

OFFICIAL STATEMENT DATED MAY 19, 2026

NEW ISSUE - Book-Entry-Only System

RATING: S&P: "AA+" (stable outlook)
(see "RATING", herein)

In the opinion of Bond Counsel, assuming continuing compliance by the County (defined below) after the date of initial delivery of the Obligations (hereafter defined) with certain covenants contained in the Order (hereafter defined) authorizing the Obligations and subject to the matters set forth under "TAX MATTERS" herein, interest on the Obligations for federal income tax purposes under existing law (1) will be excludable from the gross income of the owners thereof pursuant to section 103 of the Internal Revenue Code of 1986, as amended to the date of initial delivery of the Obligations, and (2) will not be an item of tax preference for the purposes of the alternative minimum tax for the owners thereof who are individuals (see "TAX MATTERS" herein).

THE COUNTY HAS NOT DESIGNATED THE TAX-EXEMPT OBLIGATIONS AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS

BRAZOS COUNTY, TEXAS
(A Political Subdivision of the State of Texas)

\$6,760,000
GENERAL OBLIGATION BONDS,
SERIES 2026

\$36,175,000
CERTIFICATES OF OBLIGATION,
SERIES 2026

Dated: June 1, 2026

Due: as shown on inside cover page

The Brazos County, Texas \$6,760,000 General Obligation Bonds, Series 2026 (the "Bonds") are being issued by Brazos County, Texas (the "County"), pursuant to (i) the Constitution and general laws of the State of Texas (the "State"), including, particularly, Chapter 1301, Texas Government Code, as amended; and (ii) the terms of the order authorizing the issuance of the Bonds adopted by the Commissioners Court of the County (the "Commissioners Court") on May 19, 2026 (the "Bond Order") and (iii) an election held on November 8, 2022.

The Brazos County, Texas \$36,175,000 Certificates of Obligation, Series 2026 (the "Certificates" together with the Bonds, the "Obligations") are being issued by the County, pursuant to (i) the Constitution and general laws of the State, including, particularly, Subchapter C, Chapter 271, Texas Local Government Code, and Section 320.073, Texas Local Government Code; and (ii) the terms of the order authorizing the issuance of the Certificates adopted by the Commissioners Court of the County (the "Commissioners Court") on May 19, 2026 (the "Certificate Order", together with the Bond Order, the "Order").

The Obligations will be issued in registered form in principal denominations of \$5,000 or any integral multiple thereof. The County intends to utilize the Book-Entry Only System of The Depository Trust Company, New York, New York ("DTC"), but reserves the right to discontinue the use of such system. Debt service on the Obligations will be payable by the Paying Agent/Registrar (the "Paying Agent/Registrar"), which initially is BOKF, NA, Austin, Texas, to Cede & Co., as nominee of DTC. Such Book-Entry Only System will affect the method and timing of payment and the method of transfer. DTC will be responsible for distributing the principal and interest payments to the participating members of DTC and the participating members will be responsible for distributing the payment to the owners of beneficial interests (the "Beneficial Owners") of the Obligations. See "BOOK-ENTRY ONLY SYSTEM." So long as the Obligations are in book-entry only form, and DTC is the securities depository, Cede & Co., as nominee for DTC, will be the registered owner of the Obligations and references herein to Owners, Bondholders, Obligation holders or registered owners shall mean Cede & Co., and not the Beneficial Owners of the Obligations.

Interest on the Obligations will accrue from the Date of Delivery (defined below) and is payable on March 1 and September 1 of each year, commencing on March 1, 2027. The Obligations mature and are payable as set forth on the pages ii and iii of this document.

The Bonds are direct obligations of the County and are payable both as to principal and interest from the levy and collection of a direct and continuing ad valorem tax, levied annually, within the limits prescribed by law, on all taxable property located within the County

The Certificates are direct obligations of the County and are payable both as to principal and interest from the levy and collection of a direct and continuing ad valorem tax, levied annually, within the limits prescribed by law, on all taxable property located within the County and a limited portion of \$1,000 of the revenues of the Brazos Center, the County's convention, and meeting facility.

MATURITY SCHEDULES, INTEREST RATES, PRICES OR YIELDS, AND CUSIP NUMBERS

See Schedule on Inside of Cover Page

The Obligations are subject to redemption as set forth herein. See "THE OBLIGATIONS – Redemption".

The Obligations are offered when, as and if issued by the County and received by the Initial Purchaser and are subject to the approving opinion of the Attorney General of the State and the legal opinion of Winstead PC, San Antonio, Texas, as Bond Counsel. The legal opinion of Bond Counsel will be printed or attached to the Obligations (see "APPENDIX B - FORMS OF BOND COUNSEL OPINION"). It is expected that the Obligations will be available for delivery through DTC on or about June 16, 2026 (the "Date of Delivery").

\$6,760,000
BRAZOS COUNTY, TEXAS
GENERAL OBLIGATION BONDS,
SERIES 2026

MATURITY SCHEDULE, INTEREST RATES, PRICE OR YIELD, AND CUSIP NUMBERS ⁽¹⁾
FOR THE BONDS

MATURITY SCHEDULE
Base CUSIP No. 106205

<u>Maturity</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <u>Number⁽¹⁾</u>	<u>Maturity</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <u>Number⁽¹⁾</u>
2027	\$145,000	5.000%	2.890%	UW5	2037	\$340,000	5.000%	3.610% ⁽²⁾	VG9
2028	220,000	5.000%	2.860%	UX3	2038	355,000	5.000%	3.690% ⁽²⁾	VH7
2029	230,000	5.000%	2.910%	UY1	2039	375,000	5.000%	3.790% ⁽²⁾	VJ3
2030	240,000	5.000%	2.990%	UZ8	2040	390,000	5.000%	3.820% ⁽²⁾	VK0
2031	250,000	5.000%	3.080%	VA2	2041	410,000	5.000%	3.900% ⁽²⁾	VL8
2032	265,000	5.000%	3.180%	VB0	2042	430,000	4.125%	4.275%	VM6
2033	280,000	5.000%	3.220%	VC8	2043	450,000	4.125%	4.332%	VN4
2034	290,000	5.000%	3.320%	VD6	2044	470,000	4.250%	4.410%	VP9
2035	305,000	5.000%	3.420%	VE4	2045	485,000	4.250%	4.444%	VQ7
2036	320,000	5.000%	3.520%	VF1	2046	510,000	4.375%	4.565%	VR5

The Bonds maturing on and after September 1, 2037, will be subject to redemption prior to maturity at the option of the County on September 1, 2036, or any date thereafter, as described herein (see “THE OBLIGATIONS – Redemption.)

(Interest to accrue from Date of Delivery)

- (1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor’s Financial Services LLC on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. CUSIP numbers are provided for convenience of reference only. Neither the County, the Municipal Advisor (as defined herein), nor the Initial Purchaser take any responsibility for the accuracy of such numbers.
- (2) Yield calculated based on the assumption that the Bonds denoted and sold at a premium will be redeemed on September 1, 2036, the first optional call date for such bonds, at a redemption price of par plus accrued interest to the redemption date.

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\$36,175,000
BRAZOS COUNTY, TEXAS
CERTIFICATES OF OBLIGATION,
SERIES 2026

MATURITY SCHEDULE, INTEREST RATES, PRICE OR YIELD, AND CUSIP NUMBERS ⁽¹⁾
FOR THE CERTIFICATES

MATURITY SCHEDULE
Base CUSIP No. 106205

<u>Maturity</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <u>Number⁽¹⁾</u>	<u>Maturity</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <u>Number⁽¹⁾</u>
2027	\$350,000	5.000%	2.800%	VS3	2037	\$1,855,000	5.000%	3.530% ⁽²⁾	WC7
2028	710,000	5.000%	2.790%	VT1	2038	1,950,000	5.000%	3.610% ⁽²⁾	WD5
2029	1,255,000	5.000%	2.830%	VU8	2039	2,045,000	5.000%	3.690% ⁽²⁾	WE3
2030	1,320,000	5.000%	2.910%	VV6	2040	2,150,000	5.000%	3.740% ⁽²⁾	WF0
2031	1,385,000	5.000%	3.010%	VW4	2041	2,255,000	5.000%	3.830% ⁽²⁾	WG8
2032	1,455,000	5.000%	3.090%	VX2	2042	2,370,000	4.125%	4.275%	WH6
2033	1,525,000	5.000%	3.150%	VY0	2043	2,465,000	4.125%	4.330%	WJ2
2034	1,605,000	5.000%	3.240%	VZ7	2044	2,565,000	4.250%	4.400%	WK9
2035	1,685,000	5.000%	3.340%	WA1	2045	2,675,000	4.250%	4.444%	WL7
2036	1,765,000	5.000%	3.430%	WB9	2046	2,790,000	4.375%	4.565%	WM5

The Certificates maturing on and after September 1, 2037, will be subject to redemption prior to maturity at the option of the County on September 1, 2036, or any date thereafter, as described within (see “THE OBLIGATIONS – Redemption.)

(Interest to accrue from Date of Delivery)

- (1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor’s Financial Services LLC on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. CUSIP numbers are provided for convenience of reference only. Neither the County, the Municipal Advisor (as defined herein), nor the Initial Purchaser take any responsibility for the accuracy of such numbers.
- (2) Yield calculated based on the assumption that the Certificates denoted and sold at a premium will be redeemed on September 1, 2036, the first optional call date for such bonds, at a redemption price of par plus accrued interest to the redemption date.

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USE OF INFORMATION IN OFFICIAL STATEMENT

No dealer, salesman or any other person has been authorized by the County or by the Initial Purchaser to give any information or to make any representations, other than the information and representations contained herein, in connection with the offering of the Obligations, and, if given or made, such information or representations must not be relied upon as having been authorized by the County or the Initial Purchasers. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, any of the Obligations by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

Certain information set forth in this Official Statement has been furnished by the County and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Initial Purchaser. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof. The delivery of this Official Statement at any time does not imply that the information herein is correct as to any time subsequent to its date. See "CONTINUING DISCLOSURE OF INFORMATION" for a description of the County's undertaking to provide certain information on a continuing basis.

The price and other terms representing the offering and sale of the Obligations may be changed from time to time by the Initial Purchaser after the Obligations are released for sale, and the Obligations may be offered and sold at prices other than the initial offering price, including sales to dealers who may sell the Obligations into investment accounts. IN CONNECTION WITH THE OFFERING AND SALE OF THE OBLIGATIONS, THE INITIAL PURCHASER MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE OBLIGATIONS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN OPEN MARKETS. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE OBLIGATIONS ARE EXEMPT FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE OBLIGATIONS IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTION IN WHICH THESE OBLIGATIONS HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED FROM REGISTRATION SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

None of the County, the Municipal Advisor, or the Initial Purchaser make any representation regarding the information contained in this Official Statement regarding The Depository Trust Company or its book-entry-only system, as such information has been furnished by The Depository Trust Company (see "BOOK-ENTRY-ONLY-SYSTEM").

THE COVER PAGE CONTAINS CERTAIN INFORMATION FOR GENERAL REFERENCE ONLY AND IS NOT INTENDED AS A SUMMARY OF THIS OFFERING. INVESTORS SHOULD READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

THIS OFFICIAL STATEMENT CONTAINS "FORWARD-LOOKING" STATEMENTS WITHIN THE MEANING OF SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. SUCH STATEMENTS MAY INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE AND ACHIEVEMENTS TO BE DIFFERENT FROM THE FUTURE RESULTS, PERFORMANCE AND ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED THAT THE ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN THE FORWARD-LOOKING STATEMENTS.

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The cover page, this page and the Appendices attached hereto are part of the Official Statement.

BRAZOS COUNTY, TEXAS

200 South Texas Avenue
Bryan, Texas 77803

COUNTY OFFICIALS

Commissioners Court

	<u>Term Expires</u>
Duane Peters..... County Judge	12-31-2026 ⁽¹⁾
Bentley Nettles Commissioner Precinct 1	12-31-2028
Chuck Konderla Commissioner Precinct 2	12-31-2026 ⁽¹⁾
Fred Brown..... Commissioner Precinct 3	12-31-2028
Wanda Watson Commissioner Precinct 4	12-31-2026 ⁽¹⁾

Other Elected Officials

	<u>Term Expires</u>
Melissa Leonard..... Tax Assessor/Collector	12-31-2028
Karen McQueen..... County Clerk	12-31-2026
Earl Gray..... County Attorney	12-31-2028
Cristian Villareal..... County Treasurer	12-31-2026

Appointed Officials

	<u>Term Expires</u>
Marci Turner..... County Auditor	9-30-2027

⁽¹⁾ Judge Peters and Commissioner Konderla did not seek re-election. Commissioner Watson won the primary election and has an opponent in the November 2026 general election.

CONSULTANTS AND ADVISORS

BOND COUNSEL

Winstead PC
San Antonio, Texas

MUNICIPAL ADVISOR

PFM Financial Advisors LLC
Austin, Texas

OUTSIDE AUDITOR

Ingram, Wallis & Company
Bryan, Texas

For additional information regarding the County, please contact:

Marci Turner
County Auditor
Brazos County
200 South Texas Avenue
Suite 218
Bryan, Texas 77803
(979) 361-4350

or

Dennis P. Waley
Blake Roberts
PFM Financial Advisors LLC
111 Congress Avenue
Suite 2150
Austin, Texas 78701
(512) 614-5323

SELECTED DATA FROM THE OFFICIAL STATEMENT

THIS OFFICIAL STATEMENT SUMMARY, BEING PART OF THE OFFICIAL STATEMENT, IS SUBJECT IN ALL RESPECTS TO THE MORE COMPLETE INFORMATION CONTAINED THEREIN. THE OFFERING OF THE OBLIGATIONS TO POTENTIAL INVESTORS IS MADE ONLY BY MEANS OF THE ENTIRE OFFICIAL STATEMENT. NO PERSON IS AUTHORIZED TO DETACH THIS SUMMARY FROM THE OFFICIAL STATEMENT OR OTHERWISE TO USE SAME WITHOUT THE ENTIRE OFFICIAL STATEMENT. CERTAIN DEFINED TERMS USED IN THIS SUMMARY ARE DEFINED ELSEWHERE IN THIS OFFICIAL STATEMENT. THIS SUMMARY IS INCLUDED FOR QUICK REFERENCE TO CERTAIN FACTS. THE ENTIRE OFFICIAL STATEMENT REPRESENTS THE COUNTY'S INTENDED DISCLOSURE CONCERNING THE OBLIGATIONS; THEREFORE, PROSPECTIVE INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT.

- The County** Brazos County was created in 1841. Four elected Commissioners and one elected County Judge govern the County, each serving 4-year terms. The total area of the County is approximately 583 square miles.
- The Obligations** The Brazos County General Obligation Bonds, Series 2026 (the "Bonds") are being issued in the aggregate principal amount of \$6,760,000 pursuant to (i) the Constitution and general laws of the State, including, particularly, Chapter 1301, Texas Government Code, as amended; and (ii) the terms of the order authorizing the issuance of the Bonds adopted by the Commissioners Court of the County (the "Commissioners Court") on May 19, 2026 (the "Bond Order") and (iii) an election held on November 8, 2022.
- The Brazos County Certificates of Obligation, Series 2026 (the "Certificates" together with the Bonds, the "Obligations") are being issued in the aggregate principal amount of \$36,175,000 pursuant to (i) the Constitution and general laws of the State, including, particularly, Subchapter C, Chapter 271, Texas Local Government Code, and Section 320.073, Texas Local Government Code; and (ii) the terms of the order authorizing the issuance of the Certificates adopted by the Commissioners Court of the County (the "Commissioners Court") on May 19, 2026 (the "Certificate Order," together with the Bond Order the "Order").
- Payment of Interest** Interest on the Obligations accrues from Date of Delivery and is payable semiannually on March 1 and September 1, of each year commencing on March 1, 2027.
- Security for the Obligations** Principal of and interest on the Bonds will be payable from the receipts of an ad valorem tax levied on all taxable property within the County, within legal limitations. See "THE OBLIGATIONS – Source of Payment" and "TAX RATE LIMITATIONS". Principal of and interest on the Certificates will be payable from the receipts of an ad valorem tax levied on all taxable property within the County, within legal limitations, and from a limited pledge of \$1,000 of the revenues of the Brazos Center, the County's convention and meeting facility (see "THE OBLIGATIONS – Source of Payment" and "TAX RATE LIMITATIONS").
- Redemption of the Obligations** The County has reserved the right, at its option, to redeem Bonds having stated maturities on and after September 1, 2037 in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on September 1, 2036, or any date thereafter, at par value thereof plus accrued interest to the date fixed for redemption (see "THE OBLIGATIONS – Redemption").
- The County has reserved the right, at its option, to redeem Certificates having stated maturities on and after September 1, 2037 in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on September 1, 2036, or any date thereafter, at par value thereof plus accrued interest to the date fixed for redemption.

Book-Entry-Only System	The Obligations are initially issuable only to Cede & Co., the nominee of The Depository Trust Company (“DTC”) pursuant to its Book-Entry-Only System. No physical delivery of the Obligations will be made to the Beneficial Owners of the Obligations. Principal and interest will be paid to Cede & Co., which will distribute such payment to the participating members of DTC for remittance to the Beneficial Owners of the Obligations (see “THE OBLIGATIONS - Book-Entry-Only System”).
Tax Exemption	In the opinion of Bond Counsel, interest on the Obligations will be excludable from gross income for federal income tax purposes under existing law, subject to the matters described under the caption “TAX MATTERS”.
Rating	The Obligations have received ratings of “AA+” from S&P Global Ratings (“S&P”). The presently outstanding limited ad valorem tax-supported debt of the County is also rated “AA+” by S&P. See “RATING”.
Use of Proceeds	<p>Proceeds of the sale of the Bonds will be used for (1) the purpose of providing funds for permanent public improvements, including roads, bridges, and highways within the County, including the acquisition of land and rights-of-way therefor, and (2) the payment of contractual obligations for professional services in connection with such projects, including, but not limited to, financial advisory, legal, architectural, and engineering (see “THE OBLIGATIONS – Purpose” in this Official Statement).</p> <p>Proceeds of the sale of the Certificates will be used for (1) improvements to the County Courthouse Annex Building; (2) the County administration building; and (3) the payment of contractual obligations for professional services in connection with such projects including, but not limited to, financial advisory, legal, architectural, and engineering (see “THE OBLIGATIONS – Purpose” in this Official Statement).</p>
Payment Record	The County has never defaulted in paying the principal of or interest on any of its debt.
Future Debt Issues	The County does not anticipate the issuance of any additional debt payable from ad valorem taxes in the next 12 months.
Expected Delivery	Delivery of the Obligations is anticipated to occur on or about June 16, 2026.

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FINANCIAL HIGHLIGHTS

2025 / 2026 Taxable Assessed Valuation	\$ 34,234,055,188 ^(a)
Total Debt Payable from Ad Valorem Taxes ("TaxDebt").....	\$ 124,170,000 ^(b)
Ratio of Tax Debt to 2025 / 2026 Net Taxable Value.....	0.34%
2025 Estimated Population	249,624 ^(c)
Tax Debt Per Capita.....	\$ 469.20
Net Taxable Assessed Valuation Per Capita.....	\$ 137,142.48
Total Overlapping and Net Tax Debt.....	\$ 1,570,070,937 ^{(b)(d)}
Ratio of Total Overlapping and Direct Tax Debt to 2025 / 2026 Taxable Assessed Valuation.....	4.59%
Total Overlapping Tax Debt and Direct Tax Debt Per Capita.....	\$ 6,289.74
Average Current Tax Collections for Fiscal Years 202-2026.....	98.93%
Average Total Tax Collections for Fiscal Years 2021-2026.....	99.35%

^(a) Source: Brazos County Appraisal District. See "AD VALOREM TAXES".

^(b) Includes the Obligations

^(c) As estimated by the Texas State Data Center.

^(d) See "TAX DATA - Estimated Overlapping Debt".

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OFFICIAL STATEMENT

Relating to

BRAZOS COUNTY, TEXAS
(A Political Subdivision of the State of Texas)

\$6,760,000
GENERAL OBLIGATION BONDS,
SERIES 2026

\$36,175,000
CERTIFICATES OF OBLIGATION,
SERIES 2026

INTRODUCTION

This Official Statement provides certain information in connection with the issuance by Brazos County, Texas (the “County”) of \$6,760,000 General Obligation Bonds, Series 2026 (the “Bonds”) and \$36,175,000 Certificates of Obligation, Series 2026 (the “Certificates”, together with the Bonds, the “Obligations”). The Bonds are being issued pursuant to (i) the Constitution and general laws of the State of Texas, including, particularly, Chapter 1301, Texas Local Government Code, as amended; and (ii) the terms of the order authorizing the issuance of the Bonds adopted by the Commissioners Court of the County (the “Commissioners Court”) on May 19, 2026 (the “Bond Order”) and (iii) an election held on November 8, 2022. The Certificates are being issued pursuant to (i) the Constitution and general laws of the State of Texas, including, particularly, Subchapter C, Chapter 271, Texas Local Government Code, as amended, and Section 320.073, Texas Local Government Code, as amended; and (ii) the terms of the order authorizing the issuance of the Certificates adopted by the Commissioners Court of the County (the “Commissioners Court”) on May 19, 2026 (the “Certificate Order” and together with the Bond Order, the “Order”).

There follows in this Official Statement descriptions of the Obligations, the Order, and certain information about the County and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the County or the County’s Municipal Advisor at the contact information shown on page v.

THE OBLIGATIONS

Set forth below is a description of the Obligations. The Order authorizes the issuance and prescribes the terms, conditions and provisions for payment of the principal of and interest on the Obligations by the County. Such summary is not a complete description of the Order and is qualified by reference to the Order, copies of which are available from the County or its Municipal Advisor.

Purpose

Proceeds of the sale of the Bonds will be used for (1) the purpose of providing funds for permanent public improvements, including roads, bridges, and highways within the County, including the acquisition of land and rights-of-way therefor, and (2) the payment of contractual obligations for professional services in connection with such projects (including, but not limited to, financial advisory, legal, architectural, and engineering).

Proceeds of the sale of the Certificates will be used for (1) improvements to the County Courthouse Annex Building; (2) the County administration building; and (3) the payment of contractual obligations for professional services in connection with such projects (including, but not limited to, financial advisory, legal, architectural, and engineering).

Source of Payment

The Bonds are payable from the receipts of an annual ad valorem tax levied on all taxable property within the County, within the limits prescribed by law. The Certificates are payable from the receipts of an annual ad valorem tax levied on all taxable property within the County, within the limits prescribed by law and from \$1,000 of the revenues of the

Brazos Center, the County's convention and meeting facility. See "TAX RATE LIMITATIONS". Pursuant to the provisions of the Order, the Commissioners Court, as the governing body of the County, has levied and agreed to assess and collect these annual ad valorem taxes. Each year the Commissioners Court, as governing body, will make a determination of the taxes to be collected to pay interest as it accrues and principal as it matures on the Obligations, and will formally levy such taxes for that year. The receipts of such taxes are to be credited to a separate fund to be used solely for the payment of the principal of and interest on the Obligations.

Perfection of Interest in Source of Payment

Chapter 1208, Texas Government Code, applies to the issuance of the Obligations and the pledge of taxes to the repayment thereof, as previously described herein, and such pledge is, therefore, valid, effective, and perfected. Should Texas law be amended at any time while the Obligations are outstanding and unpaid, the result of such amendment being that the aforementioned pledge is subject to the filing requirements of Chapter 9, Texas Business and Commerce Code, to preserve to the registered owners of the Obligations a security interest in any such pledge, the County has, in the Order, agreed to take such measures as it determines are reasonable and necessary to enable a filing of security interest in any of said pledge to occur.

Description

The Obligations are dated June 1, 2026, and will bear interest from the Date of Delivery, as defined in the cover hereof, at the stated interest rates indicated on pages ii and iii hereof. Interest on the Obligations will be payable on March 1 and September 1 of each year, commencing March 1, 2027. The Obligations will mature on the dates indicated on pages ii and iii hereof.

Principal will be payable at maturity by the Paying Agent/Registrar, which initially is BOKF, NA, Austin, Texas. Interest on the Obligations is payable by the Paying Agent/Registrar to registered owners as shown on the records relating to the Obligations maintained by the Paying Agent/Registrar (the "Register") on the Record Date (hereinafter defined). However, the Obligations are initially issuable only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. While the Book-Entry-Only System is being utilized, payments of principal of and interest on the Obligations will be made directly to DTC which in turn will distribute such payments to the participants who will then pay the Beneficial Owners (see "THE OBLIGATIONS – Book-Entry-Only System" for a more complete description of such system). If the date for the payment of the principal of or interest on an Obligation is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city where the designated office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment will be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or a day on which banking institutions are authorized to close and payment on such date will have the same force and effect as if made on the original date payment was due.

Redemption

The County has reserved the right, at its option, to redeem the Obligations maturing September 1, 2037, and thereafter, in whole or in part, in the principal amount of \$5,000 or any integral multiple thereof (and if within a maturity by lot) on September 1, 2036, or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. If less than all of the Obligations are to be redeemed, the County may select the maturities of Obligations to be redeemed.

If less than all the Obligations of any maturity are to be redeemed, the Paying Agent/Registrar (or DTC while the Obligations are in Book-Entry-Only form) will determine by lot the Obligations, or portions thereof, within such maturity to be redeemed. If a Obligations (or any portion of the principal sum thereof) has been called for redemption and notice of such redemption has been given, such Obligations (or the principal amount thereof to be redeemed) will become due and payable on such redemption date and interest thereon will cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

Notice of Redemption of the Obligations

Not less than 30 days prior to a redemption date for the Obligations, the County will cause a notice of redemption to be sent by United States mail, first-class postage prepaid, to the registered owners of the Obligations to be redeemed, in whole or in part, at the address of the registered owner appearing on the Register at the close of business on the business day next preceding the date of mailing such notice. ANY NOTICE OF REDEMPTION SO MAILED WILL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, IRRESPECTIVE OF WHETHER ONE OR MORE OWNERS FAILED TO RECEIVE SUCH NOTICE OR ANY DEFECT IN SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN, THE OBLIGATIONS CALLED FOR REDEMPTION WILL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, PROVIDED PAYMENT FOR THEIR REDEMPTION HAS BEEN DEPOSITED WITH THE PAYING AGENT/REGISTRAR, AND, NOTWITHSTANDING THAT ANY OBLIGATION OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH OBLIGATION OR PORTION THEREOF WILL CEASE TO ACCRUE.

Conditional Notice of Redemption

Notwithstanding anything in the Order to the contrary, the County may make any notice of redemption conditional on the occurrence of a condition precedent. In the event that the County chooses to provide a conditional notice of redemption, the County must include in the notice of redemption that the redemption is conditioned upon the occurrence of a condition precedent. The Paying Agent/Registrar must give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Obligations subject to conditional redemption and such redemption has been rescinded shall remain Outstanding and the rescission of such redemption shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the County to make money or authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default.

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Sources and Uses of Funds

The proceeds from the sale of the Bonds and the Certificates, will be applied in accordance with the following table.

	<u>The Bonds</u>	<u>The Certificates</u>
Sources of Funds:		
Par Amount of the Bonds	\$6,760,000.00	\$36,175,000.00
Net Premium	<u>382,242.90</u>	<u>2,210,768.55</u>
Total Sources of Funds	<u>\$7,142,242.90</u>	<u>\$38,385,768.55</u>
Uses of Funds:		
Deposit to Construction Fund	\$7,000,000.00	\$38,000,000.00
Costs of Issuance	71,347.40	132,219.89
Purchaser's Discount	<u>70,895.50</u>	<u>253,548.66</u>
Total Uses of Funds	<u>\$7,142,242.90</u>	<u>\$38,385,768.55</u>

Book-Entry-Only System

This section describes how ownership of the Obligations is to be transferred and how the principal of, premium, if any, and interest on the Obligations are to be paid to and credited by DTC, while the Obligations are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The County and the Initial Purchaser believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.

The County cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Obligations, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Obligations), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Obligations. The Obligations will be issued as fully-registered securities in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Obligations, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities Obligations. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is a holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of

“AA+.” The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Obligations under the DTC system must be made by or through Direct Participants, which will receive a credit for the Obligations on DTC’s records. The ownership interest of each actual purchaser of each Obligation (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Obligations are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive physical Obligations representing their ownership interests in Obligations, except in the event that use of the book-entry system for the Obligations is discontinued.

To facilitate subsequent transfers, all Obligations deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Obligations with DTC and their registration in the name of Cede & Co., or such other DTC nominee, do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Obligations; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Obligations are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Obligations may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Obligations, such as redemptions, tenders, defaults and proposed amendments to the Obligation documents. For example, Beneficial Owners of Obligations may wish to ascertain that the nominee holding the Obligations for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent/Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Obligations within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Obligations unless authorized by a Direct Participant in accordance with DTC’s Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts Obligations are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Obligations will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the County or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent/Registrar, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. All payments on the Obligations to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Paying Agent/Registrar. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and reimbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Obligations at any time by giving reasonable notice to the County or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Obligations for the Obligations are required to be printed and delivered. Discontinuance

by the County of use of the system of book-entry transfers through DTC may require compliance with DTC operational arrangements.

The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). Discontinuance of the system of book-entry transfers by the County may require the consent of Participants under DTC's Operational Arrangements. In that event, Obligations for the Obligations will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but none of the County, the Municipal Advisor or the Initial Purchaser take responsibility for the accuracy thereof.

Use of Certain Terms in Other Sections of this Official Statement

In reading this Official Statement it should be understood that while the Obligations are in the book-entry-only system, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Obligations, but (i) all rights of ownership must be exercised through DTC and the book-entry-only system, and (ii) except as described above, notices that are to be given to registered owners under the Order will be given only to DTC.

Effect of Termination of Book-Entry-Only System

In the event that the book-entry-only system is discontinued by DTC or the use of the book-entry-only system is discontinued by the County, printed certificates for the Obligations will be issued to the holders and the Obligations will be subject to transfer, exchange and registration provisions as set forth in the Order and summarized under "THE OBLIGATIONS— Transfer, Exchange and Registration" below.

Ownership

The County, the Paying Agent/Registrar, and any other person will treat the person in whose name any Obligation is registered on the Register as the absolute owner of such Obligation for the purposes of making payment of the principal thereof and the interest thereon and for all other purposes, whether or not such Obligation is overdue. Neither the County nor the Paying Agent/Registrar will be bound by any notice or knowledge to the contrary. All payments made to the registered owner of such Obligation in accordance with the Order will be valid and effectual and will discharge the liability of the County and the Paying Agent/Registrar for such Obligation to the extent of the sums paid.

Amendments to Order

In the Order, the County has reserved the right to amend, change, or modify the Order without the consent of or notice to any Owners, as may be required (i) by the provisions in the Order, (ii) for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (iii) in connection with any other change which is not to the prejudice of the Owners. In addition, the County may, with the written consent of the Owners of a majority in aggregate principal amount of Obligations then outstanding affected thereby, amend, change, modify, or rescind any provision of the Order; provided, however, that without the consent of all of the Owners affected, no such amendment, change, modification, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Obligations, reduce the principal amount or redemption price thereof or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on bonds or certificates on a parity with the lien of the Obligations, (ii) give any preference of any Obligation over any other Obligation, (iii) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Obligations required for consent to any such amendment, change, modification, or rescission.

In the event that the County desires to make any amendment or addition to or rescission of the Order requiring consent of the Owners, the County must cause notice of the amendment, addition, or rescission to be given as described above for a notice of redemption. When, at any time within one year after the date of the giving of such notice, the County has received an instrument or instruments in writing executed by the appropriate number of Owners of the Obligations then outstanding affected by any such amendment, addition, or rescission requiring the consent of Owners, which

instrument or instruments refer to the proposed amendment, addition, or rescission described in such notice and specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the County may adopt such amendment, addition, or rescission in substantially such form, except as herein provided. No Owner may thereafter object to the adoption of such amendment, addition, or rescission, or to any of the provisions thereof, and such amendment, addition, or rescission will be fully effective for all purposes.

Registration, Transfer and Exchange

In the event the Book-Entry-Only System should be discontinued for the Obligations, the Obligations affected by the change may be transferred and exchanged on the Register only upon presentation and surrender thereof to the Paying Agent/Registrar at its designated office and such transfer or exchange will be without expense or service charge to the Owner except for any tax or other governmental charges required to be paid with respect to such registration, exchange and transfer. The Obligations may be assigned by the execution of an assignment form printed on the Obligations or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. New Obligations registered and delivered in an exchange or transfer will be of the same type, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Obligations surrendered for exchange or transfer.

Record Date for Interest Payment

The record date for determining the person to whom the interest on an Obligation is payable on any interest payment date of a Obligation is the close of business on the 15th day of the month next preceding such interest payment date, as specified in the Order (“Record Date”).

In the event of a nonpayment of interest on a scheduled interest payment date, and for 30 days thereafter, a new Record Date for such interest payment (the “Special Record Date”) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the County. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the “Special Payment Date,” which must be 15 days after the Special Record Date) will be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each registered owner of an Obligation appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

Defeasance

The Order provides for the defeasance of the Obligations when the payment of the principal of and premium, if any, on the Obligation, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, redemption, or otherwise), is provided by irrevocably depositing with a paying agent, in trust (1) money sufficient to make such payment and/or (2) Defeasance Securities, certified by an independent public accounting firm, the paying agent, financial advisor, or other qualified professional as to principal and interest in such amounts and at such times to insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation and expenses of the paying agent for the Obligations, and thereafter the County will have no further responsibility with respect to amounts available to such paying agent (or other financial institution permitted by applicable law) for the payment of such defeased Obligations, including any insufficiency therein caused by the failure of such paying agent (or other financial institution permitted by applicable law) to receive payment when due on the Defeasance Securities. The Order provides that “Defeasance Securities” means (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent, (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent, and (d) any other then authorized securities or obligations under applicable state law that may be used to defease obligations such as the Obligations. The County has additionally reserved the right, subject to satisfying the requirements of (1) and (2) above, to substitute other Defeasance Securities for the Defeasance

Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the County moneys in excess of the amount required for such defeasance.

Upon such deposit as described above, such Obligations shall no longer be regarded to be outstanding or unpaid. Provided, however, the County has reserved the option, to be exercised at the time of the defeasance of the Obligations, to call for redemption, at an earlier date, those Obligations which have been defeased to their maturity date, if the County: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Obligations for redemption; (ii) gives notice of the reservation of that right to the owners of the Obligations immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

Enforcement of Remedies

The Order does not establish specific events of default with respect to the Obligations. If the County defaults in the payment of principal, interest, or redemption price on the Obligations, when due, or defaults in the observation or performance of any other covenants, conditions, or Obligations set forth in the Order any registered owner is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring the County to make such payment or observe and perform such covenants, Obligations, or conditions. The issuance of a writ of mandamus may be sought if there is no other available remedy at law to compel performance of the Obligations or the Order and the County's Obligations are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles and rests with the discretion of the court but may not be arbitrarily refused. There is no acceleration of maturity of the Obligations in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Order does not provide for the appointment of a trustee to represent the interest of the Obligation owners upon any failure of the County to perform in accordance with the terms of the Order, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners. The Texas Supreme Court has ruled in *Tooke v. City of Mexia*, 197 S.W.3d 325 (Tex. 2006), that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language. Because it is unclear whether the Texas legislature has effectively waived the County's sovereign immunity from a suit for money damages, Obligation owners may not be able to bring such a suit against the County for breach of the Obligations or Order covenants. Even if a judgment against the County could be obtained, it could not be enforced by direct levy and execution against the County's property. Further, the registered owners cannot themselves foreclose on property within the County or sell property within the County to enforce the tax lien on taxable property to pay the principal of and interest on the Obligations. Furthermore, the County is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or bondowners of an entity which has sought protection under Chapter 9. Therefore, should the County avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinions of Bond Counsel will note that all opinions relative to the enforceability of the Order and the Obligations are qualified with respect to the customary rights of debtors relative to their creditors and by general principles of equity which permit the exercise of judicial discretion.

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Debt Service Requirements

Fiscal Year Ending 30-Sep	Outstanding Tax-Supported Debt			The Bonds			The Certificates			Less: Self-Supporting Debt Service	Net Tax-Supported Debt Service Requirements	% of Principal Retired
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total			
2026	\$ 7,500,000	\$ 3,196,931	\$ 10,696,931	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,250,000	\$ 9,446,931	6.04%
2027	7,830,000	2,849,731	10,679,731	145,000	386,606	531,606	350,000	2,065,895	2,415,895	1,250,000	12,377,233	
2028	8,185,000	2,487,031	10,672,031	220,000	312,700	532,700	710,000	1,692,206	2,402,206	1,230,000	12,376,938	
2029	4,425,000	2,106,819	6,531,819	230,000	301,700	531,700	1,255,000	1,656,706	2,911,706	1,000,000	8,975,225	
2030	4,010,000	1,936,594	5,946,594	240,000	290,200	530,200	1,320,000	1,593,956	2,913,956	1,000,000	8,390,750	
2031	4,145,000	1,773,644	5,918,644	250,000	278,200	528,200	1,385,000	1,527,956	2,912,956	1,000,000	8,359,800	33.99%
2032	4,255,000	1,639,163	5,894,163	265,000	265,700	530,700	1,455,000	1,458,706	2,913,706	1,000,000	8,338,569	
2033	4,365,000	1,498,438	5,863,438	280,000	252,450	532,450	1,525,000	1,385,956	2,910,956	1,000,000	8,306,844	
2034	4,495,000	1,349,725	5,844,725	290,000	238,450	528,450	1,605,000	1,309,706	2,914,706	1,000,000	8,287,881	
2035	4,045,000	1,195,625	5,240,625	305,000	223,950	528,950	1,685,000	1,229,456	2,914,456	-	8,684,031	
2036	4,190,000	1,051,881	5,241,881	320,000	208,700	528,700	1,765,000	1,145,206	2,910,206	-	8,680,788	58.83%
2037	4,340,000	900,381	5,240,381	340,000	192,700	532,700	1,855,000	1,056,956	2,911,956	-	8,685,038	
2038	3,700,000	742,681	4,442,681	355,000	175,700	530,700	1,950,000	964,206	2,914,206	-	7,887,588	
2039	3,830,000	607,931	4,437,931	375,000	157,950	532,950	2,045,000	866,706	2,911,706	-	7,882,588	
2040	3,980,000	465,888	4,445,888	390,000	139,200	529,200	2,150,000	764,456	2,914,456	-	7,889,544	
2041	2,545,000	317,600	2,862,600	410,000	119,700	529,700	2,255,000	656,956	2,911,956	-	6,304,256	83.41%
2042	2,645,000	215,800	2,860,800	430,000	99,200	529,200	2,370,000	544,206	2,914,206	-	6,304,206	
2043	2,750,000	110,000	2,860,000	450,000	81,463	531,463	2,465,000	446,444	2,911,444	-	6,302,906	
2044	-	-	-	470,000	62,900	532,900	2,565,000	344,763	2,909,763	-	3,442,663	
2045	-	-	-	485,000	42,925	527,925	2,675,000	235,750	2,910,750	-	3,438,675	
2046	-	-	-	510,000	22,313	532,313	2,790,000	122,063	2,912,063	-	3,444,375	100.00%
	\$ 81,235,000	\$ 24,445,863	\$ 105,680,863	\$ 6,760,000	\$ 3,852,706	\$ 10,612,706	\$ 36,175,000	\$ 21,068,258	\$ 57,243,258	\$ 9,730,000	\$ 163,806,827	

AD VALOREM TAX PROCEDURES

The following is a summary of certain provisions of State law as it relates to ad valorem taxation and is not intended to be complete. Prospective investors are encouraged to review Title 1 of the Texas Tax Code, as amended (the "Property Tax Code"), for identification of property subject to ad valorem taxation, property exempt or which may be exempted from ad valorem taxation if claimed, the appraisal of property for ad valorem tax purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

The Commissioners Court is responsible for levying ad valorem taxes on behalf of the County.

Valuation of Taxable Property

The Property Tax Code provides for countywide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board (the "Appraisal Review Board") responsible for appraising property for all taxing units within the county. The appraisal of property within the County is the responsibility of the Webb County Appraisal District (the "Appraisal District"). Except as generally described below, the Appraisal District is required to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, the Appraisal District is required to consider the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal and use the method the chief appraiser of the Appraisal District considers most appropriate. The Property Tax Code requires appraisal districts to reappraise all property in its jurisdiction at least once every three years. A taxing unit may require annual review at its own expense and is entitled to challenge the determination of appraised value of property within the taxing unit by petition filed with the Appraisal Review Board.

State law requires the appraised value of an owner's principal residence ("homestead" or "homesteads") to be based solely on the property's value as a homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a homestead to the lesser of (1) the market value of the property or (2) 110% of the appraised value of the property for the preceding tax year plus the market value of all new improvements to the property.

Through December 31, 2026, an appraisal district is prohibited from increasing the appraised value of real property during the 2026 tax year on certain non-homestead properties (the "Subjected Property") whose appraised values are not more than \$5.32 million dollars (the "maximum property value") to an amount not to exceed the lesser of: (1) the market value of the Subjected Property for the most recent tax year that the market value was determined by the appraisal office or (2) the sum of: (a) 20 percent of the appraised value of the Subjected Property for the preceding tax year; (b) the appraised value of the Subjected Property for the preceding tax year; and (c) the market value of all new improvements to the Subjected Property. The maximum property value may be increased or decreased by the product of the preceding state fiscal year's increase or decrease in the consumer price index, as applicable, to the maximum property value.

State law provides that eligible owners of both agricultural land and open-space land, including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity ("Productivity Value"). The same land may not be qualified as both agricultural and open-space land. See "Table 1 – Valuation, Exemptions, and Debt Obligations" for the reduction in taxable valuation attributable to valuation by Productivity Value.

The appraisal values set by the Appraisal District are subject to review and change by the Appraisal Review Board. The appraisal rolls, as approved by the Appraisal Review Board, are used by taxing units, such as the County, in establishing their tax rolls and tax rates.

State Mandated Homestead Exemptions

State law grants, with respect to each taxing unit in the State, (1) a \$25,000 exemption of the appraised value of all homesteads, (2) a \$10,000 exemption of the appraised value of the homesteads of persons sixty-five (65) years of age or older and the disabled, and (3) various exemptions for disabled veterans and their families, surviving spouses of

members of the armed services killed in action and surviving spouses of first responders killed or fatally wounded in the line of duty.

Local Option Homestead Exemptions

The governing body of a taxing unit, including a city, county, school district, or special district, at its option may grant: (1) an exemption of up to 20% of the appraised value of all homesteads (but not less than \$5,000) and (2) an additional exemption of at least \$3,000 of the appraised value of the homesteads of persons sixty-five (65) years of age or older and the disabled. Each taxing unit decides if it will offer the local option homestead exemptions and at what percentage or dollar amount, as applicable. The exemption described in (2), above, may be created, increased, decreased or repealed at an election called by the governing body of a taxing unit upon presentment of a petition for such creation, increase, decrease, or repeal of at least 20% of the number of qualified voters who voted in the preceding election of the taxing unit. Cities, counties, and school districts are prohibited from repealing or reducing an optional homestead exemption described in clause (1) above that was granted in tax year 2022 through December 31, 2027.

Local Option Freeze for the Elderly and Disabled

The governing body of a county, municipality or junior college district may, at its option, provide for a freeze on the total amount of ad valorem taxes levied on the homesteads of persons sixty-five (65) years of age or older or of disabled persons above the amount of tax imposed in the year such residence qualified for such exemption. Also, upon voter initiative, an election may be held to determine by majority vote whether to establish such a freeze on ad valorem taxes. Once the freeze is established, the total amount of taxes imposed on such homesteads cannot be increased except for certain improvements, and such freeze cannot be repealed or rescinded.

Personal Property

Tangible personal property (furniture, machinery, supplies, inventories, etc.) used in the “production of income” is taxed based on the property’s market value. Taxable personal property includes income-producing equipment and inventory. Intangibles such as goodwill, accounts receivable, and proprietary processes are not taxable. Tangible personal property not held or used for production of income, such as household goods, automobiles or light trucks, and boats, is exempt from ad valorem taxation unless the governing body of a taxing unit elects to tax such property.

On November 4, 2025, voters approved at a Statewide election, legislation passed by the Legislature and signed by the Governor during the 89th Regular Session to provide a person to an exemption from taxation by a taxing unit of \$125,000 of the appraised value of the tangible personal property the person owns that is held or used for the production of income and has taxable situs at the same location in the taxing unit. A person who leases tangible personal property is also entitled to a tax exemption of \$125,000, regardless of where the property is located in the taxing unit.

Freeport and Goods-in-Transit Exemptions

Certain goods that are acquired in or imported into the State to be forwarded outside the State, and are detained in the State for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication (“Freeport Property”) are exempt from ad valorem taxation unless a taxing unit took official action to tax Freeport Property before April 1, 1990 and has not subsequently taken official action to exempt Freeport Property. Decisions to continue taxing Freeport Property may be reversed in the future; decisions to exempt Freeport Property are not subject to reversal.

Certain goods that are acquired in or imported into the State to be forwarded to another location within or without the State, stored in a location that is not owned by the owner of the goods and are transported to another location within or without the State within 175 days (“Goods-in-Transit”), are generally exempt from ad valorem taxation; however, the Property Tax Code permits a taxing unit, on a local option basis, to tax Goods-in-Transit if the taxing unit takes official action after conducting a public hearing, before January 1 of the first tax year in which the taxing unit proposes to tax Goods-in-Transit. Goods-in-Transit and Freeport Property do not include oil, natural gas or petroleum products, and Goods-in-Transit does not include aircraft or special inventories such as manufactured housing inventory, or a dealer’s motor vehicle, boat, or heavy equipment inventory. A taxpayer may receive only one of the Goods-in-Transit or Freeport Property exemptions for items of personal property.

