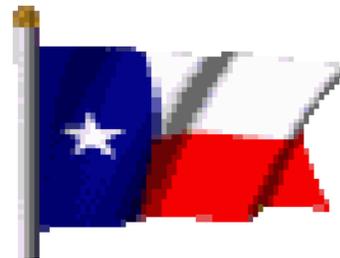
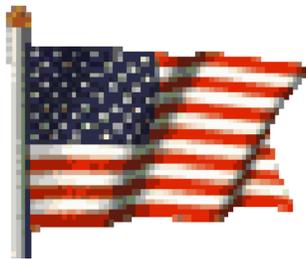
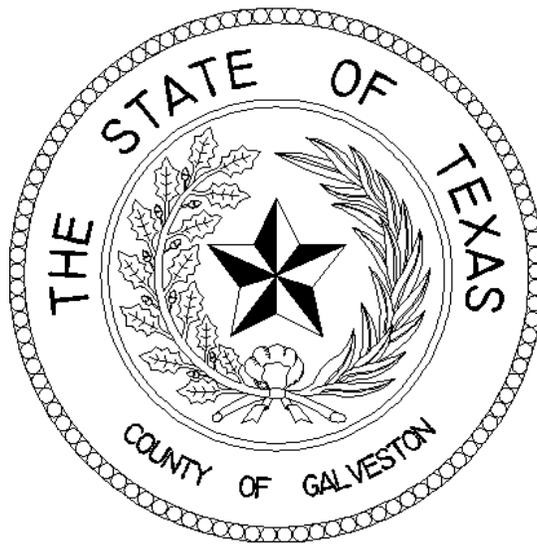


Galveston County, Texas

COMPREHENSIVE

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2010

GALVESTON COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended
September 30, 2010

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

Galveston County, Texas
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended September 30, 2010

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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

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

April 25, 2011

To the Honorable District Judges of Galveston County:

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

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

Mark A. Henry, County Judge
Patrick Doyle, Commissioner - Precinct 1
Kevin D. O' Brien, Commissioner - Precinct 2
Stephen D. Holmes, Commissioner - Precinct 3
Kenneth D. Clark, Commissioner - Precinct 4;

and to the Citizens of Galveston County, Texas:

The Auditor's Office of the County of Galveston, Texas (the "county"), is pleased to have prepared and to now issue this Comprehensive Annual Financial Report ("CAFR") of the county for the fiscal year ended September 30, 2010.

FORMAL TRANSMITTAL OF THE CAFR

Legal requirements. This report is issued pursuant to the requirements of *Texas Local Government Code* §114.025, which states in part:

- (a) The county auditor shall make... annual reports to the commissioners court and to the district judges of the county. Each report must show:
- (1) the aggregate amounts received and disbursed from each county fund;
 - (2) the condition of each account on the books;
 - (3) the amount of county, district, and school funds on deposit in the county depository;
 - (4) the amount of county bonded indebtedness and other indebtedness; and
 - (5) any other fact of interest, information, or suggestion that the auditor considers proper or that the court or district judges require.

Assumption of responsibility. 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 herein.

Internal control. 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, and/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 control 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.

Independent audit. 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, 2010, 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 auditors 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, 2010, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the Financial Section of this report.

The independent audit of the county's financial statements is part of a broader annual "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 Report, 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 its 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.

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

PROFILE OF THE GOVERNMENT

Basic Information. 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 and a population that is approaching 300,000. The land area includes: Galveston Island (the "Island"), thirty-two miles long and situated two miles from the coast; a portion of the nearby mainland; and the Bolivar Peninsula, just 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 is the county's governing body. The Commissioners' Court is elected by county voters for staggered four-year terms and comprises the County Judge (the presiding officer) and four County Commissioners. Each of the four commissioners represents one of the four geographical precincts into which the county is divided. The Commissioners' Court holds only such powers as are conferred upon it by the Texas Constitution or by statute, or by necessary implication therefrom.

The county provides a full range of services with regard to public safety, health and social welfare, culture and recreation, conservation, and roads, bridges, and rights-of-way.

Component Units. A "component unit" is an organization which is legally separate from the primary government but which is subject to significant oversight by the latter, such that to exclude the component unit's financial information from that of the primary government could mislead readers. A component unit is termed either "discretely presented" or "blended" depending upon the greater or lesser degree of autonomy, respectively, with which it functions.

The county is financially accountable for the Galveston County Health District, which qualifies as a discretely presented component unit and is reported separately within the county's financial statements.

Certain county road construction and maintenance is performed by the Galveston County Road District #1, a blended component unit 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.

Additional information on both of these component units is located in Note I.A.2. to the Financial Statements on pages 52 and 53.

Budget. Budgets serve as the foundation of the county's financial planning and control. Annual budgets are adopted for many of the county's governmental funds, including the General Fund, a number of Special Revenue Funds, and all Debt Service Funds. Capital Projects Funds generally adopt project-length budgets. Funds which lack annual budgets are subject to other controls imposed by bond orders, grant contracts, and statute. The legal level of budgetary control rests at the departmental level.

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 an approved budget 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.

INFORMATION USEFUL IN ASSESSING THE COUNTY'S ECONOMIC 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 an improving economic environment, and local indicators point to continued stability.

The region's diversified commercial, industrial, and manufacturing base dampens volatility in its 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, 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 one of the largest in the nation based upon student enrollment. Established in 1891, headquartered on the Island's northern end, and also 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 Amoco Texas Refinery, B.P. Amoco Chemical, Marathon Petroleum, Sterling Chemicals, Union Carbide, and Valero Refining - Texas.

Tourism is an important presence in the county's economy. The Island's seashore, its historic downtown and residential districts, and its thriving cruise industry attract growing numbers of visitors, who in turn fuel the revenue streams of hotels and motels, restaurants, shops, and museums. On the mainland, La Marque's Gulf Greyhound Park is a popular attraction, as is Clear Lake City's Johnson Space Center, just northwest of Galveston County in adjacent Harris County.

The county profits from the availability of a wealth of year-round cultural, historical, and recreational activities. To those seeking outdoor relaxation, the Island offers the pleasures of Sea Wolf Park, R.A. Appfel Park, Stewart Beach Park, and Galveston Island State Park, as well as alcohol-free beaches stretching from 10th Street to 61st 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 Lone Star Flight Museum and the 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 IMAX "RideFilms" 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 across the mouth of Galveston Bay from the Island, Port Bolivar on the Bolivar Peninsula is a haven for beachcombers and fishermen.

In Clear Lake City, in southern Harris County about mid-way between the Island and Houston, lies 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; spacecraft from the Mercury, Gemini, and Apollo missions; in-person appearances by active astronauts; hands-on simulators; and daily live demonstrations.

The county suffered great damage, both physical and economic, in mid-September 2008 when catastrophic Hurricane Ike made landfall on eastern Galveston Island. Particularly hard-hit were the Island, Bolivar Peninsula and mainland communities bordering the bay. Despite this devastation, the region has recovered significantly in the intervening two and one-half years, as indeed it has done a number of times throughout its long history after suffering the wrath of Mother Nature.

Long-term financial planning.

Debt administration. The county funds much of its capital investment by issuing general obligation bonds and certificates of obligation. Most recently, in September 2009 the county issued \$135,000,000 in long-term debt comprising \$75,000,000 of road bonds, \$45,000,000 of building bonds and \$15,000,000 of flood-control bonds. Except for \$5,785,000 of the flood-control bonds, this newest debt is “Build America Bonds,” obligations sold in compliance with a federal program which reimburses issuers for 35% of the interest they pay on such bonds.

The county works with its financial advisor to monitor the conditions of the borrowing market and issue refunding debt to defease outstanding obligations when it can lower its cost of money and/or ease cash flow constraints by spreading debt service payments over a longer 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. The county last issued refunding bonds in November 2007, to defease \$79,555,000 of outstanding principal.

At September 30, 2010, the county’s outstanding bonded debt, including cumulative accretion, totaled \$370,180,713. During that fiscal year then ended, the county paid \$10,410,000 in principal and \$14,196,836 in interest. With bond insurance, the county maintains an “AA” rating from Fitch Ratings and an “Aa2” rating from Moody’s Investors Service, Inc., for its general-obligation debt.

Post-employment benefits. The county provides post-employment health- and life-insurance benefits to its retirees. At September 30, 2010, the county recognized 372 retirees, 139 of whom were eligible for full health-insurance coverage and 233 of whom received reduced Medicare-supplement insurance. In the fiscal year ended September 30, 2009, the county implemented Governmental Accounting Standards Board Statement 45, which set forth new rules for the accounting for post-employment benefits other than pensions, or “OPEB.” Under previous GAAP, the county recorded OPEB expense on a “pay-as-you-go” basis. It now recognizes an actuarially determined portion of that expense annually, as it is deemed to be incurred as a result of employee service. Additional information about the county’s post-employment benefits can be found in Notes IV.G. - H. to the Financial Statements on pages 76-80 of this report.

