894</u>	<u>\$ 37,527</u>	<u>\$ 4,729</u>	<u>\$ 103,025</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,391	-	-	-	-	-
-	-	-	-	-	-
<u>1,391</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
20,254	171,020	106,894	37,527	4,729	103,025
<u>20,254</u>	<u>171,020</u>	<u>106,894</u>	<u>37,527</u>	<u>4,729</u>	<u>103,025</u>
<u>\$ 21,645</u>	<u>\$ 171,020</u>	<u>\$ 106,894</u>	<u>\$ 37,527</u>	<u>\$ 4,729</u>	<u>\$ 103,025</u>

(continued)

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
September 30, 2022

	Voter Registration	Vehicle Inventory Tax Interest	Sheriff Department Crime
ASSETS			
Cash and Cash Equivalents	\$ 731	\$ 311,823	\$ 120,791
Receivables			
Taxes	-	-	-
Interest	-	840	39
Accounts	-	-	-
Prepaid Expenses	-	-	-
TOTAL ASSETS	\$ 731	\$ 312,663	\$ 120,830
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 731	\$ -	\$ -
Accrued Salaries and Wages	-	-	-
Unclaimed Funds	-	-	2,987
Total Liabilities	731	-	2,987
Fund Balances			
Nonspendable	-	-	-
Restricted	-	312,663	117,843
Total Fund Balances	-	312,663	117,843
TOTAL LIABILITIES AND FUND BALANCES	\$ 731	\$ 312,663	\$ 120,830

District Attorney Crime	Primary Election Service	County Attorney Operating	Totals
\$ 257,310	\$ (8,823)	\$ 65,802	\$ 9,696,977
-	-	-	443,453
-	-	-	7,181
-	20,967	-	46,193
-	-	-	4,367
<u>\$ 257,310</u>	<u>\$ 12,144</u>	<u>\$ 65,802</u>	<u>\$ 10,198,171</u>
\$ -	\$ -	\$ -	\$ 336,786
557	-	-	27,816
-	-	-	332,070
<u>557</u>	<u>-</u>	<u>-</u>	<u>696,672</u>
-	-	-	4,367
256,753	12,144	65,802	9,497,132
<u>256,753</u>	<u>12,144</u>	<u>65,802</u>	<u>9,501,499</u>
<u>\$ 257,310</u>	<u>\$ 12,144</u>	<u>\$ 65,802</u>	<u>\$ 10,198,171</u>

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
For The Year Ended September 30, 2022

	Hotel Occupancy Tax	State Lateral Road	Unclaimed Property	Law Library
REVENUES				
Taxes	\$ 3,360,756	\$ -	\$ -	\$ -
Charges for Services	-	-	-	28,463
Intergovernmental	-	30,417	-	-
Interest	12,820	277	386	47
Other Revenue	454	-	-	-
TOTAL REVENUES	3,374,030	30,694	386	28,510
EXPENDITURES				
General Government	-	-	-	-
Justice System	-	-	-	59,063
Law Enforcement	-	-	-	-
Human Services	1,391,522	-	-	-
Capital Outlay	20,704	-	-	-
TOTAL EXPENDITURES	1,412,226	-	-	59,063
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,961,804	30,694	386	(30,553)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(1,165,715)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,165,715)	-	-	-
Net Change in Fund Balances	796,089	30,694	386	(30,553)
FUND BALANCES, OCTOBER 1	3,159,257	155,422	64,848	47,336
FUND BALANCES, SEPTEMBER 30	\$ 3,955,346	\$ 186,116	\$ 65,234	\$ 16,783

Alternative Dispute Resolution	Law Enforcement Education	County Records Management and Preservation	County Clerk Records Management and Preservation	County Clerk Archival
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	23,570	454,676	387,387
-	14,928	-	-	-
-	-	935	5,390	5,682
-	-	-	-	-
-	14,928	24,505	460,066	393,069
-	-	57,194	-	-
-	-	-	302,835	299,991
-	11,984	-	-	-
-	-	-	-	-
-	-	-	-	-
-	11,984	57,194	302,835	299,991
-	2,944	(32,689)	157,231	93,078
-	-	42,545	-	-
-	-	-	-	-
-	-	42,545	-	-
-	2,944	9,856	157,231	93,078
-	64,485	640,098	1,245,170	1,188,446
\$ -	\$ 67,429	\$ 649,954	\$ 1,402,401	\$ 1,281,524

(continued)

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
For The Year Ended September 30, 2022

	Courthouse Security	Justice Court Security	District Clerk Records Management and Preservation
REVENUES			
Taxes	\$ -	\$ -	\$ -
Charges for Services	105,826	33,291	61,726
Intergovernmental	-	-	-
Interest	180	236	334
Other Revenue	-	-	-
TOTAL REVENUES	106,006	33,527	62,060
EXPENDITURES			
General Government	-	-	-
Justice System	-	15,950	-
Law Enforcement	473,094	-	-
Human Services	-	-	-
Capital Outlay	7,100	-	-
TOTAL EXPENDITURES	480,194	15,950	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(374,188)	17,577	62,060
OTHER FINANCING SOURCES (USES)			
Transfers In	442,325	-	-
Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	442,325	-	-
Net Change in Fund Balances	68,137	17,577	62,060
FUND BALANCES, OCTOBER 1	143,407	154,435	222,442
FUND BALANCES, SEPTEMBER 30	\$ 211,544	\$ 172,012	\$ 284,502

District Clerk Archival	Justice of the Peace Technology	County & District Court Technology	Special Forfeitures	District Attorney Hot Check Collection	Bail Bond Board Fees
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,670	28,442	9,750	7,821	-	-
-	-	-	-	-	-
69	276	146	58	7	151
-	-	-	-	75	2,000
5,739	28,718	9,896	7,879	82	2,151
-	-	-	-	-	-
34,324	40,744	-	-	-	722
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
34,324	40,744	-	-	-	722
(28,585)	(12,026)	9,896	7,879	82	1,429
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(28,585)	(12,026)	9,896	7,879	82	1,429
48,839	183,046	96,998	29,648	4,647	101,596
\$ 20,254	\$ 171,020	\$ 106,894	\$ 37,527	\$ 4,729	\$ 103,025

(continued)

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
For The Year Ended September 30, 2022

	Voter Registration	Vehicle Inventory Tax Interest	Sheriff Department Crime
REVENUES			
Taxes	\$ -	\$ 3,624	\$ -
Charges for Services	-	-	-
Intergovernmental	33,460	-	-
Interest	13	4,142	267
Other Revenue	-	-	1,600
TOTAL REVENUES	33,473	7,766	1,867
EXPENDITURES			
General Government	42,162	5,438	-
Justice System	-	-	-
Law Enforcement	-	-	85
Human Services	-	-	-
Capital Outlay	-	-	-
TOTAL EXPENDITURES	42,162	5,438	85
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,689)	2,328	1,782
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	(10,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(10,000)
Net Change in Fund Balances	(8,689)	2,328	(8,218)
FUND BALANCES, OCTOBER 1	8,689	310,335	126,061
FUND BALANCES, SEPTEMBER 30	\$ -	\$ 312,663	\$ 117,843

District Attorney Crime	Primary Election Service	County Attorney Operating	Totals
\$ -	\$ -	\$ -	\$ 3,364,380
80,558	38,109	1,671	1,266,960
-	-	-	78,805
341	67	-	31,824
-	-	-	4,129
<u>80,899</u>	<u>38,176</u>	<u>1,671</u>	<u>4,746,098</u>
-	74,011	(2,793)	176,012
46,727	-	-	800,356
-	-	-	485,163
-	-	-	1,391,522
5,782	-	-	33,586
<u>52,509</u>	<u>74,011</u>	<u>(2,793)</u>	<u>2,886,639</u>
28,390	(35,835)	4,464	1,859,459
-	-	-	484,870
-	-	-	(1,175,715)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(690,845)</u>
28,390	(35,835)	4,464	1,168,614
<u>228,363</u>	<u>47,979</u>	<u>61,338</u>	<u>8,332,885</u>
<u>\$ 256,753</u>	<u>\$ 12,144</u>	<u>\$ 65,802</u>	<u>\$ 9,501,499</u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
HOTEL OCCUPANCY TAX
For the Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Taxes	\$ 1,780,000	\$ 1,973,094	\$ 3,360,756
Interest	-	-	12,820
Other Revenue	750	750	454
TOTAL REVENUES	<u>1,780,750</u>	<u>1,973,844</u>	<u>3,374,030</u>
EXPENDITURES			
Human Services			
Personnel Services	210,669	210,669	144,063
Supplies and Other Charges	220,250	296,140	178,495
Repairs and Maintenance	370,000	45,514	21,600
Contract Services	136,000	141,240	127,583
Professional Services	35,300	95,319	5,300
Community Support	530,000	1,061,094	914,481
Capital Outlay	<u>247,100</u>	<u>92,437</u>	<u>20,704</u>
TOTAL EXPENDITURES	<u>1,749,319</u>	<u>1,942,413</u>	<u>1,412,226</u>
Excess of Revenues Over Expenditures	31,431	31,431	1,961,804
OTHER FINANCING USES			
Transfers Out	<u>(1,165,715)</u>	<u>(1,165,715)</u>	<u>(1,165,715)</u>
TOTAL OTHER FINANCING USES	<u>(1,165,715)</u>	<u>(1,165,715)</u>	<u>(1,165,715)</u>
Net Change in Fund Balance	(1,134,284)	(1,134,284)	796,089
FUND BALANCE, OCTOBER 1	<u>3,159,257</u>	<u>3,159,257</u>	<u>3,159,257</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 2,024,973</u>	<u>\$ 2,024,973</u>	<u>\$ 3,955,346</u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
STATE LATERAL ROAD
For the Year Ended September 30, 2022

	Original and Final Budget	Actual
REVENUES		
Intergovernmental	\$ 30,000	\$ 30,417
Interest	-	277
TOTAL REVENUES	<u>30,000</u>	<u>30,694</u>
EXPENDITURES		
Capital Outlay	<u>185,300</u>	<u>-</u>
TOTAL EXPENDITURES	<u>185,300</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(155,300)	30,694
FUND BALANCE, OCTOBER 1	<u>155,422</u>	<u>155,422</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 122</u></u>	<u><u>\$186,116</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
UNCLAIMED PROPERTY
For the Year Ended September 30, 2022

	Original and Final Budget	Actual
REVENUES		
Interest	\$ -	\$ 386
TOTAL REVENUES	<u>-</u>	<u>386</u>
EXPENDITURES		
General Government		
Supplies and Other Charges	<u>64,000</u>	<u>-</u>
TOTAL EXPENDITURES	<u>64,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(64,000)	386
FUND BALANCE, OCTOBER 1	<u>64,848</u>	<u>64,848</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 848</u></u>	<u><u>\$ 65,234</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
LAW LIBRARY
For the Year Ended September 30, 2022

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 45,000	\$ 28,463
Interest	-	47
TOTAL REVENUES	<u>45,000</u>	<u>28,510</u>
EXPENDITURES		
Justice System		
Supplies and Other Charges	<u>84,000</u>	<u>59,063</u>
TOTAL EXPENDITURES	<u>84,000</u>	<u>59,063</u>
Deficiency of Revenues Under Expenditures	(39,000)	(30,553)
FUND BALANCE, OCTOBER 1	<u>47,336</u>	<u>47,336</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 8,336</u></u>	<u><u>\$ 16,783</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
ALTERNATIVE DISPUTE RESOLUTION
For the Year Ended September 30, 2022**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 36,000	\$ -	\$ -
TOTAL REVENUES	<u>36,000</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Justice System			
Community Support	<u>61,000</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>61,000</u>	<u>-</u>	<u>-</u>
Deficiency of Revenues Under Expenditures	(25,000)	-	-
OTHER FINANCING SOURCES			
Transfers In	<u>25,000</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES	<u>25,000</u>	<u>-</u>	<u>-</u>
FUND BALANCE, OCTOBER 1	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
LAW ENFORCEMENT EDUCATION
For the Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Intergovernmental	\$ 16,000	\$ 14,928	\$ 14,928
TOTAL REVENUES	<u>16,000</u>	<u>14,928</u>	<u>14,928</u>
EXPENDITURES			
Law Enforcement			
Supplies and Other Charges	77,495	76,423	11,984
TOTAL EXPENDITURES	<u>77,495</u>	<u>76,423</u>	<u>11,984</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(61,495)	(61,495)	2,944
FUND BALANCE, OCTOBER 1	<u>64,485</u>	<u>64,485</u>	<u>64,485</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 2,990</u></u>	<u><u>\$ 2,990</u></u>	<u><u>\$ 67,429</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COUNTY RECORDS MANAGEMENT AND PRESERVATION
For the Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Charges for Services	\$ 128,000	\$ 128,000	\$ 23,570
Interest	-	-	935
TOTAL REVENUES	<u>128,000</u>	<u>128,000</u>	<u>24,505</u>
EXPENDITURES			
General Government			
Personnel Services	315,598	91,258	56,584
Supplies and Other Charges	695,887	655,287	86
Repairs and Maintenance	100	-	-
Contract Services	6,695	4,000	524
Capital Outlay	<u>6,000</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,024,280</u>	<u>750,545</u>	<u>57,194</u>
Deficiency of Revenues Under Expenditures	(896,280)	(622,545)	(32,689)
OTHER FINANCING SOURCES			
Transfers In	<u>316,280</u>	<u>42,545</u>	<u>42,545</u>
TOTAL OTHER FINANCING SOURCES	<u>316,280</u>	<u>42,545</u>	<u>42,545</u>
Net Change in Fund Balance	(580,000)	(580,000)	9,856
FUND BALANCE, OCTOBER 1	<u>640,098</u>	<u>640,098</u>	<u>640,098</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 60,098</u></u>	<u><u>\$ 60,098</u></u>	<u><u>\$ 649,954</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION
For the Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Charges for Services	\$ 375,000	\$ 375,000	\$ 454,676
Interest	1,000	1,000	5,390
TOTAL REVENUES	376,000	376,000	460,066
EXPENDITURES			
Justice System			
Personnel Services	186,287	186,287	178,268
Supplies and Other Charges	1,414,256	1,381,256	21,476
Contract Services	81,340	114,340	103,091
TOTAL EXPENDITURES	1,681,883	1,681,883	302,835
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,305,883)	(1,305,883)	157,231
FUND BALANCE, OCTOBER 1	1,245,170	1,245,170	1,245,170
FUND BALANCE, SEPTEMBER 30	\$ (60,713)	\$ (60,713)	\$ 1,402,401