Temporary Exemption for Qualified Property Damaged by a Disaster

The Property Tax Code entitles the owner of certain qualified (i) tangible personal property used for the production of income, (ii) improvements to real property, and (iii) manufactured homes, that in each case is located in an area declared by the Governor of Texas (the “Governor”) to be a disaster area following a disaster and is at least 15 percent damaged by the disaster, as determined by the chief appraiser, to a temporary exemption from taxation of a portion of the appraised value of the property. The amount of the exemption ranges from 15 percent to 100 percent based upon the damage assessment rating assigned by the chief appraiser. Except in situations where the territory is declared a disaster on or after the date the taxing unit adopts a tax rate for the year in which the disaster declaration is issued, the governing body of the taxing unit is not required to take any action in order for the taxpayer to be eligible for the exemption. If a taxpayer qualifies for the exemption after the beginning of the tax year, the amount of the exemption is prorated based on the number of days left in the tax year following the day on which the Governor declares the area to be a disaster area. For tax years beginning on or after January 1, 2022, the governing body of the taxing unit is not required to take any action in order for the taxpayer to be eligible for the exemption. If a taxpayer qualifies for the exemption after the beginning of the tax year, the amount of the exemption is prorated based on the number of days left in the tax year following the day on which the governor declares the area to be a disaster area. For more information on the exemption, reference is made to Section 11.35 of the Tax Code, as amended.

Other Exempt Property

Other major categories of exempt property include property owned by the State or its political subdivisions if used for public purposes, property exempt by federal law, property used for pollution control, farm products owned by producers, property of nonprofit corporations used for scientific research or educational activities benefitting a college or university, designated historic sites, solar and wind-powered energy devices, and certain classes of intangible personal property.

Tax Increment Reinvestment Zones

A city or county, by petition of the landowners or by action of its governing body, may create one or more tax increment reinvestment zones (“TIRZ”) within its boundaries. At the time of the creation of the TIRZ, a “base value” for the real property in the TIRZ is established and the difference between any increases in the assessed valuation of taxable real property in the TIRZ in excess of the base value is known as the “tax increment”. During the existence of the TIRZ, all or a portion of the taxes levied against the tax increment by a city or county, and all other overlapping taxing units that elected to participate, are restricted to paying only planned project and financing costs within the TIRZ and are not available for the payment of other obligations of such taxing units.

Tax Abatement Agreements

Taxing units may also enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The taxing unit, in turn, agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years.

County and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units, including the County, may appeal the determinations of the Appraisal District by timely initiating a protest with the Appraisal Review Board. Additionally, taxing units such as the County may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

Owners of certain property with a taxable value in excess of the current year “minimum eligibility amount”, as determined by the State Comptroller, and situated in a county with a population of one million or more, may protest the determinations of an appraisal district directly to a three-member special panel of the appraisal review board, appointed by the chairman of the appraisal review board, consisting of highly qualified professionals in the field of property tax appraisal. The minimum eligibility amount was set at \$62,883,169 million for the 2026 tax year and is adjusted annually by the State Comptroller to reflect the inflation rate.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the County and provides for taxpayer referenda that could result in the repeal of certain tax increases. See “TAX DATA — Public Hearing and Maintenance and Operations Tax Rate Limitations”). The Property Tax Code also establishes a procedure for providing notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

Levy and Collections of Taxes

The County is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. Taxes are due October 1, or when billed, whichever comes later, and become delinquent after February 1 of the following year. A delinquent tax incurs a penalty of seven percent (7%) of the amount of the tax for the first calendar month it is delinquent, plus two percent (2%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of eighteen percent (18%) regardless of the number of months the tax has been delinquent and incurs an additional penalty of up to fifteen percent (15%) if imposed by the County. The delinquent tax also accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes for certain taxpayers. Furthermore, the County may provide, on a local option basis, for the split payment, partial payment, and discounts for early payment of taxes under certain circumstances.

Public Hearing and Maintenance and Operations Tax Rate Limitations

The following terms as used in this section have the meanings provided below:

“adjusted” means lost values are not included in the calculation of the prior year’s taxes and new values are not included in the current year’s taxable values.

“de minimis rate” means the maintenance and operations tax rate that will produce the prior year’s total maintenance and operations tax levy (adjusted) from the current year’s values (adjusted), plus the rate that produces an additional \$500,000 in tax revenue when applied to the current year’s taxable value, plus the debt service tax rate.

“effective tax rate” means the rate that will produce the prior year’s total tax levy (adjusted) from the current year’s total taxable values (adjusted).

“no-new-revenue tax rate” means the combined maintenance and operations tax rate and debt service tax rate that will produce the prior year’s total tax levy (adjusted) from the current year’s total taxable values (adjusted). Certain counties for which certain expenditures for indigent legal defense or certain hospital expenditures exceed the amount for such expenditures for the preceding tax year, may increase their no-new-revenue tax rate proportionately with such expenditures in the manner provided by the Property Tax Code.

“rollback tax rate” means the rate that will produce the prior year’s total levy (adjusted) from the current year’s values (adjusted) multiplied by 1.08, plus a rate that will produce current year’s debt service from the current year’s values (unadjusted), divided by the anticipated tax collection rate.

“special taxing unit” means a county for which the maintenance and operations tax rate proposed for the current tax year is 2.5 cents or less per \$100 of taxable value.

“unused increment rate” means rate calculated as the greater of zero or the cumulative foregone revenue amounts for the prior three tax years divided by the current total taxable value, which may be applied to a district’s tax rate in the current tax year without impacting the voter-approval tax rate.

“voter-approval tax rate” means the maintenance and operations tax rate that will produce the prior year’s maintenance and operations tax levy (adjusted) from the current year’s values (adjusted) multiplied by 1.035, plus the debt service tax rate, plus the unused increment rate.

The County's tax rate consists of two components: (1) rates for funding of maintenance and operations expenditures in the current year, which may additionally include the Road and Bridge Maintenance Tax and the Farm-to-Market Road and Flood Control Tax, if levied (collectively, the "maintenance and operations tax rate"), and (2) a rate for funding debt service in the current year (the "debt service tax rate"). Under State law, the assessor for the County must submit an appraisal roll showing the total appraised, assessed, and taxable values of all property in the County to the Commissioners Court by August 1 or as soon as practicable thereafter.

A county must annually calculate and prominently post on its internet website, and submit to the County tax assessor-collector its voter-approval tax rate and no-new-revenue tax rate in accordance with forms prescribed by the State Comptroller. The Commissioners Court must adopt a tax rate before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the County, except that a tax rate that exceeds the voter-approval tax rate must be adopted not later than the 71st day before the next occurring November uniform election date. If the County fails to timely adopt a tax rate, the tax rate is statutorily set as the lower of the no-new-revenue tax rate for the current tax year or the tax rate adopted by the County for the preceding tax year.

As described below, the Property Tax Code provides that if a county adopts a tax rate that exceeds the voter-approval tax rate or, in certain cases, the de minimis rate, an election must be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

A county may not adopt a tax rate that exceeds the lower of the voter-approval tax rate or the no-new-revenue tax rate until the county appraisal district has delivered notice to each taxpayer of the estimated total amount of property taxes owed and the county has held a public hearing on the proposed tax increase.

If a county's adopted tax rate for any tax year exceeds the greater of (i) the voter-approval tax rate or (ii) the de minimis rate, the county must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate. However, for any tax year during which a county does not qualify as a special taxing unit, if a county's adopted tax rate is equal to or less than the de minimis rate but greater than both (a) the no-new-revenue tax rate, multiplied by 1.08, plus the debt service tax rate or (b) the county's voter-approval tax rate, then a valid petition signed by at least three percent of the registered voters in the county would require that an election be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

Any county located at least partly within an area declared a disaster area by the Governor of the State or the President of the United States during the current year may calculate its voter-approval tax rate using a 1.08 multiplier, instead of 1.035, until the earlier of (i) the second tax year in which such county's total taxable appraised value exceeds the taxable appraised value on January 1 of the year the disaster occurred, or (ii) the third tax year after the tax year in which the disaster occurred.

State law provides cities and counties in the State the option of assessing a maximum one-half percent (1/2%) sales and use tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes, if approved by a majority of the voters in a local option election. If the additional sales and use tax for ad valorem tax reduction is approved and levied, the no-new-revenue tax rate and voter-approval tax rate must be reduced by the amount of the estimated sales tax revenues to be generated in the current tax year.

The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the County's ability to set a debt service tax rate in each year sufficient to pay debt service on all of the County's tax-supported debt obligations, including the Obligations.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

Debt Tax Rate Limitations

Article VIII, Section 9 of the Texas Constitution imposes a limit of \$0.80 per \$100 assessed valuation for all purposes of a county's General Fund, Permanent Improvement Fund, Road and Bridge Fund and Jury Fund, including debt service on bonds or other debt issued against such funds. Administratively, the Attorney General of Texas will not

approve limited tax obligations in an amount which produces debt service requirements exceeding that which can be paid from \$0.40 of the foregoing \$0.80 maximum tax rate, as calculated at the time of issuance.

Article III, Section 52 of the Texas Constitution authorizes the County to levy a direct, continuing ad valorem tax on all taxable property within the County, without limit as to rate or amount to pay the principal of and interest on the County's road bonds if approved by the voters in the County. The principal amount of unlimited tax road bonds issued by the County and outstanding at any point in time, aggregated with outstanding unlimited tax debt of certain road districts located within the County cannot exceed 25% of the assessed valuation of all real property located in the County.

Article VIII, Section 9 of the Texas Constitution and State statute authorize the County to levy a special Road and Bridge Fund Tax (the "Road and Bridge Maintenance Tax") in an amount not to exceed \$0.15 per \$100 assessed valuation, no part of which may be used for debt service, if approved by the voters.

Article VIII, Section 1-a of the Texas Constitution and State statute permit the County to levy a tax for Farm-to-Market Road and Flood Control purposes (the "Farm-to-Market Road and Flood Control Tax") in an amount not to exceed \$0.30 per \$100 assessed valuation after the mandatory \$3,000 homestead exemption, if approved by the voters. There is no allocation prescribed by statutes between debt service and maintenance. The County does not currently levy a Road and Bridge Maintenance Tax or a Farm-to-Market Road and Flood Control Tax.

Section 1301.003, Texas Government Code, as amended, limits the amount of limited tax obligations of counties issued pursuant to such authority for those certain purposes as follows:

Courthouse 2% of Taxable Assessed Valuation
Jail 1 1/2% of Taxable Assessed Valuation
Courthouse and Jail 3 1/2% of Taxable Assessed Valuation
Bridge 1 1/2% of Taxable Assessed Valuation

The County's Rights in the Event of Delinquencies

Taxes levied by the County are a personal obligation of the owner of the property. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the County, having power to tax the property. The County's tax lien is on a parity with tax liens of such other taxing units. A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the County is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the County may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the County must join other taxing units that have claims for delinquent taxes against all or part of the same property.

Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, adverse market conditions, taxpayer redemption rights, or bankruptcy proceedings which restrain the collection of a taxpayer's debt.

Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases, post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

TAX DATA

Valuation, Exemptions and Tax Debt (a)

2025/2026 Market Valuation Established by Brazos County Appraisal District		\$	39,407,314,022
Less Exemptions/Reductions at 100% Market Value:			
Over 65			967,219,420
Disabled Veterans Exemption			12,545,542
Disabled Veterans Homestead Exemption			391,806,733
Member of Armed Services Surviving Spouse			1,397,027
First Responder/Surviving Spouse			98,962,426
Medical or Biomedical Property			243,348,672
Pollution Control			15,611,035
Solar			1,501,545
Productivity Loss			2,139,744,827
Homestead Cap			593,363,948
Circuit Breaker 23.231 Cap			707,757,659
		\$	<u>5,173,258,834</u>
2025 Taxable Assessed Valuation		\$	<u>34,234,055,188</u>
County Funded Debt Payable from Ad Valorem Taxes (as of March 31, 2026):			
General Obligation Bonds	\$		81,235,000
The Bonds			6,760,000
The Certificates			36,175,000
			<u>124,170,000</u>
Funded Debt Payable from Ad Valorem Taxes		\$	124,170,000
Interest and Sinking Fund (as of September 30, 2025)		\$	7,047,424
Ratio of Net Funded Debt to Taxable Assessed Valuation			0.34%
2025 Estimated Population			249,624 ^(b)
Per Capita Assessed Valuation	\$		137,142.48
Per Capita Funded Debt	\$		469.20
Land Area - 588 Square Miles ^(b)			

^(a) Source: Brazos County Appraisal District.

^(b) Source: Brazos County.

Market Valuation by Category (a)

Category	Tax Year 2025		Tax Year 2024		Tax Year 2023	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real Property						
Single-Family	\$ 20,697,277,326	52.52%	\$ 19,946,515,585	54.06%	\$18,411,408,836	53.04%
Multi-Family	4,799,137,618	12.18%	4,213,651,632	11.42%	4,098,767,747	11.81%
Vacant lots/Acreage	2,837,202,910	7.20%	2,564,324,126	6.95%	2,459,579,175	7.09%
Farm & Ranch Improvements	1,636,480,086	4.15%	1,478,132,362	4.01%	1,402,923,032	4.04%
Commercial Real	5,687,138,215	14.43%	4,790,848,920	12.98%	4,623,242,485	13.32%
Oil & Gas Minerals	802,330,247	2.04%	991,201,030	2.69%	946,773,053	2.73%
Personal Property						
Utilities	407,039,219	1.03%	394,852,681	1.07%	375,230,536	1.08%
Commercial / Industrial	2,271,271,950	5.76%	2,239,620,125	6.07%	2,122,301,429	6.11%
Other Personal	110,650,518	0.28%	133,138,901	0.36%	125,646,603	0.36%
Inventory	158,785,933	0.40%	143,487,972	0.39%	148,489,984	0.43%
Total Market Values	<u>\$ 39,407,314,022</u>	<u>100.00%</u>	<u>\$ 36,895,773,334</u>	<u>100.00%</u>	<u>\$34,714,362,880</u>	<u>100.00%</u>
	Tax Year 2022		Tax Year 2021			
	Amount	% of Total	Amount	% of Total		
Real Property						
Single-Family	\$ 14,887,586,566	51.61%	\$ 12,374,069,294	50.07%		
Multi-Family	3,354,682,119	11.63%	3,060,606,297	12.38%		
Vacant lots/Acreage	2,240,911,342	7.77%	2,179,507,511	8.82%		
Farm & Ranch Improvements	1,180,754,026	4.09%	1,036,957,826	4.20%		
Commercial Real	3,807,598,092	13.20%	3,350,304,653	13.56%		
Oil & Gas Minerals	897,207,136	3.11%	593,311,902	2.40%		
Personal Property						
Utilities	310,585,475	1.08%	281,730,808	1.14%		
Commercial / Industrial	1,930,101,018	6.69%	1,624,132,142	6.57%		
Other Personal	74,799,271	0.26%	73,516,098	0.30%		
Inventory	164,108,650	0.57%	138,162,288	0.56%		
Total Market Values	<u>\$ 28,848,333,695</u>	<u>100.00%</u>	<u>\$ 24,712,298,819</u>	<u>100.00%</u>		

^(a) Supplied by the Brazos County Appraisal District. Excludes Totally Exempt Property. Market valuation includes the appraised value of property that is subject to exemption or reduction and, therefore, such values exceed the total taxable assessed value for the years shown. The net taxable assessed valuation for the years shown, as adjusted to reflect reductions for exemptions required or permitted by law, is set forth below in the table captioned "Tax Rate Levy and Collection History".

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Tax Rate Levy and Collection History

Tax Year	Net Taxable Assessed		Tax Levy	% Collected		Fiscal Year End September 30
	Valuation	Tax Rate		Current	Total	
2021	\$ 21,749,577,815	\$ 0.4935	\$ 103,616,837	99.15%	99.39%	2022
2022	25,202,607,443	0.4294	108,222,769	98.99%	99.24%	2023
2023	30,004,310,874	0.4097	122,927,662	98.94%	99.18%	2024
2024	31,977,022,495	0.4197	134,207,563	98.64%	99.58%	2025
2025	34,234,055,188	0.4197	143,680,330	(In Process of Collection)		2026

Source: Brazos County Auditor’s Office.

Tax Rate Distribution

	Fiscal Year Ending September 30,				
	2026	2025	2024	2023	2022
Operations	\$ 0.3895	\$ 0.3818	\$ 0.3690	\$ 0.3893	\$ 0.4423
Debt Service	0.0302	0.0379	0.0407	0.0401	0.0512
Total	\$ 0.4197	\$ 0.4197	\$ 0.4097	\$ 0.4294	\$ 0.4935

Source: Brazos County, Texas, Approved Budget.

Ten Largest Taxpayers

<u>Name of Taxpayer</u>	<u>Nature of Property</u>	2025 Taxable <u>Valuation</u>	% of Total <u>Taxable Valuation</u>
Wildfire Energy Operating LLC	Oil & Gas	\$518,630,473	1.51%
Fujifilm Diosynth Biotech Tx LLC	Technology	305,152,541	0.89%
Axis Pipe & Tube Inc.	Industrial Manufactu	261,457,657	0.76%
SHP-The Callaway House LP	Apartments	127,187,568	0.37%
College Station Properties KP6 LLC	Apartments	109,000,000	0.32%
SO College Station Apartments LP	Apartments	109,000,000	0.32%
College Station Properties II KP6 LLC	Apartments	106,000,000	0.31%
Sanderson Farms Inc	Meat Products	110,424,953	0.32%
SZ College Station Cottages LLC	Apartments	99,383,187	0.29%
SW Meadows Point LP	Land	92,109,139	0.27%
		<u>\$1,838,345,518</u>	<u>5.36%</u>

Source: Brazos County Appraisal District, 2025 Tax Roll.

Sales Tax

As authorized by Chapter 323 of the Property Tax Code, the voters of the County have authorized the County to impose and levy a one-half percent county sales and use tax ("Sales Tax"). The Sales Tax which became effective on January 1, 1988, is collected by the Comptroller of Public Accounts of the State of Texas and is transmitted periodically to the County Treasurer (less a 2% State of Texas service fee). Revenue from the Sales Tax must be used to reduce the ad valorem property tax rate of the County; money collected from the Sales Tax replaces lost property tax revenue. In general, when a county sales and use tax is in effect, the effective tax and rollback tax rate and rollback tax rate under the Property Tax Code must be offset by the revenue that will be generated by the Sales Tax for the current year. The Sales Tax may be abolished by local option election called in the same manner as the election imposing the tax. The proceeds of the Sales Tax are not pledged to the Obligations or any other debt of the County. Revenue from the Sales Tax has been:

Fiscal Year Ending September 30,	Total Collected	% of Ad Valorem Tax Levy	Equivalent Ad Valorem Tax Rate	Collection Per Capita
2016	\$ 15,615,643	22.35%	\$ 0.1084	\$ 71.17
2017	16,375,071	21.95%	0.1064	73.02
2018	17,936,733	21.73%	0.1054	78.24
2019	18,724,660	21.05%	0.1021	82.02
2020	18,747,703	19.24%	0.0923	80.17
2021	20,443,754	19.73%	0.0977	87.42
2022	24,244,744	22.40%	0.1106	102.28
2023	25,288,623	20.57%	0.0843	104.49
2024	25,534,197	19.03%	0.0799	102.29
2025	26,165,531	18.21%	0.0764	104.82

Source: Brazos County.

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Estimated Overlapping Tax Debt

Expenditures of the various taxing bodies within the territory of the County are paid out of ad valorem taxes levied by these taxing bodies on properties within the County (“Tax Debt”). These political taxing bodies are independent of the County and may incur borrowings to finance their expenditures. This statement of Tax Debt was developed from information contained in “Texas Municipal Reports” published by the Municipal Advisory Council of Texas, which is a non-profit corporation that maintains a database of municipal debt information. Except for the amounts relating to the County, the County has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed below may have issued additional Tax Debt since the date stated below, and such entities may have programs requiring the issuance of substantial amounts of additional Tax Debt, the amount of which cannot be determined. The following table reflects the estimated share of overlapping Tax Debt of these various taxing bodies.

<u>Political Subdivision</u>	<u>Outstanding Tax Supported Gross Debt^(a)</u>	<u>Estimated % Overlapping</u>	<u>Amount Overlapping</u>
Brazos County MUD #1	\$ 37,520,000	100.00%	\$ 37,520,000
Brazos County MUD #2	2,935,000	100.00%	2,935,000
Bryan Independent School District	227,414,864	99.63%	226,573,429
Bryan, City of	237,395,000	100.00%	237,395,000
College Station Independent School District	509,925,000	100.00%	509,925,000
College Station, City of	406,880,000	100.00%	406,880,000
Navasota Independent School District	119,603,748	9.57%	11,446,079
Navasota, City of	21,430,000	0.03%	6,429
Rock Prairie Management #2	13,220,000	100.00%	13,220,000
Total Overlapping Debt			\$ 1,445,900,937
Brazos County(b)	\$ 124,170,000	100.00%	\$ 124,170,000
Total Direct and Overlapping Debt			\$ 1,570,070,937
Ratio of Direct and Overlapping Funded Tax Debt to 2025/2026 Taxable Assessed Valuation			4.59%
Per Capita Overlapping Funded Debt			\$ 6,289.74

^(a) Source: Municipal Advisory Council of Texas; Brazos County, Texas. Overlapping debt reported as of March 31, 2026.

^(b) Includes the Obligations.

Tax Rate Calculation

The tax rate calculation set forth below is presented to indicate the tax rates per \$100 assessed valuation, which would be required to meet debt service requirements on the Tax Debt of the County to be outstanding after the issuance of the Obligations if no growth occurs in the County beyond the 2025 Assessed Valuation of \$34,234,055,188. The County’s 2025 debt service portion of its 2025 tax rate is \$0.0302.

Average Annual Tax Debt Service Requirements (2026-2046) ^(a)	\$7,800,325
Maximum Required Tax Rate based on the 2025/26 Assessed Valuation	\$0.0365
Maximum Annual Tax Debt Service Requirement 2027 ^(a)	\$12,377,233

^(a) Includes the Obligations.

Authorized but Unissued Tax Debt

On November 8, 2022, the County’s voters authorized the County to issue \$100,000,000 in ad valorem tax bonds (the “Election”), proceeds from which will be utilized to undertake road, bridge, and highway improvements in the County. The Bonds represent the second installment of this authorization. After the issuance of the Bonds and taking into account bond premium, the County will have \$63,000,000 in voted authorization pursuant to the Election. The County, however, may issue other debt payable from its collection of ad valorem taxes, including subsequently voted bonds, certificates of obligation, public property finance contractual obligations, and debt of maturity within seven years. In addition, the County can enter into leases for various purposes, which also represent financial obligations thereof payable from annual appropriations of tax proceeds.

Future Tax Debt Issues

The County does not currently anticipate the issuance of any additional Tax Debt in the next 12 months.

THE COUNTY

Creation and Location

Encompassing an area of 583 square miles, the County is located in the southeast section of the State of Texas with its boundaries being formed by the Brazos River on the south and the Navasota River on the east. The City of Bryan serves as the county seat and primary commercial center of the County, while the City of College Station is principally a residential community for faculty, students and other personnel of Texas A&M University. The Bryan-College Station metropolitan statistical area (“MSA”) comprised of the County and surrounding counties, has become one of the fastest growing MSA’s in the State. The County’s economy is diversified by agribusiness, computer manufacturing, research and development, education, offshore technology, and mineral production. Texas A&M University enterprises are a major economic factor.

Administration of the County

The County Judge and the four County Commissioners (who collectively comprise the Commissioners Court), the County Tax Assessor/Collector and the County Treasurer (all of whom are elected officials), together with the County Auditor, have responsibility for the financial administration of the County.

The Commissioners Court is the governing body of the County. It has certain powers expressly granted to it by the Constitution and statutes of the State of Texas and powers necessarily implied from such grants. Its duties include approval of the budget, determination of tax rates, approval of contracts in the name of the County, calling elections, issuance of debt and appointment of certain County officials.

The County Judge is the presiding officer of the Commissioners Court and is elected for a four-year term by the voters of the County and is generally an administrative officer and not a judicial officer. Each Commissioner represents one of four commissioner precincts into which the County is divided and is elected by the voters of his or her precinct for a four-year term.

The County Tax Assessor/Collector is responsible for collecting ad valorem taxes, collecting certain State and County fees and other taxes, and for registering voters in the County.

The County Treasurer’s duties include receiving all money collected by the County, investing County revenue, paying and applying County funds as directed by the Commissioners Court in the depository selected by the Commissioners Court and signing all County checks. Payroll administration is the responsibility of the personnel manager and County Treasurer.

The County Auditor, the chief financial officer of the County, is responsible for substantially all county finance and accounting control functions. Such functions include auditing, accounting systems design, financial planning and

financial relations. Insurance administration is the responsibility of the purchasing agent and the risk manager. The County Auditor is appointed for a two-year term by the State District Judges located in the County and is not under the supervision of the Commissioners Court.

The County Attorney, an elected official, is responsible for all of the general legal affairs of the Commissioners Court. The County Clerk, an elected official, serves as Clerk of the Commissioners Court.

Financial Policies

Basis of Accounting . . . The County’s policy is to adhere to the accounting principles set out by the Governmental Accounting Standards Board, as amended. See “APPENDIX A – Excerpts from the Financial Report for the Fiscal Year Ended September 30, 2025”.

General Fund Balance . . . The County has adopted a fund balance policy that targets the maintenance of committed General Fund reserves equal to at least three months (25%) of the prior fiscal year’s actual revenues, excluding one-time federal assistance and other nonrecurring financing sources. Amounts committed under this policy are restricted for use and may only be accessed for expenditures upon the declaration of a countywide emergency. This General Fund balance policy was approved by the Commissioners Court on June 4, 2024.

Tax Collections for Debt Service . . . The County deposits interest and sinking fund taxes collected into separate accounts where such money is invested until required.

Debt Service Fund Balance . . . The County’s practice is to carry forward at the end of each fiscal year debt service funds sufficient to meet debt service requirements through the first six months of the ensuing fiscal year.

Use of Borrowing Proceeds, Grants, Etc. . . . The County’s policy is to use borrowing proceeds for capital expenditures only. Such proceeds are not used to fund County operations.

Current Operating and Debt Service Funds Budgeting Procedures . . . Under the County’s budgeting procedures the County Budget Officer prepares a proposed expenditure budget for the fiscal year after consultation with all elected officials and department supervisors. The proposed expenditure budget is presented by the Budget Officer to the Commissioners Court for its consideration. The County Auditor certifies revenues and fund balance totals.

A public hearing on the budget is held by the Commissioners Court, which may increase or decrease any budget item prior to formal adoption. However, the total amount of the budget cannot exceed the County’s cash balance at the commencement of the fiscal year plus the County Auditor’s estimate of revenues for the budget year.

The Commissioners Court may transfer amounts among budget classifications in these funds, but such transfers may not increase the total budget. Purchase orders and contracts are not valid until the County Auditor or the Purchasing Agent has certified that budget levels are sufficient and that funds will be available to make the payment when it comes due.

Encumbrances against budgeted appropriations are recorded in the County’s records upon execution of purchase orders, contracts or other appropriate documents. All encumbered amounts remaining unexpended at the end of the year are appropriated in the following year’s budget.

Texas law currently provides that the liability of a unit of local government such as the County is limited to money damages in a maximum amount of \$100,000 for each person and \$300,000 for each single occurrence for bodily injury or death and \$100,000 for each single occurrence for injury to or destruction of property. However, there can be no assurance that the County may not experience claims or suffer losses in the aggregate in excess of the balance in the reserve fund from time to time. Therefore, the County may find it necessary to use current revenues or to incur indebtedness in order to satisfy such claims and losses, which may, either individually or in the aggregate, be significant.

Commencing in June 1974, the County self-insured as to workers compensation by participating in the “Texas Political Subdivisions Pool” (the “Pool”). The Pool consists of counties, cities and special districts throughout the State of

Texas. Employers Insurance of Texas serves as administrator for the Pool. To minimize its potential liability as a result of its participation in the Pool, the County intends to purchase reinsurance on an individual and aggregate basis. It is not possible to predict the extent of the County's potential liability under this program of self-insurance due to the absence of prior loss experience.

The administrator for the County's health benefits program is Blue Cross/Blue Shield. The County self-insures its accident and health program for employees of the County. In order to reduce its potential liability, the County has purchased reinsurance in excess of its self-insurance limits. In addition, the County has established a fund to cover its liability up to the level of self-insurance.

Fund Investments . . . The County has adopted an investment policy as required by State law. The investment policy as adopted by the County employs the prudent person concept and 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 all of the investment of idle funds in the County. At September 30, 2025, the County had cash and cash equivalents of \$133.3 million in governmental and business-type activities, the majority which was invested in the County's depository.. At September 30, 2025, the County also had \$177.9 million invested in state wide investment pools.

Employee Retirement Benefits

The County has a contributory retirement plan with the Texas County and District Retirement System ("TCDRS") covering substantially all of its qualifying employees. Such employees contribute 7.00% of their gross wages and the County contributed the difference between the actuarially determined rate and the contribution rate of employees which is 17.0% for the calendar year 2025.

The plan provisions are adopted by the Commissioners Court, within the options available in the State statutes governing TCDRS. 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. A member is vested after 8 years but must leave his accumulated contributions in the plan. If a member withdraws his personal contributions in a lump sum, he is not entitled to any amounts contributed by the County.

The County's contribution for the fiscal year ended September 30, 2025 was \$11,242,262. See Note 13 of the County's Fiscal Year 2025 Annual Comprehensive Financial Report attached hereto as APPENDIX A for further information.

Other Post Employment Benefits

In addition to the pension benefits described above, the County provides certain other post-retirement benefits to retired employees and their dependents that fall within the scope of Governmental Accounting Standards Board's Statement of General Accounting Standards No. 45 ("GASB 45"), Accounting by Employers for Other Post-employment Benefits ("OPEB").

The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

The County's post-retirement benefits, provided through the County's self-insured healthcare plan, had been funded on a pay-as-you-go basis. The County established an OPEB Trust Fund to partially fund its OPEB Plan in 2016. The County contributed \$4,758,690 in total toward its OPEB obligation for the year ended December 31, 2024, including \$1,000,000 to the OPEB Trust.

See Note 14 of the County's Fiscal Year 2025 Annual Comprehensive Financial Report attached hereto as APPENDIX A for further information.

FINANCIAL INFORMATION

The following summaries of the County's General Fund and Debt Service Fund have been prepared by the Municipal Advisor from audited financial records of the County for the fiscal years ended September 30, 2021 through 2025. Such summaries do not purport to be complete, and prospective Purchasers of the Obligations are advised to refer to the audited financial statements for complete information concerning the County's finances.

General Fund

	2021	2022	2023	2024	2025
Revenues					
Taxes	\$ 109,254,629	\$ 116,116,899	\$ 119,608,263	\$ 131,167,122	\$ 140,005,653
Charges for Services	12,187,206	14,017,730	14,383,002	14,009,561	14,662,857
Intergovernmental	7,470,805	9,447,771	8,218,468	862,739	992,938
Interest	859,361	1,234,978	8,311,341	12,656,049	11,857,040
Other Revenue	989,740	1,166,709	1,111,584	1,306,304	1,569,055
Total Revenues	130,761,741	141,984,087	151,632,658	160,001,775	169,087,543
Expenditures					
Current					
General Government	27,257,512	29,699,589	31,300,982	36,447,548	39,767,851
Justice System	20,478,549	21,580,942	25,053,468	27,292,396	29,510,739
Law Enforcement	24,663,954	25,840,514	28,917,808	35,080,408	40,328,521
Juvenile Services	6,316,720	6,000,753	7,011,736	7,281,335	7,541,997
Public Transportation	9,479,803	10,705,642	11,460,385	16,764,214	14,458,840
Public Health	1,816,758	2,111,045	2,165,216	2,088,852	2,043,794
Human Services	4,333,934	4,643,349	4,839,466	5,357,328	5,603,706
Capital Outlay	5,352,256	5,302,428	7,260,103	7,220,517	2,024,485
Debt Service					
Principal Retirement	-	-	-	-	-
Interest and Other Fees	-	-	-	-	-
Total Expenditures	99,699,486	105,884,262	118,009,164	137,532,598	141,279,933
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,062,255	36,099,825	33,623,494	22,469,177	27,807,610
Other Financing Sources (Uses)					
Subscription-Based Information Technology Arrangements	-	291,155	-	-	-
Transfers In	432,173	1,055,575	20,000	29,000	20,000
Transfers Out	(1,410,041)	(5,720,272)	(20,917,731)	(478,638)	(17,551,072)
Insurance Recoveries	198,536	926,919	144,318	161,452	127,511
Sale of Capital Assets	1,320,841	218,649	195,777	1,601,362	127,893
Total Other Financing Sources (Uses)	541,509	(3,227,974)	(20,557,636)	1,313,176	(17,275,668)
Net Change in Fund Balances	31,603,764	32,871,851	13,065,858	23,782,353	10,531,942
Fund Balances, October 1	71,678,609	103,282,373	136,154,224	149,220,082	173,002,435
Fund Balances, September 30	\$ 103,282,373	\$ 136,154,224	\$ 149,220,082	\$ 173,002,435	\$ 183,534,377

Source: Brazos County Audited Financial Statements.

Debt Service Fund

	2021	2022	2023	2024	2025
Revenues					
Taxes	\$ 11,054,561	\$ 10,766,579	\$ 9,799,037	\$ 11,772,533	\$ 11,384,097
Interest	113,026	89,607	345,490	541,787	523,248
Total Revenues	11,167,587	10,856,186	10,144,527	12,314,320	11,907,345
Expenditures					
Debt Service					
Principal Retirement	7,575,000	14,045,000	6,610,000	7,565,000	8,245,000
Interest and Other Fees	3,173,560	2,964,447	2,418,173	4,299,575	3,550,609
Total Expenditures	10,748,560	17,009,447	9,028,173	11,864,575	11,795,609
Excess (Deficiency) of Revenues Over (Under) Expenditures	419,027	(6,153,261)	1,116,354	449,745	111,736
Other Financing Sources (Uses)					
Premium on Debt Issuance	-	-	-	-	-
Debt Issuance - Refunding bonds	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-
Transfers In	-	1,165,715	-	1,250,000	1,250,000
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	1,165,715	-	1,250,000	1,250,000
Net Change in Fund Balances	419,027	(4,987,546)	1,116,354	1,699,745	1,361,736
Fund Balances, October 1	7,438,108	7,857,135	2,869,589	3,985,943	5,685,688
Fund Balances, September 30	\$ 7,857,135	\$ 2,869,589	\$ 3,985,943	\$ 5,685,688	\$ 7,047,424

Source: Brazos County Audited Financial Statements.

Investments

The County invests its investable funds in investments authorized by Texas law in accordance with investment policies approved by the Commissioners Court of the County. Both State law and the County's investment policies are subject to change.

Legal Investments

Under State law, the County is authorized to invest in (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund or its successor; (8) interest-bearing banking deposits other than those described by clause (7) if (A) the funds invested in the banking deposits are invested through: (i) a

broker with a main office or branch office in this State that the County selects from a list the Commissioners Court or a designated investment committee of the County adopts as required by Section 2256.025, Texas Government Code; or (ii) a depository institution with a main office or branch office in the State that the County selects; (B) the broker or depository institution selected as described by (A) above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the County's account; (C) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and (D) the County appoints as the County's custodian of the banking deposits issued for the County's account: (i) the depository institution selected as described by (A) above; (ii) an entity described by Section 2257.041(d), Texas Government Code; or (iii) a clearing broker dealer registered with the SEC and operating under SEC Rule 15c3-3; (9) (i) certificates of deposit or share certificates meeting the requirements of Chapter 2256, Texas Government Code (the "Public Funds Investment Act"), that are issued by an institution that has its main office or a branch office in the State and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or their respective successors, and are secured as to principal by obligations described in clauses (1) through (8) or in any other manner and provided for by law for County deposits, or (ii) certificates of deposits where (a) the funds are invested by the County through (A) a broker that has its main office or a branch office in the State and is selected from a list adopted by the County as required by law, or (B) a depository institution that has its main office or branch office in the State that is selected by the County, (b) the broker or the depository institution selected by the County arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the County, (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (d) the County appoints the depository institution selected under (a) above, a custodian as described by Section 2257.041(d), Texas Government Code, or a clearing broker-dealer registered with the SEC and operating pursuant to SEC Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the County with respect to the certificates of deposit; (10) fully collateralized repurchase agreements as defined in the Public Funds Investment Act, that have a defined termination date, are secured by a combination of cash and obligations described in clauses (1) or (13) in this paragraph, require the securities being purchased by the County or cash held by the County to be pledged to the County, held in the County's name, and deposited at the time the investment is made with the County or with a third party selected and approved by the County, and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (11) securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than "A" or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (13) through (15) below, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the County, held in the County's name and deposited at the time the investment is made with the County or a third party designated by the County; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less; (12) certain bankers' acceptances with stated maturity of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated not less than "A-1" or "P-1" or the equivalent by at least one nationally recognized credit rating agency; (13) commercial paper with a stated maturity of 365 days or less that is rated not less than "A-1" or "P-1" or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a United States or state bank; (14) no-load money market mutual funds registered with and regulated by the SEC that provide the County with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940 and that comply with federal SEC Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); and (15) no-load mutual funds registered with the SEC that have an average weighted maturity of less than two years, and have either (a) a duration of one year or more and invest exclusively in obligations described in under this heading, or (b) a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities, other than the prohibited obligations described below, in an amount at least equal to the amount of bond proceeds invested under such contract.

A political subdivision such as the County may enter into securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, other than the prohibited obligations described below, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (13) through (15) above, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the County, held in the County's name and deposited at the time the investment is made with the County or a third party designated by the County; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less.

The County may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than AAA or AAAM or an equivalent by at least one nationally recognized rating service, if the Commissioners Court authorizes such investment in the particular pool by order, ordinance, or resolution and the investment pool complies with the requirements of Section 2256.016, Texas Government Code.

The County may also contract with an investment management firm registered (x) under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.), or (y) with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term of up to two years, but the County retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the County must do so by ordinance, order or resolution.

The County is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Investment Policies

Under State law, the County is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that includes a list of authorized investments for County funds, maximum allowable stated maturity of any individual investment and the maximum average dollar-weighted maturity allowed for pooled fund groups. All County funds must be invested consistent with a formally adopted "Investment Strategy Statement" that specifically addresses each fund's investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under State law, County investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." At least quarterly the investment officers of the County shall submit an investment report detailing: (1) the investment position of the County, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, any additions and changes to market value and the ending value of each pooled fund group, (4) the book value and market value of each separately listed asset at the beginning and end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategy statements and (b) State law. No person may invest County funds without express written authority from the Commissioners Court.

Additional Provisions

Under State law the County is additionally required to: (1) annually review its adopted policies and strategies; (2) require any investment officers with personal business relationships or relatives with firms seeking to sell securities to the County to disclose the relationship and file a statement with the Texas Ethics Commission and the Commissioners Court; (3) require the registered principal of firms seeking to sell securities to the County to: (a) receive and review the County's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude imprudent investment activities, and (c) deliver a written statement attesting to these requirements; (4) perform an annual audit of the management controls on investments and adherence to the County's investment policy; (5) provide specific investment training for the treasurer, chief financial officer and investment officers; (6) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse repurchase agreement; (7) restrict the investment in mutual funds in the aggregate to no more than 80% of the County's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service and further restrict the investment in non-money market mutual funds of any portion of bond proceeds, reserves and funds held for debt service and to no more than 15% of the entity's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; and (8) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements.

REGISTRATION AND QUALIFICATION OF THE OBLIGATIONS FOR SALE

The sale of the Obligations have not been registered under the federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a) (iii); and the Obligations have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Obligations been qualified under the securities acts of any other jurisdiction. The County assumes no responsibility for qualification of the Obligations under the securities laws of any jurisdiction in which the Obligations may be sold, assigned, pledged, hypothecated, or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Obligations must not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code) and, with respect to the Obligations, Section 271.051, Texas Local Government Code provide that the Obligations are negotiable instruments governed by Chapter 8, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State of Texas. With respect to investment in the Obligations by municipalities or other political subdivisions or public agencies of the State of Texas, the Public Funds Investment Act, Chapter 2256, Texas Government Code, requires that the Obligations be assigned a rating of at least "A" or its equivalent as to investment quality by a national rating agency. See "RATING" herein. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Obligations are legal investments for state banks, savings banks, trust companies with a capital of one million dollars or more, and savings and loan associations. The Obligations are eligible to secure deposits of any public funds of the State, its agencies, and its political subdivisions, and are legal security for those deposits to the extent of their market value. No review by the County has been made of the laws in other states to determine whether the Obligations are legal investments for various institutions in those states.

RATING

S&P Global Ratings, Inc. ("S&P") has rated the Obligations "AA+" (stable outlook) and maintains its "AA+" rating on the County's outstanding ad valorem tax-supported debt. No other ratings were applied for. An explanation of the significance of such rating may be obtained from S&P. The County has furnished S&P certain information and materials which are not included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies, and assumptions by the rating agencies. The rating reflects only the views of the organization and the County makes no representation as to the appropriateness of

the rating. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by S&P, if in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Obligations.

FEDERAL TAX MATTERS

Tax Exemption

The delivery of the Obligations is subject to the opinion of Winstead PC, San Antonio, Texas, Bond Counsel, to the effect that interest on the Obligations for federal income tax purposes (1) will be excludable from the gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of such opinion (the “Code”), pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be an item of tax preference for purposes of the federal alternative minimum tax for the owners thereof who are individuals. A Form of Bond Counsel’s opinion is reproduced as APPENDIX C. The statutes, regulations, rulings, and court decisions on which such opinion is based are subject to change.

In rendering the foregoing opinions, Bond Counsel will rely upon the representations and certifications of the County and the Commissioners Court made in a certificate dated the date of delivery of the Obligations pertaining to the use, expenditure, and investment of the proceeds of the Obligations and will assume continuing compliance with the provisions of the Orders subsequent to the issuance of the Obligations. The Orders contain covenants by the County and the Commissioners Court with respect to, among other matters, the use of the proceeds of the Obligations, the manner in which the proceeds of the Obligations are to be invested, the reporting of certain information to the United States Treasury and rebating any arbitrage profits to the United States Treasury. Failure to comply with any of these covenants would cause interest on the Obligations to be includable in the gross income of the owners thereof from the date of the issuance of the Obligations.

Except as described above, Bond Counsel will express no other opinion with respect to any other federal, state, or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Obligations. Prospective purchasers of the Obligations should be aware that the ownership of tax-exempt obligations such as the Obligations may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, owners of an interest in a financial asset securitization investment trust, individuals otherwise qualifying for the earned income credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or how have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

For taxable years beginning after December 31, 2022, an “applicable corporation” (as defined in section 59(k) of the Code) may be subject to a 15% alternative minimum tax imposed under section 55 of the Code on its “adjusted financial statement income” (as defined in section 56A of the Code) for such taxable year. Because interest on tax-exempt obligations, such as the Obligations, is included in a corporation’s “adjusted financial statement income,” ownership of the Obligations could subject a corporation to alternative minimum tax consequences.

Bond Counsel’s opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the County described above. No ruling has been sought from the Internal Revenue Service (the “IRS”) with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel’s opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on municipal obligations. If an audit of the Obligations is commenced, under current procedures the IRS is likely to treat the County as the “taxpayer,” and the owners of the Obligations would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Obligations, the County may have different or conflicting interests from the owners of the Obligations. Public awareness of any future audit of the Obligations could adversely affect the value and liquidity of the Obligations during the pendency of the audit, regardless of its ultimate outcome.

Tax Accounting Treatment of Discount Obligations

The initial public offering price of certain Obligations may be less than the amount payable on such Obligations at maturity (the “Discount Obligations”). An amount equal to the difference between the initial public offering price of a Discount Obligations (assuming that a substantial amount of the Discount Obligations of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Obligations. A portion of such original issue discount, allocable to the holding period of such Discount Obligations by the initial purchaser will, upon the disposition of such Discount Obligations (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Discount Obligations described above under “Tax Exemption”. Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Obligations, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Obligations and generally will be allocated to an original purchaser in a different amount from the amount of the payment denominated as interest actually received by the original purchaser during the tax year.

However, such interest may be required to be taken into account in determining the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences as described below. Moreover, in the event of the redemption, sale, or other taxable disposition of a Discount Obligations by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Obligations in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Obligations was held) is includable in gross income.

Owners of Discount Obligations should consult with their own tax advisors with respect to the determination for federal income tax purposes of and with respect to the state and local tax consequences of owning and disposing of Discount Obligations. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Obligations may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

Tax Accounting Treatment of Premium Obligations

The initial public offering price of certain Obligations may be greater than the amount payable on such Obligations at maturity (the “Premium Obligations”). An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Obligations of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial purchaser of such Premium Obligations. The basis for federal income tax purposes of a Premium Bond in the hands of such initial purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial purchaser is determined by using such purchaser’s yield to maturity.

Owners of the Premium Obligations should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Obligations for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Obligations.

Collateral Tax Consequences Summary

The following discussion is a summary of certain collateral federal income tax consequences resulting from the receipt or accrual of interest on or the acquisition, ownership, or disposition of the Obligations. This discussion is based on existing statutes, regulations, published rulings, and court decisions, all of which are subject to change or modification retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, individual

recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit or the premium assistance credit, owners of an interest in a financial asset securitization investment trust, certain S corporations with Subchapter C earnings and profits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred expenses allocable to, tax-exempt obligations.

INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE RECEIPT OR ACCRUAL OF INTEREST ON OR THE ACQUISITION, OWNERSHIP, AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE OBLIGATIONS.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the “dividend equivalent amount” for the taxable year. Interest on the Obligations received or accrued by a foreign corporation subject to the branch profits tax may be included in computing the “dividend equivalent amount” of such corporation.

Under section 6012 of the Code, owners of tax-exempt obligations, such as the Obligations, may be required to disclose interest received or accrued during each taxable year on their returns with respect to federal income taxes.

Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of a tax-exempt obligation, such as the Obligations, if such obligation was acquired at a “market discount” and if the fixed maturity of such obligation is equal to, or exceeds, one year from the date of issue. Such treatment applies to “market discount bonds” (defined below) to the extent such gain does not exceed the accrued market discount (defined below) of such bonds; although for this purpose, a de minimis amount of market discount is ignored. A “market discount bond” is one which is acquired by the owner at a purchase price which is less than the state redemption price at maturity or, in the case of a bond issued at an original issue discount, the “revised issue price” (i.e., the issue price plus accrued original discount). The “accrued market discount” is the amount which bears the same ratio to the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

State, Local, and Foreign Taxes

Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership, or disposition of the Obligations under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

Changes in Law

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Obligations under federal or state law or otherwise prevent owners of the Obligations from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Obligations. Prospective purchasers of the Obligations should consult their own tax advisors regarding the foregoing matters.

LEGAL MATTERS

Legal Opinions

The delivery of the Obligations is subject to the approval of the Attorney General of Texas to the effect that such Obligations are valid and legally binding Obligations of the County payable from sources and secured in the manner provided in the Order and the approving legal opinions of Bond Counsel, to like effect and, with respect to the Obligations, to the effect that the interest on the Obligations is excludable from gross income for federal income tax purposes under Section 103(a) of the Code, subject to the matters described under “TAX MATTERS” herein. The forms of Bond Counsel’s opinions are attached hereto in APPENDIX B. The customary closing papers, including a

certificate to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Obligations, or which would affect the provision made for their payment or security, or in any manner questioning the validity of said Obligations will also be furnished. Bond Counsel was not requested to participate, and did not take part, in the preparation of the Notice of Sale and Bidding Instructions, the Official Bid Form and the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Obligations in the Official Statement to verify that such description conforms to the provisions of the Order. The legal fees to be paid Bond Counsel for services rendered in connection with the issuance of the Obligations are contingent on the sale and delivery of the Obligations. The legal opinion will accompany the Obligations deposited with DTC or will be printed on the Obligations in the event of the discontinuance of the Book-Entry-Only System.

Bond Counsel was engaged by, and only represents the County. The various legal opinions to be delivered concurrently with the delivery of the Obligations express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the transaction opined upon or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

No-Litigation Certificate

On the date of delivery of the Obligations to the Initial Purchaser, the County will execute and deliver to the Initial Purchaser a certificate to the effect that, except as disclosed in the Official Statement, no litigation of any nature has been filed or is pending, as of that date, of which the County has notice, to restrain or enjoin the issuance or delivery of the Obligations or which would affect the provisions made for their payment or security, or in any manner questions the validity of the Obligations.

Other Litigation

In the opinion of the County Attorney, there is no litigation or other proceedings pending which affect the County directly or indirectly or, to his knowledge, threatened against the County in any court, agency, or administrative body (either state or federal) wherein an adverse decision would materially adversely affect the financial condition of the County.

MUNICIPAL ADVISOR

PFM Financial Advisors LLC (“PFM”), Austin, Texas, is engaged by the County as Municipal Advisor in connection with the issuance of the Obligations. In preparing this Official Statement, the Municipal Advisor has relied on government officials and other sources to provide accurate information for disclosure purposes. The Municipal Advisor is not obligated to undertake, and has not undertaken, an independent verification of the accuracy, completeness, or fairness of the information contained in this Official Statement. PFM is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities. PFM’s contract for services rendered with respect to the sale of the Obligations is contingent upon the issuance and delivery of the Obligations.

FINANCIAL STATEMENTS

“APPENDIX A” to this Official Statement contains the general purpose financial statements of the County for the year ended September 30, 2025. These combined financial statements of the County as of and for the year ended September 30, 2025 included in this Official Statement have been audited by Ingram, Wallis and Company, P.C., independent auditors, as stated in their report included with such financial statements in “APPENDIX A”.

INITIAL PURCHASER

BofA Securities is the initial purchaser of the Obligations (the “Initial Purchaser”). BofA Securities has agreed, subject to certain conditions, to purchase the Bonds from the County at a price of \$7,071,347.40 (representing the par amount of the Bonds of 6,760,000.00, plus a net original issue premium of \$382,242.90 less an Underwriter’s discount of \$70,895.50). The Initial Purchaser’s obligation is subject to certain conditions precedent. The Initial Purchaser will be obligated to purchase all of the Bonds, if the Bonds are purchased. The Bonds may be offered or sold to certain dealers and others at prices lower than such public offering prices, and such public prices may be changed, from time to time, by the Initial Purchaser.

BofA Securities has agreed, subject to certain conditions, to purchase the Certificates from the County at a price of \$38,132,219.89 (representing the par amount of the Certificates of \$36,175,000.00, plus a net original issue premium of \$2,210,768.55 less an Underwriter’s discount of \$253,548.66). The Initial Purchaser’s obligation is subject to certain conditions precedent. The Initial Purchaser will be obligated to purchase all of the Certificates, if the Certificates are purchased. The Certificates may be offered or sold to certain dealers and others at prices lower than such public offering prices, and such public prices may be changed, from time to time, by the Initial Purchaser.

CONTINUING DISCLOSURE OF INFORMATION

In the Order, the County made the following agreement for the benefit of the owners and Beneficial Owners of the Obligations. The County is required to observe this agreement for so long as it remains obligated to advance funds to pay the Obligations. Under the agreement, the County will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified events, as described below.

Annual Reports

The County will provide certain updated financial information and operating data to the Municipal Securities Rulemaking Board (“MSRB”). The information to be updated includes all quantitative financial information and operating data of the general type included in this Official Statement and tables listed in the main text of the Official Statement under the captions “TAX DATA” and “FINANCIAL INFORMATION”, as well as the data attached hereto as APPENDIX A. The County will update and provide this information within six months after the end of each fiscal year ending in or after 2025. The County will provide the updated information in an electronic format, all as prescribed by the MSRB.

The County may provide updated information in full text, or may incorporate by reference other publicly available documents, or in such other form consistent with the agreement, as permitted by SEC Rule 15c2-12 (the “Rule”). The updated information will include audited financial statements, if the County commissions an audit and the audit is completed by the required time. If audited financial statements are not available by the required time, the County will provide unaudited financial statements and audited financial statements when and if they become available. Any such financial statements will be prepared in accordance with the accounting principles described in “APPENDIX A” or such other accounting principles as the County may be required to employ from time to time pursuant to State law or regulation.

The County’s current fiscal year end is September 30. Accordingly, the County must provide updated information by March 31 in each year, beginning March 31, 2027, unless the County changes its fiscal year. If the County changes its fiscal year, it will notify the MSRB of the change.

Notice of Certain Events

The County will provide timely notices of certain events to the MSRB, but in no event will such notices be provided to the MSRB in excess of ten (10) business days after the occurrence of an event. The County will provide notice of any of the following events with respect to the Obligations: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material

notices or determinations with respect to the tax status of the Obligations, or other material events affecting the tax status of the Obligations; (7) modifications to rights of beneficial owners of the Obligations, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Obligations, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the County; (13) consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of an definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material (15) incurrence of a Financial Obligation (defined below) of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the County, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the County, any of which reflect financial difficulties. Neither the Obligations nor the Order make any provisions for liquidity enhancement, credit enhancement, or debt service reserves. In addition, the County will provide timely notice of any failure by the County to provide financial information, operating data, or financial statements in accordance with its agreement described above under “Annual Reports.”

The County also will notify the MSRB through EMMA, in a timely manner, of, of any failure by the County to provide financial information or operating data in accordance with the provisions described above.

For these purposes, (a) any event described in (12) in the immediately preceding paragraph is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent, or similar officer for the County in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County; (ii) or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and order of a court or governmental authority; or (iii) the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County, and (b) the words used in clauses (15) and (16) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced, for example, by SEC Release No. 34-83885, dated August 20, 2018.

Availability of Information

The County has agreed to provide the information only to the MSRB, accompanied by identifying information and in an electronic format, as prescribed by the MSRB. The MSRB has prescribed that such information must be filed with the MSRB pursuant to its Electronic Municipal Market Access (“EMMA”) System. The MSRB intends to make the information available to the public without charge and investors will be able to access continuing disclosure information filed with the MSRB at www.emma.msrb.org.

Limitations and Amendments

The County has agreed to update information and to provide notices of certain events only as described above. The County has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that has been provided except as described above. The County makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell securities at any future date. The County disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of Obligations may seek a writ of mandamus to compel the County to comply with its agreement. Nothing in this paragraph is intended or will act to disclaim, waive or limit the County’s duties under federal or state securities laws.

The County may amend its continuing disclosure agreement to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the County, if the agreement, as amended, would have permitted an underwriter to purchase or sell Obligations in the offering described herein in compliance with the Rule and either the holders of a majority in aggregate principal amount of the outstanding Obligations consent or any person unaffiliated with the County (such as nationally

recognized bond counsel) determines that the amendment will not materially impair the interests of the Beneficial Owners of the Obligations. The County may also amend or repeal the agreement if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, and the County may amend the agreement in its discretion in any other circumstance or manner, but in either case only to the extent that its right to do so would not have prevented the underwriter from purchasing the Obligations in the offering described herein in compliance with the Rule. If the County amends its agreement, it must include with the next financial information and operating data provided in accordance with its agreement described above under “Annual Reports” an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of information and operating data so provided. See “APPENDIX A”.

Compliance with Prior Undertakings

During the last five years, the County has complied in all material respects with continuing disclosure agreements made by it in accordance with the Rule except as follows: for Fiscal Year 2020, the County filed its annual audit and related financial data in July 2021, due to COVID and implementation of a new financial software system. The County also filed a notice of late filing at that time. The County has implemented procedures to ensure that the future filings will be made in a timely manner.

Audited Financial Report of the County

The County requires that an annual audit be performed by an independent public accounting firm in accordance with generally accepted auditing standards. The most recent audit, and additional financial information are available for public inspection, or copies may be obtained by written request, to the extent permitted by law, addressed to the County Auditor.

Forward-Looking Statements

The statements contained in this Official Statement, and in any other information provided by the County that are not purely historical, are forward-looking statements, including statements regarding the County’s expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the County on the date hereof, and the County assumes no obligation to update any such forward-looking statements. It is important to note that the County’s actual results could differ materially from those in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the County. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

MISCELLANEOUS

All information contained in this Official Statement is subject, in all respects, to the complete body of information contained in the original sources thereof. In particular, no opinion or representation is rendered as to whether any forecast will approximate actual results, and all opinion, estimates, and assumptions, whether or not expressly identified as such, should not be considered statements of fact.

Statements made herein regarding the Obligations are qualified in their entirety by reference to the forms thereof and the information with respect thereto included in the Order, copies of which are available upon request upon the payment of reasonable reproduction and postage costs.

THIS OFFICIAL STATEMENT has been approved, and the execution and delivery of this Official Statement authorized on behalf of the County by the Commissioners Court on the date set forth on the cover page of this Official Statement.

/s/ Judge Duane Peters
County Judge
BRAZOS COUNTY, TEXAS

ATTEST
/s/ Karen McQueen
County Clerk
BRAZOS COUNTY, TEXAS

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APPENDIX A

**EXCERPTS FROM THE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025**

BRAZOS COUNTY, TEXAS
Annual Comprehensive Financial Report
For The Year Ended September 30, 2025



Prepared by:

Marci Turner, 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: mturner@brazoscountytexas.gov

March 13, 2026

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, 2025, 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 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, 2025, 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 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 20% increase is larger than the overall growth of Texas (14%) in the past decade. The estimated population for Brazos County in 2025 is approximately 249,624. The County remains a major hub in Central Texas, driven largely by the student population in Bryan-College Station.

In September 2025, Brazos County had an unemployment rate of 3.6% compared to the Texas statewide unemployment rate of 4.1% for the same month. This represents an increase from the County’s unemployment rate of 3.1% in September 2024. As of September 2025, the labor force data provided by the Texas Workforce Commission indicates a total County labor force of 139,677, of which 134,596 individuals were employed. The following schedule presents an estimate of the number of employees and the corresponding percentage per industry as of September 2025.

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

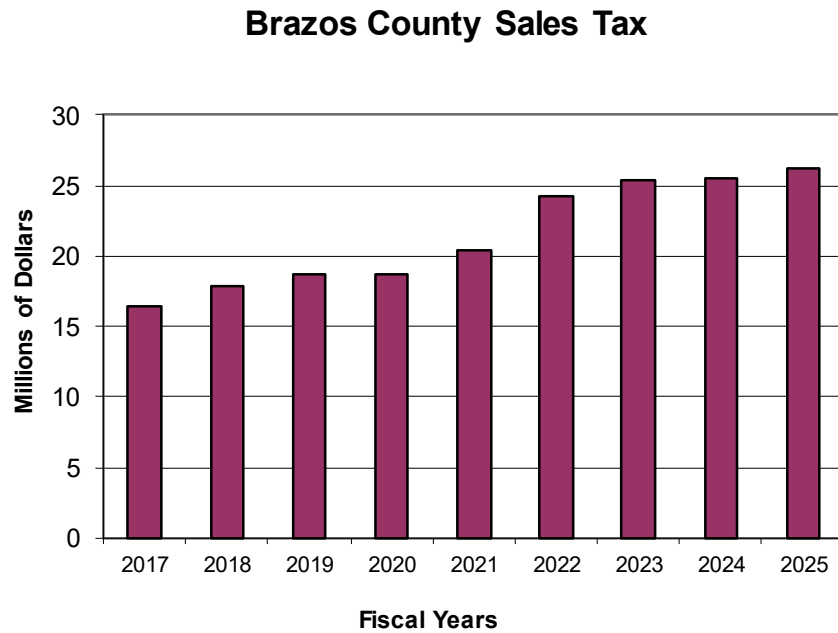
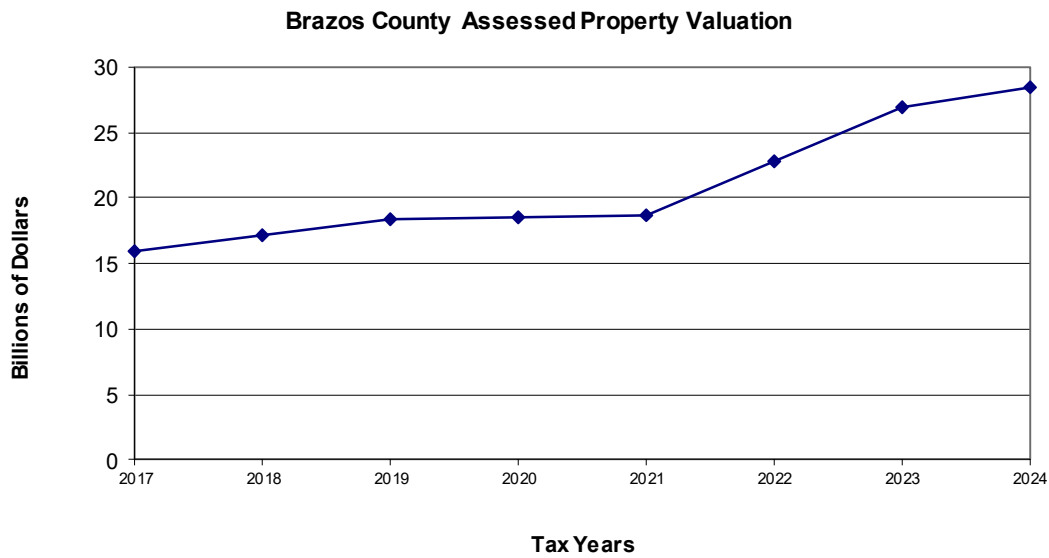
<u>Employer Group</u>	<u>Number of Employees</u>	<u>Percentage</u>
State, Local, Federal Government	102,200	47%
Trade, Transportation and Utilities	19,400	9%
Wholesale/Retail Trade	16,800	8%
Leisure and Hospitality	21,600	10%
Education and Health Services	16,400	7%
Professional and Business Services	14,400	7%
Mining, Logging and Construction	7,900	4%
Manufacturing	6,100	3%
Financial Activities	4,900	2%
Other Services	4,100	2%
Information	1,500	1%
TOTAL	215,300	100%

Source: Texas Workforce Commission

Recent employment statistics indicate improving labor market conditions in the County. As of September 2025, data from the Texas Workforce Commission reflect an increase of approximately 2,300 non-farm and private sector jobs, demonstrating continued local economic growth.

According to the Real Estate Center at Texas A&M University, the real estate market in the Bryan-College Station area increased in 2025. The number of home sales increased 3.14%, the average sales price increased by 6.1%, and the average month's inventory increased less than 1% in 2025 compared to 2024.

The County's assessed property valuation for tax year 2024 increased 5.38% compared to tax year 2023. Sales tax receipts for fiscal year 2025 increased 2.47% compared to fiscal year 2024. 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 2025 of 81,354, a 2.75% increase from the previous fall. 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 140 undergraduate and 270 graduate degree programs in 17 colleges and schools. Texas A&M University is the nation's largest public university in Texas and has provided an increased economic influence on the State of Texas. Texas A&M's spending on operations, research, and construction, along with entrepreneurial activities have surged to \$20.8 billion. 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 Bush School of Government and Public Service. 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. According to the preliminary, fall 2025 enrollment figures from Blinn College, the Bryan campus had 4,665 students enrolled and the RELLIS campus had 4,349 students enrolled for fall 2025 semester.

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 continues to play a significant role in the economic vitality of Brazos County by supporting local employment and aligning workforce training programs with regional industry demands. The college provides stable, high-quality jobs within the community and contributes to the broader economic base through student enrollment, operational expenditures, and strategic partnerships.

Additionally, through its partnerships with Texas A&M University at the RELLIS campus, the college supports increasing enrollment and expands the access to higher education opportunities. This collaboration enhances transfer pathways and strengthens academic and workforce alignment, further positioning, the area for sustained growth.

Brazos County is a member of the Greater Brazos Partnership (<http://greaterbrazos.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. The park features Axis Pipe and Tube, the largest industrial property, which is currently expanding. It also includes a 93,000-square-foot delivery station and distribution center for Amazon. CertainTeed is developing a roofing products manufacturing and distribution complex, while Kristen Distributing Company and Federal Express are already in operation within the park.

CAPITAL IMPROVEMENT PROGRAM

In 2025, 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 2025, 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 2025 that included \$18.1 million (including personnel services, supplies and other charges, contingencies, repairs and maintenance, minor acquisitions, contract services, and professional services) for routine maintenance and \$12.2 million for improvements and upgrades. The County expended approximately \$14.4 million dollars maintaining the roads and upgraded and reconstructed roads at a cost of over \$2 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 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, 2025, the County had cash and cash equivalents of \$133.3 million in governmental and business-type activities, the majority of which was invested in the County's depository. At September 30, 2025, the County also had \$182 million invested in three statewide investment pools and a money market account. During the fiscal year, the County earned approximately \$16 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, 2025, 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, 2025, the County had \$7.05 million reserved in the Debt Service Fund to meet future obligations.

The County is responsible for establishing its tax rate. For the fiscal year ended September 30, 2025, the tax rate to finance general governmental services was \$0.3818 per \$100 valuation and the tax rate for the payment of principal and interest on long-term debt was \$0.0379 per \$100 of valuation. For the fiscal year ended September 30, 2026, the tax rate to finance general government services is \$0.3895 per \$100 valuation and the tax rate for the payment of principal and interest on long-term debt is \$0.0302 per \$100 of valuation.

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 and Auditor's Office.
- 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 for capital improvements and expansion.
- Strategic use of debt to fund long-life capital assets.
- 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 2025 included:

- The County finalized the construction contract for the future Medical Examiner's office. The projected cost of the project is \$33.8 million. Construction began in fiscal year 2025 and is estimated to be completed in fiscal year 2026.
- A new building is planned to be constructed at an estimated project cost of \$61 million. This building is to be occupied by the Justice of the Peace and Constable Precinct 4, Public Defender, Community Supervision and Corrections Department, and other judicial court offices.
- The County set aside \$17.2 million for renovations to the sanctuary, north wing, and building envelope project to address the structure of the Brazos County Administration building.

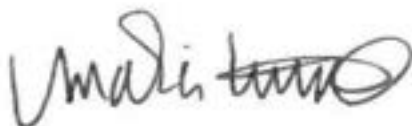
- General Obligation bonds issued in 2023 provided \$23 million in fiscal year 2025 to be used for TxDOT projects for improvements and the improvement of various County roads.

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,



Marci Turner
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, 2024

Christopher P. Morrill

Executive Director/CEO

BRAZOS COUNTY, TEXAS
PRINCIPAL OFFICIALS
September 30, 2025

Commissioners' Court:

Duane Peters	County Judge
Bentley Nettles	Commissioner, Precinct 1
Chuck Konderla	Commissioner, Precinct 2
Fred Brown	Commissioner, Precinct 3
Wanda Watson	Commissioner, Precinct 4

District Court:

Kyle Hawthorne	Judge, 85th Judicial District
John Brick	Judge, 272nd Judicial District
David Hilburn	Judge, 361st Judicial District
George J. Wise	Judge, 472 nd Judicial District

County Court-at-Law:

Amanda Matzke	Judge, County Court-at-Law No. 1
Roy Brantley	Judge, County Court-at-Law No. 2

Law Enforcement and Correction:

Wayne Dicky	Sheriff
Earl Gray	County Attorney
Jarvis Parsons	District Attorney
Linda Ricketson *	Chief Juvenile Probation Officer
Jennifer Goerig *	Chief Adult Probation Officer

Financial Administration:

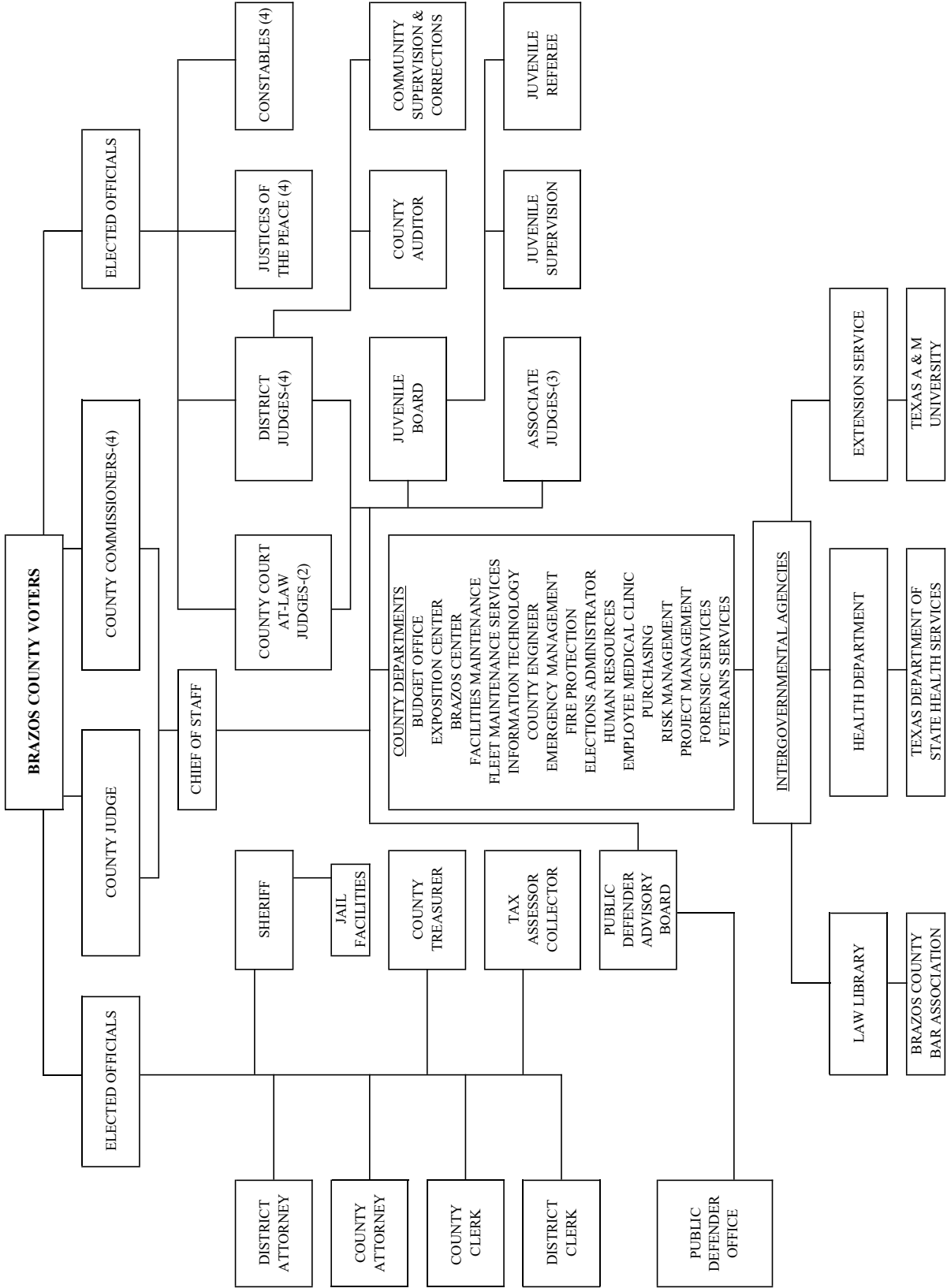
Cristian Villarreal	Treasurer
Melissa Leonard	Tax Assessor-Collector
Katie Conner*	Auditor

Recording Offices:

Karen McQueen	County Clerk
Gabriel Garcia	District Clerk

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

BRAZOS COUNTY ORGANIZATIONAL CHART



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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, 2025, 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, 2025, 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 16-29 and 87-100 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 13, 2026, 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 13, 2026

MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

For the Year Ending September 30, 2025

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, 2025. 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.

As discussed in Note 16 to the financial statements, the County implemented GASB Statement No. 101 during fiscal year 2025. Prior year information presented in this MD&A has not been restated for this change in accounting principle.

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 \$503,229,742 at September 30, 2025, and are reported as the total net position of the primary government. The total net position was \$454,657,726 at September 30, 2024.
- The government-wide total net position increased \$53,104,746 during the fiscal year ending September 30, 2025. The net position from the governmental activities increased \$53,071,698 while the net position from business-type activities increased \$33,048. The increase in total net position is primarily attributable to growth in capital assets, including a \$17 million increase in infrastructure, a \$10 million increase in construction in progress, and \$745,000 increase in machinery and equipment related to governmental activities, as well as a \$97,474 increase in machinery and equipment related to business-type activities. Together, these changes contributed to an overall \$29 million increase in total assets from fiscal year 2024 to fiscal year 2025. Additionally, noncurrent liabilities due in more than one year decreased by \$14 million during fiscal year 2025 due to the payoff of long-term debt. Unearned revenue within governmental activities decreased by \$13 million during fiscal year 2025 as the County expended allocated American Rescue Plan Act (ARPA) funds.
- Total net position of the primary government is comprised of the following:

<u>Net Position by Category</u>	<u>September 30, 2025</u>	<u>September 30, 2024</u>
Net Investment in Capital Assets	\$ 318,588,542	\$ 291,675,081
Restricted	45,181,886	44,518,670
Unrestricted	139,459,314	118,463,975
Total Net Position	<u>\$ 503,229,742</u>	<u>\$ 454,657,726</u>

Fund Financial Statements

- As of September 30, 2025, the County governmental funds reported combined fund balances of \$280,821,862. This reflects an increase of \$7,936,406 from the previous fiscal year, primarily related to an increase in tax revenue due to increases in property valuations and a tax rate increase for Local Provider Participation fund from the approved 4% rate in September

FINANCIAL HIGHLIGHTS (Continued)

Fund Financial Statements (Continued)

2024 to 6% in June 2025. Interest revenue continues to positively impact the County's portfolio contributing \$15,925,736 in revenues in fiscal year 2025 to the governmental funds. \$134,100,795 or 48% of the combined fund balances at September 30, 2025, 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 \$134,100,795 or 95% of the General Fund's total expenditures and 79% of the revenues.
- The total fund balance for the nonmajor governmental funds was \$53,879,137 at September 30, 2025. Of this amount, \$14,633,906 is restricted by the legislature, \$9,596,495, is committed to approved projects, and \$29,648,736 is assigned for 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. The 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 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.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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 states and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All 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.

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, Local Provider Participation, and Grant Fund, which are major funds. Data from other governmental funds are combined into a single, aggregated presentation. Detailed information for each nonmajor governmental fund is provided in the combining schedules elsewhere in this report.

Proprietary Funds are maintained in two ways. Enterprise funds are 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 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, the internal service funds have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds are used to report assets held by the County in a trustee or custodial capacity for others and, therefore, cannot be used to support the County's own programs. One trust fund and four custodial funds are reported in this category. Custodial funds are purely custodial in nature with assets equal to liabilities and, therefore, 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 45-86 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Required Supplementary Information is presented concerning the County’s General Fund and Local Provider Participation Fund and Grant 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 87-109 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 110-160 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 \$503,229,742 for fiscal year 2025 and \$454,657,726 fiscal year 2024.

Condensed Statement of Net Position September 30, 2025

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Current and other assets	\$ 334,560,851	\$ 1,221,567	\$ 335,782,418
Capital assets, net	388,047,056	115,294	388,162,350
Total assets	<u>722,607,907</u>	<u>1,336,861</u>	<u>723,944,768</u>
Deferred outflows of resources	23,774,673	83,554	23,858,227
Current and other liabilities	32,552,069	61,569	32,613,638
Long-term liabilities	204,022,061	195,426	204,217,487
Total liabilities	<u>236,574,130</u>	<u>256,995</u>	<u>236,831,125</u>
Deferred inflows of resources	7,710,334	31,794	7,742,128
Net position:			
Net investment in capital assets	318,473,248	115,294	318,588,542
Restricted	45,181,886	-	45,181,886
Unrestricted	138,442,982	1,016,332	139,459,314
Total net position	<u>\$ 502,098,116</u>	<u>\$ 1,131,626</u>	<u>\$ 503,229,742</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Condensed Statement of Net Position September 30, 2024

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Current and other assets	\$ 335,824,200	\$ 1,274,018	\$ 337,098,218
Capital assets, net	357,922,126	17,820	357,939,946
Total assets	<u>693,746,326</u>	<u>1,291,838</u>	<u>695,038,164</u>
Deferred outflows of resources	24,794,331	81,858	24,876,189
Current and other liabilities	43,378,925	46,410	43,425,335
Long-term liabilities	214,593,424	198,711	214,792,135
Total liabilities	<u>257,972,349</u>	<u>245,121</u>	<u>258,217,470</u>
Deferred inflows of resources	7,013,984	25,173	7,039,157
Net position:			
Net investment in capital assets	291,657,261	17,820	291,675,081
Restricted	44,518,670	-	44,518,670
Unrestricted	117,378,393	1,085,582	118,463,975
Total net position	<u>\$ 453,554,324</u>	<u>\$ 1,103,402</u>	<u>\$ 454,657,726</u>

The largest portion of the County's current fiscal year net position reflects its investment of \$318,588,542 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 \$45,181,886 represents resources that are subject to external restrictions on how they may be used. The remaining balance of the unrestricted net position, \$139,459,314 (28%) may be used to meet the County's ongoing obligations to citizens and creditors. The County's net position increased by \$53,104,746 a result of its fiscal year 2025 operations. The increase in net position is primarily attributable to a \$32 million increase in total revenues, which exceeded the \$23 million increase in total expenses for the year contributing to the overall improvement in net position.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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

	Governmental Activities	Business-Type Activities	Total
Condensed Statement of Activities			
For the Year Ended September 30, 2025			
Revenues:			
Program revenues:			
Charges for services	\$ 28,435,650	\$ 1,951,501	\$ 30,387,151
Operating grants and contributions	6,390,009	-	6,390,009
Capital grants and contributions	13,107,614	-	13,107,614
General revenues:			
Property taxes	124,403,223	-	124,403,223
Local health care provider assessments	47,803,716	-	47,803,716
Sales taxes	26,165,531	-	26,165,531
Motor vehicle taxes	2,234,354	-	2,234,354
Mixed drink taxes	1,450,510	-	1,450,510
Hotel occupancy taxes	4,207,139	-	4,207,139
Unrestricted investment earnings	15,925,736	47,840	15,973,576
Total revenues	<u>270,123,482</u>	<u>1,999,341</u>	<u>272,122,823</u>
Expenses:			
General Government	48,810,419	-	48,810,419
Justice System	31,604,210	-	31,604,210
Law Enforcement	40,868,259	1,966,293	42,834,552
Juvenile Services	10,254,251	-	10,254,251
Public Transportation	20,544,534	-	20,544,534
Public Health	53,662,694	-	53,662,694
Human Services	8,418,320	-	8,418,320
Debt Service	2,889,097	-	2,889,097
Total expenses	<u>217,051,784</u>	<u>1,966,293</u>	<u>219,018,077</u>
Change in net position	53,071,698	33,048	53,104,746
Net position - beginning, as previously reported at 9/30/2024	453,554,324	1,103,402	454,657,726
Change in accounting principle	(4,527,906)	(4,824)	(4,532,730)
Net position - beginning, as restated	<u>449,026,418</u>	<u>1,098,578</u>	<u>450,124,996</u>
Net position - ending	<u>\$502,098,116</u>	<u>\$ 1,131,626</u>	<u>\$ 503,229,742</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Condensed Statement of Activities For the Year Ended September 30, 2024

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 23,007,831	\$ 2,045,760	\$ 25,053,591
Operating grants and contributions	7,820,396	-	7,820,396
Capital grants and contributions	29,508	-	29,508
General revenues:			
Property taxes	116,050,905	-	116,050,905
Local health care provider assessments	40,008,694	-	40,008,694
Sales taxes	25,534,197	-	25,534,197
Motor vehicle taxes	2,112,764	-	2,112,764
Mixed drink taxes	1,493,323	-	1,493,323
Hotel occupancy taxes	4,084,152	-	4,084,152
Unrestricted investment earnings	17,834,015	54,814	17,888,829
Total revenues	<u>237,975,785</u>	<u>2,100,574</u>	<u>240,076,359</u>
Expenses:			
General Government	45,135,535	-	45,135,535
Justice System	28,396,387	-	28,396,387
Law Enforcement	35,830,742	2,082,921	37,913,663
Juvenile Services	9,689,431	-	9,689,431
Public Transportation	22,939,255	-	22,939,255
Public Health	39,453,099	-	39,453,099
Human Services	8,511,346	-	8,511,346
Debt Service	3,569,075	-	3,569,075
Total expenses	<u>193,524,870</u>	<u>2,082,921</u>	<u>195,607,791</u>
Change in net position	44,450,915	17,653	44,468,568
Net position - beginning	<u>409,103,409</u>	<u>1,085,749</u>	<u>410,189,158</u>
Net position - ending	<u>\$ 453,554,324</u>	<u>\$ 1,103,402</u>	<u>\$ 454,657,726</u>

Revenue Analysis

For fiscal year ended September 30, 2025, revenues for the primary government totaled \$272,122,823. The revenues are categorized by activity type: governmental activities totaled \$270,123,482 and business-type activities totaled \$1,999,341.

Program revenues are derived from the program itself and thereby reduce the cost of the function to the County. Total program revenues were \$49,884,774 representing 18% of total revenues. Of this amount, \$47,933,273 is generated from governmental activities, consisting primarily of fees collected by the tax collector, the clerks of the courts and other County departments. Business-type charges for services totaled \$1,951,501 and primarily represent commissary sales to inmates housed in the County jail. The largest components of program revenues were charges for service of \$30,387,151 (11% of the total revenues) and capital contributions from various federal, state, and local agencies of \$13,107,614 (5% of total revenues). The remaining program revenues consisted of \$6,390,009 in operating grants and contributions, which in total are 2% of the total revenues. This revenue increase was due to the County recognizing revenues for costs of capital projects funded by the American Rescue Plan Act (ARPA) during fiscal year 2025.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Revenue Analysis (Continued)

General revenues are revenues that do not qualify as program revenue. Property taxes, totaling \$124,403,223, were the largest revenue source for governmental activities and represented 46% of total revenues. Revenues from the local health care provider assessments were another significant revenue source, totaling \$47,803,716, or 18% of total revenues. In addition to property taxes and local health care provider assessments, general revenues include sales taxes, motor vehicle taxes, mixed drink taxes, hotel occupancy taxes, and investment earnings. These sources generated a combined \$50,031,110, representing 18% of the total revenues.

	<u>Year Ended</u> <u>September 30, 2025</u>		<u>Year Ended</u> <u>September 30, 2024</u>	
<u>Program Revenues</u>				
Charges for services - governmental	\$ 28,435,650	10.45%	\$ 23,007,831	9.58%
Charges for services - business-type	1,951,501	0.72%	2,045,760	0.85%
Operating grants and contributions	6,390,009	2.35%	7,820,396	3.27%
Capital grants and contributions	13,107,614	4.82%	29,508	0.01%
<u>General Revenues</u>				
Property taxes	124,403,223	45.71%	116,050,905	48.34%
Local health care provider assessments	47,803,716	17.57%	40,008,694	16.66%
Sales taxes	26,165,531	9.61%	25,534,197	10.64%
Motor vehicle taxes	2,234,354	0.82%	2,112,764	0.88%
Mixed drink taxes	1,450,510	0.53%	1,493,323	0.62%
Hotel occupancy taxes	4,207,139	1.55%	4,084,152	1.70%
Unrestricted investment earnings	15,973,576	5.87%	17,888,829	7.45%
Total Revenues	<u>\$ 272,122,823</u>	<u>100.00%</u>	<u>\$ 240,076,359</u>	<u>100.00%</u>

In fiscal year 2025, the County’s revenues increased by \$32,046,464 a 13% increase as a net result of the increase in appraised property values being taxed and changes in local health care provider assessments collected. The property tax revenue for fiscal year 2025 increased \$8 million from fiscal year 2024. Revenue generated by the local health care provider assessments was \$47.8 million during 2025, an increase of \$7.8 million from the prior year. The County received about \$26.2 million in sales tax in 2025.

Expense Analysis

For the year ended September 30, 2025, the function and program expenses for the primary government were \$217,051,784 for the governmental activities and \$1,966,293 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)

Function	Year Ended		Year Ended	
	September 30, 2025		September 30, 2024	
General Government	\$ 48,810,419	22.5%	\$ 45,135,535	23.3%
Justice System	31,604,210	14.6%	28,396,387	14.7%
Law Enforcement	40,868,259	18.8%	35,830,742	18.5%
Juvenile Services	10,254,251	4.7%	9,689,431	5.0%
Public Transportation	20,544,534	9.5%	22,939,255	11.9%
Public Health	53,662,694	24.7%	39,453,099	20.4%
Human Services	8,418,320	3.9%	8,511,346	4.4%
Debt Service	2,889,097	1.3%	3,569,075	1.8%
Total Governmental Activities	\$ 217,051,784	100.0%	\$ 193,524,870	100.0%
<u>Business-Type Activities</u>				
Jail Commissary Fund	1,966,293	100.0%	2,082,921	100.0%
Total Business-Type Activities	\$ 1,966,293	100.0%	\$ 2,082,921	100.0%

In fiscal year 2025, the County’s expenses increased \$23,410,286 12% more than the prior year. The key element of the change is as follows:

- The County gave a cost-of-living increase of 5% which increased salary and benefit expenditures for FY 2025.
- Grant funding was provided by State agencies to probation departments for salary supplements as part of an initiative to reduce turnover by enhancing salaries, resulting in increased salary and benefit expenditures for fiscal year 2025.
- Grant funding was provided by the State to assist the Sheriff’s, Constables, and Prosecutors departments, resulting in increased salary and benefit expenditures, as well as equipment expenditures in fiscal year 2025.
- The number of hospitals eligible to be paid increased, due to affiliation agreements being dissolved by the Health & Human Services Commission, which increased the Local Provider Participation expenditures for FY 2025.

FINANCIAL ANALYSIS OF MAJOR FUNDS

The County’s major general governmental functions are reported in the General, Special Revenue, Debt Service, and Capital Project Funds. As of September 30, 2025, the County’s governmental funds reported combined fund balances of \$280,821,862, an increase of \$7,936,406, or 3% compared to the prior year. This change reflects the net result of increased tax collections and an increased collection and remittance of local health care assessments. Of the combined fund balance, \$3,243,988 (1%) was nonspendable for prepaids and inventory; \$45,181,886 (16%) was restricted for various purposes by externally imposed restrictions; a total of \$63,646,457 (23%) was designated as committed of which \$23,646,013 was committed to various capital projects through the execution of contracts by the Commissioner’s Court and the remaining \$44,000,444 was committed as emergency contingency as approved by Commissioner’s Court; \$34,648,736

FINANCIAL ANALYSIS OF MAJOR FUNDS (Continued)

(12%) was assigned to the County's capital improvement plans and other programs as directed by the Commissioners' Court; and \$134,100,795 (48%) constituted unassigned fund balance, which is available to meet the County's current and future needs without restrictions.

General Fund

The General Fund is the County's primary operating fund. As of September 30, 2025, the General Fund reported a net fund balance of \$183,534,377 an increase of \$10,531,942 from fiscal year 2024. The fund realized an excess of revenues over expenditures of \$27,807,610. This increase is primarily driven by a \$9 million rise in Ad Valorem tax collection and a \$631,000 increase in sales tax revenues.

The County maintained conservative spending, with the General Fund expenditures totaling only 80% of the total budget. Budgetary savings were primarily attributable to \$10 million in maintenance activities that were planned but not completed during fiscal year 2025. Approximately \$6 million in road projects were completed using long-term debt proceeds rather than general fund resources, resulting in reduced general fund expenditures, and an estimated \$2.2 million of contingency funds remained unspent at year-end. Additionally, the County expended \$6.7 million below the required Indigent Health Care funding level for fiscal year 2025.

Debt Service Fund

The Debt Service Fund is used to account for receipts and disbursements related to the County's long-term bonded debt obligations. At the end of fiscal year 2025, the fund balance increased \$1,361,736, or 24% from fiscal year 2024. The fund reported an excess of revenues over expenditures of \$111,736. The primary contribution to the fund's increase was a \$1.25 million transfer from the Hotel Occupancy Tax Fund, as approved by the Commissioner's Court, to cover long-term debt obligations. The fund balance at September 30, 2025 was \$7,047,424.

For fiscal year 2026, the County's debt service requirements for the governmental activities are \$7,500,000 in principal and \$3,196,931 in interest. Additional information is available to the readers in Note 10 (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 \$22,297,194 at September 30, 2025. This represents a decrease of \$2.6 million, primarily due to expenditures exceeding tax and interest revenues.

Grant Fund

The Grant Fund has been established to account for the revenues and expenditures related to grant activities. The fund reported a fund balance of \$14,063,730 at September 30, 2025. During the year, the County transferred \$16.8 million to the Grant Fund to cover costs of capital projects funded in part by the American Rescue Plan Act. The County anticipates the project to be completed in fiscal year 2026, at which time no fund balance is expected to remain in the Grant fund.

GENERAL FUND BUDGETARY HIGHLIGHTS (Continued)

The County adopts an annual budget for the General Fund. Budget amounts represent the original budget for 2025 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.

The following table summarizes General Fund budgeted and actual amounts for fiscal year 2025:

Brazos County, Texas FY 2025 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	\$ 139,852,629	\$ 139,852,629	\$ 140,005,653
Charges for Services	13,636,275	13,644,675	14,662,857
Intergovernmental	857,002	857,002	992,938
Interest	10,275,000	10,275,000	11,857,040
Other	974,700	1,130,916	1,569,055
Transfers In	20,000	493,438	20,000
Sale of Capital Assets	190,000	190,000	127,893
Insurance Recoveries	100,000	100,000	127,511
Total	<u>165,905,606</u>	<u>166,543,660</u>	<u>169,362,947</u>
<u>Expenditures and Other Financing Uses</u>			
Expenditures	190,378,998	185,857,868	141,279,933
Transfers Out	77,292,768	82,426,952	17,551,072
Total	<u>267,671,766</u>	<u>268,284,820</u>	<u>158,831,005</u>
Net Change in Fund Balance	<u>\$ (101,766,160)</u>	<u>\$ (101,741,160)</u>	<u>\$ 10,531,942</u>

Differences between the original budget and the final amended budget reflected an overall increase of \$25,000 due to an overall greater increase in available resources than the increase in appropriations.

Actual revenues and transfers increased by \$2,819,287 (2%) from the final budget due to an increase in interest revenue and an increase in the other miscellaneous revenues. Within the "Other Revenue" category, the accounts contributing to this in this category are court appointed attorney fees which exceeded the final budget by \$157,480; revenue from inmate phone and video visitation, which was \$164,670 above the final budget; and \$88,673 received in unclaimed property – capital credits. Actual expenditures and transfers out were \$109,453,815 (41%) below the final budget, reflecting the County's restrained spending during the fiscal year.

CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

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, 2025, amounted to \$388,162,350 (net of accumulated depreciation) and at September 30, 2024, it was \$357,939,946. Depreciation on capital assets is recognized in the government-wide financial statements. Depreciation provided for the current fiscal period was \$8,872,878 compared to \$8,367,058 for the year ended September 30, 2024.

CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY (Continued)

Capital Assets (Continued)

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

- The County purchased land and building for a new 911 facility. The total amount spent was \$2.2 million during fiscal year 2025.
- The County spent \$14.6 million toward the Medical Examiner building in fiscal year 2025. This project is expected to be completed in fiscal year 2026.
- The County spent \$8.1 million on various road infrastructure projects in fiscal year 2025.

