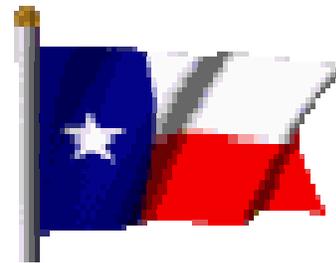
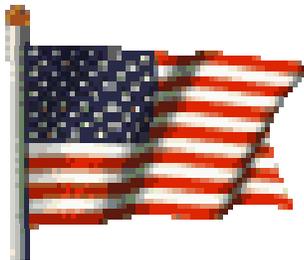
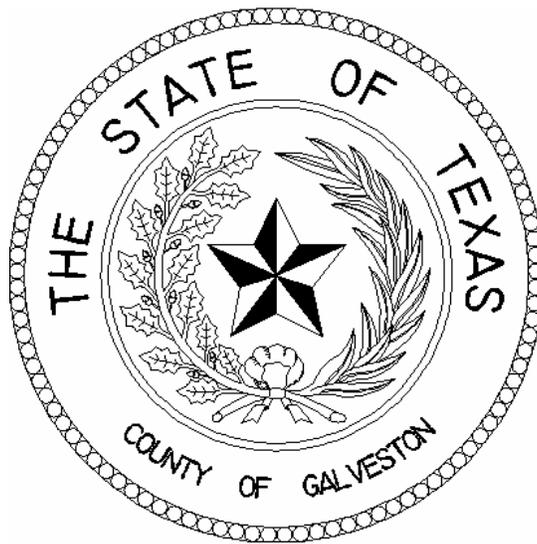


# **Galveston County, Texas**

## **COMPREHENSIVE**

## **ANNUAL FINANCIAL REPORT**



**FOR THE YEAR ENDED**  
**SEPTEMBER 30, 2004**



GALVESTON COUNTY, TEXAS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the fiscal year ended  
September 30, 2004

Prepared by:  
The Galveston County, Texas, Auditor's Office



The Headquarters of the Department of  
Parks and Senior Services, La Marque

Galveston County, Texas  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended September 30, 2004

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**Cliff Billingsley, CPA**  
**County Auditor**

**THE COUNTY OF GALVESTON**  
**COUNTY AUDITOR'S OFFICE**  
P.O. Box 1418  
Galveston, TX 77553-1418

**Ron Chapa, CPA**  
**First Assistant County Auditor–**  
**Director of Internal Audit**

**Freeman Mendell**  
**First Assistant County Auditor–**  
**Director of IT Systems**

**Jeff Modzelewski, CPA**  
**First Assistant County Auditor–**  
**Director of Accounting**

March 21, 2005

To the Honorable District Judges of Galveston County:

David E. Garner, 10<sup>th</sup> Judicial District  
Lonnie Cox, 56<sup>th</sup> Judicial District  
John A. Ellisor, Jr., 122<sup>nd</sup> Judicial District  
Susan E. Criss, 212<sup>th</sup> Judicial District  
Janis L. Yarbrough, 306<sup>th</sup> Family District  
Wayne J. Mallia, 405<sup>th</sup> Judicial District;

to the Honorable Members of the Galveston County Commissioners' Court:

James D. Yarbrough, County Judge  
Patrick Doyle, Commissioner - Precinct 1  
Edward A. Janek, Commissioner - Precinct 2  
Stephen D. Holmes, Commissioner - Precinct 3  
Kenneth D. Clark, Commissioner - Precinct 4;

and to the Citizens of Galveston County:

The Galveston County, Texas, Auditor's Office, as required by *Texas Local Government Code* §114.025, is pleased to have prepared and to now issue this Comprehensive Annual Financial Report of the County of Galveston, Texas (the "county"), for the fiscal year ended September 30, 2004.

This report consists of the county's representations concerning its finances. Consequently, the county assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the county has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the county's financial statements in conformity with generally accepted accounting principles ("GAAP"). 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 financial statements will be free from material misstatement. The county asserts that, to the best of its knowledge and belief, this financial report is complete and reliable in all material respects.

The county's financial statements have been audited by Null-Lairson, PC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the

financial statements of the county for the fiscal year ended September 30, 2004, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by the county; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the county's financial statements for the fiscal year ended September 30, 2004, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the Financial Section of this report.

The independent audit of the financial statements of the county was part of a broader "Single Audit," which was federally mandated by the Single Audit Act of 1984 and the United States Office of Management and Budget's *Circular No. A-133: Audits of States, Local Governments, and Non-Profit Organizations*. The Single Audit, designed to meet the special needs of federal grantor agencies, includes a Schedule of Expenditures of Federal Awards. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, especially those which involve the administration of federal awards. The report therefore also includes a Schedule of Findings and Questioned Costs. The Single Audit Report is available from the Galveston County Auditor's Office, P.O. Box 1418, Galveston, TX 77553-1418.

GAAP require that the county provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (the "MD&A"). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The county's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Government**

The county is a public corporation and political subdivision, organized and existing under the Constitution and laws of the State of Texas. It was established on May 15, 1838, by an article approved by the President of the Republic of Texas, Sam Houston. It is located on the upper Texas coast of the Gulf of Mexico and comprises a land area of 430 square miles. The county's land area includes Galveston Island (the "Island"), thirty-two miles long and situated two miles off the coast; a portion of the nearby mainland (the "mainland"); and the Bolivar Peninsula, northeast of the Island across the entrance to Galveston Bay. The county seat is the City of Galveston, located on the northern end of the Island and covering slightly more than forty-seven square miles.

The county has no legislative, and only restricted administrative and judicial, powers. The Galveston County, Texas, Commissioners' Court (the "Commissioners' Court") is the county's governing body. The Commissioners' Court is elected by county voters and comprises the County Judge – the presiding officer, who serves a four-year term - and four County Commissioners who represent the four precincts into which the county is divided. The Commissioners' Court holds only such powers as are conferred upon it by the Texas Constitution or statutes or by necessary implication therefrom.

The county provides a full range of services in the areas of public safety, health and social welfare, culture and recreation, conservation, and roads, bridges, and rights-of-way, in addition to general administration. Certain road construction and maintenance is performed by the legally separate Galveston County Road District #1, which functions, in essence, as a department of the county and which therefore has been included as an integral part of the county's financial statements. The county also is financially accountable for a legally separate health district, which is reported separately within the county's financial statements. Additional information on both of these legally separate entities is located in the Notes to the Financial Statements.

Budgets serve as the foundation for the county's financial planning and control. Budget preparation crystallizes during the third quarter of each fiscal year when departments draft requests for appropriations and submit them to the County Budget Officer. The Commissioners' Court is eventually presented a proposed county budget, holds a public hearing to discuss – and possibly alter – these tentative amounts, and finally adopts the approved budget version by a majority vote at a regularly scheduled meeting. Budget-to-actual comparisons are provided in this report for many of the county's funds, whether those budgets were prepared on an annual, project-length, or other basis.

### **Factors Affecting Financial Condition**

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

**Local economy.** The county currently enjoys a favorable economic environment, and local indicators point to continued stability.

#### *Business*

The region's diversified commercial, industrial, and manufacturing base adds to the relative stability of the unemployment rate. Major industries represented within, or in close proximity to, the government's boundaries include oil and gas production, petrochemical processing, maritime shipping, agriculture, fishing, the teaching and practice of medicine, banking, insurance, and cruise- and land-based tourism.

Galveston's deep-water port, located on the Island at the entrance to Galveston Bay, is among the largest dry-cargo ports in the United States. A wide variety of exports and imports passes through its facilities. The port owns and operates public wharves, both open and covered storage facilities, warehouses, and multiple freight-handling facilities, including a container terminal and a grain elevator.

The oldest medical school in the state, the Island's University of Texas Medical Branch, is also one of the largest in the nation based upon student enrollment. Established in 1891, headquartered on the Island's northern end, and now a major employer, this health-science center is dedicated to a three-fold mission of scholarly teaching, state-of-the-art patient care, and innovative scientific investigation.

The mainland cities of Texas City and La Marque have long been home to important industrial corporations. Among those firms are Union Carbide Corporation, B.P.-Amoco, Marathon Ashland Petroleum, Valero Refining Company, Sterling Chemicals, Inc., Amoco Oil Company, and International Specialty Products.

Tourism is an important presence in the county's economy. The Island's seashore, its historic downtown and residential districts, and its burgeoning cruise industry attract growing numbers of visitors, who in turn fuel the growth of hotels and motels, restaurants, shops, and museums. On the mainland, La Marque's Gulf Greyhound Park and Clear Lake City's Johnson Space Center are popular attractions.

#### *Culture and Recreation*

The county profits from the availability of a wealth of year-round cultural, historical, and recreational activities.

To those seeking relaxation, the Island offers the pleasures of Sea Wolf Park, R.A. Apffel Park, Stewart Beach Park, and Galveston Island State Park, as well as alcohol-free beaches stretching from 10<sup>th</sup> Street to 61<sup>st</sup> Street along the Island's famous Seawall Boulevard. The Island is also rich in culture and history, and it showcases both in numerous venues which are open to the public, including the restored mansions of Ashton Villa, the Bishop's Palace, and Moody Mansion; the Galveston Arts Center; and museums such

as the Galveston County Historical Museum, Railroad Museum, Lone Star Flight Museum, and Texas Seaport Museum, this last the home of the restored 1877 iron barque, *Elissa*.

Other Island attractions include the Downtown/Strand, East End, and Silk Stocking Historical Districts, which exhibit one of the nation's finest collections of restored commercial and residential Victorian architecture, and annual events such as Mardi Gras, the Oleander Festival, the Spring Homes Tour, the ARToberFEST art festival, the Grand 1894 Opera House's Grand Kids Festival, and Dickens on the Strand, which in the aggregate draw many thousands of visitors.

The Island is also home to exotic Moody Gardens. This complex houses the Moody Gardens Convention Center with its 75,000 square feet of meeting space; a luxury, 300-room hotel; the ten-story Rainforest Pyramid featuring lush African, Asian, and American rainforests; the IMAX 3-D movie theater; the Discovery Pyramid with an IMAX "RideFilm" and interactive displays; and a fifteen-story saltwater Aquarium with several marine habitats, including a King Penguin exhibit.

Off the Island, the Galveston Bay/Clear Lake region is the "boating capital of Texas," harboring one of the largest fleets of pleasure craft in the United States, while the Texas City Dike, which extends five miles from the mainland into Galveston Bay, offers a beach and a fishing pier along with boat-launching, camping, and other service facilities. Across the mouth of Galveston Bay from the Island, Port Bolivar on the Bolivar Peninsula is a haven for beachcombers and fishermen.

The City of La Marque is home to the world-class Gulf Greyhound Park, a dog-racing track and one of the largest employers in the county, which opened in 1992 and includes a clubhouse with full-service dining.

In Clear Lake City, about mid-way between the Island and Houston in southern Harris County, is NASA's Johnson Space Center. This facility's Space Center Houston, a \$70 million state-of-the-art attraction designed by Walt Disney, offers a "hands-on" way to experience the story of human space exploration and also provides behind-the-scene tours of the Johnson Space Center complex. Features include: a giant-screen theater; the Mercury, Gemini, and Apollo spacecraft; in-person appearances by active astronauts; hands-on simulators; and live demonstrations daily.

### *Major Initiatives*

The county is in the midst of an exciting period of development on a number of fronts:

- Construction progresses on the new county courthouse, jail, and public safety building on the Island's Broadway. The project is expected to be completed in 2006. As the new facilities are occupied, office space left vacant in the former courthouse will be remodeled, and departments currently housed in the county-owned Ray Holbrook Courthouse Annex and in leased space at Shearn Moody Plaza will be consolidated into that building.
- Capital investment in infrastructure, financed by recent-year bond issuances, continues. One noteworthy future project will be the installation of fiber-optic cable along the Island's Broadway from 59<sup>th</sup> to 6<sup>th</sup> Streets. The cable is the first step in upgrading traffic signals along this major thoroughfare to enhance traffic flow, a matter of increasing importance as congestion grows with the completion and occupancy of the new courthouse complex.
- A new County Emergency Operations Center in Dickinson is projected to open in April, 2005, and will incorporate the latest technology in natural-disaster defense. The center is an example of cooperation among different entities with related goals, as it will house the Galveston County Office of Emergency Management, the Galveston County Emergency Communication District, state emergency management offices, and offices of the National Weather Service.

- League City has attracted the relocation of energy giant BP's North American Olefins and Polymers Operating Unit from Chicago, slated for 2005. The business is projected to bring with it 156 high-wage positions with an average annual salary of \$112,000 and an estimated annual positive economic impact of \$24 million. The BP unit will occupy 40,000 square feet of office space in the Marina View Building at South Shore Harbor, overlooking Clear Lake.
- League City also anticipates, as this report goes to print, the imminent opening of Big League Dreams, a multi-sport recreational complex that will feature: scaled-down replicas of six famous baseball parks surrounding two sports-themed restaurants; an indoor soccer arena; sand volleyball courts; and batting cages. It is expected that league play, tournaments, and group and corporate outings will generate business for the complex seven days per week.
- The Island now boasts the new Galveston Island Convention Center at The San Luis Resort, a twenty-eight-acre site with restaurants, more than seven hundred hotel rooms, and ample opportunities for leisure activity. The structure comprises 43,000 square feet of exhibit space, accommodates groups of diverse sizes in its 15,000-square-foot grand ballroom and 12,000 square feet of flexible meeting space, and features state-of-the-art audio/visual technology.
- Local groups including the Bay Area Houston Economic Partnership, the Galveston County Economic Development Alliance, and the Galveston Economic Development Partnership are contributing to the development of a "biotechnology corridor" between the Island's University of Texas Medical Branch and the Houston Medical Center. One major goal of the initiative is to accelerate the translation of medical research into tangible patient-benefiting medical goods and technologies.

**Long-term financial planning.** Much of the capital investment of the county in recent years, including: the new courthouse and public safety building presently under construction; the creation and rehabilitation of park roads, parking lots, and trails; general road maintenance; and the improvements made to the San Luis Pass Bridge on the Island's southern end, has been funded by general obligation bonds and certificates of obligation.

The county also works with its financial advisor to monitor the conditions of the borrowing market so it is prepared to defease older outstanding debt when it can lower its cost of money and/or ease cash flow constraints by spreading debt service payments over a longer time period. As a general rule, the county does not issue refunding debt unless it can obtain a net present value savings of 3% or more by so doing. Favorable interest rates have continued to provide the county with opportunities to achieve this savings goal.

Accordingly, in December, 2003, the county issued \$10,170,000 in par value of Limited Tax Forward Refunding Bonds Series 2003; in August, 2004, \$22,295,000 in par value of General Obligation 1999/2001 Refunding Bonds Series 2004; and also in August, 2004, \$10,129,988 in par value of Unlimited Tax Road Refunding Bonds Series 2004A. These three debt issuances refunded, respectively, a portion of the county's outstanding Limited Tax Refunding Bonds Series 1993; portions of its outstanding Tax and Revenue Certificates of Obligation Series 1999 and its Justice Center and Public Safety Building Bonds Series 2001; and a portion of its Unlimited Tax Road Bonds Series 2001.

Additionally, in February, 2005, the Commissioners' Court authorized the County Judge to issue, at his discretion during the next six months, more refunding debt should the targeted 3% savings goal be attainable.

**Cash management policies and practices.** The county deposits idle cash into temporary investment vehicles as part of its cash management program and in accordance with its formal investment policy. Temporary investments may include, among others, certificates of deposit, United States government

agency securities, money market investment accounts, and negotiable order of withdrawal (“N.O.W.”) accounts. During the year ended September 30, 2004, the county earned \$6,048,715 in interest, composed of \$5,019,140 from deposits and \$1,029,575 from investments. More information about the county’s deposits and investments can be found in the Notes to the Financial Statements elsewhere in this report.

**Debt administration.** At September 30, 2004, the county’s outstanding bonded debt with accretion totaled \$208,404,544. During that fiscal year then ended, the county paid \$3,815,000 in principal and \$8,158,402 in interest. The county maintains an “AAA” rating from Fitch Ratings and an “Aaa” rating from Moody’s Investors Service, Inc., for its general obligation debt.

**Post-employment benefits.** The county provides post-retirement health and life insurance benefits to its retirees. At September 30, 2004, the county recognized 299 retirees, 126 of whom were eligible for full health insurance coverage and 173 of whom received reduced Medicare supplement insurance. These benefits are provided on a “pay-as-you-go” basis. GAAP do not currently require governments to report a liability in the financial statements in connection with an employer’s obligation to provide these benefits, although new governmental accounting standards to be implemented in a few years will affect the treatment of such items in the financial statements. Additional information on the county’s pension arrangements and other post-employment benefits can be found in the Notes to the Financial Statements in this report.

#### **Theme: The Galveston County Department of Parks and Senior Services**

County administration currently plans to select a theme henceforth for each Comprehensive Annual Financial Report. The theme of this year’s report is the Galveston County Department of Parks and Senior Services (“Parks” herein, for brevity), under the direction of Dennis J. Harris, Sr., and its accomplishments in enhancing the quality of life both for the county’s populace and visitors in general and for its senior citizens in particular. Throughout this report, photographs help to tell this story.

Parks’ mission is to provide comprehensive and diverse recreational and senior-services opportunities for Galveston County citizens and visitors through the stewardship of available resources. To fulfill this mission, Parks offers guidance and recommendations, and establishes priorities, for the orderly and consistent acquisition, development, improvement, and preservation of parks, senior-citizen facilities and programs, recreational areas and open spaces, and wildlife habitats. It serves the county in numerous ways: it makes available educational opportunities, nutrition, and home-provider care to seniors; it provides quality facilities for recreation; it promotes tourism; it disseminates public-service information; it attracts new business; and it enhances property values, to name but a few examples.

Parks concentrates its efforts on regional, rather than on neighborhood or community, facilities. It seeks assistance from private sources and public agencies in providing services both to unincorporated areas, as well as to incorporated areas which lack the resources to provide the services themselves. Economic realities dictate that Parks cannot be all things to all people, thus the department concentrates its efforts on under-served areas of the county.

In addition to funds budgeted for it by the county, Parks receives revenues to support its operations from facility and beach vending permit fees, concession contracts, agency and citizen donations, and federal, state, and local grants.

The home page for Parks’ Internet site is [www.galvestonparks-seniors.org](http://www.galvestonparks-seniors.org). The site enables the public to obtain information about county parks and senior-services programs and to access calendars of events for both. Links allow comments, inquiries, and requests for facility reservations to be submitted electronically. The site also provides maps of Galveston County on which park and senior-services community centers are marked and linked to specific information about each facility.

***Focus: the Senior Services Division***

Within the greater Parks' mission, the mission of the Senior Services Division, under the direction of Julie Penrod-Glenn, is to enable older adults to remain integral parts of their communities by providing to them varied programs and services in a professional, creative, and cost-effective manner, while simultaneously treating them with respect, encouraging their trust, and maintaining their dignity and individuality.

Specific goals and strategies involve the promotion of leisure and physical-fitness activities and special events, centered around county community centers. The Senior Services Division publishes a senior brochure, fosters collaboration with public and private service providers through a computerized information clearinghouse, and supports existing transportation networks for the "Meals on Wheels" program and for ride service to and from community centers.

The following is a list, by no means comprehensive, of recent accomplishments of the Senior Services Division:

- Completed plans and obtained federal funding for renovation of the Dickinson Community Center
- Received significant federal funding for meals served at community centers, home-delivered meals, and senior transportation and homemaker services
- Initiated a Veterans Oral History Project
- Attracted increased public donations and participant contributions to reduce program funding that otherwise would have had to have been provided by the county
- Continued to make available a "home away from home" for more than three thousand seniors at the county's four community centers, each of which offers one or more of the following: health screenings; art, language, and computer classes; internet access; fitness activities; and games and other recreational opportunities
- Garnered private funding to provide legal counseling for the elderly
- Accomplished, in partnership with the Galveston County Health District, the administration of 1,400 flu immunizations
- Created new, or further developed existing, partnerships with the county's Agricultural Extension Agent and Health District, the College of the Mainland, and a number of local organizations including grocers, Head Start schools, churches, and civic organizations such as Rotary International and the Kiwanis

***Focus: the Parks Division***

The Parks Division's broad goal is to provide parks and other recreational sites that:

- Meet identified needs
- Are built and maintained to state or national standards of quality
- Are geographically accessible to all without regard to age or socioeconomic status
- Receive funding not only from county resources but, when possible, from public and private entities

A "Galveston County Parks, Recreation, and Open Space Master Plan" (the "Plan") was formally adopted by the Galveston County Commissioners' Court on December 21, 1998. The Plan, as revised, forms the basis for future development and fiscal planning for the county park system for the better part of the next decade. The Texas Parks and Wildlife Department has also adopted the Plan, and this action significantly increases the probability that the county will attract future grant monies from a variety of sources. The Plan is a dynamic, well-utilized tool, a "road map" for future development. It has resulted in state-of-the-art recreational facilities throughout the county, complete with trails, interpretive areas, sports fields and courts, playgrounds, picnic areas, and other amenities.

The following is a list, again by no means comprehensive, of recent accomplishments of the Parks Division:

- Major capital improvements have been made to three of the county's four community centers

- Frank Carmona Beach Pocket Park #2, closed after tropical storm Frances destroyed its pavilion in 1997, was restored, and it reopened to the public on Memorial Day weekend, 2004 (note: control of all three Beach Pocket Parks was ceded to the City of Galveston's Parks Board of Trustees effective January 1, 2005)
- Bayshore Park in Bacliff now boasts 2,220 linear feet of walking trails, thirteen benches, and three kiosks with interpretive signage
- Paul Hopkins Park in Dickinson offers 1,550 linear feet of walking trails, ten benches, and four kiosks with interpretive signage
- Fort Travis Seashore Park in Port Bolivar comprises 1,240 linear feet of walking trails, three picnic pavilions with grills, five benches, and four kiosks with interpretive signage
- Various projects have addressed environmental issues, such as: shoreline erosion and revetment; the preservation of Clear Creek and adjacent fish and wildlife habitats, which are endangered by pollution and illegal dumping; and the protection of Galveston Bay estuary species' habitats, flood plains, and greenbelts

Galveston County salutes its Department of Parks and Seniors Services for its ongoing and successful efforts to make the county a healthy, fun, and positive place to live. The county also expresses its gratitude to Bob Richardson, the county's Senior Finance Manager, for providing the bulk of the photographs used throughout this report which showcase Parks' accomplishments.

#### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (the "GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Galveston, Texas, for its comprehensive annual financial report for the fiscal year ended September 30, 2003. This was the seventh consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Galveston County, Texas, Auditor's Office. We would like to express our appreciation to all members of the department who assisted with and contributed to the preparation of this report. I also wish to acknowledge the District Judges and the Commissioners' Court for their interest and support in planning and conducting the operations of the county in a responsible and progressive manner. I especially thank the District Judges for their support and guidance in matters relating to the discharge of my duties as County Auditor.

Respectfully submitted,



Cliff Billingsley, CPA  
County Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Galveston County,  
Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2003

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



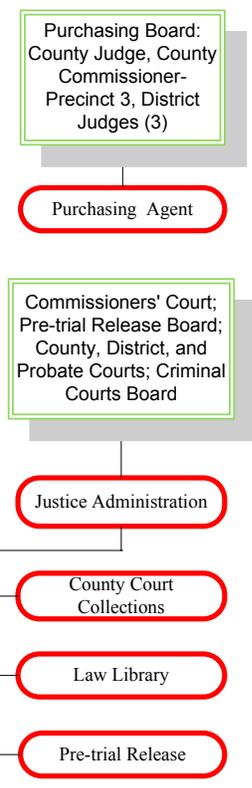
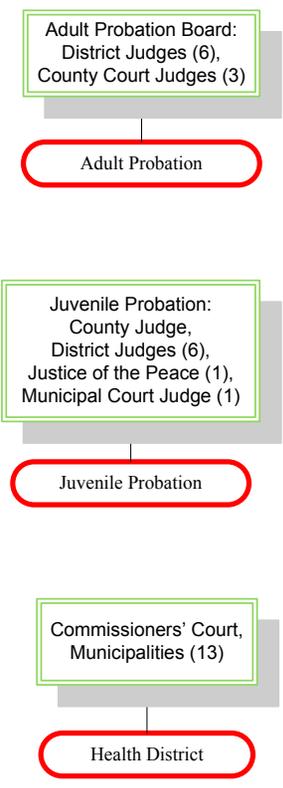
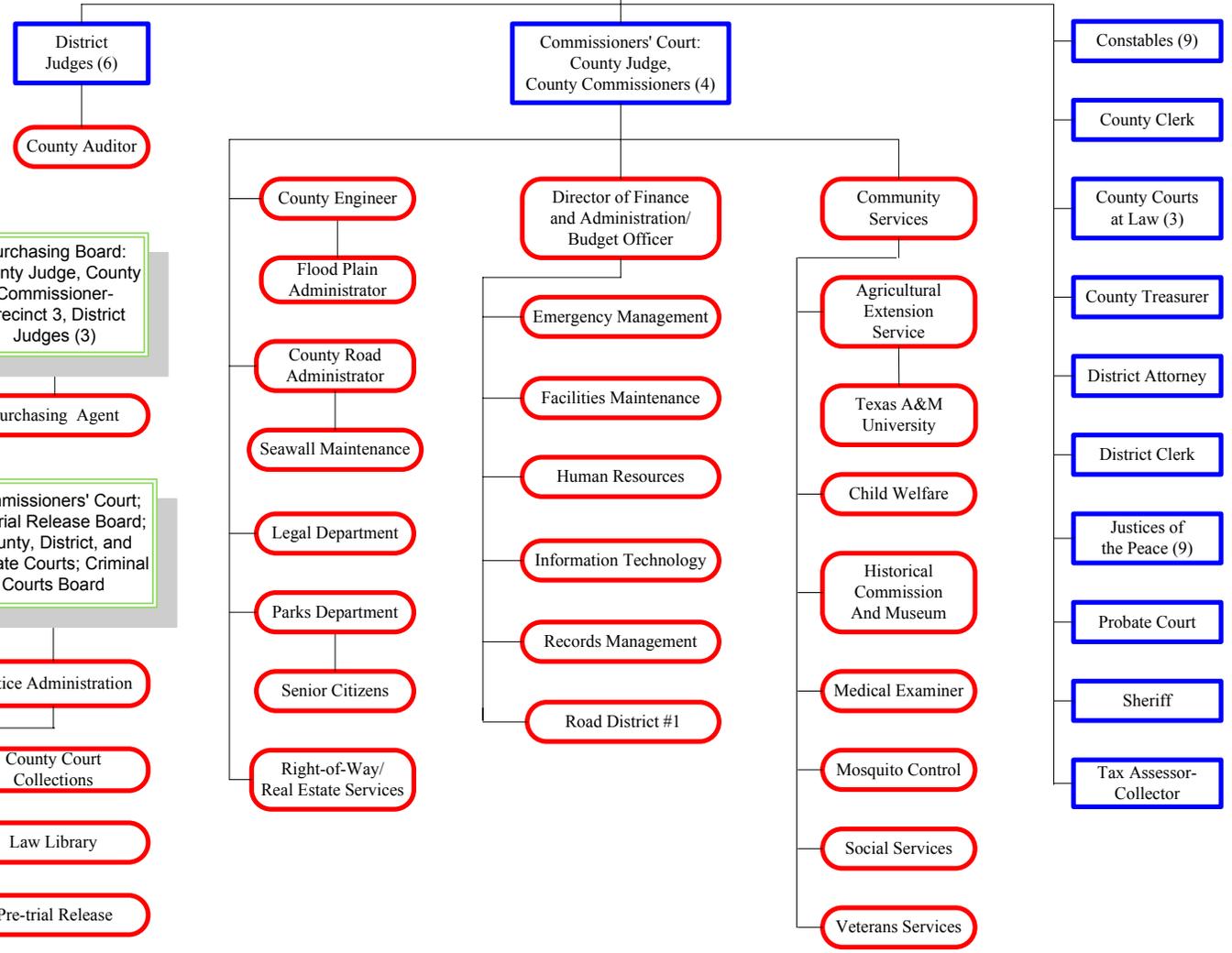
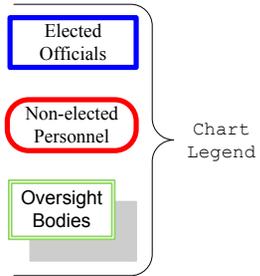
*Nancy L. Ziehl*

President

*Jeffrey R. Emer*

Executive Director

# Galveston County Citizens



**GALVESTON COUNTY, TEXAS**  
**PRINCIPAL OFFICIALS**  
*As of September 30, 2004*

<i>David E. Garner, Judge</i>	<i>10th Judicial District Court</i>
<i>Norma J. Venso, Judge</i>	<i>56th Judicial District Court</i>
<i>John Ellisor, Judge</i>	<i>122nd Judicial District Court</i>
<i>Susan E. Criss, Judge</i>	<i>212th Judicial District Court</i>
<i>Janis L. Yarbrough, Judge</i>	<i>306th Family District Court</i>
<i>Wayne J. Mallia, Judge</i>	<i>405th Judicial District Court</i>
<i>Latonia D. Wilson</i>	<i>District Clerk</i>
<i>Kurt Sistrunk</i>	<i>Criminal District Attorney</i>
<i>Gladys B. Burwell, Judge</i>	<i>County Probate Court</i>
<i>Mary Nell Crapitto, Judge</i>	<i>County Court 1</i>
<i>C.G. Trey Dibrell III, Judge</i>	<i>County Court 2</i>
<i>Roy Quintanilla, Judge</i>	<i>County Court 3</i>
<i>James D. Yarbrough</i>	<i>County Judge</i>
<i>Edward F. Barr</i>	<i>Commissioner, Precinct 1</i>
<i>Edward A. Janek</i>	<i>Commissioner, Precinct 2</i>
<i>Stephen D. Holmes</i>	<i>Commissioner, Precinct 3</i>
<i>Kenneth D. Clark</i>	<i>Commissioner, Precinct 4</i>
<i>Mary Ann Daigle</i>	<i>County Clerk</i>
<i>Patricia "Trish" K. Gibbins</i>	<i>Tax Assessor-Collector</i>
<i>Marley E. "Gean" Leonard, Jr.</i>	<i>County Sheriff</i>
<i>Kevin C. Walsh</i>	<i>County Treasurer</i>
<i>Bruce A. Hughes</i>	<i>Purchasing Agent</i>
<i>Cliff Billingsley</i>	<i>County Auditor</i>



Indoor Pavilion  
Walter Hall Park, League City

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11 Greenway Plaza, Suite 1515  
Houston, TX 77046  
(713) 621-1515  
Fax: (713) 621-1570



2117 Post Office Street  
Galveston, TX 77550  
(409) 762.8380  
Fax: (409) 762-1749

### ***Independent Auditors' Report***

To the Honorable James D. Yarbrough, County Judge  
and Members of the Commissioners Court  
Galveston County, Texas

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Galveston County, Texas (the County), as of and for the year ended September 30, 2004, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Galveston County, Texas, as of September 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

To the Honorable James D. Yarbrough, County Judge  
and Members of the Commissioners Court  
Galveston County, Texas  
Page 2 of 2

In accordance with *Government Auditing Standards*, we have issued our report dated March 21, 2005, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions or laws, regulations, contracts, and grants. That report, which has been issued separately from this document, is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 5 through 12, budgetary comparison information on pages 54 through 55 and Required Pension System Supplementary Information on page 50 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund statements and schedules and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Nell Garrison, P. C.*

March 21, 2005  
Houston, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The County of Galveston, Texas ("the county") presents the following Management's Discussion and Analysis ("the MD&A") of its financial activities for the fiscal year ended September 30, 2004. Please read this narrative in conjunction with the Letter of Transmittal in the preceding Introductory Section and with the Basic Financial Statements which immediately follow it.

### Financial Highlights

- The county's assets of \$359,108,462 exceeded its liabilities of \$241,915,873 at September 30, 2004, by \$117,192,589 ("net assets").
- Of these net assets of \$117,192,589, \$19,493,890 is available for use to meet the county's ongoing obligations ("unrestricted net assets").
- Of the liabilities of \$241,915,873, \$211,720,119 will not be extinguished in the current year ("long-term liabilities"). These long-term liabilities are primarily debt instruments, of which the county issued \$42,594,988 in new principal (all to refund existing debt) in the fiscal year ended September 30, 2004.
- The county's expenses of \$128,441,364 exceeded its revenues of \$120,798,172 by \$7,643,192 in this same fiscal year.
- Of these revenues of \$120,798,172, program revenues, such as grant revenues and charges for services, contributed \$31,102,835, while general revenues, such as ad valorem taxes, contributed \$89,695,337.

### Overview of the Financial Statements

This MD&A introduces the county's Basic Financial Statements, which comprise three components:

- government-wide financial statements;
- fund financial statements; and
- notes to the financial statements.

This report also contains other information supplemental to the Basic Financial Statements.

### Government-wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the county's finances in a manner similar to that of a private-sector business.

The *Statement of Net Assets* presents information on all of the county's assets and liabilities, with the difference between the two reported as "net assets." Over time, increases or decreases in net assets might indicate whether the financial position of the county is improving or deteriorating.

The *Statement of Activities* presents information showing how the county's net assets changed during the most recent fiscal year. All changes in net assets are reported upon the occurrence of the underlying events giving rise to those changes, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items from which cash flows will not result until future fiscal periods (for example, uncollected taxes, and vacation leave which employees have earned but not used).

Both of the government-wide financial statements are designed to 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 a significant portion of their costs through user fees and charges ("business-type activities"). The governmental activities of the county are divided into the categories of general government; public safety; health and social services; culture and recreation;

conservation; and roads, bridges, and rights-of-way. The county currently engages in no business-type activities.

The government-wide financial statements include information not only for the county itself (the “primary government”), but also for the Galveston County Health District, a legally separate entity for which the county is financially accountable (“component units). The financial information for this component unit is presented separately from the financial information for the primary government.

### Fund Financial Statements

A “fund” is a group of related accounts used to control resources that have been segregated for specific activities or objectives. The county, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the county can be divided into one of three categories: Governmental Funds, Proprietary Funds, or 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, outflows, and balances of resources available for spending at fiscal year-end. Such information can be useful in evaluating a government’s near-term financing requirements. Governmental Funds include the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, and Permanent Funds. The county presently accounts for no Permanent Funds.

Because the focus of Governmental Funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the former with similar information presented for governmental activities in the latter. By doing so, readers can better understand the long-term impact of the government’s near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between Governmental Funds and governmental activities.

The county maintains ninety individual Governmental Funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund and the Limited Tax Criminal Justice Bonds 2003A Capital Projects Fund, both of which are considered to be “major” funds. Data from the other Governmental Funds are combined into a single, aggregated presentation. Individual data for each of these non-major Governmental Funds is provided in the form of “combining statements” and “individual statements” elsewhere in this report.

Comparison statements for all Governmental Funds with budgets, except for grant Special Revenue Funds, are presented in this report to demonstrate budgetary compliance, whether those budgets were prepared on an annual, project-length, or other basis.

*Proprietary Funds* include Enterprise Funds and Internal Service Funds. *Enterprise Funds* would be used to report the same functions that would be presented as business-type activities in the government-wide financial statements, but, as previously noted, the county currently engages in no business-type activities and thus maintains no Enterprise Funds. *Internal Service Funds* are an accounting device used to accumulate, and to allocate among the county’s various functions, the costs of services generally provided within the reporting entity rather than to outside users. The county uses three Internal Service Funds, one each to account for activity of: group health insurance; general casualty, liability, and unemployment insurance; and workers’ compensation insurance, respectively. Because these services predominantly

benefit governmental functions, they have been included within governmental activities in the government-wide financial statements. The Internal Service Funds are combined into a single, aggregated presentation in the Proprietary Fund financial statements. Individual fund data is provided in the form of “combining statements” elsewhere in this report.

*Fiduciary Funds* include Trust Funds and Agency Funds and are used to account for resources held for the benefit of parties external to the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the county’s own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds. The county presently accounts for eleven Agency Funds but no Trust Funds.

#### Notes to the Financial Statements

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### Other Information

In addition to the Basic Financial Statements, this report also presents certain Required Supplementary Information (“R.S.I.”) about the budgetary compliance of the county’s General Fund.

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

As noted earlier, net assets can serve over time as a useful indicator of a government’s financial position. In the case of the county, assets exceeded liabilities by \$117,192,589 at the close of the fiscal year ended September 30, 2004.

By far the largest portion of the county’s net assets (67.23%) comprises capital assets (for example, land, infrastructure, and buildings), net of the outstanding debt issued to finance their acquisition. The county uses these capital assets to provide services to citizens, and consequently the assets are not available for future spending. Although, as mentioned, the county’s investment in capital assets is reported net of related debt, it should be noted that the resources to re-pay this debt must be provided from other sources, since the capital assets themselves cannot be used to do so.

The usage of another 3.97% of the county’s net assets is subject to external restrictions. The remaining balance (\$19,493,890) is unrestricted and available to meet the government’s ongoing obligations to citizens and creditors.

The county’s net assets decreased by \$7,643,192 during the fiscal year ended September 30, 2004. Three-fourths of this decrease is attributable to a refund of prior-year ad valorem taxes to a major industrial property owner. The remaining decrease resulted from the implementation of a county-wide salary adjustment.

Since the county presently engages in no business-type activities, governmental activities account for all of the changes in net assets at the government-wide reporting level.

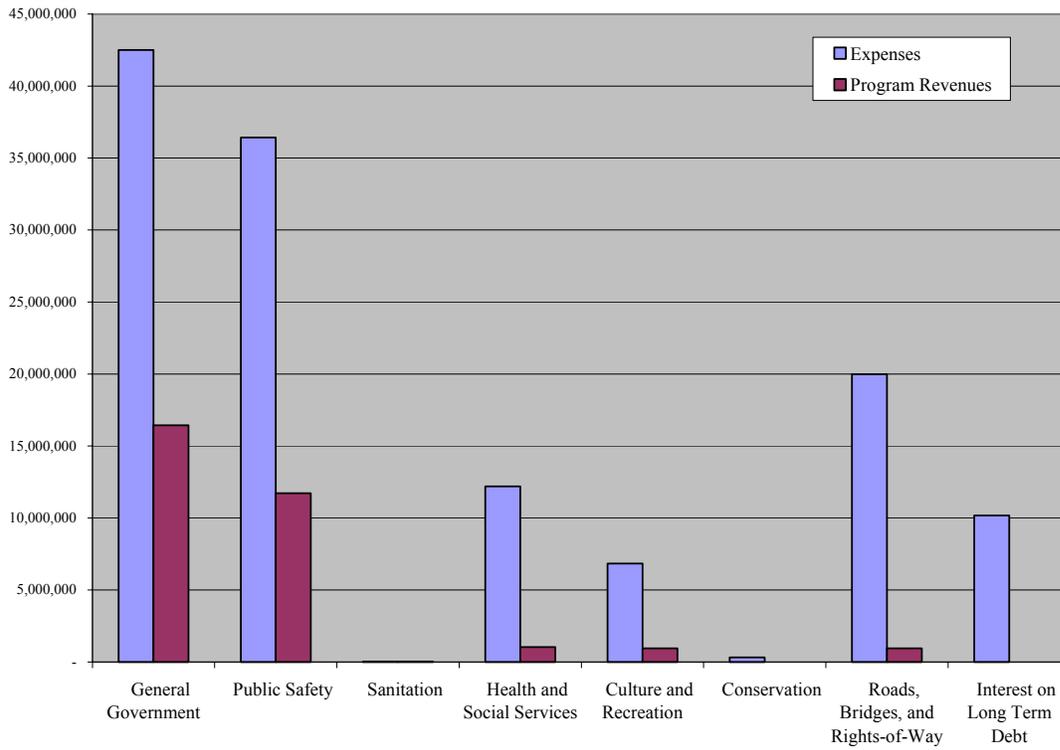
**COUNTY OF GALVESTON, TEXAS**  
**Net Assets**

	<u>2004</u>	<u>2003</u>
Current and Other Assets	\$ 177,615,091	\$ 212,894,529
Capital Assets	181,493,371	145,547,856
Total Assets	<u>359,108,462</u>	<u>358,442,385</u>
Long-Term Liabilities Outstanding	211,720,119	215,901,678
Other Liabilities	30,195,754	15,277,314
Total Liabilities	<u>241,915,873</u>	<u>231,178,992</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	93,039,925	114,230,653
Restricted	4,658,774	2,882,625
Unrestricted	19,493,890	10,150,115
Total Net Assets	<u>\$ 117,192,589</u>	<u>\$ 127,263,393</u>

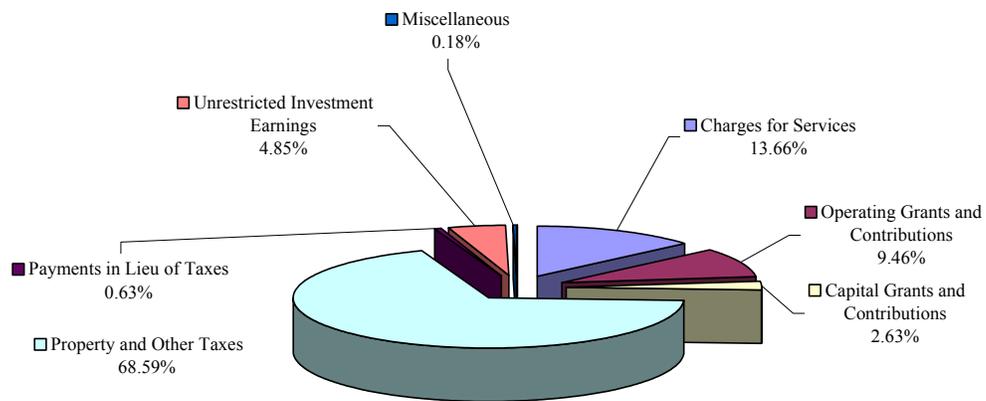
**COUNTY OF GALVESTON, TEXAS**  
**Changes in Net Assets**

	<u>2004</u>	<u>2003</u>
Revenues:		
Program revenues:		
Charges for Services	\$ 16,495,934	\$ 15,514,549
Operating grants and contributions	11,429,521	11,904,339
Capital grants and contributions	3,177,380	1,232,353
General revenues:		
Property taxes	82,850,663	74,649,267
Payment in Lieu of Taxes	758,341	1,063,888
Unrestricted Investment Earnings	5,864,655	3,657,497
Miscellaneous	221,678	93,652
Total revenues	<u>120,798,172</u>	<u>108,115,545</u>
Expenses:		
General government	42,501,485	41,671,211
Public safety	36,420,490	35,293,329
Sanitation	17,500	-
Health and social services	12,196,142	14,148,046
Culture and recreation	6,827,328	3,037,290
Conservation	314,529	327,656
Roads, bridges, and right-of-way	19,990,711	17,077,130
Interest on Long-term Debt	10,173,179	5,840,713
Total expenses	<u>128,441,364</u>	<u>117,395,375</u>
Decrease in Net Assets	(7,643,192)	(9,279,830)
Special Item - Gain on Sale of Assets	-	1,618,371
Decrease in Net Assets	(7,643,192)	(7,661,459)
Net assets, 10/1/03	124,835,781	134,924,852
Net assets, 9/30/04	<u>\$ 117,192,589</u>	<u>\$ 127,263,393</u>

### Expenses and Program Revenues - Governmental Activities



### Revenues by Source - Governmental Activities



## **Financial Analysis of the Government's Funds**

The focus of the county's Governmental Funds is to provide information on near-term inflows and outflows and on resource balances available for spending. Such information is useful in assessing the county's financing requirements. In particular, unreserved fund balance might serve as a useful measure of the county's net resources available for spending at fiscal year-end.

At September 30, 2004, the county's Governmental Funds reported a combined ending fund balance of \$136,699,014, a decrease of \$46,167,917 from September 30, 2003. Approximately 50% (\$68,350,351) of this total constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved, i.e., not available for new spending because it has already been committed to pay for:

- encumbrances of the current year (\$64,100,875);
- debt service (\$3,301,484);
- inventories and prepaid items (\$807,910); and
- other restricted purposes (\$138,394).

The General Fund is the county's chief operating fund. At September 30, 2004, the General Fund's unreserved fund balance totaled \$12,557,252; its total fund balance increased during the year then ended by \$6,803,150, to \$13,108,290. As a measure of the General Fund's liquidity, it might be useful to compare both the unreserved and total fund balances to total fund expenditures. The General Fund's unreserved fund balance and total fund balance represent 17.5% and 18.3%, respectively, of its total expenditures for the fiscal year ended September 30, 2004.

Key factors in the increase of the General Fund's fund balance are the following:

- an increase in both the ad valorem tax rate and in the appraised value of property subject to ad valorem taxation;
- greater interest yields on investments;
- a decrease in payroll expenditures due to departmental adherence to a county policy of leaving vacated positions unfilled for seven payroll periods (fourteen weeks) unless an exemption is requested of, and approved by, the Commissioners' Court.

The Limited Tax Criminal Justice Center Bonds 2003A Capital Projects Fund has a fund balance of \$36,256,717. This fund was created in the fiscal year ended September 30, 2003, to account for the financial resources used to build, improve, and equip a complex which will house court facilities, a detention center, and law enforcement personnel, and to pay the costs associated with the issuance of related long-term debt.

## **General Fund Budgetary Highlights**

The final amended General Fund budget of \$76,089,647 was \$3,416,857 greater than the original budget of \$72,672,790. Reasons for the budget increase included the following:

- an increased subsidy to the Galveston County Health District for indigent health care expenditures;
- a rise in costs of extradition of prisoners;
- continued increases in group health insurance outflows;
- the purchase of a significant amount of computer hardware and software;
- the costs of participating in an inter-local agreement with the Texas City school system;
- matching contributions toward county parks projects only partially funded through grants.

The majority of these increases drew upon unreserved fund balance.

During the year, actual revenues were greater, and actual expenditures were less, than final budgeted amounts, by \$1,344,510 and \$4,643,367 respectively. The positive variance in revenues is attributable in part to an increase in both the ad valorem tax rate and in the appraised value of property subject to ad valorem taxation. The positive variance in expenditures is attributable in part to:

- a decrease in payroll expenditures due to departmental adherence to a county policy of leaving vacated positions unfilled for seven payroll periods (fourteen weeks) unless an exemption is requested of, and approved by, the Commissioners' Court; and
- overall efforts of county departments to decrease operating expenditures by limiting overtime, being watchful of purchases of supplies, exercising prudent decision-making with regard to travel and training, etc.

### **Capital Asset and Debt Administration**

#### Capital Assets

The county's investment in capital assets at September 30, 2004, net of accumulated depreciation, totaled \$181,493,371, an increase of \$38,373,130 (26.8%). Capital assets are classified as land, buildings and improvements, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress.

During the fiscal year ended September 30, 2004, improvements to various county buildings, including construction of the new Justice Center, continued. Construction in progress related to buildings and building improvements totaled \$49,333,794 at September 30, 2004. Work continued as well on various county streets and county park roads and parking lots, and construction in progress related to these projects totaled \$5,514,925 at September 30, 2004. No construction in progress at September 30, 2003, nor any construction in progress begun in the fiscal year ended September 30, 2004, was completed and transferred to other capital asset classes by that latter date.

**COUNTY OF GALVESTON, TEXAS**  
**Capital Assets (Net of Depreciation)**  
**At September 30, 2004**

	<u>2004</u>	<u>2003</u>
Land	\$ 21,979,962	\$ 21,980,262
Buildings and Improvements	27,120,746	28,228,502
Improvements Other than Buildings	88,137	1,526,241
Machinery and Equipment	7,003,790	6,813,105
Infrastructure	70,452,017	73,810,006
Constuction in Progress	54,848,719	10,762,125
Total	\$ 181,493,371	\$ 143,120,241

Additional information on the county's capital assets is found in the Notes to the Financial Statements in this report.

#### Debt Administration

At September 30, 2004, the county's outstanding bonded debt with accretion totaled \$208,404,544, comprising \$152,859,544 in general obligation bonds and \$55,545,000 in certificates of obligation, all of which is backed by the full faith and credit of the government.

**GALVESTON COUNTY, TEXAS**  
**Bonded Debt Outstanding with Accretion**  
**at September 30, 2004**

	<u>2004</u>	<u>2003</u>
Certificates of Obligation	\$ 55,545,000	\$ 209,355,573
General Obligation Bonds	152,859,544	1,305,000
Total	\$ 208,404,544	\$ 210,660,573

The county's outstanding bonded debt decreased slightly, by 3.3% (\$6,997,150), during the fiscal year ended September 30, 2004. Although the County issued \$42,594,988 in par value of new debt - \$10,170,000 in Limited Tax Forward Refunding Bonds Series 2003, \$22,295,000 in General Obligation 1999/2001 Refunding Bonds Series 2004, and \$10,129,988 in Unlimited Tax Road Refunding Bonds Series 2004A – all of this new debt refunded older outstanding debt. The County of Galveston maintains an “AAA” rating from Fitch Ratings and an “Aaa” rating from Moody's Investors Service, Inc., for its general obligation debt.

State statute limits the amount of general obligation debt a governmental entity may issue to five percent of the assessed valuation of all taxable property. The current applicable limit for the county is \$855,177,000, which significantly exceeds the amount of the county's outstanding general obligation debt. In addition, Article III, §52 of the Texas Constitution limits the amount of unlimited tax road bonds a governmental entity may issue to twenty-five percent of the assessed valuation of all taxable real property. The current applicable limit for the county is \$3,812,922,000, which also significantly exceeds the amount of the county's outstanding unlimited tax road bonds, including the accretion on capital appreciation series.