Relevant financial policies. 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, negotiable order of withdrawal (“NOW”) accounts, and local government investment pool facilities. During the year ended September 30, 2010, the county earned \$2,530,728 in interest, \$283,671 that from investments and \$2,247,057 from deposits. More information about the county’s deposits and investments can be found in Note III.A. to the Financial Statements on pages 61-64 of this report.

Major initiatives.

Roads

- **PASS-THROUGH TOLL ROAD** - In August 2007 the county issued \$48.3 million of bonds for the two-phase construction of a pass-through toll road on the Mainland. It is expected that most of the debt service will be funded by subsidies received from the Texas Department of Transportation (“TXDOT”) based upon vehicular usage of the thoroughfare. Phase I of II of the project was completed in June 2010 at a cost of approximately \$20 million; some \$5.3 million of subsidies has been received to date. Construction on phase II of II is under way and expected to be completed in 2013 at an estimated cost of \$25 million, with the corresponding TXDOT subsidies beginning late in that calendar year.
- **MISCELLANEOUS PROJECTS** - In September 2009 the county issued \$75 million of bonds for road work. Of thirty-nine major projects identified, nearly one-half are currently under construction or already complete, and most of the remainder are in the design phase. The projects involve unincorporated areas of Galveston County as well as locations within the cities of Friendswood, Hitchcock, Jamaica Beach, La Marque, Santa Fe, Texas City, and Tiki Island.

Flood Control

In September 2009 the county issued \$15 million of bonds for flood-control work. Of the four major projects identified, one, the clearing of Dickinson Bayou, has been completed; work on two others, the Dickinson Bayou regional detention basin and the FM 646 storm-sewer outfalls in San Leon, is in progress. These three projects combined were allocated \$5 million of the \$15 million bond issue. The largest of the four projects, the Mud Gully detention basin on Clear Creek, will be a joint project of Galveston and Harris Counties projected to cost the two entities \$10 and \$20 million, respectively; negotiation of the inter-local agreement has begun.

Marine

After ten years of design and funding efforts, the widening of the passage under the Galveston causeway railroad bridge is in progress. The clearance will be increased from the current 105 to 300 feet, greatly improving nautical safety. The county built the bridge in 1909 and leases it to the Burlington Northern and Santa Fe Railroad (“BNSF”). The project is projected to cost \$88 million, with the United States Coast Guard expected to pay all but some \$3.2 million of that total. The remainder of the cost is to be shared among BNSF, the City of Galveston, the Galveston Wharves, and the county; of these four entities, BNSF will contribute the largest portion. The project is expected to be complete in mid-2012.

Land

The county is finalizing arrangements for the sale of excess land adjacent to the southern perimeter of the Justice Center property, just north of Broadway in Galveston. A survey is in process to determine the exact area to be conveyed, but it is expected to total some ten acres and will sell for an estimated \$3 million. An earnest-money contract was executed with the buyer, a nationwide retailer, in January 2011, with closing slated for early autumn 2011. The buyer is obligated to begin construction within four months of closing and to complete that construction within two years thereafter.

Software

The completion of the major upgrade of the county’s IFAS financial and administrative software to version 7i has been delayed due to functionality issues. The software vendor has now corrected many of those issues and is expected to complete the remainder over the next few months.

Facilities

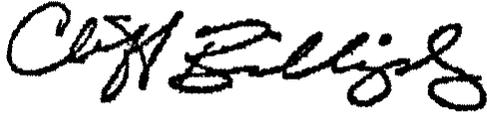
- MID-COUNTY ANNEX - Construction has begun on the Mid-County Annex, the former Wal-Mart on Emmett F. Lowery Expressway in Texas City. Demolition and electrical/plumbing work is in progress, and a furnishings concept has been selected; landscape design is as yet incomplete. The annex will house the administrative offices of the Galveston County Health District and the Mainland health clinics, and the Galveston County Central Appraisal District will lease space therein. It is expected that the building will be ready for occupancy in late 2011.
- FORMER NORTH JAIL - The county expects to remodel several of the floors above ground level of the former north jail at 715 19th Street in Galveston for records storage for the court system, the District Attorney's Office, and possibly other departments. Additionally, the first floor of the building may eventually house the senior-citizen center formerly located at 22nd and L Streets in Galveston but closed since the landfall of Hurricane Ike in September 2008. This latter project has been delayed by funding uncertainty with regard to Federal Emergency Management Agency ("FEMA") monies.
- LLEWELYN BUILDING - The Llewelyn Building was largely remediated after Hurricane Ike, but the electrical service and some broken glass remain to be repaired, the exterior and site need cleaning, and minor additions to the structure, such as entrance attachments, are to be removed. Plans call for the western portion of the building to eventually house the CareHere! Clinic. The county is attempting to secure funding for this project through FEMA.
- COURTHOUSE ANNEX - Full restoration of this building post-Hurricane Ike will require work on the electrical service and the heating and cooling system for the first floor, as well as on the elevator. At present there are no specific plans for usage of the second floor, but the county may repair its heating and cooling system, demolish partitions, and perform other basic work to restore it to a build-out state while performing first-floor work, thus allowing future occupancy at minimal additional cost.
- MID-COUNTY LAW-ENFORCEMENT BUILDING - The county has entered into discussion with the City of League City regarding the construction of a law-enforcement building on FM 646 adjacent to the Emergency Management Building, should funding from a second round of Community Development Block Grants become available.
- COUNTY HISTORICAL MUSEUM - The City National Bank Building, which formerly housed the county historical museum, remains empty since it was damaged by Hurricane Ike; it requires substantial repairs. Funding to allow the start of work is uncertain; the county was unable to insure the basement, where the majority of Ike damage occurred, yet was penalized by FEMA for inadequate coverage. Priorities are the repairs of the air-conditioning system and the storm-damaged plaster. On a positive note, earlier concerns about structural instability of the mezzanine were determined to be unfounded.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Galveston, Texas, for its CAFR for the fiscal year ended September 30, 2009. This was the thirteenth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied 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 CAFR 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 service of the entire staff of the Galveston County, Texas, Auditor's Office. I wish to express my appreciation to all members of the department who assisted with and contributed to the preparation of this report. I acknowledge the County Judge and Commissioners for their efforts 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,

A handwritten signature in black ink, appearing to read "Cliff Billingsley". The signature is written in a cursive, flowing style with some loops and flourishes.

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, 2009

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.



A handwritten signature in black ink, appearing to be "Jeffrey R. Emer".

President

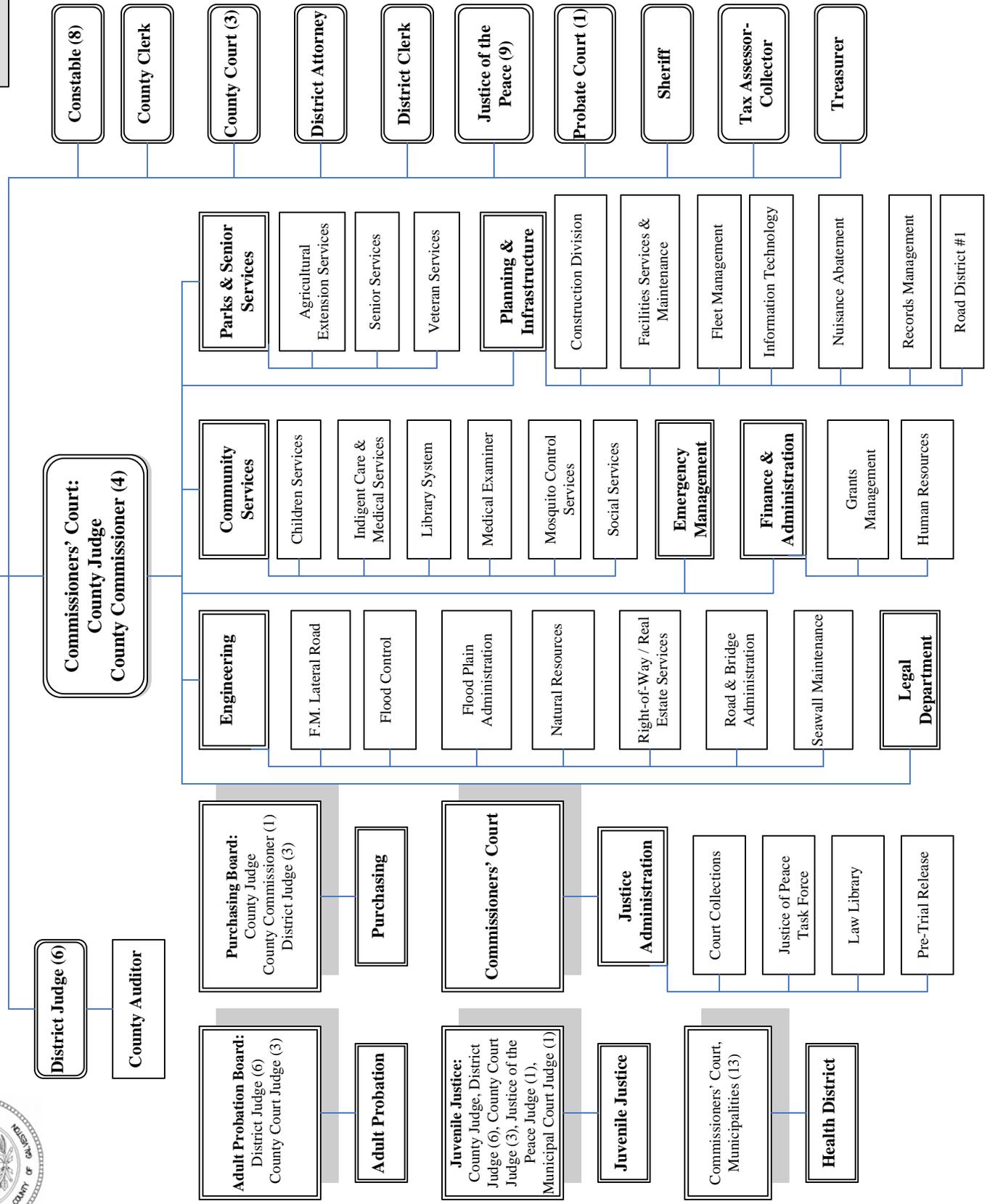
A handwritten signature in black ink, appearing to be "Jeffrey R. Emer".