The County has elected to use the “Modified Approach” as defined by GASB 34 for reporting infrastructure assets, which include 484 miles of roads and 72 bridges. The County has adopted a minimum condition level of 80% for all County roads. In fiscal year 2025 approximately 89% of the County roads meet the targeted condition level. For the year ended September 30, 2025, the actual amount of expense incurred for the annual maintenance and preservation of the roads and bridges at the targeted condition level was \$14.5 million, compared to the estimated \$18.1 million needed. The \$3.6 million variance was primarily due to the Department’s underutilization of the contingency budgets and the reallocation of certain road projects, which were completed using long-term debt bond funds.

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	Balance
	September 30, 2025	September 30, 2024
<u>Governmental Activities:</u>		
Land	\$ 51,511,359	\$ 46,805,676
Construction in Progress	24,851,549	14,452,577
Infrastructure	174,408,989	156,654,717
Buildings	164,101,613	161,689,677
Improvements other than buildings	37,913,896	37,611,797
Leases - Right to Use - Machinery and Equipment	741,401	71,766
Machinery and Equipment	34,355,591	32,687,853
Intangible Assets - Computer Software	2,810,325	6,937,191
Subscription-Based Information Technology Arrangements activities	6,752,145	11,587,031
	<u>497,446,868</u>	<u>468,498,285</u>
Less: Accumulated depreciation	(109,399,812)	(110,576,159)
Governmental activities capital assets, net	<u>\$ 388,047,056</u>	<u>\$ 357,922,126</u>
<u>Business-type activities:</u>		
Machinery and Equipment	\$ 175,308	\$ 73,701
	<u>175,308</u>	<u>73,701</u>
Less: Accumulated depreciation	(60,014)	(55,881)
Business-type activities capital assets, net	<u>\$ 115,294</u>	<u>\$ 17,820</u>

CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY (Continued)

Subscription-based Information Technology Arrangements

The County utilizes subscription-based information technology arrangements to support operational and administrative functions. In accordance with GASB 96, Subscription-based Information Technology Arrangements, the county records subscription asset and corresponding subscription liability for qualifying agreements in the government-wide financial statements.

During the fiscal year 2025, the County experienced a decrease in its investment in SBITAs as certain contracts concluded and existing subscription assets continued to amortize. As of September 30, 2025, the County's investment in SBITA's for its governmental and business-type activities totaled \$4,218,839, net of accumulated amortization. For additional information regarding the County's subscription-based information technology arrangements, see the related Note 8 to the financial statements.

Leases

The County leases various assets, including equipment to support its operations. In accordance with GASB 87, Leases, the County recognizes lease assets and corresponding lease liability agreements with terms greater than one year in the government-wide financial statements. Lease assets represent the County's right to use the underlying leased assets over the lease term, while lease liabilities represent the present value of future lease payments.

As of September 30, 2025, the County added an additional lease, increasing the total lease liability to \$577,696. This represents a net increase of \$532,979 compared to the prior year. For additional information regarding the County's leasing activity, including the future minimum lease payments, see Note 9 to the financial statements.

Compensated Absences

Compensated absences represent the County's liability for earned leave that employees may take or receive payment for in the future. The County classifies compensated absences as either vested or non-vested.

Due to a change in the methodology used to calculate compensated absences, the September 30, 2024, balance was restated to \$6,493,086. This represents an increase of \$4,532,730 over the previously reported ending balance. As a result, beginning net position for fiscal year 2025 was reduced by the same amount.

As of September 30, 2025, the County's total liability for compensated absences for its governmental and business-type activities represents an increase of \$543,460 from the prior year. For additional information regarding compensated absences, see Note 7 to the financial statements.

Debt Administration

At September 30, 2025, the County had total long-term bond debt outstanding of \$81,235,000 as compared to \$89,480,000 in the prior year. \$8,245,000 debt principal was paid during 2025.

Additional information regarding the County's long-term debt, including a detailed breakdown, is presented in Note 10 (Long-Term Debt) to the financial statements. The ratio of net bonded debt

CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY (Continued)

Debt Administration (Continued)

to assessed valuation and bonded debt per capita are useful indicators of the County's debt position for County officials, citizens, and investors and are presented in the Statistical Section of this report on pages 177.

ECONOMIC FACTORS

The Commissioners' Court adopted the fiscal year 2025 budget on September 10, 2024. The fiscal year 2025 budget was prepared conservatively, with an emphasis on maintaining current service levels and strengthening reserves and was adopted based on anticipated resources and estimated uses in fiscal year 2025. Total General Fund resources are estimated at \$267,646,766, including \$101,741,160 of appropriated fund balance.

The property tax rate for fiscal year 2025 is \$0.4197 per \$100 valuation compared to \$0.4097 in fiscal year 2024. For budgeting purposes, the County has assumed an estimated 98% property tax collection rate over the past four years.

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, 2025

	Governmental Activities	Business-Type Activities	TOTAL
ASSETS			
Cash and Cash Equivalents	\$ 132,403,455	\$ 935,139	\$ 133,338,594
Investments	177,861,608	-	177,861,608
Prepays	1,571,271	-	1,571,271
Receivables, net of allowance for uncollectible amounts of \$22,984,464			
Taxes	6,307,629	-	6,307,629
Accounts and Other	5,082,074	286,428	5,368,502
Inventories	1,682,717	-	1,682,717
Restricted Assets			
Investments	4,154,287	-	4,154,287
Receivables, net of allowance for uncollectible amounts of \$176,924			
Taxes	398,812	-	398,812
Joint Venture	5,098,998	-	5,098,998
Capital Assets (net of accumulated depreciation)			
Land	51,511,359	-	51,511,359
Buildings	96,041,532	-	96,041,532
Improvements Other than Buildings	20,097,044	-	20,097,044
Intangible Assets - Computer Software	19,711	-	19,711
Subscription Based Information Technology Subscriptions	4,218,839	-	4,218,839
Leases - Right to Use - Machinery and Equipment	719,134	-	719,134
Machinery and Equipment	16,178,899	115,294	16,294,193
Infrastructure	174,408,989	-	174,408,989
Construction in Progress	24,851,549	-	24,851,549
TOTAL ASSETS	722,607,907	1,336,861	723,944,768
DEFERRED OUTFLOWS OF RESOURCES			
Change in Pension Allocated Share	178,561	155	178,716
Differences Between Expected and Actual Pension Experience	2,721,012	1,709	2,722,721
Pension Contributions After the Measurement Date	8,560,218	11,838	8,572,056
Change in OPEB Allocated Share	888,556	11,624	900,180
Difference Between Expected and Actual OPEB Experience	1,148,525	18,462	1,166,987
Difference Between Projected and Actual OPEB Earnings	30,492	1,979	32,471
OPEB Contributions After the Measurement Date	3,036,301	5,334	3,041,635
Change in OPEB Assumptions or Inputs	6,804,339	32,453	6,836,792
Deferred Charges - Refunding	406,669	-	406,669
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 23,774,673	\$ 83,554	\$ 23,858,227

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

BRAZOS COUNTY, TEXAS
STATEMENT OF NET POSITION - Continued
September 30, 2025

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>TOTAL</u>
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 18,938,810	\$ 60,555	\$ 18,999,365
Accrued Salaries and Wages	3,968,912	1,014	3,969,926
Accrued Interest Payable	279,958	-	279,958
Unclaimed Funds	313,815	-	313,815
Unearned Revenue	9,050,574	-	9,050,574
Noncurrent Liabilities			
Due within one year			
Subscription Based Information Technology Subscriptions	1,505,862	-	1,505,862
Leases - Right to Use - Machinery and Equipment	134,653	-	134,653
Compensated Absences	3,780,537	-	3,780,537
Long-Term Debt	7,500,000	-	7,500,000
Due in more than one year			
Subscription Based Information Technology Subscriptions	2,577,229	-	2,577,229
Leases - Right to Use - Machinery and Equipment	443,044	-	443,044
Compensated Absences	3,256,010	-	3,256,010
Long-Term Debt	82,777,111	-	82,777,111
Net Pension Liability	13,533,892	22,394	13,556,286
Net OPEB Liability	88,513,723	173,032	88,686,755
TOTAL LIABILITIES	<u>236,574,130</u>	<u>256,995</u>	<u>236,831,125</u>
DEFERRED INFLOWS OF RESOURCES			
Difference Between Projected and Actual Earnings on Pension Plan	3,000,134	7,320	3,007,454
Differences Between Expected and Actual Pension Experience	449,156	-	449,156
Change in Pension Allocated Shares	-	53	53
Change in OPEB Allocated Share	22,169	7,959	30,128
Differences Between Expected and Actual OPEB Experience	3,012,021	10,597	3,022,618
Change in OPEB Assumptions or Inputs	1,226,854	5,865	1,232,719
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>7,710,334</u>	<u>31,794</u>	<u>7,742,128</u>
NET POSITION			
Net Investment in Capital Assets	318,473,248	115,294	318,588,542
Restricted for:			
Debt Service	7,047,424	-	7,047,424
Legislative	38,134,462	-	38,134,462
Unrestricted	138,442,982	1,016,332	139,459,314
TOTAL NET POSITION	<u>\$ 502,098,116</u>	<u>\$ 1,131,626</u>	<u>\$ 503,229,742</u>

**BRAZOS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2025**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Governmental Activities:			
General Government	\$ 48,810,419	\$ 6,825,360	\$ 104,938
Justice System	31,604,210	6,537,056	2,829,615
Law Enforcement	40,868,259	2,876,784	710,117
Juvenile Services	10,254,251	255,183	2,154,819
Public Transportation	20,544,534	9,903,738	447,730
Public Health	53,662,694	115,857	113,510
Human Services	8,418,320	1,921,672	29,280
Debt Service	2,889,097	-	-
Total Governmental Activities	<u>217,051,784</u>	<u>28,435,650</u>	<u>6,390,009</u>
Business-Type Activities:			
Jail Commissary Fund	1,966,293	1,951,501	-
Total Business-Type Activities	<u>1,966,293</u>	<u>1,951,501</u>	<u>-</u>
Total Government	<u>\$ 219,018,077</u>	<u>\$ 30,387,151</u>	<u>\$ 6,390,009</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 previously reported at 9/30/2024
Change in accounting principle
Net position - beginning, as restated
Net position - ending

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

<u>Program Revenues</u> <u>Capital</u> <u>Grants and</u> <u>Contributions</u>	<u>Net (Expense) Revenue and</u> <u>Changes in Net Position</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business - Type</u> <u>Activities</u>	<u>Total</u>
\$ 13,078,112	\$ (28,802,009)	\$ -	\$ (28,802,009)
-	(22,237,539)	-	(22,237,539)
-	(37,281,358)	-	(37,281,358)
-	(7,844,249)	-	(7,844,249)
29,502	(10,163,564)	-	(10,163,564)
-	(53,433,327)	-	(53,433,327)
-	(6,467,368)	-	(6,467,368)
-	(2,889,097)	-	(2,889,097)
<u>13,107,614</u>	<u>(169,118,511)</u>	<u>-</u>	<u>(169,118,511)</u>
-	-	(14,792)	(14,792)
<u>-</u>	<u>-</u>	<u>(14,792)</u>	<u>(14,792)</u>
<u>\$ 13,107,614</u>	<u>(169,118,511)</u>	<u>(14,792)</u>	<u>(169,133,303)</u>
	124,403,223	-	124,403,223
	47,803,716	-	47,803,716
	26,165,531	-	26,165,531
	2,234,354	-	2,234,354
	1,450,510	-	1,450,510
	4,207,139	-	4,207,139
	<u>15,925,736</u>	<u>47,840</u>	<u>15,973,576</u>
	222,190,209	47,840	222,238,049
	53,071,698	33,048	53,104,746
	453,554,324	1,103,402	454,657,726
	<u>(4,527,906)</u>	<u>(4,824)</u>	<u>(4,532,730)</u>
	449,026,418	1,098,578	450,124,996
	<u>\$ 502,098,116</u>	<u>\$ 1,131,626</u>	<u>\$ 503,229,742</u>

**BRAZOS COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2025**

	Major Funds	
	General	Debt Service
ASSETS		
Cash and Cash Equivalents	\$ 38,378,754	\$ 2,873,869
Investments	151,987,035	4,154,287
Prepays	1,547,059	-
Receivables		
Taxes, net	3,523,527	398,812
Officials	207,213	1,731
Interest	545,625	11,037
Accounts, net	4,735,663	-
State	109,076	-
Inventories	1,682,717	-
TOTAL ASSETS	\$ 202,716,669	\$ 7,439,736
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES		
Liabilities		
Accounts Payable	\$ 8,862,370	\$ -
Accrued Expenditures Payable	210,760	-
Accrued Salaries and Wages	3,745,917	-
Unclaimed Funds	-	-
Unearned Revenues	1,639,718	-
Total Liabilities	14,458,765	-
Deferred Inflows of Resources		
Unavailable Revenues	4,723,527	392,312
Total Deferred Inflows of Resources	4,723,527	392,312
Fund Balances		
Nonspendable	3,229,776	-
Restricted	1,203,362	7,047,424
Committed	40,000,444	-
Assigned	5,000,000	-
Unassigned	134,100,795	-
Total Fund Balances	183,534,377	7,047,424
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 202,716,669	\$ 7,439,736

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

<u>Local Provider Participation</u>	<u>Grants</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 22,231,898	\$ 24,622,150	\$ 31,832,788	\$ 119,939,459
-	-	25,874,573	182,015,895
-	14,212	-	1,561,271
-	-	469,102	4,391,441
-	-	-	208,944
65,296	1,418	78,151	701,527
-	1,049,282	1,556	5,786,501
-	-	-	109,076
-	-	-	1,682,717
<u>\$ 22,297,194</u>	<u>\$ 25,687,062</u>	<u>\$ 58,256,170</u>	<u>\$ 316,396,831</u>
\$ -	\$ 4,017,378	\$ 4,042,025	\$ 16,921,773
-	20,422	-	231,182
-	174,676	21,193	3,941,786
-	-	313,815	313,815
-	7,410,856	-	9,050,574
-	<u>11,623,332</u>	<u>4,377,033</u>	<u>30,459,130</u>
-	-	-	5,115,839
-	-	-	<u>5,115,839</u>
-	14,212	-	3,243,988
22,297,194	-	14,633,906	45,181,886
-	14,049,518	9,596,495	63,646,457
-	-	29,648,736	34,648,736
-	-	-	134,100,795
<u>22,297,194</u>	<u>14,063,730</u>	<u>53,879,137</u>	<u>280,821,862</u>
<u>\$ 22,297,194</u>	<u>\$ 25,687,062</u>	<u>\$ 58,256,170</u>	<u>\$ 316,396,831</u>

BRAZOS COUNTY, TEXAS
RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
September 30, 2025

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

Total fund balances - governmental funds **\$ 280,821,862**

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. 388,047,056

Deferred outflows of resources and the net pension asset represent a consumption of net assets 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 Allocated Share	178,561	
Differences Between Expected and Actual Pension Experience	2,721,012	
Pension Contributions After the Measurement Date	8,560,218	
Change in OPEB Allocated Share	888,556	
Change in OPEB Assumptions or Inputs	6,804,339	
Difference Between Expected and Actual OPEB Experience	1,148,525	
Difference Between Projected and Actual OPEB Earnings	30,492	
OPEB Contributions After the Measurement Date	3,036,301	
Deferred Charges - Refunding	<u>406,669</u>	
		23,774,673

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds. 5,115,839

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. 11,195,156

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. 5,098,998

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	(90,277,117)	
Accrued Interest Payable	(279,958)	
Subscription Based Information Technology Liability	(4,083,091)	
Leases - Right to Use - Machinery and Equipment	(577,696)	
Net OPEB Liability	(88,513,723)	
Net Pension Liability	(13,533,892)	
Compensated Absences	<u>(6,979,657)</u>	
		(204,245,134)

Deferred inflows of resources represent an acquisition of net assets 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	(449,156)	
Differences Between Projected and Actual Earnings on Pension Plan	(3,000,134)	
Change in OPEB Allocated Shares	(22,169)	
Differences Between Expected and Actual OPEB Experience	(3,012,021)	
Change in OPEB Assumptions or Inputs	<u>(1,226,854)</u>	
		<u>(7,710,334)</u>

Total net position - governmental activities **\$ 502,098,116**

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, 2025

	Major Funds	
	General	Debt Service
REVENUES		
Taxes	\$ 140,005,653	\$ 11,384,097
Charges for Services	14,662,857	-
Intergovernmental	992,938	-
Interest	11,857,040	523,248
Other Revenue	1,569,055	-
TOTAL REVENUES	169,087,543	11,907,345
EXPENDITURES		
Current		
General Government	39,767,851	-
Justice System	29,510,739	-
Law Enforcement	40,328,521	-
Juvenile Services	7,541,997	-
Public Transportation	14,458,840	-
Public Health	2,043,794	-
Human Services	5,603,706	-
Capital Outlay	2,024,485	-
Debt Service		
Principal Retirement	-	8,245,000
Interest and Other Fees	-	3,548,759
Agent Fees	-	1,850
TOTAL EXPENDITURES	141,279,933	11,795,609
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	27,807,610	111,736
OTHER FINANCING SOURCES (USES)		
Subscription-Based Information Technology Arrangement	-	-
Leases - Right to Use - Machinery and Equipment	-	-
Transfers In	20,000	1,250,000
Transfers Out	(17,551,072)	-
Sale of Capital Assets	127,893	-
Insurance Recoveries	127,511	-
TOTAL OTHER FINANCING SOURCES (USES)	(17,275,668)	1,250,000
Net Change in Fund Balances	10,531,942	1,361,736
FUND BALANCES, OCTOBER 1	173,002,435	5,685,688
FUND BALANCES, SEPTEMBER 30	\$ 183,534,377	\$ 7,047,424

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

Local Provider Participation	Grants	Nonmajor Governmental Funds	Total Governmental Funds
\$ 47,883,284	\$ -	\$ 4,220,237	\$ 203,493,271
-	-	1,167,735	15,830,592
-	18,343,730	72,281	19,408,949
1,148,426	11,798	2,385,224	15,925,736
-	-	37,174	1,606,229
<u>49,031,710</u>	<u>18,355,528</u>	<u>7,882,651</u>	<u>256,264,777</u>
-	8,920	533,144	40,309,915
-	2,152,604	1,011,777	32,675,120
-	489,977	32,975	40,851,473
-	2,761,487	-	10,303,484
-	447,729	5,986,208	20,892,777
51,598,849	-	-	53,642,643
-	29,280	1,865,742	7,498,728
-	15,175,400	14,182,644	31,382,529
-	-	-	8,245,000
-	-	-	3,548,759
-	-	-	1,850
<u>51,598,849</u>	<u>21,065,397</u>	<u>23,612,490</u>	<u>249,352,278</u>
(2,567,139)	(2,709,869)	(15,729,839)	6,912,499
-	-	98,868	98,868
-	-	669,635	669,635
-	16,773,599	1,480,198	19,523,797
(20,000)	-	(1,952,725)	(19,523,797)
-	-	-	127,893
-	-	-	127,511
<u>(20,000)</u>	<u>16,773,599</u>	<u>295,976</u>	<u>1,023,907</u>
(2,587,139)	14,063,730	(15,433,863)	7,936,406
24,884,333	-	69,313,000	272,885,456
<u>\$ 22,297,194</u>	<u>\$ 14,063,730</u>	<u>\$ 53,879,137</u>	<u>\$ 280,821,862</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, 2025

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

Net change in fund balances - total governmental funds	\$	7,936,406
<p>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.</p>		
Capital outlay	31,382,529	
Depreciation expense	(8,868,745)	22,513,784
<p>Revenues and contributed assets in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		830,146
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, road annexations, and donations) is to affect net position.</p>		
		8,542,723
<p>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.</p>		
		(96,012)
<p>The liabilities for compensated absences are accrued at the government-wide level but not at the fund level. This is the current year net change in those liabilities, reported as expense in the statement of activities.</p>		
		(525,918)
<p>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.</p>		
		(2,152,422)
<p>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.</p>		
		8,247,600
<p>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 and related items.</p>		
		8,906,512
<p>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.</p>		
		(1,131,121)
Change in net position of governmental activities	\$	53,071,698

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, 2025

	Business - Type Activities - Enterprise Fund	Governmental Activities
	Jail	Internal Service
	Commissary	Fund
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 935,139	\$ 13,334,680
Prepays	-	10,000
Accounts Receivable	286,428	591,024
Total Current Assets	1,221,567	13,935,704
Noncurrent Assets		
Property, Plant and Equipment	175,308	-
Less: Accumulated Depreciation	(60,014)	-
Total Noncurrent Assets	115,294	-
TOTAL ASSETS	1,336,861	13,935,704
DEFERRED OUTFLOWS OF RESOURCES		
Change in Pension Allocated Share	155	-
Pension Contributions After the Measurement Date	11,838	-
Difference Between Expected and Actual Pension Experience	1,709	-
Change in OPEB Allocated Share	11,624	-
Differences Between Expected and Actual OPEB Experience	18,462	-
Differences Between Projected and Actual OPEB Earnings	1,979	-
OPEB Contributions After the Measurement Date	5,334	-
Change in OPEB Assumptions or Inputs	32,453	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	83,554	-
LIABILITIES		
Current Liabilities		
Accounts Payable	60,555	2,656,533
Accrued Salaries and Wages	1,014	27,125
Total Current Liabilities	61,569	2,683,658
Noncurrent Liabilities		
Due within one year		
Compensated Absences	-	28,888
Due in more than one year		
Net Pension Liability	22,394	-
Net OPEB Liability	173,032	-
Compensated Absences	-	28,002
Total Noncurrent Liabilities	195,426	56,890
TOTAL LIABILITIES	256,995	2,740,548
DEFERRED INFLOWS OF RESOURCES		
Change in Pension Allocated Share	53	-
Differences Between Projected and Actual Earnings on Pension Plan	7,320	-
Change in OPEB Allocated Share	7,959	-
Change in OPEB Assumptions or Inputs	5,865	-
Differences Between Expected and Actual OPEB Experience	10,597	-
TOTAL DEFERRED INFLOWS OF RESOURCES	31,794	-
NET POSITION		
Net Investment in Capital Assets	115,294	-
Unrestricted	1,016,332	11,195,156
TOTAL NET POSITION	\$ 1,131,626	\$ 11,195,156

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, 2025

	Business - Type Activities - Enterprise Fund	Governmental Activities
	Jail Commissary	Internal Service Fund
OPERATING REVENUES		
Commissary Sales	\$ 1,473,942	\$ -
Employee Dependents	-	2,940,705
Self Pays	-	239
Excess Risk Benefits	-	1,811,030
Brazos County	-	18,167,679
Retirees	-	649,682
Other Revenue	477,559	1,439,567
TOTAL OPERATING REVENUES	1,951,501	25,008,902
OPERATING EXPENSES		
Personnel Services	77,675	401,453
Supplies and Other Charges	501,415	66,752
Cost of Goods Sold	1,210,903	-
Repairs and Maintenance	13,986	120
Benefit Claims	-	22,296,447
Administrative Fees	-	2,971,653
Contract Services	95,011	17,210
Professional Services	63,170	386,388
Depreciation	4,133	-
TOTAL OPERATING EXPENSES	1,966,293	26,140,023
OPERATING INCOME	(14,792)	(1,131,121)
NONOPERATING REVENUES		
Interest	47,840	-
TOTAL NONOPERATING REVENUES	47,840	-
CHANGE IN NET POSITION	33,048	(1,131,121)
TOTAL NET POSITION - OCTOBER 1, AS RESTATED	1,098,578	12,326,277
TOTAL NET POSITION - SEPTEMBER 30	\$ 1,131,626	\$ 11,195,156

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, 2025**

	Business - Type Activities - Enterprise Fund	Governmental Activities
	Jail Commissary	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 1,776,636	\$ 3,590,625
Receipts from interfund services provided	-	18,167,679
Payments to contractors and vendors	(1,746,766)	(1,128,606)
Claims paid	-	(20,623,619)
Payments to employees for services	(86,632)	(366,959)
NET CASH PROVIDED BY (used in) OPERATING ACTIVITIES	(56,762)	(360,880)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets:		
Property	(101,607)	-
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	(101,607)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	49,471	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	49,471	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	(108,898)	(360,880)
CASH AND CASH EQUIVALENTS, OCTOBER 1	1,044,037	13,695,560
CASH AND CASH EQUIVALENTS, SEPTEMBER 30	\$ 935,139	\$ 13,334,680
Reconciliation of operating income to net cash provided by (used in) operating activities:		
Operating income	\$ (14,792)	\$ (1,131,121)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation Expense	4,133	-
Change in accounts receivable	(174,864)	(164,601)
Change in inventory	116,787	-
Change in pension/OPEB related deferred outflows of resources	14,428	-
Change in accounts payable	20,932	900,348
Change in accrued salaries and compensated absences	(10,598)	34,494
Change in noncurrent liabilities	(3,285)	-
Change in pension/OPEB related deferred inflows of resources	(9,503)	-
Total adjustments	(41,970)	770,241
Net cash provided by (used in) operating activities	\$ (56,762)	\$ (360,880)

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, 2025

	OPEB Trust Fund	Custodial Funds
ASSETS		
Cash and Cash Equivalents	\$ 137,930	\$ 13,016,269
Accounts Receivable	423	274
Investments		
Fixed Income	3,962,634	-
Domestic Equities	9,445,848	-
TOTAL ASSETS	13,546,835	13,016,543
LIABILITIES		
Accounts Payable	-	285,790
TOTAL LIABILITIES	-	285,790
NET POSITION		
Restricted for:		
OPEB	13,546,835	-
Individuals, Organizations and Other		
Governments	-	12,730,753
TOTAL NET POSITION	\$ 13,546,835	\$ 12,730,753

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, 2025

	OPEB Trust Fund	Custodial Funds
ADDITIONS		
Contributions:		
Members	\$ 1,000,000	\$ 10,260,073
Investment Earnings:		
Interest and Dividends	317,410	91,710
Net Appreciation in the Fair Valuation of Investments	1,070,319	-
Total Additions	2,387,729	10,351,783
DEDUCTIONS		
Payments to Individuals or Organizations	-	8,203,010
Administrative Expenses	56,448	6,627
Total Deductions	56,448	8,209,637
NET INCREASE IN FIDUCIARY NET POSITION	2,331,281	2,142,146
NET POSITION - OCTOBER 1	11,215,554	10,588,607
NET POSITION - SEPTEMBER 30	\$ 13,546,835	\$ 12,730,753

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

BRAZOS COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

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. Information relating to conduit debt issued by this related party can be found in Note 10 to the financial statements.

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. Information relating to conduit debt issued by this related party can be found in Note 10 to the financial statements.

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.

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 by the Brazos County Commissioners' Court. The HOT Fund has funded the Fair \$590,000 cumulatively from fiscal year 2011 to fiscal year 2016 with no additional funding to fiscal year 2025. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Related Organizations (Continued)

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.

The RMA will continue operations with reduced expenditures and funding from partner agencies.

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 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 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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Level Financial Statements (Continued)

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, which includes the enterprise fund 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 the 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 entity's own operating programs. They are accounted for using the accrual basis of accounting and use the economic resources measurement focus. These funds are not included in the government-wide financial statements.

The County's accounts are organized based on funds, each of which is considered 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, 2025:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Level Financial Statements (Continued)

Governmental Funds (Continued)

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.

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.

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.

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.

2023 Certificates of Obligations – This fund is used to account for expenditures for the existing County Administrative Building, the County Courthouse, the County Courthouse Annex for the public defender offices and other administrative services, the Brazos County Dispatch and Emergency Operations Center, the County Sheriff Department facilities including a central receiving and storage facility. The expenditures are financed through the issuance of \$9,290,000 of Certificates of Obligations, Series 2023 in June 2023.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Level Financial Statements (Continued)

Governmental Funds (Continued)

2023 General Obligation Bonds – This fund is used to account for expenditures for improvements for permanent public improvements, including roads, bridges, and highways within the County, including the acquisition of land and rights-of way. The expenditures are financed through the issuance of \$27,110,000 of General Obligation Bonds, Series 2023 in June 2023.

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 Jail Commissary.

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.

E. Implementation of New Standards

In fiscal year 2025, the County evaluated and/or implemented the following new standards:

The GASB issued Statement No. 101, "Compensated Absences". 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 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 required changes due to the implementation of GASB 101 are reflected in Note 7.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Implementation of New Standards (Continued)

The GASB issued Statement No. 102, "Certain Risk Disclosures". This statement's objective is to provide users of the government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations and constraints. The Statement requires a government to assess whether a concentration or constraint makes a primary government reporting unit(s) that report a liability for revenue debt at risk of a substantial impact. GASB 102 did not have an impact on the County's financial statements for the year ended September 30, 2025.

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 3A). 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, 2025, the tax rate to finance general governmental services was \$0.381834 per \$100.00 valuation. The tax rate for the payment of principal and interest on long-term debt was \$0.037866 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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Property Taxes (Continued)

at 100% of its appraised value. Real property is subject to reappraisal on a four-year cycle.

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.

J. Prepaids

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 are 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 11.

M. Capital Assets

Capital assets include land, land improvements, right-of-way land, infrastructure, buildings, building improvements, site improvements, leasehold improvements, vehicles, machinery,

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Capital Assets (Continued)

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 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. Computer Software with an estimated cost to exceed \$75,000 are capitalized and classified as a Subscription-Based Information Technology Arrangement.

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 - 10 years
Leases – Right to Use – Machinery and Equipment	5 - 10 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 allocated share – This change results from the disaggregation of the aggregated County results. It is deferred and recognized over a closed 5 year period.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Deferred Inflows/Outflows of Resources (Continued)

- 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.
- 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 7.2328 year period.
- Difference between expected and actual OPEB experience – This difference is deferred and recognized over a closed 7.2328 year period.
- Difference between projected and actual earnings on OPEB benefit plan – This difference is deferred and amortized over a closed 5 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.
- 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.

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.
- Change in OPEB allocated share – This change results from the disaggregation of the aggregated County results. It is deferred and recognized over a closed 7.2328 year period.
- Difference between expected and actual OPEB experience – This difference is deferred and recognized over a closed 7.2328 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Compensated Absences

Compensated absences represent leave for which employees receive cash payment when the leave is (a) used for time off, (b) paid during employment or upon termination, or (c) settled through noncash means, such as conversion to postemployment benefits. Common forms of compensated absences include sick leave, vacation leave, and compensatory time.

Compensated absences are accounted for in the government-wide financial statements. Prior to the implementation of GASB 101, only vacation and compensatory time were included in the compensated absences calculation. In accordance with GASB Statement No. 101, sick leave and sick leave pool balances are included in compensated absences to the extent that it is more likely than not that such balances will be used by employees. The County accounts for compensated absences using the first-in, first-out (FIFO) method. The liability for compensated absences includes salary related benefits where applicable.

All non-exempt employees, excluding temporary employees, may earn compensatory time in accordance with the Fair Labor Standards Act (FLSA). Compensatory time earned during the year must be used by the last pay period in December of each calendar year. Upon termination, all accrued compensatory time is paid at the employee's current rate of pay.

All regular employees of the County, excluding temporary employees, earn vacation leave in varying annual amounts, up to a maximum allowable accumulation of 240 hours per year. County policy allows employees to carry over one-half of the vacation hours earned in the previous year, which must be used first in the current year. Upon termination, employees are paid for any accumulated vacation leave.

All employees, excluding temporary employees, earn sick leave at a rate of up to twelve days per year, with no limit on accumulation. Sick leave benefits are recognized as used. Upon termination, employees are not compensated for accumulated sick leave.

All regular employees, excluding temporary employees, who earn sick leave and have sufficient accrued hours to donate at least one day to the sick leave pool during October are eligible to request sick leave pool hours. A sick leave pool board reviews all requests to determine whether the eligibility criteria are met and, if approved, establishes the number of hours to be granted. Employees approved to receive sick leave pool hours are required to exhaust all regular sick leave, compensatory time, and vacation leave prior to using sick leave pool hours. Upon an employee's return to work or termination of employment, any unused sick leave pool hours granted are returned to the sick leave pool.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Fund Balances and Net Position (Continued)

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’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.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Fund Balances and Net Position (Continued)

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 \$38,134,459 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 Budget Officer for the County is 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.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgetary Policy and Procedures (Continued)

- 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 October 1 each year.
- The budget is adopted using classifications within each department.
- The budget may not be increased using 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.

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	\$ 257,332,781	\$ (96,713)	\$ 257,236,068
Special Revenue	76,144,995	238,055	76,383,050
Grants	43,127,721	1,191,705	44,319,426
Debt Service	14,807,305	-	14,807,305
Capital Projects	118,881,286	5,132,733	124,014,019
Totals	<u>\$ 510,294,088</u>	<u>\$ 6,465,780</u>	<u>\$ 516,759,868</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, 2025, the carrying amounts of the County's deposits were \$133,338,594 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 \$142,756,996 on deposit with Truist Bank at September 30, 2025. The County's depository agreement with Truist Bank requires collateralization with a fair value of at least 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, 2025, was \$165,650,338. The collateral includes pledged securities issued by Truist 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 State law. During the year ended September 30, 2025, the County's investments consisted of \$48,319,737 in TexPool valued at amortized cost, \$112,335,257 in Texas Cooperative Liquid Assets Securities System (Texas CLASS) valued at net asset value, and \$21,360,901 in Texas Range valued at amortized cost.

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.

Texas RANGE is a local government investment pool established under the authority of the Texas Public Funds Investment Act and is administered by PFM Asset Management. Texas Range is directed by an Advisory board made up of local government finance directors and treasurers. Brazos County utilizes two funds that Texas Range operates:

- Texas Range DAILY is an investment option that utilizes investments that are backed or collateralized with U.S. Treasury or U.S. Government Agency obligations. The Portfolio is designed to maintain a weighted average maturity at sixty (60) days or less.

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

B. Investments (Continued)

- Texas Range TERM is an investment option with maturities from 60 days to one year with fixed-rate, fixed-term options that invests in the full range of investments permitted under the Public Funds Investment Act.

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. Texas Range DAILY is rated AAAMmf and Texas Range TERM is rated AA Af by Ritch Ratings, the highest ratings assigned in their respective categories.

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	\$ 3,196,961	\$ 361,796	\$ -	\$ -	\$ -	\$ 3,558,757
Property Tax Penalties & Interest	1,889,696	213,940	-	-	-	2,103,636
Hotel & Motel Taxes	-	-	-	-	469,102	469,102
Sales Taxes	2,315,000	-	-	-	-	2,315,000
Officials	207,213	1,731	-	-	-	208,944
Interest	545,625	11,037	65,296	1,418	78,151	701,527
Court Fines	23,154,059	-	-	-	-	23,154,059
Accounts	687,938	-	-	-	1,556	689,494
State	109,076	-	-	1,049,282	-	1,158,358
Gross Receivables	32,105,568	588,504	65,296	1,050,700	548,809	34,358,877
Less: Allowance for Uncollectibles	(22,984,464)	(176,924)	-	-	-	(23,161,388)
Net Receivables	<u>\$ 9,121,104</u>	<u>\$ 411,580</u>	<u>\$ 65,296</u>	<u>\$ 1,050,700</u>	<u>\$ 548,809</u>	<u>\$ 11,197,489</u>

NOTE 5 – INTERFUND TRANSFERS

In the fund financial statements, transfer balances are the result of transactions between funds. The summary of the County's transfers for the year ended September 30, 2025, is as follows:

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Grant Fund	Total
Transfer Out:					
General Fund	\$ -	\$ -	\$ 777,473	\$ 16,773,599	\$ 17,551,072
Local Provider Participation Fund	20,000	-	-	-	20,000
Nonmajor Governmental Funds	-	1,250,000	702,725	-	1,952,725
	<u>\$ 20,000</u>	<u>\$ 1,250,000</u>	<u>\$ 1,480,198</u>	<u>\$ 16,773,599</u>	<u>\$ 19,523,797</u>

The General Fund transferred \$16,773,599 to the grant fund for grant matching requirements and \$777,473 to Nonmajor funds for project costs that exceeded the bond proceeds amount. The Local Provider Participation Fund transferred \$20,000 to the General Fund for the program support costs incurred. The Nonmajor Fund transferred \$1,250,000 to the Debt Service Fund for payments on long-term debt. And an additional internal transfer of \$702,725 was recorded between two Nonmajor Funds as a result of court cost consolidation and the elimination of a Special Revenue Fund. This transfer reflects the reallocation of related revenues and expenditures to ensure proper financial reporting and fund presentation.

NOTE 6 – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2025, was as follows:

	Balance at September 30, 2024	Additions	Deletions & Adjustments	Balance at September 30, 2025
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 46,805,676	\$ 4,705,683	\$ -	\$ 51,511,359
Construction in progress				
Infrastructure	9,372,424	8,705,957	(13,918,135)	4,160,246
Buildings	4,314,638	19,149,354	(2,949,730)	20,514,262
Other	765,515	177,041	(765,515)	177,041
Infrastructure	156,654,717	17,754,272	-	174,408,989
Total capital assets, not being depreciated	217,912,970	50,492,307	(17,633,380)	250,771,897
Capital assets, being depreciated:				
Buildings	161,689,677	2,411,936	-	164,101,613
Improvements other than buildings	37,611,797	471,294	(169,195)	37,913,896
Leases - Right to Use - Machinery and Equipment	71,766	669,635	-	741,401
Machinery and equipment	32,687,853	2,677,732	(1,009,994)	34,355,591
Intangible assets - computer software	6,937,191	-	(4,126,866)	2,810,325
Subscription-Based Information Technology				
Arrangements activities	11,587,031	98,867	(4,933,753)	6,752,145
Total capital assets, being depreciated	250,585,315	6,329,464	(10,239,808)	246,674,971
Less accumulated depreciation for:				
Buildings	(64,188,567)	(3,871,514)	-	(68,060,081)
Improvements other than buildings	(16,242,867)	(1,743,179)	169,194	(17,816,852)
Leases - Right to Use - Machinery and Equipment	(854)	(21,413)	-	(22,267)
Machinery and equipment	(17,253,960)	(1,816,966)	894,234	(18,176,692)
Intangible assets - computer software	(6,911,849)	(5,631)	4,126,866	(2,790,614)
Subscription-Based Information Technology				
Arrangements activities	(5,978,062)	(1,410,042)	4,854,798	(2,533,306)
Total accumulated depreciation	(110,576,159)	(8,868,745)	10,045,092	(109,399,812)
Total capital assets, being depreciated, net	140,009,156	(2,539,281)	(194,716)	137,275,159
Governmental activities capital assets, net	\$ 357,922,126	\$ 47,953,026	\$ (17,828,096)	\$ 388,047,056
Business-type activities:				
Capital assets, being depreciated:				
Machinery and equipment	\$ 73,701	\$ 101,607	\$ -	\$ 175,308
Total capital assets, being depreciated	73,701	101,607	-	175,308
Less accumulated depreciation for:				
Machinery and equipment	(55,881)	(4,133)	-	(60,014)
Total accumulated depreciation	(55,881)	(4,133)	-	(60,014)
Total capital assets, being depreciated, net	17,820	97,474	-	115,294
Business-type activities capital assets, net	\$ 17,820	\$ 97,474	\$ -	\$ 115,294

NOTE 6 – CAPITAL ASSETS (Continued)

Depreciation expense for fiscal year 2025 was charged to functions as follows:

Governmental Activities:	
General Government	\$ 1,385,669
Justice System	1,178,060
Law Enforcement	3,673,090
Juvenile Services	793,099
Public Transportation	596,630
Public Health	14,939
Human Services	<u>1,227,258</u>
Total depreciation expense - governmental activities	<u>\$ 8,868,745</u>

NOTE 7 – COMPENSATED ABSENCES

GASB Statement 101 changes how the County calculates the liability for compensated absences at fiscal year-end. Compensated absences are classified into two categories: (1) vested time, which includes vacation and compensatory time, and (2) non-vested time, which includes sick leave and the sick leave pool.

Vested time is calculated using the employee's pay rate and accumulated vacation and compensatory time earned but not taken at fiscal year-end and is reported as a noncurrent liability in the County's government-wide financial statements as due within one year. The County functions under the first-in, first-out (FIFO) method for vested time.

Non-vested sick leave is measured using the days-used approach. Under this approach, a sample of eligible employees with accrued sick leave is used to determine the average number of sick leave days taken over the most recent five fiscal years. The average number of days used is compared to the twelve days awarded annually to determine the percentage of sick leave that is more likely than not to be used. This percentage is applied to accrued but unused sick leave to determine the portion expected to be used for time off.

The resulting non-vested days are converted to hours, and the average employee pay rate at fiscal year-end is used to calculate the sick leave liability for use as time off. The liability is then allocated between due in one year and due in more than one year based on historical usage patterns. The amount due in one year is calculated using the average of the two prior fiscal year-end sick leave balances divided by the amount of sick leave taken in the most recent fiscal year. For fiscal year 2025, 32 percent of the liability was classified as due in one year and 68 percent as due in more than one year.

Non-vested sick leave pool balances were excluded from the fiscal year 2025 compensated absences calculation because the likelihood of sick leave pool used for time off was less than 50 percent. Historical utilization of the sick leave pool was less than 5 percent.

NOTE 7 – COMPENSATED ABSENCES (Continued)

The salary-related liability associated with compensated absences includes employer-paid Social Security and Medicare taxes. Retirement contributions are excluded from the calculation of the salary-related liability for compensated absences. The employer contribution rates are 6.2 percent for Social Security and 1.45 percent for Medicare, and the resulting liability is included in the total compensated absences balance.

The total liability for compensated absences is \$7,036,547. This is a net change in compensated absences for Governmental Activities of \$550,660 and Business-Type Activities of (\$7,199). The amount of compensated absences due within one year is \$3,780,537 and the amount due within more than one year is \$3,256,010.

The change in compensated absences for fiscal year 2025 was as follows:

	Compensated Absences as of September 30, 2024	Change in Compensated Absences	Restated Compensated Absences as of September 30, 2024	Net change	September 30, 2025	Amount Due Within One Year
Governmental Activities	\$ 1,957,981	\$ 4,527,906	\$ 6,485,887	\$ 550,660	\$ 7,036,547	\$ 3,780,537
Business-type Activities	2,375	4,824	7,199	(7,199)	-	-
Total	<u>\$ 1,960,356</u>	<u>\$ 4,532,730</u>	<u>\$ 6,493,086</u>	<u>\$ 543,461</u>	<u>\$ 7,036,547</u>	<u>\$ 3,780,537</u>

NOTE 8 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The County entered into one new “cloud” or subscription-based integrated software contract. The new contract is for four years. The implementation of this project was completed in fiscal year 2025. There were three contracts that were previously in place that the amount of the contracts increased due to additional software being added to the contracts. In accordance with GASB Statement No. 96 Subscription-Based Information Technology Arrangements, the County has added the initial cost of the software plus expected future payments as a capital asset and recorded a liability for the future principal payments on the government-wide statements. The table below reflects the ten completed subscription-based integrated software contracts the County has in fiscal year 2025 and the expected payment and amortization schedule for the term of the contracts.

Year Ended September 30,	Scheduled Payment	Principal	Interest
2026	\$ 1,626,361	\$ 1,505,862	\$ 120,499
2027	1,494,224	1,416,890	77,334
2028	940,484	903,714	36,770
2029	88,510	84,082	4,428
2030	88,510	85,533	2,977
2031	88,511	87,010	1,501
Total	<u>\$ 4,326,600</u>	<u>\$ 4,083,091</u>	<u>\$ 243,509</u>

NOTE 8 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (Continued)

Changes in the subscription-based information technology arrangements for the fiscal year 2025 were as follows:

	<u>October 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>September 30, 2025</u>	<u>Amount Due Within One Year</u>
SBITA	\$ 5,536,245	\$ 98,867	\$(1,552,021)	\$ 4,083,091	\$ 1,505,862

The total cost for all arrangements was \$6,752,145 and accumulated amortization was \$2,533,306 as of September 30, 2025.

NOTE 9 – LEASES

The County entered a new lease – right to use – machinery and equipment agreement in fiscal year 2025 for 5 years. In accordance with GASB Statement No. 87, Leases, the County has added the cost of the lease as a capital asset and recorded a liability for the future principal payments on the government-wide statements. The table below reflects the two lease agreements the County has in fiscal year 2025 and the expected payment and amortization schedule for the term of the agreements.

<u>Year Ended September 30,</u>	<u>Scheduled Payment</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 156,426	\$134,653	\$ 21,773
2027	156,426	139,728	16,698
2028	156,426	144,994	11,432
2029	156,426	150,459	5,967
2030	8,159	7,863	296
Total	<u>\$ 633,863</u>	<u>\$577,697</u>	<u>\$ 56,166</u>

Changes in the leases for the fiscal year 2025 were as follows:

	<u>October 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>September 30, 2025</u>	<u>Amount Due Within One Year</u>
Leases - Right To Use - Machinery and Equipment	\$ 44,717	\$ 669,635	\$ (136,655)	\$ 577,697	\$ 134,653

The total cost for the leases was \$741,401 and accumulated amortization was \$22,267 as of September 30, 2025.