Additional information concerning the county's long-term debt can be found in the Notes to the Financial Statements in this report.

**Next Year's Budgets and Rates**

During the fiscal year ended September 30, 2004, the General Fund's unreserved fund balance increased to \$12,557,252. The county has appropriated \$151,764 of the General Fund unreserved fund balance in its expenditure budget for the fiscal year ending September 30, 2005. The county has also designated \$5,323,111 of the unreserved fund balance for debt service, self-insurance, disaster protection, and other contingencies.

Finally, per an agreement with a major industrial real property owner, an overpayment of 2002 ad valorem tax was to be refunded in three annual installments commencing in November, 2004. It is anticipated that these payments will be funded from future tax revenues. The first payment of \$1,185,208 was made on December 6, 2004. The second and third payments, each in the amount of \$1,111,886, are to be made on or before December 15, 2005 and 2006, respectively.

**Requests for Information**

This financial report is intended to provide a general overview of the county's finances. Questions concerning the information in this report, and requests for additional financial information, should be addressed to the Galveston County Auditor's Office, P.O. Box 1418, Galveston, TX 77553-1418.



Children Feeding the Ducks  
Paul Hopkins Park, Dickinson



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# Basic Financial Statements

**GALVESTON COUNTY, TEXAS**  
**STATEMENT OF NET ASSETS**  
**September 30, 2004**

	<b>Governmental Activities</b>	<b>Component Units</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 154,115,310	\$ 2,478,952
Receivables (Net of Allowances for Uncollectibles):		
Taxes	11,791,151	-
Accounts and Other	5,545,149	1,655,126
Due from Component Units	283,090	-
Due from Primary Government	-	1,038,892
Inventories	367,198	70,849
Prepaid Expenses	495,439	13,327
Deferred Charges	4,893,500	-
Restricted Assets:		
Cash and Cash Equivalents	124,254	-
Capital Assets (Net of Accumulated Depreciation):		
Land	21,979,962	-
Infrastructure	70,452,017	-
Buildings and Improvements	27,120,746	65,343
Machinery and Equipment	7,003,790	166,750
Improvements Other Than Buildings	88,137	388,383
Construction in Progress	54,848,719	-
<b>Total assets</b>	<b>359,108,462</b>	<b>5,877,622</b>
<b>LIABILITIES</b>		
Accounts Payable	12,062,207	2,110,412
Salaries Payable	1,158,698	-
Accrued Interest Payable	1,406,674	-
Compensated Absences Payable	595,034	-
Retainage Payable	2,343,865	-
Estimated Liability - Claims and Judgements	2,091,200	-
Due to Others	642,347	-
Payable from Restricted Assets:		
Escrow Deposits	98,751	-
Due to Primary Government	-	283,090
Due to Component Units	1,038,892	-
Deferred Revenues	1,573,632	-
Long-term liabilities:		
Due within one year	7,184,454	45,611
Due in more than one year	211,720,119	421,624
<b>Total liabilities</b>	<b>241,915,873</b>	<b>2,860,737</b>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	93,039,925	574,865
Restricted for:		
Grants	547,805	-
Debt Service	4,110,969	-
Clinic Operations	-	1,018,625
Unrestricted	19,493,890	1,423,395
<b>Total net assets</b>	<b>\$ 117,192,589</b>	<b>\$ 3,016,885</b>

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

**GALVESTON COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2004**

<b>Functions/Programs</b>	<b>Program Revenue</b>				<b>Net (Expense) Revenue and Changes in Net Assets</b>		
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Primary Government</b>		
<b>Primary Government</b>					<b>Governmental Activities</b>	<b>Total</b>	<b>Component Units</b>
Governmental Activities							
General Government	\$ 42,501,485	\$ 13,808,603	\$ 1,893,202	\$ 742,964	\$ (26,056,716)	\$ (26,056,716)	\$ -
Public Safety	36,420,490	1,711,845	7,945,908	2,065,115	(24,697,622)	(24,697,622)	-
Sanitation	17,500	-	17,500	-	-	-	-
Health and Social Services	12,196,142	3,136	1,031,463	-	(11,161,543)	(11,161,543)	-
Culture and Recreation	6,827,328	213,095	357,957	369,301	(5,886,975)	(5,886,975)	-
Conservation	314,529	-	-	-	(314,529)	(314,529)	-
Roads, Bridges, and Rights-of-Way	19,990,711	759,255	183,491	-	(19,047,965)	(19,047,965)	-
Interest on long term debt	10,173,179	-	-	-	(10,173,179)	(10,173,179)	-
<b>Total governmental activities</b>	<b>\$ 128,441,364</b>	<b>\$ 16,495,934</b>	<b>\$ 11,429,521</b>	<b>\$ 3,177,380</b>	<b>\$ (97,338,529)</b>	<b>\$ (97,338,529)</b>	<b>-</b>
<b>Component Units</b>							
Component Unit:	\$ 19,843,498	\$ 5,780,383	\$ 7,874,680	\$ -	\$ -	\$ -	\$ (6,188,435)
<b>General revenues:</b>							
Taxes:							
Property taxes, levied for general purposes					70,301,634	70,301,634	-
Property taxes, levied for debt service					12,549,029	12,549,029	-
Payments in lieu of taxes					758,341	758,341	-
Grants and contributions not restricted to specific programs					-	-	7,320,151
Unrestricted investment earnings					5,864,655	5,864,655	68,024
Miscellaneous					221,678	221,678	-
Total general revenues, special items, and transfers					<u>89,695,337</u>	<u>89,695,337</u>	<u>7,388,175</u>
Change in net assets					(7,643,192)	(7,643,192)	7,388,175
<b>Net assets - beginning</b>					<u>124,835,781</u>	<u>124,835,781</u>	<u>(4,371,290)</u>
<b>Net assets - ending</b>					<u>\$ 117,192,589</u>	<u>\$ 117,192,589</u>	<u>\$ 3,016,885</u>

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

**GALVESTON COUNTY, TEXAS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**September 30, 2004**

	<u>General</u>	<u>Limited Tax Criminal Justice Bonds 2003A</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 14,207,796	\$ 40,078,998	\$ 95,367,159	\$ 149,653,953
Receivables (Net of Allowances for Uncollectibles):				
Taxes	9,682,692	-	2,108,459	11,791,151
Accounts and Other	1,516,674	221,894	3,775,628	5,514,196
Due from Component Units	-	-	283,090	283,090
Due from Other Funds	937,928	-	-	937,928
Inventory at Cost	-	-	367,198	367,198
Prepaid Expenditures	440,712	-	-	440,712
Restricted Assets:				
Cash and Cash Equivalents	26,337	-	97,917	124,254
<b>Total assets</b>	<b>\$ 26,812,139</b>	<b>\$ 40,300,892</b>	<b>\$ 101,999,451</b>	<b>\$ 169,112,482</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 1,408,402	\$ 2,868,571	\$ 7,782,538	\$ 12,059,511
Salaries Payable	899,403	-	257,054	1,156,457
Compensated Absences Payable	514,060	-	80,974	595,034
Retainage Payable	-	1,175,604	1,168,261	2,343,865
Estimated Liabilities - Claims/Judgments Payable	-	-	68,200	68,200
Due to Others	134,063	-	615,986	750,049
Liabilities Payable from Restricted Assets:				
Escrow Deposits	-	-	71,069	71,069
Deposits - Held	26,337	-	1,345	27,682
Due to Component Units	1,038,892	-	-	1,038,892
Due to Other Funds	-	-	937,928	937,928
Deferred Revenues	9,682,692	-	3,682,089	13,364,781
<b>Total liabilities</b>	<b>13,703,849</b>	<b>4,044,175</b>	<b>14,665,444</b>	<b>32,413,468</b>
<b>Fund Balances:</b>				
Reserved for:				
Restricted Assets	25,455	-	25,503	50,958
Encumbrances	-	34,853,355	29,247,520	64,100,875
Inventory	-	-	367,198	367,198
Prepaid Items	440,712	-	-	440,712
Outstanding Checks	84,871	-	2,565	87,436
Debt Service	-	-	3,301,484	3,301,484
Unreserved, Reported in:				
General Fund	12,557,252	-	-	12,557,252
Special Revenue Funds	-	-	16,989,731	16,989,731
Capital Projects Funds	-	1,403,362	37,400,006	38,803,368
<b>Total fund balances</b>	<b>13,108,290</b>	<b>36,256,717</b>	<b>87,334,007</b>	<b>136,699,014</b>
<b>Total liabilities and fund balances</b>	<b>\$ 26,812,139</b>	<b>\$ 40,300,892</b>	<b>\$ 101,999,451</b>	<b>\$ 169,112,482</b>

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

**Galveston County**

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets  
September 30, 2004**

Total fund balance, governmental funds	\$	136,699,014
<p>Amounts reported for governmental activities in the Statement of Net Assets are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.</p>		181,493,371
<p>Bond issuance costs are not financial resources and therefore are not reported as assets in governmental funds. These costs are to be amortized over the life of the bonds.</p>		2,068,439
<p>The assets and liabilities of certain internal service funds are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Assets.</p>		2,519,099
<p>Some liabilities, (such as Long-term Claims and Judgements Payable, Long-term Compensated Absences, and Bonds Payable ), are not due and payable in the current period and are not included in the fund financial statement. Interest on long-term debt is not accrued in</p>		
Bonds payable		(203,663,423)
Accumulated accretion on capital depreciation bonds		(4,741,122)
Capital leases payable		(1,752,712)
Compensated absences		(1,388,414)
Claims and judgements payable		(3,408,979)
Interest on long-term debt		(1,298,972)
Premiums on issuance of debt		(3,949,923)
Deferred loss on refunding		2,825,060
<p>Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.</p>		11,791,151
Net assets of governmental activities in the Statement of Net Assets	\$	117,192,589

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

**GALVESTON COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**September 30, 2004**

	<u>General</u>	<u>Limited Tax Criminal Justice Bonds 2003A</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Taxes	\$ 67,509,112	\$ -	\$ 15,297,380	\$ 82,806,492
Licenses and Permits	25,827	-	2,074,358	2,100,185
Intergovernmental	1,100,790	221,894	13,337,957	14,660,641
Charges for Services	6,239,123	-	2,061,304	8,300,427
Fines and Forfeitures	1,888,658	-	929,539	2,818,197
Investment Earnings	1,105,175	1,647,125	3,239,101	5,991,401
Miscellaneous	3,984,817	-	1,018,951	5,003,768
<b>Total revenues</b>	<u>81,853,502</u>	<u>1,869,019</u>	<u>37,958,590</u>	<u>121,681,111</u>
<b>EXPENDITURES</b>				
Current:				
General Government	33,671,172	-	1,192,760	34,863,932
Public Safety	19,295,899	-	13,664,614	32,960,513
Sanitation	-	-	17,500	17,500
Health and Social Services	12,916,366	-	2,079,718	14,996,084
Culture and Recreation	2,182,249	-	862,349	3,044,598
Conservation	300,697	-	-	300,697
Roads, Bridges and Rights-of-Way	-	-	4,510,147	4,510,147
Debt Service:				
Principal	-	-	3,815,000	3,815,000
Interest and Fiscal Charges	-	-	8,163,799	8,163,799
Bond Issuance Costs	-	-	601,233	601,233
Capital Outlay	3,079,897	23,020,219	38,651,273	64,751,389
<b>Total expenditures</b>	<u>71,446,280</u>	<u>23,020,219</u>	<u>73,558,393</u>	<u>168,024,892</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>10,407,222</u>	<u>(21,151,200)</u>	<u>(35,599,803)</u>	<u>(46,343,781)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	456,844	-	6,067,822	6,524,666
Transfers Out	(5,934,462)	-	(2,985,366)	(8,919,828)
Proceeds from Sale of Fixed Assets	120,834	-	62,731	183,565
Proceeds - Capital Lease	2,052,776	-	-	2,052,776
Capital Lease - Principal Payment	(300,064)	-	-	(300,064)
Face Value - Refunding Proceeds	-	-	42,594,988	42,594,988
Premium - Refunding Proceeds	-	-	3,596,069	3,596,069
Refunded Bonds - Escrow Agent	-	-	(45,556,308)	(45,556,308)
<b>Total other financing sources (uses)</b>	<u>(3,604,072)</u>	<u>-</u>	<u>3,779,936</u>	<u>175,864</u>
<b>Net change in fund balances</b>	6,803,150	(21,151,200)	(31,819,867)	(46,167,917)
<b>Fund balances-beginning</b>	<u>6,305,140</u>	<u>57,407,917</u>	<u>119,153,874</u>	<u>182,866,931</u>
<b>Fund balances-ending</b>	<u>\$ 13,108,290</u>	<u>\$ 36,256,717</u>	<u>\$ 87,334,007</u>	<u>\$ 136,699,014</u>

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

**Galveston 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, 2004**

Net change in fund balances - total governmental funds: \$ (46,167,917)

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount by which capital outlays \$44,743,132 exceeded depreciation \$6,171,881 in the current period. 38,571,251

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets. Thus, the change in the net assets differs from the change in fund balance by the cost of the asset sold. (198,119)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned. 44,171

Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which repayments exceeded proceeds. 1,427,532

Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Accrued interest not reflected on governmental funds	(371,478)
Compensated absences	(34,407)
Amortization of deferred charges	(158,381)
Accretion of capital bond interest	(1,503,983)

Bond issuance costs paid during the current year will be amortized over the life of the bonds. 625,695

Internal service funds are used by management to charge the costs of certain activities, such as health insurance and workers' compensation insurance, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. 122,444

Change in net assets of governmental activities \$ (7,643,192)

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

**GALVESTON COUNTY, TEXAS  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
For the Year Ended September 30, 2004**

	<b>Governmental Activities - Internal Service Funds</b>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 4,461,357
Receivables (Net of Allowances for Uncollectibles):	
Accounts and Other	30,953
Prepaid Items	54,727
<b>Total current assets</b>	<b>4,547,037</b>
 <b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	2,697
Salaries Payable	2,241
Estimated Liability - Claims	2,023,000
<b>Total liabilities</b>	<b>2,027,938</b>
 <b>NET ASSETS</b>	
Unrestricted	2,519,099
<b>Total net assets</b>	<b>\$ 4,547,037</b>

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

**GALVESTON COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**For the Year Ended September 30, 2004**

	<b>Governmental Activities - Internal Service Funds</b>
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 6,754,810
Insurance Recovery - County	19,511
Reimbursements	174,797
Miscellaneous	17,986
<b>Total operating revenues</b>	<b>6,967,104</b>
<b>OPERATING EXPENSES</b>	
Personal Services	163,203
Contract Services	577,918
Insurance	1,316,199
Claims Paid	7,237,255
Supplies	2,561
<b>Total operating expenses</b>	<b>9,297,136</b>
<b>Operating income (loss)</b>	<b>(2,330,032)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Investment Earnings	57,314
<b>Income (loss) before transfers</b>	<b>(2,272,718)</b>
<b>OPERATING TRANSFERS</b>	
Transfers In	2,395,162
<b>Change in net assets</b>	<b>122,444</b>
<b>Total net assets-beginning</b>	<b>2,396,655</b>
<b>Total net assets-ending</b>	<b>\$ 2,519,099</b>

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

**GALVESTON COUNTY, TEXAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended September 30, 2004**

	<u>Governmental Activities - Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Users	\$ 6,773,735
Payments to Suppliers	(2,334,464)
Payments to Employees	(166,430)
Payments for Claims	(6,557,640)
Other Operating Revenues	169,997
	<hr/>
<b>Net cash provided (used) by operating activities</b>	<b>(2,114,802)</b>
	<hr/>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers in	2,395,162
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment Earnings	57,314
	<hr/>
<b>Net increase in cash and cash equivalents</b>	<b>337,674</b>
<b>Cash and cash equivalents - October 1, 2003</b>	<b>4,123,683</b>
	<hr/>
<b>Cash and cash equivalents - September 30, 2004</b>	<b>\$ 4,461,357</b>
	<hr/> <hr/>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>	
<b>Operating income (loss)</b>	<b>\$ (2,330,032)</b>
	<hr/>
<b>Adjustments to reconcile operating income to net cash provided (used) by operating activities:</b>	
(Increase) Decrease in Accounts Receivable	(23,370)
(Increase) Decrease in Prepaid Items	(7,817)
Increase (Decrease) in Accounts Payable	(21,193)
Increase (Decrease) in Salaries Payable	(3,390)
Increase (Decrease) in Estimated Liability - Claims Payable	271,000
	<hr/>
<b>Total adjustments</b>	<b>215,230</b>
	<hr/>
<b>Net cash provided (used) by operating activities</b>	<b>\$ (2,114,802)</b>
	<hr/> <hr/>

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

**GALVESTON COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**September 30, 2004**

		<u>AGENCY FUNDS</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$	5,613,462
Investments		10,043,214
Receivables (Net of Allowances for Uncollectibles):		
Accounts and Other		38,057
Restricted Assets:		
Guardianship Assets		1,796,819
		<hr/>
<b>Total assets</b>	<b>\$</b>	<b><u>17,491,552</u></b>
<b>LIABILITIES</b>		
Accounts Payable	\$	42,764
Due to Others		13,706,796
Due to Other Entities		3,046,099
Deposits Held		695,893
		<hr/>
<b>Total liabilities</b>	<b>\$</b>	<b><u>17,491,552</u></b>

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



Pavilion, Playground, and Parking Lot  
Bayshore Park, Bacliff

Galveston County, Texas  
Notes to the Financial Statements  
September 30, 2004

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## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Reporting Entity

#### 1. Primary government

Galveston County, Texas (the “county”), is a public corporation and political subdivision organized and existing under the Constitution and laws of the State of Texas. It was established on May 15, 1838, by an article approved by the President of the Republic of Texas, Sam Houston. It is located on the upper Texas coast of the Gulf of Mexico and comprises a land area of 430 square miles. The county is governed by an elected Commissioners’ Court composed of the County Judge and four County Commissioners. It provides services involving public safety, health and social welfare, culture and recreation, conservation, and the construction, improvement, maintenance, and acquisition of roads, bridges, and rights-of-way, in addition to general administration.

The county prepares its basic financial statements in conformity with generally accepted accounting principles of the United States promulgated by the Governmental Accounting Standards Board (the “GASB”) and other authoritative sources identified in *Statement on Auditing Standards No. 69: The Meaning of “Present Fairly in Conformity with Generally Accepted Accounting Principles” in the Independent Auditor’s Report* of the American Institute of Certified Public Accountants. In its fiscal year ended September 30, 2003, the county implemented *GASB Statement 34: Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. This new financial reporting model significantly changed prior reporting practice, integrating many of the customary fund-based financial statements with a new and complementary government-wide perspective on the county’s financial condition and activities which is patterned on private-sector accounting presentation.

#### 2. Component units

The accompanying financial statements present information for the government as well as its *component unit*. A component unit is an organization which is legally separate from the primary government but which is subject to fiscal, and sometimes other, oversight by that government which is so significant that to exclude the component unit’s financial information from that of the primary government could mislead readers. Three specific tests are applied to determine whether a legally separate organization is a component unit of a government. These tests look at:

- the method of appointment of the organization’s governing board;
- the degree of the organization’s fiscal dependence upon the primary government; and
- the extent to which the exclusion of the organization’s data from that of the primary government could contribute to unclear financial reporting.

#### *Blended Component Units*

A component unit is called *blended* if its operations are so intertwined with those of the primary government that it functions, for all practical purposes, as an integral part of that primary government. No distinction is made between the data of the primary government and that of a blended component unit. The county has determined that the Galveston County Road District #1 (“Road District #1”) qualifies for classification as a blended component unit and thus reports its financial data in the Road District #1 Special Revenue Fund. Road District #1 was created and defined under Article III, §52, of the Texas Constitution to construct, maintain, and operate macadamized, gravel, and paved roads and turnpikes.

The Commissioners' Court is the statutory governing body of Road District #1 and is authorized to act on its behalf to issue debt, set tax rates, and assess tolls. The county maintains all of the accounting records for Road District #1; separate financial statements are not issued.

*Discretely Presented Component Units*

Alternatively, a component unit is labeled *discretely presented* when it operates with a greater degree of autonomy in relation to the primary government. The data of such a component unit is presented together with, but distinguishable from, the data of the primary government.

The Galveston County Health District (the "Health District") qualifies for classification as a discretely presented component unit, and its financial data is reported in a single column in the government-wide financial statements. The structure and operation of the Health District is governed by the *Health and Safety Code*, Subtitle F, Chapter 121, "Local Public Health Reorganization Act." The Health District was formed by contractual arrangement among the county, the cities within the county, and the Galveston Water Control and Improvement District Number 1. The contract provides for an administrative board, the Galveston County Board of Health, that sets policy and associated operating budgets for the public health, pollution control, rabies control, and ambulance services that the Health District offers. The county partially subsidizes the cost of these services. The thirteen-member Galveston County Board of Health is nominated by the Commissioners' Court and approved by a majority of the constituent entities of the Health District.

Complete financial statements for the Health District may be obtained from its administrative office at 1207 Oak Street, La Marque, TX 77568.

**B. Government-wide and Fund Financial Statements**

The *government-wide financial statements* (i.e., the Statement of Net Assets and the Statement of Activities) report information for all of the non-fiduciary activities of the primary government and its component unit. For the most part, the effect of inter-fund activity has been removed from these statements.

In the Statement of Net Assets, activities of the primary government may be classified either as *governmental activities* or *business-type activities*. Governmental activities, which are normally supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The county presently accounts for no business-type activities.

The Statement of Activities demonstrates the degree to which the *direct expenses* of a given function or segment are offset by *program revenues*. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include:

- charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and
- operating and capital grants and contributions that are restricted to use in meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for *Governmental Funds*, *Proprietary Funds*, and *Fiduciary Funds*, although the later are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements.

### **C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide, Proprietary Fund, and Fiduciary Fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Proprietary Funds distinguish *operating revenues and expenses* from *non-operating items*. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operations. The county's Proprietary Funds are its three Internal Service Funds, the operating revenues of which consist of charges to county employees and retirees for medical insurance, and reimbursements for claims from workers' compensation insurance. Operating expenses for these Internal Service Funds include the cost of services and administrative expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, are generally followed in both the government-wide and Proprietary Fund financial statements to the extent that those standards do not conflict with or contradict the guidance of the GASB.

Governmental Fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *measurable* if the transaction amounts can be determined and are considered to be *available* if they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this latter purpose, the government considers revenues to be available if they are collected within sixty days of the end of the fiscal period. Expenditures are generally recorded when a liability is incurred, as with accrual accounting. However, non-matured interest on general long-term debt is recorded when due, and certain compensated absences, claims, and judgments are recorded when the obligations are expected to be liquidated with expendable financial resources.

Property and franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recorded as revenue of the current fiscal period. Sales taxes collected and held by the state at year-end on behalf of the county are also recorded as revenue. Entitlements and shared revenue are recorded at the time of receipt or earlier if the accrual criteria are met. Operating grants are recorded as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following two major funds, both of which are Governmental Funds:

- The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in another fund. The principal sources of General Fund revenues are property taxes, charges for services, and fines and forfeitures. General Fund expenditures provide services involving public safety, health and social welfare, culture and recreation, conservation, and the construction, improvement, maintenance, and acquisition of roads, bridges, and rights-of-way, in addition to general administration.

- The Limited Tax Criminal Justice Bonds Series 2003A Fund is a Capital Projects Fund that accounts for the financial resources used:
  - to build, improve, and equip a complex which will house court facilities, a detention center, and law enforcement personnel, and
  - to pay the costs associated with the issuance of related long-term debt.

The government reports eighty-eight other Governmental Funds as nonmajor funds in the *Special Revenue*, *Debt Service*, and *Capital Projects* fund types.

The government reports, as Proprietary Funds, three *Internal Service Funds*, which account for health, property, and workers' compensation insurance provided for county employees and assets on a cost-reimbursement basis.

The government also reports, as Fiduciary Funds, eleven *Agency Funds*. Agency Funds are custodial in nature and are used to account for assets that the county holds as agent for others. Agency Funds do not present results of operations. The county's eleven Agency Funds, and the monies for which they account, are the following:

- Adult Probation Undistributed Collections – court costs, fees, fines, and restitution collected and held by the Adult Probation Department until distribution
- Appellate Judicial System Fees – court cost fees collected to defray the operating costs of the Fourteenth District Court of Appeals
- Bond Escrow – money received from escrow agents of refunded bonds and paid to bondholders by the County Treasurer as paying agent
- Children's Protective Services – Social Security and child support payments due to minors under the supervision of Children's Protective Services
- County Clerk Trust – registry funds in the custody of the County Clerk until court order determines their disposition
- District Clerk Trust – registry funds in the custody of the District Clerk until court order determines their disposition
- Escrow – funds held in trust by the county or over which Commissioners' Court might exercise general oversight
- Inmate Deposits – personal funds used by inmates while in jail, withdrawn upon release
- Officers' Undistributed Fees – fees, fines, and court costs collected by county officers and held until distribution
- Payroll – a clearing fund for the county's biweekly payroll expenses
- Tax Assessor-Collector Undistributed Collections – tax receipts awaiting distribution at fiscal year-end

## **D. Assets, Liabilities, and Net Assets or Equity**

### **1. Deposits and investments**

The county's cash and cash equivalents are considered to comprise cash on hand, demand deposits, and short-term investments with an original maturity of three months or less from the date of acquisition.

State statutes authorize the county to invest in United States Treasury, agency, and instrumentality obligations; certificates of deposit; repurchase agreements; brokers' acceptances; commercial paper; mutual funds; guaranteed investment contracts; and investment pools.

Investments are stated at cost, amortized cost, or fair value.

Cash reported by the Health District consists of demand deposits held by financial institutions. These deposits are collateralized with securities held in its name. The Health District recognizes no investments at year-end.

## **2. Receivables and payables**

### Intra-reporting-entity receivables/payables

Activity between funds, and between the primary government and its discretely presented component unit, that is representative of lending/borrowing arrangements and for which balances were outstanding at fiscal year-end are labeled either "due to/from other funds/primary government/component unit" (i.e., the current portion of intra-reporting-entity loans) or "advances to/from other funds/primary government/component unit" (i.e., the non-current portion of intra-reporting-entity loans). All other outstanding balances between funds, and between the primary government and its discretely presented component unit, are reported as "due to/from other funds/primary government/component unit."

### Ad valorem property tax receivables

The county sets its tax rate and those of the Farm-to-Market Lateral Road and Flood Control operations. All ad valorem property tax receivables are shown net of allowances for estimated uncollectible accounts. The allowances are set at 3.5% and 6% of the current and delinquent receivables, respectively, outstanding at fiscal year-end. The allowance percentages for interest and penalties receivable depend upon the ages of the individual accounts and vary from 6% to 100%. Ad valorem property tax values are assessed at 100% of appraised market values as required by the state *Property Tax Code*. A summary of the timing of annual ad valorem property tax activity follows ("dd" means that the day of the month can vary; "y1" and "y2" refer to the earlier and later, respectively, of two consecutive calendar years):

01/01/y1	– property values are assessed
07/25/y1	– the certified tax roll is received from the Galveston County Central Appraisal District
08/dd/y1 - 09/dd/y1	– tax rates are formally adopted
10/01/y1	– taxes are levied, and tax bills are mailed as soon as practicable thereafter
01/01/y2	– tax liens are placed on property to ensure eventual payment
02/01/y2	– current taxes billed the prior October, if still unpaid, become delinquent, and penalties and interest begin to accrue
05/dd/y2	– reminders of current-year unpaid taxes are mailed to property owners
08/01/y2	– current taxes still unpaid are removed from the current tax roll and added to the cumulative amount of all prior years' unpaid taxes on the delinquent tax roll.

## **3. Inventories and prepaid items**

All inventories are valued at cost using the "first-in/first-out" method. Inventories of Governmental Funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

## **4. Restricted assets**

The use of certain assets of the General Fund (\$26,337), and of the Child Welfare (\$1,345), Emergency Management (\$71,069), and Flood Control (\$25,503) Special Revenue Funds, is restricted by contract.

## 5. Capital assets

The county considers an asset to be a *capital asset* if it has an initial cost of at least \$5,000 and an *estimated useful life* that is longer than one year. Capital assets may include land, buildings, improvements, construction in progress, equipment, furniture, vehicles, and technological goods such as computer-related hardware. Capital assets may also include *infrastructure* – public-domain, long-lived, immovable assets such as roads, bridges, park trails, the Galveston seawall, dams, and levees. The county applies the same capitalization criteria to infrastructure as it applies to other assets.

Capital assets are reported in the government-wide financial statements. They are recorded:

- if purchased or constructed, at historical cost or estimated historical cost;
- if donated, at estimated fair market value at the donation date.

The cost of on-going construction is capitalized as work progresses. The costs of normal maintenance and repairs that do not add to asset values or materially extend asset lives are not capitalized. Interest expense incurred on borrowings during the construction of capital assets is not capitalized.

The depreciable capital assets of both the primary government and the Galveston County Health District, a discretely presented component unit, are *depreciated*, using the *straight-line method* and assuming no *salvage value*, over the following estimated useful lives.

	<u>Years</u>		<u>Years</u>
Primary Government:		Health District:	
Dams and levees	60	Buildings and improvements	15
Bridges	50	Equipment	3 to 10
Buildings and improvements	40	Vehicles	8
Concrete and limestone streets; park trails and pathways; Galveston seawall	30		
Asphalt streets; improvements other than buildings	20		
General and heavy equipment	13		
Portable buildings	10		
Furniture and fixtures	7		
Technological equipment; vehicles	5		

## 6. Compensated absences

The county permits employees to accumulate earned but unused vacation and sick leave in amounts, and to limits, in accordance with policy adopted by the Commissioners' Court. A liability for these amounts is accrued when incurred in the government-wide financial statements but is reported in Governmental Funds only if it has matured – for example, as a result of employee resignations and retirements.

### *Vacation Leave*

Employees accrue vacation leave beginning on their six-month anniversaries, at rates which differ with longevity, until, at twenty-five years of service, they receive two hundred hours (five weeks) of vacation leave each year. Employees may accumulate up to 150% of their annual vacation accrual; any excess is forfeited at the next anniversary date. Half-time employees accrue vacation leave at one-half the rate of full-time employees. Upon termination, employees are paid for earned but unused vacation leave, presently up to a maximum of three hundred hours, according to policy adopted by the Commissioners' Court.

### *Sick Leave*

Employees accrue sick leave beginning on their six-month anniversaries, at rates which differ according to longevity, to a maximum of 720 hours; any excess is forfeited at the next anniversary date. Half-time

employees accrue vacation leave at one-half the rate of full-time employees. Employees are not paid for earned but unused sick leave at termination unless they qualify to retire, in which case they are paid for one-half of their accumulated balances, presently to a maximum of 360 hours, according to policy adopted by the Commissioners' Court.

At September 30, 2004, the liability for compensated absences comprises the following:

	<u>2004</u>	<u>2003</u>
Earned But Unused Vacation Leave	\$ 1,578,435	\$ 1,562,049
Earned But Unused Sick Leave	405,013	372,245
Total	<u>\$ 1,983,448</u>	<u>\$ 1,934,294</u>

### 7. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities in the Statements of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the Governmental Fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. The face amount of debt issued and related premiums are reported as other financing sources, while related discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current-period expenditures.

### 8. Fund equity

In the fund financial statements, Governmental Funds report *reservations* of fund balance for amounts that are not available for appropriation or are legally restricted by external parties for use for a specific purpose. *Designations* of fund balance represent tentative management plans which are subject to change.

At September 30, 2004, the county reports the following reservations and designations in its Governmental Funds:

Reservations:	<u>2004</u>	<u>2003</u>	Designations:	<u>2004</u>	<u>2003</u>
Restricted assets	\$ 50,958	\$ 54,605	Insecticide	\$ 30,000	\$ 30,000
Encumbrances	64,100,875	29,636,168	Special lateral roads	225,970	200,186
Inventory	367,198	313,728	Debt service	1,250,000	750,000
Prepaid Items	440,712	91,046	Self-insurance loss	1,000,000	1,000,000
Outstanding Checks	87,436	170,008	Contingent liabilities	1,250,000	1,250,000
Debt service	3,301,484	1,336,897	Disaster protection	1,000,000	237,900
Total reservations	<u>\$ 68,348,663</u>	<u>\$ 31,602,452</u>	Capital projects	38,803,368	129,232,763
			Total designations	<u>\$ 43,559,338</u>	<u>\$ 132,700,849</u>

### 9. Comparative data/reclassifications

Comparative totals for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the financial position and operations of various funds. Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

## 10. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make assumptions which result in estimates that affect:

- the reported amounts of assets and liabilities;
- the disclosures of contingent assets and liabilities; and
- the reported amounts of revenues, expenditures, and expenses

at the date of those financial statements and during the reporting period then ended. Actual results could differ from such estimates.

## 11. Indirect expense allocation

Per county policy, indirect expenses are not allocated to the various functions in the government-wide Statement of Activities.

## 12. Restricted resources

Per county policy, when both restricted and unrestricted resources are available to be applied to an expense, the restricted resources are applied first.

## II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### A. Budgetary Information

For management control, annual budgets are adopted on a basis consistent with generally accepted accounting principles, using the modified accrual basis of accounting, for certain Governmental Funds, including the General Fund, twenty Special Revenue Funds, and all sixteen of the Debt Service Funds.

The forty-four Special Revenue Funds which do not adopt annual budgets are all thirty of the county's grant funds and the fourteen following funds:

Adult Probation	Probate Court Contributions
C.I.D. Seizures Post-10/89	Sheriff Commissary
Constable #9 Seizures Post-10/89	Sheriff Seizures Post-10/89
District Attorney and Other Agency Forfeitures	Sheriff Seizures Pre-10/89
District Attorney Check Collection Fees	Task Force Seizures Pre-10/89
District Attorney Contraband Post-10/89	Tax Assessor-Collector Special Inventory Tax
Law Enforcement Continued Education	Unclaimed Property

The following nine Capital Projects Funds adopt project-length budgets:

Road Bonds 1987	San Luis Pass Bridge Improvements 2002
Construction/Improvement Tax/Revenue COBs 1999	Park Roads/Parking Lot Improvements 2002A
Justice Center/Public Safety Bldg. Bonds 2001	Limited Tax Criminal Justice Bonds 2003A
Unlimited Tax Road Bonds 2001	Unlimited Tax Road Bonds 2003B
	Combination Tax/Revenue COBs 2003C

Effective budgetary control of those funds that do not adopt an annual budget is achieved by the restrictions imposed by bond orders, grant and construction contracts, and statute.

County department heads submit annual budget requests to the County Budget Officer during the third quarter of the fiscal year. These budget requests may not exceed fund balances as of the first day of the fiscal year, nor exceed revenues as estimated by the County Auditor for the coming fiscal year. The County Budget Officer reviews the budget requests and meets with the department heads to discuss them.

The County Budget Officer then presents a proposed budget to the Commissioners' Court. A public hearing is held, at which time the Commissioners' Court may increase or decrease the proposed budget. The final budget is adopted by a majority vote of the Commissioners' Court at a regularly scheduled meeting. Once the budget is approved, an order is adopted to levy the taxes necessary to finance the majority of the budgeted expenditures.

Legal budgetary control (i.e., where expenditures may not legally exceed appropriations) rests at the department level. Within the departmental budget, expenditures are presented by line items ("object codes") which are grouped into "major classes" labeled Personal Services, Supplies, Other Services and Charges, Inter-/Intra-governmental Expenditures, Other Expenses, Capital Outlay, Debt Service, and Other Financing Uses.

In practice, budgetary control is even stricter than is required by law because the county's computerized accounting system has been configured to monitor expenditures at the above-noted major-class level. The Commissioners' Court therefore must approve even many intra-departmental budget transfers. As an example, if a department attempts to issue a purchase order against its Supplies major class in an amount which exceeds Supplies' remaining budgeted funds, the accounting system will block the transaction, even though sufficient surplus might be present in another major class. The department would request that the Commissioners' Court amend the budgets of the two expenditure major classes, to transfer the surplus from the one to avoid a shortfall in the other.

Throughout the fiscal year, the Commissioners' Court may transfer existing surpluses to budgets of like kind and fund and, if deemed justified, may amend the adopted budget to provide for expenditures not therein included. Budget appropriations lapse at year-end.

*Encumbrance accounting* is employed in Governmental Funds. Encumbrances (e.g., purchase orders and contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

#### **B. Excess of Expenditures over Appropriations**

For the year ended September 30, 2004, in the Sheriff's Commissary Fund Special Revenue Fund, expenditures exceeded appropriations at the departmental level (the level of legal budgetary control) by \$64,535. Per Texas statute, the Sheriff's Department has exclusive control of the commissary funds and is not required to file an annual budget with the Commissioners' Court.

#### **C. Deficit Fund Equity**

There are no fund balance deficits at September 30, 2004.

### **III. DETAILED NOTES ON ALL FUNDS**

#### **A. Deposits and Investments**

##### *Policies and practices*

The Commissioners' Court is responsible for the selection of county depositories and safe-keeping custodians and for the establishment of the county's investment policy, in accordance with state law.

The Commissioners' Court has designated Moody National Bank of Galveston the county's main depository. The county has appointed four sub-depositories — Texas First Bank of 1) Galveston, 2) Santa Fe/Hitchcock, 3) Texas City, and 4) Dickinson — and two "participating banks" — 1) Frost Bank, and 2) Prosperity Bank. The county's depository contracts with these institutions ensure the protection of the county's deposits both through the Federal Deposit Insurance Corporation (the "FDIC") and

through qualified securities pledged by the institutions holding the deposits. The depository contracts are effective for the two-year period that began October 1, 2002, and expired September 30, 2004.

At September 30, 2004, the county had minimal deposits at Chase Bank which are not subject to contract and are thus protected solely by the FDIC. The county also is party to a custodial agreement with Chase Bank whereby the latter, at the county's direction, clears and holds securities on the county's behalf. The custodial agreement applies only to securities that meet the criteria of the county's depository contracts and applicable state law. The depository is contractually required to maintain collateral of at least 110% of the amount of cash on deposit. Pledged securities must consist of

- direct obligations of the United States government, and/or
- direct obligations of a United States governmental agency or instrumentality guaranteed by the full faith and credit of the United States government, except derivative securities.

#### *Deposits*

At September 30, 2004, the carrying value of the county's deposits totaled \$168,490,171, and the balances per banks totaled \$172,505,043. These bank balances were secured by depository insurance or by collateral held by a third-party custodian in the county's name. The carrying value of the deposits of the Galveston County Health District discretely presented component unit totaled \$2,475,952 and the balances per banks totaled \$2,588,753. The terms of the county's depository contract apply equally to the Galveston County Health District, and the latter's deposits are therefore likewise secured by the insurance and/or pledged-securities collateral noted above.

Deposits are categorized into one of the three following ascending levels of custodial credit risk:

1. Insured, or collateralized by securities held in the county's name either by the county or its agent;
2. Uninsured, but collateralized by securities held in the county's name by the financial institution's agent or trust department; or
3. Deposits other than those meeting criteria 1 and 2 above.

#### *Investments*

The Commissioners' Court controls the county's investment portfolio in accordance with state statute and the county's formal investment policy. Applicable state statute includes *Government Code*, Chapter 2256 "Public Funds Investment," Subchapter A "Authorized Investments for Governmental Entities," and *Local Government Code*, Subchapter E "Depository Accounts," §116.112 "Investment of Funds." The county's formal investment policy limits portfolio content to: United States Treasury bills and notes; United States government agency securities; certificates of deposits at approved depository banks; repurchase agreements; money market investment accounts; and negotiable order of withdrawal ("N.O.W.") accounts.

Investments consist primarily of United States government securities which have a maturity of one year or less when purchased. The county generally holds investments until maturity. Investments are presented at amortized cost in accordance with *GASB Statement 31: Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

At September 30, 2004, no holding of the county nor of its discretely presented component unit qualified as an investment per the criteria of *GASB Statement 3: Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*.

## B. Receivables

At September 30, 2004, the receivables and related allowances for uncollectible accounts of the government's individual major funds, and of its nonmajor Governmental Funds and Internal Service Funds in the aggregate, are as follows:

	General Fund	Limited Tax Criminal Justice Bonds Series 2003A Fund	Nonmajor Governmental, and Internal Service Funds	Total 2004	Total 2003
Gross Receivables:					
Interest	\$ -	\$ -	\$ -	\$ -	\$ 475,479
Taxes	10,562,324	-	2,311,444	12,873,768	12,786,256
Accounts and Other	1,516,674	221,894	3,806,581	5,545,149	6,448,606
Total Gross Receivables	12,078,998	221,894	6,118,025	18,418,917	19,710,341
Less: Allowance for Uncollectibles	(879,632)	-	(202,985)	(1,082,617)	(1,039,280)
Net Total Receivables	\$ 11,199,366	\$ 221,894	\$ 5,915,040	\$ 17,336,300	\$ 18,671,061

Governmental Funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At September 30, 2004, the various components of *deferred revenue* reported in the Governmental Funds were as follows:

	General Fund	Special Revenue Funds	Debt Service Funds	Total 2004	Total 2003
Delinquent Property Taxes Receivable	\$ 9,682,692	\$ 690,168	\$ 1,418,288	\$ 11,791,148	\$ 11,746,977
Grants	-	1,535,188	-	1,535,188	1,666,025
Other	-	38,445	-	38,445	66,853
Total	\$ 9,682,692	\$ 2,263,801	\$ 1,418,288	\$ 13,364,781	\$ 13,479,855

## C. Capital Assets

### Primary government

Capital asset activity for the year ended September 30, 2004, which related solely to governmental activities, was as follows:

	Beginning Balance, 10/1/2003*	Additions	Deletions	Ending Balance, 9/30/2004
<b>Primary Government</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 21,980,262	\$ 21,000	\$ (21,300)	\$ 21,979,962
Construction in Progress	10,762,125	44,086,594	-	54,848,719
Total Capital Assets Not Being Depreciated	32,742,387	44,107,594	(21,300)	76,828,681
Capital Assets Being Depreciated:				
Buildings and Improvements	48,616,462	56,153	-	48,672,615
Improvements Other Than Buildings	1,867,027	-	(1,430,788)	436,239
Machinery and Equipment	19,326,297	2,010,173	(744,328)	20,592,142
Infrastructure	133,799,986	-	-	133,799,986
Total Capital Assets Being Depreciated	203,609,772	2,066,326	(2,175,116)	203,500,982
Less Accumulated Depreciation for:				
Buildings and Improvements	(20,387,960)	(1,163,909)	-	(21,551,869)
Improvements Other Than Buildings	(340,786)	(7,316)	-	(348,102)
Machinery and Equipment	(12,513,192)	(1,642,667)	567,507	(13,588,352)
Infrastructure	(59,989,980)	(3,357,989)	-	(63,347,969)
Total Accumulated Depreciation	(93,231,918)	(6,171,881)	567,507	(98,836,292)
Total Capital Assets Being Depreciated, Net	110,377,854	(4,105,555)	(1,607,609)	104,664,690
Capital Assets, Net	\$ 143,120,241	\$ 40,002,039	\$ (1,628,909)	\$ 181,493,371

\*Land balances at September 30, 2003 have been restated to reflect a correction in valuation.

Depreciation expense for the primary government for the year ended September 30, 2004, which related solely to governmental activities, was charged to functions/programs as follows:

	2004	2003
General Government	\$ 725,561	\$ 838,920
Public Safety	2,634,275	3,047,386
Health and Social Services	2,348,904	137,492
Culture and Recreation	117,684	342,654
Conservation	332,239	14,591
Roads, Bridges, and Rights-of-Way	13,218	2,257,581
Total Depreciation Expense	\$ 6,171,881	\$ 6,638,624

Active capital projects of the primary government in progress at September 30, 2004, included building erection and renovation, bridge improvement, and park road and trail construction. At that date, construction commitments with contractors comprised the following:

<u>Project</u>	<u>Amount Authorized</u>	<u>Spent-to -Date</u>	<u>Remaining Commitment</u>
Walter Hall Park Road	\$ 3,053,157	\$ 2,909,065	\$ 144,092
Carbide Park Road	2,074,476	2,060,629	13,847
Bayshore Park Trails	57,599	56,603	996
Paul Hopkins Park Trails II	101,956	19,771	82,185
Fort Travis Park "Travis Trails III"	95,465	90,482	4,983
Texas City Hurricane Levee	337,828	334,004	3,824
Seawall Handrail	89,853	44,371	45,482
F.M. 646 Building	6,794,442	4,665,205	2,129,237
New Justice Center	101,156,327	43,973,192	57,183,135
Courthouse Renovation	1,955,740	695,397	1,260,343
Total	<u>\$ 115,716,843</u>	<u>\$ 54,848,719</u>	<u>\$ 60,868,124</u>

The Fort Travis Park "Travis Trails III" project is financed by grants, while the remaining projects are financed by long-term borrowings.

*Component unit*

Capital asset activity for the Galveston County Health District for the year ended September 30, 2004, follows.

	<u>Beginning Balance, 10/1/2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance, 9/30/2004</u>
<u>Galveston County Health District</u>				
Capital Assets Not Being Depreciated	\$ -	\$ -	\$ -	\$ -
Capital Assets Being Depreciated:				
Buildings and Improvements	68,675	8,235	-	76,910
Furniture and Equipment	657,339	37,065	-	694,404
Vehicles	729,347	171,381	-	900,728
Total Capital Assets being Depreciated	<u>1,455,361</u>	<u>216,681</u>	<u>-</u>	<u>1,672,042</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(5,341)	(6,226)	-	(11,567)
Furniture and Equipment	(406,388)	(121,266)	-	(527,654)
Vehicles	(430,101)	(82,244)	-	(512,345)
Total Accumulated Depreciation	<u>(841,830)</u>	<u>(209,736)</u>	<u>-</u>	<u>(1,051,566)</u>
Total Capital Assets Being Depreciated, Net	<u>613,531</u>	<u>6,945</u>	<u>-</u>	<u>620,476</u>
Capital Assets, Net	<u>\$ 613,531</u>	<u>\$ 6,945</u>	<u>\$ -</u>	<u>\$ 620,476</u>

**D. Inter-fund Receivables, Payables, and Transfers**

Amounts due to/from funds of the primary government and its component unit at September 30, 2004, are as follows:

<u>Payable Reported by:</u>	<u>Receivable Reported by:</u>			<u>Total 2004</u>	<u>Total 2003</u>
	<u>Component Unit - Galveston County Health District</u>	<u>Primary Government - General Fund</u>	<u>Primary Government - Nonmajor Governmental Funds</u>		
Primary Government - General Fund	\$ 1,038,892	\$ -	\$ -	\$ 1,038,892	\$ 275,000
Primary Government - Non - major Governmental Funds	-	937,928	-	937,928	1,708,308
Component Unit - Galveston County Health District	-	-	283,090	283,090	319,903
Total	<u>\$ 1,038,892</u>	<u>\$ 937,928</u>	<u>\$ 283,090</u>	<u>\$ 2,259,910</u>	<u>\$ 2,303,211</u>

In the fund financial statements, inter-fund balances are the result of normal inter-fund transactions and will be liquidated in the subsequent fiscal year. Balances between individual Governmental Funds and between Governmental Funds and Internal Service Funds are eliminated in the government-wide financial statements.

Transfers to/from for the year ended September 30, 2004, are as follows:

<u>Transfers Out</u>	<u>Transfers In</u>			<u>Total 2004</u>	<u>Total 2003</u>
	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Internal Service Funds</u>		
General Fund	\$ -	\$ 4,207,300	\$ 1,727,162	\$ 5,934,462	\$ 15,892,180
Nonmajor Governmental Funds	456,844	1,860,522	668,000	2,985,366	974,600
Total Transfers Out	<u>\$ 456,844</u>	<u>\$ 6,067,822</u>	<u>\$ 2,395,162</u>	<u>\$ 8,919,828</u>	<u>\$ 16,866,780</u>

All transfers are routine in nature.

**E. Leases**

*Operating Leases*

The county is engaged in an operating lease of photocopy machines under a non-cancelable, five-year contract which began during the fiscal year ended September 30, 2002. The minimum lease cost is \$22,415 per month, and the lease cost for the year ended September 30, 2004, was \$268,980. The future minimum payments for this lease are as follows:

Year Ending <u>September 30</u>	<u>Amount</u>
2005	\$ 268,980
2006	268,980
2007	201,735
Total	<u>\$ 739,695</u>

*Capital Leases*

The county is engaged in a capital lease of law-enforcement computer hardware and specialized software for the Sheriff's Department, per the terms of which it incurred lease expenditures of \$114,876 for the year ended September 30, 2004. The county is also engaged in a capital lease of general computer hardware and software for many of its departments, per the terms of which it incurred lease expenditures of \$300,064 for the same period. Equipment acquired under both capital lease agreement totaled \$2,454,505. Future minimum lease payments for these two capital leases for the next four fiscal years are as follows:

Year Ending <u>September 30</u>	<u>Governmental Activities</u>	
	<u>Law - enforcement computer</u> @ 4.15% interest/year	<u>Various Departments' computer</u> @ 4.328% interest/year
2005	\$ -	\$ 300,064
2006	334,333	300,062
2007	334,333	300,061
2008	334,334	-
Total future lease payments	1,003,000	900,187
Less: interest	(77,830)	(72,645)
	<u>\$ 925,170</u>	<u>\$ 827,542</u>

The Galveston County Health District discretely presented component unit is engaged in the following operating leases:

*With Mainland Youth at Risk -*

- for the Texas City 4C's medical and dental clinic – five-year lease commenced September 1, 2001, with an option to renew for an additional ten years; minimum lease payments total \$23,248 per month
- for the WIC Program – five-year lease commenced November 1, 2003, with an option to renew the lease three times; minimum lease payments total \$3,019 per month

*With the Galveston Housing Authority -*

- for the Island Community Center, to administer various public health functions – five-year lease commenced April 1, 2001; minimum lease payments total \$9,945 per month

- for the Island Community Center, to operate the Galveston 4C's medical and dental clinic – five-year lease commenced July 6, 1998, renewed on December 1, 2004; minimum lease payments total \$13,545 per month
- for the Island Community Center, to operate the Women's, Infants', and Children's Program – five-year lease commenced April 1, 2002; minimum lease payments total \$1,490 per month
- for space in Dickinson, Texas, for the Women's, Infants', and Children's Program – five-year lease commenced April 1, 1999; minimum lease payments total \$3,006 per month

*With the University of Texas Medical Branch –*

- for space for the Women's, Infants', and Children's Program – five-year lease commenced March 1, 1999; minimum lease payments total \$1,401 per month

In total, the Galveston County Health District incurred lease expenditures of \$609,000 and \$635,000 during the years ended September 30, 2004 and 2003, respectively. Future minimum lease payments for the next five years are as follows:

<u>Year Ending</u> <u>September 30</u>	<u>Amount</u>
2005	\$ 667,999
2006	484,038
2007	104,040
2008	108,290
2009	18,190
Total	<u>\$ 1,382,557</u>

## **F. Long-term Debt**

### Primary Government

#### *General obligation debt*

The county issues general obligation debt:

- to provide funds for the acquisition and construction of major capital facilities, and
- to refund existing debt at more favorable interest rates and/or to otherwise improve cash flow.