Executive Director



Galveston County Citizens

Galveston County Organizational Chart



GALVESTON COUNTY, TEXAS
LIST OF ELECTED AND APPOINTED OFFICIALS
March 31, 2011

<i>David E. Garner</i>	<i>Judge, 10th District Court</i>
<i>Lonnie Cox</i>	<i>Judge, 56th District Court</i>
<i>John Ellisor</i>	<i>Judge, 122nd District Court</i>
<i>Susan E. Criss</i>	<i>Judge, 212th District Court</i>
<i>Janis L. Yarbrough</i>	<i>Judge, 306th Family District Court</i>
<i>Wayne J. Mallia</i>	<i>Judge, 405th District Court</i>
<i>Mark Henry</i>	<i>County Judge</i>
<i>Patrick Doyle</i>	<i>County Commissioner, Precinct 1</i>
<i>Kevin O'Brien</i>	<i>County Commissioner, Precinct 2</i>
<i>Stephen D. Holmes</i>	<i>County Commissioner, Precinct 3</i>
<i>Kenneth D. Clark</i>	<i>County Commissioner, Precinct 4</i>
<i>Cliff Billingsley</i>	<i>County Auditor</i>
<i>Dwight Sullivan</i>	<i>County Clerk</i>
<i>Jack Roady</i>	<i>Criminal District Attorney</i>
<i>Jason Murray</i>	<i>District Clerk</i>
<i>John Grady</i>	<i>Judge, County Court-at-Law 1</i>
<i>Barbara Roberts</i>	<i>Judge, County Court-at-Law 2</i>
<i>Christopher Dupuy</i>	<i>Judge, County Court-at-Law 3</i>
<i>Kim Sullivan</i>	<i>Judge, Probate Court</i>
<i>Rufus G. Crowder</i>	<i>Purchasing Agent</i>
<i>Freddie Poor</i>	<i>Sheriff</i>
<i>Cheryl E. Johnson</i>	<i>Tax Assessor-Collector</i>
<i>Kevin C. Walsh</i>	<i>Treasurer</i>



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Independent Auditors' Report

To the Honorable Mark Henry, 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 units, each major fund, and the aggregate remaining fund information of Galveston County, Texas (the "County"), as of and for the year ended September 30, 2010, 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 opinions on these financial statements based on our audit. We did not audit the financial statements of the Galveston County Health District, which represents 100% of the assets of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports were furnished to us, and our opinion, insofar as it relates to the amounts included for aggregate discretely presented component units is based on the report of other auditors.

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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. 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 and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, 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 units, each major fund, and the aggregate remaining fund information of Galveston County, Texas, as of September 30, 2010, 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 Mark Henry, County Judge
and Members of the Commissioners Court
Galveston County, Texas
Page 2 of 2

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2011, on our consideration of Galveston County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis, Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - HMG_ - Ike Special Revenue Fund, Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - ADBG Housing Program - Special Revenue Fund, Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Disaster Recovery VI - Ike Special Revenue Fund, Schedule of Funding Progress – Retirement Plan for the Employees of Galveston County, and the Schedule of Funding Progress – Other Post-Employment Benefits for the Employees of Galveston County are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. This required supplementary information is the responsibility of the County's management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required 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 Galveston County, Texas basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combined, combining and individual nonmajor fund information and other supplementary information, as listed in the table of contents, 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 section 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.



Galveston, Texas
April 22, 2011

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, 2010. 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

- At September 30, 2010, the county's assets of \$544,878,165 exceeded its liabilities of \$446,153,848 by \$98,724,317 ("net assets"), a decrease of \$29,620,996 in net assets from September 30, 2009.
- Of these net assets of \$98,724,317, \$97,414,848 is invested in capital assets (net of related debt), \$9,901,782 is restricted for specific uses, and \$(8,592,313) is unrestricted.
- Of the liabilities of \$446,153,848, \$371,600,519 will not be extinguished in the current year ("long-term liabilities due in more than one year"). These long-term liabilities are primarily debt instruments issued in prior years (the county issued no bonded debt in the year ended September 30, 2010).
- The county's expenses of \$270,840,946 exceeded its revenues of \$241,219,950 by \$29,620,996 in this same fiscal year.
- Of these revenues of \$241,219,950, program revenues, such as grant revenues and charges for services, contributed \$120,314,037, while general revenues, such as ad valorem taxes, contributed \$120,905,913.

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, sanitation, 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 (a “component unit”). The financial information for this component unit is presented separately from the financial information for the primary government. Complete financial statements of the component unit can be obtained from their administrative office. The address for, and other information about, the Galveston County Health District are presented in Note I.A.2. to the Financial Statements on pages 52-53.

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 Funds financial statements focus on near-term inflows and outflows of resources, and on the balances of those 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. Fund financial statements either reinforce the information provided in the government-wide financial statements (for instance, with regard to proprietary funds) or provide additional information (for instance, with regard to governmental funds and fiduciary funds). Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between Governmental Funds and governmental activities.

The county maintains one hundred one individual Governmental Funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the following six funds, all of which are considered to be “major” funds:

- the General Fund
- the HMGP (“Hazard Mitigation Grant Program”) – Ike Special Revenue Grant Fund
- the CDBG (“Community Development Block Grant”) Housing Program Special Revenue Grant Fund
- the Disaster Recovery VI - Ike Special Revenue Grant Fund
- the Limited Tax County Building Bonds Series 2009B Capital Projects Fund
- the Unlimited Tax Road Bonds Series 2009A Capital Projects Fund

Data from the other Governmental Funds are combined into a single, aggregated presentation. Individual data for each of these nonmajor Governmental Funds is provided in the form of “combining statements” and “individual schedules” elsewhere in this report.

Comparison schedules for all Governmental Funds with budgets, except for grant Special Revenue Funds, are presented in this report to demonstrate budgetary compliance, regardless of the basis (annual, project-length, or other) on which those budgets were prepared.

Proprietary Funds include Enterprise Funds and Internal Service Funds. *Enterprise Funds* are used to report the same functions that are 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 related to: group health insurance; general casualty, liability, and unemployment insurance; and workers' compensation insurance. 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 Funds 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 no Trust Funds and ten Agency 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 ("RSI") about the budgetary compliance of the county's General Fund as well as schedules of funding progress for the county's retirement and other post-employment benefits plans.

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 \$98,724,317 at the close of the fiscal year ended September 30, 2010.

By far the largest portion of the county's net assets (98.67%) comprises capital assets (for example, land, infrastructure, and buildings and improvements), net of the outstanding debt issued to finance their construction or 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 10.03% of the county's net assets is subject to external restrictions. The remainder, (\$8,592,313), is unrestricted. Unrestricted net assets may be negative when entities incur long-term liabilities which are not offset by corresponding assets - for example, when a county issues long-term bonds to finance non-county-road construction, or when it covers post-retirement benefits on a pay-as-you-go basis rather than advance-funding such costs in a trust account.