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COUNTY CLERK ARCHIVAL
For the Year Ended September 30, 2022**

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Charges for Services	\$ 375,000	\$ 375,000	\$ 387,387
Interest	-	-	5,682
TOTAL REVENUES	<u>375,000</u>	<u>375,000</u>	<u>393,069</u>
EXPENDITURES			
Justice System			
Supplies and Other Charges	1,501,029	1,501,029	-
Contract Services	300,000	300,000	299,991
TOTAL EXPENDITURES	<u>1,801,029</u>	<u>1,801,029</u>	<u>299,991</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,426,029)	(1,426,029)	93,078
FUND BALANCE, OCTOBER 1	<u>1,188,446</u>	<u>1,188,446</u>	<u>1,188,446</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ (237,583)</u></u>	<u><u>\$ (237,583)</u></u>	<u><u>\$ 1,281,524</u></u>

**BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COURTHOUSE SECURITY
For the Year Ended September 30, 2022**

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Charges for Services	\$ 67,500	\$ 67,500	\$ 105,826
Interest	-	-	180
TOTAL REVENUES	<u>67,500</u>	<u>67,500</u>	<u>106,006</u>
EXPENDITURES			
Law Enforcement			
Personnel Services	589,125	589,125	451,009
Supplies and Other Charges	5,700	5,700	5,352
Repairs and Maintenance	12,000	16,734	16,733
Capital Outlay	<u>8,000</u>	<u>8,000</u>	<u>7,100</u>
TOTAL EXPENDITURES	<u>614,825</u>	<u>619,559</u>	<u>480,194</u>
Deficiency of Revenues Under Expenditures	(547,325)	(552,059)	(374,188)
OTHER FINANCING SOURCES			
Transfers In	<u>442,325</u>	<u>447,059</u>	<u>442,325</u>
TOTAL OTHER FINANCING SOURCES	<u>442,325</u>	<u>447,059</u>	<u>442,325</u>
Net Change in Fund Balance	(105,000)	(105,000)	68,137
FUND BALANCE, OCTOBER 1	<u>143,407</u>	<u>143,407</u>	<u>143,407</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 38,407</u>	<u>\$ 38,407</u>	<u>\$ 211,544</u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
JUSTICE COURT SECURITY
For the Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Charges for Services	\$ 31,000	\$ 31,000	\$ 33,291
Interest	-	-	236
TOTAL REVENUES	31,000	31,000	33,527
EXPENDITURES			
Justice System			
Repairs and Maintenance	4,000	11,821	7,821
Contract Services	5,000	5,000	-
Professional Services	50,000	42,179	8,129
Capital Outlay	125,000	125,000	-
TOTAL EXPENDITURES	184,000	184,000	15,950
Excess (Deficiency) of Revenues Over (Under) Expenditures	(153,000)	(153,000)	17,577
FUND BALANCE, OCTOBER 1	154,435	154,435	154,435
FUND BALANCE, SEPTEMBER 30	\$ 1,435	\$ 1,435	\$ 172,012

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
DISTRICT CLERK RECORDS MANAGEMENT AND PRESERVATION
For the Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Charges for Services	\$ 15,000	\$ 15,000	\$ 61,726
Interest	-	-	334
TOTAL REVENUES	<u>15,000</u>	<u>15,000</u>	<u>62,060</u>
EXPENDITURES			
Justice System			
Supplies and Other Charges	169,663	169,663	-
Contract Services	23,000	23,000	-
Professional Services	29,300	29,300	-
Capital Outlay	<u>12,000</u>	<u>12,000</u>	<u>-</u>
TOTAL EXPENDITURES	<u>233,963</u>	<u>233,963</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(218,963)	(218,963)	62,060
FUND BALANCE, OCTOBER 1	<u>222,442</u>	<u>222,442</u>	<u>222,442</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 3,479</u></u>	<u><u>\$ 3,479</u></u>	<u><u>\$ 284,502</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
DISTRICT CLERK ARCHIVAL
For the Year Ended September 30, 2022

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 15,000	\$ 5,670
Interest	-	69
TOTAL REVENUES	<u>15,000</u>	<u>5,739</u>
EXPENDITURES		
Justice System		
Salaries and Benefits	57,996	30,802
Professional Services	7,004	3,522
TOTAL EXPENDITURES	<u>65,000</u>	<u>34,324</u>
Deficiency of Revenues Under Expenditures	(50,000)	(28,585)
FUND BALANCE, OCTOBER 1	<u>48,839</u>	<u>48,839</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ (1,161)</u></u>	<u><u>\$ 20,254</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
JUSTICE OF THE PEACE TECHNOLOGY
For the Year Ended September 30, 2022

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 26,800	\$ 28,442
Interest	-	276
TOTAL REVENUES	<u>26,800</u>	<u>28,718</u>
EXPENDITURES		
Justice System		
Supplies and Other Charges	124,925	39,945
Contract Services	21,875	799
Professional Services	20,000	-
Capital Outlay	<u>30,000</u>	<u>-</u>
TOTAL EXPENDITURES	<u>196,800</u>	<u>40,744</u>
Deficiency of Revenues Under Expenditures	(170,000)	(12,026)
FUND BALANCE, OCTOBER 1	<u>183,046</u>	<u>183,046</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 13,046</u></u>	<u><u>\$ 171,020</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COUNTY & DISTRICT COURT TECHNOLOGY
For the Year Ended September 30, 2022

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 7,000	\$ 9,750
Interest	-	146
TOTAL REVENUES	<u>7,000</u>	<u>9,896</u>
EXPENDITURES		
Justice System		
Supplies and Other Charges	<u>102,000</u>	<u>-</u>
TOTAL EXPENDITURES	<u>102,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(95,000)	9,896
FUND BALANCE, OCTOBER 1	<u>96,998</u>	<u>96,998</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 1,998</u></u>	<u><u>\$ 106,894</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL FORFEITURES
For the Year Ended September 30, 2022

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ -	\$ 7,821
Interest	-	58
TOTAL REVENUES	-	7,879
EXPENDITURES		
Law Enforcement		
Supplies and Other Charges	26,000	-
TOTAL EXPENDITURES	26,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(26,000)	7,879
FUND BALANCE, OCTOBER 1	29,648	29,648
FUND BALANCE, SEPTEMBER 30	\$ 3,648	\$ 37,527

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
DISTRICT ATTORNEY HOT CHECK COLLECTION
For the Year Ended September 30, 2022

	Original and Final Budget	Actual
REVENUES		
Interest	\$ -	\$ 7
Other	225	75
TOTAL REVENUES	225	82
EXPENDITURES		
Justice System		
Supplies and Other Charges	4,865	-
TOTAL EXPENDITURES	4,865	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,640)	82
FUND BALANCE, OCTOBER 1	4,647	4,647
FUND BALANCE, SEPTEMBER 30	\$ 7	\$ 4,729

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
BAIL BOND BOARD FEES
For the Year Ended September 30, 2022

	Original and Final Budget	Actual
REVENUES		
Interest	\$ -	\$ 151
Other	2,500	2,000
TOTAL REVENUES	<u>2,500</u>	<u>2,151</u>
EXPENDITURES		
Justice System		
Personnel Services	5,003	448
Supplies and Other Charges	97,497	274
TOTAL EXPENDITURES	<u>102,500</u>	<u>722</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(100,000)	1,429
FUND BALANCE, OCTOBER 1	<u>101,596</u>	<u>101,596</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 1,596</u></u>	<u><u>\$ 103,025</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
VOTER REGISTRATION
For the Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Intergovernmental	\$ 39,330	\$ 39,330	\$ 33,460
Interest	-	-	13
TOTAL REVENUES	<u>39,330</u>	<u>39,330</u>	<u>33,473</u>
EXPENDITURES			
General Government			
Supplies and Other Charges	46,530	3,380	1,461
Contract Services	1,800	24,450	20,201
Professional Services	-	20,500	20,500
TOTAL EXPENDITURES	<u>48,330</u>	<u>48,330</u>	<u>42,162</u>
Deficiency of Revenues Under Expenditures	(9,000)	(9,000)	(8,689)
FUND BALANCE, OCTOBER 1	<u>8,689</u>	<u>8,689</u>	<u>8,689</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ (311)</u></u>	<u><u>\$ (311)</u></u>	<u><u>\$ -</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
VEHICLE INVENTORY TAX INTEREST
For the Year Ended September 30, 2022

	Original and Final Budget	Actual
REVENUES		
Taxes	\$ 2,500	\$ 3,624
Interest	1,500	4,142
TOTAL REVENUES	<u>4,000</u>	<u>7,766</u>
EXPENDITURES		
General Government		
Personnel Services	13,878	-
Supplies and Other Charges	267,622	5,438
Repairs and Maintenance	1,000	-
Contract Services	2,000	-
Professional Services	7,500	-
Capital Outlay	20,000	-
TOTAL EXPENDITURES	<u>312,000</u>	<u>5,438</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(308,000)	2,328
FUND BALANCE, OCTOBER 1	<u>310,335</u>	<u>310,335</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 2,335</u></u>	<u><u>\$ 312,663</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
SHERIFF DEPARTMENT CRIME
For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual</u>
REVENUES			
Interest	\$ -	\$ -	\$ 267
Other Revenue	-	-	1,600
TOTAL REVENUES	-	-	1,867
EXPENDITURES			
Law Enforcement			
Supplies and Other Charges	92,000	82,000	85
Repairs and Maintenance	4,000	4,000	-
Capital Outlay	30,000	30,000	-
TOTAL EXPENDITURES	126,000	116,000	85
Excess (Deficiency) of Revenues Over (Under) Expenditures	(126,000)	(116,000)	1,782
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	(10,000)	(10,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	(10,000)	(10,000)
FUND BALANCE, OCTOBER 1	126,061	126,061	126,061
FUND BALANCE, SEPTEMBER 30	<u>\$ 61</u>	<u>\$ 61</u>	<u>\$ 117,843</u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
DISTRICT ATTORNEY CRIME
For the Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Charges for Services	\$ 25,000	\$ 25,000	\$ 80,558
Interest	-	-	341
TOTAL REVENUES	25,000	25,000	80,899
EXPENDITURES			
Justice System			
Personnel Services	19,076	22,336	22,324
Supplies and Other Charges	179,924	164,022	24,089
Contract Services	20,000	20,000	314
Capital Outlay	-	12,642	5,782
TOTAL EXPENDITURES	219,000	219,000	52,509
Excess (Deficiency) of Revenues Over (Under) Expenditures	(194,000)	(194,000)	28,390
FUND BALANCE, OCTOBER 1	228,363	228,363	228,363
FUND BALANCE, SEPTEMBER 30	\$ 34,363	\$ 34,363	\$ 256,753

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
PRIMARY ELECTION SERVICE
For the Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Charges for Services	\$ 90,000	\$ 90,000	\$ 38,109
Interest	-	-	67
TOTAL REVENUES	<u>90,000</u>	<u>90,000</u>	<u>38,176</u>
EXPENDITURES			
General Government			
Personnel Services	450	-	-
Supplies and Other Charges	36,150	22,600	8,563
Repairs and Maintenance	1,000	1,000	-
Contract Services	<u>52,400</u>	<u>66,400</u>	<u>65,448</u>
TOTAL EXPENDITURES	<u>90,000</u>	<u>90,000</u>	<u>74,011</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(35,835)
FUND BALANCE, OCTOBER 1	<u>47,979</u>	<u>47,979</u>	<u>47,979</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 47,979</u></u>	<u><u>\$ 47,979</u></u>	<u><u>\$ 12,144</u></u>

BRAZOS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
COUNTY ATTORNEY OPERATING
For the Year Ended September 30, 2022

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 2,000	\$ 1,671
TOTAL REVENUES	<u>2,000</u>	<u>1,671</u>
EXPENDITURES		
General Government		
Salaries and Benefits	-	(2,793)
Supplies and Other Charges	57,000	-
Contract Services	5,000	-
TOTAL EXPENDITURES	<u>62,000</u>	<u>(2,793)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,000)	4,464
FUND BALANCE, OCTOBER 1	<u>61,338</u>	<u>61,338</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 1,338</u></u>	<u><u>\$ 65,802</u></u>

DEBT SERVICE FUND

Debt Service Fund – A fund used to account for the accumulation of resources for the payment of general long-term debt principal and interest related to general obligation bonds, certificates of obligation, and refunding bonds.

BRAZOS COUNTY, TEXAS
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For The Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Taxes	\$ 10,004,000	\$ 10,004,000	\$ 10,766,579
Interest	25,000	25,000	89,607
TOTAL REVENUES	<u>10,029,000</u>	<u>10,029,000</u>	<u>10,856,186</u>
EXPENDITURES			
Debt Service			
Principal	8,755,000	14,755,000	14,045,000
Interest	3,355,698	3,355,698	2,954,947
Bond Issuance Costs	2,500	2,500	-
Agent Fees	2,250	2,250	9,500
TOTAL EXPENDITURES	<u>12,115,448</u>	<u>18,115,448</u>	<u>17,009,447</u>
Deficiency of Revenues Under Expenditures	(2,086,448)	(8,086,448)	(6,153,261)
OTHER FINANCING SOURCES			
Transfers In	1,165,715	1,165,715	1,165,715
TOTAL OTHER FINANCING SOURCES	<u>1,165,715</u>	<u>1,165,715</u>	<u>1,165,715</u>
Net Change in Fund Balance	(920,733)	(6,920,733)	(4,987,546)
FUND BALANCE, OCTOBER 1	<u>7,857,135</u>	<u>7,857,135</u>	<u>7,857,135</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 6,936,402</u>	<u>\$ 936,402</u>	<u>\$ 2,869,589</u>

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for the use of bond proceeds and other financial resources that have been aggregated for the acquisition of major capital facilities and/or improvements of the County.

NONMAJOR GOVERNMENTAL FUNDS

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

2017 Certificates of Obligation - This fund was established to account for the Juvenile Services building expansion. The expenditures are financed through the issuance of \$11,650,000 of Certificates of Obligation, Series 2017.

2020 Certificates of Obligation - This fund was established to be used for the Jail Kitchen, Ag Extension building, the Justice of the Peace and Constable Precinct 1 building, land and/or property for County facilities including Facility Services and Road and Bridge Department, equipment for various County departments, roof replacement of County owned buildings, County wide road improvements, and payment of contractual obligations for professional services in connection with County projects. The funding source is to come from the issuance of \$24,020,000 of Certificates of Obligation, Series 2020.