This debt is a direct obligation, and pledges the full faith and credit, of the county. It consists of:

- general obligation bonds issued upon voter approval at open election, and
- certificates of obligation issued upon approval of the Commissioners' Court, as allowed by the *Certificate of Obligations Act*.

Debt service payments are funded by ad valorem tax revenues. Per requirements of its bond indentures, the county both:

- calculates separate tax levies, and
- accumulates debt-service resources into individual funds,

that are specific to its outstanding bond issues. The bond indentures prescribe various other limitations and restrictions related to general obligation debt with which the county believes that it is in compliance.

The original amount of general obligation bonds issued in prior years was \$215,208,951. During the fiscal year ended September 30, 2004, \$42,594,988 in general obligation bonds were issued, all to refund outstanding debt. In the aggregate, the refundings resulted in a net decrease of \$655,230 in the debt service to maturity.

General obligation debt currently outstanding is as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental Activities	2.00-5.66 %	\$ 159,763,435
Governmental Activities - Refunding	3.00-5.50 %	\$ 43,899,988

Annual debt service requirements to maturity for general obligation debt, including accretion on capital appreciation bonds, all of which are for governmental activities, are as follows:

<u>Year Ending</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>
2005	\$ 5,735,000	\$ 8,350,187
2006	6,800,000	8,110,265
2007	7,235,000	7,834,216
2008	7,555,000	7,542,577
2009	7,860,000	7,238,541
2010	8,200,000	6,909,438
2011	8,505,000	6,557,034
2012	8,109,988	6,952,690
2013	9,205,000	5,840,733
2014	9,645,000	5,401,401
2015	10,120,000	4,901,003
2016	10,670,000	4,351,757
2017	7,267,139	7,832,531
2018	7,222,088	7,833,258
2019	7,225,488	7,810,251
2020	7,434,273	7,778,585
2021	7,485,965	7,709,360
2022	7,546,821	7,627,304
2023	7,636,620	7,532,880
2024	7,735,406	7,419,719
2025	7,830,544	7,305,456
2026	7,954,091	7,172,535
2027	13,980,000	1,084,750
2028	14,705,000	367,625
Total	\$ 203,663,423	\$ 157,464,096

### Component Unit

The Galveston County Health District issued a note payable to a bank in May, 2004, calling for twelve monthly payments of \$5,792, with an annual interest rate of 4.0%. The note is secured by an ambulance and other equipment. Annual debt service requirements to maturity are as follows:

Year Ending September 30	Principal	Interest	Total
2004	<u>\$22,535</u>	<u>\$ 803</u>	<u>\$23,338</u>
2005	<u>\$45,611</u>	<u>\$ 728</u>	<u>\$46,339</u>

### *Claims and Judgments*

#### Primary Government

Subsequent to the successful appeal of a major corporate property owner that claimed an excessive 2002 appraised value of its plant, and pursuant to an agreement dated February 23, 2004, between that corporation and the county, the county agreed to refund ad valorem tax payments totaling \$3,408,979 over a three-year period. The first payment of \$1,185,208 was made on December 6, 2004. The second and third payments, each in the amount of \$1,111,886, are to be made on or before December 15, 2005 and 2006, respectively. The Farm-to-Market Lateral Road and Flood Control Special Revenue Funds liquidated \$73,322 of the first payment; the General Fund liquidated the rest, and is expected to fund the entirety of the two remaining portions of the refund.

### *Changes in Long-term Liabilities*

Long-term liability activity for the year ended September 30, 2004, was as follows:

	Beginning Balance 10/1/2003	Additions	Reductions	Ending Balance 9/30/2004	Due Within One Year
<u>Primary Government</u>					
Bonds Payable:					
General Obligation Bonds	\$ 207,423,435	\$ 42,594,988	\$ (46,355,000)	\$ 203,663,423	\$ 5,735,000
Accumulated Accretion	3,237,138	1,503,984	-	4,741,122	-
Plus Deferred Amounts:					
For Issuance Premiums	478,119	3,596,069	(124,265)	3,949,923	-
Total Bonds Payable	<u>211,138,692</u>	<u>47,695,041</u>	<u>(46,479,265)</u>	<u>212,354,468</u>	<u>5,735,000</u>
Claims and Judgments	3,408,979	-	-	3,408,979	1,258,530
Capital Lease Payable	-	2,052,776	(300,064)	1,752,712	264,246
Compensated Absences	1,354,007	332,480	(298,073)	1,388,414	595,034
Governmental Activity					
Long - term Liabilities	<u>\$ 215,901,678</u>	<u>\$ 50,080,297</u>	<u>\$ (47,077,402)</u>	<u>\$ 218,904,573</u>	<u>\$ 7,852,810</u>
<u>Component Unit</u>					
Notes Payable	\$ 22,535	\$ 67,881	\$ (44,805)	\$ 45,611	\$ 45,611
Compensated Absences	391,335	667,713	(637,424)	421,624	421,624
Long - term Liabilities	<u>\$ 413,870</u>	<u>\$ 735,594</u>	<u>\$ (682,229)</u>	<u>\$ 467,235</u>	<u>\$ 467,235</u>

Liabilities for compensated absences are generally liquidated by the funds that bear the related employees' payroll costs prior to their termination, and by the General Fund in the cases of insufficiency. The General Fund generally liquidates liabilities for claims and judgments.

#### IV. OTHER INFORMATION

##### A. Risk Management

The government is exposed to various risks of loss related to: errors, omissions, and torts; employee injuries; theft of, damage to, and destruction of assets; and natural disasters. The county Risk Manager is responsible for identifying, evaluating, and managing risk in order to minimize liability exposure and accidental damage to, and loss of, human resources and property. The county self-insures for group health, workers' compensation, and vehicular damage claims, and it purchases commercial policies with a \$50,000 deductible for other casualty and liability insurance. In the past three years, the county has not significantly reduced insurance protection, and claim settlements have not exceeded coverage.

The county's Group Insurance, Workers' Compensation, and Self-Insurance Reserve Internal Service Funds account for the provision of services to the county and its employees for health, workers' compensation, and casualty and liability (including crime, fidelity, professional liability, and property) insurance benefits. Various county departments participate in the funds' expenses based upon estimates of amounts needed to pay prior and current years' claims. The claims liabilities in the Group Insurance and Workers' Compensation Funds at September 30, 2004, are reported in compliance with *GASB Statement 10: Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. *GASB Statement 10* requires that an entity report a liability for claims of which it becomes aware after the date of the financial statements but before the date of issuance of those financial statements if it is probable that such liability had been incurred by the earlier date and the amount can be reasonably estimated.

The county's self-insurance for employee health claims is limited to \$125,000 per employee and covered dependent to a maximum of \$6,684,238 in aggregate claims. A stop-loss policy with American Stop-Loss Insurance pays claims in excess of the individual \$125,000 limit to a maximum of \$2,000,000 in aggregate claims.

The county's self-insurance for workers' compensation claims provides medical and indemnification benefits for job-related injuries as is required by law. Excess claims are covered by a policy with Safety National Casualty Corporation. The retention (i.e., deductible) is \$300,000 per occurrence, in excess of which the policy covers up to \$1,000,000. The aggregate retention for all occurrences is \$2,000,000, in excess of which the policy covers up to \$1,000,000.

The *GASB Statement 10* estimate of liability is based on industry experience and on actuarial estimates of claims incurred but not reported ("IBNR"). Liability activity during the past two years is as follows:

	Year Ended <u>9/30/2004</u>	Year Ended <u>9/30/2003</u>
Unpaid Claims, Beginning of Fiscal Year	\$ 1,752,000	\$ 1,752,000
Incurred (Including I.B.N.R.) Claims	7,508,255	6,739,689
Claim Payments	<u>(7,237,255)</u>	<u>(6,739,689)</u>
Unpaid Claims, End of Fiscal Year	<u><u>\$ 2,023,000</u></u>	<u><u>\$ 1,752,000</u></u>

## **B. Defeasance of Debt**

The county sometimes issues refunding debt to defease outstanding debt, to take advantage of more favorable interest rates and/or to otherwise improve cash flow. The proceeds of the new debt issuances are placed into irrevocable trusts to provide for all future debt service payments on the defeased debt. In accordance with generally accepted accounting principles, neither the assets in trust nor the liability for the defeased debt are included in the county's financial statements. On September 30, 2004, \$49.3 million of bonds outstanding are considered defeased. In the aggregate, the refundings resulted in an economic gain of \$935,994.

## **C. Arbitrage Compliance**

Per §148 of the *Internal Revenue Code of 1986* as amended (the “*Code*”), the county must meet certain criteria with regard to interest earnings on its proceeds from long-term debt issuances in order for the interest income paid on those obligations to be considered tax-exempt for the debt holders. Related United States Treasury regulations promulgated under that same *Code* section generally provide that the initial determination of the taxable or tax-exempt status of an obligation is made as of the date such obligation is issued, based on reasonable expectations regarding the use of the resulting proceeds.

Long-term debt that does not initially meet, and continue to meet, the minimum criteria of §148 of the *Code* and the related Treasury regulations, and particularly the requirement to rebate certain *arbitrage profits* to the federal government, is considered “arbitrage bonds” and forfeits its tax-exempt status. The county’s obligation to calculate and, if necessary, make rebate payments continues as long as proceeds of debt remain unexpended.

Arbitrage profits result when the interest rate earned on invested debt proceeds is materially greater than that paid to holders of that debt, as calculated beginning on the third anniversary of the debt’s issuance. Accordingly, any proceeds unexpended more than three years after debt issuance is subject to yield restriction. The yield restriction may be satisfied, if necessary, by making yield-reduction payments pursuant to Treasury Regulation §1.148-5(c).

The county presently:

- has unexpended proceeds from certain debt issues, the yield of which is restricted,
- is in compliance with such restrictions, and
- therefore does not anticipate associated non-compliance issues.

The county continues to exercise reasonable diligence to apply any remaining unexpended debt proceeds to qualifying projects and to retire related debt issues still outstanding. The county contracts with Arbitrage Compliance Specialists of Englewood, Colorado, to perform annual arbitrage calculations required under §148(f) of the *Code*. The most recent calculations were made through December 31, 2004, and Arbitrage Compliance Specialists has opined that the county has no filing requirements or arbitrage rebate liability as of that date on any unexpended debt proceeds.

## **D. Guardianship Programs**

The Galveston County Department of Social Services, through Payee, Guardianship, and Administration Programs, administers financial and social services for persons whom the Galveston County Probate Judge has judged legally incapable of so doing. The Galveston County Probate Judge appoints the guardians, who, along with the payees and administrators, are employees of the Galveston County Department of Social Services.

The Texas Probate Court defines guardian responsibilities and ward rights. At September 30, 2004, Galveston County Department of Social Services employees were administering approximately \$1,796,819, generally as follows:

<u>Program</u>	<u>2004</u>		<u>2003</u>	
	Number of Cases	Approximate Assets Administered	Number of Cases	Approximate Assets Administered
Payee	50	\$ 106,861	40	\$ 62,820
Guardianship	85	1,635,998	91	2,003,879
Administration	2	53,960	2	54,199
Total	<u>137</u>	<u>\$ 1,796,819</u>	<u>133</u>	<u>\$ 2,120,898</u>

### **E. Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The county becomes party to lawsuits and other claims in the ordinary course of business. Of current note are the following two matters:

- A pending federal case alleges that two county deputies used excessive force on two individuals. The description of the asserted injuries indicates some potential merit in the claim, and misconduct by one of the deputies has been revealed in an internal investigation.
- An unasserted potential claim exists with regard to a county department that routinely uses heavy equipment, fuel, and chemicals. Operational deficiencies have been indicated that involve, among other items, petrochemical pollution of the grounds and of runoff into state waters, and unregistered fuel tanks. The alleged violations are subject to penalty by state enforcement agencies on a per-day basis. Additionally, criminal actions may have been committed by one or more county employees.

Although the outcomes of these two matters, and of other such actions in which the county is presently or may become involved, are not determinable, it is the opinion of county counsel that they will not materially adversely affect the financial condition of the county.

### **F. Subsequent Events**

Continued low interest rates caused the Commissioners' Court in February, 2005, to authorize the County Judge to issue additional refunding bonds at his discretion during the subsequent six months, subject to certain criteria, and principally the attainment of a net present value savings of at least 3.0%. Outstanding debt under consideration to be refunded are portions of the following issues: Combination Tax and Revenue Certificates of Obligation Series 2002; Combination Tax and Revenue Certificates of Obligation Series 2002A; Limited Tax Criminal Justice Bonds Series 2003A; and Combination Tax and Revenue Certificates of Obligation Series 2003C.

### **G. Deferred Compensation Plan**

In lieu of participation in the national Social Security system, Galveston County provides eligible employees a package, commonly called the "Alternate Plan," of disability insurance, survivorship, and deferred compensation benefits.

The county pays the entire cost of the disability insurance and survivorship benefits. The county contributes to the deferred compensation benefit, and employees fund the remainder under provisions of §457 of the *Internal Revenue Code of 1986* as amended through mandatory tax-deferred payroll deductions. Employees may make optional deferred compensation contributions in excess of the mandatory amounts.

In accordance with federal tax law, the Alternate Plan trust arrangement ensures the protection of the employee deferred compensation accounts until distribution. Both the county and employee contributions are forwarded monthly to selected third-party administrators who invest and disburse funds in accordance with Alternate Plan provisions.

Restricted deferred compensation assets in the custody of third-party administrators at September 30, 2004, consisted of the following:

	<u>2004</u>	<u>2003</u>
American United Life Accounts	\$ 35,863,087	\$ 33,934,197
Hibernia (Coastal) Bank Account	8,030	8,250
Lincoln National Account	1,686,964	1,644,643
N.A.C.O Account	1,676,411	1,448,871
Various Mutual Funds and Certificates of Deposit	517,072	472,776
Total Plan Assets	<u>\$ 39,751,564</u>	<u>\$ 37,508,737</u>

## **H. Employee Retirement System and Pension Plan**

### *Retirement plan description*

The county provides retirement, disability, and death benefits for full-time employees through the statewide Texas County and District Retirement System (“TCDRS”). This multiple-employer, public-employee retirement system, governed by the TCERS Board of Trustees, administers 509 non-traditional, defined-benefit pension plans. TCERS in the aggregate issues, on a calendar-year basis, a comprehensive annual financial report which is available upon request from the TCERS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

The TCERS plan provisions are adopted by the participating employers’ governing bodies, subject to the state’s *TCERS Act* (the “*Act*”). Employees qualify to retire:

- upon reaching sixty years of age, if they possess eight years of service credit; or
- at any age, upon attaining thirty years of service credit; or
- at such time as the sum of their age and their years of service credit total seventy-five.

### *Funding policy*

The county has elected to follow the variable-rate-plan provisions of the *Act*. The employer contribution rate is actuarially determined each year as a percentage of employee earnings, subject to plan changes (e.g., for cost-of-living benefit increases) adopted by the employer’s governing body within the constraints imposed by the *Act*. The employee contribution rate likewise is a percentage of employee earnings subject to adjustment by the governing body of the employer within the constraints of the *Act*. Funding is provided by monthly contributions from both the employer and, through payroll deductions, the employee, and by interest earned thereon. The employer contribution rates were 10.58% and 10.01% for the fiscal years ended September 30, 2003 and 2004, respectively. The employee contribution rate was 7% for both of the calendar years ended December 31, 2003 and 2004.

*Benefits*

Employees are vested after eight years of service but must leave their accumulated contributions in the plan in order to receive any future employer-financed benefits. Members who withdraw their personal contributions in a lump sum are not entitled to any employer-contributed amounts.

Benefit amounts are based upon the sum of the employee's deposits to the plan, the interest earned thereon, and employer-financed monetary credits. The amount of these monetary credits is set by the participating employers' governing bodies within the actuarial constraints imposed by the *Act*, so that eventual benefits can be expected to be adequately financed by the employer's commitment to contribute. Upon disability, retirement, or death, benefits are calculated by converting the sum of the employee's deposits to the Alternate Plan, the interest earned thereon, and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the *Act*.

*Annual pension cost*

In the fiscal year ended September 30, 2004 both the cost of the county's TCDRS pension plan and the county's actual contributions totaled \$3,775,050. The contributions complied with *GASB Statement No.27: Accounting for Pensions by State and Local Governmental Employers* based upon the actuarial valuations as of December 31, 2001 and 2002, which were the basis for determining the contribution rates for calendar years 2003 and 2004. The most recent actuarial valuation is that of December 31, 2003.

<u>Actuarial Valuation Date</u>	<u>12/31/2001</u>	<u>12/31/2002</u>	<u>12/31/2003</u>
Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Amortization Method	Level Percentage of Payroll, Open	Level Percentage of Payroll, Open	Level Percentage of Payroll, Open
Amortization Period	20	20	20
Asset Valuation Method	Long-term Appreciation, with Adjustment	Long-term Appreciation, with Adjustment	Long-term Appreciation, with Adjustment
Actuarial Assumptions:			
Investment Return	8.0%	8.0%	8.0%
Projected Salary Increases	5.5%	5.5%	5.5%
Inflation	3.5%	3.5%	3.5%
Cost-of-Living Adjustments	-	-	-

Trend information for the retirement plan for the employees of Galveston County, Texas, follows.

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost ("APC")</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 2002	\$ 3,538,613	100%	-
September 30, 2003	\$ 3,872,153	100%	-
September 30, 2004	\$ 3,775,050	100%	-

**\* Required Supplemental Information \***  
**Schedule of Funding Progress for the Retirement Plan**  
**for the Employees of Galveston County, Texas**  
**(Unaudited)**

Actuarial Valuation	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio (AVA/ AAL)	Annual Covered Payroll	UAAL as a % of Covered Payroll
12/31/2001	\$ 103,226,715	\$ 118,626,793	\$ 15,400,078	87.01%	\$ 34,898,610	44.13%
12/31/2002	\$ 111,753,581	\$ 128,156,421	\$ 16,402,840	87.20%	\$ 35,926,939	48.22%
12/31/2003	\$ 120,527,640	\$ 136,083,910	\$ 15,556,270	88.56%	\$ 37,292,376	41.71%

**I. Other Post-employment Benefits**

In addition to pension benefits, the county provides major medical, prescription drug, and life insurance benefits to former employees who have met one of the three criteria for retirement discussed in Note H, "Employee Retirement System and Pension Plan." Retirees are issued a paid life insurance certificate in the amount of \$50,000. Retirees are also provided, at a cost, health insurance for their lifetimes, the full benefit of which decreases to a Medicare supplement at age sixty-five.

During the fiscal year ended September 30, 2004, employees, and retirees under the age of sixty-five, who chose county health insurance coverage were required to contribute \$75 monthly towards the premium, while retirees over the age of sixty-five were required to contribute \$15 monthly. Dependent health insurance continues to be available at additional cost to both retirees and employees.

Of the 299 current retirees, 126 are eligible for full health insurance and 173 receive the reduced Medicare supplement insurance. The plan is funded on a "pay-as-you-go" basis; the county paid \$713,534 for retiree health insurance for the fiscal year ended September 30, 2004.

**J. Prior-period Adjustments**

The county determined during its fiscal year ended September 30, 2004, that the net assets it reported in its government-wide financial statements at September 30, 2003, contained two inaccuracies. First, the purchase of the land for the site of its new justice center complex was recorded at its fair market value rather than its actual cost. Second, some property no longer held by the county was erroneously included in ending net assets. The county therefore restates herein its ending net assets for the fiscal year ended September 30, 2003, and therefore also its beginning net assets for the fiscal year ended September 30, 2004, as follows:

Ending net assets at September 30, 2003, as originally reported	\$ 127,263,393
Less: amount by which the fair value of the land for the site of the new Justice Center complex exceeded its actual cost	(2,417,242)
Less: carrying value of property no longer held by the County but erroneously included in ending net assets	(10,370)
Ending net assets at September 30, 2003, as restated	<u>\$ 124,835,781</u>



Bunker at  
Fort Travis Seashore Park, Bolivar Peninsula

## Required Supplementary Information

**GALVESTON COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER**  
**FINANCING SOURCES (USES) - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**

	Original Budget	Final Budget	Actual	Variance, Actual from Final Budget Positive (Negative)	Actual Prior Year
<b>REVENUES</b>					
Taxes	\$ 67,081,072	\$ 66,886,072	\$ 67,509,112	\$ 623,040	\$ 61,486,482
Licenses and Permits	83,000	83,000	25,827	(57,173)	41,070
Intergovernmental	794,000	843,800	1,100,790	256,990	944,634
Charges for Services	5,866,535	6,061,535	6,239,123	177,588	6,404,481
Fines and Forfeitures	1,645,400	1,652,300	1,888,658	236,358	1,647,062
Investment	880,000	880,000	1,105,175	225,175	923,990
Miscellaneous	4,021,765	4,102,285	3,984,817	(117,468)	3,417,461
<b>Total revenues</b>	<b>80,371,772</b>	<b>80,508,992</b>	<b>81,853,502</b>	<b>1,344,510</b>	<b>74,865,180</b>
<b>EXPENDITURES</b>					
<b>General government</b>					
General Government	3,918,934	3,626,134	3,082,437	543,697	5,193,079
County Judge and Commissioners' Court	241,802	241,802	234,069	7,733	227,963
Commissioners' Court	540,810	540,810	530,262	10,548	530,149
County Clerk	2,031,223	2,031,223	1,809,786	221,437	1,962,295
War Veterans Office	66,150	66,150	60,338	5,812	60,889
Bail Bond Board	700	700	-	700	79
District Courts	2,359,683	2,743,507	2,737,209	6,298	2,244,353
10th District Court	139,700	139,700	137,100	2,600	138,503
56th District Court	139,500	139,500	136,291	3,209	136,422
122nd District Court	167,800	167,800	165,014	2,786	161,286
212th District Court	139,500	139,500	129,579	9,921	134,161
306th District Court	139,500	139,500	137,121	2,379	136,999
405th District Court	139,500	139,500	136,529	2,971	136,416
County Court #1	417,247	419,491	419,453	38	421,004
County Court #2	416,589	419,836	418,854	982	420,614
Probate Court	535,297	536,297	471,630	64,667	483,373
County Court #3	385,553	389,461	388,095	1,366	398,071
Justice Court Precinct #1	137,879	140,719	140,717	2	144,973
Justice Court Precinct #2	131,438	131,438	129,145	2,293	127,582
Justice Court Precinct #3	195,520	195,520	176,217	19,303	171,493
Justice Court Precinct #4	231,028	231,028	225,942	5,086	210,109
Justice Court Precinct #5	163,100	163,100	156,592	6,508	185,723
Justice Court Precinct #6	230,500	230,500	215,513	14,987	223,828
Justice Court Precinct #7	196,343	196,343	192,564	3,779	186,354
Justice Court Precinct #8	146,900	146,900	142,327	4,573	141,742
Justice Court Precinct #9	165,325	174,925	169,713	5,212	154,959
Indigent Defense	-	45,546	45,346	200	-
Jury and Trial Expense	98,726	107,526	99,899	7,627	104,492
District Clerk	2,236,296	2,292,896	2,156,369	136,527	2,143,764
District Attorney	3,439,547	3,439,547	3,267,262	172,285	3,252,032
Pre-Trial Release	276,401	276,391	269,884	6,507	329,568
County Auditor	1,900,439	1,891,439	1,584,214	307,225	1,585,453
Director of Finance/Administration/Budget Officer	740,509	705,510	669,313	36,197	693,803
County Tax Assessor-Collector	2,222,664	2,237,964	2,084,299	153,665	2,235,859
County Treasurer	413,234	407,734	380,187	27,547	357,566
Purchasing Agent	478,382	478,382	452,268	26,114	518,814
Legal Department	614,263	614,262	538,850	75,412	618,933
Human Resources	415,269	417,469	388,535	28,934	357,849
Information Technology	7,942,191	8,045,795	7,335,311	710,484	7,164,193
Facilities Services	1,537,303	1,544,502	1,462,585	81,917	1,403,476
Maintenance and Repair of Public Buildings	-	-	-	-	19,399
County Engineer	431,509	462,509	394,353	68,156	408,274
<b>Total general government</b>	<b>36,124,254</b>	<b>36,458,856</b>	<b>33,671,172</b>	<b>2,787,684</b>	<b>35,525,894</b>

**GALVESTON COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER**  
**FINANCING SOURCES (USES) - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**

	Original Budget	Final Budget	Actual	Variance, Actual from Final Budget Positive (Negative)	Actual Prior Year
<b>Public safety</b>					
Sheriff's Department	\$ 17,716,982	\$ 17,844,472	\$ 17,100,268	\$ 744,204	16,799,996
Constable Precinct #1	195,034	195,034	188,555	6,479	190,050
Constable Precinct #2	197,304	197,305	193,405	3,900	188,311
Constable Precinct #3	204,250	204,250	204,018	232	198,296
Constable Precinct #4	178,701	178,701	161,150	17,551	163,720
Constable Precinct #5	213,135	213,135	210,363	2,772	202,724
Constable Precinct #6	227,447	227,447	219,866	7,581	209,303
Constable Precinct #7	244,880	244,880	230,754	14,126	234,004
Constable Precinct #8	220,300	220,300	206,655	13,645	215,984
Constable Precinct #9	185,310	173,610	165,755	7,855	168,805
Emergency Management	408,368	453,768	415,110	38,658	336,390
Disaster Recovery	-	-	-	-	101,152
<b>Total public safety</b>	<u>19,991,711</u>	<u>20,152,902</u>	<u>19,295,899</u>	<u>857,003</u>	<u>19,008,735</u>
<b>Health and social services</b>					
Community Services	2,211,400	2,157,300	2,115,882	41,418	2,110,055
Social Services	813,478	832,478	783,869	48,609	782,050
Senior Citizens	625,683	649,897	596,614	53,283	599,145
Public Health	8,555,000	9,420,001	9,420,001	-	8,263,000
<b>Total health and social services</b>	<u>12,205,561</u>	<u>13,059,676</u>	<u>12,916,366</u>	<u>143,310</u>	<u>11,754,250</u>
<b>Culture and recreation</b>					
Beach and Parks Department	2,406,605	2,646,496	2,182,249	464,247	1,949,134
<b>Conservation</b>					
County Extension Service	347,825	347,825	300,697	47,128	310,361
<b>Capital outlay</b>					
Buildings and Improvement	85,859	137,859	69,050	68,809	130,072
Improvements Other Than Buildings	91,806	49,034	45,176	3,858	68,898
Machinery and Equipment	137,411	133,513	132,928	585	198,936
Vehicles	364,358	338,714	338,438	276	954,969
Technology	917,400	2,764,772	2,494,305	270,467	250,022
<b>Total capital outlay</b>	<u>1,596,834</u>	<u>3,423,892</u>	<u>3,079,897</u>	<u>343,995</u>	<u>1,602,897</u>
<b>Total expenditures</b>	<u>72,672,790</u>	<u>76,089,647</u>	<u>71,446,280</u>	<u>4,643,367</u>	<u>70,151,271</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>7,698,982</u>	<u>4,419,345</u>	<u>10,407,222</u>	<u>5,987,877</u>	<u>4,713,909</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	458,643	456,844	(1,799)	399,600
Transfers Out	(5,517,200)	(5,934,462)	(5,934,462)	-	(7,629,180)
Proceeds - Sale of Fixed Assets	100,000	160,000	120,834	(39,166)	1,543,995
Proceeds - Capital Lease	-	2,052,776	2,052,776	-	-
Capital Lease - Principal Payment	-	(300,064)	(300,064)	-	-
Transfers and Reserves	(3,911,200)	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>(9,328,400)</u>	<u>(3,563,107)</u>	<u>(3,604,072)</u>	<u>(40,965)</u>	<u>(5,685,585)</u>
<b>Net change in fund balances</b>	<u>(1,629,418)</u>	<u>856,238</u>	<u>6,803,150</u>	<u>5,946,912</u>	<u>(971,676)</u>
<b>Fund balances-beginning</b>	<u>6,305,140</u>	<u>6,305,140</u>	<u>6,305,140</u>	<u>-</u>	<u>7,276,816</u>
<b>Fund balances-ending</b>	<u>\$ 4,675,722</u>	<u>\$ 7,161,378</u>	<u>\$ 13,108,290</u>	<u>\$ 5,946,912</u>	<u>\$ 6,305,140</u>

Galveston County, Texas  
Notes to the Required Supplementary Information  
September 30, 2004

Budgetary Basis of Accounting

An annual budget is adopted for the General Fund using the modified accrual basis of accounting, a basis sanctioned by, and consistent with, generally accepted accounting principles.

# Governmental Funds

## GOVERNMENTAL FUNDS

Governmental Funds consist of:

### The General Fund

The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund and it is presented in the Basic Financial Statements of this report.

### Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

### Debt Service Funds

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

### Capital Projects Funds

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds. One of the Capital Projects Funds, the Limited Tax Criminal Justice Bonds Series 2003A, meets the criteria for a major fund and it is presented in the Basic Financial Statements of this report.

**GALVESTON COUNTY, TEXAS  
COMBINED BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
As of September 30, 2004**

	<b>SPECIAL REVENUE</b>	<b>DEBT SERVICE</b>	<b>CAPITAL PROJECT</b>	<b>TOTAL NONMAJOR GOVERNMENTAL FUNDS</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 17,660,331	\$ 3,377,099	\$ 74,329,729	\$ 95,367,159
Receivables (Net of Allowances for Uncollectibles):				
Taxes	690,171	1,418,288	-	2,108,459
Accounts and Other	3,752,716	22,912	-	3,775,628
Due from Component Units	283,090	-	-	283,090
Inventory at Cost	367,198	-	-	367,198
Restricted Assets:				
Cash and Cash Equivalents	97,917	-	-	97,917
<b>Total assets</b>	<b><u>\$ 22,851,423</u></b>	<b><u>\$ 4,818,299</u></b>	<b><u>\$ 74,329,729</u></b>	<b><u>\$ 101,999,451</u></b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 1,073,741	\$ -	\$ 6,708,797	\$ 7,782,538
Salaries Payable	257,054	-	-	257,054
Compensated Absences Payable	80,974	-	-	80,974
Retainage Payable	24,273	-	1,143,988	1,168,261
Estimated Liability - Claims and Judgments	68,200	-	-	68,200
Due to Others	517,459	98,527	-	615,986
Payable from Restricted Assets:				
Escrow Deposits	71,069	-	-	71,069
Deposits - Held	1,345	-	-	1,345
Due to Other Funds	937,928	-	-	937,928
Deferred Revenues	2,263,801	1,418,288	-	3,682,089
<b>Total liabilities</b>	<b><u>5,295,844</u></b>	<b><u>1,516,815</u></b>	<b><u>7,852,785</u></b>	<b><u>14,665,444</u></b>
<b>FUND BALANCES</b>				
Reserved:				
Restricted Assets	25,503	-	-	25,503
Encumbrances	170,582	-	29,076,938	29,247,520
Inventory	367,198	-	-	367,198
Outstanding Checks	2,565	-	-	2,565
Debt Service	-	3,301,484	-	3,301,484
Unreserved:				
Designated:				
Insecticide	30,000	-	-	30,000
Special Lateral Roads	225,970	-	-	225,970
Capital Projects	-	-	37,400,006	37,400,006
Undesignated	16,733,761	-	-	16,733,761
<b>Total fund balances</b>	<b><u>17,555,579</u></b>	<b><u>3,301,484</u></b>	<b><u>66,476,944</u></b>	<b><u>87,334,007</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 22,851,423</u></b>	<b><u>\$ 4,818,299</u></b>	<b><u>\$ 74,329,729</u></b>	<b><u>\$ 101,999,451</u></b>

**GALVESTON COUNTY, TEXAS**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES/EQUITY**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2004**

	<b>SPECIAL REVENUE</b>	<b>DEBT SERVICE</b>	<b>CAPITAL PROJECT</b>	<b>TOTAL NONMAJOR GOVERNMENTAL FUNDS</b>
<b>REVENUES</b>				
Taxes	\$ 2,650,203	\$ 12,647,177	\$ -	\$ 15,297,380
Licenses and Permits	2,074,358	-	-	2,074,358
Intergovernmental	13,337,957	-	-	13,337,957
Charges for Services	2,061,304	-	-	2,061,304
Fines and Forfeitures	929,539	-	-	929,539
Investment	333,127	141,032	2,764,942	3,239,101
Miscellaneous	1,018,951	-	-	1,018,951
<b>Total revenues</b>	<b>22,405,439</b>	<b>12,788,209</b>	<b>2,764,942</b>	<b>37,958,590</b>
<b>EXPENDITURES</b>				
Current:				
General Government	1,192,760	-	-	1,192,760
Public Safety	13,664,614	-	-	13,664,614
Sanitation	17,500	-	-	17,500
Health and Social Services	2,079,718	-	-	2,079,718
Culture and Recreation	862,349	-	-	862,349
Roads, Bridges and Rights-of-Way	4,510,147	-	-	4,510,147
Capital Outlay	2,723,637	-	35,927,636	38,651,273
Debt Service:				
Principal	-	3,815,000	-	3,815,000
Interest and Fiscal Charges	-	8,163,799	-	8,163,799
Bond Issuance Costs	-	601,233	-	601,233
<b>Total expenditures</b>	<b>25,050,725</b>	<b>12,580,032</b>	<b>35,927,636</b>	<b>73,558,393</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(2,645,286)</b>	<b>208,177</b>	<b>(33,162,694)</b>	<b>(35,599,803)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	4,383,484	1,684,338	-	6,067,822
Transfers Out	(1,801,028)	(562,677)	(621,661)	(2,985,366)
Proceeds from Sale of Fixed Assets	62,731	-	-	62,731
Face Value - Refunding Bonds	-	42,594,988	-	42,594,988
Premium - Refunding Bonds	-	3,596,069	-	3,596,069
Refunded Bonds - Escrow Agent	-	(45,556,308)	-	(45,556,308)
<b>Total other financing sources (uses)</b>	<b>2,645,187</b>	<b>1,756,410</b>	<b>(621,661)</b>	<b>3,779,936</b>
<b>Net change in fund balances</b>	<b>(99)</b>	<b>1,964,587</b>	<b>(33,784,355)</b>	<b>(31,819,867)</b>
<b>Fund balances-beginning</b>	<b>17,555,678</b>	<b>1,336,897</b>	<b>100,261,299</b>	<b>119,153,874</b>
<b>Fund balances-ending</b>	<b>\$ 17,555,579</b>	<b>\$ 3,301,484</b>	<b>\$ 66,476,944</b>	<b>\$ 87,334,007</b>

NONMAJOR  
SPECIAL REVENUE FUNDS

PURPOSE:

ROAD AND BRIDGE FUND (FUND #2301) - On March 18, 1967, a special election was held in accordance with V.A.C.S. Article 6702-4.103. Galveston County voters approved the levy of a tax of \$.15 per \$100 valuation to be used for work on public roads and building bridges. Taxes and fees collected under this statute are deposited with the County Treasurer and are to be put into a separate fund known as the Road and Bridge Fund.

PUBLIC HEALTH FUND (FUND #2401) - The Public Health Fund was created under §121.041 of the *Local Public Health Reorganization Act*, for the delivery of health care services to the citizens of Galveston County. Various programs receive financial assistance from the federal and state governments for the delivery of these services.

JUVENILE JUSTICE FUND (FUND #2230) - §§11.004 and 152.0901 of the *Human Resources Code* authorize the creation of a Juvenile Justice Board in Galveston County. Its purpose is to provide for the care, protection, supervision, instruction and alternative placement of children coming within its provisions. It also assists juveniles in obtaining admission to vocational training institutions, completion of G.E.D. requirements, and gainful employment plus individual/family counseling.

ADULT PROBATION FUND (FUND #2220) - Effective on September 1, 1978, the Texas Adult Probation Commission was created by Article 42.121 of the *Code of Criminal Procedure*. The purpose of the Commission is to make probation services available throughout the State and to improve effectiveness of probation services. The Commission creates alternatives to incarceration by providing financial aid to judicial districts for the establishment and improvement of probation services and community-based correctional programs and facilities other than jails or prisons, and to establish uniform probation administration standards. Revenues of the Adult Probation Fund are derived from funds supplied by the State and from supervision fees imposed by the Courts and collected from the probationers. Expenditures are for salaries of probation officers and clerical staff, supplies, communications, travel and transportation expenses, and certain other operational items required for the supervision of probationers.

LAW LIBRARY FUND (FUND #2211) - Under L.G.C., Subchapter B, Sections 323.021-323.025, the Commissioners' Court of a County may establish and maintain a county law library at the county seat. A sum set by Commissioners' Court, not to exceed \$20, shall be collected on each civil case filed in the County or District Court. The clerks of the respective court shall collect these fees and pay them to the County Treasurer to be deposited into a separate fund known as the Law Library Fund. The Law Library Fund is under the direction of the Commissioners' Court.

CHILD WELFARE FUND (FUND #2501) - Title 5, §264.005 of the *Family Code* grants county Commissioners' Courts the authority to create a Child Welfare Board. The purpose of the board is to provide coordinated state and local public welfare services to the children and their families. The Commissioners' Court may appropriate the necessary funds from the General Fund or any of the other funds to carry out this program.

BEACH AND PARKS FUND (FUND #2601) – The Beach and Park program of the County is the responsibility of the Commissioners' Court and is operated by a governing board. This board administers through staff an extensive County Park System for the citizens of Galveston. The Fund was established under Chapter 62 of the *Texas Natural Resource Code*.

ROAD DISTRICT #1 FUND (FUND #2341) – The Galveston County Road District #1 was created and defined under Article III, §52 of the Texas Constitution to construct, maintain and operate macadamized, graveled, or paved roads and turnpikes. The Road District #1 is a corporate body and a taxing entity and is authorized from time to time to issue bonds. Commissioners' Court acts as the governing body.

COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION FEE FUND (FUND #2102) – The County Clerk Records Management and Preservation Fund was established under the authority of §119.0216 of the *Local Government Code*. The fees collected by the County Clerk are deposited with the County Treasurer into a fund known as the County Clerk Records Management and Preservation Fund. These fees are to be used for the specific purpose of records management and automation projects.

COUNTY RECORDS MANAGEMENT FUND (FUND #2101) – On May 30, 1993, Senate Bill 1058 was passed by the Texas Legislature establishing a Records Management and Preservation Fund for the records management and preservation fees authorized under Sections 118.052, 118.0546, and 118.0645, and 51.317 of the Government Code and Article 102.005(d), Code of Criminal Procedures. Expenditures for this fund must be approved in advance by Commissioners' Court and may be used only for records management preservation or automation purposes in the County.

DISTRICT CLERK RECORDS MANAGEMENT FUND (2106) - The District Clerk Records Management Fund was established under the authority of Section 51.317 of the Government Code as amended by House Bill 1905 passed by the 78<sup>th</sup> Legislature of the State of Texas. The fees collected by the District Clerk are deposited with the County Treasurer into the District Clerk Records Management Fund. These fees are to be used for the specific purpose of records management and automation projects.

COURTHOUSE SECURITY FUND (FUND #2205) – The Courthouse Security Fund was created by Senate Bill 243 and became effective September 9, 1993, to finance security services for buildings housing a county court at law or a district court. The clerks of the respective courts are to collect fees and court costs as stated in Article 102.017 of the *Code of Criminal Procedure* and remit them to the County Treasurer to be deposited into a fund known as the Courthouse Security Fund.

MEDIATION SERVICES PROGRAM FUND (FUND #2212) – The Mediation Services Program, established under the authority of Civil Practice and Remedies 152, was approved by the Galveston County Commissioners' Court January 27, 1992. The program was created to address the needs of both the civil and family courts by providing financially aided mediation to those families who cannot afford to pay. Funding for the program comes from an additional fee of ten dollars (\$10.00), being collected on each civil case filed.

TAX ASSESSOR-COLLECTOR SPECIAL INVENTORY TAX ESCROW FUND (FUND #2111) – §23.12 of the

*Property Tax Code* states that certain taxpayers of inventory held for sale in a trade or business must prepay their property taxes. The Tax Assessor-Collector Special Inventory Tax Escrow Fund accounts for these payments made to the Tax Collector and are held in an escrow account in the county depository. This fund also accounts for any interest earned and any fines or penalties assessed for non-payment of taxes.

*DONATIONS TO GALVESTON COUNTY FUND (FUND #2121)* - The Donations to Galveston County Fund was approved by the Galveston County Commissioners' Court on February 2, 1995. The fund was created to account for all donations that are made to Galveston County.

*MOSQUITO CONTROL DISTRICT (FUND #2410)* – In accordance with Chapter 344 of the *Health and Safety Code*, a special election was held to create a Mosquito Control District. On November 7, 1953, the voters elected to levy a tax of \$.05 per \$100 valuation to be used to eradicate mosquitoes in Galveston County. Taxes collected under this section are deposited with the County Treasurer and are put into a separate fund known as the Mosquito Control District Fund.

*LAW ENFORCEMENT CONTINUED EDUCATION (FUND #2250)* - The Law Enforcement Continued Education Fund consists of annual allocation of payments by the Comptroller of Public Accounts from the Law Enforcement agencies as directed by Senate Bill 1135, passed by the 74<sup>th</sup> Texas Legislature. These funds are for expenses related to the continued education of persons licensed under Occupation Code, Title 10, and Chapter 1701.

*FARM-TO-MARKET LATERAL ROAD FUND (FUND #2303)* - On March 18, 1967, a special election was held in accordance with V.A.C.S. Article 6702-4.103. This election resulted in authorization by the voters of Galveston County to levy a Tax of \$.15 per \$100 valuation to be used for Farm-to-Market and Lateral Roads within the county. Taxes and fees collected under this section are deposited with the County Treasurer and are put into a separate fund known as the Farm-to-Market Lateral Road Fund.

*FLOOD CONTROL FUND (FUND #2370)* - On March 18, 1967, a special election was held in accordance with V.A.C.S. Article 6702-4.103. This election resulted in authorization by the voters of Galveston County to levy a Tax not to exceed \$.15 per hundred valuations to be used solely for flood control purposes within the county. Taxes and fees collected under this section are deposited with the County Treasurer and are put into a separate fund known as the Flood Control Fund.

*DISTRICT CLERK CHILD SUPPORT IV-D (FUND #2105)* – The District Clerk Child Support IV-D Fund was created under the authority of *Texas Family Code* §231.002. The Office of the Attorney General and Galveston County entered into an agreement to reimburse the County for processing child support payments sent to the County as part of the Cooperative Agreement for Title IV, Part-D of the Federal Social Security Act (IV-D) child support enforcement program. The purpose of this program is to provide Galveston County child support registry with a mechanism for supporting and improving the IV-D child support case services provided by the County.

*CRYSTAL BEACH FUND (FUND #2145)* - The Crystal Beach Fund was established under the direction of the Texas Natural Resource Conservation Commission (“the TNRCC”). The TNRCC requires that an owner

or operator of a landfill or process facility provide assurance that funds will be available when needed for remediation, closure, and/or post-closure costs. The creation of the Crystal Beach Fund provides the assurance that the requirements of the TNRCC are met.

DISTRICT ATTORNEY & OTHER AGENCY FORFEITURE FUND (FUND #2130) - Funds collected in connection with drug and gambling forfeitures for the District Attorney's office and other agencies prior to CCP59.06 are accounted for in this fund. Forfeitures are used to defray expenses of the District Attorney's office.

DISTRICT ATTORNEY CONTRABAND POST 10/89 FUND (FUND #2131) - Forfeitures after October 1989 collected by the District Attorney under CCP59.06 regulations are accounted for in this fund. Forfeitures are used to defray expenses of the District Attorney's office.

DISTRICT ATTORNEY CHECK COLLECTION FEES FUND (FUND #2132) - Fees collected in connection with processing checks issued or passed in violation of the Texas Penal Code are deposited in this fund and are used to defray expenses of the District Attorney's office. Forfeitures are used for law enforcement purposes.

SHERIFF'S COMMISSARY FUND (FUND # 2240) - This fund accounts for the County Jail Commissary operations, which is controlled by the County Sheriff. The Commissary is a means for inmates to purchase products. The profits from operations are used to address the social needs of County inmates.

SHERIFF SEIZURES AND CONTRABAND PRE 10/89 FUND (FUND #2241) - Funds collected in connection with drug and gambling forfeitures for the Sheriff's office prior to CCP59.06 are accounted for in this fund. Forfeitures are used to defray expenses of the Sheriff's office.

SHERIFF SEIZURES AND CONTRABAND POST 10/89 FUND (FUND #2242) - Funds collected in connection with drug seizures and forfeitures for the Sheriff's office after CCP59.06 was passed in October 1989. Forfeitures are used to defray expenses of the Sheriff's office.

TASK FORCE SEIZURE PRE 10/89 FUND (FUND #2245) - Seizures and forfeitures collected by the Task Force prior to CCP59.06 which was passed in October 1989, are accounted for in this fund. Forfeitures are used to defray expenses of the Task Force.

CONSTABLE SEIZURES POST 10/89 FUND (FUND #2255) - Funds collected in connection with drug seizures and forfeitures for the Constable's office after CCP59.06 was passed October 1989. Forfeitures are used to defray expenses of the Constable's office.

UNCLAIMED PROPERTY FUND (FUND #2148) - Due to legislative changes to Title VI Unclaimed Texas Property Code, this fund was established to account for unclaimed property valued under \$100.00. The property is presumed abandoned as defined by Chapters 72 and 75 of the Unclaimed Property Tax Code.

JUSTICE COURT TECHNOLOGY FUND (FUND #2215) - Subchapter A, Chapter 102, of the Code of Criminal Procedure was amended September 1, 2001 by adding Article 102.0173. This article allows a Commissioners' Court of a county to create a Justice Court Technology Fund by charging an additional court cost technology fee not to exceed \$4.00. The fund designated by this article may be used to finance the purchase of technological enhancements for a justice court. The Justice Court Technology Fund is under the direction of the Commissioners' Court.

PROBATE COURT CONTRIBUTIONS FUND (FUND #2216) - Local Government Code Section 25.00213

mandates the creation of a Contributions Fund in a county that collects the additional fees under Section 51.704, effective September 1, 2001. Into this fund should be deposited the State's annual compensation equal to \$40,000 plus any proportionate share of the excess as determined by the State at the end of the year. Money in this fund may be used only for court-related purposes for the support of the statutory probate court in the county.

EMERGENCY MANAGEMENT FUND (FUND #2260) – The Emergency Management Fund was created in May 2003 by Commissioners Court in order to establish better control and accountability of the various Office of Emergency Management projects.

C.I.D. SEIZURES POST-10/89 FUND (FUND #2246) – Funds collected after October 1989 in connection with drug and other criminal activity by the C.I.D. are accounted for in this fund. Forfeitures are used to defray expenses of the Sheriff's Office.

## GRANTS

### PURPOSE:

JUVENILE JUSTICE STATE AID (FUND #2841) - The Juvenile Probation State Aid Fund is provided by the State to each County based on a population of juvenile aged children and is used to provide for additional or initial probation services.

JUVENILE JUSTICE I.S.P. FUND (FUND #2842) - The Juvenile Probation I.S.P. is a supplemental funding by TJPC. Funds are discretionary funds that were applied for and received to offer an intensive Supervision Program to juvenile offenders that require maximum attention.

CHILD ABUSE INVESTIGATOR (FUND #2875) - In partnership with the Advocacy Center for Children, Galveston County has obtained funding for a full-time child abuse investigator through the Criminal Justice Division. The grant pays for the investigator and part-time assistant who work out of the Advocacy Center. Fiscal year 2002 was the first year of this multi-year grant.

JUVENILE JUSTICE ALTERNATIVE EDUCATION GRANT (FUND #2848) - The Juvenile Justice Alternative Education Program (JJAEP) grant is funded by the Texas Juvenile Probation Commission. This grant provides an alternative education for students that have been expelled from one of the nine participating area school districts.

JUVENILE ACCOUNTABILITY INCENTIVE BLOCKS GRANT (FUND #2840) - The Juvenile Accountability Incentive Block Grant is funded by the Texas Criminal Justice Division. This grant provides funds that help Galveston County in reducing juvenile delinquency, improving the juvenile justice system and increasing juvenile accountability.