The county's net assets decreased by \$29,620,996 (23.08%) during the fiscal year ended September 30, 2010. Underlying revenues increased by \$15,925,039 (7.07%), while underlying expenses increased by \$16,801,199 (6.61%). This decrease in net assets indicates that, on a flow-of-economic-resources basis, current-year revenues were insufficient to pay current-year expenses.

Key factors in the revenue growth include:

- \$6.4 million in ad valorem taxes, resulting from an increase of \$0.05 in the tax rate, and
- \$7.1 million in total from two grants which are funding post-Hurricane Ike home elevation, rehabilitation, and buy-outs (corresponding, respectively, to the CDBG Housing Program and HMGP – Ike major special-revenue funds).

The key factor in the expense growth was \$12.4 million expended for work on roads which are not county assets.

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. These changes are presented in condensed format in the second table below.

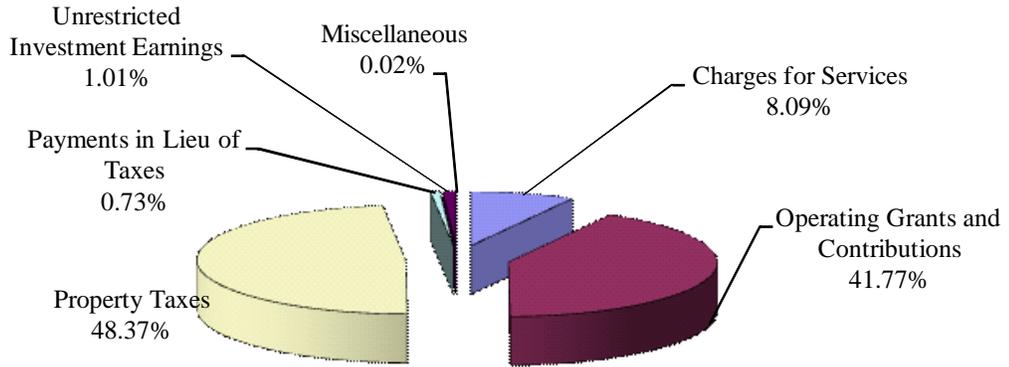
COUNTY OF GALVESTON, TEXAS
Net Assets

	<u>2010</u>	<u>2009</u>
Current and Other Assets	\$ 292,702,129	\$ 305,029,809
Capital Assets	252,176,036	248,165,799
Total Assets	<u>544,878,165</u>	<u>553,195,608</u>
Long-Term Liabilities Outstanding	371,600,519	376,867,988
Other Liabilities	74,553,329	47,982,307
Total Liabilities	<u>446,153,848</u>	<u>424,850,295</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	97,414,848	62,796,875
Restricted	9,901,782	19,822,433
Unrestricted	(8,592,313)	45,726,005
Total Net Assets	<u>\$ 98,724,317</u>	<u>\$ 128,345,313</u>

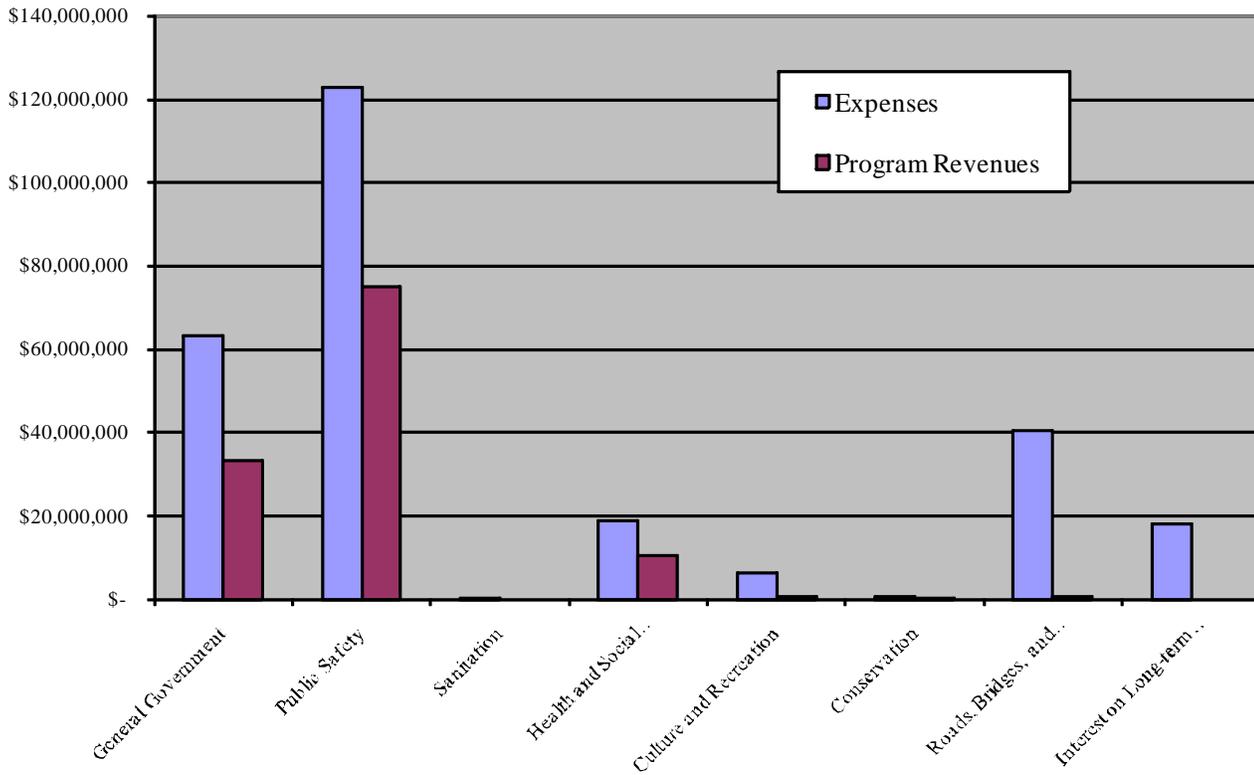
COUNTY OF GALVESTON, TEXAS
Changes in Net Assets

	<u>2010</u>	<u>2009</u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 19,505,769	\$ 18,775,344
Operating Grants and Contributions	100,735,391	89,943,272
Capital Grants and Contributions	72,877	734,339
General Revenues:		
Property Taxes	116,653,157	110,253,004
Payments in Lieu of Taxes	1,764,286	1,336,640
Unrestricted Investment Earnings	2,426,253	4,151,743
Miscellaneous	59,829	100,569
Other Financing Sources	2,388	-
Total Revenues	<u>241,219,950</u>	<u>225,294,911</u>
Expenses:		
General Government	63,394,338	59,079,881
Public Safety	122,789,615	134,746,249
Sanitation	97,099	6,900
Health and Social Services	18,756,848	17,454,999
Culture and Recreation	6,521,901	6,264,769
Conservation	546,310	535,046
Roads, Bridges, and Rights-of-way	40,389,886	24,289,635
Interest on Long-term Debt	18,344,949	11,662,268
Total Expenses	<u>270,840,946</u>	<u>254,039,747</u>
Increase (Decrease) in Net Assets	(29,620,996)	(28,744,836)
Net Assets - Beginning	128,345,313	157,090,149
Net Assets - Ending	<u>\$ 98,724,317</u>	<u>\$ 128,345,313</u>

Revenues By Source - Governmental Activities



Expenses and Program Revenues - Governmental Activities



Financial Analysis of the Government's Funds

The focus of the county's Governmental Funds is near-term resource inflows and outflows and the 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, 2010, the county's Governmental Funds reported a combined ending fund balance of \$216,068,020, a decrease of \$29,960,576 from September 30, 2009. Approximately 78% (\$167,758,250) of the fund balance 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 represents or is committed to pay for:

- restricted assets (\$2,305);
- encumbrances (\$37,323,711);
- inventory (\$630,057);
- prepaid expenditures (\$9,712);
- debt service (\$9,474,607); and
- Bolivar Peninsula user fees (\$869,378).

The General Fund is the county's chief operating fund. At September 30, 2010, the General Fund's unreserved fund balance totaled \$30,091,813; its total fund balance increased during the year then ended by \$519,580, to \$30,381,285. 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 30.3% and 30.6%, respectively, of its total expenditures for the fiscal year ended September 30, 2010.

The increase in the General Fund's unreserved fund balance is primarily due to a .08% increase in delinquent ad valorem tax collections and to the successful continued efforts of the County's departmental heads to reduce operating costs.

