

City of Bryan, Texas

Federal Single Audit Report

For the Fiscal Year Ended September 30, 2025



City of Bryan, Texas
Federal Single Audit Report
For the Fiscal Year Ended September 30, 2025
Table of Contents

Page
Number

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	3
Schedule of Expenditures of Federal Awards	6
Notes to Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	9
Summary Schedule of Prior Audit Findings	11

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Honorable Mayor
and Members of the City Council of the
City of Bryan, Texas

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bryan, Texas (the City) as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 24, 2026.

The financial statements of Destination Bryan, a blended component unit of the City, were not audited in accordance with *Government Auditing Standards*. In addition, our report on the City's financial statements includes a reference to other auditors who audited the financial statements of City of Bryan and Brazos County Economic Development Foundation, Inc. and Brazos Valley Solid Waste Management Agency, Inc., joint ventures of the City, and Bryan Business Council, Inc., a discretely presented component unit of the City, as described in our report on the City's financial statements. The financial statements of these organizations were not audited in accordance with *Government Auditing Standards*. Accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with these organizations which were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City'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.

The Honorable Mayor
and Members of the City Council of the
City of Bryan, Texas

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
March 24, 2026

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the Honorable Mayor
and Members of the City Council of the
City of Bryan, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Bryan, Texas' (the City) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the fiscal year ended September 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The City's financial statements include the operations of City of Bryan and Brazos County Economic Development Foundation, Inc. and Brazos Valley Solid Waste Management Agency, Inc., joint ventures of the City, and Bryan Business Council, Inc., a discretely presented component unit of the City. Our compliance audit, described below, did not include the operations of these organizations because these organizations were audited by other auditors.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City 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 program. Our audit does not provide a legal determination of the City'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 City's federal programs.

The Honorable Mayor
and Members of the City Council of the
City of Bryan, Texas

Auditor's 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 City'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 GAAS, *Government Auditing Standards*, and the Uniform Guidance 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 City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 City'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 City'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, but not for the purpose of expressing an opinion on the effectiveness of the City'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.

The Honorable Mayor
and Members of the City Council of the
City of Bryan, Texas

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. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the fiscal year ended September 30, 2025 and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 24, 2026 which contained unmodified opinions on those financial statements and a reference to other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
March 24, 2026

City of Bryan, Texas

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended September 30, 2025

Federal Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Assistance Listing Number	Total Federal Expenditures
U.S. DEPARTMENT OF COMMERCE			
Direct Awards:			
Economic Development Cluster:			
Texas Triangle Industrial Infrastructure Project		11.307	\$ 361,132
TOTAL U.S. DEPARTMENT OF COMMERCE			361,132
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct Awards:			
Community Development Block Grant Entitlement Grants Cluster:			
Community Development Block Grant 2021		14.218	127,824
Community Development Block Grant 2022		14.218	229,490
Community Development Block Grant 2023		14.218	478,306
Community Development Block Grant 2024		14.218	305,021
Total Community Development Block Grant Entitlement Grants Cluster			1,140,641
Home Investment Partnership 2021		14.239	19,495
Home Investment Partnership 2022		14.239	66,589
Home Investment Partnership 2023		14.239	81,151
Home Investment Partnership 2024		14.239	34,912
Total Home Investment Partnership			202,147
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			1,342,788
U.S. DEPARTMENT OF INTERIOR			
Direct Awards:			
Historic Preservation Fund Grants-In-Aid		15.904	194
TOTAL U.S. DEPARTMENT OF INTERIOR			194
U.S. DEPARTMENT OF JUSTICE			
Passed through City of College Station:			
Edward Byrne Memorial Justice Assistance Grant Program 2023	4029001	16.738	6,836
Edward Byrne Memorial Justice Assistance Grant Program 2024	4029001	16.738	22,907
Total Edward Byrne Memorial Justice Assistance Grant Program			29,743
TOTAL U.S. DEPARTMENT OF JUSTICE			29,743
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through Texas Department of Transportation:			
COVID-19 - Airport Relief Grant	21CRBRYAN	20.106	13,000
Airport Rescue Grant 2021	22CVBRYAN	20.106	32,000
Total Airport Grant Program			45,000
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			45,000
U.S. DEPARTMENT OF TREASURY			
Direct Awards:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds		21.027	5,319,916
TOTAL U.S. DEPARTMENT OF TREASURY			5,319,916
U.S. DEPARTMENT OF HOMELAND SECURITY			
Direct Awards:			
Assistance to Firefighters Grant (AFG) Health & Wellness & Training 2022		97.044	268,147
SAFER Grant 2023		97.083	382,304
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			650,451
TOTAL FEDERAL AWARDS EXPENDED			\$ 7,749,224

The Notes to Schedule of Expenditures of Federal Awards are an integral part of this schedule.