ORGANIZED CRIME CONTROL UNIT CJD GRANT (FUND #2861) - The Organized Crime Control Unit CJD Grant is a multi-agency, regional approach to developing strategically and tactical intelligence pertaining to organized control as defined by Texas Law. The Organized Crime Control Unit investigates criminal activity organized by criminal groups identified in four forms; 1) Controlled substance trafficking 2) Burglary 3) Gambling and 4) Motor Vehicle Theft.

NARCOTICS TASK FORCE CJD GRANT (FUND #2862) - The Narcotics Task Force CJD Grant, also called the Anti-Drug Abuse Grant, was awarded by the Texas Criminal Justice Division, to establish a multi-agency task force dedicated to the investigation of narcotics traffickers and offenders.

ATTORNEY GENERAL'S VICTIM ASSISTANCE GRANT (FUND #2874) - This grant funds a salaried position in the District Attorney's office whose responsibilities are to educate victims about available services, including financial assistance through the Crime Victims Compensation Act.

CHILDREN'S JUSTICE ACT GRANT (FUND #2885) - The Children's Justice Act Grant was awarded by The Texas Department of Protective and Regulatory Services. This grant enables the county to settle many CPS cases without a trial and to place children in permanent homes as quickly as possible. Four attorney mediators conduct mediations to settle differences between family members and avoid lengthy, costly legal battles.

U.S DEPARTMENT OF JUSTICE LOCAL LAW ENFORCEMENT BLOCK GRANT (FUND #2975) - The U.S.

Department of Justice Local Law Enforcement Block Grant was awarded to the county through the Bureau of Justice Assistance (BJA). The purpose of the LLEBG Program is to reduce crime and improve public safety. This grant is used to purchase equipment for basic law enforcement.

GALVESTON COUNTY SENIOR CITIZENS GRANT PROGRAM (FUND #2921) - The Galveston County Senior Citizens Grant Program was created by the County and funded through the regional council designated as Houston-Galveston Area Council. This program provides senior citizens centers with a hot meal program, and counseling to the senior citizens of Galveston County.

COMMUNITY DEVELOPMENT (H.U.D. BOLIVAR SAND SOCK) GRANT #828527 AND 718157 (FUND #2911) - The Bolivar Sand Sock Grant # 828527 is to provide the funds to construct approximately three miles of geotube "Sand Sock" on Bolivar Peninsula. The sand sock protects homes, businesses and Highway 87 from hurricanes and other weather-related events. The completed sand sock resembles a natural sand dune. Contract # 718157 provides the matching funds on the Bolivar Sand Sock Project.

ADULT PROBATION COMMUNITY CORRECTIONS GRANT (FUND #2824) - The Adult Probation Community Corrections Grant was awarded by the Texas Community Justice Assistance Division. Funds for this grant are to be used for supervision and for facilities.

AUTO CRIMES TASK FORCE GRANT (FUND #2864) - The Texas Criminal Justice Division awarded Galveston County an Auto Crimes Task Force Grant to establish a multi-agency regional approach to investigation and prosecution of persons involved in auto theft, chop shop operations, burglary of motor vehicles, and theft of accessories from motor vehicles. Also, included in this grant are gang activities and violent crimes as they pertain to stolen vehicles.

INTENSIVE FAMILY PRESERVATION GRANT (FUND #2941) - The Intensive Family Preservation Grant was awarded by the Moody Memorial Methodist Church Endowment Fund. The purpose of the grant is to assist clients in meeting their concrete needs so that they may function more effectively as a family and prevent further disruption of the family unit.

COUNTY PARKS AND BEACHES (PARK ENHANCEMENT) GRANTS (FUND #2960) - Galveston County has obtained several grants to help meet the objectives of the Galveston County Beach and Parks Master Plan. Among these are Fort Travis Trails projects funded by NOAA and the Texas General Land Office; and the grant from the Coastal Impact Assistance Program (also originating with NOAA) to remediate a former landfill at Beach Pocket Park#1 on Galveston Island. Future GLO grants in this fund will provide additional enhancements to Bayshore Park in Bacliff and Paul Hopkins Park in Dickinson.

JACK BROOKS PARK PERMANENT IMPROVEMENTS GRANT (FUND #3272) - The Jack Brooks Park Permanent Improvements Grant was awarded through the Texas Parks and Wildlife Commission to develop improvement to the 680-acre Jack Brooks Park. These improvements include a restroom, roads and parking, playgrounds and playground renovation, camping area, softball/baseball fields, piers with boat/canoe launch, various trails, soccer/football fields, picnic tables, golf course with a bridge, archery range renovation, environmental education area, model airplane area, volleyball and horseshoe court, bleachers, benches and signs.

OFFICE OF EMERGENCY MANAGEMENT PROGRAM GRANT (FUND #2891) - This fund is used to budget

various grants passed through the Texas Division of Emergency Management to Galveston County. These have included grants to purchase HAZMAT equipment , hurricane education materials, and storm shutters for the County Courthouse.

DISASTER RECOVERY I - FRANCES GRANT (FUND #2995) - Under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (PL100-707) the Federal Emergency Management Agency (FEMA) provides funds to local and State governments to respond to, recover from and mitigate disasters. This funding is provided at 75% federal 25% local match of approved projects following a Presidential Disaster Declaration. As a result of Tropical Storm Frances occurring the week of September 9-11, 1998, Galveston County received a Presidential Disaster for Public and Individual Assistance (Disaster number TX01245). The County also received a Disaster Relief Grant from the Texas Department of Housing and Community Affairs to be used to provide the local match for the FEMA funds awarded under the Disaster TX01245.

COPS IN SCHOOL GRANT - CCISD (FUND #2976) - The U.S. Department of Justice COPS in Schools grant was awarded to the County through the Office of Community Oriented Policing Services on September 1, 2002. The purpose of this grant is to provide Clear Creek Independent School District with four additional full-time officers for a four-year period.

LOW INCOME REPAIR ASSISTANCE PROGRAM GRANT (FUND #2816) - The low income vehicle, retrofit and accelerated vehicle replacement program ( LIRAP) provides financial assistance for low income vehicle owners whose vehicle have failed emissions tests. HGAC (Houston-Galveston Area Council) will administer LIRAP in, and on behalf of Galveston County. Grant funding is through the Texas Commission on Environmental Quality.

COASTAL IMPACT ASSISTANCE GRANT (FUND #2913) - The National Oceanic and Atmospheric Administration awarded a grant to Galveston County derived from oil and gas lease revenues. The County will use these funds for educational outreach countywide, West Rollover Pass renourishment, Pirates Beach renourishment, and to monitor geotubes and to protect shoreline of Clear Creek (Walter Hall Park).

SENIOR SERVICES - SPECIAL PROJECTS/SERVICES GRANT (FUND #2920) - Professional Services required for ADA improvements to the Dickinson Senior Center meeting the general design guidelines as provided by Galveston County and approved by local and state governing agencies. The fees for these services shall be for reimbursable expenses and shall include the disciplines of Architecture, Structural Engineering, Plumbing, and Electrical Engineering. Project shall be funded by the Title IIIC Grant Fund Unreserved Fund Balance.

DISASTER RECOVERY IV- CLAUDETTE GRANT (FUND #2998) - Under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (PL100-707), the Federal Emergency Management Agency (FEMA) provides funds to local and State governments to respond to, recover from and mitigate disasters. This funding is provided at 75% federal 25% local match of approved projects following a Presidential Disaster Declaration. Galveston County received this third FEMA grant as a result of Hurricane Claudette, which hit our area in July 2003. At this time, the President declared Galveston County a disaster area.

GISD TRUANCY GRANT (FUND #2849) - This Truancy Reduction Initiative grant was awarded by the Governor's Criminal Justice Division. It was authorized by the Commissioners' Court to fund a truancy reduction program at Ball High School. These funds help combat juvenile delinquency and truancy. The county will benefit as youths who participate in the program will be less likely to enter the Juvenile Justice system.

STATE CRIMINAL ALIEN ASSISTANCE PROGRAM GRANT (FUND #2867) - SCAAP provides federal payments to States and localities that incurred correctional officer salary costs for incarcerating undocumented criminal aliens with at least one felony or two misdemeanor convictions for violations of State or local law, and incarcerated for at least four consecutive days during the reporting period. Grant funding is through the Bureau of Justice Assistance.

STATE HOMELAND SECURITY GRANT (FUND #2842) – To enhance the capacity of State and Local emergency responders to prevent, respond to and recover from a weapons of mass destruction (WMD) terrorism incident involving chemical, biological, radiological, nuclear, and explosive (CBRNE) devices and cyber attacks.

CDBG – MEALS ON WHEELS (FUND #2927) – To provide Meals on Wheels to seniors who are frail seniors, home bound and who are least 60 years old. There is a contract with the city of Galveston to provide Meals on Wheels to seniors in Galveston.

PARK BEACH PROJECT GRANT (FUND #2962) - Galveston County has obtained several grants to help meet the objectives of the Galveston County Beach and Parks Master Plan. Among these are Fort Travis Trails projects funded by NOAA and the Texas General Land Office; and the grant from the Coastal Impact Assistance Program (also originating with NOAA) to remediate a former landfill at Beach Pocket Park#1 on Galveston Island. Future GLO grants in this fund will provide additional enhancements to Bayshore Park in Bacliff and Paul Hopkins Park in Dickinson.

KEMPNER GRANT (FUND #2925) – A grant award from the Harris and Eliza Kempner Fund. This grant is to be used to provide legal services for elderly clients in Galveston County

**GALVESTON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS**

**September 30, 2004**

**With Comparative Totals as of September 30, 2003**

	<b>ROAD AND BRIDGE</b>	<b>PUBLIC HEALTH</b>	<b>JUVENILE JUSTICE</b>	<b>ADULT PROBATION</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 3,478,021	\$ -	\$ 1,792,408	\$ 589,846
Investments	-	-	-	-
Receivables (Net of Allowances for Uncollectibles):				
Taxes	25,022	-	-	-
Accounts and Other	1,099,530	22,787	390,140	92,464
Due from Component Units	-	283,090	-	-
Inventory at Cost	131,379	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted Assets:				
Cash and Cash Equivalents	-	-	-	-
<b>Total assets</b>	<b>\$ 4,733,952</b>	<b>\$ 305,877</b>	<b>\$ 2,182,548</b>	<b>\$ 682,310</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 102,570	\$ -	\$ 64,246	\$ 14,246
Salaries Payable	37,473	22,787	61,176	44,594
Compensated Absences Payable	15,817	-	30,039	-
Retainage Payable	-	-	-	-
Est. Liability/Judgmt Payable	-	-	-	-
Due to Others	-	-	-	-
Payable from Restricted Assets:				
Escrow Deposits	-	-	-	-
Deposits - Held	-	-	-	-
Due to Other Funds	-	283,090	-	11,517
Deferred Revenues	63,467	-	-	143,881
<b>Total liabilities</b>	<b>219,327</b>	<b>305,877</b>	<b>155,461</b>	<b>214,238</b>
<b>FUND BALANCES</b>				
Reserved:				
Restricted Assets	-	-	-	-
Encumbrances	20,095	-	-	-
Inventory	131,379	-	-	-
Outstanding Checks	-	-	30	733
Unreserved:				
Designated:				
Insecticide	-	-	-	-
Special Lateral Roads	-	-	-	-
Undesignated	4,363,151	-	2,027,057	467,339
<b>Total fund balances</b>	<b>4,514,625</b>	<b>-</b>	<b>2,027,087</b>	<b>468,072</b>
<b>Total liabilities and fund balances</b>	<b>\$ 4,733,952</b>	<b>\$ 305,877</b>	<b>\$ 2,182,548</b>	<b>\$ 682,310</b>

(Continued)

<u>LAW LIBRARY</u>	<u>CHILD WELFARE</u>	<u>BEACH AND PARKS</u>	<u>ROAD DISTRICT #1</u>	<u>COUNTY CLERK RECORDS MGMT. AND PRESV. FEE</u>
\$ 384,860	\$ 277,385	\$ 354,941	\$ 873,546	\$ 1,598,117
-	-	-	-	-
-	-	-	7,558	-
4,124	55,336	125,635	1,474	7,570
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,345	-	-	-
<u>\$ 388,984</u>	<u>\$ 334,066</u>	<u>\$ 480,576</u>	<u>\$ 882,578</u>	<u>\$ 1,605,687</u>
\$ 10	\$ 46,785	\$ 29,609	\$ 2,022	\$ 24,047
854	-	4,288	-	2,810
325	-	3,250	-	3,683
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,345	-	-	-
-	-	-	-	-
-	-	-	7,558	-
<u>1,189</u>	<u>48,130</u>	<u>37,147</u>	<u>9,580</u>	<u>30,540</u>
-	-	-	-	-
-	-	1,575	18,106	-
-	-	-	-	-
66	128	8	-	-
-	-	-	-	-
-	-	-	-	-
<u>387,729</u>	<u>285,808</u>	<u>441,846</u>	<u>854,892</u>	<u>1,575,147</u>
<u>387,795</u>	<u>285,936</u>	<u>443,429</u>	<u>872,998</u>	<u>1,575,147</u>
<u>\$ 388,984</u>	<u>\$ 334,066</u>	<u>\$ 480,576</u>	<u>\$ 882,578</u>	<u>\$ 1,605,687</u>

GALVESTON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 SPECIAL REVENUE FUNDS

September 30, 2004

With Comparative Totals as of September 30, 2003

	COUNTY RECORDS MANAGEMENT	DISTRICT CLK RECORDS MANAGEMENT	COURTHOUSE SECURITY	MEDIATION SERVICES PROGRAM
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 84,899	\$ 14,568	\$ 229,208	\$ 127,142
Investments	-	-	-	-
Receivables (Net of Allowances for Uncollectibles):				
Taxes	-	-	-	-
Accounts and Other	3,656	-	2,348	430
Due from Component Units	-	-	-	-
Inventory at Cost	-	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted Assets:				
Cash and Cash Equivalents	-	-	-	-
<b>Total assets</b>	<b>\$ 88,555</b>	<b>\$ 14,568</b>	<b>\$ 231,556</b>	<b>\$ 127,572</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ 2,197	\$ 4,905
Salaries Payable	1,722	-	2,753	-
Compensated Absences Payable	3,169	-	782	-
Retainage Payable	-	-	-	-
Est. Liability/Judgmt Payable	-	-	-	-
Due to Others	-	-	-	-
Payable from Restricted Assets:				
Escrow Deposits	-	-	-	-
Deposits - Held	-	-	-	-
Due to Other Funds	-	-	-	-
Deferred Revenues	-	-	-	-
<b>Total liabilities</b>	<b>4,891</b>	<b>-</b>	<b>5,732</b>	<b>4,905</b>
<b>FUND BALANCES</b>				
Reserved:				
Restricted Assets	-	-	-	-
Encumbrances	-	-	-	-
Inventory	-	-	-	-
Outstanding Checks	-	-	-	-
Unreserved:				
Designated:				
Insecticide	-	-	-	-
Special Lateral Roads	-	-	-	-
Undesignated	83,664	14,568	225,824	122,667
<b>Total fund balances</b>	<b>83,664</b>	<b>14,568</b>	<b>225,824</b>	<b>122,667</b>
<b>Total liabilities and fund balances</b>	<b>\$ 88,555</b>	<b>\$ 14,568</b>	<b>\$ 231,556</b>	<b>\$ 127,572</b>

(Continued)

TAX COLLECTOR SPECIAL INVENTORY TAX ESCROW	DONATIONS TO GALVESTON COUNTY	MOSQUITO CONTROL DISTRICT	LAW ENFORCEMENT CONT. EDU.	FARM-TO- MARKET LATERAL ROAD
\$ 92,696	\$ 61,832	\$ 870,397	\$ 118,755	\$ 1,808,327
-	-	-	-	-
-	-	116,004	-	65,687
1,323	-	2,152	-	2,773
-	-	-	-	-
-	-	235,819	-	-
-	-	-	-	-
-	-	-	-	-
<b>\$ 94,019</b>	<b>\$ 61,832</b>	<b>\$ 1,224,372</b>	<b>\$ 118,755</b>	<b>\$ 1,876,787</b>
\$ -	\$ -	\$ 33,839	\$ 963	\$ 3,874
-	-	12,655	-	3,974
-	-	5,074	-	11,699
-	-	-	-	-
-	-	-	-	-
-	-	-	-	476
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	116,002	-	65,687
-	-	167,570	963	85,710
-	-	-	-	-
-	-	-	-	-
-	-	235,819	-	-
-	-	-	-	-
-	-	30,000	-	-
-	-	-	-	225,970
94,019	61,832	790,983	117,792	1,565,107
94,019	61,832	1,056,802	117,792	1,791,077
<b>\$ 94,019</b>	<b>\$ 61,832</b>	<b>\$ 1,224,372</b>	<b>\$ 118,755</b>	<b>\$ 1,876,787</b>

GALVESTON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 SPECIAL REVENUE FUNDS

September 30, 2004

With Comparative Totals as of September 30, 2003

	FLOOD CONTROL	DIST. CLK. CHILD SUPPORT IV-D	CRYSTAL BEACH	D.A. AND OTHER AGENCY FORFEITURES
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 685,027	\$ 100,832	\$ -	\$ 620
Investments	-	-	-	-
Receivables (Net of Allowances for Uncollectibles):				
Taxes	475,900	-	-	-
Accounts and Other	11,032	-	-	-
Due from Component Units	-	-	-	-
Inventory at Cost	-	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted Assets:				
Cash and Cash Equivalents	25,503	-	-	-
<b>Total assets</b>	<b>\$ 1,197,462</b>	<b>\$ 100,832</b>	<b>\$ -</b>	<b>\$ 620</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 34,347	\$ -	\$ -	\$ 338
Salaries Payable	18,590	-	-	-
Compensated Absences Payable	7,136	-	-	-
Retainage Payable	-	-	-	-
Est. Liability/Judgmt Payable	-	-	-	-
Due to Others	273	-	-	-
Payable from Restricted Assets:				
Escrow Deposits	-	-	-	-
Deposits - Held	-	-	-	-
Due to Other Funds	-	-	-	-
Deferred Revenues	475,899	-	-	-
<b>Total liabilities</b>	<b>536,245</b>	<b>-</b>	<b>-</b>	<b>338</b>
<b>FUND BALANCES</b>				
Reserved:				
Restricted Assets	25,503	-	-	-
Encumbrances	53,723	-	-	-
Inventory	-	-	-	-
Outstanding Checks	-	-	-	-
Unreserved:				
Designated:				
Insecticide	-	-	-	-
Special Lateral Roads	-	-	-	-
Undesignated	581,991	100,832	-	282
<b>Total fund balances</b>	<b>661,217</b>	<b>100,832</b>	<b>-</b>	<b>282</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,197,462</b>	<b>\$ 100,832</b>	<b>\$ -</b>	<b>\$ 620</b>

(Continued)

<u>D.A. CONTRABAND POST-10/89</u>	<u>D.A. CHECK COLLECTION FEES</u>	<u>SHERIFF'S COMMISSARY</u>	<u>SHERIFF SEIZURES PRE-10/89</u>
\$ 86,800	\$ 45,076	\$ 478,233	\$ 2,037
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>86,800</u>	<u>45,076</u>	<u>478,233</u>	<u>2,037</u>
\$ 4,174	\$ 231	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>4,174</u>	<u>231</u>	<u>-</u>	<u>-</u>
-	-	-	-
-	-	-	-
-	-	-	-
55	-	-	-
-	-	-	-
-	-	-	-
<u>82,571</u>	<u>44,845</u>	<u>478,233</u>	<u>2,037</u>
<u>82,626</u>	<u>44,845</u>	<u>478,233</u>	<u>2,037</u>
<u>\$ 86,800</u>	<u>\$ 45,076</u>	<u>\$ 478,233</u>	<u>\$ 2,037</u>

**GALVESTON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS**

**September 30, 2004**

**With Comparative Totals as of September 30, 2003**

	<b>SHERIFF SEIZURES POST-10/89</b>	<b>TASK FORCE SEIZURES PRE-10/89</b>	<b>CONSTABLE #9 SEIZURES POST-10/89</b>	<b>UNCLAIMED PROPERTY</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 22,628	\$ 78,712	\$ 925	\$ 106,722
Investments	-	-	-	-
Receivables (Net of Allowances for Uncollectibles):				
Taxes	-	-	-	-
Accounts and Other	-	-	-	-
Due from Component Units	-	-	-	-
Inventory at Cost	-	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted Assets:				
Cash and Cash Equivalents	-	-	-	-
<b>Total assets</b>	<b>\$ 22,628</b>	<b>\$ 78,712</b>	<b>\$ 925</b>	<b>\$ 106,722</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ 925	\$ -
Salaries Payable	-	-	-	-
Compensated Absences Payable	-	-	-	-
Retainage Payable	-	-	-	-
Est. Liability/Judgmt Payable	-	-	-	-
Due to Others	12,805	2,843	-	79,596
Payable from Restricted Assets:				
Escrow Deposits	-	-	-	-
Deposits - Held	-	-	-	-
Due to Other Funds	-	-	-	-
Deferred Revenues	-	-	-	-
<b>Total liabilities</b>	<b>12,805</b>	<b>2,843</b>	<b>925</b>	<b>79,596</b>
<b>FUND BALANCES</b>				
Reserved:				
Restricted Assets	-	-	-	-
Encumbrances	-	-	-	-
Inventory	-	-	-	-
Outstanding Checks	672	-	-	-
Unreserved:				
Designated:				
Insecticide	-	-	-	-
Special Lateral Roads	-	-	-	-
Undesignated	9,151	75,869	-	27,126
<b>Total fund balances</b>	<b>9,823</b>	<b>75,869</b>	<b>-</b>	<b>27,126</b>
<b>Total liabilities and fund balances</b>	<b>\$ 22,628</b>	<b>\$ 78,712</b>	<b>\$ 925</b>	<b>\$ 106,722</b>

(Continued)

<b>JUSTICE COURT TECHNOLOGY</b>	<b>PROBATE COURT CONTRIBUTIONS</b>	<b>EMERGENCY MANAGEMENT</b>	<b>C.I.D. SEIZURES POST-10/89</b>	<b>GRANTS</b>
\$ 154,378	\$ 268,849	\$ 1,054,145	\$ 5,919	\$ 1,812,480
-	-	-	-	-
-	-	-	-	-
-	-	8,333	-	1,921,609
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	71,069	-	-
<b>\$ 154,378</b>	<b>\$ 268,849</b>	<b>\$ 1,133,547</b>	<b>\$ 5,919</b>	<b>\$ 3,734,089</b>
\$ -	\$ 99	\$ 35,856	\$ -	\$ 668,458
-	-	-	-	43,378
-	-	-	-	-
-	-	-	-	24,273
-	-	68,200	-	-
-	-	-	5,919	415,547
-	-	71,069	-	-
-	-	-	-	-
-	-	-	-	643,321
-	-	-	-	1,391,307
-	99	175,125	5,919	3,186,284
-	-	-	-	-
-	-	73,883	-	3,200
-	-	-	-	-
-	-	-	-	873
-	-	-	-	-
-	-	-	-	-
154,378	268,750	884,539	-	543,732
154,378	268,750	958,422	-	547,805
<b>\$ 154,378</b>	<b>\$ 268,849</b>	<b>\$ 1,133,547</b>	<b>\$ 5,919</b>	<b>\$ 3,734,089</b>

**GALVESTON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
For the Year Ended September 30, 2004  
With Comparative Totals as of September 30, 2003**

	<b>TOTALS</b>	
	<b>2004</b>	<b>2003</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 17,660,331	\$ 19,410,298
Investments	-	109,467
Receivables (Net of Allowances for Uncollectibles):		
Taxes	690,171	873,035
Accounts and Other	3,752,716	2,741,669
Due from Component Units	283,090	319,903
Inventory at Cost	367,198	313,728
Prepaid Expenditures	-	3,040
Restricted Assets:		
Cash and Cash Equivalents	97,917	220,577
<b>Total assets</b>	<b>\$ 22,851,423</b>	<b>\$ 23,991,717</b>
<b>LIABILITIES</b>		
Accounts Payable	\$ 1,073,741	\$ 1,292,875
Salaries Payable	257,054	557,503
Compensated Absences Payable	80,974	78,158
Retainage Payable	24,273	184,718
Est. Liability/Judgmt Payable	68,200	-
Due to Others	517,459	243,285
Payable from Restricted Assets:		
Escrow Deposits	71,069	165,137
Deposits - Held	1,345	835
Due to Other Funds	937,928	1,336,023
Deferred Revenues	2,263,801	2,577,505
<b>Total liabilities</b>	<b>5,295,844</b>	<b>6,436,039</b>
<b>FUND BALANCES</b>		
Reserved:		
Restricted Assets	25,503	54,605
Encumbrances	170,582	452,722
Inventory	367,198	313,728
Outstanding Checks	2,565	12,568
Unreserved:		
Designated:		
Insecticide	30,000	30,000
Special Lateral Roads	225,970	200,186
Undesignated	16,733,761	16,491,869
<b>Total fund balances</b>	<b>17,555,579</b>	<b>17,555,678</b>
<b>Total liabilities and fund balances</b>	<b>\$ 22,851,423</b>	<b>\$ 23,991,717</b>



Senior Citizens Center, Galveston

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**For the Year Ended September 30, 2004**  
**With Comparative Totals as of September 30, 2003**

	<b>ROAD AND BRIDGE</b>	<b>PUBLIC HEALTH</b>	<b>JUVENILE JUSTICE</b>	<b>ADULT PROBATION</b>
<b>REVENUES</b>				
Taxes	\$ 1,849	\$ -	\$ -	\$ -
Licenses and Permits	2,074,358	-	-	-
Intergovernmental	2,440,653	-	845,011	2,409,353
Charges for Services	-	-	405	-
Fines and Forfeitures	776,096	-	-	-
Investment Earnings	121,745	-	-	23,733
Miscellaneous	144,084	-	14,504	3,708
<b>Total revenues</b>	<b>5,558,785</b>	<b>-</b>	<b>859,920</b>	<b>2,436,794</b>
<b>EXPENDITURES</b>				
Current :				
General Government	159,518	-	-	-
Public Safety	-	-	4,174,540	2,425,370
Sanitation	-	-	-	-
Health and Social Services	-	-	-	-
Culture and Recreation	-	-	-	-
Roads, Bridges, and Rights-of-Way	3,720,355	-	-	-
Capital Outlay	630,068	-	18,566	1,444
<b>Total expenditures</b>	<b>4,509,941</b>	<b>-</b>	<b>4,193,106</b>	<b>2,426,814</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,048,844</b>	<b>-</b>	<b>(3,333,186)</b>	<b>9,980</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	3,453,100	-
Transfers Out	(1,030,000)	-	(2,900)	-
Proceeds from Sale of Fixed Assets	7,062	-	-	-
<b>Total other financing sources (uses)</b>	<b>(1,022,938)</b>	<b>-</b>	<b>3,450,200</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>25,906</b>	<b>-</b>	<b>117,014</b>	<b>9,980</b>
<b>Fund balances-beginning</b>	<b>4,488,719</b>	<b>-</b>	<b>1,910,073</b>	<b>458,092</b>
<b>Fund balances-ending</b>	<b>\$ 4,514,625</b>	<b>\$ -</b>	<b>\$ 2,027,087</b>	<b>\$ 468,072</b>

(Continued)

<u>LAW LIBRARY</u>	<u>CHILD WELFARE</u>	<u>BEACH AND PARKS</u>	<u>ROAD DISTRICT #1</u>	<u>COUNTY CLERK RECORDS MGMT. AND PRESV. FEE</u>
\$ -	\$ -	\$ -	\$ 732	\$ -
-	-	-	-	-
-	27,751	250,000	-	-
186,573	-	78,427	742,415	487,986
-	-	-	-	-
-	-	-	25,956	-
<u>3,600</u>	<u>1,008</u>	<u>3,032</u>	<u>-</u>	<u>-</u>
<u>190,173</u>	<u>28,759</u>	<u>331,459</u>	<u>769,103</u>	<u>487,986</u>
211,677	-	-	-	197,686
-	-	-	-	-
-	-	-	-	-
-	514,176	-	-	-
-	-	515,479	-	-
-	-	-	570,971	-
-	-	14,605	10,000	162,124
<u>211,677</u>	<u>514,176</u>	<u>530,084</u>	<u>580,971</u>	<u>359,810</u>
<u>(21,504)</u>	<u>(485,417)</u>	<u>(198,625)</u>	<u>188,132</u>	<u>128,176</u>
-	423,600	118,100	-	11,920
-	-	-	(100,000)	-
-	-	-	-	-
<u>-</u>	<u>423,600</u>	<u>118,100</u>	<u>(100,000)</u>	<u>11,920</u>
(21,504)	(61,817)	(80,525)	88,132	140,096
<u>409,299</u>	<u>347,753</u>	<u>523,954</u>	<u>784,866</u>	<u>1,435,051</u>
<u>\$ 387,795</u>	<u>\$ 285,936</u>	<u>\$ 443,429</u>	<u>\$ 872,998</u>	<u>\$ 1,575,147</u>

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**For the Year Ended September 30, 2004**  
**With Comparative Totals as of September 30, 2003**

	<b>COUNTY RECORDS MANAGEMENT</b>	<b>DISTRICT CLK REC MANAGEMENT</b>	<b>COURTHOUSE SECURITY</b>	<b>MEDIATION SERVICES PROGRAM</b>
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	112,002	14,568	202,378	74,919
Fines and Forfeitures	-	-	-	-
Investment Earnings	-	-	-	3,410
Miscellaneous	7,903	-	-	-
<b>Total revenues</b>	<b>119,905</b>	<b>14,568</b>	<b>202,378</b>	<b>78,329</b>
<b>EXPENDITURES</b>				
Current :				
General Government	100,095	-	-	43,177
Public Safety	-	-	155,616	-
Sanitation	-	-	-	-
Health and Social Services	-	-	-	-
Culture and Recreation	-	-	-	-
Roads, Bridges, and Rights-of-Way	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total expenditures</b>	<b>100,095</b>	<b>-</b>	<b>155,616</b>	<b>43,177</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>19,810</b>	<b>14,568</b>	<b>46,762</b>	<b>35,152</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	(11,920)	-	-	-
Proceeds from Sale of Fixed Assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(11,920)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>7,890</b>	<b>14,568</b>	<b>46,762</b>	<b>35,152</b>
<b>Fund balances-beginning</b>	<b>75,774</b>	<b>-</b>	<b>179,062</b>	<b>87,515</b>
<b>Fund balances-ending</b>	<b>\$ 83,664</b>	<b>\$ 14,568</b>	<b>\$ 225,824</b>	<b>\$ 122,667</b>

(Continued)

<u>TAX COLLECTOR SPECIAL INVENTORY TAX ESCROW</u>	<u>DONATIONS TO GALVESTON COUNTY</u>	<u>MOSQUITO CONTROL DISTRICT</u>	<u>LAW ENFORCEMENT CONT. EDU.</u>	<u>FARM-TO- MARKET LATERAL ROAD</u>
\$ 2,600	\$ -	\$ 1,040,294	\$ -	\$ 207,977
-	-	-	-	-
-	-	-	32,047	25,784
-	-	-	-	-
-	-	-	-	-
14,082	-	29,215	-	54,494
-	-	-	-	5,673
<u>16,682</u>	<u>-</u>	<u>1,069,509</u>	<u>32,047</u>	<u>293,928</u>
-	-	-	-	-
-	-	-	17,449	-
-	-	-	-	-
-	-	843,419	-	-
-	-	-	-	-
-	-	-	-	218,821
-	-	42,816	-	25,000
<u>-</u>	<u>-</u>	<u>886,235</u>	<u>17,449</u>	<u>243,821</u>
<u>16,682</u>	<u>-</u>	<u>183,274</u>	<u>14,598</u>	<u>50,107</u>
-	-	-	-	-
(60,000)	-	-	-	(38,000)
<u>-</u>	<u>-</u>	<u>5,005</u>	<u>-</u>	<u>18,528</u>
<u>(60,000)</u>	<u>-</u>	<u>5,005</u>	<u>-</u>	<u>(19,472)</u>
(43,318)	-	188,279	14,598	30,635
<u>137,337</u>	<u>61,832</u>	<u>868,523</u>	<u>103,194</u>	<u>1,760,442</u>
<u>\$ 94,019</u>	<u>\$ 61,832</u>	<u>\$ 1,056,802</u>	<u>\$ 117,792</u>	<u>\$ 1,791,077</u>

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**For the Year Ended September 30, 2004**  
**With Comparative Totals as of September 30, 2003**

	<b>FLOOD CONTROL</b>	<b>DIST. CLK. CHILD SUPPORT IV-D</b>	<b>CRYSTAL BEACH</b>	<b>D.A. AND OTHER AGENCY FORFEITURES</b>
<b>REVENUES</b>				
Taxes	\$ 1,392,337	\$ -	\$ 4,414	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	12,178	-	-
Charges for Services	132,631	-	-	-
Fines and Forfeitures	-	-	-	-
Investment Earnings	32,112	-	2,378	-
Miscellaneous	51,155	-	-	-
<b>Total revenues</b>	<b>1,608,235</b>	<b>12,178</b>	<b>6,792</b>	<b>-</b>
<b>EXPENDITURES</b>				
Current :				
General Government	98,140	-	-	343
Public Safety	1,296,755	-	-	-
Sanitation	-	-	-	-
Health and Social Services	-	-	-	-
Culture and Recreation	-	-	-	-
Roads, Bridges, and Rights-of-Way	-	-	-	-
Capital Outlay	418,647	-	-	-
<b>Total expenditures</b>	<b>1,813,542</b>	<b>-</b>	<b>-</b>	<b>343</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(205,307)</b>	<b>12,178</b>	<b>6,792</b>	<b>(343)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	(5,600)	(204,557)	-
Proceeds from Sale of Fixed Assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(5,600)</b>	<b>(204,557)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(205,307)</b>	<b>6,578</b>	<b>(197,765)</b>	<b>(343)</b>
<b>Fund balances-beginning</b>	<b>866,524</b>	<b>94,254</b>	<b>197,765</b>	<b>625</b>
<b>Fund balances-ending</b>	<b>\$ 661,217</b>	<b>\$ 100,832</b>	<b>\$ -</b>	<b>\$ 282</b>

(Continued)

<u>D.A. CONTRABAND POST-10/89</u>	<u>D.A. CHECK COLLECTION FEES</u>	<u>SHERIFF'S COMMISSARY</u>	<u>SHERIFF SEIZURES PRE-10/89</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	29,000	-	-
49,184	-	-	-
-	-	10,742	-
-	-	118,428	-
<u>49,184</u>	<u>29,000</u>	<u>129,170</u>	<u>-</u>
16,447	20,230	-	-
-	-	64,535	-
-	-	-	-
-	-	-	-
-	-	-	-
898	-	-	-
<u>17,345</u>	<u>20,230</u>	<u>64,535</u>	<u>-</u>
31,839	8,770	64,635	-
-	-	-	-
-	-	-	-
-	-	-	-
31,839	8,770	64,635	-
50,787	36,075	413,598	2,037
<u>\$ 82,626</u>	<u>\$ 44,845</u>	<u>\$ 478,233</u>	<u>\$ 2,037</u>

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**For the Year Ended September 30, 2004**  
**With Comparative Totals as of September 30, 2003**

	<b>SHERIFF SEIZURES POST-10/89</b>	<b>TASK FORCE SEIZURES PRE-10/89</b>	<b>CONSTABLE #9 SEIZURES POST-10/89</b>	<b>UNCLAIMED PROPERTY</b>
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Investment Earnings	656	1,107	-	11,610
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>656</b>	<b>1,107</b>	<b>-</b>	<b>11,610</b>
<b>EXPENDITURES</b>				
Current :				
General Government	-	-	-	-
Public Safety	-	68,073	2,831	-
Sanitation	-	-	-	-
Health and Social Services	-	-	-	-
Culture and Recreation	-	-	-	-
Roads, Bridges, and Rights-of-Way	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>68,073</b>	<b>2,831</b>	<b>-</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>656</b>	<b>(66,966)</b>	<b>(2,831)</b>	<b>11,610</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Sale of Fixed Assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>656</b>	<b>(66,966)</b>	<b>(2,831)</b>	<b>11,610</b>
<b>Fund balances-beginning</b>	<b>9,167</b>	<b>142,835</b>	<b>2,831</b>	<b>15,516</b>
<b>Fund balances-ending</b>	<b>\$ 9,823</b>	<b>\$ 75,869</b>	<b>\$ -</b>	<b>\$ 27,126</b>

(Continued)

<u>JUSTICE COURT TECHNOLOGY</u>	<u>PROBATE COURT CONTRIBUTIONS</u>	<u>EMERGENCY MANAGEMENT</u>	<u>C.I.D. SEIZURES POST-10/89</u>	<u>GRANTS</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	61,026	-	-	7,234,154
-	-	-	-	-
75,663	-	-	-	28,596
-	-	-	-	1,887
-	-	662,547	-	3,309
<u>75,663</u>	<u>61,026</u>	<u>662,547</u>	<u>-</u>	<u>7,267,946</u>
60,000	2,482	-	-	282,965
-	-	586,308	-	4,873,137
-	-	-	-	17,500
-	-	-	-	722,123
-	-	-	-	346,870
-	-	-	-	-
-	-	-	-	1,399,469
<u>60,000</u>	<u>2,482</u>	<u>586,308</u>	<u>-</u>	<u>7,642,064</u>
<u>15,663</u>	<u>58,544</u>	<u>76,239</u>	<u>-</u>	<u>(374,118)</u>
-	-	175,000	-	201,764
-	(11,000)	(122,894)	-	(214,157)
-	-	-	-	32,136
<u>-</u>	<u>(11,000)</u>	<u>52,106</u>	<u>-</u>	<u>19,743</u>
15,663	47,544	128,345	-	(354,375)
<u>138,715</u>	<u>221,206</u>	<u>830,077</u>	<u>-</u>	<u>902,180</u>
<u>\$ 154,378</u>	<u>\$ 268,750</u>	<u>\$ 958,422</u>	<u>\$ -</u>	<u>\$ 547,805</u>

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**For the Year Ended September 30, 2004**  
**With Comparative Totals as of September 30, 2003**

	<b>TOTALS</b>	
	<b>2004</b>	<b>2003</b>
<b>REVENUES</b>		
Taxes	\$ 2,650,203	\$ 2,484,942
Licenses and Permits	2,074,358	2,016,452
Intergovernmental	13,337,957	10,614,612
Charges for Services	2,061,304	2,061,988
Fines and Forfeitures	929,539	1,032,092
Investment Earnings	333,127	350,685
Miscellaneous	1,018,951	793,851
	<b>22,405,439</b>	<b>19,354,622</b>
<b>EXPENDITURES</b>		
Current :		
General Government	1,192,760	1,226,670
Public Safety	13,664,614	11,742,449
Sanitation	17,500	-
Health and Social Services	2,079,718	2,133,207
Culture and Recreation	862,349	401,556
Roads, Bridges, and Rights-of-Way	4,510,147	4,308,294
Capital Outlay	2,723,637	3,139,858
	<b>25,050,725</b>	<b>22,952,034</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(2,645,286)</b>	<b>(3,597,412)</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers In	4,383,484	6,251,531
Transfers Out	(1,801,028)	(977,800)
Proceeds from Sale of Fixed Assets	62,731	686,504
	<b>2,645,187</b>	<b>5,960,235</b>
<b>Net change in fund balances</b>	<b>(99)</b>	<b>2,362,823</b>
<b>Fund balances-beginning</b>	<b>17,555,678</b>	<b>15,192,855</b>
<b>Fund balances-ending</b>	<b>\$ 17,555,579</b>	<b>\$ 17,555,678</b>



Outdoor Pavilion and Playground  
Nobel Carl Park, Crystal Beach

**GALVESTON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS - GRANT FUNDS**  
**September 30, 2004**  
**With Comparative Totals as of September 30, 2003**

	<b>JUVENILE JUSTICE STATE AID</b>	<b>JUVENILE JUSTICE I.S.P. GRANT</b>	<b>CHILD ABUSE INVESTIGATOR</b>	<b>JUVENILE JUSTICE ALTERNATIVE C.J.D. GRANT</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 4,276	\$ 20,484	\$ -	\$ -
Receivables: (Net of Allowance for Uncollectibles)				
Accounts and Other	93,266	69,041	17,849	3,570
Prepaid Expenditures	-	-	-	-
<b>Total assets</b>	<b>\$ 97,542</b>	<b>\$ 89,525</b>	<b>\$ 17,849</b>	<b>\$ 3,570</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 883	\$ 291	\$ 1,202	\$ -
Salaries Payable	8,831	6,898	(274)	939
Retainage Payable	-	-	-	-
Due to Others	27,398	38,803	753	-
Due to Other Funds	-	-	16,125	2,631
Deferred Revenues	60,430	43,533	43	-
<b>Total liabilities</b>	<b>97,542</b>	<b>89,525</b>	<b>17,849</b>	<b>3,570</b>
<b>FUND BALANCES</b>				
Reserved:				
Encumbrances	-	-	-	-
Outstanding Checks	69	-	-	-
Unreserved:				
Undesignated	(69)	-	-	-
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 97,542</b>	<b>\$ 89,525</b>	<b>\$ 17,849</b>	<b>\$ 3,570</b>

(Continued)

<b>JUVENILE ACCOUNTABILITY INCENTIVE GRANT</b>	<b>ORG. CRIME CONTROL UNIT C.J.D. GRANT</b>	<b>NARCOTICS TASK FORCE C.J.D. GRANT</b>	<b>A.G. VICTIMS ASSISTANCE GRANT</b>	<b>CHILDREN'S JUSTICE ACT PROJECT</b>
\$ -	\$ 1,824	\$ 218,436	\$ -	\$ 1,685
7,682	-	-	5,351	-
-	-	-	-	-
<b>\$ 7,682</b>	<b>\$ 1,824</b>	<b>\$ 218,436</b>	<b>\$ 5,351</b>	<b>\$ 1,685</b>
\$ 630	\$ -	\$ -	\$ -	\$ -
-	-	-	957	-
-	-	-	-	-
-	-	85,175	-	-
7,052	-	-	3,532	-
-	-	-	-	-
<b>7,682</b>	<b>-</b>	<b>85,175</b>	<b>4,489</b>	<b>-</b>
-	-	-	-	-
-	-	-	-	-
-	1,824	133,261	862	1,685
-	1,824	133,261	862	1,685
<b>\$ 7,682</b>	<b>\$ 1,824</b>	<b>\$ 218,436</b>	<b>\$ 5,351</b>	<b>\$ 1,685</b>

**GALVESTON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - GRANT FUNDS  
September 30, 2004  
With Comparative Totals as of September 30, 2003**

	<b>U.S. DEPT. OF JUSTICE LAW ENFORCEMENT BLOCK GRANT</b>	<b>SENIOR CITIZENS GRANT PROGRAM</b>	<b>COMMUNITY DEVELOPMENT GRANT</b>	<b>ADULT PROBATION COMMUNITY CORRECTIONS</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 67,675	\$ 142,945	\$ 94,090	\$ 141,496
Receivables: (Net of Allowance for Uncollectibles)				
Accounts and Other	-	37,705	60,127	-
Prepaid Expenditures	-	-	-	-
<b>Total assets</b>	<b>\$ 67,675</b>	<b>\$ 180,650</b>	<b>\$ 154,217</b>	<b>\$ 141,496</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 23,511	\$ 27,942	\$ 51,361	\$ 18,695
Salaries Payable	-	10,432	-	7,399
Retainage Payable	-	-	3,006	-
Due to Others	4,194	-	-	-
Due to Other Funds	-	-	-	-
Deferred Revenues	39,174	-	99,850	78,460
<b>Total liabilities</b>	<b>66,879</b>	<b>38,374</b>	<b>154,217</b>	<b>104,554</b>
<b>FUND BALANCES</b>				
Reserved:				
Encumbrances	-	-	-	-
Outstanding Checks	-	36	-	-
Unreserved:				
Undesignated	796	142,240	-	36,942
<b>Total fund balances</b>	<b>796</b>	<b>142,276</b>	<b>-</b>	<b>36,942</b>
<b>Total liabilities and fund balances</b>	<b>\$ 67,675</b>	<b>\$ 180,650</b>	<b>\$ 154,217</b>	<b>\$ 141,496</b>

(Continued)

<b>AUTO CRIME TASK FORCE</b>	<b>INTENSIVE FAMILY PRESERVATION GRANT</b>	<b>COUNTY PARKS/ BEACHES GRANT</b>	<b>JACK BROOKS PARK PERMANENT IMPROVEMENTS</b>	<b>OFFICE OF EMERGENCY MANAGEMENT GRANTS</b>
\$ -	\$ 917	\$ 122,225	\$ -	\$ -
171,587	-	74,665	-	555,374
-	-	-	-	-
<b>\$ 171,587</b>	<b>\$ 917</b>	<b>\$ 196,890</b>	<b>\$ -</b>	<b>\$ 555,374</b>
\$ 22,790	\$ 300	\$ -	\$ -	\$ 36,783
3,119	-	-	-	-
-	-	-	-	-
-	-	-	-	-
54,131	-	-	-	516,967
-	-	196,890	-	-
<b>80,040</b>	<b>300</b>	<b>196,890</b>	<b>-</b>	<b>553,750</b>
-	-	-	-	-
768	-	-	-	-
90,779	617	-	-	1,624
<b>91,547</b>	<b>617</b>	<b>-</b>	<b>-</b>	<b>1,624</b>
<b>\$ 171,587</b>	<b>\$ 917</b>	<b>\$ 196,890</b>	<b>\$ -</b>	<b>\$ 555,374</b>

**GALVESTON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - GRANT FUNDS  
September 30, 2004  
With Comparative Totals as of September 30, 2003**

	<b>DISASTER RECOVERY I - FRANCES</b>	<b>COPS IN SCHOOLS</b>	<b>L.I.R.A.P.</b>	<b>COASTAL IMPACT ASSISTANCE GRANT</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ -	\$ -	\$ 983	\$ -
Receivables: (Net of Allowance for Uncollectibles)				
Accounts and Other	-	18,725	259,224	38,274
Prepaid Expenditures	-	-	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 18,725</b>	<b>\$ 260,207</b>	<b>\$ 38,274</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ 30,305
Salaries Payable	-	4,447	-	-
Retainage Payable	-	-	-	-
Due to Others	-	-	259,224	-
Due to Other Funds	-	14,278	-	-
Deferred Revenues	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>18,725</b>	<b>259,224</b>	<b>30,305</b>
<b>FUND BALANCES</b>				
Reserved:				
Encumbrances	-	-	-	-
Outstanding Checks	-	-	-	-
Unreserved:				
Undesignated	-	-	983	7,969
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>983</b>	<b>7,969</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 18,725</b>	<b>\$ 260,207</b>	<b>\$ 38,274</b>

(Continued)

<u>SENIOR SERVICES - SPECIAL PROJECTS / SERVICES</u>	<u>DISASTER RECOVERY IV - CLAUDETTE</u>	<u>GISD TRUANCY GRANT</u>	<u>STATE CRIMINAL ALIEN ASSISTANCE PROGRAM</u>	<u>STATE HOMELAND SECURITY GRT</u>
\$ 1,501	\$ 859,744	\$ -	\$ 9,034	\$ -
-	459,433	33,010	-	-
-	-	-	-	-
<u>\$ 1,501</u>	<u>\$ 1,319,177</u>	<u>\$ 33,010</u>	<u>\$ 9,034</u>	<u>\$ -</u>
\$ -	\$ 417,802	\$ 8,807	\$ 9,034	\$ -
569	-	-	-	-
-	20,517	-	-	-
-	-	-	-	-
-	-	24,203	-	-
-	757,071	-	-	-
<u>569</u>	<u>1,195,390</u>	<u>33,010</u>	<u>9,034</u>	<u>-</u>
3,200	-	-	-	-
-	-	-	-	-
(2,268)	123,787	-	-	-
<u>932</u>	<u>123,787</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 1,501</u>	<u>\$ 1,319,177</u>	<u>\$ 33,010</u>	<u>\$ 9,034</u>	<u>\$ -</u>

**GALVESTON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS - GRANT FUNDS**  
**September 30, 2004**  
**With Comparative Totals as of September 30, 2003**

	<b>CDBG- MEALS ON WHEELS</b>	<b>PARK BEACH PRJ GRANT</b>	<b>KEMPNER GRANT</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ -	\$ 122,465	\$ 2,700
Receivables: (Net of Allowance for Uncollectibles)			
Accounts and Other	4,402	12,324	-
Prepaid Expenditures	-	-	-
<b>Total assets</b>	<b>\$ 4,402</b>	<b>\$ 134,789</b>	<b>\$ 2,700</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ 18,122	\$ -
Salaries Payable	-	61	-
Retainage Payable	-	750	-
Due to Others	-	-	-
Due to Other Funds	4,402	-	-
Deferred Revenues	-	115,856	-
<b>Total liabilities</b>	<b>4,402</b>	<b>134,789</b>	<b>-</b>
<b>FUND BALANCES</b>			
Reserved:			
Encumbrances	-	-	-
Outstanding Checks	-	-	-
Unreserved:			
Undesignated	-	-	2,700
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>2,700</b>
<b>Total liabilities and fund balances</b>	<b>\$ 4,402</b>	<b>\$ 134,789</b>	<b>\$ 2,700</b>

(Continued)

<b>TOTALS</b>	
<b>2004</b>	<b>2003</b>
\$ 1,812,480	\$ 1,855,327
1,921,609	2,082,926
-	3,040
<b>\$ 3,734,089</b>	<b>\$ 3,941,293</b>
\$ 668,458	\$ 454,446
43,378	84,566
24,273	46,745
415,547	156,411
643,321	976,286
1,391,307	1,320,659
3,186,284	3,039,113
3,200	3,200
873	978
543,732	898,002
547,805	902,180
<b>\$ 3,734,089</b>	<b>\$ 3,941,293</b>