Two of the county's capital-projects funds qualified as major funds at September 30, 2010. The following are the amounts of their fund balances at that fiscal year-end and descriptions of their purposes:

- The Limited Tax County Building Bonds Series 2009B Capital Projects Fund has a fund balance of \$34,995,209. This fund was created in the fiscal year ended September 30, 2009, to account for the financial resources used to purchase, construct, reconstruct, improve and/or equip buildings or rooms for the housing of offices, courts, records or equipment, or for the conducting of other public business, and to pay for professional services rendered in connection with the aforementioned projects. These projects were funded by a dedicated bond issue.
- The Unlimited Tax Road Bonds Series 2009A Capital Projects Fund has a fund balance of \$55,751,927. This fund was created in the fiscal year ended September 30, 2009, to account for the financial resources used to construct, purchase, maintain and/or operate macadamized, graveled and paved roads and turnpikes, and to pay for professional services rendered in connection with the aforementioned projects. These projects were also funded by a dedicated bond issue.

The aggregate fund balance of the non-major capital-projects funds decreased by \$15,028,471 as expenditures continued on several park, building, and road projects with no new capital-destined bonded debt issued.

The aggregate fund balance of debt-service funds decreased by \$5,906,369 as no new debt was issued and scheduled principal payments were made timely.

The HMGP (“Hazard Mitigation Grant Program”) – Ike Special Revenue Grant Fund is a major fund with a fund balance at September 30, 2010, of \$0. This fund administers monies from the Federal Emergency Management Agency, via the Texas Department of Emergency Management, for buy-outs of, and elevation projects for, homes impacted by Hurricane Ike in September, 2008.

The CDBG (“Community Development Block Grant”) Housing Program Special Revenue Grant Fund is a major fund with a fund balance at September 30, 2010, of \$0. This fund provides financial assistance to “extremely low-,” “very low-,” and “low-income” households for the rehabilitation of homes, or for the construction of replacement homes, necessitated by Hurricanes Dolly and/or Ike in September, 2008.

The Disaster Recovery VI - Ike Special Revenue Grant Fund is a major fund with a fund balance at September 30, 2010, of \$0. This fund was created pursuant to a presidential disaster declaration awarded the county on September 10, 2008, three days before Hurricane Ike made landfall on Galveston Island. FEMA allocated funding for the approved recovery projects, which primarily involve remediation and reconstruction of county facilities.

The aggregate fund balance of the non-major special-revenue funds increased by \$10,777,710 largely due to an inter-fund transfer from the General Fund to the new Indigent Health Care Fund.

General Fund Budgetary Highlights

The final amended General Fund expenditures budget of \$108,980,840 was \$1,276,384 greater than the original budget of \$107,704,456. The increase was primarily due to:

- In the Facilities Department – a program transfer from the Legal Department, an increase in water costs, and a reclassification of electricity charges originally recorded to fiscal year 2011.
- In the Fleet Management Department – a reclassification of appropriations for gasoline from various county departments, pursuant to a decision of the Commissioners’ Court to centralize fuel costs.
- In the Sheriff’s Office – Career Path Program promotions for deputies completing educational training sanctioned by the Texas Commission on Law Enforcement Standards, and an unexpected increase in auto-maintenance costs.

During the year, both actual revenues and actual expenditures were less than final budgeted amounts by \$1,837,778 and \$9,778,643, respectively.

The negative variance in revenues is attributable in part to:

- a \$1.1 million agreement with another governmental agency to house inmates which was not implemented, and
- the receipt of fewer Justice of the Peace delinquent fees, which resulted from a time-consuming collection process.

The positive variance in expenditures is attributable in part to:

- a directive to county departmental heads to reduce spending by 10% of fiscal-year 2009 amounts;
- a \$1 million contract-services budget that was not needed; and
- an anticipated ad valorem tax refund that did not materialize.

Capital Asset and Debt Administration

Capital Assets

The county's investment in capital assets at September 30, 2010, net of accumulated depreciation, totaled \$252,176,036, a increase of \$4,010,237 (1.6%). Capital assets are classified as land, infrastructure, buildings and improvements, machinery and equipment, improvements other than buildings, construction in progress, and intangibles. The decrease in the investment in capital assets occurred largely in the infrastructure and buildings-and-improvements asset classes, the former due to roads damaged by Hurricane Ike, the latter due to depreciation, which is more than offset in many years by additions but not so in this fiscal year.

During the year, improvements to various county facilities continued. Completed was the therapeutic garden at Carbide Park, classified as construction-in-progress at last fiscal year-end. This project was transferred from the construction-in-progress to the improvements-other-than-buildings asset class. At September 30, 2010, construction in progress related to buildings, improvements other than buildings, and infrastructure totaled \$4,268,865, \$814,323, and \$1,557,467, respectively.

COUNTY OF GALVESTON, TEXAS Capital Assets (Net of Depreciation) At September 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Land	\$ 32,770,529	\$ 27,822,267
Infrastructure	64,714,095	64,667,593
Buildings and Improvements	135,131,736	138,749,133
Machinery and Equipment	12,166,926	12,574,251
Improvements Other than Buildings	752,095	803,661
Construction in Progress	6,640,655	3,548,894
Total	<u>\$ 252,176,036</u>	<u>\$ 248,165,799</u>

Additional information on the county's capital assets is found in Note III.C. to the Financial Statements on pages 66-67 of this report.

Debt Administration

At September 30, 2010, the county's outstanding bonded debt, including cumulative accretion, totaled \$370,180,713, comprising \$15,910,000 in certificates of obligation and \$354,270,713 in general obligation bonds, all of which is backed by the full faith and credit of the government.

GALVESTON COUNTY, TEXAS Bonded Debt Outstanding, Including Cumulative Accretion At September 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Certificates of Obligation	\$ 15,910,000	\$ 18,345,000
General Obligation Bonds	354,270,713	360,042,614
Total	<u>\$ 370,180,713</u>	<u>\$ 378,387,614</u>

The county's outstanding bonded debt decreased by 2.17% (\$8,206,901) net during the fiscal year ended September 30, 2010. Current-year accretion of capital-appreciation bonds added \$2,203,099 to the balance, but scheduled principal payments reduced it by \$10,410,000. With bond insurance, the county

maintains an “AA” rating from Fitch Ratings and an “Aa2” rating from Moody’s Investors Service, Inc., on 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 \$1,192,949,000, 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 \$5,354,023,250, which also significantly exceeds the amount of the county’s outstanding unlimited tax road bonds, including the cumulative accretion on capital-appreciation series.

Additional information concerning the county’s long-term debt can be found in Note III.F. to the Financial Statements on pages 70-73 of this report.

Next Year’s Budgets and Rates

During the fiscal year ended September 30, 2010, the General Fund’s unreserved fund balance increased to \$30,091,813. The county has appropriated \$22,464,818 of the General Fund unreserved fund balance in its expenditure budget for the fiscal year ending September 30, 2011. The county has also designated \$6,404,394 of the unreserved fund balance for technology, self-insurance, and other contingencies.

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.



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Basic Financial Statements

GALVESTON COUNTY, TEXAS
STATEMENT OF NET ASSETS
September 30, 2010

	<u>Governmental Activities</u>	<u>Component Unit</u>
ASSETS		
Cash and Cash Equivalents	\$ 252,775,636	\$ 6,192,863
Investments	-	91,248
Receivables (Net of Allowances for Uncollectibles):		
Interest	464	-
Taxes	11,308,892	-
Accounts and Other	22,675,016	3,344,066
Due from Others	30,736	-
Inventories	630,057	57,856
Prepaid Expenses	238,680	223,082
Deferred Charges	3,932,022	-
Restricted Assets:		
Cash and Cash Equivalents	1,110,626	-
Capital Assets (Net of Accumulated Depreciation):		
Land	32,770,529	-
Infrastructure	64,714,095	-
Buildings and Improvements	135,131,736	228,464
Machinery and Equipment	12,166,926	1,034,544
Improvements Other Than Buildings	752,095	1,079,458
Construction in Progress	6,640,655	-
Total assets	<u>544,878,165</u>	<u>12,251,581</u>
LIABILITIES		
Accounts Payable	31,096,307	1,161,406
Salaries Payable	2,878,353	-
Accrued Interest Payable	2,637,400	-
Retainage Payable	7,647,515	-
Estimated Liability - Claims and Judgements	2,749,500	-
Due to Others	1,247,267	213,555
Payable from Restricted Assets:		
Escrow Deposits	420,260	-
Unearned Revenues	9,755,817	2,110,821
Long-term liabilities:		
Due within one year	16,120,910	173,961
Due in more than one year	371,600,519	664,997
Total liabilities	<u>446,153,848</u>	<u>4,324,740</u>
NET ASSETS		
Invested in capital assets, net of related debt	97,414,848	2,005,280
Restricted for:		
Grants	328,759	-
Debt Service	7,863,807	-
Clinic Operations	-	2,675,207
Capital projects	1,709,216	-
Unrestricted	(8,592,313)	3,246,354
Total net assets	<u>\$ 98,724,317</u>	<u>\$ 7,926,841</u>