NOTE 10 – 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, 2025:

Description	Original Amount	Interest Rates (%)	Year of Issue	Year of Maturity	Outstanding at 9/30/25
<u>Certificates of Obligation</u>					
Series 2012 - Various	\$ 9,700,000	2.0 - 5.0	2012	2032	\$ 2,410,000
Series 2017 - Juvenile Expansion	11,650,000	2.0 - 4.0	2017	2037	7,925,000
Series 2020 - Various	24,020,000	1.375 - 4.00	2020	2040	20,095,000
Series 2023 - Various	9,290,000	2.60-4.00	2023	2043	8,805,000
<u>Limited Tax Refunding Bonds</u>					
Series 2017 - Debt Refunding	39,895,000	2.25 - 5.0	2017	2034	16,290,000
<u>General Obligation Bond</u>					
Series 2023 - Road Improvements	27,110,000	2.47-4.00	2023	2043	25,710,000
<u>Notes from Direct Placements</u>					
Certificates of Obligation, Series 2015 - Courthouse Renovation & Expo Expansion	9,100,000	1.92	2015	2025	-
Total					<u>\$ 81,235,000</u>

Activity for long-term debt of the County for the year ended September 30, 2025, was as follows:

Description	Balance Outstanding 10/1/2024	Additions	Reductions	Balance Outstanding 9/30/2025	Amount Due Within One Year
<u>Certificates of Obligation</u>					
Series 2012 - Various	\$ 2,970,000	\$ -	\$ 560,000	\$ 2,410,000	\$ 575,000
Series 2017 - Juvenile Expansion	8,450,000	-	525,000	7,925,000	545,000
Series 2020 - Various	21,135,000	-	1,040,000	20,095,000	1,085,000
Series 2023 - Various	9,105,000	-	300,000	8,805,000	315,000
<u>Limited Tax Refunding Bonds</u>					
Series 2017 - Debt Refunding	20,145,000	-	3,855,000	16,290,000	4,065,000
<u>General Obligation Bond</u>					
Series 2023 - Road Improvements	26,585,000	-	875,000	25,710,000	915,000
<u>Notes from Direct Placements</u>					
Certificates of Obligation, Series 2015 - Courthouse Renovation & Expo Expansion	1,090,000	-	1,090,000	-	-
Premium	9,783,122	-	741,011	9,042,111	-
Total	<u>\$ 99,263,122</u>	<u>\$ -</u>	<u>\$ 8,986,011</u>	<u>\$ 90,277,111</u>	<u>\$ 7,500,000</u>

NOTE 10 – LONG-TERM DEBT (Continued)

A. Bonded Debt (Continued)

Annual debt service requirements as of September 30, 2025, are as follows:

Fiscal Year	Governmental Activities		
	Bonds		
	Principal	Interest	Total
2026	\$ 7,500,000	\$ 3,196,931	\$ 10,696,931
2027	7,830,000	2,849,731	10,679,731
2028	8,185,000	2,487,031	10,672,031
2029	4,425,000	2,106,819	6,531,819
2030	4,010,000	1,936,594	5,946,594
2031-2035	21,305,000	7,456,594	28,761,595
2036-2040	20,040,000	3,768,762	23,808,761
2041-2043	7,940,000	643,400	8,583,400
Totals	<u>\$ 81,235,000</u>	<u>\$ 24,445,862</u>	<u>\$ 105,680,862</u>

The County's direct placements related to governmental activities were paid in full at September 30, 2025.

B. Related Organizations' Conduit Debt Obligations

The Brazos County Health Facilities Development Corporation and Brazos County Housing Finance Corporation have no other financial activity that would materially affect the County's financial statements and are not required to issue separate audited financial statements, and as a result are not included in the disclosure within the accompanying notes to the financial statements. A summary of the debt issued by each entity follows.

Brazos County Health Facilities Development Corporation

As of September 30, 2025 there were two CD's with an estimated total balance of \$28,618. These amounts will be repaid from sources defined in the various underlying agreements between the Health Facilities Development Corporation and the entities for whose benefit the debt was issued.

Brazos County Housing Finance Corporation

As of September 30, 2025 there is a total of \$17,100,000 payable. One tax-exempt loan payable to Freddie Mac and one tax-exempt seller note. The amounts due will be repaid from sources defined in the various underlying financing agreements between the Housing Finance Corporation and the entities for whose benefit the debts were issued.

NOTE 10 – LONG-TERM DEBT (Continued)

C. 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 was subject to the arbitrage rebate requirements of Section 148 of the Internal Revenue Code related to its tax-exempt bond issuances. Under these requirements, the County must rebate to the federal government excess investment earnings on bond proceeds above the bond yield, unless certain spending exceptions are met.

The arbitrage rebate liability is calculated periodically by an independent consultant. As of September 30, 2025, the County had an estimated arbitrage rebate liability of \$480,657, which is reported as a non-current liability in the government-wide financial statements.

NOTE 11 – 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 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 2025 are presented as follows:

NOTE 11 – INVESTMENT IN JOINT VENTURE (Continued)

**CITY OF BRYAN AND BRAZOS COUNTY
ECONOMIC DEVELOPMENT FOUNDATION, INC.
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

Assets		
Cash and cash equivalents	\$	5,589,051
Capital assets		
Land and land improvements		3,471,451
Total Assets		9,060,502
Liabilities		
Accounts payable and accrued expenses		4,177
Total Liabilities		4,177
Net Position		
Net investment in capital assets		3,471,451
Unrestricted		5,584,874
Total Net Position	\$	9,056,325

**CITY OF BRYAN AND BRAZOS COUNTY
ECONOMIC DEVELOPMENT FOUNDATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2025**

Program Activities	Expenses	Program Revenues			Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position
		Fees, Fines and Charges for Services	Operating Grants and Contributions		Governmental Activities	
Governmental activities						
General government and administration	\$1,806,847	\$ -	\$ -	\$ -	\$ (1,806,847)	
Total primary government	\$1,806,847	\$ -	\$ -	\$ -	(1,806,847)	
General Revenues						
Investment earnings					81,126	
Gain on disposition of capital assets					1,533,697	
Total general revenues					1,614,823	
Change in net position					(192,024)	
Net position - beginning of year					9,248,349	
Net position - end of year					\$ 9,056,325	

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 \$5,098,998 as its share of the Foundation's net position for fiscal year 2025. 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 12 – 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. After the \$200,000 per individual deductible has 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 \$22,861,610. The County experienced claims of \$20,623,619 and \$15,174,131 for fiscal year 2025 and 2024 respectively. At September 30, 2025, the County had accrued \$1,011,012 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, 2025.

Changes in the balance of unpaid medical claims during fiscal years 2024 and 2025 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>
2024	1,379,631	14,544,521	(15,174,131)	750,021	750,021
2025	750,021	20,884,610	(20,623,619)	1,011,012	1,011,012

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

NOTE 12 – RISK MANAGEMENT (Continued)

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, 2025, 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 13 – 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.

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.

NOTE 13 – PENSION PLAN (Continued)

A. General Information about the Pension Plan (Continued)

Employees Covered by Benefit Terms

At December 31, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	547
Inactive employees entitled to but not yet receiving benefits	877
Active employees	893
	<u>2,317</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 17% for calendar year 2025 and will remain the same for calendar year 2026. The employee's member contribution rate remained at 7% for 2025 and will remain the same for 2026. Contributions to the pension plan from the County were \$11,242,262 for the year ended September 30, 2025.

B. Net Pension Liability/(Asset)

The County's net pension liability/(asset) was measured as of December 31, 2024, 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, 2024, 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	7.50 percent

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 100% of the MP-2021 Ultimate Scale after 2010.

All other actuarial assumptions used in the December 31, 2023, valuation were based on the results of an actuarial experience investigation over the years of 2017-2020 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

NOTE 13 - PENSION PLAN (Continued)

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

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	13.00%	5.35%
Private Equity (5)	25.00%	8.15%
Global Equities	4.00%	5.15%
International Equities - Developed Markets	6.00%	4.75%
International Equities - Emerging Markets	0.00%	4.75%
Investment-Grade Bonds	3.00%	2.55%
Strategic Credit	9.00%	3.70%
Direct Lending	16.00%	6.85%
Distressed Debt (3)	4.00%	6.80%
REIT Equities	2.00%	3.95%
Master Limited Partnerships (MLPs)	2.00%	4.95%
Commodities	2.00%	1.00%
Private Real Estate Partnerships (4)	6.00%	5.75%
Hedge Funds	6.00%	3.60%
Cash Equivalents	2.00%	1.10%
	100.00%	

(1) Target asset allocation adopted at the March 2025 TCDRS Board meeting.

(2) Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.35%, per Cliffwater's 2025 capital market assumptions.

(3) Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

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

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

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.

NOTE 13 - PENSION PLAN (Continued)

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

	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, 2023	\$318,344,159 *	\$294,808,422 *	\$23,535,737 *
Changes for the year:			
Service cost	8,292,681	-	8,292,681
Interest on total pension liability	24,278,655	-	24,278,655
Effect of economic/demographic gains or losses	2,394,124	-	2,394,124
Refund of contributions	(565,230)	(565,230)	-
Benefit payments	(14,064,366)	(14,064,366)	-
Administrative expenses	-	(176,984)	176,984
Member contributions	-	4,363,007	(4,363,007)
Net investment income	-	30,057,603	(30,057,603)
Employer contributions	-	10,595,890	(10,595,890)
Other	-	105,395	(105,395)
Net Changes	<u>20,335,864</u>	<u>30,315,315</u>	<u>(9,979,451)</u>
Balances as of December 31, 2024	<u>\$338,680,023</u>	<u>\$325,123,737</u>	<u>\$13,556,286</u>

*The beginning balances as of December 31, 2023 have been adjusted to reflect the increased percentage changed of the total pension liability for the County from 91% to 92%

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

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)	\$ 59,328,342	\$ 13,556,286	\$(24,683,722)

For the year ended September 30, 2025, the County recognized pension expense of \$3,029,344. At September 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 13 - PENSION PLAN (Continued)**C. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in pension allocated share	178,716	53
Differences between expected and actual pension experience	2,722,721	449,156
Difference between projected and actual earnings on pension plan	-	3,007,454
Pension contributions made after the measurement date	8,572,056	-
Total	<u>\$ 11,473,493</u>	<u>\$ 3,456,663</u>

Deferred outflows of resources related to pensions resulting from pension contributions made after the measurement date of \$8,572,056 will be recognized as a decrease in the net pension liability for the measurement year ending December 31, 2025 (ie. recognized in County's financial statements September 30, 2026). 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,		
2025	\$	(1,630,543)
2026		5,348,666
2027		(2,744,839)
2028		(1,528,510)
Thereafter		-

D. Payable to the Pension Plan

As of September 30, 2025, the County reported a short-term payable of \$944,833 for the outstanding pension contributions to TCDRS. The amount represents the legally required contributions outstanding from the employer as of September 30, 2025, which was due by October 15, 2025.

NOTE 14 - 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, 2025, the County had been fully reimbursed for costs related to COBRA participants.

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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 43 and 44 for the OPEB trust financial statements as of and for the year ended September 30, 2025.

As of December 31, 2024, the membership of the County's self-insured plan consists of:

Inactive Employees or Beneficiaries Currently Receiving OPEB Benefit Payments	227
Inactive Employees Entitled to but not yet Receiving OPEB Benefit Payments	-
Active Employees	879
Total	<u>1,106</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 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 \$4,758,690 total toward its OPEB obligation for the calendar year ended December 31, 2024, including \$1,000,000 to the OPEB Trust.

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

B. Post-Retirement Benefits (Continued)

Net OPEB Liability

The County's net OPEB liability and the total OPEB liability calculated for fiscal year ending September 30, 2025 was determined by an actuarial valuation using a measurement date of December 31, 2024.

Actuarial Methods and Assumptions

The total OPEB liability in the December 31, 2024 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 7.20 percent declining to an ultimate rate of 4.25 percent after 15 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 14 - 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%	4.90%
International Equity	21%	5.00%
Income Assets		
Fixed Income	40%	2.00%
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 4.08% (based on the daily rate closest to but not later than the measurement date of the Bond Buyer “20-Bond GO 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, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 15.75%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

B. Post-Retirement Benefits (Continued)

Changes in the Net OPEB Liability

	Changes in Net OPEB Liability / (Asset)		
	Total OPEB Liability	Increase (Decrease) Plan Fiduciary Net Position	Net OPEB Liability / (Asset)
	(a)	(b)	(a) – (b)
Balances as of December 31, 2023	\$96,599,892	\$9,931,109	\$86,668,783
Changes for the year:			
Service cost	1,327,026	-	1,327,026
Interest on total OPEB liability	6,199,207	-	6,199,207
Difference between expected and actual experience	321,598	-	321,598
Changes of assumptions	-	-	-
Benefit payments	(3,781,979)	(3,781,979)	-
Administrative expenses	-	(49,852)	49,852
Employer contributions	-	4,781,578	(4,781,578)
Net investment income	-	1,098,133	(1,098,133)
Net Changes	<u>4,065,852</u>	<u>2,047,880</u>	<u>2,017,972</u>
Balances as of December 31, 2024	<u>\$100,665,744</u>	<u>\$11,978,989</u>	<u>\$88,686,755</u>

The percentage for calculating OPEB is split between Brazos County and the Brazos County Health District. The Changes in Net OPEB liability schedule for fiscal year ending September 30, 2024, reflect ending balances as of the measurement date of December 31, 2024. The total Fiduciary Net Position is 11.90 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	\$ 103,106,021	\$ 88,686,755	\$ 76,828,805

NOTE 14 - 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	\$ 75,282,414	\$ 88,686,755	\$ 105,200,382

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, 2025, the County recognized OPEB expense of \$6,800,998. At September 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

B. Post-Retirement Benefits (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in OPEB plan allocated share	\$ 900,180	\$ 30,128
Difference between projected and actual earnings on OPEB plan	32,471	-
Differences between expected and actual OPEB experience	1,166,987	3,022,618
Changes in Assumptions	6,836,792	1,232,719
OPEB contributions made after the measurement date	3,041,635	-
Total	<u>\$ 11,978,065</u>	<u>\$ 4,285,465</u>

Deferred outflows of resources related to OPEB resulting from OPEB contributions made after the measurement date of \$3,041,635 will be recognized as a reduction of the net OPEB liability for the measurement year ending December 31, 2025 (ie. recognized in County's financial statements September 30, 2026).

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,	
2026	\$ 878,512
2027	65,223
2028	823,876
2029	1,086,800
2030	1,421,229
Thereafter	375,325

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 15 - COMMITMENTS AND CONTINGENCIES

A. Construction Contracts

The County has budgeted \$109.3 million for various contracts in connection with the construction and renovation of County facilities, buildings, and the rehabilitation of County roads for fiscal year 2026. They are allocated as follows:

- \$5.2 million for the rehabilitation of County roads.
- \$69.5 million for the construction of the 101 North Texas Avenue building for additional office space.
- \$18.5 million for renovations to the sanctuary, north wing, and structure of the County Administration building.
- \$8.6 million for County funding toward the TxDOT system projects at George Bush and Wellborn Roads.
- \$2.3 million for renovations to Road and Bridge facility.
- \$2.8 million under Commissioner's Court – Capital for parking garage cameras, agenda software upgrades, software upgrades, Kent Street design, and other unforeseen needs that may arise.
- \$2.4 million under Information Technology – Capital for various software upgrades.

B. Tax Increment Financing Zones (TIFZ's)

As of September 30, 2025, 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.

NOTE 15 - COMMITMENTS AND CONTINGENCIES (Continued)

B. Tax Increment Financing Zones (TIFZ's) (Continued)

Brazos County has one inter-local agreements with the City of Bryan for a Reinvestment Zone Number Ten – “Traditions”. 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. During fiscal year 2025 (for the tax year ended 12/31/2024), the County reimbursed \$1,563,921 to the City of Bryan on the TIFZ.

C. Tax Rebates

As of September 30, 2025, the County had entered into six 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 2025, the County rebated \$896,060 to local business entities.

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, 2025, the County currently does not have any active agreements receiving tax incentives.

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.

NOTE 16 – CHANGE IN ACCOUNTING PRINCIPLE

During the fiscal year ended September 30, 2025, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. GASB Statement No. 101 establishes new guidance for the recognition and measurement of compensated absences.

NOTE 16 – CHANGE IN ACCOUNTING PRINCIPLE (Continued)

The requirements of GASB Statement No. 101 were applied retroactively by restating beginning net position for fiscal year 2025. As a result of this implementation, beginning net position was decreased in the government-wide financial statements. The net change as of September 30, 2024, for governmental activities and business-type activities is reflected below:

	<u>Governmental Activities</u>	<u>Business - Type Activities</u>	<u>Total</u>
Net position - beginning, as previously reported at 9/30/2024	\$ 453,554,324	\$ 1,103,402	\$ 454,657,726
Change in accounting principle	<u>(4,527,906)</u>	<u>(4,824)</u>	<u>(4,532,730)</u>
Net position - beginning, as restated	<u>\$ 449,026,418</u>	<u>\$ 1,098,578</u>	<u>\$ 450,124,996</u>

NOTE 17 – 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, 2025:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Local Provider Participation Fund</u>	<u>Grant Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Fund Balances:						
Nonspendable:						
Prepays	\$ 1,418,061	\$ -	\$ -	\$ 14,212	\$ -	\$ 1,432,273
Inventories	1,682,717	-	-	-	-	1,682,717
Total Nonspendable	<u>3,100,778</u>	<u>-</u>	<u>-</u>	<u>14,212</u>	<u>-</u>	<u>3,114,990</u>
Restricted for:						
Debt Service	-	7,047,424	-	-	-	7,047,424
Juvenile Services	26,689	-	-	-	-	26,689
Election Services	-	-	-	-	25,608	25,608
Human Services	-	-	-	-	8,238,165	8,238,165
State Lateral Road Fund	-	-	-	-	137,297	137,297
Unclaimed Property	-	-	-	-	123,574	123,574
Administration of Justice	535,022	-	-	-	477,302	1,012,324
Health Care Provider Part.	-	-	22,297,194	-	-	22,297,194
Revenue Replacement	500,000	-	-	-	-	500,000
Records Management	-	-	-	-	3,978,922	3,978,922
Court Facility	141,651	-	-	-	-	141,651
Special Forfeitures	-	-	-	-	83,120	83,120
Law Enforcement	-	-	-	-	670,790	670,790
DA Hot Check Collection	-	-	-	-	5,867	5,867
Bail Bond Board Fees	-	-	-	-	122,149	122,149
Admin. of Tax Office	-	-	-	-	450,718	450,718
SO Crime Fund	-	-	-	-	117,797	117,797
DA Crime Fund	-	-	-	-	137,377	137,377
CA Operating	-	-	-	-	65,220	65,220
Total Restricted	<u>1,203,362</u>	<u>7,047,424</u>	<u>22,297,194</u>	<u>-</u>	<u>14,633,906</u>	<u>45,181,886</u>
Committed:						
Emergency Fund	40,000,444	-	-	-	-	40,000,444
Capital Projects	-	-	-	14,049,518	9,596,495	23,646,013
Total Committed	<u>40,000,444</u>	<u>-</u>	<u>-</u>	<u>14,049,518</u>	<u>9,596,495</u>	<u>63,646,457</u>
Assigned to:						
Capital Improvements	5,000,000	-	-	-	29,648,736	34,648,736
Total Assigned	<u>5,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,648,736</u>	<u>34,648,736</u>
Unassigned	134,229,793	-	-	-	-	134,229,793
Total Fund Balances	<u>\$ 183,534,377</u>	<u>\$7,047,424</u>	<u>\$22,297,194</u>	<u>\$ 14,063,730</u>	<u>\$ 53,879,137</u>	<u>\$ 280,821,862</u>

NOTE 18 - NEW ACCOUNTING PRONOUNCEMENTS

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

The GASB issued Statement No. 103, “Financial Reporting Model Improvements”, in April 2024. Improving key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accounting is the Statement’s objective. This Statement addresses required supplementary information in the MD&A, unusual and infrequent items, presentation of the Proprietary Fund Statements, major component unit information, and budgetary comparison information as its reported in the financial statements. The requirements of this Statement are effective for all fiscal years beginning after June 15, 2025, and earlier application is encouraged.

The GASB issued Statement No. 104, “Disclosure of Certain Capital Assets”, in September 2024. This Statement is providing users of government financial statements with essential information about certain types of capital assets and disclosing additional information regarding capital assets held for sale. The requirements of this Statement are effective for all fiscal years beginning after June 15, 2025, and earlier application is encouraged.

The GASB issued Statement No. 105, “Subsequent Events”, in December 2025. This Statement is to improve the financial requirements for subsequent events to better meet the needs of the financial statement users. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The requirements of this Statement are effective for all fiscal years beginning after June 15, 2026, 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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Current Ad Valorem Taxes	\$ 112,417,629	\$ 112,417,629	\$ 112,099,254	\$ (318,375)
Delinquent Ad Valorem Taxes	400,000	400,000	(398,754)	(798,754)
Penalties & Interest - Taxes	425,000	425,000	689,112	264,112
Mixed Drink Taxes	1,300,000	1,300,000	1,450,510	150,510
County Sales Taxes	25,310,000	25,310,000	26,165,531	855,531
Total Taxes	<u>139,852,629</u>	<u>139,852,629</u>	<u>140,005,653</u>	<u>153,024</u>
Charges For Services				
Contracted Detention Services	50,000	50,000	149,385	99,385
JJAEP Service Fee	40,000	40,000	70,367	30,367
Contracted Jail Services	145,000	145,000	153,140	8,140
Arrest/Warrant Fees	128,500	128,500	169,000	40,500
Brazos Center	230,000	230,000	225,259	(4,741)
Exposition Center	1,740,000	1,740,000	1,628,319	(111,681)
Bond Service/Forfeitures	325,000	325,000	330,163	5,163
County Clerk	1,000,000	1,000,000	1,058,890	58,890
Vital Statistics Preservation	6,000	6,000	6,112	112
County Attorney	30,000	30,000	30,467	467
Hot Check Fees	4,500	4,500	4,590	90
Collections	250	250	-	(250)
Constables	280,000	280,000	398,471	118,471
Court Reporter	60,500	60,500	90,556	30,056
Magistrate	100	100	209	109
Specialty Court Fees	42,500	42,500	43,944	1,444
District Clerk	270,250	270,250	365,008	94,758
District Attorney	35,100	35,100	35,190	90
Family Protection	26,200	26,200	28,035	1,835
Election Services	130,000	130,000	113,683	(16,317)
Motor Carrier Weight	50,000	50,000	59,170	9,170
Inmate Medical Fees	25,000	25,000	25,887	887
Jail Record Services	1,000	1,000	20	(980)
Justice of the Peace	1,265,400	1,265,400	1,485,358	219,958
Juvenile Probation Fees	5,000	5,000	2	(4,998)
License and Weights	1,000	1,000	480	(520)
Omnibus Crime Control Fees	98,625	98,625	101,203	2,578
Judicial Support Fees	100	100	59	(41)
Optional License Fees	1,550,000	1,550,000	1,880,738	330,738
Parking Garage	-	8,400	14,208	5,808
Probate Fees	5,000	5,000	7,575	2,575
Road & Bridge Fees	77,000	77,000	83,898	6,898
School Crossing Fees	25,000	25,000	34,510	9,510
Sheriff	1,486,250	1,486,250	1,318,079	(168,171)
Solid Waste Fees	27,000	27,000	36,288	9,288
Tax Assessor-Collector	650,000	650,000	702,686	52,686
Vehicle Registration Fees	350,000	350,000	352,300	2,300
Motor Vehicle Sales Taxes	2,100,000	2,100,000	2,232,019	132,019
Licenses and Permits	35,000	35,000	9,705	(25,295)
Pretrial Bond Supervision	156,000	156,000	172,880	16,880
Pretrial Intervention	25,000	25,000	12,007	(12,993)
Court Fines	1,075,000	1,075,000	1,114,014	39,014
Court Facility Fund	50,000	50,000	68,812	18,812
Language Access Fees	20,000	20,000	25,589	5,589
Guardianship	15,000	15,000	24,582	9,582
Total Charges For Services	<u>\$ 13,636,275</u>	<u>\$ 13,644,675</u>	<u>\$ 14,662,857</u>	<u>\$ 1,018,182</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES (continued)				
Intergovernmental - Federal				
Department of Justice	\$ 50,000	\$ 50,000	\$ (39,480)	\$ (89,480)
Department of Agriculture	73,500	73,500	96,968	23,468
Department of Health & Human Services	25,000	25,000	61,540	36,540
Total Intergovernmental - Federal	<u>148,500</u>	<u>148,500</u>	<u>119,028</u>	<u>(29,472)</u>
Intergovernmental - State & Local				
Attorney General	58,000	58,000	10,174	(47,826)
Department of Criminal Justice	318,000	318,000	326,024	8,024
D. A. Salary Supplement	20,000	20,000	22,500	2,500
Office of the Court Administrator	95,000	95,000	158,562	63,562
Texas Juvenile Justice Department	8,000	8,000	40,131	32,131
Juror Reimbursement	100,000	100,000	186,744	86,744
Tobacco Settlement	85,000	85,000	113,510	28,510
Secretary of State	24,502	24,502	16,265	(8,237)
Total Intergovernmental - State	<u>708,502</u>	<u>708,502</u>	<u>873,910</u>	<u>165,408</u>
Total Intergovernmental	<u>857,002</u>	<u>857,002</u>	<u>992,938</u>	<u>135,936</u>
Interest	<u>10,275,000</u>	<u>10,275,000</u>	<u>11,857,040</u>	<u>1,582,040</u>
Other Revenue				
Donations	30,000	100,636	107,045	6,409
State Traffic Fee	7,500	7,500	7,620	120
Reimbursements	427,000	427,000	531,315	104,315
Leases and Rentals	2,200	2,200	2,548	348
Other	175,000	260,580	418,060	157,480
Jail Workcrew	20,000	20,000	39,200	19,200
Inmate Phone/Video Visitation System	275,000	275,000	439,670	164,670
Oil and Gas Lease	33,000	33,000	23,591	(9,409)
Informal Adjudication Probation	5,000	5,000	6	(4,994)
Total Other Revenue	<u>974,700</u>	<u>1,130,916</u>	<u>1,569,055</u>	<u>438,139</u>
TOTAL REVENUES	<u>\$ 165,595,606</u>	<u>\$ 165,760,222</u>	<u>\$ 169,087,543</u>	<u>\$ 3,327,321</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, 2025

EXPENDITURES	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government				
County Judge				
Personnel Services	\$ 1,522,055	\$ 1,562,198	\$ 1,188,627	\$ 373,571
Supplies and Other Charges	45,680	55,829	36,331	19,498
Repairs and Maintenance	410	410	120	290
Contract Services	13,000	13,275	13,273	2
	<u>1,581,145</u>	<u>1,631,712</u>	<u>1,238,351</u>	<u>393,361</u>
Budget Office				
Personnel Services	423,767	423,767	277,169	146,598
Supplies and Other Charges	17,795	19,255	6,311	12,944
	<u>441,562</u>	<u>443,022</u>	<u>283,480</u>	<u>159,542</u>
Commissioners' Court				
Personnel Services	1,158,935	1,158,935	1,046,213	112,722
Supplies and Other Charges	49,925	62,455	46,190	16,265
Repairs and Maintenance	1,163	24,238	23,512	726
	<u>1,210,023</u>	<u>1,245,628</u>	<u>1,115,915</u>	<u>129,713</u>
Non-Departmental				
Personnel Services	5,138,993	5,138,993	4,980,398	158,595
Supplies and Other Charges	1,770,000	1,778,249	1,650,372	127,877
Repairs and Maintenance	1,440	1,440	1,215	225
Contract Services	110,000	110,000	56,589	53,411
Professional Services	815,000	791,925	195,585	596,340
	<u>7,835,433</u>	<u>7,820,607</u>	<u>6,884,159</u>	<u>936,448</u>
Community Support				
Community Support	4,872,526	5,056,526	4,971,303	85,223
	<u>4,872,526</u>	<u>5,056,526</u>	<u>4,971,303</u>	<u>85,223</u>
Fleet Maintenance				
Personnel Services	777,288	777,288	770,571	6,717
Supplies and Other Charges	13,700	19,089	16,333	2,756
Repairs and Maintenance	185,820	183,320	170,698	12,622
Contract Services	2,220	2,220	1,688	532
	<u>979,028</u>	<u>981,917</u>	<u>959,290</u>	<u>22,627</u>
Elections				
Personnel Services	889,991	903,991	890,995	12,996
Outside Labor Costs	163,000	149,000	108,225	40,775
Supplies and Other Charges	135,002	142,151	85,004	57,147
Repairs and Maintenance	12,000	12,000	6,840	5,160
Contract Services	158,745	182,140	175,860	6,280
Professional Services	200	200	-	200
	<u>1,358,938</u>	<u>1,389,482</u>	<u>1,266,924</u>	<u>122,558</u>
County Treasurer				
Personnel Services	756,438	756,438	664,711	91,727
Supplies and Other Charges	24,140	27,415	21,649	5,766
Repairs and Maintenance	875	875	524	351
Contract Services	5,000	5,000	3,506	1,494
Professional Services	50,000	50,000	-	50,000
	<u>836,453</u>	<u>839,728</u>	<u>690,390</u>	<u>149,338</u>
Risk Management				
Personnel Services	411,525	411,118	365,734	45,384
Supplies and Other Charges	22,965	31,635	28,808	2,827
Repairs and Maintenance	150,650	280,650	214,648	66,002
Contract Services	15,000	9,000	3,000	6,000
Professional Services	100,000	100,000	25,000	75,000
	<u>\$ 700,140</u>	<u>\$ 832,403</u>	<u>\$ 637,190</u>	<u>\$ 195,213</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, 2025

EXPENDITURES (continued)	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government (continued)				
Tax Assessor-Collector				
Personnel Services	\$ 3,168,405	\$ 3,168,405	\$ 2,689,016	\$ 479,389
Supplies and Other Charges	125,120	128,727	96,251	32,476
Repairs and Maintenance	2,700	8,435	7,700	735
Contract Services	14,500	14,500	11,802	2,698
	3,310,725	3,320,067	2,804,769	515,298
Information Technology				
Personnel Services	4,612,200	4,612,200	4,122,013	490,187
Supplies and Other Charges	806,530	462,540	312,903	149,637
Repairs and Maintenance	60,300	110,718	102,604	8,114
Contract Services	4,233,905	3,430,316	3,241,805	188,511
Community Support	2,124	2,124	2,124	-
	9,715,059	8,617,898	7,781,449	836,449
Project Management				
Personnel Services	309,635	309,635	303,501	6,134
Supplies and Other Charges	6,700	6,700	5,662	1,038
Repairs and Maintenance	9,000,000	190,041	148,650	41,391
Contract Services	522,450	67,450	151,294	(83,844)
Professional Services	500,000	468,438	-	468,438
	10,338,785	1,042,264	609,107	433,157
Human Resources				
Personnel Services	1,058,389	1,058,389	913,692	144,697
Supplies and Other Charges	203,360	224,076	169,954	54,122
Repairs and Maintenance	1,300	1,300	275	1,025
Contract Services	202,000	487,000	-	487,000
	1,465,049	1,770,765	1,083,921	686,844
County Auditor				
Personnel Services	1,745,429	1,745,429	1,600,834	144,595
Supplies and Other Charges	15,395	15,380	8,629	6,751
Repairs and Maintenance	540	615	615	-
Contract Services	68,000	68,000	67,000	1,000
	1,829,364	1,829,424	1,677,078	152,346
Purchasing				
Personnel Services	900,211	900,211	763,848	136,363
Supplies and Other Charges	88,045	45,552	21,993	23,559
Repairs and Maintenance	15,250	15,250	2,016	13,234
Contract Services	236,907	236,907	141,642	95,265
	1,240,413	1,197,920	929,499	268,421
Facilities Services				
Personnel Services	3,294,155	3,294,155	3,112,375	181,780
Supplies and Other Charges	215,250	260,903	236,149	24,754
Repairs and Maintenance	630,800	717,800	652,606	65,194
Contract Services	2,443,262	2,374,562	1,672,826	701,736
Professional Services	50,000	28,265	20,000	8,265
	6,633,467	6,675,685	5,693,956	981,729
Landscaping				
Personnel Services	554,033	556,033	499,888	56,145
Supplies and Other Charges	4,400	8,388	9,933	(1,545)
Repairs and Maintenance	78,750	74,762	70,583	4,179
Contract Services	110,500	110,500	98,875	11,625
	\$ 747,683	\$ 749,683	\$ 679,279	\$ 70,404

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
General Government (continued)				
County Records Management				
Personnel Services	\$ 464,091	\$ 464,091	\$ 432,060	\$ 32,031
Supplies and Other Charges	20,800	24,523	23,875	648
Repairs and Maintenance	100	100	85	15
Contract Services	8,500	8,500	5,771	2,729
	<u>493,491</u>	<u>497,214</u>	<u>461,791</u>	<u>35,423</u>
American Rescue Plan Revenue Replacement - General				
Community Support	500,000	500,000	-	500,000
	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total General Government	<u>56,089,284</u>	<u>46,441,945</u>	<u>39,767,851</u>	<u>6,674,094</u>
Justice System				
Pre-Trial Bond Supervision				
Personnel Services	205,973	205,973	199,643	6,330
Supplies and Other Charges	12,000	12,000	-	12,000
	<u>217,973</u>	<u>217,973</u>	<u>199,643</u>	<u>18,330</u>
County Attorney				
Personnel Services	3,805,289	3,805,289	3,348,567	456,722
Supplies and Other Charges	120,950	126,379	65,266	61,113
Repairs and Maintenance	8,200	8,200	5,036	3,164
Contract Services	850	19,772	19,732	40
Community Support	2,510	2,510	2,510	-
	<u>3,937,799</u>	<u>3,962,150</u>	<u>3,441,111</u>	<u>521,039</u>
District Attorney				
Personnel Services	6,211,448	6,211,448	5,717,977	493,471
Supplies and Other Charges	192,673	217,845	185,248	32,597
Repairs and Maintenance	11,100	11,100	8,507	2,593
Contract Services	-	88,510	88,510	-
Community Support	1,738	1,738	1,738	-
	<u>6,416,959</u>	<u>6,530,641</u>	<u>6,001,980</u>	<u>528,661</u>
D.A. - Child Protective Services				
Personnel Services	434,500	434,500	410,319	24,181
Supplies and Other Charges	9,750	9,750	1,111	8,639
	<u>444,250</u>	<u>444,250</u>	<u>411,430</u>	<u>32,820</u>
District Clerk				
Personnel Services	1,515,497	1,515,497	1,369,624	145,873
Supplies and Other Charges	37,605	41,964	33,858	8,106
Repairs and Maintenance	3,100	3,100	955	2,145
	<u>1,556,202</u>	<u>1,560,561</u>	<u>1,404,437</u>	<u>156,124</u>
Public Defender				
Personnel Services	65,095	65,095	60,285	4,810
	<u>65,095</u>	<u>65,095</u>	<u>60,285</u>	<u>4,810</u>
Court and Jury Services				
Personnel Services	180,670	180,670	163,779	16,891
Supplies and Other Charges	362,900	370,042	289,744	80,298
Repairs and Maintenance	110	120	120	-
	<u>543,680</u>	<u>550,832</u>	<u>453,643</u>	<u>97,189</u>
Collections				
Personnel Services	635,217	635,217	600,357	34,860
Supplies and Other Charges	29,130	36,045	28,108	7,937
Repairs and Maintenance	500	500	420	80
Contract Services	5,650	5,650	5,650	-
	<u>\$ 670,497</u>	<u>\$ 677,412</u>	<u>\$ 634,535</u>	<u>\$ 42,877</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Justice System (continued)				
County Clerk				
Personnel Services	\$ 1,381,523	\$ 1,381,523	\$ 1,333,102	\$ 48,421
Supplies and Other Charges	26,745	26,745	19,280	7,465
Repairs and Maintenance	2,800	24,535	24,470	65
Contract Services	95,965	95,965	66,441	29,524
	<u>1,507,033</u>	<u>1,528,768</u>	<u>1,443,293</u>	<u>85,475</u>
Vital Statistics Preservation				
Supplies and Other Charges	16,700	16,700	3,597	13,103
	<u>16,700</u>	<u>16,700</u>	<u>3,597</u>	<u>13,103</u>
85th District Court				
Personnel Services	529,664	529,664	525,115	4,549
Supplies and Other Charges	36,240	35,983	24,933	11,050
Repairs and Maintenance	800	800	241	559
Contract Services	-	5,918	5,777	141
	<u>566,704</u>	<u>572,365</u>	<u>556,066</u>	<u>16,299</u>
272nd District Court				
Personnel Services	535,774	535,774	527,026	8,748
Supplies and Other Charges	15,775	23,539	21,304	2,235
Repairs and Maintenance	300	300	147	153
Contract Services	-	3,398	3,397	1
	<u>551,849</u>	<u>563,011</u>	<u>551,874</u>	<u>11,137</u>
361st District Court				
Personnel Services	524,669	524,669	508,686	15,983
Supplies and Other Charges	41,880	44,582	30,704	13,878
Repairs and Maintenance	150	1,830	1,824	6
Contract Services	-	3,398	3,397	1
	<u>566,699</u>	<u>574,479</u>	<u>544,611</u>	<u>29,868</u>
472nd District Court				
Personnel Services	457,499	457,499	427,982	29,517
Supplies and Other Charges	32,900	32,900	20,680	12,220
Repairs and Maintenance	200	200	85	115
	<u>490,599</u>	<u>490,599</u>	<u>448,747</u>	<u>41,852</u>
Family Law Associate Court				
Personnel Services	590,181	590,181	565,324	24,857
Supplies and Other Charges	11,995	11,995	11,659	336
Contract Services	200	200	85	115
	<u>602,376</u>	<u>602,376</u>	<u>577,068</u>	<u>25,308</u>
Misdemeanor Associate Court				
Personnel Services	539,284	539,284	532,054	7,230
Supplies and Other Charges	10,632	10,632	9,117	1,515
Repairs and Maintenance	2,250	2,250	1,851	399
Contracts Services	-	3,398	3,397	1
	<u>552,166</u>	<u>555,564</u>	<u>546,419</u>	<u>9,145</u>
Specialty Court Program				
Personnel Services	53,234	53,234	27,773	25,461
Supplies and Other Charges	63,680	62,839	10,778	52,061
Contracts Services	185,000	195,950	189,019	6,931
Professional Services	2,000	2,875	2,875	-
	<u>303,914</u>	<u>314,898</u>	<u>230,445</u>	<u>84,453</u>
Felony Law Associate Court/Juvenile Court Referee				
Personnel Services	352,774	352,774	349,354	3,420
Supplies and Other Charges	15,200	15,200	13,735	1,465
Contracts Services	-	3,398	3,397	1
	<u>\$ 367,974</u>	<u>\$ 371,372</u>	<u>\$ 366,486</u>	<u>\$ 4,886</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Justice System (continued)				
County Court At Law #1				
Personnel Services	\$ 1,034,957	\$ 1,034,957	\$ 982,017	\$ 52,940
Supplies and Other Charges	22,535	22,535	21,358	1,177
Repairs and Maintenance	300	300	291	9
Contracts Services	-	3,398	3,397	1
	1,057,792	1,061,190	1,007,063	54,127
County Court At Law #2				
Personnel Services	917,795	917,795	846,145	71,650
Supplies and Other Charges	35,300	55,288	28,558	26,730
Repairs and Maintenance	131	143	142	1
Contract Services	-	3,398	3,397	1
	953,226	976,624	878,242	98,382
Justice of the Peace Precinct 1				
Personnel Services	481,436	481,436	454,975	26,461
Supplies and Other Charges	25,625	25,625	18,010	7,615
Repairs and Maintenance	650	650	183	467
Contract Services	4,200	4,200	1,645	2,555
	511,911	511,911	474,813	37,098
Justice of the Peace Precinct 2				
Personnel Services	462,808	462,808	436,394	26,414
Supplies and Other Charges	13,050	14,032	9,982	4,050
Repairs and Maintenance	200	200	183	17
	476,058	477,040	446,559	30,481
Justice of the Peace Precinct 3				
Personnel Services	627,994	627,994	594,728	33,266
Supplies and Other Charges	17,550	18,147	16,948	1,199
Repairs and Maintenance	425	500	500	-
Contract Services	2,500	2,500	2,312	188
	648,469	649,141	614,488	34,653
Justice of the Peace Precinct 4				
Personnel Services	463,269	463,269	448,473	14,796
Supplies and Other Charges	20,500	20,460	10,492	9,968
Repairs and Maintenance	425	500	495	5
	484,194	484,229	459,460	24,769
Community Supervision Support				
Supplies and Other Charges	77,150	108,271	103,546	4,725
Repairs and Maintenance	4,500	1,500	1,409	91
Community Support	773	773	772	1
	82,423	110,544	105,727	4,817
Judicial Court Support				
Personnel Services	86,136	86,136	84,465	1,671
Supplies and Other Charges	831,700	834,533	699,458	135,075
Contract Services	1,100,000	1,914,000	1,869,932	44,068
Professional Services	6,417,250	6,454,050	4,944,862	1,509,188
	8,435,086	9,288,719	7,598,717	1,690,002
Alternative Dispute Resolution				
Professional Services	50,000	50,000	50,000	-
	50,000	50,000	50,000	-
Court Facility				
Supplies and Other Charges	50,000	34,475	-	34,475
	50,000	34,475	-	34,475
Total Justice System	\$ 32,127,628	\$ 33,242,919	\$ 29,510,739	\$ 3,732,180

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, 2025

EXPENDITURES (continued)	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Law Enforcement				
Sheriff Administration				
Personnel Services	\$ 9,906,162	\$ 9,937,876	\$ 9,724,985	\$ 212,891
Supplies and Other Charges	501,840	568,852	478,802	90,050
Repairs and Maintenance	269,150	269,150	222,620	46,530
Contract Services	156,440	575,656	574,811	845
Professional Services	17,200	17,200	13,350	3,850
Community Support	32,244	32,244	32,244	-
	10,883,036	11,400,978	11,046,812	354,166
Sheriff Jail Administration				
Personnel Services	17,548,291	18,392,012	18,196,186	195,826
Supplies and Other Charges	2,657,925	2,715,955	2,537,910	178,045
Repairs and Maintenance	1,389,450	1,894,399	1,246,876	647,523
Contract Services	38,660	207,510	206,439	1,071
Professional Services	25,350	49,802	15,539	34,263
Community Support	11,199	11,199	11,198	1
	21,670,875	23,270,877	22,214,148	1,056,729
Jail Medical Services				
Personnel Services	1,362,981	1,612,981	1,597,791	15,190
Supplies and Other Charges	50,310	50,310	25,927	24,383
Repairs and Maintenance	2,400	2,400	1,650	750
Contract Services	3,780	3,780	2,955	825
Professional Services	35,375	110,375	62,995	47,380
	1,454,846	1,779,846	1,691,318	88,528
SO-CSISD School Security				
Personnel Services	1,329,902	1,329,902	1,146,255	183,647
Supplies and Other Charges	69,260	69,260	31,896	37,364
Repairs and Maintenance	2,300	2,300	-	2,300
Contract Services	-	33,866	33,866	-
Professional Services	520	520	-	520
Community Support	9,268	9,268	9,268	-
	1,411,250	1,445,116	1,221,285	223,831
Constable Precinct 1				
Personnel Services	755,393	755,393	749,196	6,197
Supplies and Other Charges	40,720	61,673	57,339	4,334
Repairs and Maintenance	14,200	14,200	10,185	4,015
Contract Services	4,500	39,848	36,991	2,857
Community Support	2,704	2,704	2,703	1
	817,517	873,818	856,414	17,404
Constable Precinct 2				
Personnel Services	1,122,934	1,128,903	1,072,227	56,676
Supplies and Other Charges	41,700	73,180	66,720	6,460
Repairs and Maintenance	30,300	30,300	18,689	11,611
Contract Services	1,500	47,259	45,758	1,501
Community Support	3,669	3,669	3,668	1
	1,200,103	1,283,311	1,207,062	76,249
Constable Precinct 3				
Personnel Services	750,695	754,785	749,542	5,243
Supplies and Other Charges	34,420	54,909	43,716	11,193
Repairs and Maintenance	13,590	13,590	9,287	4,303
Contract Services	4,200	33,895	32,007	1,888
Community Support	2,317	2,317	2,317	-
	\$ 805,222	\$ 859,496	\$ 836,869	\$ 22,627