BRAZOS COUNTY, TEXAS
BALANCE SHEET
CAPITAL PROJECT FUNDS
September 30, 2022

	Nonmajor Funds			
	Capital Improvement	2017 Certificates of Obligation	2020 Certificates of Obligation	Total Nonmajor Funds
ASSETS				
Cash and Cash Equivalents	\$ 9,656,204	\$ 1,085,231	\$ 2,936,541	\$ 13,677,976
Investments	-	-	10,072,627	10,072,627
Receivables				
Interest	-	-	2,833	2,833
TOTAL ASSETS	<u>\$ 9,656,204</u>	<u>\$ 1,085,231</u>	<u>\$ 13,012,001</u>	<u>\$ 23,753,436</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 1,383,053	\$ -	\$ 477,390	\$ 1,860,443
Accrued Expenditures Payable	-	1,085,231	236,663	1,321,894
Total Liabilities	<u>1,383,053</u>	<u>1,085,231</u>	<u>714,053</u>	<u>3,182,337</u>
Fund Balances				
Assigned	8,273,151	-	12,297,948	20,571,099
Total Fund Balances	<u>8,273,151</u>	<u>-</u>	<u>12,297,948</u>	<u>20,571,099</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 9,656,204</u>	<u>\$ 1,085,231</u>	<u>\$ 13,012,001</u>	<u>\$ 23,753,436</u>

BRAZOS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
CAPITAL PROJECT FUNDS
For The Year Ended September 30, 2022

	Nonmajor Funds			
	Capital Improvement	2017 Certificates of Obligation	2020 Certificates of Obligation	Total Nonmajor Funds
REVENUES				
Interest	\$ -	\$ -	\$ 105,757	\$ 105,757
Other	95,799	-	-	95,799
TOTAL REVENUES	<u>95,799</u>	<u>-</u>	<u>105,757</u>	<u>201,556</u>
EXPENDITURES				
Law Enforcement	-	-	1,130,458	1,130,458
Capital Outlay	11,813,336	-	1,940,552	13,753,888
TOTAL EXPENDITURES	<u>11,813,336</u>	<u>-</u>	<u>3,071,010</u>	<u>14,884,346</u>
Deficiency of Revenues Under Expenditures	(11,717,537)	-	(2,965,253)	(14,682,790)
OTHER FINANCING SOURCES (USES)				
Subscription-Based Information Technology Arrangement	1,539,503	-	-	1,539,503
Transfers In	3,934,000	-	-	3,934,000
Transfers Out	(24,942)	-	-	(24,942)
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,448,561</u>	<u>-</u>	<u>-</u>	<u>5,448,561</u>
Net Change in Fund Balances	(6,268,976)	-	(2,965,253)	(9,234,229)
FUND BALANCES, OCTOBER 1	<u>14,542,127</u>	<u>-</u>	<u>15,263,201</u>	<u>29,805,328</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 8,273,151</u>	<u>\$ -</u>	<u>\$ 12,297,948</u>	<u>\$ 20,571,099</u>

BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
CAPITAL IMPROVEMENT
For The Year Ended September 30, 2022

	Budgeted Amounts		
	Original	Final	Actual
REVENUES	\$ -	\$ 37,500	\$ 95,799
TOTAL REVENUES	-	37,500	95,799
EXPENDITURES			
Discretionary Funding	-	601,713	-
Capital Outlay	19,767,427	13,351,230	11,813,336
TOTAL EXPENDITURES	19,767,427	13,952,943	11,813,336
Deficiency of Revenues Under Expenditures	(19,767,427)	(13,915,443)	(11,717,537)
OTHER FINANCING SOURCES (USES)			
Subscription-Based Information Technology Arrangement	-	-	1,539,503
Transfers In	6,324,592	8,034,370	3,934,000
Transfers Out	-	(7,561,762)	(24,942)
TOTAL OTHER FINANCING SOURCES (USES)	6,324,592	472,608	5,448,561
Net Change in Fund Balance	(13,442,835)	(13,442,835)	(6,268,976)
FUND BALANCE, OCTOBER 1	14,542,127	14,542,127	14,542,127
FUND BALANCE, SEPTEMBER 30	<u>\$ 1,099,292</u>	<u>\$ 1,099,292</u>	<u>\$ 8,273,151</u>

**BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
2020 CERTIFICATES OF OBLIGATION
For The Year Ended September 30, 2022**

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Interest	\$ -	\$ 20,000	\$ 105,757
TOTAL REVENUES	-	20,000	105,757
EXPENDITURES			
Law Enforcement			
Supplies and Other Charges	-	3,825	-
Contract Services	-	5,078,365	1,130,458
Capital Outlay	14,968,750	9,886,560	1,940,552
TOTAL EXPENDITURES	14,968,750	14,968,750	3,071,010
Deficiency of Revenues Under Expenditures	(14,968,750)	(14,948,750)	(2,965,253)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
Net Change in Fund Balance	(14,968,750)	(14,948,750)	(2,965,253)
FUND BALANCE, OCTOBER 1	15,263,201	15,263,201	15,263,201
FUND BALANCE, SEPTEMBER 30	\$ 294,451	\$ 314,451	\$ 12,297,948

PROPRIETARY FUND TYPE

Internal Service Fund – A fund established to account for the financing of goods or services provided by one department to other departments of the County on a cost-reimbursement basis.

**BRAZOS COUNTY, TEXAS
INTERNAL SERVICE FUND
HEALTH AND LIFE INSURANCE
STATEMENT OF NET POSITION
September 30, 2022**

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 9,631,513
Prepaid Expenditures	48,846
Accounts Receivable	382,554
Total Current Assets	<u>10,062,913</u>

TOTAL ASSETS

10,062,913

DEFERRED OUTFLOWS OF RESOURCES

Change in OPEB Allocated Share	8,271
OPEB Contributions After the Measurement Date	16,687
Difference Between Expected and Actual OPEB Experience	10,236

TOTAL DEFERRED OUTFLOWS OF RESOURCES

35,194

LIABILITIES

Current Liabilities

Accounts Payable and Accrued Expenses	2,205,145
Accrued Salaries and Wages	13,553
Compensated Absences	12,912
Due to Other Funds	368
Total Current Liabilities	<u>2,231,978</u>

Noncurrent Liabilities

Due in more than one year	292,700
Total Noncurrent Liabilities	<u>292,700</u>

TOTAL LIABILITIES

2,524,678

DEFERRED INFLOWS OF RESOURCES

Difference Between Projected and Actual Earnings on OPEB Plan	3,302
Change in OPEB Allocated Share	81
Change in OPEB Assumptions or Inputs	12,087
Difference Between Expected and Actual OPEB Experience	40,606

TOTAL DEFERRED INFLOWS OF RESOURCES

56,076

NET POSITION

Unrestricted	<u>7,517,353</u>
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TOTAL NET POSITION

\$ 7,517,353

**BRAZOS COUNTY, TEXAS
INTERNAL SERVICE FUND
HEALTH AND LIFE INSURANCE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION
For The Year Ended September 30, 2022**

OPERATING REVENUES	
Employee Dependents	\$ 2,777,750
Self Pays	11,216
Excess Risk Benefits	1,467,582
Participant Payments	-
Brazos County	15,498,715
Retirees	655,041
Other Revenue	499,437
TOTAL OPERATING REVENUES	<u>20,909,741</u>
OPERATING EXPENSES	
Personnel Services	276,103
Supplies and Other Charges	50,614
Repairs and Maintenance	93
Life Insurance	15,448
Stop Loss Premiums	2,900,737
Benefit Claims	14,426,497
Administrative Fees	648,138
Contract Services	748
Professional Services	289,964
TOTAL OPERATING EXPENSES	<u>18,608,342</u>
OPERATING GAIN	<u>2,301,399</u>
NONOPERATING REVENUES	
Interest	11,448
TOTAL NONOPERATING REVENUES	<u>11,448</u>
CHANGE IN NET POSITION	2,312,847
TOTAL NET POSITION - BEGINNING	<u>5,204,506</u>
TOTAL NET POSITION - ENDING	<u><u>\$ 7,517,353</u></u>

**BRAZOS COUNTY, TEXAS
INTERNAL SERVICE FUND
HEALTH AND LIFE INSURANCE
STATEMENT OF CASH FLOWS
For The Year Ended September 30, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$ 3,441,352
Receipts from interfund services provided	15,498,715
Payments to contractors	(3,317,088)
Claims paid	(12,870,660)
Payments to employees for services	(301,991)

NET CASH PROVIDED BY OPERATING ACTIVITIES	2,450,328
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	16,873
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NET CASH PROVIDED BY INVESTING ACTIVITIES	16,873
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NET INCREASE IN CASH AND CASH EQUIVALENTS	2,467,201
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CASH AND CASH EQUIVALENTS, OCTOBER 1	7,164,312
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CASH AND CASH EQUIVALENTS, SEPTEMBER 30	\$ 9,631,513
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Reconciliation of operating gain to net cash provided by
operating activities:

Operating gain	\$ 2,301,399
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Adjustments to reconcile operating gain to net cash provided by
operating activities:

Change in accounts receivable	(32,474)
Change in prepaid expenditure	(47,346)
Change in pension/OPEB related deferred outflows of resources	47,803
Change in accounts payable	257,571
Change in accrued salaries and compensated absences	5,196
Change in unearned revenue	(2,934)
Change in noncurrent liabilities	(32,476)
Change in pension/OPEB related deferred inflows of resources	(46,411)
Total adjustments	148,929

Net cash provided by operating activities	\$ 2,450,328
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FIDUCIARY FUNDS

CUSTODIAL FUNDS

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

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

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

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

Inmate Trust – A fund used to account for the funds received on behalf of inmates housed in the County Jail. Funds are returned to the inmate upon leaving the County Jail. Funds are used to support inmate purchases through the Commissary.

BRAZOS COUNTY, TEXAS
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
September 30, 2022

	Narcotics Seizure	District Clerk Trust	County Clerk Trust	Bail Bond Board Trust	Inmate Trust	Total
ASSETS						
Cash and cash equivalents	\$ 285,473	\$ 2,948,463	\$ 1,594,861	\$ 3,314,718	\$ 153,376	\$ 8,296,891
Accounts receivable	-	-	-	-	281	281
Total Assets	<u>285,473</u>	<u>2,948,463</u>	<u>1,594,861</u>	<u>3,314,718</u>	<u>153,657</u>	<u>8,297,172</u>
LIABILITIES						
Accounts payable	-	-	-	-	3,823	3,823
Due to other funds	-	-	-	-	110,988	110,988
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,811</u>	<u>114,811</u>
NET POSITION						
Restricted for:						
Individuals, organizations, and other governments	285,473	2,948,463	1,594,861	3,314,718	38,846	8,182,361
TOTAL NET POSITION	<u>\$ 285,473</u>	<u>\$ 2,948,463</u>	<u>\$ 1,594,861</u>	<u>\$ 3,314,718</u>	<u>\$ 38,846</u>	<u>\$ 8,182,361</u>

BRAZOS COUNTY, TEXAS
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For The Year Ended September 30, 2022

	Narcotics Seizures	District Clerk Trust	County Clerk Trust	Bail Bond Board Trust	Inmate Trust	Total
ADDITIONS						
Contributions						
Members	\$ 267,341	\$ 1,099,550	\$ 2,928,138	\$ 355,178	\$ 1,858,451	\$ 6,508,658
Total contributions	<u>267,341</u>	<u>1,099,550</u>	<u>2,928,138</u>	<u>355,178</u>	<u>1,858,451</u>	<u>6,508,658</u>
Investment Earnings						
Interest, dividends, and other	-	7,110	11,649	-	-	18,759
Net Investment Earnings	<u>-</u>	<u>7,110</u>	<u>11,649</u>	<u>-</u>	<u>-</u>	<u>18,759</u>
Total Additions	<u>267,341</u>	<u>1,106,660</u>	<u>2,939,787</u>	<u>355,178</u>	<u>1,858,451</u>	<u>6,527,417</u>
DEDUCTIONS						
Payments to individuals or organizations	331,501	698,661	3,551,501	204,500	1,883,369	6,669,532
Administrative expenses	-	606	2,806	-	-	3,412
Total deductions	<u>331,501</u>	<u>699,267</u>	<u>3,554,307</u>	<u>204,500</u>	<u>1,883,369</u>	<u>6,672,944</u>
Net increase (decrease) in fiduciary net position	(64,160)	407,393	(614,520)	150,678	(24,918)	(145,527)
Net Position - Beginning	349,633	2,541,070	2,209,381	3,164,040	63,764	8,327,888
Net position - Ending	<u>\$ 285,473</u>	<u>\$ 2,948,463</u>	<u>\$ 1,594,861</u>	<u>\$ 3,314,718</u>	<u>\$ 38,846</u>	<u>\$ 8,182,361</u>



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Statistical Section

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

Contents

Table No.

Financial Trends.....

I-IV

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

Revenue Capacity.....

V-VIII

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

Debt Capacity.....

IX-XIII

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

Demographic and Economic Information.....

XIV-XV

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

Operating Information.....

XVI-XVIII

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

Debt Service.....

XIX-XXI

These schedules contain the County's outstanding debt information to help the reader understand how much outstanding debt the County has and how much is paid toward debt each fiscal year.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

FINANCIAL TRENDS

Table I

Brazos County, Texas
Net Position by Component,
Last Ten Fiscal Years
(Unaudited and Accrual Basis of Accounting)

Page 1 of 2

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental activities				
Net Investment in Capital Assets	\$ 130,240,967	\$ 135,556,068	\$ 148,523,220	\$ 165,688,494
Restricted	19,544,730	15,302,060	11,485,488	18,520,831
Unrestricted	1,604,629	10,438,783	3,716,212	529,860
Total governmental activities net position	<u>\$ 151,390,326</u>	<u>\$ 161,296,911</u>	<u>\$ 163,724,920</u>	<u>\$ 184,739,185</u>
Business-type activities				
Net Investment in Capital Assets	\$ 41,774	\$ 39,176	\$ 27,547	\$ 17,535
Unrestricted	476,430	481,236	517,221	631,977
Total business-type activities net position	<u>\$ 518,204</u>	<u>\$ 520,412</u>	<u>\$ 544,768</u>	<u>\$ 649,512</u>
Primary government				
Net Investment in Capital Assets	\$ 130,282,741	\$ 135,595,244	\$ 148,550,767	\$ 165,706,029
Restricted	19,544,730	15,302,060	11,485,488	18,520,831
Unrestricted	2,081,059	10,920,019	4,233,433	1,161,837
Total primary government net position	<u>\$ 151,908,530</u>	<u>\$ 161,817,323</u>	<u>\$ 164,269,688</u>	<u>\$ 185,388,697</u>

Note 1: The County implemented GASB Statement 68 and 71 in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of these standards.