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, 2010

Functions/Programs Primary Government	Net (Expense) Revenue and Changes in Net Assets				
	Program Revenues		Primary Government		Component Unit
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental Activities					
General Government	\$ 63,394,338	\$ 16,332,019	\$ -	\$ (30,198,038)	\$ -
Public Safety	122,789,615	73,525,893	-	(47,627,707)	-
Sanitation	97,099	-	-	(97,099)	-
Health and Social Services	18,756,848	10,475,063	-	(8,281,785)	-
Culture and Recreation	6,521,901	341,196	72,877	(5,688,991)	-
Conservation	546,310	19,575	-	(526,735)	-
Roads, Bridges, and Rights-of-way	40,389,886	41,645	-	(39,761,605)	-
Interest on Long-term Debt	18,344,949	-	-	(18,344,949)	-
Total governmental activities	\$ 270,840,946	\$ 100,735,391	\$ 72,877	\$ (150,526,909)	\$ -
Component Unit					
Galveston County Health District	\$ 23,663,386	\$ 6,808,465	\$ -		\$ (7,941,723)
General revenues:					
Taxes:					
Property taxes, levied for general purposes				100,218,693	-
Property taxes, levied for debt service				16,434,464	-
Payments in lieu of taxes				1,764,286	-
Grants and contributions not restricted to specific programs				-	7,917,062
Unrestricted investment earnings				-	95,086
Miscellaneous				2,426,253	-
Other Financing Sources				59,829	-
Total general revenues and transfers				2,388	-
Change in net assets				120,905,913	8,012,148
Net assets - beginning				(29,620,996)	70,425
Net assets - ending				128,345,313	7,856,416
				\$ 98,724,317	\$ 7,926,841

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

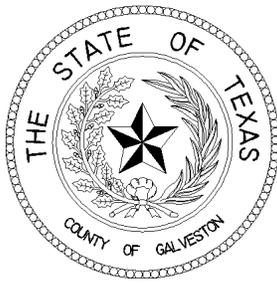
GALVESTON COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2010

	General	HMGP IKE	CDBG HOUSING PROGRAM	DISASTER RECOVERY VI IKE
ASSETS				
Cash and Cash Equivalents	\$ 25,293,044	\$ 9,484,292	\$ -	\$ 14,767,711
Investments	-			
Receivables (Net of Allowances for Uncollectibles):		-	-	
Interest	464	-	-	-
Taxes	9,208,165	-	-	-
Accounts and Other	4,422,017	1,748,187	5,900,946	5,177,420
Due from Other Funds	6,455,605	-	-	-
Inventory at Cost	-	-	-	-
Prepaid Expenditures	15,083	-	-	-
Restricted Assets:				
Cash and Cash Equivalents	205,222	-	-	-
Total assets	\$ 45,599,600	\$ 11,232,479	\$ 5,900,946	\$ 19,945,131
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 2,554,748	\$ 2,442,979	\$ 1,741,545	\$ 12,499,769
Salaries Payable	2,307,734	-	11,380	1,708
Compensated Absences Payable	763	-	-	-
Retainage Payable	3,655	-	-	7,388,503
Due to Others	827,801	52,784	-	2,242
Liabilities Payable from Restricted Assets:				
Escrow Deposits	-	-	-	-
Deposits - Held	205,222	-	-	-
Due to Other Funds	110,227	375,000	4,148,021	52,909
Deferred Revenues	9,208,165	8,361,716	-	-
Total liabilities	15,218,315	11,232,479	5,900,946	19,945,131
Fund Balances:				
Reserved for:				
Restricted Assets	-	-	-	-
Encumbrances	284,472	-	-	-
Inventory	-	-	-	-
Prepaid Expenditures	5,000	-	-	-
Debt Service	-	-	-	-
Bolivar Peninsula User Fees	-	-	-	-
Unreserved, Reported in:				
General Fund	30,091,813	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Total fund balances	30,381,285	-	-	-
Total liabilities and fund balances	\$ 45,599,600	\$ 11,232,479	\$ 5,900,946	\$ 19,945,131

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

(Continued)

Limited Tax County Building Bonds Series 2009B	Unlimited Tax Road Bonds Series 2009A	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ -	\$ 25,634,066	\$ 49,053,180	\$ 124,232,293
35,498,033	32,985,212	51,861,844	120,345,089
-	-	-	464
-	-	2,100,727	11,308,892
-	-	5,310,972	22,559,542
-	-	115,015	6,570,620
-	-	630,057	630,057
-	-	4,712	19,795
-	-	905,404	1,110,626
\$ 35,498,033	\$ 58,619,278	\$ 109,981,911	\$ 286,777,378
\$ 404,739	\$ 2,741,590	\$ 8,119,510	\$ 30,504,880
7,143	-	542,648	2,870,613
-	-	-	763
90,942	25,761	494,613	8,003,474
-	-	554,904	1,437,731
-	-	32,724	32,724
-	-	997	206,219
-	-	1,902,088	6,588,245
-	100,000	3,394,828	21,064,709
502,824	2,867,351	15,042,312	70,709,358
-	-	2,305	2,305
7,587,967	12,046,713	17,404,559	37,323,711
-	-	630,057	630,057
-	-	4,712	9,712
-	-	9,474,607	9,474,607
-	-	869,378	869,378
-	-	-	30,091,813
-	-	37,978,712	37,978,712
27,407,242	43,705,214	28,575,269	99,687,725
34,995,209	55,751,927	94,939,599	216,068,020
\$ 35,498,033	\$ 58,619,278	\$ 109,981,911	\$ 286,777,378



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GALVESTON COUNTY, TEXAS
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
September 30, 2010

Total fund balance, governmental funds \$ 216,068,020

Amounts reported for governmental activities in the Statement of Net Assets are different because:

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. 252,176,036

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. 3,932,022

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. 5,588,266

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, but are reported in the governmental activities of the Statement of Net Assets. These are as follows:

Bonds payable	(353,908,422)
Accumulated accretion on capital appreciation bonds	(16,272,291)
Community disaster loan payable	(5,000,000)
Compensated absences	(4,374,619)
Net OPEB Payable	(14,573,258)
Interest on long-term debt	(2,627,490)
Premiums on issuance of debt	2,583,954
Deferred loss on refunding	3,823,207

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. 11,308,892

Net assets of governmental activities in the Statement of Net Assets \$ 98,724,317

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
For the Year Ended September 30, 2010

	General	HMGP IKE	CDBG HOUSING PROGRAM	DISASTER RECOVERY VI IKE
REVENUES				
Taxes	\$ 95,374,561	\$ -	\$ -	\$ -
Licenses and Permits	59,941	-	-	-
Intergovernmental	5,755,776	31,074,736	9,036,155	30,112,316
Charges for Services	7,240,391	163,880	-	-
Fines and Forfeitures	2,499,460	-	-	-
Investment Earnings	1,471,366	-	-	-
Miscellaneous	5,062,369	-	-	455,862
Total revenues	117,463,864	31,238,616	9,036,155	30,568,178
EXPENDITURES				
Current:				
General Government	49,131,811	-	9,036,155	-
Public Safety	34,011,838	29,333,916	-	32,008,753
Sanitation	-	-	-	-
Health and Social Services	11,901,465	-	-	-
Culture and Recreation	2,583,458	-	-	-
Conservation	454,238	-	-	-
Roads, Bridges, and Rights-of-Way	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	1,119,387	1,904,700	-	22,292
Total expenditures	99,202,197	31,238,616	9,036,155	32,031,045
Excess (deficiency) of revenues over (under) expenditures	18,261,667	-	-	(1,462,867)
OTHER FINANCING SOURCES (USES)				
Transfers In	1,862,100	125,000	-	304,900
Transfers Out	(19,656,510)	(125,000)	-	(213,357)
Sale of Capital Assets	52,323	-	-	-
Total other financing sources (uses)	(17,742,087)	-	-	91,543
Net change in fund balances	519,580	-	-	(1,371,324)
Fund balances-beginning	29,861,705	-	-	1,371,324
Fund balances-ending	\$ 30,381,285	\$ -	\$ -	\$ -

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

(Continued)