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUND**  
**SPECIAL REVENUE FUNDS - GRANT FUNDS**  
**For the Year Ended September 30, 2004**  
**With Totals for the Year Ended September 30, 2003**

	JUVENILE JUSTICE STATE AID	JUVENILE JUSTICE I.S.P. GRANT	CHILD ABUSE INVESTIGATOR	JUVENILE JUSTICE ALTERNATIVE C.J.D. GRANT
<b>REVENUES</b>				
Intergovernmental	\$ 577,491	\$ 382,160	\$ 67,248	\$ 63,092
Fines and Forfeitures	-	-	-	-
Investment Earnings	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>577,491</u>	<u>382,160</u>	<u>67,248</u>	<u>63,092</u>
<b>EXPENDITURES</b>				
Current :				
General Government	-	-	-	-
Public Safety	577,491	382,160	67,248	63,092
Sanitation	-	-	-	-
Health and Social Services	-	-	-	-
Culture and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total expenditures</b>	<u>577,491</u>	<u>382,160</u>	<u>67,248</u>	<u>63,092</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Sale of Fixed Assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	-	-	-	-
<b>Fund balances-beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances-ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

<b>JUVENILE ACCOUNTABILITY INCENTIVE GRANT</b>	<b>ORG. CRIME CONTROL UNIT C.J.D. GRANT</b>	<b>NARCOTICS TASK FORCE C.J.D. GRANT</b>	<b>A.G. VICTIMS ASSISTANCE GRANT</b>	<b>CHILDREN'S JUSTICE ACT PROJECT</b>
\$ 46,426	\$ -	\$ -	\$ 41,789	\$ -
-	-	10,132	-	-
-	-	-	-	-
-	-	-	-	-
<u>46,426</u>	<u>-</u>	<u>10,132</u>	<u>41,789</u>	<u>-</u>
22,116	-	-	40,927	-
21,656	-	383,923	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
2,654	-	-	-	-
<u>46,426</u>	<u>-</u>	<u>383,923</u>	<u>40,927</u>	<u>-</u>
-	-	(373,791)	862	-
-	-	-	-	-
-	-	-	-	-
-	-	29,315	-	-
-	-	29,315	-	-
-	-	(344,476)	862	-
-	1,824	477,737	-	1,685
<u>\$ -</u>	<u>\$ 1,824</u>	<u>\$ 133,261</u>	<u>\$ 862</u>	<u>\$ 1,685</u>

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUND**  
**SPECIAL REVENUE FUNDS - GRANT FUNDS**  
**For the Year Ended September 30, 2004**  
**With Totals for the Year Ended September 30, 2003**

	<b>U.S. DEPT. OF JUSTICE LAW ENFORCEMENT BLOCK GRANT</b>	<b>SENIOR CITIZENS GRANT PROGRAM</b>	<b>COMMUNITY DEVELOPMENT GRANT</b>	<b>ADULT PROBATION COMMUNITY CORRECTIONS</b>
<b>REVENUES</b>				
Intergovernmental	\$ 770,200	\$ 567,324	\$ 77,777	\$ 569,718
Fines and Forfeitures	-	-	-	-
Investment Earnings	1,574	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>771,774</b>	<b>567,324</b>	<b>77,777</b>	<b>569,718</b>
<b>EXPENDITURES</b>				
Current :				
General Government	45,263	-	-	-
Public Safety	29,428	-	150	536,461
Sanitation	-	-	17,500	-
Health and Social Services	-	530,817	-	-
Culture and Recreation	-	-	-	-
Capital Outlay	697,700	-	60,127	-
<b>Total expenditures</b>	<b>772,391</b>	<b>530,817</b>	<b>77,777</b>	<b>536,461</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(617)</b>	<b>36,507</b>	<b>-</b>	<b>33,257</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	(41,370)	-	-
Proceeds from Sale of Fixed Assets	-	2,821	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(38,549)</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(617)</b>	<b>(2,042)</b>	<b>-</b>	<b>33,257</b>
<b>Fund balances-beginning</b>	<b>1,413</b>	<b>144,318</b>	<b>-</b>	<b>3,685</b>
<b>Fund balances-ending</b>	<b>\$ 796</b>	<b>\$ 142,276</b>	<b>\$ -</b>	<b>\$ 36,942</b>

(Continued)

<b>AUTO CRIME TASK FORCE</b>	<b>INTNSV FMLY PRSRVATION GRANT</b>	<b>COUNTY PARKS BEACHES GRANT</b>	<b>JACK BROOKS PARK PERMANENT IMPROVEMENTS</b>	<b>OFFICE OF EMERGENCY MANAGEMENT GRANTS</b>
\$ 351,625	\$ -	\$ 348,760	\$ -	\$ 1,512,543
18,464	-	-	-	-
-	-	-	-	-
-	3,309	-	-	-
<u>370,089</u>	<u>3,309</u>	<u>348,760</u>	<u>-</u>	<u>1,512,543</u>
-	-	-	-	-
327,475	-	-	-	1,512,512
-	-	-	-	-
-	2,692	-	-	-
-	-	285,546	-	-
<u>53,330</u>	<u>-</u>	<u>63,214</u>	<u>-</u>	<u>-</u>
<u>380,805</u>	<u>2,692</u>	<u>348,760</u>	<u>-</u>	<u>1,512,512</u>
<u>(10,716)</u>	<u>617</u>	<u>-</u>	<u>-</u>	<u>31</u>
37,500	-	-	-	-
-	-	-	(172,787)	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>37,500</u>	<u>-</u>	<u>-</u>	<u>(172,787)</u>	<u>-</u>
26,784	617	-	(172,787)	31
64,763	-	-	172,787	1,593
<u>\$ 91,547</u>	<u>\$ 617</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,624</u>

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUND**  
**SPECIAL REVENUE FUNDS - GRANT FUNDS**  
**For the Year Ended September 30, 2004**  
**With Totals for the Year Ended September 30, 2003**

	DISASTER RECOVERY I - FRANCES	COPS IN SCHOOLS	L.I.R.A.P.	COASTAL IMPACT ASSISTANCE GRANT
<b>REVENUES</b>				
Intergovernmental	\$ 182,827	\$ 202,436	\$ 138,404	\$ 240,219
Fines and Forfeitures	-	-	-	-
Investment Earnings	-	-	313	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>182,827</b>	<b>202,436</b>	<b>138,717</b>	<b>240,219</b>
<b>EXPENDITURES</b>				
Current :				
General Government	-	-	-	-
Public Safety	-	202,436	-	171,695
Sanitation	-	-	-	-
Health and Social Services	-	-	138,404	-
Culture and Recreation	-	-	-	60,555
Capital Outlay	210,439	-	-	-
<b>Total expenditures</b>	<b>210,439</b>	<b>202,436</b>	<b>138,404</b>	<b>232,250</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(27,612)</b>	<b>-</b>	<b>313</b>	<b>7,969</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Sale of Fixed Assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(27,612)</b>	<b>-</b>	<b>313</b>	<b>7,969</b>
<b>Fund balances-beginning</b>	<b>27,612</b>	<b>-</b>	<b>670</b>	<b>-</b>
<b>Fund balances-ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 983</b>	<b>\$ 7,969</b>

(Continued)

<b>SENIOR SERVICES - SPECIAL PROJECTS / SERVICES</b>	<b>DISASTER RECOVERY IV - CLAUDETTE</b>	<b>GISD TRUANCY FUND</b>	<b>STATE CRIMINAL ALIEN ASSISTANCE PROGRAM</b>	<b>STATE HOMELAND SECRTY GRT</b>
\$ -	\$ 638,464	\$ 174,659	\$ 53,979	\$ 197,201
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>638,464</u>	<u>174,659</u>	<u>53,979</u>	<u>197,201</u>
-	-	174,659	-	-
-	404,083	-	53,979	139,348
-	-	-	-	-
43,638	-	-	-	-
-	-	-	-	-
-	234,381	-	-	57,853
<u>43,638</u>	<u>638,464</u>	<u>174,659</u>	<u>53,979</u>	<u>197,201</u>
<u>(43,638)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
41,370	122,894	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>41,370</u>	<u>122,894</u>	<u>-</u>	<u>-</u>	<u>-</u>
(2,268)	122,894	-	-	-
3,200	893	-	-	-
<u>\$ 932</u>	<u>\$ 123,787</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUND**  
**SPECIAL REVENUE FUNDS - GRANT FUNDS**  
**For the Year Ended September 30, 2004**  
**With Totals for the Year Ended September 30, 2003**

	CDBG- MEALS ON WHEELS	PARK BEACH PRJ GRANT	KEMPNER GRANT
<b>REVENUES</b>			
Intergovernmental	\$ 5,672	\$ 20,540	\$ 3,600
Fines and Forfeitures	-	-	-
Investment Earnings	-	-	-
Miscellaneous	-	-	-
<b>Total revenues</b>	<b>5,672</b>	<b>20,540</b>	<b>3,600</b>
<b>EXPENDITURES</b>			
Current :			
General Government	-	-	-
Public Safety	-	-	-
Sanitation	-	-	-
Health and Social Services	5,672	-	900
Culture and Recreation	-	769	-
Capital Outlay	-	19,771	-
<b>Total expenditures</b>	<b>5,672</b>	<b>20,540</b>	<b>900</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>-</b>	<b>-</b>	<b>2,700</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	-
Transfers Out	-	-	-
Proceeds from Sale of Fixed Assets	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>-</b>	<b>2,700</b>
<b>Fund balances-beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances-ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,700</b>

(Continued)

<b>TOTALS</b>	
<b>2004</b>	<b>2003</b>
\$ 7,234,154	\$ 5,891,687
28,596	68,859
1,887	8,415
3,309	744
<u>7,267,946</u>	<u>5,969,705</u>
282,965	40,402
4,873,137	3,576,475
17,500	-
722,123	761,464
346,870	61,677
1,399,469	1,596,236
<u>7,642,064</u>	<u>6,036,254</u>
<u>(374,118)</u>	<u>(66,549)</u>
201,764	3,200
(214,157)	(3,200)
32,136	110,982
<u>19,743</u>	<u>110,982</u>
(354,375)	44,433
<u>902,180</u>	<u>857,747</u>
<u><b>\$ 547,805</b></u>	<u><b>\$ 902,180</b></u>

**GALVESTON COUNTY, TEXAS**  
**ROAD AND BRIDGE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Taxes	\$ 3,400	\$ 1,849	\$ (1,551)	\$ 4,059
Licenses and Permits	2,000,000	2,074,358	74,358	2,016,452
Intergovernmental	1,380,000	2,440,653	1,060,653	1,487,121
Fines and Forfeitures	855,850	776,096	(79,754)	849,406
Investment Earnings	135,000	121,745	(13,255)	136,223
Miscellaneous	44,032	144,084	100,052	243,435
<b>Total revenues</b>	<b>4,418,282</b>	<b>5,558,785</b>	<b>1,140,503</b>	<b>4,736,696</b>
<b>EXPENDITURES</b>				
Administration:				
Current:				
Other Services and Charges	533,849	159,518	374,331	469,128
Total Administration	533,849	159,518	374,331	469,128
F.M. Lateral Roads:				
Current:				
Personal Services	1,898,200	1,665,511	232,689	1,681,004
Supplies	1,477,546	1,454,106	23,440	1,331,513
Other Services and Charges	506,843	472,738	34,105	455,539
Miscellaneous	138,000	128,000	10,000	940
Total F.M. Lateral Roads	4,020,589	3,720,355	300,234	3,468,996
Capital Outlay	637,591	630,068	7,523	109,265
<b>Total expenditures</b>	<b>5,192,029</b>	<b>4,509,941</b>	<b>682,088</b>	<b>4,047,389</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(773,747)</b>	<b>1,048,844</b>	<b>1,822,591</b>	<b>689,307</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(1,030,000)	(1,030,000)	-	(700,000)
Proceeds from Sale of Fixed Assets	-	7,062	7,062	11,917
<b>Total other financing sources (uses)</b>	<b>(1,030,000)</b>	<b>(1,022,938)</b>	<b>7,062</b>	<b>(688,083)</b>
<b>Net change in fund balances</b>	<b>(1,803,747)</b>	<b>25,906</b>	<b>1,829,653</b>	<b>1,224</b>
<b>Fund balances-beginning</b>	<b>4,488,719</b>	<b>4,488,719</b>	<b>-</b>	<b>4,487,495</b>
<b>Fund balances-ending</b>	<b>\$ 2,684,972</b>	<b>\$ 4,514,625</b>	<b>\$ 1,829,653</b>	<b>\$ 4,488,719</b>

**GALVESTON COUNTY, TEXAS**  
**PUBLIC HEALTH SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	2004	2003
<b>Fund balances-beginning</b>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund balances-ending</b>	<u>\$ -</u>	<u>\$ -</u>

**GALVESTON COUNTY, TEXAS**  
**JUVENILE JUSTICE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Intergovernmental	\$ 478,000	\$ 845,011	\$ 367,011	\$ 428,467
Charges for Services	500	405	(95)	350
Miscellaneous	5,100	14,504	9,404	12,590
<b>Total revenues</b>	<b>483,600</b>	<b>859,920</b>	<b>376,320</b>	<b>441,407</b>
<b>EXPENDITURES</b>				
Current:				
Personal Services	3,011,460	2,718,561	292,899	2,730,011
Supplies	87,596	42,807	44,789	135,916
Other Services and Charges	1,639,477	1,413,172	226,305	999,154
Capital Outlay	19,000	18,566	434	33,288
<b>Total expenditures</b>	<b>4,757,533</b>	<b>4,193,106</b>	<b>564,427</b>	<b>3,898,369</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(4,273,933)</b>	<b>(3,333,186)</b>	<b>940,747</b>	<b>(3,456,962)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	3,453,100	3,453,100	-	3,835,100
Transfers Out	(2,900)	(2,900)	-	(142,400)
<b>Total other financing sources (uses)</b>	<b>3,450,200</b>	<b>3,450,200</b>	<b>-</b>	<b>3,692,700</b>
<b>Net change in fund balances</b>	<b>(823,733)</b>	<b>117,014</b>	<b>940,747</b>	<b>235,738</b>
<b>Fund balances-beginning</b>	<b>1,910,073</b>	<b>1,910,073</b>	<b>-</b>	<b>1,674,335</b>
<b>Fund balances-ending</b>	<b>\$ 1,086,340</b>	<b>\$ 2,027,087</b>	<b>\$ 940,747</b>	<b>\$ 1,910,073</b>

**GALVESTON COUNTY, TEXAS**  
**ADULT PROBATION SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Intergovernmental	\$ 4,882,399	\$ 2,409,353	\$ (2,473,046)	\$ 2,500,796
Fines and Forfeitures	-	-	-	290
Investment Earnings	36,000	23,733	(12,267)	23,288
Miscellaneous	6,000	3,708	(2,292)	5,161
<b>Total revenues</b>	<b>4,924,399</b>	<b>2,436,794</b>	<b>(2,487,605)</b>	<b>2,529,535</b>
<b>EXPENDITURES</b>				
Current:				
Personal Services	4,502,139	2,092,475	2,409,664	2,092,649
Supplies	54,000	13,888	40,112	13,417
Other Services and Charges	701,828	243,825	458,003	279,302
Other	235,136	75,182	159,954	-
Capital Outlay	6,000	1,444	4,556	1,546
<b>Total expenditures</b>	<b>5,499,103</b>	<b>2,426,814</b>	<b>3,072,289</b>	<b>2,386,914</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(574,704)</b>	<b>9,980</b>	<b>584,684</b>	<b>142,621</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(90,062)	-	90,062	-
<b>Net change in fund balances</b>	<b>(664,766)</b>	<b>9,980</b>	<b>674,746</b>	<b>142,621</b>
<b>Fund balances-beginning</b>	<b>458,092</b>	<b>458,092</b>	<b>-</b>	<b>315,471</b>
<b>Fund balances-ending</b>	<b>\$ (206,674)</b>	<b>\$ 468,072</b>	<b>\$ 674,746</b>	<b>\$ 458,092</b>

**GALVESTON COUNTY, TEXAS**  
**LAW LIBRARY SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>			<u>2003</u> <u>Actual</u>
	<u>Final Budgeted</u> <u>Amounts</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>	
<b>REVENUES</b>				
Charges for Services	\$ 172,000	\$ 186,573	\$ 14,573	\$ 184,409
Miscellaneous	-	3,600	3,600	66
<b>Total revenues</b>	<u>172,000</u>	<u>190,173</u>	<u>18,173</u>	<u>184,475</u>
<b>EXPENDITURES</b>				
Current:				
Personal Services	45,100	38,052	7,048	43,094
Supplies	66,968	66,725	243	64,700
Other Services and Charges	106,900	106,900	-	364
<b>Total expenditures</b>	<u>218,968</u>	<u>211,677</u>	<u>7,291</u>	<u>108,158</u>
<b>Excess (deficiency) of revenues</b> <b>over (under) expenditures</b>	(46,968)	(21,504)	25,464	76,317
<b>Fund balances-beginning</b>	<u>409,299</u>	<u>409,299</u>	<u>-</u>	<u>332,982</u>
<b>Fund balances-ending</b>	<u><u>\$ 362,331</u></u>	<u><u>\$ 387,795</u></u>	<u><u>\$ 25,464</u></u>	<u><u>\$ 409,299</u></u>

**GALVESTON COUNTY, TEXAS**  
**CHILD WELFARE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 27,751	\$ 27,751	\$ 48,087
Miscellaneous	700	1,008	308	1,303
<b>Total revenues</b>	<u>700</u>	<u>28,759</u>	<u>28,059</u>	<u>49,390</u>
<b>EXPENDITURES</b>				
Current:				
Supplies	133,423	74,639	58,784	85,685
Other Services and Charges	471,152	439,537	31,615	355,113
<b>Total expenditures</b>	<u>604,575</u>	<u>514,176</u>	<u>90,399</u>	<u>440,798</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(603,875)</u>	<u>(485,417)</u>	<u>118,458</u>	<u>(391,408)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	423,600	423,600	-	473,600
<b>Total other financing sources (uses)</b>	<u>423,600</u>	<u>423,600</u>	<u>-</u>	<u>473,600</u>
<b>Net change in fund balances</b>	(180,275)	(61,817)	118,458	82,192
<b>Fund balances-beginning</b>	<u>347,753</u>	<u>347,753</u>	<u>-</u>	<u>265,561</u>
<b>Fund balances-ending</b>	<u><u>\$ 167,478</u></u>	<u><u>\$ 285,936</u></u>	<u><u>\$ 118,458</u></u>	<u><u>\$ 347,753</u></u>

**GALVESTON COUNTY, TEXAS**  
**BEACH AND PARKS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Intergovernmental	\$ 225,000	\$ 250,000	\$ 25,000	\$ 131,543
Charges for Services	113,400	78,427	(34,973)	85,620
Miscellaneous	-	3,032	3,032	1,858
<b>Total revenues</b>	<b>338,400</b>	<b>331,459</b>	<b>(6,941)</b>	<b>219,021</b>
<b>EXPENDITURES</b>				
Current:				
Personal Services	284,800	207,433	77,367	209,896
Supplies	41,679	31,161	10,518	27,138
Other Services and Charges	328,015	276,885	51,130	102,845
Capital Outlay	15,073	14,605	468	41,874
<b>Total expenditures</b>	<b>669,567</b>	<b>530,084</b>	<b>139,483</b>	<b>381,753</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(331,167)</b>	<b>(198,625)</b>	<b>132,542</b>	<b>(162,732)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	118,100	118,100	-	385,000
Transfers Out	-	-	-	(6,600)
<b>Total other financing sources (uses)</b>	<b>118,100</b>	<b>118,100</b>	<b>-</b>	<b>378,400</b>
<b>Net change in fund balances</b>	<b>(213,067)</b>	<b>(80,525)</b>	<b>132,542</b>	<b>215,668</b>
<b>Fund balances-beginning</b>	<b>523,954</b>	<b>523,954</b>	<b>-</b>	<b>308,286</b>
<b>Fund balances-ending</b>	<b>\$ 310,887</b>	<b>\$ 443,429</b>	<b>\$ 132,542</b>	<b>\$ 523,954</b>

**GALVESTON COUNTY, TEXAS**  
**ROAD DISTRICT #1 SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>			<u>2003</u> <u>Actual</u>
	<u>Final Budgeted</u> <u>Amounts</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>	
<b>REVENUES</b>				
Taxes	\$ 600	\$ 732	\$ 132	\$ 460
Charges for Services	720,000	742,415	22,415	737,503
Investment Earnings	45,000	25,956	(19,044)	48,897
<b>Total revenues</b>	<u>765,600</u>	<u>769,103</u>	<u>3,503</u>	<u>786,860</u>
<b>EXPENDITURES</b>				
Current:				
Supplies	10,000	2,553	7,447	3,300
Other Services and Charges	586,838	568,418	18,420	645,073
Capital Outlay	167,464	10,000	157,464	880,775
<b>Total expenditures</b>	<u>764,302</u>	<u>580,971</u>	<u>183,331</u>	<u>1,529,148</u>
<b>Excess (deficiency) of revenues</b> <b>over (under) expenditures</b>	1,298	188,132	186,834	(742,288)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(100,000)	(100,000)	-	-
<b>Net change in fund balances</b>	(98,702)	88,132	186,834	(742,288)
<b>Fund balances-beginning</b>	<u>784,866</u>	<u>784,866</u>	<u>-</u>	<u>1,527,154</u>
<b>Fund balances-ending</b>	<u><u>\$ 686,164</u></u>	<u><u>\$ 872,998</u></u>	<u><u>\$ 186,834</u></u>	<u><u>\$ 784,866</u></u>

**GALVESTON COUNTY, TEXAS  
COUNTY CLERK RECORDS MANAGEMENT AND  
PRESERVATION FEE SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended September 30, 2004  
With Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>			<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>	
<b>REVENUES</b>				
Charges for Services	\$ 470,000	\$ 487,986	\$ 17,986	\$ 480,400
<b>EXPENDITURES</b>				
Current:				
Personal Services	135,700	127,638	8,062	71,926
Supplies	25,000	18,138	6,862	19,817
Other Services and Charges	126,500	51,910	74,590	91,945
Capital Outlay	194,312	162,124	32,188	69,736
<b>Total expenditures</b>	<b>481,512</b>	<b>359,810</b>	<b>121,702</b>	<b>253,424</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(11,512)</b>	<b>128,176</b>	<b>139,688</b>	<b>226,976</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	11,920	11,920	-	-
<b>Net change in fund balances</b>	<b>408</b>	<b>140,096</b>	<b>139,688</b>	<b>226,976</b>
<b>Fund balances-beginning</b>	<b>1,435,051</b>	<b>1,435,051</b>	<b>-</b>	<b>1,208,075</b>
<b>Fund balances-ending</b>	<b>\$ 1,435,459</b>	<b>\$ 1,575,147</b>	<b>\$ 139,688</b>	<b>\$ 1,435,051</b>

**GALVESTON COUNTY, TEXAS**  
**COUNTY RECORDS MANAGEMENT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Charges for Services	\$ 99,440	\$ 112,002	\$ 12,562	\$ 122,699
Miscellaneous	4,700	7,903	3,203	5,804
<b>Total revenues</b>	<u>104,140</u>	<u>119,905</u>	<u>15,765</u>	<u>128,503</u>
<b>EXPENDITURES</b>				
Current:				
Personal Services	75,100	72,764	2,336	71,099
Supplies	1,000	844	156	1,000
Other Services and Charges	26,752	26,487	265	2,866
<b>Total expenditures</b>	<u>102,852</u>	<u>100,095</u>	<u>2,757</u>	<u>74,965</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	1,288	19,810	18,522	53,538
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(11,920)	(11,920)	-	(30,600)
<b>Net change in fund balances</b>	(10,632)	7,890	18,522	22,938
<b>Fund balances-beginning</b>	<u>75,774</u>	<u>75,774</u>	<u>-</u>	<u>52,836</u>
<b>Fund balances-ending</b>	<u><u>\$ 65,142</u></u>	<u><u>\$ 83,664</u></u>	<u><u>\$ 18,522</u></u>	<u><u>\$ 75,774</u></u>

**GALVESTON COUNTY, TEXAS**  
**DISTRICT CLERK RECORDS MGMT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>			<u>2003</u> <u>Actual</u>
	<u>Final Budgeted</u> <u>Amounts</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>	
<b>REVENUES</b>	\$ 4,500	\$ 14,568	\$ 10,068	\$ -
<b>EXPENDITURES</b>	-	-	-	-
<b>Excess (deficiency) of revenues</b> <b>over (under) expenditures</b>	4,500	14,568	10,068	-
<b>Fund balances-beginning</b>	-	-	-	-
<b>Fund balances-ending</b>	<u>\$ 4,500</u>	<u>\$ 14,568</u>	<u>\$ 10,068</u>	<u>\$ -</u>

**GALVESTON COUNTY, TEXAS**  
**COURTHOUSE SECURITY SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Charges for Services	\$ 183,900	\$ 202,378	\$ 18,478	\$ 208,979
<b>EXPENDITURES</b>				
Current:				
Personal Services	147,900	142,173	5,727	112,666
Supplies	4,396	4,396	-	1,998
Other Services and Charges	10,900	9,047	1,853	50
<b>Total expenditures</b>	<u>163,196</u>	<u>155,616</u>	<u>7,580</u>	<u>114,714</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	20,704	46,762	26,058	94,265
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	(40,000)
<b>Net change in fund balances</b>	20,704	46,762	26,058	54,265
<b>Fund balances-beginning</b>	<u>179,062</u>	<u>179,062</u>	<u>-</u>	<u>124,797</u>
<b>Fund balances-ending</b>	<u><u>\$ 199,766</u></u>	<u><u>\$ 225,824</u></u>	<u><u>\$ 26,058</u></u>	<u><u>\$ 179,062</u></u>

**GALVESTON COUNTY, TEXAS**  
**MEDIATION SERVICES PROGRAM SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Charges for Services	\$ 65,500	\$ 74,919	\$ 9,419	\$ 72,782
Investment Earnings	2,000	3,410	1,410	2,119
<b>Total revenues</b>	<b>67,500</b>	<b>78,329</b>	<b>10,829</b>	<b>74,901</b>
<b>EXPENDITURES</b>				
Current:				
Other Services and Charges	66,900	43,177	23,723	64,908
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>600</b>	<b>35,152</b>	<b>34,552</b>	<b>9,993</b>
<b>Fund balances-beginning</b>	<b>87,515</b>	<b>87,515</b>	<b>-</b>	<b>77,522</b>
<b>Fund balances-ending</b>	<b>\$ 88,115</b>	<b>\$ 122,667</b>	<b>\$ 34,552</b>	<b>\$ 87,515</b>

**GALVESTON COUNTY, TEXAS**  
**TAX COLLECTOR SPECIAL INVENTORY TAX ESCROW SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Taxes	\$ -	\$ 2,600	\$ 2,600	2,534
Investment Earnings	13,000	14,082	1,082	14,245
Miscellaneous	2,500	-	(2,500)	-
<b>Total revenues</b>	<u>15,500</u>	<u>16,682</u>	<u>1,182</u>	<u>16,779</u>
<b>EXPENDITURES</b>				
Current:				
Personal Services	2,500	-	2,500	-
<b>Excess (deficiency) of revenues over (under) expenditures</b>	13,000	16,682	3,682	16,779
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(60,000)	(60,000)	-	-
<b>Net change in fund balances</b>	(47,000)	(43,318)	3,682	16,779
<b>Fund balances-beginning</b>	<u>137,337</u>	<u>137,337</u>	<u>-</u>	<u>120,558</u>
<b>Fund balances-ending</b>	<u><u>\$ 90,337</u></u>	<u><u>\$ 94,019</u></u>	<u><u>\$ 3,682</u></u>	<u><u>\$ 137,337</u></u>

**GALVESTON COUNTY, TEXAS**  
**DONATIONS TO GALVESTON COUNTY SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2004**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Current:				
Other Services and Charges	-	-	-	8,512
<b>Excess (deficiency) of revenues over (under) expenditures</b>	-	-	-	(8,512)
<b>Fund balances-beginning</b>	-	61,832	(61,832)	70,344
<b>Fund balances-ending</b>	<u>\$ -</u>	<u>\$ 61,832</u>	<u>\$ (61,832)</u>	<u>\$ 61,832</u>

**GALVESTON COUNTY, TEXAS**  
**MOSQUITO CONTROL DISTRICT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Taxes	\$ 1,043,234	\$ 1,040,294	\$ (2,940)	\$ 967,421
Intergovernmental	4,999	-	(4,999)	6,499
Investment Earnings	23,000	29,215	6,215	24,745
Miscellaneous	-	-	-	126
<b>Total revenues</b>	<b>1,071,233</b>	<b>1,069,509</b>	<b>(1,724)</b>	<b>998,791</b>
<b>EXPENDITURES</b>				
Current:				
Personal Services	566,100	487,552	78,548	516,092
Supplies	329,898	250,282	79,616	315,740
Other Services and Charges	111,239	105,585	5,654	90,601
Capital Outlay	59,000	42,816	16,184	35,019
<b>Total expenditures</b>	<b>1,066,237</b>	<b>886,235</b>	<b>180,002</b>	<b>957,452</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>4,996</b>	<b>183,274</b>	<b>178,278</b>	<b>41,339</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	(4,700)
Proceeds from Sale of Fixed Assets	-	5,005	5,005	4,220
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>5,005</b>	<b>5,005</b>	<b>(480)</b>
<b>Net change in fund balances</b>	<b>4,996</b>	<b>188,279</b>	<b>183,283</b>	<b>40,859</b>
<b>Fund balances-beginning</b>	<b>868,523</b>	<b>868,523</b>	<b>-</b>	<b>827,664</b>
<b>Fund balances-ending</b>	<b>\$ 873,519</b>	<b>\$ 1,056,802</b>	<b>\$ 183,283</b>	<b>\$ 868,523</b>

**GALVESTON COUNTY, TEXAS**  
**LAW ENFORCEMENT CONTINUED EDUCATION SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		Variance with Final Budget - Positive (Negative)	<u>2003</u> Actual
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 32,045	\$ 32,047	\$ 2	\$ 33,630
<b>EXPENDITURES</b>				
Current:				
Inter-/Intragovernmental	135,243	17,449	117,794	13,622
<b>Excess (deficiency) of revenues     over (under) expenditures</b>	(103,198)	14,598	117,796	20,008
<b>Fund balances-beginning</b>	103,194	103,194	-	83,186
<b>Fund balances-ending</b>	<u>\$ (4)</u>	<u>\$ 117,792</u>	<u>\$ 117,796</u>	<u>\$ 103,194</u>

**GALVESTON COUNTY, TEXAS**  
**FARM-TO-MARKET LATERAL ROAD SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Taxes	\$ 207,232	\$ 207,977	\$ 745	\$ 193,807
Intergovernmental	22,000	25,784	3,784	22,792
Investment Earnings	33,000	54,494	21,494	38,636
Miscellaneous	4,057	5,673	1,616	13,858
<b>Total revenues</b>	<b>266,289</b>	<b>293,928</b>	<b>27,639</b>	<b>269,093</b>
<b>EXPENDITURES</b>				
Current:				
Personal Services	177,100	168,999	8,101	167,104
Supplies	3,031	1,535	1,496	2,986
Other Services and Charges	54,485	48,287	6,198	20,835
Capital Outlay	25,000	25,000	-	537
<b>Total expenditures</b>	<b>259,616</b>	<b>243,821</b>	<b>15,795</b>	<b>191,462</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>6,673</b>	<b>50,107</b>	<b>43,434</b>	<b>77,631</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(38,000)	(38,000)	-	-
Proceeds from Sale of Fixed Assets	1,000	18,528	17,528	557,735
<b>Total other financing sources (uses)</b>	<b>(37,000)</b>	<b>(19,472)</b>	<b>17,528</b>	<b>557,735</b>
<b>Net change in fund balances</b>	<b>(30,327)</b>	<b>30,635</b>	<b>60,962</b>	<b>635,366</b>
<b>Fund balances-beginning</b>	<b>1,760,442</b>	<b>1,760,442</b>	<b>-</b>	<b>1,125,076</b>
<b>Fund balances-ending</b>	<b>\$ 1,730,115</b>	<b>\$ 1,791,077</b>	<b>\$ 60,962</b>	<b>\$ 1,760,442</b>

**GALVESTON COUNTY, TEXAS  
FLOOD CONTROL SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended September 30, 2004  
With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Taxes	\$ 1,386,399	\$ 1,392,337	\$ 5,938	\$ 1,310,625
Charges for Services	134,000	132,631	(1,369)	140,532
Investment Earnings	25,000	32,112	7,112	30,598
Miscellaneous	80,682	51,155	(29,527)	112,074
<b>Total revenues</b>	<u>1,626,081</u>	<u>1,608,235</u>	<u>(17,846)</u>	<u>1,593,829</u>
<b>EXPENDITURES</b>				
County Engineer:				
Current:				
Other Services and Charges	105,000	98,140	6,860	233,000
Total County Engineer	<u>105,000</u>	<u>98,140</u>	<u>6,860</u>	<u>233,000</u>
Road and Bridge Administrator:				
Current:				
Personal Services	946,600	824,473	122,127	799,897
Supplies	211,224	205,605	5,619	205,546
Other Services and Charges	295,717	266,677	29,040	262,297
Total Road and Bridge Administrator	<u>1,453,541</u>	<u>1,296,755</u>	<u>156,786</u>	<u>1,267,740</u>
Capital Outlay	<u>644,682</u>	<u>418,647</u>	<u>226,035</u>	<u>305,168</u>
<b>Total expenditures</b>	<u>2,203,223</u>	<u>1,813,542</u>	<u>389,681</u>	<u>1,805,908</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(577,142)</u>	<u>(205,307)</u>	<u>371,835</u>	<u>(212,079)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	549,653
Transfers Out	-	-	-	(8,300)
Proceeds from Sale of Fixed Assets	-	-	-	1,650
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>543,003</u>
<b>Net change in fund balances</b>	<u>(577,142)</u>	<u>(205,307)</u>	<u>371,835</u>	<u>330,924</u>
<b>Fund balances-beginning</b>	<u>866,524</u>	<u>866,524</u>	<u>-</u>	<u>535,600</u>
<b>Fund balances-ending</b>	<u>\$ 289,382</u>	<u>\$ 661,217</u>	<u>\$ 371,835</u>	<u>\$ 866,524</u>

**GALVESTON COUNTY, TEXAS**  
**DISTRICT CLERK CHILD SUPPORT IV-D SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Intergovernmental	\$ 8,500	\$ 12,178	\$ 3,678	\$ 8,399
<b>EXPENDITURES</b>				
Capital Outlay	-	-	-	50,855
<b>Excess (deficiency) of revenues over (under) expenditures</b>	8,500	12,178	3,678	(42,456)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(5,600)	(5,600)	-	(42,000)
<b>Net change in fund balances</b>	2,900	6,578	3,678	(84,456)
<b>Fund balances-beginning</b>	94,254	94,254	-	178,710
<b>Fund balances-ending</b>	<u>\$ 97,154</u>	<u>\$ 100,832</u>	<u>\$ 3,678</u>	<u>\$ 94,254</u>

**GALVESTON COUNTY, TEXAS**  
**CRYSTAL BEACH SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Taxes	\$ 6,500	\$ 4,414	\$ (2,086)	\$ 6,036
Investment Earnings	7,500	2,378	(5,122)	5,427
<b>Total revenues</b>	<u>14,000</u>	<u>6,792</u>	<u>(7,208)</u>	<u>11,463</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	14,000	6,792	(7,208)	11,463
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	<u>(206,536)</u>	<u>(204,557)</u>	<u>1,979</u>	<u>-</u>
<b>Net change in fund balances</b>	(192,536)	(197,765)	(5,229)	11,463
<b>Fund balances-beginning</b>	<u>197,765</u>	<u>197,765</u>	<u>-</u>	<u>186,302</u>
<b>Fund balances-ending</b>	<u>\$ 5,229</u>	<u>\$ -</u>	<u>\$ (5,229)</u>	<u>\$ 197,765</u>

**GALVESTON COUNTY, TEXAS**  
**DISTRICT ATTORNEY AND OTHER AGENCY FORFEITURES SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<u>2003 Actual</u>
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>		
<b>REVENUES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>EXPENDITURES</b>				
Current:				
Supplies	<u>624</u>	<u>343</u>	<u>281</u>	<u>1,160</u>
<b>Excess (deficiency) of revenues     over (under) expenditures</b>	<u>(624)</u>	<u>(343)</u>	<u>281</u>	<u>(1,160)</u>
<b>Fund balances-beginning</b>	<u>625</u>	<u>625</u>	<u>-</u>	<u>1,785</u>
<b>Fund balances-ending</b>	<u><u>\$ 1</u></u>	<u><u>\$ 282</u></u>	<u><u>\$ 281</u></u>	<u><u>\$ 625</u></u>

**GALVESTON COUNTY, TEXAS**  
**DISTRICT ATTORNEY CONTRABAND POST-10/89 SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Fines and Forfeitures	\$ -	\$ 49,184	\$ 49,184	\$ 31,911
Miscellaneous	-	-	-	1,093
<b>Total revenues</b>	<b>-</b>	<b>49,184</b>	<b>49,184</b>	<b>33,004</b>
<b>EXPENDITURES</b>				
Current:				
Supplies	2,300	1,450	850	411
Other Services and Charges	42,186	14,997	27,189	15,748
Capital Outlay	4,275	898	3,377	10,116
<b>Total expenditures</b>	<b>48,761</b>	<b>17,345</b>	<b>31,416</b>	<b>26,275</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(48,761)</b>	<b>31,839</b>	<b>80,600</b>	<b>6,729</b>
<b>Fund balances-beginning</b>	<b>50,787</b>	<b>50,787</b>	<b>-</b>	<b>44,058</b>
<b>Fund balances-ending</b>	<b>\$ 2,026</b>	<b>\$ 82,626</b>	<b>\$ 80,600</b>	<b>\$ 50,787</b>

**GALVESTON COUNTY, TEXAS**  
**DISTRICT ATTORNEY CHECK COLLECTION FEES SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>		
<b>REVENUES</b>				
Charges for Services	\$ -	\$ 29,000	\$ 29,000	\$ 28,714
<b>EXPENDITURES</b>				
Current:				
Supplies	4,500	3,350	1,150	-
Other Services and Charges	28,525	16,880	11,645	22,954
<b>Total expenditures</b>	<u>33,025</u>	<u>20,230</u>	<u>12,795</u>	<u>22,954</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(33,025)	8,770	41,795	5,760
<b>Fund balances-beginning</b>	<u>36,075</u>	<u>36,075</u>	<u>-</u>	<u>30,315</u>
<b>Fund balances-ending</b>	<u><u>\$ 3,050</u></u>	<u><u>\$ 44,845</u></u>	<u><u>\$ 41,795</u></u>	<u><u>\$ 36,075</u></u>

**GALVESTON COUNTY, TEXAS**  
**SHERIFF'S COMMISSARY SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	2004		Variance with Final Budget - Positive (Negative)	2003 Actual
	Final Budgeted Amounts	Actual Amounts		
<b>REVENUES</b>				
Investment Earnings	\$ -	\$ 10,742	\$ 10,742	\$ 9,082
Miscellaneous	-	118,428	118,428	95,088
<b>Total revenues</b>	<b>-</b>	<b>129,170</b>	<b>129,170</b>	<b>104,170</b>
<b>EXPENDITURES</b>				
Current:				
Other Services and Charges	-	64,535	(64,535)	41,035
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>-</b>	<b>64,635</b>	<b>64,635</b>	<b>63,135</b>
<b>Fund balances-beginning</b>	<b>413,598</b>	<b>413,598</b>	<b>-</b>	<b>350,463</b>
<b>Fund balances-ending</b>	<b>\$ 413,598</b>	<b>\$ 478,233</b>	<b>\$ 64,635</b>	<b>\$ 413,598</b>

**GALVESTON COUNTY, TEXAS**  
**SHERIFF SEIZURES PRE-10/89 SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>	-	-	-	-
<b>Excess (deficiency) of revenues     over (under) expenditures</b>	-	-	-	-
<b>Fund balances-beginning</b>	<u>2,037</u>	<u>2,037</u>	-	<u>2,037</u>
<b>Fund balances-ending</b>	<u><u>\$ 2,037</u></u>	<u><u>\$ 2,037</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,037</u></u>

**GALVESTON COUNTY, TEXAS**  
**SHERIFF SEIZURES POST-10/89 SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<u>2003 Actual</u>
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>		
<b>REVENUES</b>				
Investment Earnings	\$ -	\$ 656	\$ 656	\$ 539
Miscellaneous	-	-	-	673
<b>Total revenues</b>	<u>-</u>	<u>656</u>	<u>656</u>	<u>1,212</u>
<b>EXPENDITURES</b>				
Current:				
Supplies	1,650	-	1,650	-
Other Services and Charges	1,350	-	1,350	-
Capital Outlay	5,428	-	5,428	5,443
<b>Total expenditures</b>	<u>8,428</u>	<u>-</u>	<u>8,428</u>	<u>5,443</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(8,428)	656	9,084	(4,231)
<b>Fund balances-beginning</b>	<u>9,167</u>	<u>9,167</u>	<u>-</u>	<u>13,398</u>
<b>Fund balances-ending</b>	<u>\$ 739</u>	<u>\$ 9,823</u>	<u>\$ 9,084</u>	<u>\$ 9,167</u>

**GALVESTON COUNTY, TEXAS**  
**TASK FORCE SEIZURES PRE-10/89 SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Investment Earnings	\$ -	\$ 1,107	\$ 1,107	\$ 2,974
<b>EXPENDITURES</b>				
Current:				
Supplies	-	-	-	238
Inter-/Intragovernmental	68,073	68,073	-	-
<b>Total expenditures</b>	<b>68,073</b>	<b>68,073</b>	<b>-</b>	<b>238</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(68,073)</b>	<b>(66,966)</b>	<b>1,107</b>	<b>2,736</b>
<b>Fund balances-beginning</b>	<b>142,835</b>	<b>142,835</b>	<b>-</b>	<b>140,099</b>
<b>Fund balances-ending</b>	<b>\$ 74,762</b>	<b>\$ 75,869</b>	<b>\$ 1,107</b>	<b>\$ 142,835</b>

**GALVESTON COUNTY, TEXAS**  
**CONSTABLE #9 SEIZURES POST-10/89 SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		Variance with Final Budget - Positive (Negative)	<u>2003 Actual</u>
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>		
<b>REVENUES</b>	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Current:				
Supplies	4,234	2,831	1,403	3,449
<b>Excess (deficiency) of revenues     over (under) expenditures</b>	(4,234)	(2,831)	1,403	(3,449)
<b>Fund balances-beginning</b>	2,831	2,831	-	6,280
<b>Fund balances-ending</b>	<u>\$ (1,403)</u>	<u>\$ -</u>	<u>\$ 1,403</u>	<u>\$ 2,831</u>

**GALVESTON COUNTY, TEXAS**  
**UNCLAIMED PROPERTY SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>			<u>2003</u> <u>Actual</u>
	<u>Final Budgeted</u> <u>Amounts</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>	
<b>REVENUES</b>				
Investment Earnings	\$ -	\$ 11,610	\$ 11,610	\$ 5,497
Miscellaneous	-	-	-	152
<b>Total revenues</b>	<u>-</u>	<u>11,610</u>	<u>11,610</u>	<u>5,649</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues</b> <b>over (under) expenditures</b>	-	11,610	11,610	5,649
<b>Fund balances-beginning</b>	<u>15,516</u>	<u>15,516</u>	<u>-</u>	<u>9,867</u>
<b>Fund balances-ending</b>	<u><u>\$ 15,516</u></u>	<u><u>\$ 27,126</u></u>	<u><u>\$ 11,610</u></u>	<u><u>\$ 15,516</u></u>

**GALVESTON COUNTY, TEXAS**  
**JUSTICE COURT TECHNOLOGY SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<u>2003 Actual</u>
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>		
<b>REVENUES</b>				
Fines and Forfeitures	\$ -	\$ 75,663	\$ 75,663	\$ 81,626
 <b>EXPENDITURES</b>	 60,000	 60,000	 -	 -
<b>Excess (deficiency) of revenues     over (under) expenditures</b>	(60,000)	15,663	75,663	81,626
<b>Fund balances-beginning</b>	138,715	138,715	-	57,089
<b>Fund balances-ending</b>	<u>\$ 78,715</u>	<u>\$ 154,378</u>	<u>\$ 75,663</u>	<u>\$ 138,715</u>

**GALVESTON COUNTY, TEXAS**  
**PROBATE COURT CONTRIBUTIONS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 61,026	\$ 61,026	\$ 55,591
<b>EXPENDITURES</b>				
Current:				
Supplies	1,225	628	597	871
Other Services and Charges	1,854	1,854	-	11,042
<b>Total expenditures</b>	<u>3,079</u>	<u>2,482</u>	<u>597</u>	<u>11,913</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(3,079)	58,544	61,623	43,678
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(11,000)	(11,000)	-	-
<b>Net change in fund balances</b>	(14,079)	47,544	61,623	43,678
<b>Fund balances-beginning</b>	<u>221,206</u>	<u>221,206</u>	<u>-</u>	<u>177,528</u>
<b>Fund balances-ending</b>	<u><u>\$ 207,127</u></u>	<u><u>\$ 268,750</u></u>	<u><u>\$ 61,623</u></u>	<u><u>\$ 221,206</u></u>

**GALVESTON COUNTY, TEXAS**  
**EMERGENCY MANAGEMENT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>		<b>Variance with Final Budget - Positive (Negative)</b>	<b>2003 Actual</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Miscellaneous	\$ 654,212	\$ 662,547	\$ 8,335	\$ 299,826
<b>EXPENDITURES</b>				
Current:				
Personal Services	30,000	-	30,000	7,177
Supplies	27,731	52	27,679	1,721
Other Services and Charges	1,399,360	586,256	813,104	465,829
<b>Total expenditures</b>	<b>1,457,091</b>	<b>586,308</b>	<b>870,783</b>	<b>474,727</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(802,879)</b>	<b>76,239</b>	<b>879,118</b>	<b>(174,901)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	175,000	175,000	-	1,004,978
Transfers Out	(122,894)	(122,894)	-	-
<b>Total other financing sources (uses)</b>	<b>52,106</b>	<b>52,106</b>	<b>-</b>	<b>1,004,978</b>
<b>Net change in fund balances</b>	<b>(750,773)</b>	<b>128,345</b>	<b>879,118</b>	<b>830,077</b>
<b>Fund balances-beginning</b>	<b>830,077</b>	<b>830,077</b>	<b>-</b>	<b>-</b>
<b>Fund balances-ending</b>	<b>\$ 79,304</b>	<b>\$ 958,422</b>	<b>\$ 879,118</b>	<b>\$ 830,077</b>

**GALVESTON COUNTY, TEXAS**  
**C.I.D. SEIZURES POST-10/89 SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		Variance with Final Budget - Positive (Negative)	<u>2003</u> Actual
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>		
<b>REVENUES</b>	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>Fund balances-beginning</b>	-	-	-	-
<b>Fund balances-ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Pavilion  
Frank Carmona Beach Pocket Park #2, Galveston

NONMAJOR  
DEBT SERVICE FUNDS

PURPOSE:

DEBT SERVICE FUNDS (FUND #4001) -The Debit Service Fund once accounted for a number of different county debt issues. Its last issue outstanding, the Unlimited Tax Refunding and Road Bonds Series 1987, has been retired and/or refunded in full and its remaining equity transferred to the Unlimited Tax Road Bonds Series 2003B (Fund 4369).

ROAD REFUNDING LTD. '91/ROAD '87/GENERAL OBLIGATION SERIES 1999 FUND (FUND #4010) The General Obligation Refunding Bonds Series 1999 were issued to advance-refund a portion of the county's outstanding debt (specifically, Refunding and Road Bonds Series 1987 and Limited Tax Bonds Series 1991) in order to lower the county's overall debt service requirements.

ROAD REFUNDING BONDS SERIES 1991 (FUND #4381) -The Road Refunding Bonds Series 1991 were issued to refund certain of the county's outstanding road bonds. This issue has been retired and/or refunded in full and its remaining equity transferred equally to the Unlimited Tax Road Bonds Series 2003B (Fund 4369) and the Unlimited Tax Road Refunding Bonds Series 2004A (Fund 4370).

LIMITED TAX REFUNDING BONDS SERIES 1993 (FUND #4281) -The Limited Tax Refunding Bonds Series 1993 were issued as part of a program to refund seven of the county's prior debt issues in conjunction with the lease of the former Mainland Center Hospital to Danforth Hospital, Inc. This issue has been retired and/or refunded in full and its remaining equity transferred to the Limited Tax Refunding Bonds Series 2003 (Fund 4282).

DETENTION CENTER SERIES 1994 (FUND #4242) - The Detention Center Certificates of Obligation Series 1994 were issued to construct and improve a county juvenile detention center. This issue has been retired and/or refunded in full and its remaining equity transferred to the Limited Tax Criminal Justice Center Bonds Series 2003A (Fund 4216).

CONSTRUCTION/IMPROVEMENT TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 1999 FUND (FUND #4205) - The Tax and Revenue Certificates of Obligation Series 1999 were issued to build and improve various county facilities.

LIMITED TAX JUSTICE CENTER BONDS SERIES 2001 FUND (FUND #4215) - The Justice Center and Public Safety Building Bonds Series 2001 were issued to build, improve, and equip building, jails and court facilities within the county and to purchase and improve necessary sites and related parking facilities.