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Law Enforcement (continued)				
Constable Precinct 4				
Personnel Services	\$ 1,127,036	\$ 1,131,065	\$ 1,124,694	\$ 6,371
Supplies and Other Charges	34,445	68,532	53,579	14,953
Repairs and Maintenance	24,670	24,670	21,740	2,930
Contract Services	3,450	52,035	51,125	910
Community Support	3,476	3,476	3,475	1
	<u>1,193,077</u>	<u>1,279,778</u>	<u>1,254,613</u>	<u>25,165</u>
Total Law Enforcement	<u>39,435,926</u>	<u>42,193,220</u>	<u>40,328,521</u>	<u>1,864,699</u>
Juvenile Services				
Juvenile Services				
Personnel Services	7,506,372	7,506,099	6,531,789	974,310
Supplies and Other Charges	611,425	641,258	516,648	124,610
Repairs and Maintenance	21,409	31,055	24,352	6,703
Contract Services	82,386	82,386	67,207	15,179
Professional Services	136,300	122,354	35,773	86,581
Community Support	580	580	579	1
	<u>8,358,472</u>	<u>8,383,732</u>	<u>7,176,348</u>	<u>1,207,384</u>
Juvenile Services (continued)				
Juvenile Justice Alternative Education				
Personnel Services	361,346	361,619	358,903	2,716
Supplies and Other Charges	810	810	-	810
	<u>362,156</u>	<u>362,429</u>	<u>358,903</u>	<u>3,526</u>
TDHS - Commodities				
Supplies and Other Charges	7,300	7,300	6,746	554
	<u>7,300</u>	<u>7,300</u>	<u>6,746</u>	<u>554</u>
Total Juvenile Services	<u>8,727,928</u>	<u>8,753,461</u>	<u>7,541,997</u>	<u>1,211,464</u>
Public Transportation				
Road and Bridge Administration				
Personnel Services	7,635,207	7,635,207	6,448,667	1,186,540
Supplies and Other Charges	109,610	117,054	96,997	20,057
Repairs and Maintenance	9,375,000	9,367,300	7,295,814	2,071,486
Contract Services	308,200	311,655	249,617	62,038
Professional Services	180,000	680,000	367,745	312,255
	<u>17,608,017</u>	<u>18,111,216</u>	<u>14,458,840</u>	<u>3,652,376</u>
Total Public Transportation	<u>17,608,017</u>	<u>18,111,216</u>	<u>14,458,840</u>	<u>3,652,376</u>
Public Health				
Environmental Protection				
Supplies and Other Charges	20,500	21,700	14,759	6,941
Repairs and Maintenance	1,000	1,000	-	1,000
Contract Services	345,557	345,557	327,011	18,546
	<u>367,057</u>	<u>368,257</u>	<u>341,770</u>	<u>26,487</u>
Indigent Health Care				
Supplies and Other Charges	2,098,900	2,098,900	808,923	1,289,977
Professional Services	5,800,000	5,315,000	684,876	4,630,124
Community Support	896,700	896,700	119,700	777,000
	<u>\$ 8,795,600</u>	<u>\$ 8,310,600</u>	<u>\$ 1,613,499</u>	<u>\$ 6,697,101</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Public Health (Continued)				
Health Department Support				
Supplies and Other Charges	\$ 59,875	\$ 77,182	\$ 67,325	\$ 9,857
Contract Services	-	2,771	2,770	1
Professional Services	23,500	23,500	18,430	5,070
	<u>83,375</u>	<u>103,453</u>	<u>88,525</u>	<u>14,928</u>
Forensic Services				
Personnel Services	400,509	400,509	-	400,509
	<u>400,509</u>	<u>400,509</u>	<u>-</u>	<u>400,509</u>
Total Public Health	<u>9,646,541</u>	<u>9,182,819</u>	<u>2,043,794</u>	<u>7,139,025</u>
Human Services				
Veteran Services				
Personnel Services	183,909	183,909	179,604	4,305
Supplies and Other Charges	6,100	17,820	14,831	2,989
Repairs and Maintenance	420	420	242	178
	<u>190,429</u>	<u>202,149</u>	<u>194,677</u>	<u>7,472</u>
County Fire Protection				
Community Support	1,116,000	1,116,000	1,043,200	72,800
	<u>1,116,000</u>	<u>1,116,000</u>	<u>1,043,200</u>	<u>72,800</u>
County Welfare				
Supplies and Other Charges	5,000	5,000	2,100	2,900
	<u>5,000</u>	<u>5,000</u>	<u>2,100</u>	<u>2,900</u>
Emergency Management				
Personnel Services	392,299	392,299	193,165	199,134
Supplies and Other Charges	22,190	27,849	15,080	12,769
Repairs and Maintenance	11,350	11,350	1,709	9,641
Contract Services	123,600	124,600	117,817	6,783
Community Support	42,480	42,480	42,477	3
	<u>591,919</u>	<u>598,578</u>	<u>370,248</u>	<u>228,330</u>
Brazos Center				
Personnel Services	749,994	749,994	718,211	31,783
Supplies and Other Charges	217,675	217,675	183,810	33,865
Repairs and Maintenance	276,560	312,660	55,790	256,870
Contract Services	3,220	3,220	105	3,115
	<u>1,247,449</u>	<u>1,283,549</u>	<u>957,916</u>	<u>325,633</u>
Exposition Center				
Personnel Services	2,722,973	2,722,973	1,647,421	1,075,552
Supplies and Other Charges	543,600	546,995	532,111	14,884
Repairs and Maintenance	95,800	10,085,800	71,347	10,014,453
Contract Services	88,000	98,000	97,133	867
	<u>3,450,373</u>	<u>13,453,768</u>	<u>2,348,012</u>	<u>11,105,756</u>
Agricultural Extension				
Personnel Services	596,551	596,551	485,788	110,763
Supplies and Other Charges	58,010	58,010	53,448	4,562
Repairs and Maintenance	6,000	6,000	240	5,760
Contract Services	38,500	38,500	33,570	4,930
	<u>699,061</u>	<u>699,061</u>	<u>573,046</u>	<u>126,015</u>
Boonville Heritage Park				
Supplies and Other Charges	30,000	3,000	2,984	16
Repairs and Maintenance	76,600	76,600	48,643	27,957
Contract Services	5,000	5,000	420	4,580
	<u>\$ 111,600</u>	<u>\$ 84,600</u>	<u>\$ 52,047</u>	<u>\$ 32,553</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Human Services (continued)				
Child Protective Services				
Supplies and Other Charges	\$ 50,000	\$ 50,025	\$ 42,460	\$ 7,565
	<u>50,000</u>	<u>50,025</u>	<u>42,460</u>	<u>7,565</u>
Family Protection Services				
Community Support	20,000	20,000	20,000	-
	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total Human Services	<u>7,481,831</u>	<u>17,512,730</u>	<u>5,603,706</u>	<u>11,909,024</u>
Contingency	7,093,741	2,195,784	-	2,195,784
Capital Outlay	<u>12,168,102</u>	<u>8,223,774</u>	<u>2,024,485</u>	<u>6,199,289</u>
TOTAL EXPENDITURES	<u>190,378,998</u>	<u>185,857,868</u>	<u>141,279,933</u>	<u>44,577,935</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,783,392)	(20,097,646)	27,807,610	47,905,256
OTHER FINANCING SOURCES (USES)				
Transfers In	20,000	493,438	20,000	(473,438)
Transfers Out	(77,292,768)	(82,426,952)	(17,551,072)	64,875,880
Sale of Capital Assets	190,000	190,000	127,893	(62,107)
Insurance Recoveries	100,000	100,000	127,511	27,511
TOTAL OTHER FINANCING SOURCES (USES)	<u>(76,982,768)</u>	<u>(81,643,514)</u>	<u>(17,275,668)</u>	<u>64,367,846</u>
Net Change in Fund Balances	(101,766,160)	(101,741,160)	10,531,942	112,273,102
FUND BALANCE, OCTOBER 1	<u>173,002,435</u>	<u>173,002,435</u>	<u>173,002,435</u>	<u>-</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 71,236,275</u>	<u>\$ 71,261,275</u>	<u>\$ 183,534,377</u>	<u>\$112,273,102</u>



**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, 2025**

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 38,480,000	\$ 47,883,284	\$ 9,403,284
Interest	1,000,000	1,148,426	148,426
TOTAL REVENUES	39,480,000	49,031,710	9,551,710
EXPENDITURES			
Public Health			
Community Support	62,460,000	51,598,849	10,861,151
TOTAL EXPENDITURES	62,460,000	51,598,849	10,861,151
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,980,000)	(2,567,139)	20,412,861
OTHER FINANCING USES			
Transfers Out	(20,000)	(20,000)	-
TOTAL OTHER FINANCING USES	(20,000)	(20,000)	-
Net Change in Fund Balance	(23,000,000)	(2,587,139)	20,412,861
FUND BALANCE, OCTOBER 1	24,884,333	24,884,333	-
FUND BALANCE, SEPTEMBER 30	\$ 1,884,333	\$ 22,297,194	\$ 20,412,861

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental - Federal				
Department of Justice	\$ 375,000	\$ 386,434	\$ 294,225	\$ (92,209)
Department of Transportation	521,025	521,025	447,730	(73,295)
Department of Treasury	20,884,000	20,884,000	13,078,112	(7,805,888)
Total Intergovernmental - Federal	21,780,025	21,791,459	13,820,067	(7,971,392)
Intergovernmental - State				
Texas Indigent Defense Commission	1,382,260	1,382,260	1,219,110	(163,150)
Texas Juvenile Justice Department	1,928,206	1,990,514	1,953,276	(37,238)
Texas Office of the Attorney General	30,286	31,194	31,194	-
Texas Office of the Governor	24,462	364,059	270,964	(93,095)
Texas Comptroller of Public Accounts	1,050,000	1,050,000	1,035,885	(14,115)
Texas Veterans Commission	-	10,000	4,817	(5,183)
Total Intergovernmental - State	4,415,214	4,828,027	4,515,246	(312,781)
Intergovernmental - Other				
National Rifle Association	-	5,514	5,514	-
Texas Education Agency	-	2,903	2,903	-
Total Intergovernmental - Other	-	8,417	8,417	-
Interest	-	26,500	11,798	(14,702)
TOTAL REVENUES	26,195,239	26,654,403	18,355,528	(8,298,875)
EXPENDITURES				
General Government				
Contract Services	1,668,000	1,243,177	8,920	1,234,257
	1,668,000	1,243,177	8,920	1,234,257
Justice System				
Personnel Services	1,979,930	2,077,769	1,893,599	184,170
Supplies and Other Charges	265,858	113,502	81,887	31,615
Repairs and Maintenance	1,300	1,300	428	872
Contract Services	37,738	280,317	176,690	103,627
	2,284,826	2,472,888	2,152,604	320,284
Law Enforcement				
Personnel Services	233,956	233,956	232,365	1,591
Supplies and Other Charges	187,544	312,336	243,531	68,805
Repairs and Maintenance	2,500	2,500	1,507	993
Contract Services	100,000	16,574	12,574	4,000
Professional Services	-	25,595	-	25,595
	\$ 524,000	\$ 590,961	\$ 489,977	\$ 100,984

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
Juvenile Services				
Personnel Services	\$ 2,754,408	\$ 2,813,566	\$ 2,755,434	\$ 58,132
Supplies and Other Charges	-	2,903	2,903	-
Repairs and Maintenance	-	3,150	3,150	-
	<u>2,754,408</u>	<u>2,819,619</u>	<u>2,761,487</u>	<u>58,132</u>
Public Transportation				
Personnel Services	437,454	437,454	405,821	31,633
Supplies and Other Charges	32,116	32,116	10,693	21,423
Repairs and Maintenance	1,100	1,100	120	980
Contract Services	47,855	47,855	28,595	19,260
Professional Services	2,500	2,500	2,500	-
	<u>521,025</u>	<u>521,025</u>	<u>447,729</u>	<u>73,296</u>
Human Services				
Supplies and Other Charges	-	5,000	1,968	3,032
Contract Services	24,462	24,462	24,462	-
Professional Services	-	5,000	2,850	2,150
	<u>24,462</u>	<u>34,462</u>	<u>29,280</u>	<u>5,182</u>
Capital Outlay	<u>35,351,000</u>	<u>36,637,294</u>	<u>15,175,400</u>	<u>21,461,894</u>
TOTAL EXPENDITURES	<u>43,127,721</u>	<u>44,319,426</u>	<u>21,065,397</u>	<u>23,254,029</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,932,482)	(17,665,023)	(2,709,869)	14,955,154
OTHER FINANCING SOURCES (USES)				
Transfers In	16,932,482	17,665,023	16,773,599	(891,424)
TOTAL OTHER FINANCING SOURCES (USES)	<u>16,932,482</u>	<u>17,665,023</u>	<u>16,773,599</u>	<u>(891,424)</u>
Net Change in Fund Balance	-	-	14,063,730	14,063,730
FUND BALANCE, OCTOBER 1	-	-	-	-
FUND BALANCE, SEPTEMBER 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,063,730</u>	<u>\$ 14,063,730</u>

BRAZOS COUNTY, TEXAS

Required Supplementary Information

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

September 30, 2025

	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021
Total pension liability				
Service cost	\$ 8,292,681	\$ 7,110,824	\$ 6,872,345	\$ 7,217,305
Interest on total pension liability	24,278,655	22,602,595	21,022,207	19,914,547
Effect of plan changes	-	-	7,321,700	-
Effect of economic/demographic gains or losses	2,394,124	1,834,106	(1,777,096)	(721,801)
Effect of assumptions changes or inputs	-	-	-	140,758
Benefit payments/refunds of contributions	(14,629,596)	(13,660,585)	(12,133,504)	(11,147,319)
Net change in total pension liability	<u>20,335,864</u>	<u>17,886,940</u>	<u>21,305,652</u>	<u>15,403,490</u>
Total pension liability - beginning	<u>318,344,159</u>	<u>295,234,436</u>	<u>273,928,784</u>	<u>258,525,294</u>
Total pension liability - ending (a)	<u>\$ 338,680,023</u>	<u>\$ 313,121,376</u>	<u>\$ 295,234,436</u>	<u>\$ 273,928,784</u>
Plan fiduciary net position				
Contributions - employer	10,595,890	8,882,808	\$ 7,932,142	\$ 7,064,436
Contributions - employee	4,363,007	3,712,208	3,318,057	3,139,868
Net investment income	30,057,603	28,980,181	(16,404,418)	50,729,634
Benefit payments/refunds of contributions	(14,629,596)	(13,660,585)	(12,133,504)	(11,147,319)
Administrative expenses	(176,984)	(152,265)	(154,585)	(152,089)
Effect of change in proportion	-	-	-	-
Other	105,395	52,308	110,575	37,569
Net change in plan fiduciary net position	<u>30,315,315</u>	<u>27,814,655</u>	<u>(17,331,733)</u>	<u>49,672,099</u>
Plan fiduciary net position - beginning	<u>294,808,422</u>	<u>262,026,806</u>	<u>279,358,539</u>	<u>229,686,440</u>
Plan fiduciary net position - ending (b)	<u>\$ 325,123,737</u>	<u>\$ 289,841,461</u>	<u>\$ 262,026,806</u>	<u>\$ 279,358,539</u>
County's net pension liability/(asset) - ending (a) - (b)	\$ 13,556,286	\$ 23,279,915	\$ 33,207,630	\$ (5,429,755)
Plan fiduciary net position as a percentage of the total pension liability	96.00%	92.57%	88.75%	101.98%
Covered payroll	\$ 62,328,674	\$ 53,031,538	\$ 47,353,154	\$ 44,855,245
County's net pension liability as a percentage of covered payroll	21.75%	43.90%	70.13%	-12.11%

Note: The beginning balances for the year ending December 31, 2024 have been adjusted to reflect the increased percentage change of the total pension liability for the County from 91% to 92%.

Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015
\$ 6,285,745	\$ 5,876,104	\$ 5,790,537	\$ 5,538,125	\$ 5,458,140	\$ 4,924,972
18,592,028	17,376,903	16,311,051	15,239,878	13,990,940	13,101,037
-	-	-	-	-	(994,692)
1,588,690	756,777	(381,713)	(206,958)	435,824	(1,634,734)
15,550,836	-	-	463,166	-	1,777,888
(9,759,883)	(9,088,943)	(8,221,490)	(7,909,136)	(6,769,254)	(6,136,013)
32,257,416	14,920,841	13,498,385	13,125,075	13,115,650	11,038,458
226,267,878	211,347,037	197,848,652	184,723,577	171,607,927	160,569,469
<u>\$ 258,525,294</u>	<u>\$ 226,267,878</u>	<u>\$ 211,347,037</u>	<u>\$ 197,848,652</u>	<u>\$ 184,723,577</u>	<u>\$ 171,607,927</u>
\$ 7,199,215	\$ 6,428,974	\$ 5,955,352	\$ 5,483,953	\$ 6,048,390	\$ 4,795,371
3,304,274	3,103,640	2,925,433	2,741,978	2,582,026	2,426,133
21,615,125	29,464,650	(3,388,097)	23,193,898	10,801,592	(1,901,404)
(9,759,883)	(9,088,943)	(8,221,490)	(7,909,136)	(6,769,254)	(6,136,013)
(169,356)	(159,432)	(144,115)	(121,208)	(117,506)	(105,209)
-	-	-	-	(60,030)	(25,413)
41,736	44,335	37,950	4,910	261,584	93,156
22,231,111	29,793,224	(2,834,967)	23,394,395	12,746,802	(853,379)
207,455,329	177,662,105	180,497,072	157,102,677	144,355,875	145,209,254
<u>\$ 229,686,440</u>	<u>\$ 207,455,329</u>	<u>\$ 177,662,105</u>	<u>\$ 180,497,072</u>	<u>\$ 157,102,677</u>	<u>\$ 144,355,875</u>
\$ 28,838,854	\$ 18,812,549	\$ 33,684,932	\$ 17,351,580	\$ 27,620,900	\$ 27,252,052
88.84%	91.69%	84.06%	91.23%	85.05%	84.12%
\$ 47,203,911	\$ 44,337,703	\$ 41,791,912	\$ 39,171,115	\$ 36,702,824	\$ 34,252,648
61.09%	42.43%	80.60%	44.30%	75.26%	79.56%

BRAZOS COUNTY, TEXAS
Required Supplementary Information
Schedule of Pension Contributions
September 30, 2025

Year Ending September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
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	7,638,006	(1,331,358)	48,649,720	15.7%
2023	7,202,415	8,651,537	(1,449,122)	51,497,244	16.8%
2024	8,596,413	10,156,450	(1,560,037)	60,455,060	16.8%
2025	\$ 9,985,053	\$ 11,284,112	\$ (1,299,059)	\$ 66,377,129	17.0%

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	9.8 years (based on contribution rate calculated in 12/31/2024 valuation)
Asset valuation method	5-year smoothed market
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.
2022: New investment return and inflation 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.
2022: No changes in plan provisions were reflected in the Schedule.
2023: Employer contributions reflect that a 7% flat COLA was adopted.
2024: 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, 2025

	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022
Total OPEB liability			
Service cost	\$ 1,327,026	\$ 1,051,609	\$ 1,273,069
Interest on total OPEB liability	6,199,207	5,405,244	5,235,201
Changes of benefit terms	-	-	-
Difference between expected and actual experience	321,598	508,025	554,790
Changes of assumptions	-	9,449,844	-
Benefit payments	(3,781,979)	(4,893,258)	(3,779,318)
Net change in total OPEB liability	<u>4,065,852</u>	<u>11,521,464</u>	<u>3,283,742</u>
Total OPEB liability - beginning	96,599,892	85,078,428	81,794,686
Total OPEB liability - ending (a)	<u>\$100,665,744</u>	<u>\$ 96,599,892</u>	<u>\$ 85,078,428</u>
Plan fiduciary net position			
Employer contributions	\$ 4,781,578	\$ 5,912,458	\$ 4,759,318
Net investment income	1,098,133	1,146,104	(1,443,987)
Benefit payments	(3,781,979)	(4,893,258)	(3,779,318)
Administrative expense	(49,852)	(39,928)	(37,241)
Other	-	-	-
Net change in plan fiduciary net position	<u>2,047,880</u>	<u>2,125,376</u>	<u>(501,228)</u>
Plan fiduciary net position - beginning	9,931,109	7,805,733	8,306,961
Plan fiduciary net position - ending (b)	<u>\$ 11,978,989</u>	<u>\$ 9,931,109</u>	<u>\$ 7,805,733</u>
County's net OPEB liability - ending (a) - (b)	\$ 88,686,755	\$ 86,668,783	\$ 77,272,695
Plan fiduciary net position as a percentage of the total OPEB liability	11.90%	10.28%	9.17%
Covered-employee payroll	\$ 60,812,586	\$ 52,094,462	\$ 46,098,130
County's net OPEB liability as a percentage of covered-employee payroll	145.84%	166.37%	167.63%

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%.

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
\$ 1,233,131	\$ 1,449,609	\$ 1,576,408	\$ 1,759,902	\$ 1,708,643
5,284,975	4,955,442	5,334,589	5,057,106	4,772,561
-	-	-	-	-
(1,756,550)	493,124	(8,343,147)	119,825	-
(1,797,599)	-	(1,405,321)	-	-
(3,720,023)	(3,089,792)	(2,774,536)	(2,377,704)	(1,880,728)
(756,066)	3,808,383	(5,612,007)	4,559,129	4,600,476
<u>82,550,752</u>	<u>77,057,659</u>	<u>82,669,666</u>	<u>78,110,537</u>	<u>73,510,061</u>
<u>\$ 81,794,686</u>	<u>\$ 80,866,042</u>	<u>\$ 77,057,659</u>	<u>\$ 82,669,666</u>	<u>\$78,110,537</u>
\$ 4,719,623	\$ 3,588,992	\$ 3,753,737	\$ 3,356,904	\$ 3,839,128
814,735	869,814	716,251	(180,132)	152,228
(3,720,023)	(3,089,792)	(2,774,536)	(2,377,704)	(1,880,728)
(34,180)	(26,335)	(19,342)	(14,021)	(6,482)
-	-	-	-	-
<u>1,780,155</u>	<u>1,342,679</u>	<u>1,676,110</u>	<u>785,047</u>	<u>2,104,146</u>
<u>6,526,806</u>	<u>5,050,928</u>	<u>3,374,818</u>	<u>2,589,771</u>	<u>485,625</u>
<u>\$ 8,306,961</u>	<u>\$ 6,393,607</u>	<u>\$ 5,050,928</u>	<u>\$ 3,374,818</u>	<u>\$ 2,589,771</u>
\$ 73,487,725	\$ 74,472,435	\$ 72,006,731	\$ 79,294,848	\$75,520,766
10.16%	7.91%	6.55%	4.08%	3.32%
\$ 46,623,568	\$ 44,801,592	\$ 42,581,075	\$ 39,461,997	\$37,138,215
157.62%	166.23%	169.11%	200.94%	203.35%

BRAZOS COUNTY, TEXAS
 Required Supplementary Information
 Schedule of Investment Returns on OPEB Trust
 September 30, 2025

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expenses
2025	15.75%
2024	12.79%
2023	11.61%
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, 2025

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 2025 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, 2025, annual maintenance and preservation costs of \$14,458,840 for both roads and bridges were less than the estimated amount needed of \$18,111,216. This variance is primarily attributable to a contingency budget (roll-over of prior years’ positive variance), employee turnover, and the reallocation of certain road projects, which were completed using long-term debt bond funds.

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
September 30, 2023	\$14,882,428	\$11,460,385
September 30, 2024	\$18,149,659	\$16,764,214
September 30, 2025	\$18,111,216	\$14,458,840

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	2022	89%	8%	3%
2	2022	91%	8%	1%
4	2022	93%	7%	0%
1	2023	90%	6%	4%
2	2023	91%	7%	2%
4	2023	93%	7%	0%
1	2024	90%	6%	4%
2	2024	89%	5%	6%
3	2024	86%	14%	0%
4	2024	91%	9%	0%
1	2025	90%	2%	8%
2	2025	90%	3%	7%
3	2025	86%	14%	0%
4	2025	88%	4%	8%

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	<u>69</u>	<u>100%</u>
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	<u>70</u>	<u>100%</u>
2022	Very Good	6.0 - 9.0	73	100%
2022	Good	4.0 - 5.9	0	0%
2022	Fair	3.0 - 3.9	0	0%
2022	Poor	0.0 - 2.9	0	0%
		Total	<u>73</u>	<u>100%</u>
2024	Very Good	6.0 - 9.0	71	99%
2024	Good	4.0 - 5.9	1	1%
2024	Fair	3.0 - 3.9	0	0%
2024	Poor	0.0 - 2.9	0	0%
		Total	<u>72</u>	<u>100%</u>



SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
September 30, 2025

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 14,890,841	\$ 16,941,947	\$ 31,832,788
Investments	-	25,874,573	25,874,573
Receivables			
Taxes	469,102	-	469,102
Interest	69,494	8,657	78,151
Accounts	1,556	-	1,556
TOTAL ASSETS	\$ 15,430,993	\$ 42,825,177	\$ 58,256,170
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 462,079	\$ 3,579,946	\$ 4,042,025
Accrued Salaries and Wages	21,193	-	21,193
Unclaimed Funds	313,815	-	313,815
Total Liabilities	797,087	3,579,946	4,377,033
Fund Balances			
Restricted	14,633,906	-	14,633,906
Committed	-	9,596,495	9,596,495
Assigned	-	29,648,736	29,648,736
Total Fund Balances	14,633,906	39,245,231	53,879,137
TOTAL LIABILITIES AND FUND BALANCES	\$ 15,430,993	\$ 42,825,177	\$ 58,256,170

BRAZOS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
For The Year Ended September 30, 2025

	Special Revenue	Capital Project	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 4,220,237	\$ -	\$ 4,220,237
Charges for Services	1,167,735	-	1,167,735
Intergovernmental	72,281	-	72,281
Interest	797,247	1,587,977	2,385,224
Other Revenue	2,225	34,949	37,174
TOTAL REVENUES	6,259,725	1,622,926	7,882,651
EXPENDITURES			
General Government	52,487	480,657	533,144
Justice System	1,011,777	-	1,011,777
Law Enforcement	32,975	-	32,975
Public Transportation	165,000	5,821,208	5,986,208
Human Services	1,865,742	-	1,865,742
Capital Outlay	44,287	14,138,357	14,182,644
TOTAL EXPENDITURES	3,172,268	20,440,222	23,612,490
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,087,457	(18,817,296)	(15,729,839)
OTHER FINANCING SOURCES (USES)			
Subscription-Based Information Technology Agreement	4,385	94,483	98,868
Leases - Right to Use - Machinery and Equipment	-	669,635	669,635
Transfers In	702,725	777,473	1,480,198
Transfers Out	(1,952,725)	-	(1,952,725)
TOTAL OTHER FINANCING SOURCES (USES)	(1,245,615)	1,541,591	295,976
Net Change in Fund Balances	1,841,842	(17,275,705)	(15,433,863)
FUND BALANCES, OCTOBER 1	12,792,064	56,520,936	69,313,000
FUND BALANCES, SEPTEMBER 30	\$ 14,633,906	\$ 39,245,231	\$ 53,879,137

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.

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.

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, 2025

	Hotel Occupancy Tax	State Lateral Road	Unclaimed Property	Law Library
ASSETS				
Cash and Cash Equivalents	\$ 8,124,723	\$ 136,688	\$ 432,475	\$ 236,037
Receivables				
Taxes	469,102	-	-	-
Interest	36,209	609	1,927	1,052
Accounts	2	-	-	-
TOTAL ASSETS	\$ 8,630,036	\$ 137,297	\$ 434,402	\$ 237,089
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 383,165	\$ -	\$ -	\$ 5,322
Accrued Salaries and Wages	8,706	-	-	-
Unclaimed Funds	-	-	310,828	-
Total Liabilities	391,871	-	310,828	5,322
Fund Balances				
Restricted	8,238,165	137,297	123,574	231,767
Total Fund Balances	8,238,165	137,297	123,574	231,767
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,630,036	\$ 137,297	\$ 434,402	\$ 237,089

Law Enforcement Education	County Records Management and Preservation	County Clerk Records Management and Preservation	County Clerk Archival
\$ 106,811	\$ -	\$ 1,409,344	\$ 1,601,815
-	-	-	-
-	-	6,488	7,146
-	-	-	-
<u>\$ 106,811</u>	<u>\$ -</u>	<u>\$ 1,415,832</u>	<u>\$ 1,608,961</u>
\$ -	\$ -	\$ -	\$ -
-	-	7,140	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>7,140</u>	<u>-</u>
106,811	-	1,408,692	1,608,961
<u>106,811</u>	<u>-</u>	<u>1,408,692</u>	<u>1,608,961</u>
<u>\$ 106,811</u>	<u>\$ -</u>	<u>\$ 1,415,832</u>	<u>\$ 1,608,961</u>

(continued)

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
September 30, 2025

	<u>Courthouse Security</u>	<u>Justice Court Security</u>	<u>District Clerk Records Management and Preservation</u>
ASSETS			
Cash and Cash Equivalents	\$ 273,280	\$ 293,553	\$ 1,025,254
Receivables			
Taxes	-	-	-
Interest	1,218	1,308	4,569
Accounts	-	-	-
TOTAL ASSETS	<u>\$ 274,498</u>	<u>\$ 294,861</u>	<u>\$ 1,029,823</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 5,380	\$ -	\$ 66,395
Accrued Salaries and Wages	-	-	2,159
Unclaimed Funds	-	-	-
Total Liabilities	<u>5,380</u>	<u>-</u>	<u>68,554</u>
Fund Balances			
Restricted	269,118	294,861	961,269
Total Fund Balances	<u>269,118</u>	<u>294,861</u>	<u>961,269</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 274,498</u>	<u>\$ 294,861</u>	<u>\$ 1,029,823</u>

District Clerk Archival	Justice of the Peace Technology	County & District Court Technology	Special Forfeitures	District Attorney Hot Check Collection
\$ 1,774	\$ 94,375	\$ 150,073	\$ 81,204	\$ 5,841
-	-	-	-	-
-	461	669	362	26
-	-	-	1,554	-
<u>\$ 1,774</u>	<u>\$ 94,836</u>	<u>\$ 150,742</u>	<u>\$ 83,120</u>	<u>\$ 5,867</u>
\$ 1,774	\$ 43	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
<u>1,774</u>	<u>43</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	94,793	150,742	83,120	5,867
-	<u>94,793</u>	<u>150,742</u>	<u>83,120</u>	<u>5,867</u>
<u>\$ 1,774</u>	<u>\$ 94,836</u>	<u>\$ 150,742</u>	<u>\$ 83,120</u>	<u>\$ 5,867</u>

(continued)

BRAZOS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS (Continued)
September 30, 2025

	Bail Bond Board Fees	Vehicle Inventory Tax Interest	Sheriff Department Crime
ASSETS			
Cash and Cash Equivalents	\$ 121,607	\$ 444,881	\$ 120,451
Receivables			
Taxes	-	-	-
Interest	542	5,837	333
Accounts	-	-	-
TOTAL ASSETS	\$ 122,149	\$ 450,718	\$ 120,784
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Salaries and Wages	-	-	-
Unclaimed Funds	-	-	2,987
Total Liabilities	-	-	2,987
Fund Balances			
Restricted	122,149	450,718	117,797
Total Fund Balances	122,149	450,718	117,797
TOTAL LIABILITIES AND FUND BALANCES	\$ 122,149	\$ 450,718	\$ 120,784

District Attorney Crime	Primary Election Service	County Attorney Operating	Totals
\$ 139,941	\$ 25,494	\$ 65,220	\$ 14,890,841
-	-	-	469,102
624	114	-	69,494
-	-	-	1,556
<u>\$ 140,565</u>	<u>\$ 25,608</u>	<u>\$ 65,220</u>	<u>\$ 15,430,993</u>
\$ -	\$ -	\$ -	\$ 462,079
3,188	-	-	21,193
-	-	-	313,815
<u>3,188</u>	<u>-</u>	<u>-</u>	<u>797,087</u>
137,377	25,608	65,220	14,633,906
<u>137,377</u>	<u>25,608</u>	<u>65,220</u>	<u>14,633,906</u>
<u>\$ 140,565</u>	<u>\$ 25,608</u>	<u>\$ 65,220</u>	<u>\$ 15,430,993</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, 2025

	Hotel Occupancy Tax	State Lateral Road	Unclaimed Property	Law Library
REVENUES				
Taxes	\$ 4,217,902	\$ -	\$ -	\$ -
Charges for Services	-	-	-	120,586
Intergovernmental	-	29,502	-	-
Interest	412,365	8,004	26,138	11,020
Other Revenue	-	-	-	-
TOTAL REVENUES	4,630,267	37,506	26,138	131,606
EXPENDITURES				
General Government	-	-	-	-
Justice System	-	-	-	67,876
Law Enforcement	-	-	-	-
Public Transportation	-	165,000	-	-
Human Services	1,865,742	-	-	-
Capital Outlay	44,287	-	-	-
TOTAL EXPENDITURES	1,910,029	165,000	-	67,876
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,720,238	(127,494)	26,138	63,730
OTHER FINANCING SOURCES (USES)				
Subscription-Based Information Technology Arrangement	4,385	-	-	-
Transfers In	-	-	-	-
Transfers Out	(1,250,000)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,245,615)	-	-	-
Net Change in Fund Balances	1,474,623	(127,494)	26,138	63,730
FUND BALANCES, OCTOBER 1	6,763,542	264,791	97,436	168,037
FUND BALANCES, SEPTEMBER 30	\$ 8,238,165	\$ 137,297	\$ 123,574	\$ 231,767

Law Enforcement Education	County Records Management and Preservation	County Clerk Records Management and Preservation	County Clerk Archival
\$ -	\$ -	\$ -	\$ -
-	-	320,659	301,845
42,779	-	-	-
-	-	73,115	86,971
-	-	-	-
<u>42,779</u>	<u>-</u>	<u>393,774</u>	<u>388,816</u>
-	-	-	-
-	-	283,452	263,276
17,201	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>17,201</u>	<u>-</u>	<u>283,452</u>	<u>263,276</u>
25,578	-	110,322	125,540
-	-	-	-
-	-	-	-
-	(702,725)	-	-
<u>-</u>	<u>(702,725)</u>	<u>-</u>	<u>-</u>
25,578	(702,725)	110,322	125,540
81,233	702,725	1,298,370	1,483,421
<u>\$ 106,811</u>	<u>\$ -</u>	<u>\$ 1,408,692</u>	<u>\$ 1,608,961</u>

(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, 2025

	<u>Courthouse Security</u>	<u>Justice Court Security</u>	<u>District Clerk Records Management and Preservation</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Charges for Services	110,054	21,538	153,496
Intergovernmental	-	-	-
Interest	11,321	14,872	56,367
Other Revenue	-	-	-
TOTAL REVENUES	<u>121,375</u>	<u>36,410</u>	<u>209,863</u>
EXPENDITURES			
General Government	-	-	-
Justice System	-	-	255,575
Law Enforcement	10,499	-	-
Human Services	-	-	-
Capital Outlay	-	-	-
TOTAL EXPENDITURES	<u>10,499</u>	<u>-</u>	<u>255,575</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	110,876	36,410	(45,712)
OTHER FINANCING SOURCES (USES)			
Subscription-Based Information Technology Arrangement	-	-	-
Transfers In	-	-	702,725
Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>702,725</u>
Net Change in Fund Balances	110,876	36,410	657,013
FUND BALANCES, OCTOBER 1	<u>158,242</u>	<u>258,451</u>	<u>304,256</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 269,118</u>	<u>\$ 294,861</u>	<u>\$ 961,269</u>

District Clerk Archival	Justice of the Peace Technology	County & District Court Technology	Special Forfeitures	District Attorney Hot Check Collection
\$ -	\$ -	\$ -	\$ -	\$ -
95	28,858	8,424	44,837	-
-	-	-	-	-
75	4,660	7,583	4,049	298
-	-	-	-	225
<u>170</u>	<u>33,518</u>	<u>16,007</u>	<u>48,886</u>	<u>523</u>
-	-	-	-	-
1,774	9,481	-	-	-
-	-	-	3,878	-
-	-	-	-	-
-	-	-	-	-
<u>1,774</u>	<u>9,481</u>	<u>-</u>	<u>3,878</u>	<u>-</u>
(1,604)	24,037	16,007	45,008	523
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(1,604)	24,037	16,007	45,008	523
<u>1,604</u>	<u>70,756</u>	<u>134,735</u>	<u>38,112</u>	<u>5,344</u>
<u>\$ -</u>	<u>\$ 94,793</u>	<u>\$ 150,742</u>	<u>\$ 83,120</u>	<u>\$ 5,867</u>

(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, 2025

	Bail Bond Board Fees	Vehicle Inventory Tax Interest	Sheriff Department Crime
REVENUES			
Taxes	\$ -	\$ 2,335	\$ -
Charges for Services	-	-	-
Intergovernmental	-	-	-
Interest	6,292	58,617	4,104
Other Revenue	2,000	-	-
TOTAL REVENUES	8,292	60,952	4,104
EXPENDITURES			
General Government	-	3,461	-
Justice System	1,718	-	-
Law Enforcement	-	-	1,397
Public Transportation	-	-	-
Human Services	-	-	-
Capital Outlay	-	-	-
TOTAL EXPENDITURES	1,718	3,461	1,397
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,574	57,491	2,707
OTHER FINANCING SOURCES (USES)			
Subscription-Based Information Technology Arrangement	-	-	-
Transfers In	-	-	-
Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
Net Change in Fund Balances	6,574	57,491	2,707
FUND BALANCES, OCTOBER 1	115,575	393,227	115,090
FUND BALANCES, SEPTEMBER 30	\$ 122,149	\$ 450,718	\$ 117,797

District Attorney Crime	Primary Election Service	County Attorney Operating	Totals
\$ -	\$ -	\$ -	\$ 4,220,237
45,351	11,368	624	1,167,735
-	-	-	72,281
9,256	2,140	-	797,247
-	-	-	2,225
<u>54,607</u>	<u>13,508</u>	<u>624</u>	<u>6,259,725</u>
-	44,048	4,978	52,487
128,625	-	-	1,011,777
-	-	-	32,975
-	-	-	165,000
-	-	-	1,865,742
-	-	-	44,287
<u>128,625</u>	<u>44,048</u>	<u>4,978</u>	<u>3,172,268</u>
(74,018)	(30,540)	(4,354)	3,087,457
-	-	-	4,385
-	-	-	702,725
-	-	-	(1,952,725)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,245,615)</u>
(74,018)	(30,540)	(4,354)	1,841,842
<u>211,395</u>	<u>56,148</u>	<u>69,574</u>	<u>12,792,064</u>
<u>\$ 137,377</u>	<u>\$ 25,608</u>	<u>\$ 65,220</u>	<u>\$ 14,633,906</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, 2025**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Taxes	\$ 3,780,000	\$ 3,780,000	\$ 4,217,902
Interest	250,000	250,000	412,365
TOTAL REVENUES	<u>4,030,000</u>	<u>4,030,000</u>	<u>4,630,267</u>
EXPENDITURES			
Human Services			
Personnel Services	246,984	246,984	184,074
Supplies and Other Charges	688,164	338,164	119,943
Repairs and Maintenance	2,502,500	946,842	-
Contract Services	187,690	187,690	183,536
Professional Services	5,500	1,087,720	130,790
Community Support	1,050,000	1,400,000	1,247,399
Capital Outlay	<u>440,000</u>	<u>444,385</u>	<u>44,287</u>
TOTAL EXPENDITURES	<u>5,120,838</u>	<u>4,651,785</u>	<u>1,910,029</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,090,838)	(621,785)	2,720,238
OTHER FINANCING USES			
Transfers Out	(1,250,000)	(1,723,438)	(1,250,000)
Subscription-Based Information Technology Arrangement	-	4,385	4,385
TOTAL OTHER FINANCING USES	<u>(1,250,000)</u>	<u>(1,719,053)</u>	<u>(1,245,615)</u>
Net Change in Fund Balance	(2,340,838)	(2,340,838)	1,474,623
FUND BALANCE, OCTOBER 1	<u>6,763,542</u>	<u>6,763,542</u>	<u>6,763,542</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 4,422,704</u>	<u>\$ 4,422,704</u>	<u>\$ 8,238,165</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, 2025**

	Original and Final Budget	Actual
REVENUES		
Intergovernmental	\$ 29,000	\$ 29,502
Interest	11,000	8,004
TOTAL REVENUES	40,000	37,506
EXPENDITURES		
Public Transportation		
Repairs and Maintenance	284,000	165,000
TOTAL EXPENDITURES	284,000	165,000
Deficiency of Revenues Under Revenues	(244,000)	(127,494)
FUND BALANCE, OCTOBER 1	264,791	264,791
FUND BALANCE, SEPTEMBER 30	\$ 20,791	\$ 137,297

**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, 2025**

	<u>Original and Final Budget</u>	<u>Actual</u>
REVENUES		
Intergovernmental	\$ 29,000	\$ 29,502
Interest	11,000	8,004
TOTAL REVENUES	<u>40,000</u>	<u>37,506</u>
EXPENDITURES		
Public Transportation		
Repairs and Maintenance	<u>284,000</u>	<u>165,000</u>
TOTAL EXPENDITURES	<u>284,000</u>	<u>165,000</u>
Deficiency of Revenues Under Expenditures	(244,000)	(127,494)
FUND BALANCE, OCTOBER 1	<u>264,791</u>	<u>264,791</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 20,791</u>	<u>\$ 137,297</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, 2025**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 95,000	\$ 120,586
Interest	5,000	11,020
TOTAL REVENUES	<u>100,000</u>	<u>131,606</u>
EXPENDITURES		
Justice System		
Supplies and Other Charges	<u>267,500</u>	<u>67,876</u>
TOTAL EXPENDITURES	<u>267,500</u>	<u>67,876</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(167,500)	63,730
FUND BALANCE, OCTOBER 1	<u>168,037</u>	<u>168,037</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 537</u>	<u>\$ 231,767</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, 2025**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Intergovernmental	\$ 36,900	\$ 36,900	\$ 42,779
TOTAL REVENUES	<u>36,900</u>	<u>36,900</u>	<u>42,779</u>
EXPENDITURES			
Law Enforcement			
Supplies and Other Charges	119,638	124,012	17,201
TOTAL EXPENDITURES	<u>119,638</u>	<u>124,012</u>	<u>17,201</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(82,738)	(87,112)	25,578
FUND BALANCE, OCTOBER 1	<u>81,233</u>	<u>81,233</u>	<u>81,233</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ (1,505)</u></u>	<u><u>\$ (5,879)</u></u>	<u><u>\$ 106,811</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, 2025**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 400	\$ 400	\$ -
Interest	30,000	30,000	-
TOTAL REVENUES	<u>30,400</u>	<u>30,400</u>	<u>-</u>
EXPENDITURES			
General Government			
Supplies and Other Charges	30,400	-	-
Contract Services	699,000	26,675	-
TOTAL EXPENDITURES	<u>729,400</u>	<u>26,675</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(699,000)	3,725	-
OTHER FINANCING SOURCES			
Transfers Out	-	(702,725)	(702,725)
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>(702,725)</u>	<u>(702,725)</u>
Net Change in Fund Balance	(699,000)	(699,000)	(702,725)
FUND BALANCE, OCTOBER 1	<u>702,725</u>	<u>702,725</u>	<u>702,725</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 3,725</u></u>	<u><u>\$ 3,725</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
COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION
For the Year Ended September 30, 2025

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 300,000	\$ 320,659
Interest	60,000	73,115
TOTAL REVENUES	360,000	393,774
EXPENDITURES		
Justice System		
Personnel Services	218,776	199,741
Supplies and Other Charges	1,083,384	6,695
Repairs and Maintenance	500	-
Contract Services	325,340	77,016
TOTAL EXPENDITURES	1,628,000	283,452
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	(1,268,000)	\$ 110,322
FUND BALANCE, OCTOBER 1	1,298,370	1,298,370
FUND BALANCE, SEPTEMBER 30	\$ 30,370	\$ 1,408,692

**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, 2025**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 275,000	\$ 275,000	\$ 301,845
Interest	66,000	66,000	86,971
TOTAL REVENUES	<u>341,000</u>	<u>341,000</u>	<u>388,816</u>
EXPENDITURES			
Justice System			
Supplies and Other Charges	1,206,000	1,203,800	-
Contract Services	575,000	577,200	263,276
TOTAL EXPENDITURES	<u>1,781,000</u>	<u>1,781,000</u>	<u>263,276</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,440,000)	(1,440,000)	125,540
FUND BALANCE, OCTOBER 1	<u>1,483,421</u>	<u>1,483,421</u>	<u>1,483,421</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 43,421</u>	<u>\$ 43,421</u>	<u>\$ 1,608,961</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, 2025**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 90,800	\$ 110,054
Interest	-	11,321
TOTAL REVENUES	90,800	121,375
 EXPENDITURES		
Law Enforcement		
Supplies and Other Charges	170,641	7,648
Repairs and Maintenance	20,000	1,243
Contract Services	50,000	450
Community Support	1,159	1,158
Capital Outlay	10,000	-
TOTAL EXPENDITURES	251,800	10,499
Excess (Deficiency) of Revenues Over (Under) Expenditures	(161,000)	110,876
FUND BALANCE, OCTOBER 1	158,242	158,242
FUND BALANCE, SEPTEMBER 30	\$ (2,758)	\$ 269,118

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, 2025

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 34,800	\$ 21,538
Interest	11,000	14,872
TOTAL REVENUES	45,800	36,410
EXPENDITURES		
Justice System		
Repairs and Maintenance	64,800	-
Contract Services	30,000	-
Professional Services	57,000	-
Capital Outlay	150,000	-
TOTAL EXPENDITURES	301,800	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(256,000)	36,410
FUND BALANCE, OCTOBER 1	258,451	258,451
FUND BALANCE, SEPTEMBER 30	\$ 2,451	\$ 294,861

**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, 2025**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 120,000	\$ 120,000	\$ 153,496
Interest	12,000	12,000	56,367
TOTAL REVENUES	<u>132,000</u>	<u>132,000</u>	<u>209,863</u>
EXPENDITURES			
Justice System			
Personnel Services	96,604	96,604	76,902
Contract Services	312,396	1,015,121	178,673
Professional Services	20,000	20,000	-
TOTAL EXPENDITURES	<u>429,000</u>	<u>1,131,725</u>	<u>255,575</u>
Deficiency of Revenues Under Expenditures	(297,000)	(999,725)	(45,712)
OTHER FINANCING SOURCES			
Transfer In	-	702,725	702,725
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>702,725</u>	<u>702,725</u>
Net Change in Fund Balance	(297,000)	(297,000)	657,013
FUND BALANCE, OCTOBER 1	<u>304,256</u>	<u>304,256</u>	<u>304,256</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ (289,744)</u></u>	<u><u>\$ 412,981</u></u>	<u><u>\$ 961,269</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, 2025**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 200	\$ 200	95
Interest	65	74	75
TOTAL REVENUES	<u>265</u>	<u>274</u>	<u>170</u>
EXPENDITURES			
Justice System			
Professional Services	<u>1,765</u>	<u>1,774</u>	<u>1,774</u>
TOTAL EXPENDITURES	<u>1,765</u>	<u>1,774</u>	<u>1,774</u>
Deficiency of Revenues Under Expenditures	(1,500)	(1,500)	(1,604)
FUND BALANCE, OCTOBER 1	<u>1,604</u>	<u>1,604</u>	<u>1,604</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 104</u>	<u>\$ 104</u>	<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, 2025**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 29,200	\$ 28,858
Interest	10,000	4,660
TOTAL REVENUES	<u>39,200</u>	<u>33,518</u>
EXPENDITURES		
Justice System		
Supplies and Other Charges	115,000	9,481
Contract Services	6,200	-
TOTAL EXPENDITURES	<u>121,200</u>	<u>9,481</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(82,000)	24,037
FUND BALANCE, OCTOBER 1	<u>70,756</u>	<u>70,756</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ (11,244)</u>	<u>\$ 94,793</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, 2025**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 8,400	\$ 8,424
Interest	6,000	7,583
TOTAL REVENUES	14,400	16,007
EXPENDITURES		
Justice System		
Supplies and Other Charges	148,400	-
TOTAL EXPENDITURES	148,400	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(134,000)	16,007
FUND BALANCE, OCTOBER 1	134,735	134,735
FUND BALANCE, SEPTEMBER 30	\$ 735	\$ 150,742