Note 2: The County implemented GASB Statement 74 and 75 in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this standard.

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<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 177,668,707	\$ 195,488,585	\$ 212,180,120	\$ 240,510,726	\$ 245,438,566	\$ 267,273,880
27,162,985	42,355,459	21,308,954	36,543,941	35,680,114	54,407,471
2,602,233	(12,182,340)	(1,342,706)	(6,206,056)	18,871,506	44,011,921
<u>\$ 207,433,925</u>	<u>\$ 225,661,704</u>	<u>\$ 232,146,368</u>	<u>\$ 270,848,611</u>	<u>\$ 299,990,186</u>	<u>\$ 365,693,272</u>
\$ 10,417	\$ 7,444	\$ 4,471	\$ 1,401	\$ -	\$ 23,844
834,634	802,253	1,019,813	1,127,286	1,379,108	1,203,996
<u>\$ 845,051</u>	<u>\$ 809,697</u>	<u>\$ 1,024,284</u>	<u>\$ 1,128,687</u>	<u>\$ 1,379,108</u>	<u>\$ 1,227,840</u>
\$ 177,679,124	\$ 195,496,029	\$ 212,184,591	\$ 240,512,127	\$ 245,438,566	\$ 267,297,724
27,162,985	42,355,459	21,308,954	36,543,941	35,680,114	54,407,471
3,436,867	(11,380,087)	(322,893)	(5,078,770)	20,250,614	45,215,917
<u>\$ 208,278,976</u>	<u>\$ 226,471,401</u>	<u>\$ 233,170,652</u>	<u>\$ 271,977,298</u>	<u>\$ 301,369,294</u>	<u>\$ 366,921,112</u>

Table II

Brazos County, Texas
Changes in Net Position, Ten Fiscal Years
(Unaudited and Accrual Basis of Accounting)

Page 1 of 4

	2013	2014	2015	2016
Expenses				
Governmental activities:				
General Government	\$ 21,362,907	\$ 22,017,696	\$ 23,815,316	\$ 25,910,488
Justice System	18,083,021	21,308,471	18,957,600	21,043,405
Law Enforcement	21,880,880	22,530,372	23,565,577	24,660,534
Juvenile Services	5,978,536	6,022,762	6,776,468	7,085,119
Public Transportation	6,457,965	8,831,911	9,063,760	10,296,317
Public Health	1,798,582	1,756,849	1,501,080	30,955,550
Human Services	5,523,897	5,993,599	6,018,603	6,387,498
Interest and Other Fees	4,318,458	3,501,978	3,564,033	3,583,015
Total governmental activities expenses	<u>85,404,246</u>	<u>91,963,638</u>	<u>93,262,437</u>	<u>129,921,926</u>
Business-type activities:				
County Attorney	19,401	18,378	8,391	5,216
Jail Commissary	558,746	624,465	622,769	767,630
Total business-type activities expenses	<u>578,147</u>	<u>642,843</u>	<u>631,160</u>	<u>772,846</u>
Total primary government expenses	<u>\$ 85,982,393</u>	<u>\$ 92,606,481</u>	<u>\$ 93,893,597</u>	<u>\$ 130,694,772</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General Government	\$ 4,634,471	\$ 4,372,292	\$ 4,625,773	\$ 5,063,446
Justice System	7,024,080	6,878,641	6,861,890	6,905,882
Law Enforcement	976,397	1,012,604	1,055,354	936,249
Juvenile Services	66,167	48,659	50,739	75,180
Public Transportation	1,373,881	1,892,026	1,507,870	1,650,541
Public Health	39,853	37,300	36,554	38,291
Human Services	1,250,832	1,405,713	1,371,538	1,220,405
Operating grants and contributions:				
General Government	23,269	2,713	6,080	40,670
Justice System	589,818	546,226	548,180	913,365
Law Enforcement	132,673	100,897	118,864	127,472
Juvenile Services	1,241,821	1,366,626	1,345,059	1,288,901
Public Transportation	376,007	252,180	340,822	265,606
Public Health	74,248	62,926	67,357	52,454
Human Services	297,275	437,269	384,422	305,062
Capital grants and contributions:				
General Government	-	-	-	-
Law Enforcement	-	10,084	-	-
Juvenile Services	-	-	-	-
Public Transportation	7,124,595	3,372,154	2,516,041	9,357,573
Public Health	-	-	-	-
Human Services	-	-	-	361,000
Total governmental activities program revenue	<u>\$ 25,225,387</u>	<u>\$ 21,798,310</u>	<u>\$ 20,836,543</u>	<u>\$ 28,602,097</u>

Table II

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2017	2018	2019	2020	2021	2022
\$ 31,100,282	\$ 31,382,269	\$ 35,105,309	\$ 32,539,892	\$ 39,739,274	\$ 45,471,272
21,535,081	22,416,788	24,129,983	24,650,028	22,758,014	21,913,723
25,749,013	26,720,546	29,550,237	30,484,022	27,022,685	25,492,123
7,514,809	7,728,384	8,812,093	9,257,618	7,536,082	7,021,682
9,639,763	9,056,792	10,243,150	12,040,411	10,510,675	9,690,078
17,085,298	30,341,381	48,533,336	20,613,743	29,743,911	28,481,580
6,751,237	7,401,506	7,341,531	8,575,728	10,745,294	9,465,360
3,299,310	3,175,056	2,803,623	2,521,867	2,726,657	2,609,116
122,674,793	138,222,722	166,519,262	140,683,309	150,782,592	150,144,934
4,796	3,827	6,300	5,197	698	-
878,921	862,596	932,583	1,080,952	1,076,375	1,388,675
883,717	866,423	938,883	1,086,149	1,077,073	1,388,675
\$ 123,558,510	\$ 139,089,145	\$ 167,458,145	\$ 141,769,458	\$ 151,859,665	\$ 151,533,609
\$ 6,332,205	\$ 6,323,078	\$ 6,523,322	\$ 12,913,652	\$ 9,430,161	\$ 6,931,792
6,406,160	6,491,017	6,476,522	5,831,907	6,563,895	7,434,533
945,191	1,391,040	1,657,781	1,381,414	1,441,482	2,074,157
72,876	151,935	106,614	126,653	81,586	81,903
1,541,481	1,691,230	1,681,369	1,959,847	2,680,527	3,016,352
32,629	35,590	30,570	29,250	27,414	30,558
1,203,763	1,500,725	1,690,249	1,101,285	1,482,677	1,960,192
33,514	77,168	4,724	46,740	13,048,719	18,256,521
897,496	917,211	960,349	1,097,301	1,024,747	991,741
70,552	272,935	152,412	265,120	170,058	125,476
1,583,410	1,525,457	1,593,336	1,358,578	1,293,782	1,282,624
542,273	338,726	328,175	366,556	344,161	368,464
62,087	72,171	77,332	73,461	86,174	101,339
373,572	520,103	258,934	636,515	3,182,136	1,989,134
-	-	-	-	-	-
-	-	15,000	-	-	-
-	-	-	-	-	-
3,011,592	7,833,843	5,816,759	420,372	886,245	30,417
-	-	-	-	-	-
-	-	-	-	-	-
\$ 23,108,801	\$ 29,142,229	\$ 27,373,448	\$ 27,608,651	\$ 41,743,764	\$ 44,675,203

Table II

Brazos County, Texas
Changes in Net Position, Ten Fiscal Years
(Unaudited and Accrual Basis of Accounting)

Page 3 of 4

	2013	2014	2015	2016
Business-type activities:				
Charges for services:				
County Attorney	\$ 21,750	\$ 14,824	\$ 11,217	\$ 8,649
Jail Commissary	673,784	729,172	720,953	867,491
Total business-type activities program revenue	695,534	743,996	732,170	876,140
Total primary government program revenues	<u>\$ 25,920,921</u>	<u>\$ 22,542,306</u>	<u>\$ 21,568,713</u>	<u>\$ 29,478,237</u>
Net (Expense)/Revenue				
Governmental activities	\$ (60,178,859)	\$ (70,165,328)	\$ (72,425,894)	\$ (101,319,829)
Business-type activities	117,387	101,153	101,010	103,294
Total primary government net expense	<u>\$ (60,061,472)</u>	<u>\$ (70,064,175)</u>	<u>\$ (72,324,884)</u>	<u>\$ (101,216,535)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes	\$ 57,572,056	\$ 60,333,777	\$ 65,242,899	\$ 68,183,460
Local Health Care Provider Assessments	-	-	-	33,156,574
Sales taxes	13,230,652	14,900,374	15,351,017	15,615,643
Motor vehicle taxes	1,409,741	1,519,577	1,644,229	1,660,890
Mixed drink taxes	534,150	532,822	966,894	812,216
Hotel occupancy taxes	1,527,027	2,441,385	2,612,474	2,505,617
Unrestricted investment earnings	414,701	209,089	204,186	243,769
Gain (loss) on disposal of assets	-	34,889	-	155,925
Transfers	-	100,000	-	-
Total governmental activities	74,688,327	80,071,913	86,021,699	122,334,094
Business-type activities:				
Unrestricted investment earnings	1,228	1,055	1,120	1,450
Gain on disposal of assets	-	-	-	-
Transfers	-	(100,000)	-	-
Total business-type activities	1,228	(98,945)	1,120	1,450
Total primary government	<u>\$ 74,689,555</u>	<u>\$ 79,972,968</u>	<u>\$ 86,022,819</u>	<u>\$ 122,335,544</u>
Change in Net Position				
Governmental activities	\$ 14,509,468	\$ 9,906,585	\$ 13,595,805	\$ 21,014,265
Business-type activities	118,615	2,208	102,130	104,744
Total primary government	<u>\$ 14,628,083</u>	<u>\$ 9,908,793</u>	<u>\$ 13,697,935</u>	<u>\$ 21,119,009</u>

Note 1: The County implemented GASB Statement 68 and 71 in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of these standards.

Note 2: The County implemented GASB Statement 75 in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this standard.

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2017	2018	2019	2020	2021	2022
\$ 8,484	\$ 10,055	\$ 6,995	\$ 4,624	\$ 2,562	\$ -
1,068,218	1,076,756	1,138,503	1,176,418	1,313,488	1,294,249
1,076,702	1,086,811	1,145,498	1,181,042	1,316,050	1,294,249
<u>\$ 24,185,503</u>	<u>\$ 30,229,040</u>	<u>\$ 28,518,946</u>	<u>\$ 28,789,693</u>	<u>\$ 43,059,814</u>	<u>\$ 45,969,452</u>
\$ (99,565,992)	\$ (109,080,493)	\$ (139,145,814)	\$ (113,074,658)	\$ (109,038,828)	\$ (105,469,731)
192,985	220,388	206,615	94,893	238,977	(94,426)
<u>\$ (99,373,007)</u>	<u>\$ (108,860,105)</u>	<u>\$ (138,939,199)</u>	<u>\$ (112,979,765)</u>	<u>\$ (108,799,851)</u>	<u>\$ (105,564,157)</u>
\$ 74,085,095	\$ 81,748,351	\$ 86,847,341	\$ 94,755,314	\$ 99,006,741	\$ 101,651,835
26,168,492	32,586,142	32,653,795	32,672,057	12,557,045	37,254,069
16,375,071	17,936,733	18,724,660	18,747,703	20,443,754	24,244,744
1,660,706	1,652,081	1,616,508	1,520,039	1,505,657	1,847,748
809,516	907,029	976,149	733,928	914,545	1,229,711
2,681,077	2,915,850	2,954,182	1,812,599	2,261,435	3,360,758
347,258	1,162,968	1,857,843	1,535,261	1,491,226	1,522,614
133,517	76,388	-	-	-	-
-	236,000	-	-	-	-
122,260,732	139,221,542	145,630,478	151,776,901	138,180,403	171,111,479
2,554	6,022	7,972	9,510	11,444	4,496
-	-	-	-	-	-
-	(236,000)	-	-	-	-
2,554	(229,978)	7,972	9,510	11,444	4,496
<u>\$ 122,263,286</u>	<u>\$ 138,991,564</u>	<u>\$ 145,638,450</u>	<u>\$ 151,786,411</u>	<u>\$ 138,191,847</u>	<u>\$ 171,115,975</u>
\$ 22,694,740	\$ 30,141,049	\$ 6,484,664	\$ 38,702,243	\$ 29,141,575	\$ 65,641,748
195,539	(9,590)	214,587	104,403	250,421	(89,930)
<u>\$ 22,890,279</u>	<u>\$ 30,131,459</u>	<u>\$ 6,699,251</u>	<u>\$ 38,806,646</u>	<u>\$ 29,391,996</u>	<u>\$ 65,551,818</u>

Table III

Brazos County, Texas
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited and Modified Accrual Basis of Accounting)

Page 1 of 2

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund					
Nonspendable	\$ 1,299,861	\$ 1,413,753	\$ 1,432,240	\$ 1,544,658	\$ 1,431,335
Restricted	481,273	378,273	360,140	404,289	455,784
Committed	336,738	400,586	469,028	522,705	586,470
Assigned	1,067,142	1,023,141	1,023,141	1,023,141	1,023,141
Unassigned	31,664,348	40,130,516	39,747,932	41,766,524	43,410,257
Total General Fund	<u>\$ 34,849,362</u>	<u>\$ 43,346,269</u>	<u>\$ 43,032,481</u>	<u>\$ 45,261,317</u>	<u>\$ 46,906,987</u>
All Other Governmental Funds					
Nonspendable	\$ 7,340	\$ 9,764	\$ 14,508	\$ 6,870	\$ 21,354
Restricted	19,063,457	14,923,787	11,125,348	21,771,899	26,685,847
Assigned	5,564,864	6,344,841	13,703,250	12,262,289	16,935,055
Unassigned	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 24,635,661</u>	<u>\$ 21,278,392</u>	<u>\$ 24,843,106</u>	<u>\$ 34,041,058</u>	<u>\$ 43,642,256</u>