UNLIMITED TAX ROAD BONDS SERIES 2001 FUND (FUND #4368) - The Unlimited Tax Road Bonds Series 2001 were issued to build and improve roads within the county.

PARKS ROADS/PARKING LOTS CERTIFICATES OF OBLIGATION SERIES 2002A FUND (FUND #4230) - The Combination Tax and Revenue Certificates of Obligation Series 2002A were issued to repair and improve park roads and parking lots within the county.

SAN LUIS PASS BRIDGE CERTIFICATES OF OBLIGATION SERIES 2002 FUND (FUND #4362) - The Combination Tax and Revenue Certificates of Obligation Series 2002 were issued to repair and improve the San Luis Bridge.

COMBINATION TAX/REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C FUND (FUND #4214) - The Combination Tax and Revenue Certificates of Obligation Series 2003C were issued to purchase (among other items) materials, supplies, equipment, machinery, buildings, land, and right-of way for authorized needs and purposes, and to construct public works within the county.

LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A FUND (FUND #4216) - The Limited Tax Criminal Justice Bonds Series 2003A were issued to build, improve, and equip buildings, jails, and court facilities in the county.

UNLIMITED TAX ROAD BONDS SERIES 2003B FUND (FUND #4369) - The Unlimited Tax Roads Bonds Series 2003B were issued to build and improve roads within the county.

LIMITED TAX ROAD BONDS SERIES 2003B FUND (FUND #4282) - The Limited Tax Forward Refunding Bonds Series 2003 were issued to refund a portion of the county's outstanding Limited Refunding Bonds Series 1993.

GENERAL OBLIGATION 1999/2001 REFUNDING BOND SERIES 2004 FUND (FUND #4284) - The General Obligation 1999/2001 Refunding Bond Series 2004 were issued to refund a portion of the county's outstanding Tax and Revenue Certificates of Obligation Series 1999 (Fund 4205) and a portion of the County's outstanding Justice Center and Public Safety Building Bonds Series 2001 (Fund 4215).

UNLIMITED TAX ROAD REFUNDING BONDS SERIES 2004A FUND (FUND #4370) - The Unlimited Tax Roads Bonds Refunding Bonds Series 2004A were issued to refund a portion of the county's outstanding Unlimited Tax Road Bond Series 2001 (Fund 4368).



The Bolivar Lighthouse, Near  
Fort Travis Seashore Park, Bolivar Peninsula

**GALVESTON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DEBT SERVICE FUNDS**  
**September 30, 2004**  
**With Comparative Totals at September 30, 2003**

	<b>DEBT SERVICE FUND</b>	<b>ROAD REFUNDING LTD. '91/ ROAD '87/ GENERAL OBLIGATION SERIES 1999</b>	<b>ROAD REFUNDING BONDS SERIES 1991</b>	<b>LIMITED TAX REFUNDING BONDS SERIES 1993</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ -	\$ 262,976	\$ -	\$ -
Receivables (Net of Allowances for Uncollectibles):				
Taxes	-	20,457	-	-
Accounts and Other	-	77	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 283,510</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES</b>				
Interest Payable	\$ -	\$ -	\$ -	\$ -
Due to Others	-	-	-	-
Due to Other Funds	-	-	-	-
Deferred Revenues	-	20,457	-	-
<b>Total liabilities</b>	<b>-</b>	<b>20,457</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>				
Reserved for Debt Service	-	263,053	-	-
<b>Total fund balances</b>	<b>-</b>	<b>263,053</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 283,510</b>	<b>\$ -</b>	<b>\$ -</b>

(Continued)

<b>DETENTION CENTER SERIES 1994</b>	<b>CONSTRUCTION/ IMPROVEMENT TAX/REVENUE CERTIFICATES OF OBLIGATION SERIES 1999</b>	<b>LIMITED TAX JUSTICE CENTER BONDS SERIES 2001</b>	<b>UNLIMITED TAX ROAD BONDS SERIES 2001</b>	<b>PARK ROADS/ PARKING LOTS CERTIFICATES OF OBLIGATION SERIES 2002A</b>
\$ -	\$ 141,870	\$ 252,533	\$ 304,989	\$ 71,375
-	51,371	84,478	63,631	30,247
-	1,121	1,832	1,377	641
<b>\$ -</b>	<b>\$ 194,362</b>	<b>\$ 338,843</b>	<b>\$ 369,997</b>	<b>\$ 102,263</b>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	51,371	84,478	63,631	30,247
-	51,371	84,478	63,631	30,247
-	142,991	254,365	306,366	72,016
-	142,991	254,365	306,366	72,016
<b>\$ -</b>	<b>\$ 194,362</b>	<b>\$ 338,843</b>	<b>\$ 369,997</b>	<b>\$ 102,263</b>

**GALVESTON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DEBT SERVICE FUNDS**  
**September 30, 2004**  
**With Comparative Totals at September 30, 2003**

	<b>SAN LUIS PASS BRIDGE CERTIFICATES OF OBLIGATION SERIES 2002</b>	<b>COMBINATION TAX/REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C</b>	<b>LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A</b>	<b>UNLIMITED TAX ROAD BONDS SERIES 2003B</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 762,399	\$ 245,100	\$ 368,639	\$ 511,716
Receivables (Net of Allowances for Uncollectibles):				
Taxes	40,305	67,710	105,100	593,552
Accounts and Other	831	2,048	2,987	7,024
<b>Total assets</b>	<b>\$ 803,535</b>	<b>\$ 314,858</b>	<b>\$ 476,726</b>	<b>\$ 1,112,292</b>
<b>LIABILITIES</b>				
Interest Payable	\$ -	\$ -	\$ -	\$ -
Due to Others	-	-	-	-
Due to Other Funds	-	-	-	-
Deferred Revenues	40,305	67,710	105,101	593,552
<b>Total liabilities</b>	<b>40,305</b>	<b>67,710</b>	<b>105,101</b>	<b>593,552</b>
<b>FUND BALANCES</b>				
Reserved for Debt Service	763,230	247,148	371,625	518,740
<b>Total fund balances</b>	<b>763,230</b>	<b>247,148</b>	<b>371,625</b>	<b>518,740</b>
<b>Total liabilities and fund balances</b>	<b>\$ 803,535</b>	<b>\$ 314,858</b>	<b>\$ 476,726</b>	<b>\$ 1,112,292</b>

(Continued)

LIMITED TAX FORWARD REFUNDING BONDS SERIES 2003	GENERAL OBLIGATION REFUND 99/01 BONDS SERIES 2004	UNLIMITED TAX ROAD REFUNDING BONDS SERIES 2004A	TOTALS	
			2004	2003
\$ 178,972	\$ 80,085	\$ 196,445	\$ 3,377,099	\$ 1,652,024
286,031	-	75,406	1,418,288	1,516,436
3,541	-	1,433	22,912	261,463
<b>\$ 468,544</b>	<b>\$ 80,085</b>	<b>\$ 273,284</b>	<b>\$ 4,818,299</b>	<b>\$ 3,429,923</b>
\$ -	\$ 67,997	\$ 30,530	\$ 98,527	\$ -
-	-	-	-	472,363
-	-	-	-	104,226
286,030	-	75,406	1,418,288	1,516,437
286,030	67,997	105,936	1,516,815	2,093,026
182,514	12,088	167,348	3,301,484	1,336,897
182,514	12,088	167,348	3,301,484	1,336,897
<b>\$ 468,544</b>	<b>\$ 80,085</b>	<b>\$ 273,284</b>	<b>\$ 4,818,299</b>	<b>\$ 3,429,923</b>

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DEBT SERVICE FUNDS**  
**For the Year Ended September 30, 2004**  
**With Comparative Totals for the Year Ended September 30, 2003**

	<b>DEBT SERVICE FUND</b>	<b>ROAD REFUNDING LTD. '91/ ROAD '87/ GENERAL OBLIGATION SERIES 1999</b>	<b>ROAD REFUNDING BONDS SERIES 1991</b>	<b>LIMITED TAX REFUNDING BONDS SERIES 1993</b>
<b>REVENUES</b>				
Taxes	\$ 98,673	\$ 2,833	\$ 1,400,110	\$ 1,715,181
Investment Earnings	793	8,753	5,859	1,558
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>99,466</b>	<b>11,586</b>	<b>1,405,969</b>	<b>1,716,739</b>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Debt Service:				
Principal Retirement	-	-	1,460,000	1,615,000
Interest and Fiscal Charges	-	62,415	45,990	40,781
Bond Issuance Cost	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>62,415</b>	<b>1,505,990</b>	<b>1,655,781</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>99,466</b>	<b>(50,829)</b>	<b>(100,021)</b>	<b>60,958</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	132,000	-
Transfers Out	(93,472)	-	(311,928)	(119,296)
Face Value - Refunding Proceeds	-	-	-	-
Premium - Refunding Proceeds	-	-	-	-
Refunded Bonds - Escrow Agent	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(93,472)</b>	<b>-</b>	<b>(179,928)</b>	<b>(119,296)</b>
<b>Net change in fund balances</b>	<b>5,994</b>	<b>(50,829)</b>	<b>(279,949)</b>	<b>(58,338)</b>
<b>Fund balances-beginning</b>	<b>(5,994)</b>	<b>313,882</b>	<b>279,949</b>	<b>58,338</b>
<b>Fund balances-ending</b>	<b>\$ -</b>	<b>\$ 263,053</b>	<b>\$ -</b>	<b>\$ -</b>

(Continued)

<b>DETENTION CENTER SERIES 1994</b>	<b>CONSTRUCTION/ IMPROVEMENT TAX/REVENUE CERTIFICATES OF OBLIGATION SERIES 1999</b>	<b>LIMITED TAX JUSTICE CENTER BONDS SERIES 2001</b>	<b>UNLIMITED TAX ROAD BONDS SERIES 2001</b>	<b>PARK ROADS/ PARKING LOTS CERTIFICATES OF OBLIGATION SERIES 2002A</b>
\$ 103,465	\$ 658,725	\$ 1,104,954	\$ 840,527	\$ 473,174
729	8,154	13,755	12,788	2,936
-	-	-	-	-
<u>104,194</u>	<u>666,879</u>	<u>1,118,709</u>	<u>853,315</u>	<u>476,110</u>
-	-	-	-	-
100,000	-	-	-	265,000
3,369	654,255	1,077,369	808,768	210,810
-	-	-	-	-
<u>103,369</u>	<u>654,255</u>	<u>1,077,369</u>	<u>808,768</u>	<u>475,810</u>
825	12,624	41,340	44,547	300
-	-	-	132,000	-
(37,981)	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>(37,981)</u>	<u>-</u>	<u>-</u>	<u>132,000</u>	<u>-</u>
(37,156)	12,624	41,340	176,547	300
37,156	130,367	213,025	129,819	71,716
<u>\$ -</u>	<u>\$ 142,991</u>	<u>\$ 254,365</u>	<u>\$ 306,366</u>	<u>\$ 72,016</u>

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DEBT SERVICE FUNDS**  
**For the Year Ended September 30, 2004**  
**With Comparative Totals for the Year Ended September 30, 2003**

	<b>SAN LUIS PASS BRIDGE CERTIFICATES OF OBLIGATION SERIES 2002</b>	<b>COMBINATION TAX/REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C</b>	<b>LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A</b>	<b>UNLIMITED TAX ROAD BONDS SERIES 2003B</b>
<b>REVENUES</b>				
Taxes	\$ 594,606	\$ 2,058,045	\$ 2,772,229	\$ 509,749
Investment Earnings	8,453	19,477	26,464	9,133
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>603,059</b>	<b>2,077,522</b>	<b>2,798,693</b>	<b>518,882</b>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Debt Service:				
Principal Retirement	375,000	-	-	-
Interest and Fiscal Charges	294,543	1,830,603	2,465,358	385,626
Bond Issuance Cost	-	-	-	-
<b>Total expenditures</b>	<b>669,543</b>	<b>1,830,603</b>	<b>2,465,358</b>	<b>385,626</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(66,484)</b>	<b>246,919</b>	<b>333,335</b>	<b>133,256</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	721,661	-	37,981	385,436
Transfers Out	-	-	-	-
Face Value - Refunding Proceeds	-	-	-	-
Premium - Refunding Proceeds	-	-	-	-
Refunded Bonds - Escrow Agent	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>721,661</b>	<b>-</b>	<b>37,981</b>	<b>385,436</b>
<b>Net change in fund balances</b>	<b>655,177</b>	<b>246,919</b>	<b>371,316</b>	<b>518,692</b>
<b>Fund balances-beginning</b>	<b>108,053</b>	<b>229</b>	<b>309</b>	<b>48</b>
<b>Fund balances-ending</b>	<b>\$ 763,230</b>	<b>\$ 247,148</b>	<b>\$ 371,625</b>	<b>\$ 518,740</b>

(Continued)

LIMITED TAX FORWARD REFUNDING BONDS SERIES 2003	GENERAL OBLIGATION REFUND 99/01 BONDS SERIES 2004	UNLIMITED TAX ROAD REFUNDING BONDS SERIES 2004A	TOTALS	
			2004	2003
\$ 310,399	\$ -	\$ 4,507	\$ 12,647,177	\$ 9,896,543
21,016	273	891	141,032	57,878
-	-	-	-	827
<u>331,415</u>	<u>273</u>	<u>5,398</u>	<u>12,788,209</u>	<u>9,955,248</u>
-	-	-	-	183,442
-	-	-	3,815,000	6,125,000
283,912	-	-	8,163,799	4,038,305
148,103	307,834	145,296	601,233	-
<u>432,015</u>	<u>307,834</u>	<u>145,296</u>	<u>12,580,032</u>	<u>10,346,747</u>
(100,600)	(307,561)	(139,898)	208,177	(391,499)
119,296	-	155,964	1,684,338	-
-	-	-	(562,677)	-
10,170,000	22,295,000	10,129,988	42,594,988	-
426,466	2,055,080	1,114,523	3,596,069	-
<u>(10,432,648)</u>	<u>(24,030,431)</u>	<u>(11,093,229)</u>	<u>(45,556,308)</u>	<u>-</u>
<u>283,114</u>	<u>319,649</u>	<u>307,246</u>	<u>1,756,410</u>	<u>-</u>
182,514	12,088	167,348	1,964,587	(391,499)
-	-	-	1,336,897	1,728,396
<u>\$ 182,514</u>	<u>\$ 12,088</u>	<u>\$ 167,348</u>	<u>\$ 3,301,484</u>	<u>\$ 1,336,897</u>

**GALVESTON COUNTY, TEXAS**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>			<b>2003 Actual Amounts</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget- Positive (Negative)</b>	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ -	\$ -	\$ -	\$ 3,168,276
Ad Valorem Taxes - Delinquent	-	72,886	72,886	128,522
Penalties and Interest	-	25,787	25,787	85,156
Investment Earnings	-	793	793	3,831
<b>Total revenues</b>	<b>-</b>	<b>99,466</b>	<b>99,466</b>	<b>3,385,785</b>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	108,060
Debt Service:				
Principal Retirement	-	-	-	3,790,000
Interest and Fiscal Charges	-	-	-	415
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,898,475</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>-</b>	<b>99,466</b>	<b>99,466</b>	<b>(512,690)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(93,473)	(93,472)	1	-
<b>Net change in fund balances</b>	<b>(93,473)</b>	<b>5,994</b>	<b>99,467</b>	<b>(512,690)</b>
<b>Fund balances-beginning</b>	<b>(5,994)</b>	<b>(5,994)</b>	<b>-</b>	<b>506,696</b>
<b>Fund balances-ending</b>	<b>\$ (99,467)</b>	<b>\$ -</b>	<b>\$ 99,467</b>	<b>\$ (5,994)</b>

**GALVESTON COUNTY, TEXAS**  
**ROAD REFUNDING LIMITED SERIES 1991/ROAD BONDS SERIES 1987**  
**GENERAL OBLIGATION SERIES 1999**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>		<b>Variance with Final Budget- Positive (Negative)</b>	<b>2003 Actual Amounts</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>		
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 1,110	\$ 1,111	\$ 1	\$ 1,034
Ad Valorem Taxes - Delinquent	200	734	534	775
Penalties and Interest	300	988	688	1,106
Investment Earnings	<u>1,000</u>	<u>8,753</u>	<u>7,753</u>	<u>9,900</u>
<b>Total revenues</b>	<u>2,610</u>	<u>11,586</u>	<u>8,976</u>	<u>12,815</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	70
Debt Service:				
Interest and Fiscal Charges	<u>66,100</u>	<u>62,415</u>	<u>3,685</u>	<u>62,415</u>
<b>Total expenditures</b>	<u>66,100</u>	<u>62,415</u>	<u>3,685</u>	<u>62,485</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(63,490)	(50,829)	12,661	(49,670)
<b>Fund balances-beginning</b>	<u>313,882</u>	<u>313,882</u>	<u>-</u>	<u>363,552</u>
<b>Fund balances-ending</b>	<u>\$ 250,392</u>	<u>\$ 263,053</u>	<u>\$ 12,661</u>	<u>\$ 313,882</u>

**GALVESTON COUNTY, TEXAS**  
**ROAD REFUNDING BONDS SERIES 1991**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>			<b>2003</b> <b>Actual</b> <b>Amounts</b>
	<b>Final</b> <b>Budgeted</b> <b>Amounts</b>	<b>Actual</b> <b>Amounts</b>	<b>Variance with</b> <b>Final Budget-</b> <b>Positive</b> <b>(Negative)</b>	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 1,335,608	\$ 1,337,536	\$ 1,928	\$ 1,966,310
Ad Valorem Taxes - Delinquent	31,000	38,164	7,164	42,696
Penalties and Interest	28,000	24,410	(3,590)	29,605
Investment Earnings	4,700	5,859	1,159	5,435
<b>Total revenues</b>	<b>1,399,308</b>	<b>1,405,969</b>	<b>6,661</b>	<b>2,044,046</b>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	26,198
Debt Service:				
Principal Retirement	1,460,000	1,460,000	-	1,710,000
Interest and Fiscal Charges	46,000	45,990	10	144,990
<b>Total expenditures</b>	<b>1,506,000</b>	<b>1,505,990</b>	<b>10</b>	<b>1,881,188</b>
<b>Excess (deficiency) of revenues</b> <b>over (under) expenditures</b>	<b>(106,692)</b>	<b>(100,021)</b>	<b>6,671</b>	<b>162,858</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	132,000	132,000	-	-
Transfers Out	(325,000)	(311,928)	13,072	-
<b>Total other financing sources (uses)</b>	<b>(193,000)</b>	<b>(179,928)</b>	<b>13,072</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(299,692)</b>	<b>(279,949)</b>	<b>19,743</b>	<b>162,858</b>
<b>Fund balances-beginning</b>	<b>279,949</b>	<b>279,949</b>	<b>-</b>	<b>117,091</b>
<b>Fund balances-ending</b>	<b>\$ (19,743)</b>	<b>\$ -</b>	<b>\$ 19,743</b>	<b>\$ 279,949</b>

**GALVESTON COUNTY, TEXAS**  
**LIMITED TAX REFUNDING BONDS SERIES 1993**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>			<u>2003</u> <u>Actual</u> <u>Amounts</u>
	<u>Final</u> <u>Budgeted</u> <u>Amounts</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget-</u> <u>Positive</u> <u>(Negative)</u>	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 1,657,244	\$ 1,659,636	\$ 2,392	\$ 468,995
Ad Valorem Taxes - Delinquent	25,000	23,261	(1,739)	30,947
Penalties and Interest	20,000	32,284	12,284	25,437
Investment Earnings	6,000	1,558	(4,442)	5,149
Miscellaneous	-	-	-	827
<b>Total revenues</b>	<u>1,708,244</u>	<u>1,716,739</u>	<u>8,495</u>	<u>531,355</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	24,801
Debt Service:				
Principal Retirement	1,615,000	1,615,000	-	-
Interest and Fiscal Charges	42,200	40,781	1,419	578,647
<b>Total expenditures</b>	<u>1,657,200</u>	<u>1,655,781</u>	<u>1,419</u>	<u>603,448</u>
<b>Excess (deficiency) of revenues</b> <b>over (under) expenditures</b>	51,044	60,958	9,914	(72,093)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(125,000)	(119,296)	5,704	-
<b>Net change in fund balances</b>	(73,956)	(58,338)	15,618	(72,093)
<b>Fund balances-beginning</b>	<u>58,338</u>	<u>58,338</u>	<u>-</u>	<u>130,431</u>
<b>Fund balances-ending</b>	<u><u>\$ (15,618)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 15,618</u></u>	<u><u>\$ 58,338</u></u>

**GALVESTON COUNTY, TEXAS**  
**DETENTION CENTER SERIES 1994**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>			<u>2003</u> <u>Actual</u> <u>Amounts</u>
	<u>Final</u> <u>Budgeted</u> <u>Amounts</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget-</u> <u>Positive</u> <u>(Negative)</u>	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 102,322	\$ 100,657	\$ (1,665)	\$ 1,034
Ad Valorem Taxes - Delinquent	3,000	1,192	(1,808)	2,989
Penalties and Interest	1,000	1,616	616	1,466
Investment Earnings	2,000	729	(1,271)	1,975
<b>Total revenues</b>	<u>108,322</u>	<u>104,194</u>	<u>(4,128)</u>	<u>7,464</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	5,373
Debt Service:				
Principal Retirement	100,000	100,000	-	100,000
Interest and Fiscal Charges	4,600	3,369	1,231	8,624
<b>Total expenditures</b>	<u>104,600</u>	<u>103,369</u>	<u>1,231</u>	<u>113,997</u>
<b>Excess (deficiency) of revenues</b> <b>over (under) expenditures</b>	3,722	825	(2,897)	(106,533)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(37,982)	(37,981)	1	-
<b>Net change in fund balances</b>	(34,260)	(37,156)	(2,896)	(106,533)
<b>Fund balances-beginning</b>	<u>37,156</u>	<u>37,156</u>	<u>-</u>	<u>143,689</u>
<b>Fund balances-ending</b>	<u><u>\$ 2,896</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (2,896)</u></u>	<u><u>\$ 37,156</u></u>

**GALVESTON COUNTY, TEXAS  
CONSTRUCTION/IMPROVEMENT TAX/REVENUE  
CERTIFICATES OF OBLIGATION SERIES 1999  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended September 30, 2004  
With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>			<b>2003 Actual Amounts</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget- Positive (Negative)</b>	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 629,711	\$ 630,620	\$ 909	\$ 518,756
Ad Valorem Taxes - Delinquent	15,000	16,870	1,870	16,948
Penalties and Interest	9,000	11,235	2,235	9,428
Investment Earnings	6,000	8,154	2,154	8,134
<b>Total revenues</b>	<b>659,711</b>	<b>666,879</b>	<b>7,168</b>	<b>553,266</b>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	10,378
Debt Service:				
Interest and Fiscal Charges	657,900	654,255	3,645	654,255
<b>Total expenditures</b>	<b>657,900</b>	<b>654,255</b>	<b>3,645</b>	<b>664,633</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,811</b>	<b>12,624</b>	<b>10,813</b>	<b>(111,367)</b>
<b>Fund balances-beginning</b>	<b>130,367</b>	<b>130,367</b>	<b>-</b>	<b>241,734</b>
<b>Fund balances-ending</b>	<b>\$ 132,178</b>	<b>\$ 142,991</b>	<b>\$ 10,813</b>	<b>\$ 130,367</b>

**GALVESTON COUNTY, TEXAS**  
**LIMITED TAX JUSTICE CENTER BONDS SERIES 2001**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>			<u>2003</u> <u>Actual</u> <u>Amounts</u>
	<u>Final</u> <u>Budgeted</u> <u>Amounts</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget-</u> <u>Positive</u> <u>(Negative)</u>	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 1,054,038	\$ 1,055,560	\$ 1,522	\$ 1,081,528
Ad Valorem Taxes - Delinquent	23,000	30,615	7,615	29,014
Penalties and Interest	15,000	18,779	3,779	16,739
Investment Earnings	7,000	13,755	6,755	10,806
<b>Total revenues</b>	<u>1,099,038</u>	<u>1,118,709</u>	<u>19,671</u>	<u>1,138,087</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	5,019
Debt Service:				
Interest and Fiscal Charges	<u>1,081,000</u>	<u>1,077,369</u>	<u>3,631</u>	<u>1,077,369</u>
<b>Total expenditures</b>	<u>1,081,000</u>	<u>1,077,369</u>	<u>3,631</u>	<u>1,082,388</u>
<b>Excess (deficiency) of revenues</b> <b>over (under) expenditures</b>	18,038	41,340	23,302	55,699
<b>Fund balances-beginning</b>	<u>213,025</u>	<u>213,025</u>	<u>-</u>	<u>157,326</u>
<b>Fund balances-ending</b>	<u>\$ 231,063</u>	<u>\$ 254,365</u>	<u>\$ 23,302</u>	<u>\$ 213,025</u>

**GALVESTON COUNTY, TEXAS**  
**UNLIMITED TAX ROAD BONDS SERIES 2001**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	2004			2003 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 802,178	\$ 803,337	\$ 1,159	\$ 841,365
Ad Valorem Taxes - Delinquent	13,000	22,989	9,989	20,832
Penalties and Interest	10,000	14,201	4,201	12,527
Investment Earnings	6,500	12,788	6,288	7,049
<b>Total revenues</b>	<b>831,678</b>	<b>853,315</b>	<b>21,637</b>	<b>881,773</b>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	3,543
Debt Service:				
Interest and Fiscal Charges	813,400	808,768	4,632	808,768
<b>Total expenditures</b>	<b>813,400</b>	<b>808,768</b>	<b>4,632</b>	<b>812,311</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>18,278</b>	<b>44,547</b>	<b>26,269</b>	<b>69,462</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	132,000	132,000	-	-
<b>Net change in fund balances</b>	<b>150,278</b>	<b>176,547</b>	<b>26,269</b>	<b>69,462</b>
<b>Fund balances-beginning</b>	<b>129,819</b>	<b>129,819</b>	<b>-</b>	<b>60,357</b>
<b>Fund balances-ending</b>	<b>\$ 280,097</b>	<b>\$ 306,366</b>	<b>\$ 26,269</b>	<b>\$ 129,819</b>

**GALVESTON COUNTY, TEXAS**  
**PARK ROADS/PARKING LOT**  
**IMPROVEMENTS SERIES 2002A**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>			<b>2003</b> <b>Actual</b> <b>Amounts</b>
	<b>Final</b> <b>Budgeted</b> <b>Amounts</b>	<b>Actual</b> <b>Amounts</b>	<b>Variance with</b> <b>Final Budget-</b> <b>Positive</b> <b>(Negative)</b>	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 455,024	\$ 455,681	\$ 657	\$ 570,356
Ad Valorem Taxes - Delinquent	10,000	10,221	221	2,560
Penalties and Interest	5,000	7,272	2,272	5,213
Investment Earnings	1,000	2,936	1,936	2,043
<b>Total revenues</b>	<b>471,024</b>	<b>476,110</b>	<b>5,086</b>	<b>580,172</b>
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	265,000	265,000	-	220,000
Interest and Fiscal Charges	214,700	210,810	3,890	293,155
<b>Total expenditures</b>	<b>479,700</b>	<b>475,810</b>	<b>3,890</b>	<b>513,155</b>
<b>Excess (deficiency) of revenues</b> <b>over (under) expenditures</b>	<b>(8,676)</b>	<b>300</b>	<b>8,976</b>	<b>67,017</b>
<b>Fund balances-beginning</b>	<b>71,716</b>	<b>71,716</b>	<b>-</b>	<b>4,699</b>
<b>Fund balances-ending</b>	<b>\$ 63,040</b>	<b>\$ 72,016</b>	<b>\$ 8,976</b>	<b>\$ 71,716</b>

**GALVESTON COUNTY, TEXAS**  
**SAN LUIS PASS BRIDGE**  
**CERTIFICATES OF OBLIGATION SERIES 2002**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>			<b>2003</b> <b>Actual</b> <b>Amounts</b>
	<b>Final</b> <b>Budgeted</b> <b>Amounts</b>	<b>Actual</b> <b>Amounts</b>	<b>Variance with</b> <b>Final Budget-</b> <b>Positive</b> <b>(Negative)</b>	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 570,290	\$ 571,113	\$ 823	\$ 805,946
Ad Valorem Taxes - Delinquent	10,000	14,106	4,106	3,617
Penalties and Interest	9,000	9,387	387	7,366
Investment Earnings	2,500	8,453	5,953	2,970
<b>Total revenues</b>	<b>591,790</b>	<b>603,059</b>	<b>11,269</b>	<b>819,899</b>
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	375,000	375,000	-	305,000
Interest and Fiscal Charges	298,400	294,543	3,857	409,667
<b>Total expenditures</b>	<b>673,400</b>	<b>669,543</b>	<b>3,857</b>	<b>714,667</b>
<b>Excess (deficiency) of revenues</b> <b>over (under) expenditures</b>	<b>(81,610)</b>	<b>(66,484)</b>	<b>15,126</b>	<b>105,232</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	721,661	721,661	-	-
<b>Net change in fund balances</b>	<b>640,051</b>	<b>655,177</b>	<b>15,126</b>	<b>105,232</b>
<b>Fund balances-beginning</b>	<b>108,053</b>	<b>108,053</b>	<b>-</b>	<b>2,821</b>
<b>Fund balances-ending</b>	<b>\$ 748,104</b>	<b>\$ 763,230</b>	<b>\$ 15,126</b>	<b>\$ 108,053</b>

**GALVESTON COUNTY, TEXAS**  
**COMBINATION TAX/REVENUE**  
**CERTIFICATES OF OBLIGATION SERIES 2003C**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<u>2004</u>			<u>2003</u> <u>Actual</u> <u>Amounts</u>
	<u>Final</u> <u>Budgeted</u> <u>Amounts</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget-</u> <u>Positive</u> <u>(Negative)</u>	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 2,021,041	\$ 2,023,959	\$ 2,918	\$ -
Ad Valorem Taxes - Delinquent	-	9,382	9,382	-
Penalties and Interest	1,000	24,704	23,704	-
Investment Earnings	1,000	19,477	18,477	229
<b>Total revenues</b>	<u>2,023,041</u>	<u>2,077,522</u>	<u>54,481</u>	<u>229</u>
<b>EXPENDITURES</b>				
Debt Service:				
Interest and Fiscal Charges	<u>2,021,400</u>	<u>1,830,603</u>	<u>190,797</u>	<u>-</u>
<b>Excess (deficiency) of revenues</b> <b>over (under) expenditures</b>	1,641	246,919	245,278	229
<b>Fund balances-beginning</b>	<u>229</u>	<u>229</u>	<u>-</u>	<u>-</u>
<b>Fund balances-ending</b>	<u>\$ 1,870</u>	<u>\$ 247,148</u>	<u>\$ 245,278</u>	<u>\$ 229</u>

**GALVESTON COUNTY, TEXAS**  
**LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>			<b>2003 Actual Amounts</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget- Positive (Negative)</b>	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 2,718,925	\$ 2,724,663	\$ 5,738	\$ -
Ad Valorem Taxes - Delinquent	-	13,865	13,865	-
Penalties and Interest	1,000	33,701	32,701	-
Investment Earnings	1,000	26,464	25,464	309
<b>Total revenues</b>	<b>2,720,925</b>	<b>2,798,693</b>	<b>77,768</b>	<b>309</b>
<b>EXPENDITURES</b>				
Debt Service:				
Interest and Fiscal Charges	2,719,900	2,465,358	254,542	-
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,025</b>	<b>333,335</b>	<b>332,310</b>	<b>309</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	37,982	37,981	(1)	-
<b>Net change in fund balances</b>	<b>39,007</b>	<b>371,316</b>	<b>332,309</b>	<b>309</b>
<b>Fund balances-beginning</b>	<b>309</b>	<b>309</b>	<b>-</b>	<b>-</b>
<b>Fund balances-ending</b>	<b>\$ 39,316</b>	<b>\$ 371,625</b>	<b>\$ 332,309</b>	<b>\$ 309</b>

**GALVESTON COUNTY, TEXAS**  
**UNLIMITED TAX ROAD BONDS SERIES 2003B**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	2004			2003 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 431,354	\$ 431,977	\$ 623	\$ -
Ad Valorem Taxes - Delinquent	-	53,663	53,663	-
Penalties and Interest	-	24,109	24,109	-
Investment Earnings	1,000	9,133	8,133	48
<b>Total revenues</b>	<u>432,354</u>	<u>518,882</u>	<u>86,528</u>	<u>48</u>
<b>EXPENDITURES</b>				
Debt Service:				
Interest and Fiscal Charges	430,300	385,626	44,674	-
<b>Excess (deficiency) of revenues over (under) expenditures</b>	2,054	133,256	131,202	48
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	391,973	385,436	(6,537)	-
<b>Net change in fund balances</b>	394,027	518,692	124,665	48
<b>Fund balances-beginning</b>	48	48	-	-
<b>Fund balances-ending</b>	<u>\$ 394,075</u>	<u>\$ 518,740</u>	<u>\$ 124,665</u>	<u>\$ 48</u>

**GALVESTON COUNTY, TEXAS**  
**LIMITED TAX FORWARD REFUNDING BONDS SERIES 2003**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	<b>2004</b>			<b>2003 Actual Amounts</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget- Positive (Negative)</b>	
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Current	\$ 288,967	\$ 289,384	\$ 417	\$ -
Ad Valorem Taxes - Delinquent	-	13,439	13,439	-
Penalties and Interest	-	7,576	7,576	-
Investment Earnings	1,000	21,016	20,016	-
<b>Total revenues</b>	<b>289,967</b>	<b>331,415</b>	<b>41,448</b>	<b>-</b>
<b>EXPENDITURES</b>				
Debt Service:				
Interest and Fiscal Charges	290,000	283,912	6,088	-
Bond Issuance Cost	148,104	148,103	1	-
<b>Total expenditures</b>	<b>438,104</b>	<b>432,015</b>	<b>6,089</b>	<b>-</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(148,137)</b>	<b>(100,600)</b>	<b>47,537</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	125,000	119,296	(5,704)	-
Face Value - Refunding Proceeds	10,170,000	10,170,000	-	-
Premium - Refunding Proceeds	426,466	426,466	-	-
Refunded Bonds - Escrow Agent	(10,432,648)	(10,432,648)	-	-
<b>Total other financing sources (uses)</b>	<b>288,818</b>	<b>283,114</b>	<b>(5,704)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>140,681</b>	<b>182,514</b>	<b>41,833</b>	<b>-</b>
<b>Fund balances-beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances-ending</b>	<b>\$ 140,681</b>	<b>\$ 182,514</b>	<b>\$ 41,833</b>	<b>\$ -</b>

**GALVESTON COUNTY, TEXAS**  
**GENERAL OBLIGATION 1999/2001 REFUNDING BONDS SERIES 2004**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	2004		Variance with Final Budget- Positive (Negative)	2003 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
<b>REVENUES</b>				
Investment Earnings	\$ 273	\$ 273	-	\$ -
<b>EXPENDITURES</b>				
Debt Service:				
Bond Issuance Cost	307,834	307,834	-	-
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(307,561)	(307,561)	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Face Value - Refunding Proceeds	22,295,000	22,295,000	-	-
Premium - Refunding Proceeds	2,055,081	2,055,080	(1)	-
Refunded Bonds - Escrow Agent	(24,030,431)	(24,030,431)	-	-
<b>Total other financing sources (uses)</b>	319,650	319,649	(1)	-
<b>Net change in fund balances</b>	12,089	12,088	(1)	-
<b>Fund balances-beginning</b>	-	-	-	-
<b>Fund balances-ending</b>	<u>\$ 12,089</u>	<u>\$ 12,088</u>	<u>\$ (1)</u>	<u>\$ -</u>

**GALVESTON COUNTY, TEXAS**  
**UNLIMITED TAX ROAD REFUNDING BONDS SERIES 2004A**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2004**  
**With Comparative Actual Amounts for the Year Ended September 30, 2003**

	2004		Variance with Final Budget- Positive (Negative)	2003 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes - Delinquent	\$ 3,655	\$ 3,655	\$ -	\$ -
Penalties and Interest	852	852	-	-
Investment Earnings	892	891	(1)	-
<b>Total revenues</b>	<b>5,399</b>	<b>5,398</b>	<b>(1)</b>	<b>-</b>
<b>EXPENDITURES</b>				
Debt Service:				
Bond Issuance Cost	145,297	145,296	1	-
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(139,898)</b>	<b>(139,898)</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	162,500	155,964	(6,536)	-
Face Value - Refunding Proceeds	10,129,988	10,129,988	-	-
Premium - Refunding Proceeds	1,114,523	1,114,523	-	-
Refunded Bonds - Escrow Agent	(11,093,229)	(11,093,229)	-	-
<b>Total other financing sources (uses)</b>	<b>313,782</b>	<b>307,246</b>	<b>(6,536)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>173,884</b>	<b>167,348</b>	<b>(6,536)</b>	<b>-</b>
<b>Fund balances-beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances-ending</b>	<b>\$ 173,884</b>	<b>\$ 167,348</b>	<b>\$ (6,536)</b>	<b>\$ -</b>

NONMAJOR  
CAPITAL PROJECTS FUNDS

PURPOSE:

1987 ROAD BOND FUND (FUND #3306) - Issued for the purpose of constructing and improving county roads, under Article 717k, Article 6702.1 VTCS, re-codified in 1999 by the 76<sup>th</sup> Texas Legislature to Title 9, Chapter 1471 of the Texas Government Code.

Original issue	\$ 6,300,000 Refunding Bonds
	<u>13,000,000 Road Bonds</u>
	<u>\$ 19,300,000</u>

NOTE: The following funds (with the appropriate amounts given) were consolidated into Fund 3306, Road Bond Fund, 1987:

Road Bond Fund, 1977	\$ 694,526
Road Bond Fund, 1978	3,056,306
Road Bond Fund, 1982	550,043
Road & Bridge Bond Fund, 1970	<u>314,000</u>
	<u>\$4,614,875</u>

CONSTRUCTION/IMPROVEMENT TAX/REVENUE C.O.B. 1999 (FUND #3205) - Original issue of \$12,365,000 under the Constitution of the State of Texas, Texas Government Code Chapter 1207, and Texas Local Government Code Chapter 271, as amended. The proceeds from these certificates of obligation will be used to build and improve county facilities within the County, including the construction of the new county annex at Crystal Beach, improvements to Jack Brooks Park, expansion of the County Courthouse, improvement of the Senior Center, and purchase and renovation of a building for County purposes.

JUSTICE CENTER AND PUBLIC SAFETY BUILDING BONDS 2001 (FUND #3220) - Issued in March 2001, in the amount of \$34,822,062.35 which is the initial installment of the total authorization of \$93,000,000 approved by the voters in November 2000, pursuant to the Constitution and general laws of the State of Texas, including Chapter 1473, Texas Government Code, as amended. The proceeds will be used to build, improve and equip buildings, jails and court facilities within the County and the purchase and improvement of necessary sites therefor, together with related parking facilities.

UNLIMITED TAX ROAD BONDS 2001 (FUND #3308) - Issued in March 2001, in the amount of \$26,151,371.95 pursuant to the Constitution and general laws of the State of Texas, including Chapter 1471, Texas Government Code, as amended. This amount is the initial installment of the total authorization of \$36,300,000 (\$35,000,000 for road and \$1,300,000 for the Grand Parkway) approved by the voters in November 2000. The proceeds will be used to build and improve roads within the County.

PARK ROADS AND PARKING LOT IMPROVEMENTS COB 2002A (FUND #3273) - Issued in April 2002,

in the amount of \$5,115,000 pursuant to the Constitution and general laws of the State of Texas, including Chapter 271, Texas Local Government Code, as amended, and order of Commissioners' Court on March 18, 2002. The proceeds will be used to repair and improve park roads and parking lots within the County and to pay the costs associated with the issuance of the Certificates.

SAN LUIS PASS BRIDGE, COB 2002 (FUND #3309) - Issued in April 2002, in the amount of \$7,150,000 pursuant to the Constitution and general laws of the State of Texas, including Chapter 271, Texas Local Government Code, as amended, and order of Commissioners' Court on March 18, 2002. The proceeds will be used to repair and improve the San Luis Pass Bridge and to pay the costs associated with the issuance of the Certificates.

COMBINATION TAX AND REVENUE, COB 2003C (FUND #3206) - Issued on September 4<sup>th</sup> 2003, in the amount of \$40,890,000 pursuant to the Constitution and general laws of the State of Texas, including Chapter 1471 and Chapter 1473, Texas Government Code, as amended, and Chapter 271, Texas Local Government Code, as amended, and three separate orders adopted by the Commissioners' Court. The proceeds will be used to purchase, among other things, materials, supplies, equipment, machinery, buildings, land and rights-of-way for authorized needs and purposes and the construction of public works and to pay the costs associated with the issuance of the Certificates.

UNLIMITED TAX ROAD BONDS, 2003B (FUND #3307) - Issued on September 4<sup>th</sup> 2003, in the amount of \$9,625,000 pursuant to the Constitution and general laws of the State of Texas, including Chapter 1471 and Chapter 1473, Texas Government Code, as amended, and Chapter 271, Texas Local Government Code, as amended, and three separate orders adopted by the Commissioners' Court. The proceeds will be used to build and improve roads within the County and to pay the costs associated with the issuance of the Road Bonds.

**GALVESTON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
CAPITAL PROJECTS**

**September 30, 2004**

**With Totals for the Year Ended September 30, 2003**

	<b>ROAD BONDS SERIES 1987</b>	<b>CONSTRUCTION/ IMPROVEMENT TAX/REVENUE CERTIFICATES OF OBLIGATION SERIES 1999</b>	<b>JUSTICE CENTER/ PUBLIC SAFETY BUILDING BONDS SERIES 2001</b>	<b>UNLIMITED TAX ROAD BONDS SERIES 2001</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 3,440,265	\$ 276,699	\$ 12,001,782	\$ 10,015,291
Investments	-	-	-	-
Receivables (Net of Allowances for Uncollectibles):				
Interest	-	-	-	-
Accounts and Other	-	-	-	-
<b>Total assets</b>	<b>\$ 3,440,265</b>	<b>\$ 276,699</b>	<b>\$ 12,001,782</b>	<b>\$ 10,015,291</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 1,974,387	\$ 162,743	\$ 674,037	\$ 913,546
Retainage Payable	-	29,129	330,264	486,333
Due to Other Funds	-	-	-	-
<b>Total liabilities</b>	<b>1,974,387</b>	<b>191,872</b>	<b>1,004,301</b>	<b>1,399,879</b>
<b>FUND BALANCES</b>				
Reserved for Encumbrances	-	58,666	7,367,553	2,030,295
Unreserved:				
Designated for Capital Projects	1,465,878	26,161	3,629,928	6,585,117
<b>Total fund balances</b>	<b>1,465,878</b>	<b>84,827</b>	<b>10,997,481</b>	<b>8,615,412</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,440,265</b>	<b>\$ 276,699</b>	<b>\$ 12,001,782</b>	<b>\$ 10,015,291</b>

(Continued)

<b>PARK ROADS/ PARKING LOT IMPROVEMENTS CERTIFICATES OF OBLIGATION SERIES 2002A</b>	<b>SAN LUIS PASS BRIDGE IMPROVEMENTS CERTIFICATES OF OBLIGATION SERIES 2002</b>	<b>COMBINATION TAX/REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C</b>	<b>UNLIMITED TAX ROAD BONDS SERIES 2003B</b>
\$ 412,887	\$ -	\$ 38,496,441	\$ 9,686,364
-	-	-	-
-	-	-	-
-	-	-	-
<b>\$ 412,887</b>	<b>\$ -</b>	<b>\$ 38,496,441</b>	<b>\$ 9,686,364</b>
\$ 141,114	\$ -	\$ 2,842,970	\$ -
-	-	298,262	-
-	-	-	-
<b>141,114</b>	<b>-</b>	<b>3,141,232</b>	<b>-</b>
136,813	-	19,483,611	-
134,960	-	15,871,598	9,686,364
<b>271,773</b>	<b>-</b>	<b>35,355,209</b>	<b>9,686,364</b>
<b>\$ 412,887</b>	<b>\$ -</b>	<b>\$ 38,496,441</b>	<b>\$ 9,686,364</b>

**GALVESTON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**CAPITAL PROJECTS**  
**September 30, 2004**  
**With Totals for the Year Ended September 30, 2003**

	<b>TOTALS</b>	
	<b>2004</b>	<b>2003</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 74,329,729	\$ 72,996,421
Investments	-	30,000,000
Receivables (Net of Allowances for Uncollectibles):		
Interest	-	475,479
Accounts and Other	-	100
	<u>-</u>	<u>100</u>
<b>Total assets</b>	<b>\$ 74,329,729</b>	<b>\$ 103,472,000</b>
<b>LIABILITIES</b>		
Accounts Payable	\$ 6,708,797	\$ 2,209,400
Retainage Payable	1,143,988	733,242
Due to Other Funds	-	268,059
	<u>-</u>	<u>268,059</u>
<b>Total liabilities</b>	<b>7,852,785</b>	<b>3,210,701</b>
<b>FUND BALANCES</b>		
Reserved for Encumbrances	29,076,938	28,436,453
Unreserved:		
Designated for Capital Projects	37,400,006	71,824,846
	<u>37,400,006</u>	<u>71,824,846</u>
<b>Total fund balances</b>	<b>66,476,944</b>	<b>100,261,299</b>
	<u>66,476,944</u>	<u>100,261,299</u>
<b>Total liabilities and fund balances</b>	<b>\$ 74,329,729</b>	<b>\$ 103,472,000</b>
	<u>\$ 74,329,729</u>	<u>\$ 103,472,000</u>



Contented Beachgoer at a  
Beach Pocket Park, Galveston

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**CAPITAL PROJECT FUNDS**  
**For the Year Ended September 30, 2004**  
**With Totals for the Year Ended September 30, 2003**

	<b>ROAD BONDS SERIES 1987</b>	<b>CONSTRUCTION/ IMPROVEMENT TAX/REVENUE CERTIFICATES OF OBLIGATION SERIES 1999</b>	<b>JUSTICE CENTER/ PUBLIC SAFETY BUILDING BONDS SERIES 2001</b>	<b>UNLIMITED TAX ROAD BONDS SERIES 2001</b>
<b>REVENUES</b>				
Investment Earnings	\$ 101,477	\$ 36,704	\$ 568,258	\$ 474,470
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>101,477</u>	<u>36,704</u>	<u>568,258</u>	<u>474,470</u>
<b>EXPENDITURES</b>				
Capital Outlay	1,990,237	1,856,427	12,009,828	10,944,841
Bond Issuance Costs	-	-	-	-
<b>Total expenditures</b>	<u>1,990,237</u>	<u>1,856,427</u>	<u>12,009,828</u>	<u>10,944,841</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(1,888,760)</u>	<u>(1,819,723)</u>	<u>(11,441,570)</u>	<u>(10,470,371)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Face Value - Long Term Debt Issued	-	-	-	-
Premium - Long Term Debt Issued	-	-	-	-
Discount - Long Term Debt Issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(1,888,760)</u>	<u>(1,819,723)</u>	<u>(11,441,570)</u>	<u>(10,470,371)</u>
<b>Fund balances-beginning</b>	<u>3,354,638</u>	<u>1,904,550</u>	<u>22,439,051</u>	<u>19,085,783</u>
<b>Fund balances-ending</b>	<u><u>\$ 1,465,878</u></u>	<u><u>\$ 84,827</u></u>	<u><u>\$ 10,997,481</u></u>	<u><u>\$ 8,615,412</u></u>

(Continued)

<b>PARK ROADS/ PARKING LOT IMPROVEMENTS CERTIFICATES OF OBLIGATION SERIES 2002A</b>	<b>SAN LUIS PASS BRIDGE IMPROVEMENTS CERTIFICATES OF OBLIGATION SERIES 2002</b>	<b>COMBINATION TAX/REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C</b>	<b>UNLIMITED TAX ROAD BONDS SERIES 2003B</b>
\$ 45,462	\$ 17,577	\$ 1,228,287	\$ 292,707
-	-	-	-
<u>45,462</u>	<u>17,577</u>	<u>1,228,287</u>	<u>292,707</u>
3,105,846	28,455	5,972,002	20,000
-	-	-	-
<u>3,105,846</u>	<u>28,455</u>	<u>5,972,002</u>	<u>20,000</u>
<u>(3,060,384)</u>	<u>(10,878)</u>	<u>(4,743,715)</u>	<u>272,707</u>
-	(621,661)	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>(621,661)</u>	<u>-</u>	<u>-</u>
(3,060,384)	(632,539)	(4,743,715)	272,707
<u>3,332,157</u>	<u>632,539</u>	<u>40,098,924</u>	<u>9,413,657</u>
<u>\$ 271,773</u>	<u>\$ -</u>	<u>\$ 35,355,209</u>	<u>\$ 9,686,364</u>

**GALVESTON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**CAPITAL PROJECT FUNDS**  
**For the Year Ended September 30, 2004**  
**With Totals for the Year Ended September 30, 2003**

	<b>TOTALS</b>	
	<u><b>2004</b></u>	<u><b>2003</b></u>
<b>REVENUES</b>		
Investment Earnings	\$ 2,764,942	\$ 2,204,909
Miscellaneous	-	834,252
	<u>2,764,942</u>	<u>3,039,161</u>
<b>Total revenues</b>		
<b>EXPENDITURES</b>		
Capital Outlay	35,927,636	31,598,971
Bond Issuance Costs	-	752,120
	<u>35,927,636</u>	<u>32,351,091</u>
<b>Total expenditures</b>		
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(33,162,694)</u>	<u>(29,311,930)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers Out	(621,661)	(170,653)
Face Value - Long Term Debt Issued	-	50,515,000
Premium - Long Term Debt Issued	-	265,643
Discount - Long Term Debt Issued	-	(619,469)
	<u>(621,661)</u>	<u>49,990,521</u>
<b>Total other financing sources (uses)</b>		
<b>Net change in fund balances</b>	(33,784,355)	20,678,591
<b>Fund balances-beginning</b>	<u>100,261,299</u>	<u>79,582,708</u>
<b>Fund balances-ending</b>	<u><b>\$ 66,476,944</b></u>	<u><b>\$ 100,261,299</b></u>