City of Bryan, Texas

Notes to Schedule of Expenditures of Federal Awards

Note 1. General

The accompanying schedule of expenditures of federal awards presents the activity of all applicable federal awards of the City of Bryan, Texas (the City). The City's reporting entity is defined in Note 1 to the City's basic financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in this schedule. The information on this schedule is prepared in accordance with the 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).

Note 2. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental fund types are accounted for using the current financial resources measurement focus. All federal grant funds were accounted for in a special revenue fund, a type of governmental fund, or general fund. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing resources) and decreases (i.e. expenditures and other financing uses) in fund balance.

The modified accrual basis of accounting is used for the governmental fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual (i.e. both measurable and available); and, expenditures in the accounting period in which the fund liability is incurred, if measurable. Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and accordingly when such funds are received, they are recorded as deferred revenues until earned.

The City has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. Availability of Federal Grant Funds

The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 90 days beyond the federal project period ending date, in accordance with provisions of the *OMB Compliance Supplement*.

Note 4. Relationship to Federal Financial Reports

Grant expenditures reports as of September 30, 2025, which have been submitted to grantor agencies will, in some cases, differ slightly from amounts disclosed herein. The reports prepared for grantor agencies are typically prepared at a later date and often reflect refined estimates of year-end accruals. The reports will agree at termination of the grant as the discrepancies noted are timing differences.

City of Bryan, Texas

Notes to Schedule of Expenditures of Federal Awards

Note 5. Loans Outstanding

The City had the following loan balance outstanding as of September 30, 2025 under the United States Environmental Protection Agency Capitalization Grants for Drinking Water State Revolving Funds program (passed through the Texas Water Development Board).

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Loan Balance September 30, 2024</u>	<u>Repayments</u>	<u>Loan Balance September 30, 2025</u>
Capitalization Grants for Clean Water State Revolving Funds	66.468	\$ 4,955,000	\$ 900,000	\$ 4,055,000

Loans received under this program do not have continuing compliance requirements. There were no expenditures during the year ended September 30, 2025 related to this loan program.

City of Bryan, Texas

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended September 30, 2025

Section 1. Summary of Auditor's Results

Financial Statements

- 1. Type of auditor's report issued Unmodified

- 2. Internal Control over Financial Reporting:
 - a. Material Weakness(es) identified? No

 - b. Significant Deficiency(ies) identified that are not considered to be material weaknesses? None reported

- 3. Noncompliance material to Financial Statements noted? No

Federal Awards

- 4. Internal control over major programs:
 - a. Material Weakness(es) identified? No

 - b. Significant Deficiency(ies) identified that are not considered to be material weaknesses? None reported

- 5. Type of auditor's report issued on compliance with major programs Unmodified

- 6. Any audit findings disclosed that are required to be reported in accordance with Section 516(a) of the Uniform Guidance? No

- 7. Identification of Major Federal Programs COVID-19 - Coronavirus State and Local Fiscal Recovery Funds – 21.027

- 8. Dollar threshold used to distinguish between Type A and Type B federal programs \$1,000,000

- 9. Auditee Qualified as a Low-Risk Auditee? No

City of Bryan, Texas

Schedule of Findings and Questioned Costs - Continued
For the Fiscal Year Ended September 30, 2025

Section 2. Financial Statement Findings

None reported

Section 3. Federal Award Findings and Questioned Costs

None reported



Prior Year Findings

Finding 2024-001:

Material Weakness in Financial Reporting: Maintenance and Accuracy of Capital Asset Reconciliation

This has been completed.

Finding 2024-002:

Significant Deficiency in Financial Reporting: Timeliness and Accuracy of Account Reconciliations

This has been completed.