Table III

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<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 2,051,550	\$ 2,205,606	\$ 1,982,812	\$ 2,592,655	\$ 3,514,680
480,199	551,525	621,629	7,165,477	15,571,360
663,526	733,671	-	-	-
1,023,141	1,023,141	1,023,141	-	-
44,008,132	62,649,458	68,051,027	93,524,241	117,068,184
<u>\$ 48,226,548</u>	<u>\$ 67,163,401</u>	<u>\$ 71,678,609</u>	<u>\$ 103,282,373</u>	<u>\$ 136,154,224</u>
\$ 26,200	\$ 14,937	\$ 30,288	\$ 11,775	\$ 12,410
41,875,260	20,757,429	35,922,312	19,626,626	26,538,160
25,582,458	16,661,157	13,316,892	29,805,328	20,571,099
-	-	(6,953)	-	-
<u>\$ 67,483,918</u>	<u>\$ 37,433,523</u>	<u>\$ 49,262,539</u>	<u>\$ 49,443,729</u>	<u>\$ 47,121,669</u>

Table IV

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

Page 1 of 2

	2013	2014	2015	2016	2017
Revenues					
Taxes	\$ 72,356,721	\$ 77,810,567	\$ 84,089,178	\$ 121,184,515	\$ 120,033,611
Charges for Services	12,392,689	12,533,506	12,643,739	12,955,942	12,547,042
Intergovernmental	2,735,115	3,068,059	4,292,557	3,651,076	3,929,985
Interest	402,889	199,121	204,186	243,768	335,455
Other Revenue	743,250	1,231,518	949,034	1,191,392	1,063,129
Total Revenue	88,630,664	94,842,771	102,178,694	139,226,693	137,909,222
Expenditures					
Current					
General Government	15,493,215	15,600,712	17,323,019	23,060,957	23,158,034
Justice System	16,529,689	17,189,395	17,655,201	19,094,481	18,959,585
Law Enforcement	17,672,957	18,363,182	19,559,520	20,368,720	21,375,987
Juvenile Services	5,151,366	5,243,254	5,978,401	6,250,884	6,627,267
Public Transportation	7,903,452	8,649,898	9,825,736	10,786,197	10,084,667
Public Health	1,784,239	1,748,952	1,493,183	30,948,673	17,078,556
Human Services	4,020,385	4,639,453	4,729,399	5,014,680	5,416,677
Capital Outlay	7,659,526	9,217,395	13,367,750	10,509,004	14,124,621
Debt Service					
Principal Retirement	6,438,183	5,464,244	5,938,365	6,379,974	6,658,957
Interest and Other Fees	4,415,107	3,873,250	3,680,854	3,695,506	3,437,849
Bond Issuance Costs	-	-	-	-	-
Agent Fees	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	87,068,119	89,989,735	99,551,428	136,109,076	126,922,200
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,562,545	4,853,036	2,627,266	3,117,617	10,987,022
Other Financing Sources (Uses)					
Transfers In	3,333,880	4,285,885	15,634,687	8,595,961	15,927,327
Transfers Out	(3,333,880)	(4,185,885)	(15,634,687)	(9,595,961)	(15,944,522)
Premium on Debt Issuance	2,214,527	-	-	-	-
Debt Issuance - Refunding Bonds	24,340,000	-	-	-	-
Sale of Capital Assets	104,757	186,602	148,560	209,171	348,171
Payments to Refunded Bonds					
Escrow Agent	(15,808,088)	-	-	-	-
Debt Issuance	-	-	-	9,100,000	-
Capital Leases	666,650	-	475,100	-	-
Subscription-Based Information Technology Arrangement	-	-	-	-	-
Insurance Recoveries	-	-	-	-	-
Total Other Financing Sources (Uses)	11,517,846	286,602	623,660	8,309,171	330,976
Net Change in Fund Balances	\$ 13,080,391	\$ 5,139,638	\$ 3,250,926	\$ 11,426,788	\$ 11,317,998
Debt service as a percentage of noncapital expenditures	13.67%	11.56%	11.16%	8.02%	8.95%

Table IV

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2018	2019	2020	2021	2022
\$ 135,871,778	\$ 142,695,825	\$ 148,768,830	\$ 135,130,261	\$ 167,501,927
13,252,955	13,476,626	12,310,845	13,567,299	15,284,690
3,753,909	3,405,362	3,868,769	20,033,382	23,147,542
1,162,968	1,857,842	1,481,628	1,433,470	1,511,167
928,402	1,233,946	1,979,750	998,772	1,266,637
154,970,012	162,669,601	168,409,822	171,163,184	208,711,963
22,567,837	25,028,680	25,694,292	32,050,179	39,375,664
20,978,881	21,365,903	22,271,948	21,942,080	22,789,233
23,529,055	24,637,066	26,179,548	25,352,758	27,512,436
7,244,328	7,810,670	8,447,408	7,545,582	7,276,220
9,745,658	10,439,648	11,587,653	9,823,965	11,074,107
30,334,639	48,526,594	20,604,546	31,208,246	28,679,745
5,945,021	5,960,893	7,263,012	8,339,542	8,070,570
10,294,276	20,045,925	22,744,167	20,340,350	19,412,314
7,452,027	7,010,000	7,270,000	7,575,000	14,045,000
3,566,824	3,213,777	2,933,303	3,171,860	2,954,947
-	-	-	700	-
-	-	-	1,000	9,500
-	-	-	126,034	-
141,658,546	174,039,156	154,995,877	167,477,296	181,199,736
13,311,466	(11,369,555)	13,413,945	3,685,888	27,512,227
24,729,412	6,238,527	21,047,591	13,665,497	6,940,929
(25,450,731)	(6,438,527)	(21,047,591)	(13,665,497)	(6,940,929)
7,389,899	-	-	1,780,928	-
39,895,000	-	-	-	-
78,997	456,013	31,802	198,536	218,649
(46,442,820)	-	-	-	-
11,650,000	-	-	24,020,000	-
-	-	-	-	-
-	-	-	778,761	1,830,658
-	-	2,898,477	1,320,841	926,919
11,849,757	256,013	2,930,279	28,099,066	2,976,226
\$ 25,161,223	\$ (11,113,542)	\$ 16,344,224	\$ 31,784,954	\$ 30,488,453
8.39%	6.64%	7.72%	7.30%	10.51%

REVENUE CAPACITY INFORMATION

Table V

Brazos County, Texas
Assessed Value and Actual Value of Taxable Property
Last Ten Tax Years
(Unaudited)

Tax Year	Residential Property	Commercial Property	Industrial Property	Personal Property	Minerals	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2012	\$ 6,856,500,798	\$ 5,959,776,425	\$ 1,024,298,940	\$ 1,265,341,250	\$ 417,520,103	\$ (3,608,957,759)	\$ 11,914,479,757	0.4850
2013	7,221,180,612	6,302,748,738	1,033,315,489	1,322,148,610	462,451,979	(3,792,772,169)	12,549,073,259	0.4875
2014	7,671,541,666	6,703,964,362	1,081,705,297	1,467,186,020	803,117,541	(3,979,622,909)	13,747,891,977	0.4850
2015	8,255,450,446	7,148,091,112	1,282,416,713	1,689,484,380	684,601,480	(5,485,679,819)	13,574,364,312	0.4850
2016	9,176,837,735	7,814,664,721	1,272,513,322	1,722,905,634	480,000,679	(5,986,800,803)	14,480,121,288	0.4850
2017	10,058,916,917	8,773,265,063	1,379,733,675	1,715,761,612	523,739,529	(6,488,266,420)	15,963,150,376	0.4850
2018	11,077,052,946	9,510,033,438	1,521,049,323	1,896,392,835	508,528,760	(7,254,065,968)	17,258,991,334	0.4850
2019	11,795,900,248	10,070,242,294	1,600,743,019	1,941,938,931	690,952,457	(7,664,759,291)	18,435,017,658	0.4975
2020	12,094,585,391	9,934,521,013	1,646,565,833	1,964,842,806	852,193,802	(7,891,551,687)	18,601,157,158	0.4950
2021	\$ 12,952,387,545	\$ 9,790,684,182	\$ 1,754,068,361	\$ 2,044,050,453	\$ 600,666,644	\$ (8,349,072,186)	18,792,784,999	0.4935

Source: Brazos County Appraisal District for Tax Years 2010-2012. Brazos County Tax Assessor Collector for Tax Year 2013-2020.

Note:

- (1) Property in the County is assessed each tax year based on calendar year.
- (2) Property is assessed at actual value; therefore, the assessed values are equal to actual values. Tax rates are per \$100 of assessed value.
- (3) The taxes to be levied and collected in the succeeding fiscal year are included in the estimate of funds available to cover the proposed budget.

Table VI

Brazos County, Texas
Direct and Overlapping Property Tax Rates
(per \$100 of Assessed Value)
Last Ten Years
(Unaudited)

Page 1 of 2

Name of Government	2013	2014	2015	2016	2017
County Direct Rate:					
Debt Service	\$ 0.0779	\$ 0.0707	\$ 0.0624	\$ 0.0603	\$ 0.0592
Basic Rate	0.4071	0.4168	0.4226	0.4247	0.4258
Total Direct Rate:	<u>0.4850</u>	<u>0.4875</u>	<u>0.4850</u>	<u>0.4850</u>	<u>0.4850</u>
Overlapping Rates:					
City and Town Rate:					
City of Bryan	0.6333	0.6299	0.6299	0.6299	0.6299
City of College Station	0.4307	0.4259	0.4525	0.4525	0.4725
City of Kurten	0.1300	0.1300	0.1200	0.1200	0.1179
City of Navasota	0.4874	0.5000	0.5400	0.5500	0.5542
School District Rates:					
Bryan I. S. D.	1.2900	1.2900	1.2900	1.3500	1.3500
College Station I. S. D.	1.3350	1.3200	1.3800	1.3629	1.3960
Navasota I.S.D.	1.2110	1.1914	1.1799	1.1634	1.1634
Emergency Service Districts Rates:					
ESD #1	0.0300	0.0288	0.0279	0.0262	0.0263
ESD #2	0.0186	0.0186	0.0186	0.0238	0.0270
ESD #3	0.0269	0.0280	0.0290	0.0288	0.0297
ESD #4	0.0300	0.0300	0.0300	0.0300	0.0300
Total Overlapping Rate:	<u>5.6229</u>	<u>5.5926</u>	<u>5.6978</u>	<u>5.7375</u>	<u>5.7969</u>
Total Property Tax Rate -					
Direct and Overlapping					
Governments:	<u>\$ 6.1079</u>	<u>\$ 6.0801</u>	<u>\$ 6.1828</u>	<u>\$ 6.2225</u>	<u>\$ 6.2819</u>

Source: Brazos County Central Appraisal District

Table VI

Page 2 of 2

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 0.0560	\$ 0.0533	\$ 0.0500	\$ 0.0543	\$ 0.0512
<u>0.4290</u>	<u>0.4317</u>	<u>0.4475</u>	<u>0.4407</u>	<u>0.4423</u>
<u>0.4850</u>	<u>0.4850</u>	<u>0.4975</u>	<u>0.4950</u>	<u>0.4935</u>
0.6299	0.6299	0.6299	0.6290	0.6290
0.4975	0.5058	0.5346	0.5346	0.5346
0.1065	0.1023	0.1017	0.0876	0.0898
0.5542	0.5542	0.5693	0.5693	0.5693
1.3400	1.3400	1.2700	1.2325	1.2268
1.3980	1.3720	1.2390	1.2290	1.2152
1.1840	1.4152	1.3219	1.2909	1.2480
0.0300	0.0300	0.0300	0.0300	0.0257
0.0259	0.0300	0.0300	0.0270	0.0276
0.0290	0.0290	0.0280	0.0264	0.0285
<u>0.0578</u>	<u>0.0553</u>	<u>0.0473</u>	<u>0.0478</u>	<u>0.0673</u>
<u>5.8528</u>	<u>6.0637</u>	<u>5.8017</u>	<u>5.7041</u>	<u>5.6618</u>
<u>\$ 6.3378</u>	<u>\$ 6.5487</u>	<u>\$ 6.2992</u>	<u>\$ 6.1991</u>	<u>\$ 6.1553</u>

Table VII

Brazos County, Texas
Principal Property Taxpayers
Current Year and Nine Years Ago
(Unaudited)

Taxpayer	2022			2013		
	Taxable Assessed Values (1)	Rank	% of Assessed Value to Total Assessed Values (2)	Taxable Assessed Values (1)	Rank	% of Assessed Value to Total Assessed Values (3)
Hawkwood Energy Operating LLC	\$ 196,477,111	1	1.05%	\$ -		0.00%
Axis Pipe and Tube Inc	148,135,769	2	0.79%	-		0.00%
Fujifilm Diosynth Biotech Tx LLC	126,772,338	3	0.67%	-		0.00%
Chesapeake Operating LLC	88,090,951	4	0.47%	-		0.00%
SW Meadows Point LP	74,458,582	5	0.40%	-		0.00%
Liquidpower Specialty Products Inc	73,201,147	6	0.39%	-		0.00%
Sanderson Farms	71,891,331	7	0.38%	60,356,990	5	0.51%
SHP - The Callaway House LP	65,093,626	8	0.35%	63,806,500	3	0.54%
Weinberg, Israel, et al.	64,437,668	9	0.34%	47,013,080	10	0.39%
Jamespoint Management Co	63,223,758	10	0.34%	67,482,010	2	0.57%
VOC Brazos Energy Partners LP			0.00%	92,469,518	1	0.78%
Wal-Mart Real Estate Business Trust			0.00%	62,177,540	4	0.52%
POM - College Station LLC			0.00%	57,025,440	6	0.48%
College Station Hospital L.P.			0.00%	56,167,890	7	0.47%
Andarko Petroleum Corp.			0.00%	54,618,722	8	0.46%
Adam Development Properties LP			0.00%	50,989,271	9	0.43%
	<u>\$ 971,782,281</u>		<u>5.18%</u>	<u>\$ 612,106,961</u>		<u>5.15%</u>

Source: Brazos County Appraisal District

NOTE:

- (1) Brazos County Appraisal District
- (2) Total adjusted assessed valuation net of exempt properties as certified by the Appraisal Review Board - \$18,792,784,999
- (3) Total adjusted assessed valuation net of exempt properties as certified by the Appraisal Review Board - \$11,914,479,757

Table VIII

Brazos County
Property Tax Levies and Collections
Last Ten Years
(Unaudited)

Tax Year/ Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Changes & Collections in Subsequent Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012 / 2013	\$ 56,989,658	\$ 56,317,318	98.82%	\$ 596,908	\$ 56,914,226	99.87%
2013 / 2014	60,353,143	59,556,004	98.68%	711,680	60,267,684	99.86%
2014 / 2015	65,620,648	65,063,971	99.15%	459,354	65,523,325	99.85%
2015 / 2016	69,877,152	69,053,277	98.82%	712,075	69,765,352	99.84%
2016 / 2017	74,655,201	73,926,719	99.02%	607,760	74,534,479	99.84%
2017 / 2018	82,575,035	81,678,518	98.91%	750,693	82,429,211	99.82%
2018 / 2019	88,993,418	87,989,150	98.87%	835,713	88,824,863	99.81%
2019 / 2020	97,452,205	96,188,990	98.70%	1,041,520	97,230,510	99.77%
2020 / 2021	100,639,379	99,800,188	99.17%	512,685	100,312,873	99.68%
2021 / 2022	\$ 103,616,837	\$ 102,738,050	99.15%	\$ 247,111	\$ 102,985,161	99.39%

NOTE: (1) Changes in tax since issued.