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, 2025

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ -	\$ 44,837
Interest	-	4,049
TOTAL REVENUES	-	48,886
EXPENDITURES		
Law Enforcement		
Supplies and Other Charges	37,827	3,878
TOTAL EXPENDITURES	37,827	3,878
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,827)	45,008
FUND BALANCE, OCTOBER 1	38,112	38,112
FUND BALANCE, SEPTEMBER 30	\$ 285	\$ 83,120

**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, 2025**

	Original and Final Budget	Actual
REVENUES		
Interest	\$ 100	\$ 298
Other	150	225
TOTAL REVENUES	250	523
EXPENDITURES		
Justice System		
Supplies and Other Charges	5,550	-
TOTAL EXPENDITURES	5,550	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,300)	523
FUND BALANCE, OCTOBER 1	5,344	5,344
FUND BALANCE, SEPTEMBER 30	\$ 44	\$ 5,867

**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, 2025**

	Original and Final Budget	Actual
REVENUES		
Interest	\$ 5,000	\$ 6,292
Other	2,500	2,000
TOTAL REVENUES	7,500	8,292
EXPENDITURES		
Justice System		
Personnel Services	5,012	-
Supplies and Other Charges	116,488	1,718
TOTAL EXPENDITURES	121,500	1,718
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	(114,000)	6,574
FUND BALANCE, OCTOBER 1	115,575	115,575
FUND BALANCE, SEPTEMBER 30	\$ 1,575	\$ 122,149

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, 2025

	Original and Final Budget	Actual
REVENUES		
Taxes	\$ 2,500	\$ 2,335
Interest	48,000	58,617
TOTAL REVENUES	50,500	60,952
EXPENDITURES		
General Government		
Personnel Services	13,905	-
Supplies and Other Charges	384,361	3,461
Repairs and Maintenance	1,000	-
Contract Services	2,000	-
Professional Services	7,500	-
Capital Outlay	20,000	-
TOTAL EXPENDITURES	428,766	3,461
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	(378,266)	57,491
FUND BALANCE, OCTOBER 1	393,227	393,227
FUND BALANCE, SEPTEMBER 30	\$ 14,961	\$ 450,718

**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, 2025**

	Original and Final Budget	Actual
REVENUES		
Interest	\$ 4,300	\$ 4,104
TOTAL REVENUES	4,300	4,104
EXPENDITURES		
Law Enforcement		
Supplies and Other Charges	86,611	1,397
Repairs and Maintenance	4,000	-
Capital Outlay	30,000	-
TOTAL EXPENDITURES	120,611	1,397
Excess (Deficiency) of Revenues Over (Under) Expenditures	(116,311)	2,707
FUND BALANCE, OCTOBER 1	115,090	115,090
FUND BALANCE, SEPTEMBER 30	\$ (1,221)	\$ 117,797

**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, 2025**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 20,000	\$ 20,000	\$ 45,351
Interest	11,000	11,000	9,256
TOTAL REVENUES	<u>31,000</u>	<u>31,000</u>	<u>54,607</u>
EXPENDITURES			
Justice System			
Personnel Services	124,032	124,032	105,360
Supplies and Other Charges	102,868	102,508	22,905
Contract Services	20,000	20,360	360
TOTAL EXPENDITURES	<u>246,900</u>	<u>246,900</u>	<u>128,625</u>
Deficiency of Revenues Under Expenditures	(215,900)	(215,900)	(74,018)
FUND BALANCE, OCTOBER 1	<u>211,395</u>	<u>211,395</u>	<u>211,395</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ (4,505)</u></u>	<u><u>\$ (4,505)</u></u>	<u><u>\$ 137,377</u></u>

**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, 2025**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Charges for Services	\$ 25,000	\$ 25,000	\$ 11,368
Interest	2,500	2,500	2,140
TOTAL REVENUES	<u>27,500</u>	<u>27,500</u>	<u>13,508</u>
EXPENDITURES			
General Government			
Supplies and Other Charges	65,500	34,600	10,482
Repairs and Maintenance	10,000	16,400	6,400
Contract Services	16,000	40,500	27,166
TOTAL EXPENDITURES	<u>91,500</u>	<u>91,500</u>	<u>44,048</u>
Deficiency of Revenues Under Expenditures	(64,000)	(64,000)	(30,540)
FUND BALANCE, OCTOBER 1	<u>56,148</u>	<u>56,148</u>	<u>56,148</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ (7,852)</u></u>	<u><u>\$ (7,852)</u></u>	<u><u>\$ 25,608</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, 2025**

	Original and Final Budget	Actual
REVENUES		
Charges for Services	\$ 1,000	\$ 624
TOTAL REVENUES	<u>1,000</u>	<u>624</u>
EXPENDITURES		
General Government		
Supplies and Other Charges	64,000	4,978
Contract Services	<u>5,000</u>	<u>-</u>
TOTAL EXPENDITURES	<u>69,000</u>	<u>4,978</u>
Deficiency of Revenues Under Expenditures	(68,000)	(4,354)
FUND BALANCE, OCTOBER 1	<u>69,574</u>	<u>69,574</u>
FUND BALANCE, SEPTEMBER 30	<u><u>\$ 1,574</u></u>	<u><u>\$ 65,220</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, 2025

	Original and Final Budget	Actual
REVENUES		
Taxes	\$ 10,607,305	\$ 11,384,097
Interest	450,000	523,248
TOTAL REVENUES	<u>11,057,305</u>	<u>11,907,345</u>
EXPENDITURES		
Debt Service		
Principal	8,245,000	8,245,000
Interest	6,437,305	3,548,759
Bond Issuance Costs	120,000	-
Agent Fees	5,000	1,850
TOTAL EXPENDITURES	<u>14,807,305</u>	<u>11,795,609</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,750,000)	111,736
OTHER FINANCING SOURCES		
Transfers In	1,250,000	1,250,000
TOTAL OTHER FINANCING SOURCES	<u>1,250,000</u>	<u>1,250,000</u>
Net Change in Fund Balance	(2,500,000)	1,361,736
FUND BALANCE, OCTOBER 1	<u>5,685,688</u>	<u>5,685,688</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 3,185,688</u>	<u>\$ 7,047,424</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.

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.

2023 Certificates of Obligation - This fund is used to account for expenditures for the existing County Administrative Building, the County Courthouse, the Courthouse Annex (formerly the BISD building) for public defender offices and other administrative services, the Brazos County Dispatch and Emergency Operations Center, the County Sheriff Department facilities including a central receiving and storage facility. The expenditures are financed through the issuance of \$9,290,000 of Certificates of Obligations, Series 2023 in June 2023.

2023 On System Road Bond – TXDOT - This fund is used to account for environmental assessments, engineering, surveying, public engagement, and other necessary consultants to assist and facilitate the Texas Department of Transportation upgrades and renovations to state roads in Brazos County. The expenditures are financed through the issuance of \$27,110,000 of General Obligation Bonds, Series 2023 in June 2023.

2023 Off System Road Bond - This fund is used to account for expenditures to County roads for improvements for permanent public improvements, including roads, bridges, and highways within the County, including the acquisition of land and rights-of way not monitored by or in the TXDOT system. The expenditures are financed through the issuance of \$27,110,000 of General Obligation Bonds, Series 2023 in June 2023.

BRAZOS COUNTY, TEXAS
BALANCE SHEET
CAPITAL PROJECT FUNDS
September 30,2025

	Nonmajor Funds		
	Capital Improvement	2020 Certificates of Obligation	2023 On System Road Bond - TXDOT
ASSETS			
Cash and Cash Equivalents	\$ 14,455,023	\$ 938,104	\$ 575,098
Investments	-	1,609,249	11,022,619
Receivables			
Interest	-	1,755	2,563
TOTAL ASSETS	<u>\$ 14,455,023</u>	<u>\$ 2,549,108</u>	<u>\$ 11,600,280</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 263,812	\$ 1,128,378	\$ 1,445,091
Total Liabilities	<u>263,812</u>	<u>1,128,378</u>	<u>1,445,091</u>
Fund Balances			
Committed	618,854	1,420,730	-
Assigned	13,572,357	-	10,155,189
Total Fund Balances	<u>14,191,211</u>	<u>1,420,730</u>	<u>10,155,189</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 14,455,023</u>	<u>\$ 2,549,108</u>	<u>\$ 11,600,280</u>

**BRAZOS COUNTY, TEXAS
BALANCE SHEET
CAPITAL PROJECT FUNDS
September 30,2025**

	Nonmajor Funds		
	2023 Off System Road Bond	2023 Certificates of Obligation	Total Nonmajor Funds
ASSETS			
Cash and Cash Equivalents	\$ 563,471	\$ 410,251	\$ 16,941,947
Investments	4,462,042	8,780,663	25,874,573
Receivables			
Interest	2,511	1,828	8,657
TOTAL ASSETS	<u>\$ 5,028,024</u>	<u>\$ 9,192,742</u>	<u>\$ 42,825,177</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 4,500	\$ 738,165	\$ 3,579,946
Total Liabilities	<u>4,500</u>	<u>738,165</u>	<u>3,579,946</u>
Fund Balances			
Committed	4,101,121	3,455,790	9,596,495
Assigned	922,403	4,998,787	29,648,736
Total Fund Balances	<u>5,023,524</u>	<u>8,454,577</u>	<u>39,245,231</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,028,024</u>	<u>\$ 9,192,742</u>	<u>\$ 42,825,177</u>

BRAZOS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
CAPITAL PROJECT FUNDS
For The Year Ended September 30, 2025

	Nonmajor Funds		
	Capital Improvement	2020 Certificates of Obligation	2023 On System Road Bond - TXDOT
REVENUES			
Interest	\$ -	\$ 199,315	\$ 629,338
Other	34,000	949	-
TOTAL REVENUES	<u>34,000</u>	<u>200,264</u>	<u>629,338</u>
EXPENDITURES			
General Government	-	480,657	-
Public Transportation	-	-	5,821,208
Capital Outlay	4,871,429	4,672,335	-
TOTAL EXPENDITURES	<u>4,871,429</u>	<u>5,152,992</u>	<u>5,821,208</u>
Deficiency of Revenues Under Expenditures	(4,837,429)	(4,952,728)	(5,191,870)
OTHER FINANCING SOURCES (USES)			
Subscription-Based Information Technology Arrangement	94,483	-	-
Leases - Right to Use - Machinery and Equipment	669,635	-	-
Transfers In	-	777,473	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>764,118</u>	<u>777,473</u>	<u>-</u>
Net Change in Fund Balances	(4,073,311)	(4,175,255)	(5,191,870)
FUND BALANCES, OCTOBER 1	<u>18,264,522</u>	<u>5,595,985</u>	<u>15,347,059</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 14,191,211</u>	<u>\$ 1,420,730</u>	<u>\$ 10,155,189</u>

BRAZOS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
CAPITAL PROJECT FUNDS
For The Year Ended September 30, 2025

	Nonmajor Funds		
	2023 Off System Road Bond	2023 Certificates of Obligation	Total Nonmajor Funds
REVENUES			
Interest	\$ 276,233	\$ 483,091	\$ 1,587,977
Other	-	-	34,949
TOTAL REVENUES	<u>276,233</u>	<u>483,091</u>	<u>1,622,926</u>
EXPENDITURES			
General Government	-	-	480,657
Public Transportation	-	-	5,821,208
Capital Outlay	2,056,242	2,538,351	14,138,357
TOTAL EXPENDITURES	<u>2,056,242</u>	<u>2,538,351</u>	<u>20,440,222</u>
Deficiency of Revenues Under Expenditures	(1,780,009)	(2,055,260)	(18,817,296)
OTHER FINANCING SOURCES (USES)			
Subscription-Based Information Technology Arrangement	-	-	94,483
Leases - Right to Use - Machinery and Equipment	-	-	669,635
Transfers In	-	-	777,473
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>1,541,591</u>
Net Change in Fund Balances	(1,780,009)	(2,055,260)	(17,275,705)
FUND BALANCES, OCTOBER 1	<u>6,803,533</u>	<u>10,509,837</u>	<u>56,520,936</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 5,023,524</u>	<u>\$ 8,454,577</u>	<u>\$ 39,245,231</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, 2025**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Other	\$ -	\$ 34,000	\$ 34,000
TOTAL REVENUES	<u>-</u>	<u>34,000</u>	<u>34,000</u>
EXPENDITURES			
Supplies and Other Charges	1,945,000	-	-
Capital Outlay	<u>26,465,286</u>	<u>32,617,056</u>	<u>4,871,429</u>
TOTAL EXPENDITURES	<u>28,410,286</u>	<u>32,617,056</u>	<u>4,871,429</u>
Deficiency of Revenues Under Expenditures	(28,410,286)	(32,583,056)	(4,837,429)
OTHER FINANCING SOURCES (USES)			
Subscription-Based Information Technology Arrangement	-	94,484	94,483
Leases - Right to Use - Machinery and Equipment	-	669,636	669,635
Transfers In	<u>10,320,286</u>	<u>13,728,936</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>10,320,286</u>	<u>14,493,056</u>	<u>764,118</u>
Net Change in Fund Balance	(18,090,000)	(18,090,000)	(4,073,311)
FUND BALANCE, OCTOBER 1	<u>18,264,522</u>	<u>18,264,522</u>	<u>18,264,522</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 174,522</u>	<u>\$ 174,522</u>	<u>\$ 14,191,211</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, 2025**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Interest	\$ 482,000	\$ 482,000	\$ 199,315
Other	-	-	949
TOTAL REVENUES	<u>482,000</u>	<u>482,000</u>	<u>200,264</u>
EXPENDITURES			
General Government			
Supplies and Other Charges	782,000	480,657	480,657
Capital Outlay	<u>5,300,000</u>	<u>6,378,816</u>	<u>4,672,335</u>
TOTAL EXPENDITURES	<u>6,082,000</u>	<u>6,859,473</u>	<u>5,152,992</u>
Deficiency of Revenues Under Expenditures	(5,600,000)	(6,377,473)	(4,952,728)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	777,473	777,473
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>777,473</u>	<u>777,473</u>
Net Change in Fund Balance	(5,600,000)	(5,600,000)	(4,175,255)
FUND BALANCE, OCTOBER 1	<u>5,595,985</u>	<u>5,595,985</u>	<u>5,595,985</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ (4,015)</u>	<u>\$ (4,015)</u>	<u>\$ 1,420,730</u>

**BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
2023 ON SYSTEM ROAD BOND - TXDOT
For The Year Ended September 30, 2025**

	Original and Final Budget	Actual
REVENUES		
Interest	\$ 1,040,000	\$ 629,338
TOTAL REVENUES	1,040,000	629,338
EXPENDITURES		
Public Transportation		
Contract Services	17,338,000	5,821,208
TOTAL EXPENDITURES	17,338,000	5,821,208
Deficiency of Revenues Under Expenditures	(16,298,000)	(5,191,870)
FUND BALANCE, OCTOBER 1	15,347,059	15,347,059
FUND BALANCE, SEPTEMBER 30	\$ (950,941)	\$ 10,155,189

**BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
2023 OFF SYSTEM ROAD BOND
For The Year Ended September 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Interest	\$ 263,000	\$ 263,000	\$ 276,233
TOTAL REVENUES	<u>263,000</u>	<u>263,000</u>	<u>276,233</u>
EXPENDITURES			
Public Transportation			
Capital Outlay	6,051,000	6,266,521	2,056,242
TOTAL EXPENDITURES	<u>6,051,000</u>	<u>6,266,521</u>	<u>2,056,242</u>
Deficiency of Revenues Under Expenditures	(5,788,000)	(6,003,521)	(1,780,009)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	215,521	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>215,521</u>	<u>-</u>
Net Change in Fund Balance	(5,788,000)	(5,788,000)	(1,780,009)
FUND BALANCE, OCTOBER 1	<u>6,803,533</u>	<u>6,803,533</u>	<u>6,803,533</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 1,015,533</u>	<u>\$ 1,015,533</u>	<u>\$ 5,023,524</u>

**BRAZOS COUNTY, TEXAS
CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
2023 CERTIFICATES OF OBLIGATION
For The Year Ended September 30, 2025**

	Original and Final Budget	Actual
REVENUES		
Interest	\$ 540,000	\$ 483,091
TOTAL REVENUES	540,000	483,091
EXPENDITURES		
General Government		
Capital Outlay	61,000,000	2,538,351
TOTAL EXPENDITURES	61,000,000	2,538,351
Deficiency of Revenues Under Expenditures	(60,460,000)	(2,055,260)
OTHER FINANCING SOURCES (USES)		
Transfers In	50,040,000	-
TOTAL OTHER FINANCING SOURCES (USES)	50,040,000	-
Net Change in Fund Balance	(10,420,000)	(2,055,260)
FUND BALANCE, OCTOBER 1	10,509,837	10,509,837
FUND BALANCE, SEPTEMBER 30	\$ 89,837	\$ 8,454,577

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, 2025**

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 13,334,680
Prepays	10,000
Accounts Receivable	591,024
Total Current Assets	13,935,704

TOTAL ASSETS

13,935,704

LIABILITIES

Current Liabilities

Accounts Payable and Accrued Expenses	2,656,533
Accrued Salaries and Wages	27,125
Total Current Liabilities	2,683,658

Noncurrent Liabilities

Due within one year	
Compensated Absences	28,888
Due in more than one year	
Compensated Absences	28,002
Total Noncurrent Liabilities	56,890

TOTAL LIABILITIES

2,740,548

NET POSITION

Unrestricted	11,195,156
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TOTAL NET POSITION

\$ 11,195,156

**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, 2025**

OPERATING REVENUES	
Employee Dependents	\$ 2,940,705
Self Pays	239
Excess Risk Benefits	1,811,030
Brazos County	18,167,679
Retirees	649,682
Other Revenue	1,439,567
TOTAL OPERATING REVENUES	25,008,902
OPERATING EXPENSES	
Personnel Services	401,453
Supplies and Other Charges	66,752
Repairs and Maintenance	120
Benefit Claims	22,296,447
Administrative Fees	2,971,653
Contract Services	17,210
Professional Services	386,388
TOTAL OPERATING EXPENSES	26,140,023
OPERATING GAIN	(1,131,121)
CHANGE IN NET POSITION	(1,131,121)
TOTAL NET POSITION - OCTOBER 1, AS RESTATED	12,326,277
TOTAL NET POSITION - SEPTEMBER 30	\$ 11,195,156

**BRAZOS COUNTY, TEXAS
INTERNAL SERVICE FUND
HEALTH AND LIFE INSURANCE
STATEMENT OF CASH FLOWS
For The Year Ended September 30, 2025**

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 3,590,625
Receipts from interfund services provided	18,167,679
Payments to contractors	(1,128,606)
Claims paid	(20,623,619)
Payments to employees for services	<u>(366,959)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>(360,880)</u>
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 (360,880)
 CASH AND CASH EQUIVALENTS, OCTOBER 1	 <u>13,695,560</u>
CASH AND CASH EQUIVALENTS, SEPTEMBER 30	<u><u>\$ 13,334,680</u></u>
 Reconciliation of operating gain to net cash provided by operating activities:	
Operating gain	<u>\$ (1,131,121)</u>
Adjustments to reconcile operating gain to net cash provided by operating activities:	
Change in accounts receivable	(164,601)
Change in accounts payable	900,348
Change in accrued salaries and compensated absences	<u>34,494</u>
Total adjustments	<u>770,241</u>
 Net cash provided by operating activities	 <u><u>\$ (360,880)</u></u>

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, 2025**

	<u>Narcotics Seizure</u>	<u>District Clerk Trust</u>	<u>County Clerk Trust</u>	<u>Bail Bond Board Trust</u>	<u>Inmate Trust</u>	<u>Total</u>
ASSETS						
Cash and cash equivalents	\$ 351,450	\$ 4,685,825	\$ 3,304,014	\$ 4,336,606	\$ 338,374	\$ 13,016,269
Accounts receivable	-	-	-	-	274	274
Total Assets	<u>351,450</u>	<u>4,685,825</u>	<u>3,304,014</u>	<u>4,336,606</u>	<u>338,648</u>	<u>13,016,543</u>
LIABILITIES						
Accounts payable	-	-	-	-	285,790	285,790
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>285,790</u>	<u>285,790</u>
NET POSITION						
Restricted for:						
Individuals, organizations, and other governments	351,450	4,685,825	3,304,014	4,336,606	52,858	12,730,753
TOTAL NET POSITION	<u>\$ 351,450</u>	<u>\$ 4,685,825</u>	<u>\$ 3,304,014</u>	<u>\$ 4,336,606</u>	<u>\$ 52,858</u>	<u>\$ 12,730,753</u>

BRAZOS COUNTY, TEXAS
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For The Year Ended September 30, 2025

	<u>Narcotics Seizures</u>	<u>District Clerk Trust</u>	<u>County Clerk Trust</u>	<u>Bail Bond Board Trust</u>	<u>Inmate Trust</u>	<u>Total</u>
ADDITIONS						
Contributions						
Members	\$ 55,715	\$ 2,982,560	\$ 4,461,722	\$ 429,000	\$ 2,331,076	\$ 10,260,073
Total contributions	<u>55,715</u>	<u>2,982,560</u>	<u>4,461,722</u>	<u>429,000</u>	<u>2,331,076</u>	<u>10,260,073</u>
Investment Earnings						
Interest, dividends, and other	-	13,162	78,548	-	-	91,710
Net Investment Earnings	<u>-</u>	<u>13,162</u>	<u>78,548</u>	<u>-</u>	<u>-</u>	<u>91,710</u>
Total Additions	<u>55,715</u>	<u>2,995,722</u>	<u>4,540,270</u>	<u>429,000</u>	<u>2,331,076</u>	<u>10,351,783</u>
DEDUCTIONS						
Payments to individuals or organizations	206,946	2,493,847	2,964,078	182,100	2,356,039	8,203,010
Administrative expenses	-	1,006	5,621	-	-	6,627
Total deductions	<u>206,946</u>	<u>2,494,853</u>	<u>2,969,699</u>	<u>182,100</u>	<u>2,356,039</u>	<u>8,209,637</u>
Net increase (decrease) in fiduciary net position	(151,231)	500,869	1,570,571	246,900	(24,963)	2,142,146
Net Position - Beginning	502,681	4,184,956	1,733,443	4,089,706	77,821	10,588,607
Net position - Ending	<u>\$ 351,450</u>	<u>\$ 4,685,825</u>	<u>\$ 3,304,014</u>	<u>\$ 4,336,606</u>	<u>\$ 52,858</u>	<u>\$ 12,730,753</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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Governmental activities				
Net Investment in Capital Assets	\$ 165,688,494	\$ 177,668,707	\$ 195,488,585	\$ 212,180,120
Restricted	18,520,831	27,162,985	42,355,459	21,308,954
Unrestricted	529,860	2,602,233	(12,182,340)	(1,342,706)
Total governmental activities net position	<u>\$ 184,739,185</u>	<u>\$ 207,433,925</u>	<u>\$ 225,661,704</u>	<u>\$ 232,146,368</u>
Business-type activities				
Net Investment in Capital Assets	\$ 17,535	\$ 10,417	\$ 7,444	\$ 4,471
Unrestricted	631,977	834,634	802,253	1,019,813
Total business-type activities net position	<u>\$ 649,512</u>	<u>\$ 845,051</u>	<u>\$ 809,697</u>	<u>\$ 1,024,284</u>
Primary government				
Net Investment in Capital Assets	\$ 165,706,029	\$ 177,679,124	\$ 195,496,029	\$ 212,184,591
Restricted	18,520,831	27,162,985	42,355,459	21,308,954
Unrestricted	1,161,837	3,436,867	(11,380,087)	(322,893)
Total primary government net position	<u>\$ 185,388,697</u>	<u>\$ 208,278,976</u>	<u>\$ 226,471,401</u>	<u>\$ 233,170,652</u>

Note 1: 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.

Table I

Page 2 of 2

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 240,510,726	\$ 245,438,566	\$ 267,273,880	\$ 280,549,082	\$ 291,657,261	\$ 318,473,248
36,543,941	35,680,114	54,407,471	40,678,020	44,518,670	45,181,886
(6,206,056)	18,871,506	44,011,921	87,876,307	117,378,393	138,442,982
<u>\$ 270,848,611</u>	<u>\$ 299,990,186</u>	<u>\$ 365,693,272</u>	<u>\$ 409,103,409</u>	<u>\$ 453,554,324</u>	<u>\$ 502,098,116</u>
\$ 1,401	\$ -	\$ 23,844	\$ 20,832	\$ 17,820	\$ 115,294
1,127,286	1,379,108	1,203,996	1,064,917	1,085,582	1,016,332
<u>\$ 1,128,687</u>	<u>\$ 1,379,108</u>	<u>\$ 1,227,840</u>	<u>\$ 1,085,749</u>	<u>\$ 1,103,402</u>	<u>\$ 1,131,626</u>
\$ 240,512,127	\$ 245,438,566	\$ 267,297,724	\$ 280,569,914	\$ 291,675,081	\$ 318,588,542
36,543,941	35,680,114	54,407,471	40,678,020	44,518,670	45,181,886
(5,078,770)	20,250,614	45,215,917	88,941,224	118,463,975	139,459,314
<u>\$ 271,977,298</u>	<u>\$ 301,369,294</u>	<u>\$ 366,921,112</u>	<u>\$ 410,189,158</u>	<u>\$ 454,657,726</u>	<u>\$ 503,229,742</u>

Table II

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

Page 1 of 4

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Expenses				
Governmental activities:				
General Government	\$ 25,910,488	\$ 31,100,282	\$ 31,382,269	\$ 35,105,309
Justice System	21,043,405	21,535,081	22,416,788	24,129,983
Law Enforcement	24,660,534	25,749,013	26,720,546	29,550,237
Juvenile Services	7,085,119	7,514,809	7,728,384	8,812,093
Public Transportation	10,296,317	9,639,763	9,056,792	10,243,150
Public Health	30,955,550	17,085,298	30,341,381	48,533,336
Human Services	6,387,498	6,751,237	7,401,506	7,341,531
Debt Service	3,583,015	3,299,310	3,175,056	2,803,623
Total governmental activities expenses	<u>129,921,926</u>	<u>122,674,793</u>	<u>138,222,722</u>	<u>166,519,262</u>
Business-type activities:				
County Attorney	5,216	4,796	3,827	6,300
Jail Commissary	767,630	878,921	862,596	932,583
Total business-type activities expenses	<u>772,846</u>	<u>883,717</u>	<u>866,423</u>	<u>938,883</u>
Total primary government expenses	<u>\$ 130,694,772</u>	<u>\$ 123,558,510</u>	<u>\$ 139,089,145</u>	<u>\$ 167,458,145</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General Government	\$ 5,063,446	\$ 6,332,205	\$ 6,323,078	\$ 6,523,322
Justice System	6,905,882	6,406,160	6,491,017	6,476,522
Law Enforcement	936,249	945,191	1,391,040	1,657,781
Juvenile Services	75,180	72,876	151,935	106,614
Public Transportation	1,650,541	1,541,481	1,691,230	1,681,369
Public Health	38,291	32,629	35,590	30,570
Human Services	1,220,405	1,203,763	1,500,725	1,690,249
Operating grants and contributions:				
General Government	40,670	33,514	77,168	4,724
Justice System	913,365	897,496	917,211	960,349
Law Enforcement	127,472	70,552	272,935	152,412
Juvenile Services	1,288,901	1,583,410	1,525,457	1,593,336
Public Transportation	265,606	542,273	338,726	328,175
Public Health	52,454	62,087	72,171	77,332
Human Services	305,062	373,572	520,103	258,934
Capital grants and contributions:				
General Government	-	-	-	-
Law Enforcement	-	-	-	15,000
Juvenile Services	-	-	-	-
Public Transportation	9,357,573	3,011,592	7,833,843	5,816,759
Public Health	-	-	-	-
Human Services	361,000	-	-	-
Total governmental activities program revenue	<u>\$ 28,602,097</u>	<u>\$ 23,108,801</u>	<u>\$ 29,142,229</u>	<u>\$ 27,373,448</u>

Table II

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$	32,539,892	\$ 39,739,274	\$ 45,471,272	\$ 52,155,497	\$ 45,135,535	\$ 48,810,419
	24,650,028	22,758,014	21,913,723	28,839,949	28,396,387	31,604,210
	30,484,022	27,022,685	25,492,123	35,822,510	35,830,742	40,868,259
	9,257,618	7,536,082	7,021,682	9,405,475	9,689,431	10,254,251
	12,040,411	10,510,675	9,690,078	11,940,954	22,939,255	20,544,534
	20,613,743	29,743,911	28,481,580	28,350,767	39,453,099	53,662,694
	8,575,728	10,745,294	9,465,360	8,066,363	8,511,346	8,418,320
	2,521,867	2,726,657	2,609,116	1,536,703	3,569,075	2,889,097
	<u>140,683,309</u>	<u>150,782,592</u>	<u>150,144,934</u>	<u>176,118,218</u>	<u>193,524,870</u>	<u>217,051,784</u>
	5,197	698	-	-	-	-
	1,080,952	1,076,375	1,388,675	1,876,659	2,082,921	1,966,293
	<u>1,086,149</u>	<u>1,077,073</u>	<u>1,388,675</u>	<u>1,876,659</u>	<u>2,082,921</u>	<u>1,966,293</u>
\$	<u>141,769,458</u>	<u>151,859,665</u>	<u>151,533,609</u>	<u>177,994,877</u>	<u>195,607,791</u>	<u>219,018,077</u>
\$	12,913,652	\$ 9,430,161	\$ 6,931,792	\$ 7,228,214	\$ 6,221,408	\$ 6,825,360
	5,831,907	6,563,895	7,434,533	6,425,410	5,916,952	6,537,056
	1,381,414	1,441,482	2,074,157	2,199,173	2,453,885	2,876,784
	126,653	81,586	81,903	295,033	154,906	255,183
	1,959,847	2,680,527	3,016,352	5,265,022	5,765,329	9,903,738
	29,250	27,414	30,558	431,644	582,276	115,857
	1,101,285	1,482,677	1,960,192	2,009,546	1,913,075	1,921,672
	46,740	13,048,719	18,256,521	14,811,808	1,164,150	104,938
	1,097,301	1,024,747	991,741	1,374,263	2,879,677	2,829,615
	265,120	170,058	125,476	271,918	1,055,185	710,117
	1,358,578	1,293,782	1,282,624	1,365,882	1,958,503	2,154,819
	366,556	344,161	368,464	393,078	650,873	447,730
	73,461	86,174	101,339	109,444	88,258	113,510
	636,515	3,182,136	1,989,134	22,735	23,750	29,280
	-	-	-	-	-	13,078,112
	-	-	-	-	-	-
	-	-	-	-	-	-
	420,372	886,245	30,417	30,347	29,508	29,502
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u>27,608,651</u>	<u>41,743,764</u>	<u>44,675,203</u>	<u>42,233,517</u>	<u>30,857,735</u>	<u>47,933,273</u>

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

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Business-type activities:				
Charges for services:				
County Attorney	\$ 8,649	\$ 8,484	\$ 10,055	\$ 6,995
Jail Commissary	867,491	1,068,218	1,076,756	1,138,503
Total business-type activities program revenue	<u>876,140</u>	<u>1,076,702</u>	<u>1,086,811</u>	<u>1,145,498</u>
Total primary government program revenues	<u>\$ 29,478,237</u>	<u>\$ 24,185,503</u>	<u>\$ 30,229,040</u>	<u>\$ 28,518,946</u>
Net (Expense)/Revenue				
Governmental activities	\$ (101,319,829)	\$ (99,565,992)	\$ (109,080,493)	\$ (139,145,814)
Business-type activities	103,294	192,985	220,388	206,615
Total primary government net expense	<u>\$ (101,216,535)</u>	<u>\$ (99,373,007)</u>	<u>\$ (108,860,105)</u>	<u>\$ (138,939,199)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes	\$ 68,183,460	\$ 74,085,095	\$ 81,748,351	\$ 86,847,341
Local Health Care Provider Assessments	33,156,574	26,168,492	32,586,142	32,653,795
Sales taxes	15,615,643	16,375,071	17,936,733	18,724,660
Motor vehicle taxes	1,660,890	1,660,706	1,652,081	1,616,508
Mixed drink taxes	812,216	809,516	907,029	976,149
Hotel occupancy taxes	2,505,617	2,681,077	2,915,850	2,954,182
Unrestricted investment earnings	243,769	347,258	1,162,968	1,857,843
Gain (loss) on disposal of assets	155,925	133,517	76,388	-
Transfers	-	-	236,000	-
Total governmental activities	<u>122,334,094</u>	<u>122,260,732</u>	<u>139,221,542</u>	<u>145,630,478</u>
Business-type activities:				
Unrestricted investment earnings	1,450	2,554	6,022	7,972
Gain on disposal of assets	-	-	-	-
Transfers	-	-	(236,000)	-
Total business-type activities	<u>1,450</u>	<u>2,554</u>	<u>(229,978)</u>	<u>7,972</u>
Total primary government	<u>\$ 122,335,544</u>	<u>\$ 122,263,286</u>	<u>\$ 138,991,564</u>	<u>\$ 145,638,450</u>
Change in Net Position				
Governmental activities	\$ 21,014,265	\$ 22,694,740	\$ 30,141,049	\$ 6,484,664
Business-type activities	104,744	195,539	(9,590)	214,587
Total primary government	<u>\$ 21,119,009</u>	<u>\$ 22,890,279</u>	<u>\$ 30,131,459</u>	<u>\$ 6,699,251</u>

Note 1: 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.

Table II

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<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 4,624	\$ 2,562	\$ -	\$ -	\$ -	\$ -
1,176,418	1,313,488	1,294,249	1,712,624	2,045,760	1,951,501
<u>1,181,042</u>	<u>1,316,050</u>	<u>1,294,249</u>	<u>1,712,624</u>	<u>2,045,760</u>	<u>1,951,501</u>
<u>\$ 28,789,693</u>	<u>\$ 43,059,814</u>	<u>\$ 45,969,452</u>	<u>\$ 43,946,141</u>	<u>\$ 32,903,495</u>	<u>\$ 49,884,774</u>
\$ (113,074,658)	\$ (109,038,828)	\$ (105,469,731)	\$ (133,884,701)	\$ (162,667,135)	\$ (169,118,511)
94,893	238,977	(94,426)	(164,035)	(37,161)	(14,792)
<u>\$ (112,979,765)</u>	<u>\$ (108,799,851)</u>	<u>\$ (105,564,157)</u>	<u>\$ (134,048,736)</u>	<u>\$ (162,704,296)</u>	<u>\$ (169,133,303)</u>
\$ 94,755,314	\$ 99,006,741	\$ 101,651,835	\$ 102,942,086	\$ 116,050,905	\$ 124,403,223
32,672,057	12,557,045	37,254,069	31,728,216	40,008,694	47,803,716
18,747,703	20,443,754	24,244,744	25,288,623	25,534,197	26,165,531
1,520,039	1,505,657	1,847,748	2,002,070	2,112,764	2,234,354
733,928	914,545	1,229,711	1,339,501	1,493,323	1,450,510
1,812,599	2,261,435	3,360,758	3,689,821	4,084,152	4,207,139
1,535,261	1,491,226	1,522,614	10,304,521	17,834,015	15,925,736
-	-	-	-	-	-
-	-	-	-	-	-
<u>151,776,901</u>	<u>138,180,403</u>	<u>171,111,479</u>	<u>177,294,838</u>	<u>207,118,050</u>	<u>222,190,209</u>
9,510	11,444	4,496	21,944	54,814	47,840
-	-	-	-	-	-
-	-	-	-	-	-
<u>9,510</u>	<u>11,444</u>	<u>4,496</u>	<u>21,944</u>	<u>54,814</u>	<u>47,840</u>
<u>\$ 151,786,411</u>	<u>\$ 138,191,847</u>	<u>\$ 171,115,975</u>	<u>\$ 177,316,782</u>	<u>\$ 207,172,864</u>	<u>\$ 222,238,049</u>
\$ 38,702,243	\$ 29,141,575	\$ 65,641,748	\$ 43,410,137	\$ 44,450,915	\$ 53,071,698
104,403	250,421	(89,930)	(142,091)	17,653	33,048
<u>\$ 38,806,646</u>	<u>\$ 29,391,996</u>	<u>\$ 65,551,818</u>	<u>\$ 43,268,046</u>	<u>\$ 44,468,568</u>	<u>\$ 53,104,746</u>

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

Page 1 of 2

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund					
Nonspendable	\$ 1,544,658	\$ 1,431,335	\$ 2,051,550	\$ 2,205,606	\$ 1,982,812
Restricted	404,289	455,784	480,199	551,525	621,629
Committed	522,705	586,470	663,526	733,671	-
Assigned	1,023,141	1,023,141	1,023,141	1,023,141	1,023,141
Unassigned	41,766,524	43,410,257	44,008,132	62,649,458	68,051,027
Total General Fund	<u>\$ 45,261,317</u>	<u>\$ 46,906,987</u>	<u>\$ 48,226,548</u>	<u>\$ 67,163,401</u>	<u>\$ 71,678,609</u>
All Other Governmental Funds					
Nonspendable	\$ 6,870	\$ 21,354	\$ 26,200	\$ 14,937	\$ 30,288
Restricted	21,771,899	26,685,847	41,875,260	20,757,429	35,922,312
Committed	-	-	-	-	-
Assigned	12,262,289	16,935,055	25,582,458	16,661,157	13,316,892
Unassigned	-	-	-	-	(6,953)
Total All Other Governmental Funds	<u>\$ 34,041,058</u>	<u>\$ 43,642,256</u>	<u>\$ 67,483,918</u>	<u>\$ 37,433,523</u>	<u>\$ 49,262,539</u>

Table III

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<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 2,592,655	\$ 3,514,680	\$ 3,179,278	\$ 2,949,398	\$ 3,229,776
7,165,477	15,571,360	5,033,052	1,162,005	1,203,362
-	-	-	36,083,209	40,000,444
-	-	-	-	5,000,000
93,524,241	117,068,184	141,007,752	132,807,823	134,100,795
<u>\$ 103,282,373</u>	<u>\$ 136,154,224</u>	<u>\$ 149,220,082</u>	<u>\$ 173,002,435</u>	<u>\$ 183,534,377</u>
\$ 11,775	\$ 12,410	\$ 32,498	\$ 23,410	\$ 14,212
19,626,626	26,538,160	35,644,968	43,356,664	43,978,524
-	-	-	1,283,017	23,646,013
29,805,328	20,571,099	72,308,409	55,237,919	29,648,736
-	-	-	(17,989)	-
<u>\$ 49,443,729</u>	<u>\$ 47,121,669</u>	<u>\$ 107,985,875</u>	<u>\$ 99,883,021</u>	<u>\$ 97,287,485</u>

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

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenues					
Taxes	\$ 121,184,515	\$ 120,033,611	\$ 135,871,778	\$ 142,695,825	\$ 148,768,830
Charges for Services	12,955,942	12,547,042	13,252,955	13,476,626	12,310,845
Intergovernmental	3,651,076	3,929,985	3,753,909	3,405,362	3,868,769
Interest	243,768	335,455	1,162,968	1,857,842	1,481,628
Other Revenue	1,191,392	1,063,129	928,402	1,233,946	1,979,750
Total Revenue	<u>139,226,693</u>	<u>137,909,222</u>	<u>154,970,012</u>	<u>162,669,601</u>	<u>168,409,822</u>
Expenditures					
Current					
General Government	23,060,957	23,158,034	22,567,837	25,028,680	25,694,292
Justice System	19,094,481	18,959,585	20,978,881	21,365,903	22,271,948
Law Enforcement	20,368,720	21,375,987	23,529,055	24,637,066	26,179,548
Juvenile Services	6,250,884	6,627,267	7,244,328	7,810,670	8,447,408
Public Transportation	10,786,197	10,084,667	9,745,658	10,439,648	11,587,653
Public Health	30,948,673	17,078,556	30,334,639	48,526,594	20,604,546
Human Services	5,014,680	5,416,677	5,945,021	5,960,893	7,263,012
Capital Outlay	10,509,004	14,124,621	10,294,276	20,045,925	22,744,167
Debt Service					
Principal Retirement	6,379,974	6,658,957	7,452,027	7,010,000	7,270,000
Interest and Other Fees	3,695,506	3,437,849	3,566,824	3,213,777	2,933,303
Bond Issuance Costs	-	-	-	-	-
Agent Fees	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>136,109,076</u>	<u>126,922,200</u>	<u>141,658,546</u>	<u>174,039,156</u>	<u>154,995,877</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,117,617	10,987,022	13,311,466	(11,369,555)	13,413,945
Other Financing Sources (Uses)					
Transfers In	8,595,961	15,927,327	24,729,412	6,238,527	21,047,591
Transfers Out	(9,595,961)	(15,944,522)	(25,450,731)	(6,438,527)	(21,047,591)
Premium on Debt Issuance	-	-	7,389,899	-	-
Debt Issuance	-	-	39,895,000	-	-
Sale of Capital Assets	209,171	348,171	78,997	456,013	31,802
Payments to Refunded Bonds					
Escrow Agent	-	-	(46,442,820)	-	-
Debt Issuance	9,100,000	-	11,650,000	-	-
Leases - Right to Use -					
Machinery and Equipment	-	-	-	-	-
Subscription-Based Information					
Technology Arrangement	-	-	-	-	-
Insurance Recoveries	-	-	-	-	2,898,477
Total Other Financing Sources (Uses)	<u>8,309,171</u>	<u>330,976</u>	<u>11,849,757</u>	<u>256,013</u>	<u>2,930,279</u>
Net Change in Fund Balances	<u>\$ 11,426,788</u>	<u>\$ 11,317,998</u>	<u>\$ 25,161,223</u>	<u>\$ (11,113,542)</u>	<u>\$ 16,344,224</u>
Debt service as a percentage of noncapital expenditures	8.02%	8.95%	8.39%	6.64%	7.72%

Table IV

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2021	2022	2023	2024	2025
\$ 135,130,261	\$ 167,501,927	\$ 165,230,957	\$ 187,525,823	\$ 203,493,271
13,567,299	15,284,690	15,586,097	15,017,707	15,830,592
20,033,382	23,147,542	18,379,506	8,276,837	19,408,949
1,433,470	1,511,167	10,304,521	17,834,013	15,925,736
998,772	1,266,637	1,229,019	1,274,189	1,606,229
<u>171,163,184</u>	<u>208,711,963</u>	<u>210,730,100</u>	<u>229,928,569</u>	<u>256,264,777</u>
32,050,179	39,375,664	39,153,312	38,160,401	40,309,915
21,942,080	22,789,233	26,874,771	29,790,286	32,675,120
25,352,758	27,512,436	31,716,983	35,784,062	40,851,473
7,545,582	7,276,220	8,505,827	10,081,778	10,303,484
9,823,965	11,074,107	12,533,882	23,350,092	20,892,777
31,208,246	28,679,745	28,344,205	39,446,122	53,642,643
8,339,542	8,070,570	6,762,349	7,560,606	7,498,728
20,340,350	19,412,314	15,556,217	24,431,900	31,382,529
7,575,000	14,045,000	6,610,000	7,565,000	8,245,000
3,171,860	2,954,947	2,417,373	4,297,726	3,548,759
700	-	-	-	-
1,000	9,500	800	1,849	1,850
126,034	-	-	-	-
<u>167,477,296</u>	<u>181,199,736</u>	<u>178,475,719</u>	<u>220,469,822</u>	<u>249,352,278</u>
3,685,888	27,512,227	32,254,381	9,458,747	6,912,499
13,665,497	6,940,929	-	1,757,638	19,523,797
(13,665,497)	(6,940,929)	-	(1,757,638)	(19,523,797)
1,780,928	-	4,082,681	-	-
-	-	36,400,000	-	-
198,536	218,649	195,777	161,452	127,893
-	-	-	-	-
24,020,000	-	-	-	-
-	-	-	38,453	669,635
778,761	1,830,658	852,907	4,419,485	98,868
1,320,841	926,919	144,318	1,601,362	127,511
<u>28,099,066</u>	<u>2,976,226</u>	<u>41,675,683</u>	<u>6,220,752</u>	<u>1,023,907</u>
<u>\$ 31,784,954</u>	<u>\$ 30,488,453</u>	<u>\$ 73,930,064</u>	<u>\$ 15,679,499</u>	<u>\$ 7,936,406</u>
7.39%	10.51%	5.54%	6.05%	5.41%

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
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
2022	15,819,242,309	11,619,623,472	1,830,435,638	2,441,843,803	906,173,865	(9,830,440,898)	22,786,878,189	0.4294
2023	19,570,004,290	13,469,106,157	1,997,221,065	2,696,299,359	956,056,983	(11,696,724,382)	26,991,963,472	0.4097
2024	\$ 21,138,915,758	\$ 13,919,460,896	\$ 2,078,328,762	\$ 2,841,598,029	\$ 1,000,250,246	\$ (12,534,877,739)	\$ 28,443,675,952	0.4197

Source: Brazos County Tax Assessor Collector

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.