Limited Tax County Building Bonds Series 2009B	Unlimited Tax Road Bonds Series 2009A	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ -	\$ -	\$ 22,746,759	\$ 118,121,320
-	-	2,366,367	2,426,308
-	-	23,664,826	99,643,809
-	-	2,826,697	10,230,968
-	-	827,543	3,327,003
79,865	140,679	834,354	2,526,264
796	1,321	1,474,632	6,994,980
<u>80,661</u>	<u>142,000</u>	<u>54,741,178</u>	<u>243,270,652</u>
220,548	-	1,926,572	60,315,086
-	-	13,400,358	108,754,865
-	-	97,798	97,798
-	-	5,439,899	17,341,364
-	-	591,031	3,174,489
-	-	-	454,238
-	10,705,567	27,266,839	37,972,406
-	-	10,410,000	10,410,000
-	-	14,202,392	14,202,392
4,105,692	4,142,556	6,143,450	17,438,077
<u>4,326,240</u>	<u>14,848,123</u>	<u>79,478,339</u>	<u>270,160,715</u>
<u>(4,245,579)</u>	<u>(14,706,123)</u>	<u>(24,737,161)</u>	<u>(26,890,063)</u>
-	-	19,620,072	21,912,072
-	-	(5,134,205)	(25,129,072)
-	-	94,164	146,487
-	-	14,580,031	(3,070,513)
<u>(4,245,579)</u>	<u>(14,706,123)</u>	<u>(10,157,130)</u>	<u>(29,960,576)</u>
<u>39,240,788</u>	<u>70,458,050</u>	<u>105,096,729</u>	<u>246,028,596</u>
<u>\$ 34,995,209</u>	<u>\$ 55,751,927</u>	<u>\$ 94,939,599</u>	<u>\$ 216,068,020</u>

GALVESTON COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2010

Net change in fund balances - total governmental funds: \$ (29,960,576)

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 depreciation of \$14,161,259 exceeded capital outlay of \$17,438,077 plus donated assets of \$817,456 in the current period. 4,094,273

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. (84,038)

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. (1,468,163)

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. 10,410,000

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	(1,169,818)
Compensated absences	(66,648)
Amortization of deferred charges	(769,640)
Other post employment benefits	(7,402,613)
Accretion of capital bond interest	(2,203,099)

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. (1,000,674)

Change in net assets of governmental activities \$ (29,620,996)

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

**GALVESTON COUNTY, TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2010**

	Governmental Activities - Internal Service Funds
ASSETS	
Current Assets:	
Investments	\$ 8,198,254
Receivables (Net of Allowances for Uncollectibles):	
Accounts and Other	115,474
Prepaid Items	218,885
Due from Other Funds	48,361
Total current assets	8,580,974
 LIABILITIES	
Current Liabilities:	
Accounts Payable	235,468
Salaries Payable	7,740
Estimated Liability - Claims	2,749,500
Total current liabilities	2,992,708
 NET ASSETS	
Unrestricted	5,588,266
Total net assets	\$ 5,588,266

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, 2010

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Intergovernmental	\$ 158,832
Charges for Services	11,108,452
Insurance Recovery - County	18,406
Reimbursements	548,613
Miscellaneous	48,468
Total operating revenues	11,882,771
OPERATING EXPENSES	
Personal Services	233,820
Contract Services	1,507,141
Insurance	3,476,328
Claims Paid	10,747,620
Miscellaneous	140,000
Total operating expenses	16,104,909
Operating income (loss)	(4,222,138)
NONOPERATING REVENUES (EXPENSES)	
Investment Earnings	4,464
Income (loss) before transfers	(4,217,674)
Transfers In	3,217,000
Change in net assets	(1,000,674)
Total net assets-beginning	6,588,940
Total net assets-ending	\$ 5,588,266

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, 2010**

	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Users	\$ 12,819,146
Payments to Suppliers	(5,897,333)
Payments to Employees	(233,679)
Payments for Claims	(9,977,224)
Other Operating Revenues	537,612
Net cash provided (used) by operating activities	(2,751,478)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in	3,217,000
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Investments	(8,198,254)
Matured Investments	7,728,268
Investment Earnings	4,464
Net cash provided (used) by investing activities	(465,522)
Net increase (decrease) in cash and cash equivalents	-
Cash and Cash Equivalents October 1, 2009	-
Cash and Cash Equivalents September 30, 2010	\$ -
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (4,222,138)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
(Increase) Decrease in Accounts Receivable	128,697
(Increase) Decrease in Prepaid Items	(14,693)
Increase (Decrease) in Accounts Payable	13,352
Increase (Decrease) in Salaries Payable	(1,985)
Increase (Decrease) in Due to Other Funds	-
Increase (Decrease) in Estimated Liability - Claims Payable	1,345,289
Total adjustments	1,470,660
Net cash provided (used) by operating activities	\$ (2,751,478)

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, 2010

	AGENCY FUNDS
ASSETS	
Investments	\$ 17,435,812
Receivables (Net of Allowances for Uncollectibles):	
Accounts and Other	42,299
Restricted Assets:	
Guardianship Assets	914,304
 Total assets	 \$ 18,392,415
 LIABILITIES	
Accounts Payable	\$ 116,041
Due to Others	11,619,897
Due to Other Entities	4,453,281
Due to Other Funds	30,736
Deposits Held	1,258,156
Deposits Held for Restricted Assets	914,304
 Total liabilities	 \$ 18,392,415

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

Galveston County, Texas
Notes to the Financial Statements
September 30, 2010

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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 related to public safety, sanitation, health and social services, culture and recreation, conservation, and the construction, improvement, maintenance, and acquisition of roads, bridges, and rights-of-way.

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 (“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.

2. Component units

The accompanying financial statements present information for the government as well as its *component units*. 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, Section 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 with 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 and the cities within it. The contract provides for an administrative board, the Galveston County United Board of Health, which sets policy and associated operating budgets for the public-health, pollution-control, animal, 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 for its discretely presented 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 are 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 last 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 Funds, and Fiduciary Funds financial statements are reported using the *economic resources measurement focus* (Agency Funds, one type of Fiduciary Fund, have no 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; their operating revenues 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.

Governmental Funds 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, compensated absences, and claims and judgments are recorded when due.

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 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 six major funds, all 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, sanitation, health and social services, culture and recreation, conservation, and capital outlay, in addition to funding general governmental administration.
- The "HMGP ('Hazard Mitigation Grant Program') – Ike" Special Revenue Grant Fund administers monies from the Federal Emergency Management Agency ("FEMA"), via the Texas Department of Emergency Management, for buy-outs of homes impacted by Hurricane Ike in September, 2008.
- The "CDBG ('Community Development Block Grant') Housing Program" Special Revenue Grant Fund provides financial assistance to "extremely low-," "very low-," and "low-income" households for the elevation and rehabilitation of homes, or for the construction of replacement homes, necessitated by Hurricanes Dolly and/or Ike in 2008.

- The “Disaster Recovery VI – Ike” Special Revenue Grant Fund was created pursuant to a presidential disaster declaration awarded the county on September 10, 2008, three days before Hurricane Ike made landfall on Galveston Island. FEMA allocated funding for the approved recovery projects, which primarily involve remediation and reconstruction of county facilities.
- The “Limited Tax County Building Bonds Series 2009B” Capital Projects Fund was created in the fiscal year ended September 30, 2009, to account for the financial resources used to purchase, construct, reconstruct, improve and/or equip buildings or rooms for the housing of offices, courts, records or equipment, or for the conducting of other public business, and to pay for professional services rendered in connection with the aforementioned projects. These projects were funded by a dedicated bond issue.
- The “Unlimited Tax Road Bonds Series 2009A” Capital Projects Fund was created in the fiscal year ended September 30, 2009, to account for the financial resources used to construct, purchase, maintain and/or operate macadamized, graveled and paved roads and turnpikes, and to pay for professional services rendered in connection with the aforementioned projects. These projects were also funded by a dedicated bond issue.

The government reports ninety-five 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 nine Agency Funds, and the monies for which they account, are the following:

- Payroll – a clearing fund for the county’s biweekly payroll expenses;
- Escrow – funds held in trust by the county or over which Commissioners’ Court might exercise general oversight;
- Children’s Protective Services – Social Security and child-support payments due to minors under the supervision of Children’s Protective Services;
- Inmate Deposits – personal funds used by inmates while in jail and withdrawn upon release;
- Appellate Judicial System Fees – fees collected to defray the operating costs of the Fourteenth District Court of Appeals;
- District Clerk Trust – registry funds in the custody of the District Clerk until court order determines their disposition;
- County Clerk Trust – registry funds in the custody of the County Clerk until court order determines their disposition;
- Tax Assessor-Collector Undistributed Collections – tax receipts awaiting distribution to the various entities for which the county collects tax levies;
- Debt Service Agency – money received from escrow agents of refunded bonds and paid to bondholders by the County Treasurer as paying agent.

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 original maturities of three months or less at 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.

In the fiscal year ended September 30, 2010, investment earnings of \$634,673 associated with other funds were reported as revenue in the General Fund.