Source: Brazos County Auditor's Office



DEBT CAPACITY INFORMATION

Table IX

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

Page 1 of 2

Governmental Activities

Fiscal Year	Certificates of Obligation	General Obligation Bonds	Notes from Direct Placements	Premium (2)	Capital Leases
2013	\$ 20,965,000	\$ 73,115,000	\$ -	\$ -	\$ 548,467
2014	19,835,000	68,885,000	-	2,745,392	444,223
2015	18,915,000	64,075,000	-	2,519,312	710,958
2016	27,190,000	58,785,000	-	2,295,477	445,984
2017	25,395,000	54,070,000	-	2,073,703	297,027
2018	26,850,000	52,285,000	-	8,416,193	-
2019	18,300,000	47,585,000	6,240,000	7,814,439	-
2020	17,395,000	42,210,000	5,250,000	7,212,685	-
2021	40,480,000	36,580,000	4,240,000	8,302,813	-
2022	\$ 36,575,000	\$ 27,470,000	\$ 3,210,000	\$ 7,624,311	\$ -

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

(1) See Table XIV for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(2) Premium was added in FY 2014.

Table IX

Page 2 of 2

Subscription Based Information Technology Arrangements		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
\$	-	\$ 94,628,467	3.01%	\$ 525
	-	91,909,615	2.78%	503
	-	86,220,270	2.46%	409
	-	88,716,461	2.95%	413
	-	81,835,730	2.13%	373
	-	87,551,193	2.17%	390
	-	79,939,439	1.87%	349
	100,737	72,168,422	1.62%	316
	878,414	90,481,227	1.92%	383
\$	2,226,960	\$ 77,106,271	1.58%	\$ 325

Table X

Brazos County, Texas
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Bonded Debt Outstanding				Percentage of Actual Taxable Value	Population	Per Capita (1)
	General Obligation Bonded Debt	Debt Service Funds Available	Net Bonded Debt	Assessed Value			
2013	\$ 73,115,000	\$ 6,075,351	\$ 67,039,649	\$ 11,914,479,757	0.56%	182,655	\$ 367.03
2014	71,630,392 (2)	6,160,188	65,470,204	12,549,073,259	0.52%	210,570	310.92
2015	66,594,312 (2)	5,840,178	60,754,134	13,747,891,977	0.44%	214,672	283.01
2016	61,080,477 (2)	5,778,404	55,302,073	13,574,364,312	0.41%	219,410	252.05
2017	56,143,703 (2)	6,234,940	49,908,763	14,480,121,288	0.34%	224,255	222.55
2018	60,701,193 (2)	6,865,053	53,836,140	15,963,150,376	0.34%	229,259	234.83
2019	55,399,439 (2)	7,755,770	47,643,669	17,258,991,334	0.28%	228,292	208.70
2020	49,422,685 (2)	7,438,108	41,984,577	18,435,017,658	0.23%	233,071	180.14
2021	44,882,813 (2)	7,120,446	37,762,367	18,601,157,158	0.20%	233,849	161.48
2022	\$ 35,094,311 (2)	\$ 2,869,589	\$ 32,224,722	\$ 18,792,784,999	0.17%	237,032	\$ 135.95

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

(1) Population data can be found in Table XIV.

(2) Includes premium

Table XI

Brazos County, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2022
(Unaudited)

<u>Direct Debt</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Brazos County	\$ 77,106,271	100%	\$ 77,106,271
<u>Overlapping Debt</u>			
Cities:			
Bryan	209,194,328	100%	209,194,328
College Station	220,512,200	100%	220,512,200
Kurten	-	100%	-
Independent School Districts:			
College Station School District	343,110,000	100%	343,110,000
Bryan Independent School District	267,705,000	100%	267,705,000
Navasota Independent School District	\$ 87,727,083	1.18% (1)	1,035,180
Special Districts:			
Brazos County ESD #1	-	100%	-
Brazos County ESD #2	-	100%	-
Brazos County ESD #3	-	100%	-
Brazos County ESD #4	-	100%	-
Total Overlapping Debt:			1,041,556,708
Total Direct and Overlapping Debt:			\$ 1,118,662,979
Percentage of Direct Debt to Total Direct and Overlapping Debt:			6.89%
Assessed Value:			\$ 18,601,157,158
			\$ 1,282,125,083

Sources: Debt outstanding provided by each governmental unit and is reflecting principal only.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Brazos County. This process recognizes that, when considering the county's ability to issue and repay long-term debt, the entire burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) For debt repaid with property taxes, the percentage of overlapping debt for NISD is estimated using taxable assessed property values. NISD's percentage was estimated by determining the portion of the Independent School District's taxable assessed value within the county's boundaries and dividing it by NISD's total taxable assessed value.

Table XII

Brazos County, Texas
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)

Page 1 of 2

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt Limit	\$ 2,557,904,601	\$ 2,691,118,168	\$ 2,869,397,104	\$ 2,800,069,613
Total net debt applicable to limit	67,039,649	62,724,812	58,234,822	53,006,596
Legal debt margin	<u>\$ 2,624,944,250</u>	<u>\$ 2,753,842,980</u>	<u>\$ 2,927,631,926</u>	<u>\$ 2,853,076,209</u>
Total net debt applicable to the limit as a percentage of debt limit	2.62%	2.33%	2.03%	1.89%

NOTE: (1) Total assessed valuation of real property as certified by
the Appraisal Review Board.

(2) Debt Limit 25% of assessed value of real property - \$16,148,067,902
Article 3, Section 52, of the Texas Constitution.

(3) Includes only general obligation bonds.

Table XII

Page 2 of 2

Legal Debt Margin Calculation for Fiscal Year 2022

Assessed Value (1)	\$ 16,148,067,902
Debt limit (25% of assessed value) (2)	4,037,016,976
Debt applicable to limit:	
Gross bonded debt (3)	35,094,311
Less: Amount available from Debt Service Fund	<u>2,869,589</u>
Total net debt applicable to limit	<u>32,224,722</u>
Legal debt margin	\$ 4,069,241,698

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 3,069,303,744	\$ 3,430,912,309	\$ 3,713,517,435	\$ 3,950,531,568	\$ 3,946,030,138	\$ 4,037,016,976
49,908,763	53,836,140	47,643,669	34,771,893	37,762,367	32,224,722
<u>\$ 3,119,212,507</u>	<u>\$ 3,484,748,449</u>	<u>\$ 3,761,161,104</u>	<u>\$ 3,985,303,461</u>	<u>\$ 3,983,792,505</u>	<u>\$ 4,069,241,698</u>
1.63%	1.57%	1.28%	0.88%	0.96%	0.80%

Table XIII

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

Fiscal Year	Certificates of Obligation						Capital Leases			
	Property Tax Revenue	Interest	Less: Agent Fees & Issuance Cost	Debt Service		Coverage	Property Tax Revenue	Debt Service		Coverage
				Principal	Interest			Principal	Interest	
2013	\$ 4,096,625	\$ 67,702	\$ 119,309	\$ 1,755,000	\$ 902,919	1.52	\$ 118,925	\$ 118,183	\$ -	1.01
2014	2,044,955	5,568	2,000	1,130,000	792,845	1.07	117,715	104,244	13,939	1.00
2015	1,792,681	5,004	1,800	920,000	755,908	1.07	118,330	106,903	11,280	1.00
2016	3,303,001	8,775	2,766	825,000	875,994	1.95	346,238	264,974	18,267	1.22
2017	2,948,051	10,210	1,500	1,795,000	867,378	1.11	253,531	148,957	11,431	1.58
2018	9,793,918 ⁽¹⁾	190,648	1,830	2,235,000	789,957	3.30	309,423	297,027	7,613	1.02
2019	3,328,015	58,487	2,250	2,310,000	795,030	1.09	-	-	-	-
2020	3,859,441	58,831	900	1,895,000	731,506	1.49	-	-	-	-
2021	4,488,594	45,893	2,250	1,945,000	1,235,162	1.43	-	-	-	-
2022	\$ 10,314,888	\$ 85,848	\$ 9,500	\$ 4,935,000	\$ 1,280,249	1.67	-	-	-	-

(1) Revenue for 2018 includes fund balance in anticipation of October 2018 debt issuance.

DEMOGRAPHIC AND ECONOMIC INFORMATION

Table XIV

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

Year	Population (1)	Personal Income (2)	Per Capita Personal Income	Public School Enrollment (3)	Texas A & M Enrollment (4)	Blinn College Enrollment (5)	Unemployment Rate (6)
2013	182,655	\$ 3,303,060,881	\$ 18,084	27,961	53,219	12,771	5.20%
2014	210,570	3,507,161,965	16,656	28,735	55,810	13,587	3.80%
2015	214,672	3,011,585,876	14,029	29,598	61,279	13,207	3.30%
2016	219,410	3,829,254,965	17,453	29,976	60,438	12,338	3.60%
2017	224,255	4,031,205,612	17,976	30,130	63,293	11,955	2.80%
2018	229,259	4,273,935,364	18,642	30,680	64,126	10,321	2.80%
2019	228,292	4,454,045,355	19,510	30,476	64,300	9,375	2.60%
2020	233,849	4,668,762,827	19,965	31,143	65,684	9,528	5.30%
2021	233,849	4,876,576,890	20,854	30,443	70,458	8,893	3.70%
2022	237,032	\$ 5,674,382,893	\$ 23,939	31,161	71,871	9,674	3.00%

- Sources:**
- (1) For 2012-2013, the projected population came from Texas Department of State Health Services. 2012 population has been corrected to match the Texas Department of State Health Services projected population for the County. Projection for 2014 - 2019 is from the Texas Department of State Health Services. 2020 population has been corrected to match the 2020 Census. Projection for 2021 the same as the 2020 Census.
 - (2) Personal Income and unemployment rate information provided by the Texas Workforce Commission.
 - (3) Public School Enrollment information is for Bryan ISD, College Station ISD, Arrow Academy and Brazos School for Inquiry and Creativity. Enrollment information is from the Texas Academic Performance Report on TEA's website.
 - (4) For years 2007 to current, enrollment is based on TAMU Enrollment profile.
 - (5) Previous Comprehensive Annual Financial Reports reflected enrollment for Blinn Campuses based on all campuses. The information now reflects just the enrollment for the campus in Brazos County and is based on the Fall semester.
 - (6) Source: Texas Workforce Commission

Table XV

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

2022	2013
Employer (1)	Employer (2)
Baylor Scott & White Health	Baylor Scott & White
Brazos County	Blinn College
Bryan Independent School District	Brazos County
CHI St. Joseph Health System	Bryan Independent School District
City of Bryan	City of Bryan
City of College Station	City of College Station
College Station Independent School District	College Station Independent School District
FUJIFILM	College Station Medical Center
Kent Moore Cabinets	Ply Gem Windows
Ply Gem Windows	Reynolds & Reynolds
Reynolds & Reynolds	Sanderson Farms
Sanderson Farms	St. Joseph Regional Hospital
Texas A&M University System	Texas A&M University System

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

Source: (1) Brazos Valley Economic Development Corporation

(2) Brazos County Comprehensive Annual Financial Report

OPERATING INFORMATION

Table XVI

Brazos County, Texas
County Employees by Function
Last Ten Fiscal Years
(Unaudited)

Function	Employees as of September 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	138	148	146	164	162	169	177	183	191	200
Justice System	177	176	181	175	178	183	185	191	188	185
Law Enforcement	259	262	266	269	282	295	301	307	307	308
Juvenile Services	92	94	93	94	101	104	104	105	105	105
Human Services	60	54	59	68	69	70	70	73	73	78
Public Transportation	80	75	76	75	79	82	87	87	86	88
Total	<u>806</u>	<u>809</u>	<u>821</u>	<u>845</u>	<u>871</u>	<u>903</u>	<u>924</u>	<u>946</u>	<u>950</u>	<u>964</u>

Source: County Auditor's Office

Note: Information compiled from Brazos County Budget Ten Year Trend Report.

Table XVII

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

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Justice System										
Birth Certificates Filed (1)	2,611	2,871	3,211	3,247	3,537	3,394	3,418	2,275	2,482	2,304
Marriage License Applications (1)	1,528	1,277	1,377	1,478	1,405	1,324	1,333	1,241	1,407	1,446
Death Certificates Issued (1)	479	580	563	580	648	704	648	459	361	415
Registered Voters (1)	88,600	88,388	91,751	102,000	104,091	107,458	114,542	121,023	121,402	123,898
Court Activity: (2)										
District Court:										
Cases Added	5,439	5,135	5,675	6,189	5,247	5,316	5,754	4,952	5,188	5,256
Cases Disposed	6,251	5,666	5,791	6,242	4,999	4,869	5,613	4,766	4,500	5,177
Cases Pending	4,507	4,655	4,704	5,825	6,111	6,955	7,708	8,039	9,051	9,653
County Court at Law Courts:										
Cases Added	6,270	6,059	5,818	6,122	5,075	5,390	5,328	4,555	4,488	4,341
Cases Disposed	5,960	5,356	5,558	5,466	3,608	4,393	4,946	3,380	3,467	4,336
Cases Pending	4,132	4,418	4,051	4,409	5,193	5,522	5,056	5,760	5,887	4,926
Justice of the Peace Courts:										
Cases Added	10,198	13,678	14,107	17,831	17,180	16,462	14,805	10,907	11,119	12,896
Cases Disposed	9,926	16,087	16,019	19,324	16,846	16,732	14,445	12,713	10,668	12,342
Law Enforcement										
Sheriff's Department:										
Average Daily Inmate Population (3)	592	619	604	605	675	656	653	580	575	642
Arrest Totals (3)	14,558	14,649	13,673	12,960	11,838	11,602	11,284	9,185	8,328	10,684
Human Services										
Cooperative Agricultural Extension Office: (4)										
Number of Educational Programs Conducted	719	731	719	903	1,050	980	1,005	582	299	351
Number of Participants in Educational Programs	301,892	414,025	317,850	359,003	390,165	219,252	233,440	93,416	44,663	46,480
Brazos Center:										
No. of Events held: (5)	630	649	990	748	764	656	700	290	1,190	411
Exposition Center:										
No. of Events held: (6)	155	158	163	175	167	197	195	138	220	199
No. of Events Days: (6)	309	377	342	373	367	453	402	293	456	508
Public Transportation										
Miles of Roads:										
Paved	356	370	371	376	384	387	382	382	382	383
Unpaved	123	102	101	108	97	97	97	97	97	96

(1) Source: Brazos County Clerk, Brazos County Treasurer and Brazos County Elections Office.