View of Moody Gardens Pyramids from the  
61<sup>st</sup> Street Public Boat Ramp, Galveston

**GALVESTON COUNTY, TEXAS  
ROAD BONDS SERIES 1987 FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES -  
BUDGET (PROJECT-LENGTH) AND ACTUAL  
From Inception and for the Year Ended September 30, 2004**

	<u>ACTUAL TO SEPTEMBER 30, 2004</u>					<b>LAST YEAR'S ACTUAL</b>
	<b>TOTAL PROJECT AUTHORIZED</b>	<b>REPORTED IN PRIOR YEARS</b>	<b>CURRENT YEAR</b>	<b>TOTAL</b>	<b>COMMITTED BALANCE</b>	
<b>REVENUES</b>						
Intergovernmental	\$ 1,248,210	\$ 1,360,155	\$ -	\$ 1,360,155	\$ 111,945	\$ -
Investment Earnings	989,920	3,698,279	101,477	3,799,756	2,809,836	160,698
Miscellaneous	-	5,511	-	5,511	5,511	-
<b>Total revenues</b>	<u>2,238,130</u>	<u>5,063,945</u>	<u>101,477</u>	<u>5,165,422</u>	<u>2,927,292</u>	<u>160,698</u>
<b>EXPENDITURES</b>						
Capital Outlay:						
Highways and Roads	1,829,436	1,196,411	-	1,196,411	633,025	-
S.H. 3	1,836,024	1,638,763	6,835	1,645,598	190,426	-
S.H. 146	207,962	37,617	-	37,617	170,345	-
F.M. 270	612,935	612,935	-	612,935	-	-
F.M. 517	2,636,603	2,371,345	9,015	2,380,360	256,243	36,796
F.M. 528	3,085,175	980,072	-	980,072	2,105,103	-
F.M. 1764	3,644,897	3,644,897	1,974,387	5,619,284	(1,974,387)	121,802
F.M. 2094	2,343,776	2,343,776	-	2,343,776	-	51,840
Loop 197 N.	4,309,000	4,309,000	-	4,309,000	-	4,059,000
<b>Total expenditures</b>	<u>20,505,808</u>	<u>17,134,816</u>	<u>1,990,237</u>	<u>19,125,053</u>	<u>1,380,755</u>	<u>4,269,438</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(18,267,678)</u>	<u>(12,070,871)</u>	<u>(1,888,760)</u>	<u>(13,959,631)</u>	<u>4,308,047</u>	<u>(4,108,740)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	4,888,892	4,888,892	-	4,888,892	-	-
Transfers Out	(2,463,383)	(2,463,383)	-	(2,463,383)	-	-
Proceeds - Long Term Debt Issued	13,000,000	13,000,000	-	13,000,000	-	-
<b>Total other financing sources (uses)</b>	<u>15,425,509</u>	<u>15,425,509</u>	<u>-</u>	<u>15,425,509</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ (2,842,169)</u>	<u>\$ 3,354,638</u>	<u>(1,888,760)</u>	<u>\$ 1,465,878</u>	<u>\$ 4,308,047</u>	<u>(4,108,740)</u>
<b>Fund balances-beginning</b>			<u>3,354,638</u>			<u>7,463,378</u>
<b>Fund balances-ending</b>			<u>\$ 1,465,878</u>			<u>\$ 3,354,638</u>

GALVESTON COUNTY, TEXAS  
CONSTRUCTION/IMPROVEMENT TAX/REVENUE CERTIFICATES OF OBLIGATION SERIES 1999  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES -  
BUDGET (PROJECT-LENGTH) AND ACTUAL  
From Inception and for the Year Ended September 30, 2004

	ACTUAL TO SEPTEMBER 30, 2004					LAST YEAR'S ACTUAL
	TOTAL PROJECT AUTHORIZED	REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	COMMITTED BALANCE	
<b>REVENUES</b>						
Investment Earnings	\$ 855,700	\$ 818,995	\$ 36,704	\$ 855,699	\$ (1)	\$ 74,188
<b>EXPENDITURES</b>						
Capital Outlay:						
Courthouse Renovation - Various Projects	3,741,307	3,341,673	342,357	3,684,030	57,277	253,893
TWC Building Renovations	340,559	340,559	-	340,559	-	-
FM 646 Building Renovations	2,192,878	652,004	1,514,070	2,166,074	26,804	537,737
Crystal Beach County Annex	2,853,845	2,850,395	-	2,850,395	3,450	19,854
Health District Building Renovations	177,988	177,988	-	177,988	-	-
Jack Brooks Park Arena Improvements	844,915	844,915	-	844,915	-	-
Carbide Park Capital Projects	2,717,698	2,717,698	-	2,717,698	-	10,716
Bond Issuance Costs	129,213	129,213	-	129,213	-	-
<b>Total expenditures</b>	<b>12,998,403</b>	<b>11,054,445</b>	<b>1,856,427</b>	<b>12,910,872</b>	<b>87,531</b>	<b>822,200</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(12,142,703)</b>	<b>(10,235,450)</b>	<b>(1,819,723)</b>	<b>(12,055,173)</b>	<b>87,530</b>	<b>(748,012)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds - Long Term Debt Issued	12,140,000	12,140,000	-	12,140,000	-	-
<b>Net change in fund balances</b>	<b>\$ (2,703)</b>	<b>\$ 1,904,550</b>	<b>(1,819,723)</b>	<b>\$ 84,827</b>	<b>\$ 87,530</b>	<b>(748,012)</b>
<b>Fund balances-beginning</b>			1,904,550			2,652,562
<b>Fund balances-ending</b>			<b>\$ 84,827</b>			<b>\$ 1,904,550</b>

GALVESTON COUNTY, TEXAS  
JUSTICE CENTER/PUBLIC SAFETY BUILDING BONDS SERIES 2001  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES -  
BUDGET (PROJECT-LENGTH) AND ACTUAL  
From Inception and for the Year Ended September 30, 2004

	ACTUAL TO SEPTEMBER 30, 2004					
	TOTAL PROJECT AUTHORIZED	REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	COMMITTED BALANCE	LAST YEAR'S ACTUAL
<b>REVENUES</b>						
Investment Earnings	\$ 3,868,225	\$ 3,299,967	\$ 568,258	\$ 3,868,225	\$ -	\$ 971,690
Miscellaneous	8,929	8,929	-	8,929	-	8,929
<b>Total revenues</b>	<u>3,877,154</u>	<u>3,308,896</u>	<u>568,258</u>	<u>3,877,154</u>	<u>-</u>	<u>980,619</u>
<b>EXPENDITURES</b>						
Capital Outlay:						
Courthouse Renovations	166,500	56,638	-	166,500	109,862	10,063
Building Construction	30,780,999	13,964,908	9,645,411	23,610,319	7,170,680	11,189,950
Other Services and Charges	7,401,919	1,867,468	2,364,417	4,231,885	3,170,034	1,606,066
Bond Issuance Costs	272,460	272,460	-	272,460	-	-
<b>Total expenditures</b>	<u>38,621,878</u>	<u>16,161,474</u>	<u>12,009,828</u>	<u>28,171,302</u>	<u>10,450,576</u>	<u>12,806,079</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(34,744,724)	(12,852,578)	(11,441,570)	(24,294,148)	10,450,576	(11,825,460)
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds - Long Term Debt Issued	35,291,629	35,291,629	-	35,291,629	-	-
<b>Net change in fund balances</b>	<u>\$ 546,905</u>	<u>\$ 22,439,051</u>	(11,441,570)	<u>\$ 10,997,481</u>	<u>\$ 10,450,576</u>	(11,825,460)
<b>Fund balances-beginning</b>			22,439,051			34,264,511
<b>Fund balances-ending</b>			<u>\$ 10,997,481</u>			<u>\$ 22,439,051</u>

**GALVESTON COUNTY, TEXAS  
UNLIMITED TAX ROAD BONDS SERIES 2001  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES -  
BUDGET (PROJECT-LENGTH) AND ACTUAL  
From Inception and for the Year Ended September 30, 2004**

	<b>ACTUAL TO SEPTEMBER 30, 2004</b>					
	<b>TOTAL PROJECT AUTHORIZED</b>	<b>REPORTED IN PRIOR YEARS</b>	<b>CURRENT YEAR</b>	<b>TOTAL</b>	<b>COMMITTED BALANCE</b>	<b>LAST YEAR'S ACTUAL</b>
<b>REVENUES</b>						
Investment Earnings	\$ 2,132,961	\$ 2,123,835	\$ 474,470	\$ 2,598,305	\$ 465,344	\$ 651,559
Miscellaneous	825,323	825,323	-	825,323	-	825,323
<b>Total revenues</b>	<b>2,958,284</b>	<b>2,949,158</b>	<b>474,470</b>	<b>3,423,628</b>	<b>465,344</b>	<b>1,476,882</b>
<b>EXPENDITURES</b>						
Capital Outlay:						
Administration Cost	70,273	-	-	-	70,273	-
Deats	5,598,500	614,724	4,494,322	5,109,046	489,454	273,846
Fairwood	2,559,000	327,530	1,840,879	2,168,409	390,591	136,406
Sunset	5,700,885	5,260,125	285,766	5,545,891	154,994	4,865,918
Fort Travis	57,515	2,515	-	2,515	55,000	-
Pearson Road	304,453	304,453	-	304,453	-	-
Baker Street	10,000	10,000	-	10,000	-	-
Vacek Road	95,439	95,438	-	95,438	1	95,019
Bay Area	41,985	-	-	-	41,985	-
Calder Road	2,389,999	218,434	693,279	911,713	1,478,286	110,108
25th Avenue	4,595,000	36,000	-	36,000	4,559,000	36,000
Loop 197	1,000,000	1,000,000	-	1,000,000	-	-
Stewart, Jones	4,000,000	539,172	2,993,274	3,532,446	467,554	286,994
FM 646	588,000	135,098	194,686	329,784	258,216	135,098
FM 517	250,000	-	29,635	29,635	220,365	-
SH 99	1,239,333	826,000	413,000	1,239,000	333	413,000
Seawall	795,160	795,160	-	795,160	-	-
Bond Issuance Costs	202,421	202,421	-	202,421	-	-
<b>Total expenditures</b>	<b>29,497,963</b>	<b>10,367,070</b>	<b>10,944,841</b>	<b>21,311,911</b>	<b>8,186,052</b>	<b>6,352,389</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(26,539,679)</b>	<b>(7,417,912)</b>	<b>(10,470,371)</b>	<b>(17,888,283)</b>	<b>8,651,396</b>	<b>(4,875,507)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds - Long Term Debt Issued	26,503,695	26,503,695	-	26,503,695	-	-
<b>Net change in fund balances</b>	<b>\$ (35,984)</b>	<b>\$ 19,085,783</b>	<b>(10,470,371)</b>	<b>\$ 8,615,412</b>	<b>\$ 8,651,396</b>	<b>(4,875,507)</b>
<b>Fund balances-beginning</b>			19,085,783			23,961,290
<b>Fund balances-ending</b>			<b>\$ 8,615,412</b>			<b>\$ 19,085,783</b>

GALVESTON COUNTY, TEXAS  
PARK ROADS/PARKING LOT IMPROVEMENTS CERTIFICATES OF OBLIGATION SERIES 2002A  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES -  
BUDGET (PROJECT-LENGTH) AND ACTUAL  
From Inception and for the Year Ended September 30, 2004

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2004			COMMITTED BALANCE	LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL		
<b>REVENUES</b>						
Investment Earnings	\$ 237,789	\$ 192,327	\$ 45,462	\$ 237,789	\$ -	\$ 131,999
<b>EXPENDITURES</b>						
Capital Outlay:						
Carbide Park Road Project	2,143,917	1,488,321	572,307	2,060,628	83,289	1,488,321
Walter Hall Park Road Project	3,082,328	375,525	2,533,539	2,909,064	173,264	375,525
Bond Issuance Costs	50,350	50,350	-	50,350	-	-
<b>Total expenditures</b>	<b>5,276,595</b>	<b>1,914,196</b>	<b>3,105,846</b>	<b>5,020,042</b>	<b>256,553</b>	<b>1,863,846</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(5,038,806)</b>	<b>(1,721,869)</b>	<b>(3,060,384)</b>	<b>(4,782,253)</b>	<b>256,553</b>	<b>(1,731,847)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds - Long Term Debt Issued	5,054,026	5,054,026	-	5,054,026	-	-
<b>Net change in fund balances</b>	<b>\$ 15,220</b>	<b>\$ 3,332,157</b>	<b>(3,060,384)</b>	<b>\$ 271,773</b>	<b>\$ 256,553</b>	<b>(1,731,847)</b>
<b>Fund balances-beginning</b>			<b>3,332,157</b>			<b>5,064,004</b>
<b>Fund balances-ending</b>			<b>\$ 271,773</b>			<b>\$ 3,332,157</b>

GALVESTON COUNTY, TEXAS  
 SAN LUIS PASS BRIDGE IMPROVEMENTS CERTIFICATES OF OBLIGATION SERIES 2002  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES -  
 BUDGET (PROJECT-LENGTH) AND ACTUAL  
 From Inception and for the Year Ended September 30, 2004

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2004		TOTAL	COMMITTED BALANCE	LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR			
<b>REVENUES</b>						
Investment Earnings	\$ 212,865	\$ 195,288	\$ 17,577	\$ 212,865	\$ -	\$ 110,840
<b>EXPENDITURES</b>						
Capital Outlay:						
San Luis Pass Bridge Improvements	6,594,395	6,565,940	28,455	6,594,395	-	5,485,019
Bond Issuance Costs	67,793	67,793	-	67,793	-	-
<b>Total expenditures</b>	<b>6,662,188</b>	<b>6,633,733</b>	<b>28,455</b>	<b>6,662,188</b>	<b>-</b>	<b>5,485,019</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(6,449,323)</b>	<b>(6,438,445)</b>	<b>(10,878)</b>	<b>(6,449,323)</b>	<b>-</b>	<b>(5,374,179)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers Out	(621,661)	-	(621,661)	(621,661)	-	-
Proceeds - Long Term Debt Issued	7,070,984	7,070,984	-	7,070,984	-	-
<b>Total other financing sources (uses)</b>	<b>6,449,323</b>	<b>7,070,984</b>	<b>(621,661)</b>	<b>6,449,323</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ 632,539</b>	<b>(632,539)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(5,374,179)</b>
<b>Fund balances-beginning</b>			632,539			6,006,718
<b>Fund balances-ending</b>			<b>\$ -</b>			<b>\$ 632,539</b>

GALVESTON COUNTY, TEXAS  
 COMBINATION TAX/REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES -  
 BUDGET (PROJECT-LENGTH) AND ACTUAL  
 From Inception and for the Year Ended September 30, 2004

	ACTUAL TO SEPTEMBER 30, 2004				COMMITTED BALANCE	LAST YEAR'S ACTUAL
	TOTAL PROJECT AUTHORIZED	REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL		
<b>REVENUES</b>						
Investment Earnings	\$ 1,312,132	\$ 83,844	\$ 1,228,287	\$ 1,312,131	\$ (1)	\$ 83,844
<b>EXPENDITURES</b>						
Capital Outlay:						
Administration Costs	1,277,900	-	-	-	1,277,900	-
Courthouse Renovations	8,013,500	-	66,341	66,341	7,947,159	-
Community Building Construction	30,879,600	-	5,905,661	5,905,661	24,973,939	-
Bond Issuance Costs	597,757	597,757	-	597,757	-	597,757
<b>Total expenditures</b>	<b>40,768,757</b>	<b>597,757</b>	<b>5,972,002</b>	<b>6,569,759</b>	<b>34,198,998</b>	<b>597,757</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(39,456,625)</b>	<b>(513,913)</b>	<b>(4,743,715)</b>	<b>(5,257,628)</b>	<b>34,198,997</b>	<b>(513,913)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Face Value - Long Term Debt Issue	40,890,000	40,890,000	-	40,890,000	-	40,890,000
Premium - Long Term Debt Issue	265,643	265,643	-	265,643	-	265,643
Discount - Long Term Debt Issue	(542,806)	(542,806)	-	(542,806)	-	(542,806)
<b>Total other financing sources (uses)</b>	<b>40,612,837</b>	<b>40,612,837</b>	<b>-</b>	<b>40,612,837</b>	<b>-</b>	<b>40,612,837</b>
<b>Net change in fund balances</b>	<b>\$ 1,156,212</b>	<b>\$ 40,098,924</b>	<b>(4,743,715)</b>	<b>\$ 35,355,209</b>	<b>\$ 34,198,997</b>	<b>40,098,924</b>
<b>Fund balances-beginning</b>			<b>40,098,924</b>			<b>-</b>
<b>Fund balances-ending</b>			<b>\$ 35,355,209</b>			<b>\$ 40,098,924</b>

**GALVESTON COUNTY, TEXAS  
UNLIMITED TAX ROAD BONDS SERIES 2003B  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES -  
BUDGET (PROJECT-LENGTH) AND ACTUAL  
From Inception and for the Year Ended September 30, 2004**

	<u>ACTUAL TO SEPTEMBER 30, 2004</u>					<b>LAST YEAR'S ACTUAL</b>
	<b>TOTAL PROJECT AUTHORIZED</b>	<b>REPORTED IN PRIOR YEARS</b>	<b>CURRENT YEAR</b>	<b>TOTAL</b>	<b>COMMITTED BALANCE</b>	
<b>REVENUES</b>						
Investment Earnings	\$ 312,400	\$ 19,683	\$ 292,707	\$ 312,390	\$ (10)	\$ 19,683
<b>EXPENDITURES</b>						
Capital Outlay:						
Administration Costs	1,854,657	-	-	-	1,854,657	-
Galv/Signals Various Locations	750,000	-	20,000	20,000	730,000	-
Fort Travis Park	442,485	-	-	-	442,485	-
Bay Area Blvd	145,515	-	-	-	145,515	-
FM 646 - IH 45 to FM 270	350,000	-	-	-	350,000	-
FM 646 - SH 6 to FM 517	1,376,000	-	-	-	1,376,000	-
FM 518 - FM 2094 to SH 146	975,000	-	-	-	975,000	-
FM 518 Bypass	520,000	-	-	-	520,000	-
SH 96	3,000,000	-	-	-	3,000,000	-
Bond Issuance Costs	154,363	154,363	-	154,363	-	154,363
<b>Total expenditures</b>	<b>9,568,020</b>	<b>154,363</b>	<b>20,000</b>	<b>174,363</b>	<b>9,393,657</b>	<b>154,363</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(9,255,620)</b>	<b>(134,680)</b>	<b>272,707</b>	<b>138,027</b>	<b>9,393,647</b>	<b>(134,680)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Face Value - Long Term Debt Issue	9,625,000	9,625,000	-	9,625,000	-	9,625,000
Discount - Long Term Debt Issue	(76,663)	(76,663)	-	(76,663)	-	(76,663)
<b>Total other financing sources (uses)</b>	<b>9,548,337</b>	<b>9,548,337</b>	<b>-</b>	<b>9,548,337</b>	<b>-</b>	<b>9,548,337</b>
<b>Net change in fund balances</b>	<b>\$ 292,717</b>	<b>\$ 9,413,657</b>	<b>272,707</b>	<b>\$ 9,686,364</b>	<b>\$ 9,393,647</b>	<b>9,413,657</b>
<b>Fund balances-beginning</b>			<b>9,413,657</b>			<b>-</b>
<b>Fund balances-ending</b>			<b>\$ 9,686,364</b>			<b>\$ 9,413,657</b>



Fort Crockett Seawall Park, Galveston

# Proprietary Funds

## PROPRIETARY FUNDS

Proprietary Funds consist of:

### Internal Service Funds

Internal Service Funds *may* be used (their use is never required) to report any activity that provides goods or services to other funds, departments, or agencies of the primary government or its component units, or to other governments, on a cost-reimbursement basis.

## INTERNAL SERVICE FUNDS

### PURPOSE:

GROUP INSURANCE FUND (FUND #6123) - The Galveston County Group Insurance Fund was established to provide group insurance for County employees. Under this self-funded plan, the County assumes initial losses with excess liabilities covered by additional insurance policies. Prior to 1990, this fund was classified as a Trust and Agency Fund.

SELF INSURANCE RESERVE FUND (FUND #6130) - To provide insurance coverage for the County, the Self Insurance Reserve Fund was established. The County provides the funding and its coverage includes general liabilities, casualty losses, and unemployment. Prior to 1988, this fund was classified as a Trust and Agency Fund.

WORKER'S COMPENSATION FUND (FUND #6124) - The Worker's Compensation Fund was established for the sole purpose of paying Worker's Compensation claims. Prior to 1995, this fund was part of the Self Insurance Reserve Fund.

**GALVESTON COUNTY, TEXAS  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
For the Year Ended September 30, 2004**

	<u>GROUP INSURANCE</u>	<u>SELF- INSURANCE RESERVE</u>	<u>WORKER'S COMPENSATION</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,055,424	\$ 1,411,014	\$ 1,994,919	\$ 4,461,357
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	25,068	-	5,885	30,953
Prepaid Items	-	54,727	-	54,727
<b>Total Assets</b>	<u>1,080,492</u>	<u>1,465,741</u>	<u>2,000,804</u>	<u>4,547,037</u>
<b>LIABILITIES</b>				
Accounts Payable	-	2,697	-	2,697
Salaries Payable	-	2,170	71	2,241
Estimated Liability - Claims	945,000	-	1,078,000	2,023,000
<b>Total liabilities</b>	<u>945,000</u>	<u>4,867</u>	<u>1,078,071</u>	<u>2,027,938</u>
<b>NET ASSETS</b>				
Unrestricted	<u>135,492</u>	<u>1,460,874</u>	<u>922,733</u>	<u>2,519,099</u>
<b>Total net assets</b>	<u>\$ 1,080,492</u>	<u>\$ 1,465,741</u>	<u>\$ 2,000,804</u>	<u>\$ 4,547,037</u>

**GALVESTON COUNTY, TEXAS  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
For the Year Ended September 30, 2004**

	<b>GROUP INSURANCE</b>	<b>SELF- INSURANCE RESERVE</b>	<b>WORKER'S COMPENSATION</b>	<b>TOTAL</b>
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 6,754,810	\$ -	\$ -	\$ 6,754,810
Insurance Recovery - County	-	19,511	-	19,511
Reimbursements	169,997	-	4,800	174,797
Miscellaneous	-	17,986	-	17,986
<b>Total operating revenues</b>	<b>6,924,807</b>	<b>37,497</b>	<b>4,800</b>	<b>6,967,104</b>
<b>OPERATING EXPENSES</b>				
Personal Services	-	163,203	-	163,203
Contract Services	526,540	6,331	45,047	577,918
Insurance	541,726	653,300	121,173	1,316,199
Claims Paid	6,517,493	-	719,762	7,237,255
Supplies	-	2,561	-	2,561
<b>Total operating expenses</b>	<b>7,585,759</b>	<b>825,395</b>	<b>885,982</b>	<b>9,297,136</b>
<b>Operating income (loss)</b>	<b>(660,952)</b>	<b>(787,898)</b>	<b>(881,182)</b>	<b>(2,330,032)</b>
<b>NON-OPERATING REVENUES</b>				
Investment Earnings	3,650	-	53,664	57,314
<b>Income (loss) before operating transfers</b>	<b>(657,302)</b>	<b>(787,898)</b>	<b>(827,518)</b>	<b>(2,272,718)</b>
<b>OPERATING TRANSFERS</b>				
Transfers In	522,162	1,020,000	853,000	2,395,162
<b>Change in net assets</b>	<b>(135,140)</b>	<b>232,102</b>	<b>25,482</b>	<b>122,444</b>
<b>Total net assets-beginning</b>	<b>270,632</b>	<b>1,228,772</b>	<b>897,251</b>	<b>2,396,655</b>
<b>Total net assets-ending</b>	<b>\$ 135,492</b>	<b>\$ 1,460,874</b>	<b>\$ 922,733</b>	<b>\$ 2,519,099</b>

**GALVESTON COUNTY, TEXAS  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
For the Year Ended September 30, 2004**

	<b>GROUP INSURANCE</b>	<b>SELF- INSURANCE RESERVE</b>	<b>WORKER'S COMPENSATION</b>	<b>TOTAL</b>
<b>Cash flows from operating activities:</b>				
Receipts from Users	\$ 6,730,275	\$ 37,496	\$ 5,964	\$ 6,773,735
Payments to Suppliers	(1,072,214)	(634,318)	(627,932)	(2,334,464)
Payments to Employees	-	(166,430)	-	(166,430)
Payments for Claims	(6,517,493)	(40,147)	-	(6,557,640)
Other Operating Revenues	169,997	-	-	169,997
<b>Net cash provided (used) by operating activities</b>	<b>(689,435)</b>	<b>(803,399)</b>	<b>(621,968)</b>	<b>(2,114,802)</b>
<b>Cash flows from noncapital financing activities:</b>				
Transfers in	522,162	1,020,000	853,000	2,395,162
<b>Cash flows from investing activities:</b>				
Investment Earnings	3,650	-	53,664	57,314
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(163,623)</b>	<b>216,601</b>	<b>284,696</b>	<b>337,674</b>
<b>Cash and cash equivalents - October 1, 2003</b>	<b>1,219,047</b>	<b>1,194,413</b>	<b>1,710,223</b>	<b>4,123,683</b>
<b>Cash and cash equivalents - September 30, 2004</b>	<b>\$ 1,055,424</b>	<b>\$ 1,411,014</b>	<b>\$ 1,994,919</b>	<b>\$ 4,461,357</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
<b>Operating income (loss)</b>	<b>\$ (660,952)</b>	<b>\$ (787,898)</b>	<b>\$ (881,182)</b>	<b>\$ (2,330,032)</b>
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>				
(Increase) Decrease in Accounts Receivable	(24,534)	-	1,164	(23,370)
(Increase) Decrease in Prepaid Items	-	(7,817)	-	(7,817)
Increase (Decrease) in Accounts Payable	(3,949)	(4,457)	(12,787)	(21,193)
Increase (Decrease) in Salaries Payable	-	(3,227)	(163)	(3,390)
Increase (Decrease) in Estimated Liability - Claims Payable	-	-	271,000	271,000
<b>Total adjustments</b>	<b>(28,483)</b>	<b>(15,501)</b>	<b>259,214</b>	<b>215,230</b>
<b>Net cash provided (used) by operating activities</b>	<b>\$ (689,435)</b>	<b>\$ (803,399)</b>	<b>\$ (621,968)</b>	<b>\$ (2,114,802)</b>

## Fiduciary Funds

## FIDUCIARY FUNDS

Fiduciary Funds consist of:

### Agency Funds

Agency Funds are similar to Trust Funds (see above) but do not involve a formal trust arrangement. Agency 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 and other governments.

## AGENCY FUNDS

### PURPOSE:

PAYROLL FUND (FUND #7601) – A clearing fund for County payrolls.

ESCROW FUND (FUND #7605) - A separate fund established to account for funds that may be held in trust by the County, and funds in which the Commissioners' Court may have a general oversight responsibility.

CHILDREN'S PROTECTIVE SERVICES - ESCROW FUND (FUND #7671) - Social Security and child support funds due to children that are under Children's Protective Services' supervision are accounted for in this fund.

INMATE DEPOSITS FUND (FUND #7652) - County jail inmates' funds are accounted for in this fund until such time as inmates request payments on their behalf or inmates are released.

APPELATE JUDICIAL SYSTEM FEES FUND (FUND #7621) - V.T.C.A. Government Code 22.2021 allows court costs fees to be used to defray the cost of the First and/or Fourteenth District Courts of Appeals.

DISTRICT CLERK TRUST FUND (FUND #7641) - Registry funds that are the custody of the District Clerk until a court order determines the disposition of such funds are accounted for in this fund.

COUNTY CLERK TRUST FUND (FUND #7631) - Registry funds that are the custody of the County Clerk until a court order determines the disposition of such funds are accounted for in this fund.

TAX ASSESSOR-COLLECTOR UNDISTRIBUTED COLLECTION FUND (FUND #7611) - Collections made by the County Tax Assessor-Collector which are held until distribution are accounted for in this fund.

OFFICERS' UNDISTRIBUTED FEES FUND (FUND #7630) - This fund accounts for fees, fines and court costs which are collected by County Officers' and held until distribution.

ADULT PROBATION UNDISTRIBUTED COLLECTION FUND (FUND #7660) - This fund accounts for fees, fines, court costs, and restitution collected and held by Adult Probation until distribution.

BOND ESCROW FUND (FUND #7606) - A separate fund established to account for money received from the Escrow Agents of refunded bonds, and paid to the respective bondholders by the County Treasurer as the paying agent.

**GALVESTON COUNTY, TEXAS  
AGENCY FUNDS  
COMBINING BALANCE SHEET  
September 30, 2004  
With Totals for the Year Ended September 30, 2003**

	<u>PAYROLL</u>	<u>ESCROW</u>	<u>CHILDREN'S PROTECTIVE SERVICES ESCROW</u>	<u>INMATE DEPOSITS</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 757,729	\$ 482,064	\$ 191,348	\$ 31,183
Investments	-	-	-	-
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	-	37,902	-	-
Restricted Assets:				
Guardianship Assets	-	1,796,819	-	-
	<u>-</u>	<u>1,796,819</u>	<u>-</u>	<u>-</u>
<b>Total Assets</b>	<b><u>\$ 757,729</u></b>	<b><u>\$ 2,316,785</u></b>	<b><u>\$ 191,348</u></b>	<b><u>\$ 31,183</u></b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 27,436	\$ 15,328	\$ -	\$ -
Due to Others	9,847	1,796,912	-	31,183
Due to Other Entities	720,446	-	-	-
Deposits Held	-	504,545	191,348	-
	<u>-</u>	<u>504,545</u>	<u>191,348</u>	<u>-</u>
<b>Total Liabilities</b>	<b><u>\$ 757,729</u></b>	<b><u>\$ 2,316,785</u></b>	<b><u>\$ 191,348</u></b>	<b><u>\$ 31,183</u></b>

(Continued)

<u>APPELLATE JUDICIAL SYSTEM FEES</u>	<u>DISTRICT CLERK TRUST</u>	<u>COUNTY CLERK TRUST</u>	<u>TAX ASSESSOR- COLLECTOR UNDISTRIBUTED COLLECTION</u>	<u>OFFICERS' UNDISTRIBUTED FEES</u>
\$ 29,124	\$ 1,015,301	\$ 774,292	\$ 2,250,773	\$ 14,416
-	6,839,097	3,204,117	-	-
155	-	-	-	-
-	-	-	-	-
<u>\$ 29,279</u>	<u>\$ 7,854,398</u>	<u>\$ 3,978,409</u>	<u>\$ 2,250,773</u>	<u>\$ 14,416</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	7,854,398	3,978,409	-	-
29,279	-	-	2,250,773	14,416
-	-	-	-	-
<u>\$ 29,279</u>	<u>\$ 7,854,398</u>	<u>\$ 3,978,409</u>	<u>\$ 2,250,773</u>	<u>\$ 14,416</u>

(Continued)

**GALVESTON COUNTY, TEXAS**  
**AGENCY FUNDS**  
**COMBINING BALANCE SHEET**  
**September 30, 2004**  
**With Totals for the Year Ended September 30, 2003**

	<b>ADULT PROBATION UNDISTRIBUTED COLLECTION</b>	<b>BOND ESCROW</b>	<b>TOTALS</b>	
			<b>2004</b>	<b>2003</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 31,185	\$ 36,047	\$ 5,613,462	\$ 6,305,402
Investments	-	-	10,043,214	10,820,081
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	-	-	38,057	1,440
Restricted Assets:				
Guardianship Assets	-	-	1,796,819	2,120,898
<b>Total Assets</b>	<b>\$ 31,185</b>	<b>\$ 36,047</b>	<b>\$ 17,491,552</b>	<b>\$ 19,247,821</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ 42,764	\$ 112,745
Due to Others	-	36,047	13,706,796	16,759,058
Due to Other Entities	31,185	-	3,046,099	1,366,006
Deposits Held	-	-	695,893	1,010,012
<b>Total Liabilities</b>	<b>\$ 31,185</b>	<b>\$ 36,047</b>	<b>\$ 17,491,552</b>	<b>\$ 19,247,821</b>



Marina by the  
Ben Blackledge Public Boat Ramp, Kemah

**GALVESTON COUNTY, TEXAS**  
**AGENCY FUNDS**  
**COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES**  
**For the Year Ended September 30, 2004**

	<u>BALANCE</u> <u>10/01/03</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>09/30/04</u>
<b>PAYROLL FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 2,203,991	\$ 95,941,229	\$ 97,387,491	\$ 757,729
<b>LIABILITIES</b>				
Accounts Payable	\$ 25,513	\$ 6,499,032	\$ 6,497,109	\$ 27,436
Due to Others	1,668,623	9,847	1,668,623	9,847
Due to Other Entities	509,855	17,661,774	17,451,183	720,446
<b>Total liabilities</b>	<b>\$ 2,203,991</b>	<b>\$ 24,170,653</b>	<b>\$ 25,616,915</b>	<b>\$ 757,729</b>
<b>ESCROW FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 953,176	\$ 2,790,197	\$ 3,261,309	\$ 482,064
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	1,440	141,576	105,114	37,902
Guardianship Assets	2,120,898	-	324,079	1,796,819
<b>Total assets</b>	<b>\$ 3,075,514</b>	<b>\$ 2,931,773</b>	<b>\$ 3,690,502</b>	<b>\$ 2,316,785</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 87,232	\$ 1,045,103	\$ 1,117,007	\$ 15,328
Due to Others	2,169,059	83	372,230	1,796,912
Deposits Held	819,223	2,915,943	3,230,621	504,545
<b>Total liabilities</b>	<b>\$ 3,075,514</b>	<b>\$ 3,961,129</b>	<b>\$ 4,719,858</b>	<b>\$ 2,316,785</b>
<b>CHILDREN'S PROTECTIVE SERVICES ESCROW FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 190,789	\$ 559	\$ -	\$ 191,348
<b>LIABILITIES</b>				
Deposits Held	\$ 190,789	\$ 559	\$ -	\$ 191,348
<b>INMATE DEPOSITS FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 39,509	\$ -	\$ 8,326	\$ 31,183
<b>LIABILITIES</b>				
Due to Others	\$ 39,509	\$ -	\$ 8,326	\$ 31,183

(Continued)

**GALVESTON COUNTY, TEXAS**  
**AGENCY FUNDS**  
**COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES**  
**For the Year Ended September 30, 2004**

	<u>BALANCE</u> <u>10/01/03</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>09/30/04</u>
<b>APPELLATE JUDICIAL SYSTEM FEES FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ -	\$ 31,283	\$ 2,159	\$ 29,124
Receivables:				
Accounts and Other	-	155	-	155
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 31,438</b>	<b>\$ 2,159</b>	<b>\$ 29,279</b>
<b>LIABILITIES</b>				
Due to Other Entities	\$ -	\$ 31,438	\$ 2,159	\$ 29,279
<b>DISTRICT CLERK TRUST FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,485,244	\$ 122,324	\$ 592,267	\$ 1,015,301
Investments	7,550,533	-	711,436	6,839,097
<b>Total assets</b>	<b>\$ 9,035,777</b>	<b>\$ 122,324</b>	<b>\$ 1,303,703</b>	<b>\$ 7,854,398</b>
<b>LIABILITIES</b>				
Due to Others	\$ 9,035,777	-	\$ 1,181,379	\$ 7,854,398
<b>COUNTY CLERK TRUST FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 541,454	\$ 241,503	\$ 8,665	\$ 774,292
Investments	3,269,548	-	65,431	3,204,117
<b>Total assets</b>	<b>\$ 3,811,002</b>	<b>\$ 241,503</b>	<b>\$ 74,096</b>	<b>\$ 3,978,409</b>
<b>LIABILITIES</b>				
Due to Others	\$ 3,811,002	\$ 167,407	-	\$ 3,978,409
<b>TAX ASSESSOR-COLLECTOR UNDISTRIBUTED COLLECTION FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 795,979	\$ 1,488,984	\$ 34,190	\$ 2,250,773
<b>LIABILITIES</b>				
Due to Other Entities	\$ 795,979	\$ 1,454,794	-	\$ 2,250,773
<b>OFFICERS' UNDISTRIBUTED FEES FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 17,430	-	\$ 3,014	\$ 14,416
<b>LIABILITIES</b>				
Due to Other Entities	\$ 17,430	-	\$ 3,014	\$ 14,416

(Continued)

**GALVESTON COUNTY, TEXAS**  
**AGENCY FUNDS**  
**COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES**  
**For the Year Ended September 30, 2004**

	<u>BALANCE</u> <u>10/01/03</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>09/30/04</u>
<b>ADULT PROBATION</b>				
<b>UNDISTRIBUTED COLLECTION</b>				
<b>FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 42,742	\$ -	\$ 11,557	\$ 31,185
<b>LIABILITIES</b>				
Due to Other Entities	\$ 42,742	\$ -	\$ 11,557	\$ 31,185
<b>BOND ESCROW FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 35,088	\$ 959	\$ -	\$ 36,047
<b>LIABILITIES</b>				
Due to Others	\$ 35,088	\$ 959	\$ -	\$ 36,047
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 6,305,402	\$ 100,617,038	\$ 101,308,978	\$ 5,613,462
Investments	10,820,081	-	776,867	10,043,214
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	1,440	141,731	105,114	38,057
Guardianship Assets	2,120,898	-	324,079	1,796,819
<b>Total assets</b>	<b>\$ 19,247,821</b>	<b>\$ 100,758,769</b>	<b>\$ 102,515,038</b>	<b>\$ 17,491,552</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 112,745	\$ 7,544,135	\$ 7,614,116	\$ 42,764
Due to Others	16,759,058	178,296	3,230,558	13,706,796
Due to Other Entities	1,366,006	19,148,006	17,467,913	3,046,099
Deposits Held	1,010,012	2,916,502	3,230,621	695,893
<b>Total liabilities</b>	<b>\$ 19,247,821</b>	<b>\$ 29,786,939</b>	<b>\$ 31,543,208</b>	<b>\$ 17,491,552</b>

Capital Assets Used in The  
Operation of  
Governmental Funds

**GALVESTON COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**COMPARATIVE SCHEDULES BY SOURCE**  
**September 30, 2004 and 2003**

	<u>2004</u>	<u>2003</u>
<b>GOVERNMENTAL FUNDS CAPITAL ASSETS</b>		
Land	\$ 21,979,962	\$ 21,980,262
Buildings and Improvements	48,672,615	48,616,462
Improvements Other Than Buildings	436,239	1,867,027
Machinery and Equipment	20,592,142	19,326,297
Infrastructure	133,799,986	133,799,986
Construction in Progress	<u>54,848,719</u>	<u>10,762,125</u>
<b>Total governmental funds capital assets</b>	<b><u>\$ 280,329,663</u></b>	<b><u>\$ 236,352,159</u></b>
 <b>INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE</b>		
General Fund	\$ 23,240,520	\$ 22,697,961
Special Revenue Funds and Grants	35,197,552	33,936,111
Capital Projects Funds	<u>221,891,591</u>	<u>179,718,087</u>
<b>Total governmental funds capital assets</b>	<b><u>\$ 280,329,663</u></b>	<b><u>\$ 236,352,159</u></b>

This schedule presents only the capital asset balances related to governmental funds. Generally, the capital assets of Internal Service Funds would be included in the Governmental Activities in the Statement of Net Assets. However, Galveston County's Internal Service Funds do not own any capital assets at this time.



Three Pelicans Enjoy the View Over  
Fort Travis Seashore Park, Bolivar Peninsula

**GALVESTON COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY**  
**SEPTEMBER 30, 2004**

<b>FUNCTION AND ACTIVITY</b>	<b>LAND</b>	<b>BUILDINGS</b>	<b>IMPROVEMENTS OTHER THAN BUILDINGS</b>	<b>MACHINERY &amp; EQUIPMENT</b>	<b>INFRASTRUCTURE</b>	<b>CONSTRUCTION IN PROGRESS</b>
<b>General government:</b>						
General Government	\$ 10,598,876	\$ 13,093,990	\$ 289,580	\$ 8,485	\$ -	\$ 49,333,795
County Clerk	-	-	-	788,069	-	-
County Records Management	-	-	-	149,962	-	-
Justice Courts	48,220	171,621	-	-	-	-
District Clerk	-	-	-	131,492	-	-
District Attorney	-	-	-	94,889	-	-
County Auditor	-	-	-	19,697	-	-
Director of Finance and Administration	-	-	-	28,200	-	-
Tax Assessor-Collector	-	-	-	110,591	-	-
Information Technology	-	-	-	2,963,268	-	-
Facilities Services	-	-	-	892,336	-	-
Maintenance and Repairs	-	-	-	108,985	-	-
County Engineer	-	-	-	6,661	-	-
<b>Total general government</b>	<b>10,647,096</b>	<b>13,265,611</b>	<b>289,580</b>	<b>5,302,635</b>	<b>-</b>	<b>49,333,795</b>
<b>Public safety:</b>						
Sheriff	527,177	18,402,658	75,360	7,343,064	-	-
Medical Examiner	-	390,779	-	-	-	-
Juvenile Justice	18,047	5,910,873	-	171,281	-	-
Emergency Management	-	-	-	36,572	-	-
Flood Control	1,065,717	345,002	-	229,940	77,816,371	378,375
<b>Total public safety</b>	<b>1,610,941</b>	<b>25,049,312</b>	<b>75,360</b>	<b>7,780,857</b>	<b>77,816,371</b>	<b>378,375</b>
<b>Roads, bridges, and right-of-way:</b>						
Road Department	234,035	417,802	-	5,001,327	45,844,715	-
Road District #1	-	-	-	23,221	9,705,186	-
Rights of Way Department	1,860,917	-	-	10,000	-	-
<b>Total roads, bridges, and rights-of-way</b>	<b>2,094,952</b>	<b>417,802</b>	<b>-</b>	<b>5,034,548</b>	<b>55,549,901</b>	<b>-</b>

**GALVESTON COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY**  
**SEPTEMBER 30, 2004**

<b>FUNCTION AND ACTIVITY</b>	<b>LAND</b>	<b>BUILDINGS</b>	<b>IMPROVEMENTS OTHER THAN BUILDINGS</b>	<b>MACHINERY &amp; EQUIPMENT</b>	<b>INFRASTRUCTURE</b>	<b>CONSTRUCTION IN PROGRESS</b>
<b>Health and social services:</b>						
Health Administration and Sanitation	378,794	1,320,808	-	-	-	-
Mosquito Control District	-	-	-	638,309	-	-
Senior Citizens	42,595	1,042,943	-	207,747	-	-
<b>Total health and social services</b>	<b>421,389</b>	<b>2,363,751</b>	<b>-</b>	<b>846,056</b>	<b>-</b>	<b>-</b>
<b>Culture and recreation:</b>						
Museum	20,677	62,352	-	-	-	-
Beach and Parks Department	7,184,907	7,513,787	71,299	1,067,021	433,714	5,136,549
Beach Maintenance-Road and Bridge	-	-	-	465,201	-	-
<b>Total culture and recreation</b>	<b>7,205,584</b>	<b>7,576,139</b>	<b>71,299</b>	<b>1,532,222</b>	<b>433,714</b>	<b>5,136,549</b>
<b>Conservation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,824</b>	<b>-</b>	<b>-</b>
<b>Total governmental funds capital assets</b>	<b>\$ 21,979,962</b>	<b>\$ 48,672,615</b>	<b>\$ 436,239</b>	<b>\$ 20,592,142</b>	<b>\$ 133,799,986</b>	<b>\$ 54,848,719</b>

This schedule presents only the capital asset balances related to governmental funds. Generally, the capital assets of Internal Service Funds would be included in the Governmental Activities in the Statement of Net Assets. However, Galveston County's Internal Service Funds do not own any capital assets at this time.

**GALVESTON COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004**

FUNCTIONS AND ACTIVITY	GOVERNMENTAL FUNDS CAPITAL ASSETS			GOVERNMENTAL FUNDS CAPITAL ASSETS
	OCTOBER 1, 2003	ADDITIONS	DEDUCTIONS	SEPTEMBER 30, 2004
<b>General government:</b>				
General Government	\$ 39,721,574	\$ 39,081,329	\$ (5,478,177)	\$ 73,324,726
County Clerk	663,003	125,066	-	788,069
County Records Management	149,962	-	-	149,962
Justice Courts	174,811	45,030	-	219,841
District Clerk	124,077	7,415	-	131,492
District Attorney	94,889	-	-	94,889
County Auditor	19,697	-	-	19,697
Director of Finance & Administration	28,200	-	-	28,200
Tax Assessor-Collector	105,591	5,000	-	110,591
Information Technology	2,607,505	355,763	-	2,963,268
Facilities Services	900,367	-	(8,031)	892,336
Maintenance and Repairs	108,985	-	-	108,985
County Engineer	6,661	-	-	6,661
<b>Total general governmental</b>	<b>44,705,322</b>	<b>39,619,603</b>	<b>(5,486,208)</b>	<b>78,838,717</b>
<b>Public safety:</b>				
Sheriff's Department	25,636,590	1,252,553	(540,884)	26,348,259
Justice Administration	28,202	-	(28,202)	-
Medical Examiner	427,119	-	(36,340)	390,779
Juvenile Justice	6,078,745	21,456	-	6,100,201
Emergency Management	56,377	8,397	(28,202)	36,572
Flood Control	78,985,295	850,110	-	79,835,405
<b>Total public safety</b>	<b>111,212,328</b>	<b>2,132,516</b>	<b>(633,628)</b>	<b>112,711,216</b>
<b>Roads, bridges, and right-of-way:</b>				
Road Department	51,668,012	333,871	(504,004)	51,497,879
Road District #1	9,719,782	8,625	-	9,728,407
Rights-of-Way Department	996,342	892,575	(18,000)	1,870,917
Highways and Roads - Special Projects	539,074	-	(539,074)	-
<b>Total roads, bridges, and rights-of-way</b>	<b>62,923,210</b>	<b>1,235,071</b>	<b>(1,061,078)</b>	<b>63,097,203</b>
<b>Health and social services:</b>				
Health Administration and Sanitation	1,649,858	49,744	-	1,699,602
Mosquito Control District	618,000	44,416	(24,107)	638,309
Senior Citizens	1,270,409	45,266	(22,390)	1,293,285
<b>Total health and social services</b>	<b>3,538,267</b>	<b>139,426</b>	<b>(46,497)</b>	<b>3,631,196</b>
<b>Culture and recreation:</b>				
Museum	65,422	17,607	-	83,029
Beach and Parks Department	13,346,585	9,543,360	(1,482,668)	21,407,277
Beach Maintenance- Road and Bridge	465,201	-	-	465,201
<b>Total culture and recreation</b>	<b>13,877,208</b>	<b>9,560,967</b>	<b>(1,482,668)</b>	<b>21,955,507</b>
<b>Conservation</b>	<b>95,824</b>	<b>-</b>	<b>-</b>	<b>95,824</b>
<b>Total governmental funds capital assets</b>	<b>\$ 236,352,159</b>	<b>\$ 52,687,583</b>	<b>\$ (8,710,079)</b>	<b>\$ 280,329,663</b>

This schedule presents only the capital asset balances related to governmental funds. Generally, the capital assets of Internal Service Funds would be included in the Governmental Activities in the Statement of Net Assets. However, Galveston County's Internal Service Funds do not own any capital assets at this time.

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## Government-wide Information

**GALVESTON COUNTY, TEXAS  
GOVERNMENT-WIDE EXPENSES BY FUNCTION  
LAST TEN FISCAL YEARS  
(amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>General Government</b>	<b>Public Safety</b>	<b>Sanitation</b>	<b>Health and Social Services</b>	<b>Culture and Recreation &amp; Other</b>	<b>Conservation</b>	<b>Roads, Bridges, Rights-of-Way</b>	<b>Interest on Long Term Debt</b>	<b>Total</b>
2003*	\$ 41,671	\$ 35,293	\$ -	\$ 5,885	\$ 3,037	\$ 328	\$ 17,077	\$ 5,841	\$ 109,132
2004	\$ 42,501	\$ 36,420	\$ 18	\$ 12,196	\$ 6,827	\$ 315	\$ 19,991	\$ 10,173	\$ 128,441

\* First year of implementation of the Governmental Accounting Standards Board Statement No. 34, therefore, the government-wide financial information for years prior to fiscal year 2003 is not available.

**GALVESTON COUNTY, TEXAS  
GOVERNMENT-WIDE REVENUES  
LAST TEN FISCAL YEARS (1)  
(amounts expressed in thousands)**

Fiscal Year	PROGRAM REVENUES			GENERAL REVENUES				Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Taxes	Payments in Lieu of Taxes	Unrestricted Investment Earnings	Miscellaneous	
2003*	\$ 15,311	\$ 11,904	\$ 1,232	\$ 74,853	\$ 1,064	\$ 3,657	\$ 94	\$ 108,115
2004	\$ 16,496	\$ 11,430	\$ 3,177	\$ 82,851	\$ 758	\$ 5,865	\$ 221	\$ 120,798

\*First year of implementation of the Governmental Accounting Standards Board Statement No. 34, therefore, the government-wide financial information for years prior to fiscal year 2003 is not available.