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	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
County Direct Rate:					
Debt Service	\$ 0.0603	\$ 0.0592	\$ 0.0560	\$ 0.0533	\$ 0.0500
Basic Rate	0.4247	0.4258	0.4290	0.4317	0.4475
Total Direct Rate:	<u>0.4850</u>	<u>0.4850</u>	<u>0.4850</u>	<u>0.4850</u>	<u>0.4975</u>
Overlapping Rates:					
City and Town Rate:					
City of Bryan	0.6299	0.6299	0.6299	0.6299	0.6299
City of College Station	0.4525	0.4725	0.4975	0.5058	0.5346
City of Kurten	0.1200	0.1179	0.1065	0.1023	0.1017
City of Navasota	0.5500	0.5542	0.5542	0.5542	0.5693
School District Rates:					
Bryan I. S. D.	1.3500	1.3500	1.3400	1.3400	1.2700
College Station I. S. D.	1.3629	1.3960	1.3980	1.3720	1.2390
Navasota I.S.D.	1.1634	1.1634	1.1840	1.4152	1.3219
Emergency Service Districts Rates:					
ESD #1	0.0262	0.0263	0.0300	0.0300	0.0300
ESD #2	0.0238	0.0270	0.0259	0.0300	0.0300
ESD #3	0.0288	0.0297	0.0290	0.0290	0.0280
ESD #4	0.0300	0.0300	0.0578	0.0553	0.0473
Total Overlapping Rate:	<u>5.7375</u>	<u>5.7969</u>	<u>5.8528</u>	<u>6.0637</u>	<u>5.8017</u>
Total Property Tax Rate -					
Direct and Overlapping					
Governments:	<u>\$ 6.2225</u>	<u>\$ 6.2819</u>	<u>\$ 6.3378</u>	<u>\$ 6.5487</u>	<u>\$ 6.2992</u>

Source: Brazos County Central Appraisal District

Table VI

Page 2 of 2

<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 0.0543	\$ 0.0512	\$ 0.0401	\$ 0.0407	\$ 0.0379
<u>0.4407</u>	<u>0.4423</u>	<u>0.3893</u>	<u>0.3690</u>	<u>0.3818</u>
<u>0.4950</u>	<u>0.4935</u>	<u>0.4294</u>	<u>0.4097</u>	<u>0.4197</u>
0.6290	0.6290	0.6240	0.6240	0.6240
0.5346	0.5346	0.5246	0.5131	0.5131
0.0876	0.0898	0.0808	0.0807	0.0805
0.5693	0.5693	0.5560	0.5221	0.5078
1.2325	1.2268	1.1396	0.9492	0.9469
1.2290	1.2152	1.1781	0.9622	0.9729
1.2909	1.2480	1.1781	0.9853	0.9790
0.0300	0.0257	0.0226	0.0207	0.0513
0.0270	0.0276	0.0224	0.0210	0.0201
0.0264	0.0285	0.0255	0.0240	0.0230
<u>0.0478</u>	<u>0.0673</u>	<u>0.0550</u>	<u>0.0521</u>	<u>0.0696</u>
<u>5.7041</u>	<u>5.6618</u>	<u>5.4067</u>	<u>4.7544</u>	<u>4.7882</u>
<u>\$ 6.1991</u>	<u>\$ 6.1553</u>	<u>\$ 5.8361</u>	<u>\$ 5.1641</u>	<u>\$ 5.2079</u>

Table VII

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

Taxpayer	2025			2016		
	Taxable Assessed	Rank	% of Assessed Value to Total Assessed	Taxable Assessed	Rank	% of Assessed Value to Total Assessed
	Values (1)		Values (2)	Values (1)		Values (3)
Wildfire Energy Operating LLC	578,375,137	1	2.03%	-		0.00%
Axis Pipe and Tube Inc	280,404,106	2	0.99%	-		0.00%
Fujifilm Diosynth Biotech Tx LLC	278,916,676	3	0.98%	-		0.00%
SHP - The Callaway House L.P.	143,764,975	4	0.51%	68,089,040	5	0.50%
SZ College Station Cottages LLC	100,562,113	5	0.35%	-		0.00%
SW Meadows Point LP	93,640,000	6	0.33%	-		0.00%
Sanderson Farms	89,046,068	7	0.31%	-		0.00%
College Station Properties KP6 LLC	83,795,739	8	0.29%			
Sterling-A&M High Rise LLC	81,701,302	9	0.29%	-		0.00%
ComCapp Willowick LLC	79,933,599	10	0.28%			
Halcon Energy Properties Inc			0.00%	146,725,613	1	1.08%
Jamespoint Management Co			0.00%	75,910,571	2	0.56%
Wal-Mart Real Estate Business Trust			0.00%	72,024,300	3	0.53%
Andarko Petroleum Corp.			0.00%	70,219,096	4	0.52%
CPP College Station I LLC			0.00%	61,098,101	6	0.45%
Vess Oil Corp			0.00%	60,862,910	7	0.45%
POM - College Station LLC			0.00%	57,221,280	8	0.42%
Woodridge College Station I LLC			0.00%	56,772,000	9	0.42%
College Station Hospital L.P.			0.00%	56,768,410	10	0.42%
	<u>\$ 1,810,139,715</u>		<u>6.36%</u>	<u>\$ 725,691,321</u>		<u>5.35%</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 - \$28,443,675,952
- (3) Total adjusted assessed valuation net of exempt properties as certified by the Appraisal Review Board - \$13,574,364,312.

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
2015 / 2016	\$ 69,877,152	\$ 69,053,277	98.82%	\$ 726,703	\$ 69,779,980	99.86%
2016 / 2017	74,655,201	73,926,719	99.02%	638,337	74,565,056	99.88%
2017 / 2018	82,575,035	81,678,518	98.91%	794,561	82,473,079	99.88%
2018 / 2019	88,993,418	87,989,150	98.87%	891,625	88,880,775	99.87%
2019 / 2020	97,452,205	96,188,990	98.70%	1,099,347	97,288,337	99.83%
2020 / 2021	100,639,379	99,800,188	99.17%	633,335	100,433,523	99.80%
2021 / 2022	103,669,051	102,738,050	99.10%	650,000	103,388,050	99.73%
2022 / 2023	105,100,593	103,985,852	98.94%	712,183	104,698,035	99.62%
2023 / 2024	118,866,333	117,251,436	98.64%	1,111,941	118,363,377	99.58%
2024 / 2025	\$ 128,260,188	\$ 125,854,765	98.12%	\$ 1,232,804	\$ 127,087,569	99.09%

NOTE: (1) Changes in tax since issued.

Source: Brazos County Auditor's Office



DEBT CAPACITY INFORMATION

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

Governmental Activities

Fiscal Year	Certificates of Obligation	General Obligation Bonds	Notes from Direct Placements	Premium	Leases
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	-
2023	67,775,000	27,110,000	2,160,000	10,524,127	-
2024	61,805,000	26,585,000	1,090,000	9,783,122	44,717
2025	\$ 55,525,000	\$ 25,710,000	\$ -	\$ 9,042,111	\$ 577,697

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.

Table IX

Page 2 of 2

	Subscription Based Information Technology Arrangements	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
\$	-	\$ 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
	2,227,377	109,796,504	1.93%	454
	5,536,245	104,844,084	1.60%	428
\$	4,083,091	\$ 94,937,899	1.36%	380

Table X

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

Fiscal Year	General Bonded Debt Outstanding				Assessed Value	Percentage of Actual Taxable Value	Population	Per Capita (1)
	General Obligation Bonded Debt	Debt Service Funds Available	Net Bonded Debt					
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	
2023	37,634,127 (2)	3,985,943	33,648,184	22,786,878,189	0.15%	242,014	139.03	
2024	36,368,122 (2)	5,684,938	30,683,184	26,991,963,472	0.11%	244,703	125.39	
2025	\$ 34,752,117 (2)	\$ 7,047,424	\$ 27,704,693	\$ 28,443,675,952	0.10%	249,624	\$ 110.99	

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, 2025
(Unaudited)

<u>Direct Debt</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Brazos County	\$ 94,937,899	100%	\$ 94,937,899
<u>Overlapping Debt</u>			
Cities:			
Bryan	238,005,000	100%	238,005,000
College Station	446,590,000	100%	446,590,000
Navasota	23,170,000.00	0.03%	6,951
Independent School Districts:			
College Station School District	511,895,000	100%	511,895,000
Bryan Independent School District	242,465,000	99.63%	241,567,880
Navasota Independent School District	\$ 93,936,622	9.57%	8,989,735
Special Districts:			
Brazos County MUD #1	30,145,000.00	100%	30,145,000
Brazos County MUD #2	2,935,000.00	100%	2,935,000
Rock Prairie MD #2	10,470,000.00	100%	10,470,000
			<u>1,490,604,566</u>
			<u>\$ 1,585,542,465</u>
			5.99%
			<u>\$ 28,443,675,952</u>
			<u>\$ 1,703,128,673</u>

Sources: Debt outstanding provided by Municipal Advisory Council of Texas.

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.

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

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt Limit	\$ 2,800,069,613	\$ 3,069,303,744	\$ 3,430,912,309	\$ 3,713,517,435
Total net debt applicable to limit	53,006,596	49,908,763	53,836,140	47,643,669
Legal debt margin	<u>\$ 2,853,076,209</u>	<u>\$ 3,119,212,507</u>	<u>\$ 3,484,748,449</u>	<u>\$ 3,761,161,104</u>
Total net debt applicable to the limit as a percentage of debt limit	1.89%	1.63%	1.57%	1.28%

- 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 - \$24,601,827,677
Article 3, Section 52, of the Texas Constitution.
(3) Includes only general obligation bonds.

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed Value (1)	\$ 24,601,827,677
Debt limit (25% of assessed value) (2)	6,150,456,919
Debt applicable to limit:	
Gross bonded debt (3)	34,752,117
Less: Amount available from Debt Service Fund	7,047,424
Total net debt applicable to limit	27,704,693
Legal debt margin	\$ 6,178,161,612

2020	2021	2022	2023	2024	2025
\$ 3,950,531,568	\$ 3,946,030,138	\$ 4,037,016,976	\$ 4,859,715,130	\$ 5,834,901,783	\$ 6,150,456,919
34,771,893	37,762,367	32,224,722	33,648,184	30,682,429	27,704,693
\$ 3,985,303,461	\$ 3,983,792,505	\$ 4,069,241,698	\$ 4,893,363,314	\$ 5,865,584,212	\$ 6,178,161,612
0.88%	0.96%	0.80%	0.69%	0.53%	0.45%

Table XIII

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

Fiscal Year	Certificates of Obligation						Leases			
	Property Tax Revenue	Interest	Less: Agent Fees & Issuance Cost	Debt Service		Coverage	Property Tax Revenue	Debt Service		Coverage
				Principal	Interest			Principal	Interest	
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	-	-	-	-
2023	4,547,733	160,342	800	3,020,000	1,118,186	1.14	-	-	-	-
2024	5,000,972	230,151	1,849	3,305,000	1,557,976	1.08	-	5,419	1,661	-
2025	\$ 3,741,077	\$ 171,939	\$ 1,850	\$ 3,515,000	\$ 1,346,022	0.80	\$ -	\$ 135,698	\$ 20,728	-

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

DEMOGRAPHIC AND ECONOMIC INFORMATION

**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)
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	233,071	4,668,762,827	20,032	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%
2023	242,014	6,178,437,750	25,529	31,400	77,491	9,905	3.10%
2024	244,703	6,534,217,929	26,703	31,149	79,114	9,401	3.10%
2025	249,624	\$ 6,955,565,805	\$ 27,864	31,020	81,354	9,014	3.60%

- Sources:**
- (1) Projection for 2016 - 2019 is from the Texas Department of State Health Services. 2020 population has been corrected to match the 2020 Census. For Year 2025, the estimated population is from "The Greater Brazos Partnership" website.
 - (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) Enrollment is based on TAMU Enrollment profile.
 - (5) Previous Annual Comprehensive Financial Reports reflected enrollment for Blinn Campuses based on all campuses. The information now reflects just the enrollment for the campuses 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)**

2025	2016
Employer (1)	Employer (2)
Education	Education
Blinn College	Blinn College
Bryan Independent School District	Bryan Independent School District
College Station Independent School District	College Station Independent School District
Texas A&M Health Science Center	Texas A&M Health Science Center
Texas A&M University System	Texas A&M University System
Healthcare	Healthcare
Baylor Scott & White Health	Baylor Scott & White Health
CHI St. Joseph/CommonSpirit Health System	CHI St. Joseph Health System
	College Station Medical Center
Government	Government
Brazos County	Brazos County
City of Bryan	City of Bryan
City of College Station	City of College Station
Brazos Valley Council of Governments	
Manufacturing and Technology	Manufacturing and Technology
Axis Pipe and Tube	Ply Gem Windows
FUJIFILM Diosyth Biotechnologies	Reynolds & Reynolds
Ply Gem Windows (Cornerston Building)	Sanderson Farms
Rentsys Recovery Svc (Agility Recovery)	
Reynolds & Reynolds	
Retail	Retail
H-E-B	HEB Grocery
Wal-Mart	Wal-Mart

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

Source: (1) Texas Workforce Commission LMI Find Employers report and The Greater Brazos Partnership.
(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,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government	164	162	169	177	183	191	200	204	210	214
Justice System	175	178	183	185	191	188	185	196	207	211
Law Enforcement	269	282	295	301	307	307	308	312	317	341
Juvenile Services	94	101	104	104	105	105	105	105	106	107
Public Health	-	-	-	-	-	-	-	-	1	2
Human Services	68	69	70	70	73	73	78	77	78	79
Public Transportation	75	79	82	87	87	86	88	88	88	89
Total	<u>845</u>	<u>871</u>	<u>903</u>	<u>924</u>	<u>946</u>	<u>950</u>	<u>964</u>	<u>982</u>	<u>1,007</u>	<u>1,043</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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Justice System										
Birth Certificates Filed (1)	3,247	3,537	3,394	3,418	2,275	2,482	2,304	2,448	2,027	2,229
Marriage License Applications (1)	1,478	1,405	1,324	1,333	1,241	1,407	1,446	1,381	1,471	1,579
Death Certificates Issued (1)	580	648	704	648	459	361	415	458	231	364
Registered Voters (1)	102,000	104,091	107,458	114,542	121,023	121,402	123,898	125,823	132,148	137,898
Court Activity: (2)										
District Court:										
Cases Added	6,189	5,247	5,316	5,754	4,952	5,188	5,256	6,311	6,073	6,187
Cases Disposed	6,242	4,999	4,869	5,613	4,766	4,500	5,177	5,883	6,436	6,800
Cases Pending	5,825	6,111	6,955	7,708	8,039	9,051	9,653	10,566	11,026	9,279
County Court at Law Courts:										
Cases Added	6,122	5,075	5,390	5,328	4,555	4,488	4,341	4,373	3,797	3,609
Cases Disposed	5,466	3,608	4,393	4,946	3,380	3,467	4,336	4,185	3,204	3,400
Cases Pending	4,409	5,193	5,522	5,056	5,760	5,887	4,926	4,392	3,946	3,005
Justice of the Peace Courts:										
Cases Added	17,831	17,180	16,462	14,805	10,907	11,119	12,896	12,339	13,064	13,983
Cases Disposed	19,324	16,846	16,732	14,445	12,713	10,668	12,342	12,511	13,369	13,812
Law Enforcement										
Sheriff's Department:										
Average Daily Inmate Population (3)	605	675	656	653	580	575	642	714	800	752
Arrest Totals (3)	12,960	11,838	11,602	11,284	9,185	8,328	10,684	11,040	11,016	12,695
Human Services										
Cooperative Agricultural Extension Office: (4)										
Number of Educational Programs Conducted	903	1,050	980	1,005	582	299	351	339	311	413
Number of Participants in Educational Programs	359,003	390,165	219,252	233,440	93,416	44,663	46,480	26,770	13,219	108,262
Brazos Center:										
No. of Events held: (5)	748	764	656	700	290	1,190	411	494	486	452
Exposition Center:										
No. of Events held: (6)	175	167	197	195	138	220	199	168	161	150
No. of Events Days: (6)	373	367	453	402	293	456	508	534	502	425
Public Transportation										
Miles of Roads:										
Paved	376	384	387	382	382	382	383	386	389	390
Unpaved	108	97	97	97	97	97	96	94	94	94

(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)

<u>Function</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Government										
Office Buildings / Courthouse	6	7	6	7	8	7	8	8	9	10
Commissioner's Court:										
Vehicles	2	2	2	2	2	2	2	2	1	1
Risk Management Vehicle	0	0	0	0	0	0	1	1	1	1
Facility Services:										
Vehicles	22	23	17	23	24	24	25	25	25	25
Equipment	1	1	1	1	2	2	2	2	2	4
IT Vehicles	2	2	2	2	2	2	2	3	2	2
Fleet:										
Vehicles (1)	0	9	22	21	37	6	11	14	17	16
Heavy Equipment	0	0	0	0	0	0	1	0	0	0
Purchasing (Surplus) Vehicle	0	2	2	0	1	0	6	11	5	4
Justice System										
Office Buildings / Courthouse	2	3	4	3	3	3	3	3	3	3
County Attorney Vehicles	8	8	8	8	8	7	8	8	8	8
District Attorney Vehicles	4	4	4	4	3	2	5	5	5	5
Public Defender Vehicle	0	0	0	0	0	0	0	1	1	1
Law Enforcement										
Sheriff's Administration Facility	1	1	1	1	1	1	1	1	1	1
Sheriff's Detention Facility	1	1	1	1	1	1	1	1	1	1
Vehicles:										
Sheriff's	55	55	51	57	57	56	66	63	67	67
Sheriff's - Jail Division	24	21	21	22	25	21	19	18	19	20
Constable	27	26	27	30	29	31	31	30	30	30
Equipment:										
Sheriff's	2	2	2	2	2	0	9	9	11	9
Sheriff's - Jail Division	1	1	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	6	6	5	6	6	6	5	6	6	6
Brazos Center:										
Equipment	0	0	1	1	1	0	1	1	1	1
Emergency Management										
Vehicles	0	0	0	0	0	0	0	0	0	1
Exposition Center:										
Vehicles	4	4	4	4	5	5	4	4	5	4
Heavy Equipment	0	0	0	0	0	0	0	0	0	2
Equipment	13	14	15	16	15	10	21	20	26	29
Collection Citizen Sites	8	8	8	8	9	6	6	6	6	6
Public Transportation										
Road and Bridge Building	1	2	2	2	2	2	2	2	3	3
Road and Bridge Vehicles	54	53	58	61	58	58	62	58	61	56
Road and Bridge Heavy Equipment	82	84	84	94	92	96	84	87	93	96
County Roads (miles)	484	481	484	479	479	479	479	480	483	484
Bridges	69	69	69	70	70	70	72	73	72	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

Brazos County, Texas
General Long Term Debt Payable by Issue
September 30, 2025
(Unaudited)

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 Issued 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
2023 Series, Issued For: County Admin Building, County Courthouse, County BISD Building including parking lot, Brazos County Dispatch & Emergency Operations Center, Sheriff Department facilities including central receiving, and Payment of contractual obligations for professional services in connection with such projects	2.60 - 4.00 3/1 and 9/1	6/1/2023	9/1/2043	9,290,000
Limited Tax Refunding Bonds				
2017 Series, 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
General Obligation Bond				
2023 Series, Issued For: Improvements to public roads, bridges, and highways within the County, including acquisition of land and right-of-way, and Payment of contractual obligations for professional services in connection with such projects.	2.47 - 4.00 3/1 and 9/1	6/1/2023	9/1/2043	27,110,000
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>\$ 130,765,000</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 2024-2025		
Principal	Interest	Totals	Principal	Interest	Totals
\$ 2,410,000	\$ 188,888	\$ 2,598,888	\$ 560,000	\$ 90,650	\$ 650,650
7,925,000	1,668,250	9,593,250	525,000	275,750	800,750
20,095,000	3,637,024	23,732,024	1,040,000	541,144	1,581,144
8,805,000	4,136,900	12,941,900	300,000	417,550	717,550
16,290,000	1,968,250	18,258,250	3,855,000	932,937	4,787,937
25,710,000	12,846,550	38,556,550	875,000	1,269,800	2,144,800
-	-	-	1,090,000	20,928	1,110,928
<u>\$ 81,235,000</u>	<u>\$ 24,445,862</u>	<u>\$ 105,680,862</u>	<u>\$ 8,245,000</u>	<u>\$ 3,548,759</u>	<u>\$ 11,793,759</u>

**Brazos County, Texas
Debt Retirement by Years
September 30, 2025
(Unaudited)**

<u>Fiscal Year</u>	<u>Total Required Principal</u>	<u>Total Required Interest</u>	<u>Total Required</u>
2026	\$ 7,500,000	\$ 3,196,931	\$ 10,696,931
2027	7,830,000	2,849,731	10,679,731
2028	8,185,000	2,487,031	10,672,031
2029	4,425,000	2,106,819	6,531,819
2030	4,010,000	1,936,594	5,946,594
2031-2035	21,305,000	7,456,594	28,761,594
2036-2040	20,040,000	3,768,762	23,808,762
2041-2043	7,940,000	643,400	8,583,400
	<u>\$ 81,235,000</u>	<u>\$ 24,445,862</u>	<u>\$ 105,680,862</u>

Brazos County, Texas
Debt Retirement by Years (Continued)
September 30, 2025
(Unaudited)

Fiscal Year	Certificates of Obligation Principal				General Obligation Bonds Principal	Limited Tax Refunding Bonds Principal	Total
	2012 Issue	2017 Issue	2020 Issue	2023 Issue	2023 Issue	2017 Issue	
	2026	\$ 575,000	\$ 545,000	\$ 1,085,000	\$ 315,000	\$ 915,000	
2027	595,000	565,000	1,125,000	330,000	960,000	4,255,000	7,830,000
2028	610,000	590,000	1,170,000	350,000	1,010,000	4,455,000	8,185,000
2029	630,000	615,000	1,220,000	365,000	1,060,000	535,000	4,425,000
2030	-	630,000	1,265,000	385,000	1,115,000	615,000	4,010,000
2031-2035	-	3,450,000	6,790,000	2,235,000	6,465,000	2,365,000	21,305,000
2036-2040	-	1,530,000	7,440,000	2,830,000	8,240,000	-	20,040,000
2041-2043	-	-	-	1,995,000	5,945,000	-	7,940,000
	<u>\$2,410,000</u>	<u>\$7,925,000</u>	<u>\$20,095,000</u>	<u>\$ 8,805,000</u>	<u>\$ 25,710,000</u>	<u>\$ 16,290,000</u>	<u>\$81,235,000</u>

Brazos County, Texas
Debt Retirement by Years (Continued)
September 30, 2025
(Unaudited)

Fiscal Year	Certificates of Obligation Interest				General Obligation Bonds Interest	Limited Tax Refunding Bonds Interest	Total
	2012 Issue	2017 Issue	2020 Issue	2023 Issue	2023 Issue	2017 Issue	
2026	\$ 73,850	\$ 254,750	\$ 499,544	\$ 402,550	\$ 1,226,050	\$ 740,187	\$ 3,196,931
2027	56,600	232,950	456,144	386,800	1,180,300	536,937	2,849,731
2028	38,750	210,350	411,144	370,300	1,132,300	324,187	2,487,031
2029	19,688	186,750	364,343	352,800	1,081,800	101,438	2,106,819
2030	-	168,300	315,544	334,550	1,028,800	89,400	1,936,594
2031-2035	-	546,000	1,120,743	1,363,750	4,250,000	176,101	7,456,594
2036-2040	-	69,150	469,562	764,550	2,465,500	-	3,768,762
2041-2043	-	-	-	161,600	481,800	-	643,400
	<u>\$188,888</u>	<u>\$1,668,250</u>	<u>\$3,637,024</u>	<u>\$ 4,136,900</u>	<u>\$ 12,846,550</u>	<u>\$ 1,968,250</u>	<u>\$24,445,862</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)
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
2023	10,144,527	9,028,173	3,985,943	0.0401
2024	13,564,320	11,864,575	5,685,688	0.0407
2025	\$ 13,157,345	\$ 11,795,609	\$ 7,047,424	\$ 0.0379

(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, 2025, 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 13, 2026.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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*.

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 13, 2026



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 and State 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, 2025. 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, 2025.

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.

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 Auditor's 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.

Engram, Wallis + Company, P.C.

Bryan, Texas
March 13, 2026

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2025

Federal Assistance Listing Number	Grant Number	Program/Award Amount	Accounts Receivable (Payable) October 1, 2024	Receipts	Expenditures	Amount Provided to Subrecipients	Grant Funds Refunded in 2025	Accounts Receivable (Payable) September 30, 2025
U.S. Department of Justice								
16.606	FY24	126,716	\$ 126,716	\$ 85,984	\$ (40,732)	\$ -	\$ -	\$ -
16.606	FY25		126,716	85,984	(40,732)	-	-	-
Total Federal Assistance Listing Number - 16.606								
16.320	15POVC-22-GK-03684-HT	750,000	128,938	332,801	287,647	-	-	83,784
Total Federal Assistance Listing Number - 16.320								
Passed through City of College Station								
16.738	15PBIA-24-GG-05050-JAGX	6,578	-	6,578	6,578	-	-	-
Total Federal Assistance Listing Number - 16.738								
Total U.S. Department of Justice								
U.S. Department of Treasury								
21.027		44,521,550	(20,488,926)	-	13,078,112	-	-	(7,410,814)
Coronavirus State and Local Fiscal Recovery Funds								
Passed through Texas Indigent Defense Commission								
21.027	PB-22-021	1,924,465	338,267	520,659	190,519	-	-	8,127
21.027	212-25-C03	1,186,258	-	400,480	1,028,590	-	-	628,110
Total Federal Assistance Listing Number - 21.027								
Total U.S. Department of Treasury								
U.S. Department of Transportation								
Passed through State Department of Highways and Public Transportation								
20.205	50-24XF0024	673,271	113,590	113,590	-	-	-	-
20.205	50-25XF0024	521,025	-	331,489	447,730	-	-	116,241
Total Federal Assistance Listing Number - 20.205								
Passed through Federal Highway Administration								
20.939	693J032340208	210,000	81,200	81,200	-	-	-	-
Total Federal Assistance Listing Number - 20.939								
Total U.S. Department of Transportation								
				\$ 194,790	\$ 526,279	\$ 447,730	\$ -	\$ 116,241

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2025

Federal Assistance Listing Number	Grant Number	Program/ Award Amount	Accounts Receivable (Payable) October 1, 2024	Receipts	Expenditures	Amount Provided to Subrecipients	Grant Funds Refunded in 2025	Accounts Receivable (Payable) September 30, 2025
<u>Department of Homeland Security</u>								
<u>Passed through Office of the Governor</u>								
		Federal Grantor/Pass-Through Grantor/Program Title						
97.067	2957607	WEBEOC	\$ -	\$ 24,462	\$ 24,462	\$ -	\$ -	\$ -
		Total Federal Assistance Listing Number - 97.067	-	24,462	24,462	-	-	-
97.137	5231401	Cybersecurity Project	-	58,340	58,340	-	-	-
		Total Federal Assistance Listing Number - 97.137	-	58,340	58,340	-	-	-
		Total Department of Homeland Security	-	82,802	82,802	-	-	-
<u>U.S. Department of Health and Human Services</u>								
<u>Passed through the Texas Department of Family and Protective Services</u>								
93.658	HHS000285100040	Title IV-E-Legal (CPS)	42,340	42,340	-	-	-	-
	10/1/23-9/30/24							
93.658	HHS000285100040	Title IV-E-Legal (CPS)	-	50,444	59,328	-	-	8,884
	10/1/24-9/30/25							
93.658	HHS000285000041	Title IV-E-Foster Care Maintenance	2,507	2,507	-	-	-	-
	10/1/23-9/30/24							
93.658	HHS000285000041	Title IV-E-Foster Care Maintenance	-	1,196	2,212	-	-	1,016
	10/1/24-9/30/25							
		Total Federal Assistance Listing Number - 93.658	44,847	96,487	61,540	-	-	9,900
		Total U.S. Department of Health and Human Services	44,847	96,487	61,540	-	-	9,900
<u>U.S. Department of Agriculture</u>								
<u>Passed through the Texas Department of Agriculture</u>								
10.555	07/01/24-06/30/25	National School Lunch Program	9,135	53,427	44,292	-	-	-
10.555	07/01/25-06/30/26	National School Lunch Program	-	2,883	10,824	-	-	7,941
10.555	07/01/24-06/30/25	Food Services Division Commodities	-	6,746	6,746	-	-	-
		Total Federal Assistance Listing Number - 10.555	9,135	63,056	61,862	-	-	7,941
10.553	07/01/24-06/30/25	School Breakfast Program	5,853	34,086	28,233	-	-	-
10.553	07/01/25-06/30/26	School Breakfast Program	-	1,835	6,874	-	-	5,039
		Total Federal Assistance Listing Number - 10.553	5,853	35,921	35,107	-	-	5,039
		Total U.S. Department of Agriculture	14,988	98,977	96,969	-	-	12,980
		Total Federal Assistance	\$ (19,640,380)	\$ 2,151,047	\$ 15,239,755	\$ -	\$ -	\$ (6,551,672)

BRAZOS COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2025

State Grant or Program Title	Federal Assistance Listing Number	Grant Number	Program/Award Amount	Accounts Receivable (Payable)		Expenditures	Amount Provided to Subrecipients	Grant Funds Refunded in 2025	Accounts Receivable (Payable) September 30, 2025
				October 1, 2024	September 30, 2025				
<u>Texas Juvenile Justice Department</u>									
State Aid	N/A	TJJD-A-2025-021	\$ 1,433,083	\$ 119,421	\$ 1,313,662	\$ -	\$ -	\$ -	\$ -
		09/01/24-08/31/25							
State Aid	N/A	TJJD-A-2026-021	1,481,362	-	123,446	-	-	-	123,446
		09/01/25-08/31/26							
State Aid - Salary Supplemental	N/A	TJJD-SS-2025-021	495,143	41,262	453,881	-	-	-	-
		09/01/24-08/31/25							
State Aid - Salary Supplemental	N/A	TJJD-SS-2026-021	709,894	-	59,158	-	-	-	59,158
		09/01/25-08/31/26							
State Aid - Grant R Regionalization	N/A	TJJD-RR-2024-021	30,565	-	30,565	-	-	-	-
		09/01/24-08/31/25							
State Aid - Supplemental & Emergent	N/A	TJJD-SE-2024-021	3,150	-	3,150	-	-	-	-
		09/01/25-08/31/26							
JJAEP	N/A	TJJD-P-2025-021	9,632	-	9,632	-	-	-	-
		09/01/24-08/31/25							
Regional Diversion Alternatives Program	N/A	TJJD-R-2024-021	7,750	7,750	-	-	-	-	-
		09/01/23-08/31/24							
Regional Diversion Alternatives Program	N/A	TJJD-RR-2025-021	7,966	7,966	-	-	-	-	-
		09/01/24-08/31/25							
<u>Office of the Attorney General</u>									
SAVNS Program	N/A	C-01008	30,285	15,143	-	-	-	-	-
		C-01650	31,194	-	31,194	-	-	-	7,798
				15,143	31,194	-	-	-	7,798
<u>Office of the Governor, Criminal Justice Division</u>									
Brazos County Specialty Court	N/A	4692001	158,004	19,494	-	-	-	-	-
		4692002	160,654	3,190	68,855	-	-	-	22,618
Brazos County Specialty Court	N/A	5117701	103,955	-	103,955	-	-	-	-
		5134301	15,352	-	15,352	-	-	-	-
Brazos County Rifle-Resistant Body Armor Program	N/A		22,684	188,228	188,162	-	-	-	22,618
<u>Texas Veterans Commission</u>									
Veterans Mental Health Program Clinical Counseling	N/A	G-2023-2018004978	5,000	-	2,850	-	-	-	-
		G-2023-2018004954	5,000	-	1,968	-	-	-	-
General Assistance Program	N/A				4,818	-	-	-	-
<u>Texas Comptroller of Public Accounts</u>									
SB22 Rural Law Enforcement - Sheriff's Office	N/A	IA-0000000100	500,000	(8,241)	-	-	-	-	(8,241)
		09/01/23-08/31/24							
SB22 Rural Law Enforcement - Sheriff's Office	N/A	IA-0000000833	500,000	-	500,000	-	-	-	(14,115)
		09/01/24-08/31/25							
SB22 Rural Law Enforcement - County Attorney	N/A	IA-0000000872	275,000	-	275,000	-	-	-	-
		09/01/24-08/31/25							
SB22 Rural Law Enforcement - District Attorney	N/A	IA-0000000868	275,000	-	275,000	-	-	-	-
		09/01/24-08/31/25							
Total State Assistance				(8,241)	1,050,000	1,035,885	-	-	(22,356)
Total Federal and State Assistance				205,985	3,268,854	3,253,533	-	-	190,664
			\$ (19,434,395)	\$ 5,419,901	\$ 18,493,288	\$ -	\$ -	\$ -	\$ (6,361,008)

BRAZOS COUNTY, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. In fiscal year ended September 30, 2025, the County received \$6,746 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 - \$14,297,221

BRAZOS COUNTY, TEXAS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2025

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: *unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes X 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>
21.027	Coronavirus State and Local Fiscal Recovery Funds (Major Federal Program)
N/A	SB22 Rural Law Enforcement Grant (Major State of Texas Program)

Dollar threshold used to distinguish between type A and type B federal programs: \$1,000,000

Dollar threshold used to distinguish between type A and type B state programs: \$1,000,000

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, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

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.

BRAZOS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

SECTION III – FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

2024-01 Non-Compliance with Requirements of Suspension & Debarment

Program Title: Rural Law Enforcement Salary Assistance Program
Agency: Texas Comptroller of Public Accounts
Contract No.: IA-0000000100
Contract Period: 2/26/24-9/30/24

Criteria: The Rural Law Enforcement Sheriff's Office Salary Assistance funding agreement states that the Texas Grant Management standards (TxGMS) apply to this grant. In accordance with TxGMS (page 70), the County must check all recipients for suspension and debarment before payments are made to the recipients

Condition: During review of this compliance requirement, twelve instances of noncompliance were noted. There were seven 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. Brazos County did not save documentation of the searches that were 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 22 expenditures made under the Rural Law Enforcement Sheriff's Office Salary 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 finding was due to an oversight when a purchase order was being approved, and the Purchasing department did not realize it was grant funds or the debarment check was not saved in error. The vendors in question did have debarment checks prior to and after dates of service being reviewed showing the vendor was in good standing.

Corrective Action Planned: The County will implement a new procedure requiring debarment check documentation attached to all invoices that are submitted and paid from grant funds. This procedure will ensure that all vendors being paid with grant funds are in good status prior to any payment being issued.

BRAZOS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS - CONTINUED

Status: Corrective action was taken during fiscal year 2025.



Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

March 13, 2026

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

We have audited 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"), for the year ended September 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and the State of Texas *Grant Management Standards* (TxGMS), which includes the State of Texas *Single Audit Circular*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated August 5, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note 1 to the financial statements. As described in Note 1-E to the financial statements, in fiscal year 2025, the County evaluated and/or implemented the following new standards: 1.) GASB Statement No. 101, "Compensated Absences," and 2.) GASB Statement No. 102, "Certain Risk Disclosures." We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the County's financial statements were management's estimate of its net pension liability and its total OPEB liability.

Management's estimate of its net pension liability is based on reports received from the Texas County and District Retirement System (TCDRS). The net pension liability reported by TCERS is based on actuarial valuations that utilize various assumptions including the remaining amortization period, discount rate, expected rates of investment return, salary increases, payroll growth rates and mortality rates. The financial statements of the TCERS plan were audited and received an unmodified opinion. We evaluated the audited financial statements, census data submitted by the County to TCERS, and the County's controls over the census submission process that were used to develop the estimate of its net pension liability to determine that the estimate is reasonable in relation to the financial statements taken as a whole.

Management's estimate of its total OPEB liability is based on actuarial valuations that utilize various assumptions. We evaluated the process that was used to develop the estimate of its total OPEB liability to determine that the estimate is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No material misstatements were noted.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representation

We have requested certain representations from management that are included in the management representation letter dated March 13, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our

professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, pension plan information, other post-employment benefits information, infrastructure condition data, general fund budgetary comparison information, local provider participation fund budgetary comparison information, and grant fund budgetary comparison information which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual nonmajor fund financial statements, budgetary comparison schedules, and schedule of expenditures of federal and state awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Commissioners' Court and management of the County and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Ingram, Wallis + Company, P.C.
Ingram, Wallis & Company, P.C.

APPENDIX B

FORMS OF OPINIONS OF BOND COUNSEL

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June 16, 2026

**BRAZOS COUNTY, TEXAS
GENERAL OBLIGATION BONDS, SERIES 2026
IN THE ORIGINAL PRINCIPAL AMOUNT OF \$6,760,000**

We have acted as “Bond Counsel” to Brazos County, Texas (the “County”) in connection with the issuance of the general obligation bonds described above (the “Bonds”) for the purpose of rendering an opinion with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes. We have not investigated or verified original proceedings, records, data, or other material, but we have relied solely upon the transcript of certified proceedings, certifications, and other documents described in the following paragraph. We have not assumed any responsibility with respect to the financial condition or capabilities of the County or the disclosure thereof in connection with the sale of the Bonds. We have relied solely on information and certifications furnished to us by the County with respect to the current outstanding indebtedness of, and assessed valuation of taxable property within, the County.

In our capacity as Bond Counsel, we have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the Bonds that contains certified copies of certain proceedings of the Commissioners Court of the County (the “Court”); an order of the Court authorizing the Bonds adopted on May 19, 2026 (the “Order”); the approving opinion of the Attorney General of the State of Texas; the Official Notice of Sale; the awarded bid; customary certificates of officers, agents, and representatives of the County (including a “Federal Tax Certificate”) and other public officials; and other documents relating to the issuance of the Bonds. In such examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies, and the truth and accuracy of the statements contained in such certificates. We have also examined applicable provisions of the Internal Revenue Code of 1986, as amended (the “Code”), court decisions, Treasury Regulations, and published rulings of the Internal Revenue Service (the “Service”) as we have deemed relevant. We have also examined executed Bond No. I-1.

Based on said examination and in accordance with customary legal opinion practice, it is our opinion that:

1. The County is a validly existing political subdivision of the State of Texas with power to adopt the Order, perform its agreements therein, and issue the Bonds.
2. The Bonds have been authorized, sold, and delivered in accordance with law.
3. The Bonds constitute valid and legally binding obligations of the County enforceable in accordance with their terms except as the enforceability thereof may be limited by principles of sovereign immunity and bankruptcy, insolvency, reorganization, moratorium, liquidation, and other similar laws now or hereafter enacted relating to creditors’ rights generally.

4. Ad valorem taxes, within legal limitations, upon all taxable property within the County, necessary to pay the interest on and principal of the Bonds, have been pledged irrevocably for such purpose.

5. Interest on the Bonds will be excludable from gross income for federal income tax purposes under section 103 of the Code and is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest may be taken into account in determining the “annual adjusted financial statement income” (as defined in section 56A of the Code) of “applicable corporations” (as defined in section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations.

In rendering these opinions, we have relied upon representations and certifications of the County, the County’s financial advisor, and the initial purchaser of the Bonds with respect to matters solely within the knowledge of such parties, respectively, which we have not independently verified, and we assume continuing compliance by the County with covenants pertaining to those sections of the Code which affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. If such representations and certifications are determined to be inaccurate or incomplete, or the County fails to comply with the foregoing covenants, interest on the Bonds could become includable in gross income retroactively to the date of issuance of the Bonds, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any other federal, state, or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on or the acquisition, ownership, or disposition of the Bonds.

We call your attention to the fact that the ownership of obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, property and casualty insurance companies, life insurance companies, certain foreign corporations doing business in the United States, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust, certain S corporations with Subchapter C earnings and profits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred expenses allocable to, tax-exempt obligations.

The Service has an ongoing audit program to determine compliance with rules relating to whether interest on state or local obligations is excludable from gross income for federal income tax purposes. No assurance can be given regarding whether or not the Service will commence an audit of the Bonds. If such an audit is commenced, under current procedures, the Service would treat the County as the taxpayer, and owners of the Bonds would have no right to participate in the audit process. We observe that the County has covenanted not to take any action, or omit to take any action within its control, that, if taken or omitted, respectively, may result in the treatment of interest on the Bonds as includable in gross income for federal income tax purposes.

The opinions set forth above are based on existing laws of the United States and the State of Texas, which are subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not binding on the Service; rather, such opinions represent our legal judgment based on our review of existing law, and are made in reliance on the representations and covenants referenced above that we deem relevant to such opinions.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement relating to the Bonds or the marketability of the Bonds.

This legal opinion expresses the professional judgment of this firm as to the legal issues explicitly addressed therein and is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. In rendering a legal opinion, we do not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of our opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Respectfully submitted,

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June 16, 2026

**BRAZOS COUNTY, TEXAS
CERTIFICATES OF OBLIGATION, SERIES 2026
IN THE ORIGINAL PRINCIPAL AMOUNT OF \$36,175,000**

We have acted as “Bond Counsel” to Brazos County, Texas (the “County”) in connection with the issuance of the certificates of obligation described above (the “Certificates”) for the purpose of rendering an opinion with respect to the legality and validity of the Certificates under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Certificates from gross income for federal income tax purposes. We have not investigated or verified original proceedings, records, data, or other material, but we have relied solely upon the transcript of certified proceedings, certifications, and other documents described in the following paragraph. We have not assumed any responsibility with respect to the financial condition or capabilities of the County or the disclosure thereof in connection with the sale of the Certificates. We have relied solely on information and certifications furnished to us by the County with respect to the current outstanding indebtedness of, and assessed valuation of taxable property within, the County.

In our capacity as Bond Counsel, we have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the Certificates that contains certified copies of certain proceedings of the Commissioners Court of the County (the “Court”); an order of the Court authorizing the Certificates adopted on May 19, 2026 (the “Order”); the approving opinion of the Attorney General of the State of Texas; the Official Notice of Sale; the awarded bid; customary certificates of officers, agents, and representatives of the County (including a “Federal Tax Certificate”) and other public officials; and other documents relating to the issuance of the Certificates. In such examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies, and the truth and accuracy of the statements contained in such certificates. We have also examined applicable provisions of the Internal Revenue Code of 1986, as amended (the “Code”), court decisions, Treasury Regulations, and published rulings of the Internal Revenue Service (the “Service”) as we have deemed relevant. We have also examined executed Certificate No. I-1.

Based on said examination and in accordance with customary legal opinion practice, it is our opinion that:

1. The County is a validly existing political subdivision of the State of Texas with power to adopt the Order, perform its agreements therein, and issue the Certificates.
2. The Certificates have been authorized, sold, and delivered in accordance with law.
3. The Certificates constitute valid and legally binding obligations of the County enforceable in accordance with their terms except as the enforceability thereof may be limited by principles of sovereign

immunity and bankruptcy, insolvency, reorganization, moratorium, liquidation, and other similar laws now or hereafter enacted relating to creditors' rights generally.

4. Ad valorem taxes, within legal limitations, upon all taxable property within the County, necessary to pay the interest on and principal of the Certificates, have been pledged irrevocably for such purpose. Additionally, \$1,000 of certain of the revenues received by the County from the operation of the Brazos Center have been pledged to the payment of the Certificates solely to permit the sale of the Certificates for cash as required by applicable Texas law.

5. Interest on the Certificates will be excludable from gross income for federal income tax purposes under section 103 of the Code and is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest may be taken into account in determining the "annual adjusted financial statement income" (as defined in section 56A of the Code) of "applicable corporations" (as defined in section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations.

In rendering these opinions, we have relied upon representations and certifications of the County, the County's financial advisor, and the initial purchaser of the Certificates with respect to matters solely within the knowledge of such parties, respectively, which we have not independently verified, and we assume continuing compliance by the County with covenants pertaining to those sections of the Code which affect the exclusion from gross income of interest on the Certificates for federal income tax purposes. If such representations and certifications are determined to be inaccurate or incomplete, or the County fails to comply with the foregoing covenants, interest on the Certificates could become includable in gross income retroactively to the date of issuance of the Certificates, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any other federal, state, or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on or the acquisition, ownership, or disposition of the Certificates.

We call your attention to the fact that the ownership of obligations such as the Certificates may result in collateral federal tax consequences to, among others, financial institutions, property and casualty insurance companies, life insurance companies, certain foreign corporations doing business in the United States, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust, certain S corporations with Subchapter C earnings and profits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred expenses allocable to, tax-exempt obligations.

The Service has an ongoing audit program to determine compliance with rules relating to whether interest on state or local obligations is excludable from gross income for federal income tax purposes. No assurance can be given regarding whether or not the Service will commence an audit of the Certificates. If such an audit is commenced, under current procedures, the Service would treat the County as the taxpayer, and owners of the Certificates would have no right to participate in the audit process. We observe that the County has covenanted not to take any action, or omit to take any action within its control, that, if taken or omitted, respectively, may result in the treatment of interest on the Certificates as includable in gross income for federal income tax purposes.

The opinions set forth above are based on existing laws of the United States and the State of Texas, which are subject to change. Such opinions are further based on our knowledge of facts as of the

date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not binding on the Service; rather, such opinions represent our legal judgment based on our review of existing law, and are made in reliance on the representations and covenants referenced above that we deem relevant to such opinions.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement relating to the Certificates or the marketability of the Certificates.

This legal opinion expresses the professional judgment of this firm as to the legal issues explicitly addressed therein and is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. In rendering a legal opinion, we do not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of our opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Respectfully submitted,