(2) Source: Office of Court Administration

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

(4) Source: Texas Cooperative Agriculture Extension Contact Summary

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

(6) Source: Exposition Center -Each event is counted as a day. For example, if there are 3 events in one day, the count would be 3 days.

Table XVIII

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

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Office Buildings / Courthouse	4	4	6	6	7	6	7	8	7	8
Commissioner's Court:										
Vehicles	0	0	0	2	2	2	2	2	2	2
Risk Management Vehicle	0	0	0	0	0	0	0	0	0	1
Facility Services:										
Vehicles	17	17	19	22	23	17	23	24	24	25
Equipment	1	0	1	1	1	1	1	2	2	2
IT Vehicles	2	2	2	2	2	2	2	2	2	2
Fleet:										
Vehicles (1)	0	0	0	0	9	22	21	37	6	11
Equipment	0	0	0	0	0	0	0	0	0	1
Purchasing (Surplus) Vehicle	0	0	0	0	2	2	0	1	0	6
Justice System										
Office Buildings / Courthouse	2	2	2	2	3	4	3	3	3	3
County Attorney Vehicles	9	9	8	8	8	8	8	8	7	8
District Attorney Vehicles	4	4	4	4	4	4	4	3	2	5
Law Enforcement										
Sheriff's Administration Facility	1	1	1	1	1	1	1	1	1	1
Sheriff's Detention Facility	2	2	1	1	1	1	1	1	1	1
Vehicles:										
Sheriff's	60	52	62	55	55	51	57	57	56	66
Sheriff's - Jail Division	25	23	28	24	21	21	22	25	21	19
Constable	27	27	26	27	26	27	30	29	31	31
Equipment:										
Sheriff's	2	2	2	2	2	2	2	2	0	9
Sheriff's - Jail Division	1	0	1	1	1	1	1	1	1	1
Juvenile Services										
Juvenile Facilities	1	1	1	1	1	1	1	1	1	1
Juvenile Dept. Vehicles	7	7	7	7	7	7	7	7	7	7
Human Services										
Buildings	5	5	5	6	6	5	6	6	6	5
Brazos Center:										
Equipment	0	0	0	0	0	1	1	1	0	1
Exposition Center:										
Vehicles	4	4	4	4	4	4	4	5	5	4
Equipment	12	12	13	13	14	15	16	15	10	21
Collection Citizen Sites	7	7	8	8	8	8	8	9	6	6
Public Transportation										
Road and Bridge Building	1	1	1	1	2	2	2	2	2	2
Road and Bridge Vehicles	54	54	54	54	53	58	61	58	58	62
Road and Bridge Heavy Equipment	83	76	77	82	84	84	94	92	96	84
County Roads (miles)	479	472	472	484	481	484	479	479	479	479
Bridges	67	67	69	69	69	69	70	70	70	72

(1) All vehicles pass through Fleet Services while having equipment installed or removed prior to being transferred to the department or sent to auction.



DEBT SERVICE

Table XIX

Brazos County, Texas
General Long Term Debt Payable by Issue
September 30, 2022
(Unaudited)

Page 1 of 2

Debt Issue	Interest Rates (%) And Dates	Final Issue Date	Debt Maturity Date	Debt Authorized And Issued
Certificates of Obligation				
2012 Series, Issued For: Courthouse Renovation, Tax Office, Fleet Maintenance Building, Renovations of Brazos Center and Juvenile Detention Center	2.00 - 5.00 3/1 and 9/1	9/1/2012	9/1/2032	\$ 9,700,000
2017 Series, Issued For: Remodel and Juvenile Expansion	2.00 - 4.00 3/1 and 9/1	11/1/2017	9/1/2037	11,650,000
2020 Series Issure For: County Jail Kitchen, Ag Extension Building, Justice of the Peace and Constable Pct 1 building, Land and/or Property for County Facilities including Facilities Services and Road and Bridge Dept., Equipment and vehicles for various County departments, Roof replacement and repair for County owned buildings, County wide road improvements and rehabilitation, and Payment of contractual obligations for professional services in connection with such projects	1.375 -4.00 3/1 and 9/1	10/6/2020	9/1/2040	24,020,000
Limited Tax Refunding Bonds				
Series 2012, Issued For : Refund portions of the outstanding debt payable from ad valorem taxes	2.00 - 5.00 3/1 and 9/1	9/1/2012	9/1/2025	14,640,000
Series 2017, Issued For: Refund portions of the outstanding debt payable from ad valorem taxes	2.25 - 5.00 3/1 and 9/1	11/1/2017	9/1/2034	39,895,000
Notes from Direct Placements				
Certificates of Obligation, 2015 Series, Issued For: Courthouse Renovation & Exposition Center Expansion	1.92 3/1 and 9/1	10/13/2015	9/1/2025	9,100,000
Total Long Term Debt				<u><u>\$ 109,005,000</u></u>

Note:

- (1) All debt obligations of Brazos County are payable both as to principal and interest solely from and secured by ad valorem taxes levied against all taxable property within the County.
- (2) The County has the right to call the CO's at any time as long as they "make-whole" the holders of the CO's.

Table XIX

Page 2 of 2

Debt Outstanding			Debt Service Requirements For Fiscal Year 2021-2022		
Principal	Interest	Totals	Principal	Interest	Totals
\$ 4,040,000	\$ 507,107	\$ 4,547,107	\$ 500,000	\$ 179,754	\$ 679,754
9,440,000	2,555,300	11,995,300	470,000	329,450	799,450
23,095,000	5,378,857	28,473,857	925,000	656,544	1,581,544
-	-	-	1,785,000	146,255	1,931,255
27,470,000	5,320,062	32,790,062	3,445,000	1,471,439	4,916,439
3,210,000	124,032	3,334,032	1,030,000	81,408	1,111,408
<u>\$ 67,255,000</u>	<u>\$ 13,885,358</u>	<u>\$ 81,140,358</u>	<u>\$ 8,155,000</u>	<u>\$ 2,864,850</u>	<u>\$ 11,019,850</u>

Table XX

Brazos County, Texas
Debt Retirement by Years
September 30, 2022
(Unaudited)

Page 1 of 3

Fiscal Year	Total Required Principal	Total Required Interest	Total Required
2023	\$ 6,610,000	\$ 2,417,373	\$ 9,027,373
2024	6,855,000	2,144,163	8,999,163
2025	7,070,000	1,861,409	8,931,409
2026	6,270,000	1,568,331	7,838,331
2027	6,540,000	1,282,631	7,822,631
2028-2032	17,505,000	3,144,751	20,649,751
2033-2037	11,855,000	1,273,800	13,128,800
2038-2040	4,550,000	192,900	4,742,900
	<u>\$ 67,255,000</u>	<u>\$ 13,885,358</u>	<u>\$ 81,140,358</u>

Table XX

Brazos County, Texas
Debt Retirement by Years (Continued)
September 30, 2022
(Unaudited)

Page 2 of 3

Fiscal Year	Certificates of Obligation Principal				Limited Tax Refunding Bonds Principal	Total
	2012 Issue	2015 Issue (1)	2017 Issue	2020 Issue	2017 Issue	
2023	\$ 525,000	\$ 1,050,000	\$ 485,000	\$ 960,000	\$ 3,590,000	\$ 6,610,000
2024	545,000	1,070,000	505,000	1,000,000	3,735,000	6,855,000
2025	560,000	1,090,000	525,000	1,040,000	3,855,000	7,070,000
2026	575,000	-	545,000	1,085,000	4,065,000	6,270,000
2027	595,000		565,000	1,125,000	4,255,000	6,540,000
2028-2032	1,240,000	-	3,155,000	6,305,000	6,805,000	17,505,000
2033-2037	-	-	3,660,000	7,030,000	1,165,000	11,855,000
2038-2040	-	-	-	4,550,000	-	4,550,000
	<u>\$4,040,000</u>	<u>\$ 3,210,000</u>	<u>\$9,440,000</u>	<u>\$23,095,000</u>	<u>\$ 27,470,000</u>	<u>\$67,255,000</u>

(1) The County has one Note from Direct Placement.

Table XX

Brazos County, Texas
Debt Retirement by Years (Continued)
September 30, 2022
(Unaudited)

Page 3 of 3

Fiscal Year	Certificates of Obligation Interest				Limited Tax Refunding Bonds Interest	Total
	2012 Issue	2015 Issue (1)	2017 Issue	2020 Issue	2017 Issue	
2023	\$ 121,660	\$ 61,632	\$ 315,350	\$ 619,544	\$ 1,299,187	\$ 2,417,373
2024	105,910	41,472	295,950	581,144	1,119,687	2,144,163
2025	90,650	20,928	275,750	541,144	932,937	1,861,409
2026	73,850	-	254,750	499,544	740,187	1,568,331
2027	56,600		232,950	456,143	536,938	1,282,631
2028-2032	58,437	-	844,700	1,602,838	638,776	3,144,751
2033-2037	-	-	335,850	885,600	52,350	1,273,800
2038-2040	-	-	-	192,900	-	192,900
	<u>\$ 507,107</u>	<u>\$ 124,032</u>	<u>\$ 2,555,300</u>	<u>\$ 5,378,857</u>	<u>\$ 5,320,062</u>	<u>\$ 13,885,358</u>

Table XXI

**Brazos County, Texas
Debt Service Fund
Revenues, Expenditures, Restricted Fund Balance
and Respective Debt Service Tax Rates
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Revenues & Other Financing Sources	Expenditures & Other Financing Uses	Restricted Fund Balance	I&S Tax Rates (1)
2013	\$ 26,987,310	\$ 26,426,336	\$ 6,075,351	\$ 0.0779
2014	9,304,148	9,219,311	6,160,188	0.0707
2015	9,079,564	9,399,574	5,840,178	0.0624
2016	9,668,302	9,730,076	5,778,404	0.0603
2017	10,392,954	9,936,418	6,234,940	0.0592
2018	57,652,786	57,022,673	6,865,053	0.0560
2019	11,114,494	10,223,777	7,755,770	0.0533
2020	9,885,641	10,203,303	7,438,108	0.0500
2021	11,167,587	10,748,560	7,857,135	0.0495
2022	\$ 12,021,901	\$ 17,009,447	\$ 2,869,589	\$ 0.0512

(1) I&S tax rates are presented as cents per \$100 of assessed value.



COMPLIANCE SECTION





Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

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

We have audited, 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 Brazos County, Texas (the "County") as of and for the year ended September 30, 2022, 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 15, 2023.

Report on 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) as a basis for designing 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-01, that we consider to be a material weakness.

Report on 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 financial statements. 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*.

County's Response to Findings

Governmental Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on the response.

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.

Ingram, Wallis & Company, P.C.

Bryan, Texas
March 15, 2023



Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE AND THE STATE OF TEXAS GRANT MANAGEMENT STANDARDS**

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal Program

We have audited Brazos County, Texas' (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the State of Texas *Grant Management Standards* (TxGMS), which includes the State of Texas *Single Audit Circular*, that could have a direct and material effect on each of the County's major federal and state programs for the year ended September 30, 2022. The County's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County 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, 2022.

Basis for Opinion on Each Major Federal and State Program

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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and TxGMS. Our responsibilities under those standards, the Uniform Guidance, and TxGMS are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and TxGMS will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and TxGMS we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or TxGMS.

Report on 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 a 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 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance and TxGMS. Accordingly, this report is not suitable for any other purpose.

Ingram, Wallis & Company, P.C.