Ray Holbrook Park, Dickinson

## Fund Information

**GALVESTON COUNTY, TEXAS**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION**  
**LAST TEN FISCAL YEARS (1)**  
(amounts expressed in thousands)

<b>Fiscal Year</b>	<b>General Government</b>	<b>Public Safety</b>	<b>Sanitation</b>	<b>Health and Social Services</b>	<b>Conservation</b>	<b>Culture and Recreation &amp; Other</b>	<b>Roads, Bridges, Rights-of-Way</b>	<b>Capital Outlay (Including Capital Projects)</b>	<b>Debt Service</b>	<b>Total</b>
1994	\$ 17,503	\$ 22,692	\$ 3,661	\$ 4,882	\$ 134	\$ 2,728	\$ 6,306	\$ 7,781	\$ 6,796	\$ 72,483
1995 (2)	13,744	18,612	946	3,845	103	2,510	4,901	8,307	6,314	59,282
1995-96	22,001	20,312	550	6,006	141	2,404	5,396	11,295	6,311	74,416
1996-97	22,278	26,161	566	3,922	134	690	6,135	11,015	6,311	77,212
1997-98	24,830	29,119	343	3,624	142	261	5,409	9,232	6,295	79,255
1998-99	32,899	23,827	380	4,283	155	1,588	5,535	9,327	6,291	84,285
1999-00	28,242	28,221	115	4,669	198	2,706	5,430	4,772	6,735	81,088
2000-01	31,585	28,430	-	5,420	242	3,005	4,379	10,974	6,937	90,972
2001-02	32,512	28,359	-	5,065	246	2,332	4,938	14,370	9,767	97,589
2002-03	36,937	30,751	-	5,624	310	2,351	4,308	36,342	11,707	128,330
2003-04	34,864	32,960	18	14,996	301	3,045	4,510	64,751	12,580	168,025

(1) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

(2) 1995 is for the nine-month period ended September 30, 1995.

**GALVESTON COUNTY, TEXAS**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS (1)**  
**(amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Taxes</b>	<b>Licenses and Permits</b>	<b>Inter-Governmental Revenues</b>	<b>Charges for Services</b>	<b>Fines and Forfeitures</b>	<b>Investment Income</b>	<b>Miscellaneous</b>	<b>Total</b>
1994	\$ 44,252	\$ 1,557	\$ 9,104	\$ 6,665	\$ 2,106	\$ 3,202	\$ 7,569	\$ 74,455
1995 (2)	46,341	1,680	8,238	4,832	1,467	2,619	2,370	67,547
1995-96	50,965	1,850	9,702	6,482	1,667	2,478	2,295	75,439
1996-97	52,044	1,869	10,272	6,863	1,766	2,642	2,070	77,526
1997-98	53,390	1,847	9,477	8,553	2,153	2,861	2,387	80,668
1998-99	54,760	2,050	8,696	7,624	3,184	2,282	7,634	86,230
1999-00	58,035	2,061	11,494	7,898	3,414	3,002	4,776	90,665
2000-01	60,713	2,028	11,913	8,210	3,136	3,922	3,008	92,930
2001-02	68,843	2,088	9,749	8,858	3,024	4,290	2,948	99,800
2002-03	74,072	2,058	11,560	8,262	2,679	3,657	5,046	107,334
2003-04	82,990	2,100	14,476	8,117	2,818	5,992	5,188	121,681

(1) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

(2) 1995 is for the nine-month period ended September 30, 1995.

**GALVESTON COUNTY, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS (1)  
(amounts expressed in thousands)**

<u>Year of Levy</u>	<u>Total Adjusted Tax Roll (2)</u>	<u>Collection of Current Year's Taxes During Fiscal Period (3) (4)</u>	<u>% of Taxes Levied</u>	<u>Collection of Prior Years' Taxes During Fiscal Period (4)</u>	<u>Total Collection (4)</u>	<u>Ratio of Collected To Tax Levy</u>	
1994	\$ 46,158	\$ 44,543	96.50 %	\$ 2,720	\$ 47,263	102.39 %	
1995	50,447	48,755	96.65	2,750	51,505	102.10	
1995-96	50,866	49,297	96.92	2,921	52,218	102.66	
1996-97	52,463	50,969	97.15	2,848	53,817	102.58	
1997-98	53,033	51,444	97.00	3,120	54,564	102.89	
1998-99	57,323	54,959	95.88	2,986	57,945	101.09	
1999-00	59,947	58,219	97.12	3,253	61,472	102.54	
2000-01	67,524	65,210	96.57	3,501	68,711	101.76	
2001-02	71,938	68,925	95.81	3,755	72,680	101.03	
2002-03	81,794	78,926	96.49	3,914	82,840	101.28	
2003-04	89,754			Not Available at time of publication			

- (1) Tax levied in September, collections begin October 1st. Amounts include Farm-to-Market Lateral Road and Flood Control levies and collections. Collections for 1999 and 2000 began in September.  
Source: County Tax Assessor-Collector.
- (2) July 1st to June 30th, 2000; July 1, 2000 to July 31, 2001, August 1, 2001 to July 31, 2002.
- (3) October 1st to June 30th, following September levy; for years beginning 8/1/2001 and after, the year runs 8/1/XX to the following 7/31/XX.
- (4) Collection amounts include overpayments which may be, or have been, refunded to taxpayers.

**GALVESTON COUNTY, TEXAS**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS (1)**  
**(amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Utilities Pipelines, and Boats</b>	<b>Intangibles</b>	<b>Total</b>
1994	\$ 9,285,401	\$ 1,484,472	\$ 91,924	\$ -	\$ 10,861,797
1995	9,464,986	1,508,068	83,083	-	11,056,137
1995-96	10,002,935	1,482,424	86,712	-	11,572,071
1996-97	10,383,915	1,524,202	83,964	-	11,992,081
1997-98	10,626,988	1,560,846	78,102	-	12,265,935
1998-99	11,156,707	1,443,559	75,250	-	12,675,516
1999-00	11,711,898	1,431,205	75,538	-	13,218,641
2000-01	12,825,566	1,590,201	55,637	-	14,471,404
2001-02	13,336,144	1,550,788	75,690	-	14,962,622
2002-03	14,332,527	1,621,379	79,972	-	16,033,878
2003-04	15,251,686	1,784,979	66,875	-	17,103,540

(1) Ratio of total assessed value to total estimated value is 100%. Estimated value is 100% of actual value.  
Source: Texas Property Code, Section 1.04 (9)

(2) The year shown above is the year of the tax levy without regard to the entity 's fiscal year.

**GALVESTON COUNTY, TEXAS  
PROPERTY TAX RATES  
DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)  
LAST TEN FISCAL YEARS (2)**

Taxing Jurisdiction	2004	2003	2002	2001	2000
<u>Galveston County</u>	\$0.640000	\$0.606300	\$0.565400	\$0.545000	\$0.545000
<u>Cities</u>					
Galveston	0.541700	0.554900	0.559100	0.548600	0.549850
Friendswood	0.638500	0.638500	0.638500	0.638500	0.638500
Hitchcock	0.581380	0.568400	0.567000	0.567000	0.567000
Jamaica Beach	0.420820	0.460900	0.479930	0.522499	0.597420
La Marque	0.510340	0.536100	0.536100	0.546100	0.523000
League City	0.640000	0.650000	0.662500	0.667500	0.670000
Texas City	0.456240	0.357500	0.333500	0.328750	0.298750
Tiki Island	0.165890	0.169100	0.159600	0.164288	0.163352
Bayou Vista	0.340000	0.375000	0.370100	0.378077	0.402377
Clear Lake Shores	0.241810	0.262633	0.329600	0.339507	0.339507
Crystal Beach	0.000000	0.000000	0.000000	0.000000	0.000000
Dickinson	0.391500	0.373000	0.390000	0.350574	0.351112
Kemah	0.150000	0.071200	0.092600	0.095000	0.163790
Santa Fe	0.271900	0.271900	0.262000	0.352100	0.354100
 <u>School and Junior College Districts</u>					
Galveston	1.560000	1.570000	1.520000	1.520000	1.520000
Friendswood	1.637000	1.637000	1.617000	1.585000	1.535000
Hitchcock	1.710000	1.710000	1.710000	1.705900	1.705900
La Marque	1.730000	1.650000	1.625000	1.625005	1.615959
Texas City	1.623400	1.604700	1.611900	1.611800	1.608000
Clear Creek	1.730000	1.740000	1.725000	1.700840	1.598560
Dickinson	1.743000	1.764000	1.747000	1.754000	1.751000
High Island	1.770000	1.500000	1.500000	1.500000	1.500000
Santa Fe	1.570000	1.570000	1.510000	1.422000	1.367000
College of the Mainland	0.263060	0.231870	0.218000	0.218000	0.215762
Galveston College	0.195200	0.195200	0.195200	0.197800	0.197800
 <u>Special Districts</u>					
Bacliff MUD	0.238260	0.165000	0.070000	0.080000	0.185000
Bayview MUD	0.220000	0.236800	0.240000	0.237800	0.232900

(Continued)

GALVESTON COUNTY, TEXAS  
PROPERTY TAX RATES  
DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)  
LAST TEN FISCAL YEARS (2)

Taxing Jurisdiction	1999	1998	1997	1996	1995
<u>Galveston County</u>	\$0.520000	\$0.520000	\$0.520000	\$0.520000	\$0.485000
<u>Cities</u>					
Galveston	0.549400	0.547200	0.546900	0.548000	0.548000
Friendswood	0.612500	0.596100	0.615600	0.663000	0.663000
Hitchcock	0.567000	0.585000	0.600000	0.600000	0.600000
Jamaica Beach	0.597420	0.597420	0.633000	0.633000	0.633000
La Marque	0.533000	0.523000	0.495000	0.460000	0.460000
League City	0.725000	0.750000	0.775000	0.755000	0.755000
Texas City	0.285000	0.269000	0.252000	0.252000	0.252500
Tiki Island	0.168632	0.159299	0.160915	0.171797	0.171797
Bayou Vista	0.407397	0.353176	0.362698	0.359000	0.359000
Clear Lake Shores	0.328701	0.316654	0.301140	0.305570	0.305570
Crystal Beach	0.000000	0.000000	0.000000	0.000000	0.000000
Dickinson	0.351112	0.341112	0.314732	0.307262	0.307262
Kemah	0.260000	0.277428	0.320000	0.274880	0.274880
Santa Fe	0.374500	0.381900	0.372700	0.384200	0.384200
<u>School and Junior College Districts</u>					
Galveston	1.520000	1.500000	1.500000	1.500000	1.500000
Friendswood	1.672000	1.575000	1.590000	1.609000	1.609000
Hitchcock	1.710000	1.693500	1.710000	1.710000	1.710000
La Marque	1.644100	1.614100	1.654068	1.663316	1.663316
Texas City	1.520000	1.490000	1.490000	1.490000	1.490000
Clear Creek	1.641520	1.590000	1.470000	1.470000	1.470000
Dickinson	1.710000	1.710000	1.716700	1.716700	1.710000
High Island	1.500000	1.500000	1.490000	1.490000	1.490000
Santa Fe	1.494000	1.444000	1.360000	1.394300	1.394300
College of the Mainland	0.198815	0.198815	0.186476	0.173399	0.173399
Galveston College	0.187800	0.187800	0.177500	0.177500	0.177500
<u>Special Districts</u>					
Bacliff MUD	0.202000	0.240000	0.250400	0.258700	0.258700
Bayview MUD	0.238400	0.250000	0.150000	0.150000	0.150000

(Continued)

**GALVESTON COUNTY, TEXAS  
PROPERTY TAX RATES  
DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)  
LAST TEN FISCAL YEARS (2)**

<u>Taxing Jurisdiction</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<u>Special Districts (Continued)</u>					
South Shore MUD #2	0.520000	0.570000	0.000000	0.570000	0.600000
South Shore MUD #3	0.240000	0.300000	0.300000	0.325000	0.335000
South Shore MUD #6	1.000000	0.380000	0.400000	0.460000	0.510000
Tara Glen MUD	0.700000	0.725000	0.750000	0.800000	0.800000
Clear Creek Drainage District	0.150000	0.155000	0.155000	0.155000	0.150000
Fresh Water Supply District #6	0.245080	0.282700	0.219500	0.257210	0.255028
Galveston County EMS District	0.085800	0.095390	0.095060	0.094199	0.092571
Galveston County MUD #1	0.460000	0.460000	0.460000	0.445282	0.475325
Galveston County MUD #2	0.390000	0.430000	0.460000	0.560000	0.615000
Galveston County MUD #3	0.320000	0.390000	0.430000	0.450000	0.480000
Galveston County MUD #6	0.700000	0.700000	0.750000	0.860000	0.860000
Galveston County MUD #12	0.258620	0.252862	0.188400	0.245468	0.305565
Galveston County MUD #13	0.860000	0.915000	0.965000	0.965000	0.965000
Galveston County MUD #14	0.970000	1.000000	1.000000	1.000000	0.186150
Galveston County MUD #15	0.860000	0.870000	0.870000	0.870890	0.870890
Galveston County MUD #29	0.175000	0.175000	0.175000	0.188758	0.205000
Galveston County MUD #39	0.900000	0.900000	0.000000	0.000000	0.000000
Galveston County Navigation District Road District #1	0.042000	0.042000	0.040600	0.041136	0.040032
Water Control Improvement Dist. #1	0.000000	0.000000	0.000000	0.000000	0.000000
Water Control Improvement Dist. #8	0.262620	0.310000	0.330000	0.350000	0.370000
Water Control Improvement Dist. #8	0.250000	0.250000	0.250000	0.250000	0.182500
Water Control Improvement Dist. #12	0.470000	0.520000	0.526900	0.526900	0.567600
Water Control Improvement Dist. #19	0.150170	0.152700	0.153100	0.156102	0.367270
San Leon MUD	0.450500	0.488000	0.446000	0.287000	0.287000
Drainage District #1	0.090100	0.095800	0.097200	0.088061	0.088022
Drainage District #2	0.058800	0.058800	0.056600	0.056273	0.054294
Drainage District #3	0.000000	0.000000	0.216100	0.234694	0.234694
Drainage District #4	0.000000	0.000000	0.000000	0.000000	0.000000
Galveston Co Consolidated Dr Dist #8 <b>(3)</b>	0.000000	0.150000	0.000000	0.000000	0.000000

(Continued)

**GALVESTON COUNTY, TEXAS  
PROPERTY TAX RATES  
DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)  
LAST TEN FISCAL YEARS (2)**

<u>Taxing Jurisdiction</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
<u>Special Districts (Continued)</u>					
South Shore MUD #2	0.610000	0.620000	0.570000	0.570000	0.570000
South Shore MUD #3	0.335000	0.343000	0.430000	0.430000	0.430000
South Shore MUD #6	0.580000	0.620000	0.720000	0.720000	0.720000
Tara Glen MUD	0.820000	0.826300	0.860000	0.900000	0.000000
Clear Creek Drainage District	0.150000	0.142500	0.141000	0.143000	0.000000
Fresh Water Supply District #6	0.285953	0.305711	0.393870	0.460000	0.460000
Galveston County EMS District	0.095720	0.099740	0.099740	0.100000	0.000000
Galveston County MUD #1	0.475661	0.480000	0.424400	0.432587	0.432587
Galveston County MUD #2	0.685000	0.785000	0.950000	0.983000	0.983000
Galveston County MUD #3	0.540000	0.604000	0.630000	0.670000	0.670000
Galveston County MUD #6	0.900000	0.900000	0.900000	0.900000	0.900000
Galveston County MUD #12	0.334035	0.406895	0.388076	0.400810	0.400810
Galveston County MUD #13	0.969000	0.990000	0.990000	1.150000	1.150000
Galveston County MUD #14	0.186150	0.200000	0.000000	0.000000	0.000000
Galveston County MUD #15	0.880400	0.880840	0.000000	0.000000	0.000000
Galveston County MUD #29	0.203000	0.199275	0.199275	0.250300	0.250300
Galveston County MUD #39	0.000000	0.000000	0.000000	0.000000	0.000000
Galveston County Navigation District	0.039610	0.036290	0.032190	0.029200	0.029200
Road District #1	0.000000	0.000000	0.000000	0.000000	0.000000
Water Control Improvement Dist. #1	0.380000	0.380000	0.400000	0.400000	0.400000
Water Control Improvement Dist. #8	0.210510	0.250000	0.250000	0.239200	0.239200
Water Control Improvement Dist. #12	0.567600	0.567600	0.570000	0.631140	0.631140
Water Control Improvement Dist. #19	0.367790	0.384226	0.415435	0.468006	0.468006
San Leon MUD	0.290000	0.320000	0.258300	0.258300	0.258300
Drainage District #1	0.096819	0.100517	0.098350	0.101504	0.101504
Drainage District #2	0.054419	0.052586	0.049173	0.046581	0.046581
Drainage District #3	0.275190	0.314069	0.350320	0.329241	0.329241
Drainage District #4	0.000000	0.000000	0.000000	0.000000	0.000000
Galveston Co Consolidated Dr Dist #8 (3)	0.000000	0.000000	0.000000	0.000000	0.000000

(1) Tax rates are reported in dollars per \$100 of value.

Source: Taxpayer's Research Council of Galveston County.

(2) Rates are for the 12 months preceding September 30th, that year (October 1st to September 30th).

(3) Drainage District #3 and Clear Creek Drainage District consolidated as of February, 2002.

**GALVESTON, COUNTY TEXAS  
PRINCIPAL TAXPAYERS (1)  
September 30, 2004  
(amounts expressed in thousands)**

<u>Taxpayer</u>	<u>Assessed Value</u>	<u>% of Total Tax Roll</u>
1. B.P. Products (NA), Inc.	\$ 813,212	4.75%
2. Union Carbide Corporation	330,699	1.93%
3. Valero Refining Company	249,596	1.46%
4. MHCB (USA) Leasing & Finance	240,000	1.40%
5. BP Amoco Chemical Company	203,594	1.19%
6. Sterling Chemicals	192,364	1.12%
7. Marathon Ashland Petroleum LLC	140,392	0.82%
8. South Houston Green Power, LP	140,028	0.82%
9. Centerpoint Energy, Inc.	103,759	0.61%
10. Texas-New Mexico Power Co.	94,063	0.55%
11. Praxair Inc.	78,868	0.46%
12. Calpine Central LP	64,760	0.38%
13. ISP Technologies, Inc.	47,288	0.28%
14. Verizon Southwest	47,151	0.28%
15. Southwestern Bell Telephone Compnay	44,343	0.26%
16. Praxair Hydrogen Supply, Inc.	35,409	0.21%
17. Texas Cable Partners	31,672	0.19%
18. Fairways at South Shore LTD	30,998	0.18%
19. TransTexas Gas Corporation	30,059	0.18%
20. B.A.S.F. Corporation	28,183	0.16%
Totals	<u>\$ 2,946,438</u>	<u>17.23%</u>

(1) Source: Galveston Central Appraisal District. Total assessed value = 17,103,540.

**GALVESTON COUNTY, TEXAS**  
**COMPUTATION OF THE LEGAL DEBT MARGIN**  
**September 30, 2004**  
**(amounts expressed in thousands)**

**Bonds Issued Under Texas General Laws**

Assessed value of all taxable property (excluding exemptions)	\$	17,103,540
Debt limit rate	X	<u>5%</u>
Amount of debt limit		<u><u>855,177</u></u>

Amount of debt applicable to constitutional debt limit:		
Total general bonded debt, including accretion	\$	208,405
Less Debt Service fund balance		<u>(2,773)</u>
Total debt applicable to limitation		205,632
Legal debt margin	\$	<u><u>649,545</u></u>

Constitutional Tax Limitations:

Bonds issued under the Texas General Laws, in addition to the debt limit of 5 percent of assessed value of all taxable property, authorize the County to levy a tax for general fund, jury fund, road and bridge fund and permanent improvement fund purposes limited in the aggregate to \$0.80 per \$100 of assessed valuation (the "\$0.80 Tax Limitation"). The Constitution also authorizes the County to levy a separate tax, without legal limit as to rate, to pay debt service on County road bonds. In addition, the County is authorized to levy a special tax for the maintenance of public roads not to exceed \$0.15 per \$100 of assessed valuation provided a majority of the qualified property-tax-paying voters of the County voting at an election to be held for that purpose shall vote such tax. The receipts of such special tax are restricted and are not available to pay debt service on the Road Refunding Bonds. This special road and bridge fund tax provides additional funds for road purposes that would otherwise be paid from taxes subject to the \$0.80 tax limitation.

The Texas Constitution authorizes the County to levy a separate tax, not to exceed \$0.30 per \$100 of assessed valuation, for the construction and maintenance of farm-to-market roads and flood control. The County is further authorized to levy a tax, not to exceed \$0.50 per \$100 assessed valuation, to pay debt service on seawall bonds.

**Bonds Issued Under Article 3, Section 52**

Assessed value of real property (excluding exemptions)	\$	15,251,686
Debt limit rate	X	<u>25%</u>
Amount of debt limit		3,812,922
Road bonds outstanding, including accretion		<u>(37,811)</u>
Legal debt margin	\$	<u><u>3,775,111</u></u>

The County is authorized under Article III, Section 52, of the State Constitution to issue bonds payable from ad valorem taxes for the construction of roads. There is no constitutional or statutory limit on bonds issued pursuant to such a constitutional provision. However, the amount of bonds which may be issued is limited to 25% of the assessed valuation of real property in the County.

**GALVESTON COUNTY, TEXAS**  
**RATIO OF NET GENERAL OBLIGATION BONDED DEBT**  
**TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Assessed Value *</b>	<b>Gross Bonded Debt *</b>	<b>Less Debt Service Funds*</b>	<b>Net Bonded Debt *</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt Per Capita</b>
1995	217,399	11,056,137	37,954	5,170	32,784	0.30	151
1995-96	217,399	11,572,071	34,448	3,569	30,879	0.27	142
1996-97	217,399	11,992,081	30,865	1,956	28,910	0.24	133
1997-98	217,399	12,265,935	27,496	1,536	25,960	0.21	119
1998-99	217,399	12,675,516	24,456	1,305	23,151	0.18	107
1999-00	248,469	13,218,641	41,978	1,251	40,727	0.31	164
2000-01	250,158	14,471,404	98,817	1,721	97,096	0.67	388
2001-02	250,158	14,962,622	107,449	1,728	105,721	0.71	423
2002-03	250,158	16,033,878	210,661	1,337	209,324	1.31	837
2003-04	250,158	17,103,540	208,405	2,773	205,632	1.20	822

\* Amounts expressed in thousands.

(1) Source: U.S. Census Bureau and Texas Association of Counties.

**GALVESTON COUNTY, TEXAS**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES**  
**FOR GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES**  
**LAST TEN FISCAL YEARS**  
**(amounts expressed in thousands)**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest and Fiscal Charges</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures</u>	<u>Ratio of Debt Service to General Governmental Expenditures</u>
1994	\$ 3,866	\$ 2,930	\$ 6,796	\$ 72,483	9.38 %
1995 (1)	3,436	2,878	6,314	59,282	10.65
1995-96	3,506	2,805	6,311	74,416	8.48
1996-97	3,583	2,728	6,311	77,212	8.17
1997-98	3,369	2,926	6,295	79,255	7.95
1998-99	3,040	3,251	6,291	84,285	7.46
1999-00	3,667	3,068	6,735	81,088	8.31
2000-01	3,937	3,000	6,937	90,972	7.66
2001-02	5,030	4,620	9,650	97,593	9.89
2002-03	5,685	4,478	10,163	129,285	7.86
2003-04	3,815	8,164	11,979	204,161	5.87

(1) 1995 is for the nine-month period ended September 30, 1995.

**GALVESTON, COUNTY TEXAS**  
**COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT (1)**  
**GENERAL OBLIGATION BONDS**  
**September 30, 2004**  
**(amounts expressed in thousands)**

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
Galveston County (2)	\$ 160,279 *	100%	\$ 160,279
<b><u>Cities</u></b>			
Dickinson	3,024	100%	3,024
Friendswood	13,480	80.44%	10,843
Galveston	33,599	100%	33,599
Hitchcock	1,750	100%	1,750
Jamaica Beach	385	100%	385
La Marque	635	100%	635
League City	75,055	99.01%	74,312
Texas City	<u>38,150</u>	100%	<u>38,150</u>
Total Cities	<u>166,078</u>		<u>162,698</u>
<b><u>School Districts</u></b>			
Dickinson	53,095	100%	53,095
Friendswood	24,845	100%	24,845
Galveston	85,005	100%	85,005
High Island	2,070	100%	2,070
Hitchcock	7,936	100%	7,936
La Marque	23,473	100%	23,473
Sante Fe	16,699	100%	16,699
Texas City	<u>20,900</u>	100%	<u>20,900</u>
Total School Districts	<u>234,023</u>		<u>234,023</u>
<b><u>Co-Line School Districts</u></b>			
Clear Creek	<u>417,350</u>	19.41%	<u>81,008</u>
<b><u>Other</u></b>			
Baycliff Mud	525	100%	525
Galveston County FWSD #6	3,340	100%	3,340
Galveston County MUD #1	-	100%	-
Galveston County MUD #2	7,865	100%	7,865

**GALVESTON, COUNTY TEXAS**  
**COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT (1)**  
**GENERAL OBLIGATION BONDS**  
**September 30, 2004**  
**(amounts expressed in thousands)**

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
<u>Other (Continued)</u>			
Galveston County MUD #3	9,010	100%	9,010
Galveston County MUD #6	9,965	100%	9,965
Galveston County MUD #12	1,790	100%	1,790
Galveston County MUD #13	15,170	100%	15,170
Galveston County MUD #14	12,430	100%	12,430
Galveston County MUD #15	12,080	100%	12,080
Galveston County MUD #29	2,050	100%	2,050
San Leon MUD	4,165	100%	4,165
Galveston WCID #1	12,048	100%	12,048
Galveston WCID #8	785	100%	785
Galveston WCID #12	6,590	100%	6,590
South Shore Harbor MUD #2	8,375	100%	8,375
South Shore Harbor MUD #3	5,465	100%	5,465
South Shore Harbor MUD #6	9,995	100%	9,995
Tara Glen MUD	4,520	100%	4,520
Total Other	<u>126,168</u>		<u>126,168</u>
Total Gross and Overlapping Debt	<u>\$ 1,103,898</u>		<u>\$ 764,176</u>
Ratio of Direct and Overlapping Debt to 2004 Net Taxable Assessed Valuation			5.50%
Per Capita Direct and Overlapping Debt (2000 population of 250,158)			\$ 3,055
Net Taxable Assessed Valuation			\$ 13,897,170

\* Excludes the Refunding Obligations , includes the Bonds; preliminary, subject to change.

- (1) 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 the properties within the County. These political taxing bodies are independent of the County and may borrow to finance their expenditures. The following statement of direct and estimated overlapping ad valorem tax bonds was developed from information contained in "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. 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 and complete. Furthermore, certain entities listed above may have issued additional bonds since the date stated in the table and may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot be determined. The preceding table reflects the County's estimated share of overlapping gross debt of these various taxing bodies.
- (2) Amounts include the "Bonds."

**GALVESTON COUNTY, TEXAS  
DEMOGRAPHIC STATISTICS  
SEPTEMBER 30, 2004**

**Population (1)**

<b>Galveston County</b>		<b>Incorporated Cities</b>	
<b>Census Year</b>	<b>Population</b>	<b>City</b>	<b>2000 Population</b>
1940	81,173	Galveston	59,790
1950	113,006		
1960	140,364	Clear Lake Shores	1,281
1970	169,812		
1980	195,940	Dickinson	16,669
1990	217,399		
2000	250,158	Friendswood	29,418
		Hitchcock	6,270
		Jamaica Beach	699
		Kemah	1,687
		La Marque	14,693
		League City	44,482
		Santa Fe	10,220
		Texas City	42,701
		Tiki Island	844

(1) Source: U.S. Bureau of Census and Texas Association of Counties.

<b>Date</b>	<b>Total Civilian Labor Force</b>	<b>Total Unemployment</b>	<b>Percent Unemployment</b>	<b>Total Employed</b>
1995	125,200	10,100	8.1	115,100
1996	126,002	10,102	8.0	115,900
1997	128,200	9,300	7.2	118,900
1998	125,894	8,351	6.6	117,543
1999	123,949	7,075	5.7	116,574
2000	119,800	5,477	4.6	114,278
2001	116,800	6,978	6.0	109,803
2002	118,300	8,130	6.9	110,249
2003	124,100	9,675	7.8	114,369
2004	139,701	9,523	6.8	130,178

(1) Source: Texas Workforce Commission in cooperation with Bureau of Labor Statistics, U.S. Department of Labor

(Continued)

**GALVESTON COUNTY, TEXAS  
DEMOGRAPHIC STATISTICS  
SEPTEMBER 30, 2004**

**Number of Non-Agricultural Wage and Salary Jobs (1)**

<u>Industry</u>	<u>September 30, 2004</u>	<u>September 30, 2003</u>	<u>September 30, 2002</u>
Manufacturing	6,314	6,900	7,400
Mining	469	-	500
Construction	4,352	5,800	4,000
Trade, Transportation, & Utilities	14,314	14,900	12,500
Finance, Insurance, & Real Estate	5,693	5,800	5,300
Services & Miscellaneous	772	27,700	20,100
Government	<u>27,571</u>	<u>25,000</u>	<u>25,900</u>
Total	<u><u>59,485</u></u>	<u><u>86,100</u></u>	<u><u>75,700</u></u>

(1) Source: Texas Workforce Commission.

**Galveston Wharves (2)**

<u>Year</u>	<u>Tonnage</u>
1995	7,307,838
1996	8,169,806
1997	6,080,568
1998	6,113,772
1999 (3)	3,381,461
2000	7,360,577
2001	4,270,734
2002	3,356,568
2003	3,429,084
2004	3,385,119

(2) Source: Port of Galveston, Marketing Department (total tonnage handled by facilities in short tons).

(3) Through June 1999 (six months).

(Continued)

**GALVESTON COUNTY, TEXAS  
DEMOGRAPHIC STATISTICS  
SEPTEMBER 30, 2004**

**The University of Texas Medical Branch (1)**

	<b>Fiscal Year</b>		
	<b>2003-04</b>	<b>2002-03</b>	<b>2001-02</b>
Total Assets	\$ 1,239,000,000	\$ 1,136,000,000	\$ 1,052,000,000
Annual Expenditures	\$ 1,322,000,000	\$ 1,298,000,000	\$ 1,269,000,000
Annual Payroll	\$ 851,400,000	\$ 830,500,000	\$ 796,000,000
Research-All Area Gifts and Federal Grants	\$ 268,600,000	\$ 99,273,036	\$ 114,452,243
Number of Employees	12,302	12,292	14,600
Faculty (All Four Schools)			
Full-Time	1,239	1,221	763
Part-Time/Volunteer	1,096	915	1,714
Physicians Graduated (Cumulative)	11,977	11,787	11,595
House Staff (Residents, Interns, Fellows)	566	556	552
Student			
Medical School	824	820	818
Graduate School	361	320	294
Allied Health School	369	356	334
Nursing School	567	562	564
Hospitals	7	6	6
Total Beds Available	816	774	795
Percentage of Occupancy	74%	75%	60%
Major Buildings	54	54	77
Size of Campus	85 acres	85 acres	85 acres
In-Patients Treated (Admissions)	40,452	37,190	35,099
Out-Patients Treated	845,210	857,428	762,977
Emergency Room Visits (2)	68,273	70,817	69,960

(1) Source: Office of University Relations, U.T.M.B.

(2) Also includes episodic care visits.

**GALVESTON COUNTY, TEXAS  
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS  
LAST TEN FISCAL YEARS  
(amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Property value (1)</b>				<b>Commercial &amp; Residential Construction (3) 100% Value</b>	<b>Bank Deposits (4)</b>
	<b>Commercial</b>	<b>Residential</b>	<b>Exemption</b>	<b>Total</b>		
1994	\$ 3,429,875	\$ 4,905,342	\$ 1,424,054	\$ 6,911,163	\$ 151,285	\$ 1,460,057
1995	3,372,493	5,214,172	2,913,034	5,673,631	185,153	1,504,722
1996	3,709,193	5,400,311	3,357,755	5,751,749	152,120	1,969,755
1997 (2)	3,797,171	5,839,783	3,562,756	6,074,198	190,024	2,291,639
1998	3,773,444	5,946,662	3,583,101	6,137,005	224,221	2,401,528
1999	3,748,029	6,430,836	3,440,347	6,738,518	234,319	2,592,467
2000	3,645,971	7,053,804	4,232,085	6,467,691	306,144	2,123,358
2001	3,950,567	7,895,755	4,172,761	7,673,562	315,755	2,206,000
2002	3,763,650	8,484,161	4,233,780	8,014,031	389,935	2,357,161
2003 (2)	3,624,020	9,628,716	4,604,170	8,648,566	513,464	2,532,091
2004 (2)	3,774,979	10,350,099	4,717,473	9,407,606	482,952	2,756,542

(1) Based on "County Report of Values" as submitted to the State Property Tax Board

(2) Based on Assessing Taxmaster File Value Statistics per Galveston Central Appraisal District Statistics and values utilized in the effective tax rate calculations.

**GALVESTON COUNTY, TEXAS  
MISCELLANEOUS STATISTICS  
September 30, 2004**

Date of Incorporation	May 15, 1838
Form of Government	Commissioners' Court
Area in Square Miles	430
Number of County Employees	1,296
School Districts	9
Junior Colleges	2

**Presidential Election, November, 2000**

Number of Registered Voters (1)	176,474
Number of Votes Cast (2)	93,567
Percentage of Registered Votes Cast	53.02% %

**County Parks and Recreation (3)**

Park Acres	1,201
Miles of Beach	33
Developed Parks	18
Undeveloped Beach Parks	2
Boat Ramps	11
Park Permits Issued	1,767
Festivals or Special Events Hosted	16
Permit/Special Event Fees Collected	\$99,398
Beach Pocket Park Gate Revenues	\$71,795
Beach Pocket Park Fees Collected	\$72,827
Beach Pocket Park Concession Revenues	\$1,032
Other Concession and Miscellaneous Revenue	\$185,143

**County Law Enforcement**

Number of Constables	46
Number of Sheriff's Department Employees (4)	370
Civilians	118
Part-time Uniformed Officers	60
Full-time Uniformed Officers	192

(1) Source: Voter Registration.

(2) Source: County Clerk.

(3) Source: County Parks Department.

(4) Source: County Sheriff's Department (figures approximate).

(Continued)

GALVESTON COUNTY, TEXAS  
MISCELLANEOUS STATISTICS  
September 30, 2004

City Sales and Use Tax Comparison Study

<u>City</u>	<u>2004 Payments to Date (1)</u>	<u>2003 Payments to Date (1)</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Clear Lake Shores (2)	\$ 1,053,307	\$ 976,639	\$ 76,668	7.85 %
Dickinson	3,851,689	3,123,797	727,892	23.30
Friendswood	2,863,223	2,791,076	72,147	2.58
Galveston	13,175,740	12,715,661	460,079	3.62
Hitchcock	395,941	366,898	29,043	7.92
Jamaica Beach	84,137	33,087	51,050	154.29
Kemah	2,408,447	2,192,214	216,233	9.86
La Marque	2,935,338	1,896,070	1,039,268	54.81
League City	5,162,944	4,800,030	362,914	7.56
Santa Fe	1,397,409	1,309,417	87,992	6.72
Texas City	11,445,665	10,413,105	1,032,560	9.92
Village of Bayou Vista	28,376	27,538	838	3.04
Village of Tiki Island	<u>27,524</u>	<u>22,883</u>	<u>4,641</u>	<u>20.28</u>
County Total	<u>\$ 44,829,740</u>	<u>\$ 40,668,415</u>	<u>\$ 4,161,325</u>	<u>10.23 %</u>

(1) Reflects taxes collected on sales made from October 1, previous year, through September 30th of year indicated.

(2) The Clear Lake Shores sales tax rate of 1.00% increased to 1.50% effective October 1, 1996.



Bacliff Community Center, Bacliff

## Other Information

**GALVESTON COUNTY, TEXAS**  
**TAX LEVIES PER BUDGET**  
**LAST TEN FISCAL YEARS**  
(amounts expressed in thousands)

<b>Fiscal Year</b>	<b>Year of Levy</b>	<b>Total</b>	<b>General Fund</b>	<b>Interest and Debt Retirement Funds</b>			<b>Special Road &amp; Flood</b>	<b>Mosquito Control District</b>
				<b>Special Tax Bonds</b>	<b>Constitutional Bonds</b>	<b>Road Bonds</b>		
1995	1994	45,357	38,518	2,534	389	3,071	845	-
1995-96	1995	50,664	43,158	1,208	1,407	3,678	1,213	-
1996-97	1996	53,662	45,498	1,005	2,514	2,534	1,235	876
1997-98	1997	53,719	46,038	1,008	1,730	3,185	825	933
1998-99	1998	57,136	48,656	1,264	1,663	2,831	1,780	942
1999-00	1999	61,278	51,958	1,358	1,709	2,958	2,318	977
2000-01	2000	62,130	49,512	1,312	2,951	5,574	1,833	948
2001-02	2001	77,326	64,509	-	3,731	6,463	1,634	989
2002-03	2002	82,575	69,753	-	10,092	2,730	1,973	1034
2003-04	2003	89,720	75,422	-	12,804	1,493	-	1066

(1) Source: County Tax Assessor-Collector and County Auditor.

**GALVESTON COUNTY, TEXAS  
SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS  
SEPTEMBER 30, 2004**

**Table 15**

<u>Official Title</u>	<u>Incumbent</u>	<u>Salary</u>	<u>Amount of Surety Bond</u>
County Judge	James D. Yarbrough	103,396	10,000
Commissioner, Precinct #1	Edward F. Barr	64,300	3,000
Commissioner, Precinct #2	Edward Janek	64,300	3,000
Commissioner, Precinct #3	Stephen Holmes	64,300	3,000
Commissioner, Precinct #4	Kenneth D. Clark	64,300	3,000
Assessor-Collector of Taxes	Patricia K. Gibbins	64,300	200,000
County Auditor	Cliff Billingsley	100,000	20,000
County Clerk	May A. Daigle	64,300	120,000
County Treasurer	Kevin C. Walsh	64,300	100,000
District Attorney	Kurt Sistrunk	9,300 (1)	5,000 (1) (2)
District Clerk	Latonia D. Wilson	64,300	100,000
Sheriff	Marley E. "Gean" Leonard, Jr.	83,410	30,000

(1) Pursuant to the Government Code, Section 46.003, the District Attorney received \$101,700 in compensation from the State of Texas and \$9,300 from the County of Galveston.

(2) Pursuant to the Government Code, Section 43.002, before assuming the duties of the office, a district attorney must give bond that is in the sum of \$5,000.

**Table 16**

**GALVESTON, COUNTY TEXAS  
PRINCIPAL EMPLOYERS (1)**

<b>Taxpayer</b>	<b>Type of Business</b>	<b>Number of Employees</b>
University of Texas Medical Branch	University	12,320
Clear Creek Independent School District	School District	3,458
American National Insurance Company	Insurance	2,200
BP-Amoco Oil Company Texas City	Refinery	1,500
Galveston County	County	1,350
Galveston Independent School District	School District	1,300
Landry's Seafood Inc.	Restaurants	1,245
Texas City Independent School District	School District	880
Dow Chemical	Chemical	800
Moody Gardens	Entertainment	750
Mainland Medical Center	Hospital	750
City of Galveston	City	735
Fertitta Hospitality, Inc.	Hotels, Restaurants	687
Gulf Greyhound Partners LTD	Greyhound Racing	650
Friendswood Independent School District	School District	535
La Marque Independent School District	School District	525
Santa Fe Independent School District	School District	520
City of Texas City	City	510
Valero Refinery	Refinery	479
Sterling Chemicals	Chemical	456

(1) Source: Texas Employment Commission and each listed employer (employer list prepared by the Labor Market Information Department), as of December 2004.

Table 17

**GALVESTON COUNTY, TEXAS  
TAX RATES  
LAST TEN FISCAL YEARS (1)**

<b>Fiscal Year</b>	<b>Year of Levy</b>	<b>Total</b>	<b>General Fund (2)</b>	<b>Special Tax Bond (3)</b>	<b><u>Interest and Debt Retirement Funds</u></b>			<b>Mosquito Control District (6)</b>
					<b>Constitutional Bonds (1)</b>	<b>Road Bonds (4)</b>	<b>Special Road &amp; Flood (5)</b>	
1995	1994	0.4850	0.4134	0.0266	0.0035	0.0325	0.0090	0.00000
1995-96	1995	0.5075	0.4625	0.0083	0.0033	0.0333	0.0001	0.00000
1996-97	1996	0.5108	0.4750	0.0055	0.0150	0.0153	0.0000	0.00920
1997-98	1997	0.5108	0.4438	0.0119	0.0222	0.0229	0.0100	0.00920
1998-99	1998	0.5200	0.4438	0.0129	0.0171	0.0270	0.0100	0.00920
1999-00	1999	0.5450	0.4676	0.0161	0.0132	0.0277	0.0124	0.00800
2000-01	2000	0.5450	0.4616	0.0217	0.0154	0.0260	0.0124	0.00800
2001-02	2001	0.5654	0.4648	0.0000	0.0245	0.0557	0.0124	0.00800
2002-03	2002	0.6063	0.5039	0.0000	0.0300	0.0520	0.0124	0.00800
2203-04	2,003	0.6429	0.5217	0.0000	0.0800	0.0208	0.0124	0.00800

(1) Tax rates are per \$100 of assessed value.

Taxes due October 1st.

Taxes delinquent, February 1st, year following levy.

Taxes added to delinquent rolls, July 1st, year following levy.

Tax lien and assessment, January 1st, year of levy.

No discount allowed.

Source: County Tax Assessor-Collector.

(2) Taxes levied under Article 8, Section 9 of the Texas Constitution.

(3) Seawall and Flood capital projects.

(4) Debt Service for Road Bonds levied under Article III, Section 52 (c. )of the Texas Constitution.

(5) Special Road and Flood taxes levied under Article III, Section 1-a of the Texas Constitution

(6) Mosquito Control District taxes levied under Chapter 344 of the Texas Health and Safety Code.

**GALVESTON COUNTY, TEXAS**  
**CONSTRUCTION VALUES FOR CITIES IN GALVESTON COUNTY**  
**LAST TEN FISCAL YEARS (1)**  
**(amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Galveston</b>	<b>League City</b>	<b>Texas City</b>	<b>LaMarque</b>	<b>Friendswood</b>	<b>Hitchcock</b>	<b>Dickinson</b>
1995	24,018	62,256	49,005	3,428	42,783	4,503	6,306
1996	18,289	68,000	16,001	1,570	30,451	3,677	7,786
1997	71,718	82,489	26,979	330	41,528	2,078	7,700
1998	64,352	78,543	28,211	3,798	45,657	1,896	6,754
1999	58,742	79,536	22,998	4,617	41,498	2,312	9,474
2000	26,478	126,086	32,139	2,563	97,086	2,525	9,278
2001	65,531	228,894	31,869	3,382	112,238	5,090	9,082
2002	156,953	273,462	26,976	19,174	95,792	4,601	14,276
2003	133,671	274,624	46,349	19,049	87,556	6,205	17,328
2004	549,311	525,376	48,871	21,541	66,543	12,676	15,769

(1) Source: Building-permit departments by city.



Dickinson Senior Center, Dickinson

# COUNTY AUDITOR'S OFFICE PERSONNEL

As of March 14, 2005

**Cliff Billingsley, BS, MPA, CPA**  
**County Auditor**

*Rolando (Ron) Chapa, BBA, CPA*  
*First Assistant County Auditor - Director of Auditing*

*Freeman D. Mendell, BA, MA, CISA*  
*First Assistant County Auditor - Director of I.T. Systems*

*Jeffrey P. Modzelewski, BA, MA, MBA, CPA*  
*First Assistant County Auditor - Director of Accounting*

<i>Michael Allison, BBA</i> .....	<i>Internal Auditor III</i>
<i>Kristin Austin, BBA</i> .....	<i>Accountant II</i>
<i>Susan Black, BBA, CPA</i> .....	<i>Chief Accountant</i>
<i>Amanda D. Boyd</i> .....	<i>Senior Accounts Payable Technician</i>
<i>Monte D. Brand, BA, MBA, CIO</i> .....	<i>Internal Auditor II</i>
<i>Pat Butler, BBA</i> .....	<i>Internal Auditor I</i>
<i>Jason Calzada, BS, CPA</i> .....	<i>Accounting Supervisor</i>
<i>Ana de Leon</i> .....	<i>Accounts Payable Technician</i>
<i>Russell R. Devine, BA, CPA, CIA</i> .....	<i>Internal Audit Supervisor</i>
<i>Elizabeth (Suzie) J. Dover</i> .....	<i>Office Manager</i>
<i>Sylvia Friedsam</i> .....	<i>Payroll Audit Manager/Internal Auditor III</i>
<i>Mindi Hernandez</i> .....	<i>Accountant I</i>
<i>Sharron Irvine</i> .....	<i>Clerk</i>
<i>Carrie Lemmonds, BS</i> .....	<i>Internal Auditor I</i>
<i>Daniela Michel, BS</i> .....	<i>Financial System &amp; Report Specialist</i>
<i>Frances Ortiz</i> .....	<i>Administrative Clerk</i>
<i>Jocelyn C. Paz, AS</i> .....	<i>Accountant II</i>
<i>Maria Juanita Picazo</i> .....	<i>Accounts Payable Specialist</i>
<i>Norma Pimentel, AS</i> .....	<i>Accounting Technician</i>
<i>Syed Quadeer, BCOM</i> .....	<i>Accountant I</i>
<i>Antonio Ramirez, BS</i> .....	<i>Internal Auditor I</i>
<i>Natalie Robertson, BBA</i> .....	<i>Accounts Payable Technician</i>
<i>John Sanchez, Jr., AS, BS</i> .....	<i>Accounting Supervisor</i>
<i>Katherine Seidl-Smith, BS</i> .....	<i>Accountant II</i>
<i>Rosemary Trevino</i> .....	<i>Accountant I</i>
<i>Dianora L.Vargas</i> .....	<i>Accounts Payable Supervisor</i>
<i>Chris Waner, BS</i> .....	<i>Internal Auditor I</i>
<i>LaToya Wyche, BBA</i> .....	<i>Internal Auditor II</i>
<i>Denise Yearnd, BS</i> .....	<i>Accountant III</i>

**GALVESTON COUNTY, TEXAS  
COUNTY AUDITOR'S OFFICE STAFF  
AS OF MARCH 14, 2005**

*District Judges  
10th, 56th, 122nd,  
212th, 306th & 405th*

**Cliff Billingsley, CPA**  
County Auditor  
Position #1

**Rolando (Ron) Chapa, CPA**  
First Asst. Co.  
Auditor - Auditing  
Position #3

**Jeff Modzelewski, CPA**  
First Asst. Co.  
Auditor - Accounting  
Position #2

**Freeman Mendell, CISA**  
First Asst. Co.  
Auditor - I.T. Systems  
Position #6

**Russell D. Devine, CPA, CIA**  
Internal Audit Supervisor  
Position #12

**L. Susan Black, CPA**  
Chief Accountant  
Position #31

**E. (Suzie) Dover**  
Office Manager  
Position #4

**Sylvia Friedsam**  
Payroll Audit Manager  
Position #15

**Michael Allison**  
Internal Auditor III  
Position #18

**LaToya Wyche**  
Internal Auditor II  
Position #17

**Monte D. Brand**  
Internal Auditor II  
Position #21

**Pat Butler**  
Internal Auditor I  
Position #20

**Carrie Lemmonds**  
Internal Auditor I  
Position #22

**Chris Waner**  
Internal Auditor I  
Position #24

**Antonio Ramirez**  
Internal Auditor I  
Position #28

**Jason (Jun) Calzada, CPA**  
Accounting Supervisor  
Position #32

**Jocelyn (JoJo) Paz**  
Accountant II  
Position #35

**Katherine Seidl-Smith**  
Accountant II  
Position #58

**Syed Ouadeer**  
Accountant I  
Position #36

**Rosemary Trevino**  
Accountant I  
Position #39

**Daniela Michel**  
Financial System &  
Report Specialist  
Position #14

**John Sanchez, Jr.**  
Accounting Supervisor  
Position #33

**Denise Y. Yearnd**  
Accountant III  
Position #34

**Kristin Austin**  
Accountant II  
Position #37

**Mindi Hernandez**  
Accountant I  
Position #38

**Norma Pimentel**  
Accting. Technician  
Position #45

**Francisca Ortiz**  
Secretary Assistant  
Position #5

**Sharron Irvine**  
Clerk  
Position #7

**Dianora Vargas**  
A/P Supervisor  
Position #51

**Maria Juanita Picazo**  
A/P Specialist  
Position #52

**Amanda D. Boyd**  
Sr. A/P Technician  
Position #54

**Natalie Bolton-Robertson**  
A/P Technician  
Position #53

**Ana de Leon**  
A/P Technician  
Position #57



## Galveston County Department of Parks and Senior Services

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### Senior Services

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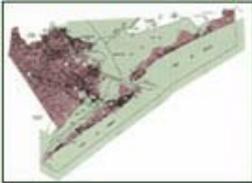
### Our mission

To provide comprehensive and diverse recreational and senior services opportunities for Galveston County Citizens and visitors, through the stewardship of our resources.





**Click to find a facility:**



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No events at this time.  
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#### Senior Services Events

No events at this time.  
[Click for Senior Services News.](#)

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Department of Parks and Senior Services  
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