Bryan, Texas
March 15, 2023

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2022

Federal Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Program/ Award Amount	Accounts Receivable (Payable) October 1, 2021	Receipts	Expenditures	Amount Provided to Subrecipients	Grant Funds Refunded in 2022	Accounts Receivable (Payable) September 30, 2022
<u>U. S. Department of Justice</u>									
16.606	State Criminal Alien Assistance Program	FY20	\$ 60,647	\$ 60,647	\$ 65,299	\$ 4,652	\$ -	\$ -	\$ -
16.606	State Criminal Alien Assistance Program	FY21	65,000	65,000	-	(4,272)	-	-	60,728
16.606	State Criminal Alien Assistance Program	FY22	51,515	-	-	51,515	-	-	51,515
	Total CFDA - 16.606			125,647	65,299	51,895	-	-	112,243
<u>Passed through City of College Station</u>									
16.738	Edward Byrne Memorial Justice Assistance Grant	O-BJA-2022-171322	7,408	-	-	-	-	-	-
<u>Passed through City of Bryan</u>									
16.738	Edward Byrne Memorial Justice Assistance Grant	2021-15PBJA-21-GG-01866-JACX	6,903	-	6,903	6,903	-	-	-
	Total CFDA - 16.738			-	6,903	6,903	-	-	-
<u>Passed through Office of the Governor of Texas</u>									
<u>Criminal Justice Division</u>									
16.588	Crimes Against Women Prosecution Unit	2909707	150,000	10,754	150,000	139,246	-	-	-
16.588	Crimes Against Women Prosecution Unit	2909708	82,094	-	-	10,203	-	-	10,203
	Total CFDA - 16.588			10,754	150,000	149,449	-	-	10,203
16.575	Victim Assistance Coordinator	2862604	45,000	1,027	1,027	-	-	-	-
16.575	Victim Assistance Coordinator	2862605	45,000	-	45,000	45,000	-	-	-
16.575	TCFV Domestic Violence High Risk		55,000	-	55,000	55,000	-	-	-
	Total CFDA - 16.575			1,027	101,027	100,000	-	-	-
	Total U.S. Department of Justice			137,428	323,229	308,247	-	-	122,446
<u>U. S. Department of Treasury</u>									
21.023	Emergency Rental Assistance	ERA1-2101123522	6,925,864	(4,659,956)	-	2,012,965	-	2,646,991	-
	Total CFDA - 21.023			(4,659,956)	-	2,012,965	-	2,646,991	-
21.027	Coronavirus State and Local Fiscal Recovery Funds		44,521,550	(15,678,345)	22,260,775	8,445,192	-	-	(29,493,928)
	Total CFDA - 21.027			(15,678,345)	22,260,775	8,445,192	-	-	(29,493,928)
	Total U.S. Department of Treasury			(20,338,301)	22,260,775	10,458,157	-	2,646,991	(29,493,928)
<u>U. S. Department of Transportation</u>									
<u>Passed through State Department of Highways and Public Transportation</u>									
20.205	Metropolitan Planning Organization	50-21XF0024	369,075	94,345	94,345	-	-	-	-
20.205	Metropolitan Planning Organization	50-22XF0024	391,954	-	303,437	368,464	-	-	65,027
	Total CFDA - 20.205			94,345	397,782	368,464	-	-	65,027
	Total U.S. Department of Transportation			94,345	397,782	368,464	-	-	65,027
<u>Federal Election Assistance Commission</u>									
90.404	Passed through Texas Secretary of State of Texas Help Americans Vote Act	TX18101001-01-021	40,000	(32,856)	-	27,462	-	-	(5,394)
	Total CFDA - 90.404			(32,856)	-	27,462	-	-	(5,394)
	Total Federal Election Assistance Commission			\$ (32,856)	\$ -	\$ 27,462	\$ -	\$ -	\$ (5,394)

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended September 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Grant Number	Program/Award Amount	Accounts Receivable (Payable) October 1, 2021	Receipts	Expenditures	Amount Provided to Subrecipients	Grant Funds Refunded in 2022	Accounts Receivable (Payable) September 30, 2022
<u>Department of Homeland Security</u>									
Passed through Texas Department of Emergency Management									
Division of Emergency Management	97.042	EMT-2020-EP-00004	\$ 44,739	\$ 22,369	\$ -	\$ -	\$ -	\$ -	-
Division of Emergency Management	97.042	EMT-2021-EP-00004	44,739	44,739	-	(44,739)	-	-	-
Total CFDA - 97.042				67,108	22,369	(44,739)	-	-	-
Passed through Office of the Governor									
WEBEOC	97.067	2957607	22,735	-	22,735	22,735	-	-	-
DVE - CellHawk Project	97.067	4266601	5,995	-	5,995	5,995	-	-	-
Total CFDA - 97.067				-	28,730	28,730	-	-	-
Total Department of Homeland Security				67,108	51,099	(16,009)	-	-	-
<u>U. S. Department of Health and Human Services</u>									
Passed through the Texas Department of Family and Protective Services									
Title IV-E-Legal (CPS)	93.658	HHS000285100040	20,516	7,558	7,558	-	-	-	-
		10/1/20-9/30/21							
Title IV-E-Legal (CPS)	93.658	HHS000285100040	20,516	-	13,521	19,913	-	-	6,392
		10/1/21-9/30/22							
Title IV-E-Foster Care Maintenance	93.658	HHS000285000041	14,514	918	905	(13)	-	-	-
		10/1/20-9/30/21							
Title IV-E-Foster Care Maintenance	93.658	HHS000285000041	14,514	-	2,191	2,870	-	-	679
		10/1/21-9/30/22							
Passed through the Texas Juvenile Justice Department									
Title IV-E - Administration - Juvenile	93.658	TJJD-E-2018-021	-	121	-	-	-	-	121
Title IV-E - Administration - Juvenile	93.658	TJJD-E-2019-021	-	318	-	-	-	-	318
Title IV-E - Administration - Juvenile	93.658	TJJD-E-2020-021	-	199	-	(199)	-	-	-
Title IV-E - Administration - Juvenile	93.658	TJJD-E-2021-021	-	109	-	-	-	-	109
Title IV-E - Maintenance - Juvenile	93.658	TJJD-E-2020-021	-	3,980	2,890	303	-	-	1,393
Title IV-E - Maintenance - Juvenile	93.658	TJJD-E-2021-021	-	2,985	3,334	349	-	-	-
Total U.S Department of Health and Human Services				16,188	30,399	23,223	-	-	9,012
<u>U.S Department of Agriculture</u>									
Passed through the Texas Department of Agriculture									
National School Lunch Program	10.555	07/01/20-06/30/21		2,959	2,959	-	-	-	-
National School Lunch Program	10.555	07/01/21-06/30/22		12,954	56,335	43,381	-	-	-
National School Lunch Program	10.555	07/01/22-06/30/23		-	-	16,528	-	-	16,528
Food Services Division Commodities	10.555	07/01/21-06/30/22	-	-	-	-	-	-	-
Food Services Division Commodities	10.555	07/01/22-06/30/23	-	-	-	-	-	-	-
Total CFDA - 10.555				15,913	59,294	59,909	-	-	16,528
School Breakfast Program	10.553	07/01/20-06/30/21	-	1,878	1,878	-	-	-	-
School Breakfast Program	10.553	07/01/21-06/30/22	-	7,683	32,593	24,910	-	-	-
School Breakfast Program	10.553	07/01/22-06/30/23	-	-	-	10,119	-	-	10,119
Total CFDA - 10.553				9,561	34,471	35,029	-	-	10,119
Total U.S Department of Agriculture				25,474	93,765	94,938	-	-	26,647
Total Federal Assistance				\$ (20,030,614)	\$ 23,157,049	\$ 11,264,482	\$ -	\$ 2,646,991	\$ (29,276,190)

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended September 30, 2022

State Grant or Program Title	Federal Assistance Listing Number	Grant Number	Program/Award Amount	Accounts Receivable (Payable) October 1, 2021	Receipts	Expenditures	Amount Provided to Subrecipients	Grant Funds Refunded in 2022	Accounts Receivable (Payable) September 30, 2022
<u>Texas Office of the Governor</u>									
Criminal Justice Division									
Brazos County Specialty Court	N/A	1803316	\$ 139,861	\$ 28,028	\$ 28,028	\$ -	\$ -	\$ -	\$ -
<u>Texas Juvenile Justice Department</u>									
State Aid	N/A	TJJD-A-2022-021 09/01/21-08/31/22	1,090,162	54,231	1,091,274	1,037,043	-	-	-
State Aid	N/A	TJJD-A-2023-021 09/01/22-08/31/23	1,089,742	-	-	60,591	-	-	60,591
State Aid - Grant R Regionalization	N/A	TJJD-RR-2022-021 09/01/21-08/31/22	18,004	-	18,004	18,004	-	-	-
JJAEP - Discretionary - W	N/A	TJJD-W-2021-021 09/01/21-08/31/22	1,593	(1,593)	-	1,593	-	-	-
JJAEP	N/A	TJJD-P-2022-021 08/01/21-5/31/22	26,058	-	26,058	26,058	-	-	-
Regional Diversion Alternatives Program	N/A	TJJD-R-2022-021 09/01/21-08/31/22	-	-	32,748	32,748	-	-	-
<u>Office of the Attorney General</u>									
SAVNS Program	N/A	2110658	30,123	7,531	7,531	-	-	-	-
SAVNS Program	N/A	2218394	30,144	-	15,072	30,144	-	-	15,072
				7,531	22,603	30,144	-	-	15,072
<u>Texas Indigent Defense Commission</u>									
Public Defender Office	N/A	PB-22-021	1,859,900	-	-	7,174	-	-	7,174
				-	-	7,174	-	-	7,174
<u>Secretary of State</u>									
Reimbursement for Auditable Voting Machines		RAVM-021	1,305,215	-	1,305,215	1,305,215	-	-	-
				-	1,305,215	1,305,215	-	-	-
Total State Assistance				88,197	2,523,930	2,518,570	-	-	82,837
Total Federal and State Assistance				\$ (19,942,417)	\$ 25,680,979	\$ 13,783,052	\$ -	\$ 2,646,991	\$ (29,193,353)



BRAZOS COUNTY, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

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

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

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

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

Indirect Cost Rate – The County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

SUMMARY OF NON-CASH ASSISTANCE

The County regularly receives non-cash assistance in the form of commodities from the U.S. Department of Health and Human Services passed through the Texas Department of Agriculture. However, in fiscal year ended September 30, 2022, the County received \$0 in commodities.

SUMMARY OF INSURANCE RELATED TO GRANT FUNDS

County employees responsible for or with authority to expend or disburse grant funds are covered by various insurance policies. The amounts of these policies vary from \$5,000 to \$10,000.

SUMMARY OF FEDERAL LOANS OR LOAN GUARANTEES

The County had no Federal loans or loan guarantees during this fiscal year.

SUMMARY OF COVID-19 EXPENDITURES

The County expended the following related to its COVID-19 funding:

- Federal Assistance Listing No. 21.027: Coronavirus State and Local Fiscal Recovery Funds - \$8,445,192

BRAZOS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: *unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? X yes no
- Significant deficiency(s) identified that are not considered to be material weaknesses? yes X no
- Noncompliance material to financial statements noted? yes X no

Federal and State Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(s) identified that are not considered to be material weaknesses? yes X no

Type of auditor's report issued on compliance for major programs: *unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and section 510(a) of the *State of Texas Single Audit Circular*? yes X no

Identification of major programs:

<i>Assistance Listing Number(s)</i>	<i>Name of Federal or State Program or Cluster</i>
21.023	Emergency Rental Assistance (Major Federal Program)
21.027	Coronavirus State and Local Fiscal Recovery Funds (Major Federal Program)
N/A	Reimbursement for Auditable Voting Machines (Major State of Texas Program)

Dollar threshold used to distinguish between type A and type B federal programs: \$750,000

Dollar threshold used to distinguish between type A and type B state programs: \$750,000

Auditee qualified as low-risk auditee for Federal Single Audit? yes X no

Auditee qualified as low-risk auditee for State of Texas Single Audit? yes X no

BRAZOS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

2022-01 Unearned Revenue

Criteria: In accordance with generally accepted accounting principles, unspent grant funds should be reported as unearned revenue.

Condition: We noted that the County did not make an adjustment to record unspent Coronavirus State and Local Fiscal Recovery Funds as unearned revenue at September 30, 2022. This resulted in grant revenue being overstated and unearned revenue being understated in the grant fund by approximately \$29,493,000.

Cause: This finding appears to have been an oversight of County personnel.

Effect: Grant revenue was overstated and unearned revenue was understated in the grant fund by approximately \$29,493,000.

Questioned Costs: This finding did not result in any questioned costs.

Context: We traced unspent grant funds on the schedule of federal and state awards to an unearned revenue account on the trial balance. For the one grant mentioned in this finding, the unearned revenue balance was \$0 on the trial balance.

Recommendation: We recommend the County ensures all adjustments are made for unearned revenue as part of its year-end adjustments.

Management's Response: The County Auditor's Office agrees with the comment and the recommendation. The County's standard procedure is to record unspent grant funds as unearned revenue. This finding was an oversight, and an adjustment entry was made to the general ledger to record these unspent funds appropriately in the year ended September 30, 2022.

Corrective Action Planned: The County will continue to review and monitor all grant funds and will make the necessary adjustments to the unearned revenue as applicable at year end.

SECTION III – FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings and questioned costs which are required to be reported in accordance with the Uniform Guidance.

There were no state award findings and questioned costs which are required to be reported in accordance with the State of Texas *Single Audit Circular*.

BRAZOS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

SECTION II - FINANCIAL STATEMENT FINDINGS

The following are financial statement findings which are required to be reported in accordance with *Government Auditing Standards*.

2021-01 Medical Claims Payable

Condition: We noted that the County did not make an adjustment to agree their medical claims payable on the trial balance to their medical claims payable estimate for fiscal year 2021. This resulted in medical claims payable and expense being overstated in the Health & Life insurance Fund by approximately \$664,000.

Recommendation: We recommend the County ensures all adjustments are made for medical claims payable as part of its year-end adjustments.

Management's Response: The County Auditor's Office agrees with the comment and the recommendation. The County has always taken the conservative approach regarding the medical claims payable amount. Standard procedures were to adjust our liability as necessary for increases or decreases. For the year ended September 30, 2021, the liability on the County's books was greater than the amount that could be documented using reports from Blue Cross Blue Shield and therefore it needed to be reduced.

Corrective Action Planned: The County will continue to review the medical claims payable as part of its year end procedures and will make the necessary adjustments to the liability at year end.

Status: Corrective action was taken during fiscal year 2022.

SECTION III – FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

The following are Federal award findings and questioned costs which are required to be reported in accordance with the Uniform Guidance.

2021-02 Non-Compliance with Requirements of Suspension & Debarment

CFDA No: 21.023

Program Title: Emergency Rental Assistance (ERA 1) Program

Agency: U.S. Department of the Treasury

Contract No.: ERA1-21011235223

Contract Period: 1/12/21-9/30/22

Criteria: The Emergency Rental Assistance funding agreement states that 2 CFR Part 180 applies to this grant. In accordance with 2 CFR Part 180, the County must check all recipients for suspension and debarment before payments are made to the recipients.

BRAZOS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS-CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2022
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

Condition: During review of this compliance requirement, three instances of noncompliance were noted. There were three recipients of funding for which County could not provide documentation showing the check for suspension and debarment was performed.

Cause: This appears to have been an oversight by Brazos County personnel. The documentation for the search performed for one of the recipients did not include the name of the recipient. Regarding the other two recipients, Brazos County did not save documentation of the search that was performed.

Effect: The requirements of the funding agreement were not fully adhered to.

Questioned Costs: This finding did not result in any questioned costs.

Context: We tested 40 recipients who received funding through the County under the Emergency Rental Assistance Program.

Recommendation: IWC recommends that County staff remain diligent in its procedures for maintaining a documentation trail for the suspension and debarment checks that are performed.

Management's Response: The County Auditor's Office agrees with the comment and the recommendation. The County already follows a policy to include certifications for non-debarment and suspension for vendors prior to issuing payment. This was followed for all payments made regarding the Emergency Rental Assistance funding, however the documentation from 3 recipients was not saved properly.

Corrective Action Planned: The County will be more diligent in their procedures for maintaining a documentation trail for the suspension and debarment checks that are performed.

Status: Corrective action was taken during fiscal year 2022.

There were no State award findings which are required to be reported in accordance with the State of Texas *Grant Management Standards* (TxGMS), which includes the State of Texas *Single Audit Circular*.