Cash reported by the Health District consists of demand deposits held by financial institutions. These deposits are collateralized with securities held in the county's name. The Health District's investments were entirely invested in Texpool 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 2.7% 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" indicates 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 (\$205,222), and of the Child Welfare (\$997), Flood Control (\$2,305), Emergency Management (\$32,724), and Beach and Parks (\$869,378) Special Revenue Funds, is restricted by contract and by state law.

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 include land, construction in progress, buildings and improvements, improvements other than buildings, intangibles, and machinery and equipment. Capital assets 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 that it applies to other assets.

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

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

The cost of ongoing 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	7
Building components	10 to 40		
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; intangible assets	5		
Vehicles	3 to 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

An employee accrues vacation leave beginning on the six-month anniversary of date of employment, at rates which differ with tenure, until, at twenty-five years of service, two hundred hours (five weeks) of vacation leave are awarded each year. An employee may accumulate up to 150% of the 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 300 hours, according to policy adopted by the Commissioners' Court.

Sick Leave

An employee accrues sick leave beginning on the six-month anniversary of date of employment, at rates which differ according to tenure, 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, 2010 and 2009, the liabilities for compensated absences comprised the following:

	<u>2010</u>	<u>2009</u>
Earned, Unused Vacation Leave	\$ 3,555,745	\$ 3,457,732
Earned, Unused Sick Leave	818,874	859,673
Total	<u>\$ 4,374,619</u>	<u>\$ 4,317,405</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 Governmental Activities column in the Statement of Net Assets. Bond premiums, discounts, and issuance costs are deferred and amortized over the life of the bonds using the effective-interest method. Bonds payable are reported net of any applicable bond premium or discount.

In the Governmental Funds financial statements, bond premiums, discounts, and issuance costs are recognized in the current period. The face amount of debt issued and any related premiums are reported as other financing sources, while any related discounts are reported as other financing uses. Issuance costs, whether withheld from gross proceeds or separately disbursed, 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 management's tentative plans for the amounts, which are subject to change.

At September 30, 2010 and 2009, the county reported the following reservations and designations in its Governmental Funds:

	<u>2010</u>	<u>2009</u>		<u>2010</u>	<u>2009</u>
Reservations:			Designations:		
Restricted Assets	\$ 2,305	\$ 32,167	Special Lateral Roads (1)	-	384,785
Encumbrances	37,323,711	9,892,451	Indigent Defense (2)	1,392,394	1,392,394
Inventory	630,057	617,722	Self-insurance (2)	1,500,000	1,500,000
Prepaid Expenditures	9,712	9,090	Contingent Liability (2)	1,000,000	1,000,000
Debt Service	9,474,607	15,380,976	Disaster Protection (2)	2,500,000	2,500,000
Bolivar Peninsula			Capital Projects:		
User Fees	869,378	394,395	Major Funds(3)	71,112,456	130,255,715
Total Reservations	<u>\$ 48,309,770</u>	<u>\$ 26,326,801</u>	Non-Major Funds(4)	28,575,269	31,138,436
			Total Designations	<u>\$ 106,080,119</u>	<u>168,171,330</u>

1) Farm-to-Market Lateral Road Special Revenue Fund

2) General Fund

3) Capital Projects Funds - Major Funds -

 Limited Tax County Building Bonds Series 2009B: \$27,407,242

 Unlimited Tax Road Bonds Series 2009A: \$43,705,214

4) Capital Projects Funds - Non-Major Funds -

 County Capital Projects Fund: \$1,365,864

 Combination Tax and Revenue Certificates of Obligation Series 2003C: \$1,310,936

 Limited Tax Criminal Justice Center Bonds Series 2003A: \$85

 Road Bond Series 1987: \$539,152

 Unlimited Tax Road Bonds Series 2003B: \$6,005,452

 Unlimited Tax Road Bonds Series 2001: \$1,338,214

 Pass-Through Toll Revenue and Limited Tax Bonds Series 2007: \$2,863,329

 Galveston Causeway Railroad Bridge Project: \$114,285

 County Road and Bridge Projects: \$104,886

 Limited Tax Flood Control Bonds Series 2009C: \$13,962,273

 Galveston County Certificates of Obligation Series 2008: \$970,793

9. Comparative data/reclassifications

Comparative amounts 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, at the date of those financial statements and during the reporting period then ended, affect:

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

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 fund an expenditure/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, fifty-seven Special Revenue Funds (including all thirty-five grant funds), and all of the Debt Service Funds.

Twelve non-grant Special Revenue Funds either do not issue budgets, or issue budgets that are not adopted through, and are not under the oversight of, Commissioners' Court. They are as follows:

Adult Probation	Probate Court Contributions
Criminal Investigative Division Seizures Post-10/89	Sheriff Seizures Post-10/89
District Attorney Check Collection Fees	Sheriff's Commissary
District Attorney Contraband Post-10/89	Task Force Seizures Pre-10/89
Tax Assessor-Collector Special Inventory Tax Escrow	Election Services
Law Enforcement Continued Education	Unclaimed Property

The budgets of the District Attorney Check Collection Fees Fund, the District Attorney Contraband Post-10/89 Fund, and the Sheriff Seizures Post-10/89 Fund are "receive and file" court items only. The Elections Services Contract Fund, the Probate Court Contributions Fund and the Unclaimed Property Fund are under the jurisdictions of the County Clerk, the Probate Court Judge and the County Treasurer, respectively. The Law Enforcement Continued Education Fund and the Sheriff's Commissary Fund are governed by separate particular statutes and the county merely records and reports on their financial activity through its accounting system.

All of the Capital Projects Funds adopt project-length budgets.

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, meets with the department heads to discuss them, and 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., the degree of detail at which 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” such as Personal Services, Supplies, Other Services and Charges, Capital Outlay, and Debt Service.

In practice, budgetary control is even more strict than is required by the law because the county’s computerized accounting system has been configured to monitor expenditures at the above-noted major-class (rather than departmental) level. The Commissioners’ Court therefore must approve 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 that major class’s remaining budgeted funds, the accounting system will block the transaction, even though sufficient surplus might be present in another departmental major class. The department would request that the Commissioners’ Court amend the budgets of two expenditure major classes, to transfer surplus from one in order 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 re-appropriated and honored during the subsequent year.

B. Excess of Expenditures over Appropriations

For the year ended September 30, 2010, in the Sheriff’s Commissary and Task Force Seizures Pre-10/89, and Election Services Contract Special Revenue Funds, expenditures exceeded appropriations at the departmental level (the level of legal budgetary control) by \$222,784, \$6,232, and \$61,195 respectively.

C. Deficit Fund Equity

There are no fund-balance deficits at September 30, 2010.

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 seven sub-depositories: Amegy Bank, Bank of America, Chase Bank, Frost Bank, Prosperity Bank, Texas First Bank (its branches in Dickinson, Galveston, Hitchcock, Santa Fe, and Texas City), and Wells Fargo Bank. The county’s depository contracts with these institutions ensure the protection of the county’s deposits 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 four-year period that began October 1, 2007, and expires September 30, 2011.

Pledged securities must meet the criteria of the county’s depository contracts and applicable state law. As of September 30, 2010, custodians are the Federal Reserve Bank of Dallas, Texas, and Chase Securities, Inc., of Houston, Texas.

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, 2010, the carrying value of the county's deposits totaled \$125,342,919 and the related balances per banks totaled \$140,875,750. The carrying value of the deposits of the Galveston County Health District discretely presented component unit totaled \$6,192,863 and the related balances per banks totaled \$6,398,343 . The terms of the county's depository contract apply equally to the Health District, and the latter's deposits are therefore likewise secured by the insurance and/or pledged-securities collateral noted above.

Deposit custodial credit risk is the risk that, in the event of the financial failure of a depository, the county will not be able to recover deposits or collateral securities. The county would be exposed to this kind of risk if its deposits were not covered by depository insurance and were uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the county's name. The county's deposits at September 30, 2010, were secured by depository insurance or by collateral held by a third-party custodian in the county's name, and thus were not exposed to custodial credit risk.

Investments

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

Investments at September 30, 2010, consisted of: 1) certificates of deposit with original maturities of four months or greater at the date of acquisition; and 2) holdings in local government investment pools. The fair value of the county's investments totaled \$145,979,155. Investments are presented at amortized cost in accordance with *GASB Statement 31: Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

Schedule of Deposits and Investments at September 30, 2010

	Fair Value
Deposits:	
Demand Deposits	\$ 125,342,919
Investments:	
Certificates of Deposit	25,131,900
Local Government Investment Pools -	
MBIA	100,542
Texpool	8,689,691
TexTerm	112,056,831
Lone Star Investment Pool	191
Total Investments	145,979,155
Total Deposits and Investments	\$ 271,322,074

Credit Risk

State law and the county's investment policy limit investments in all categories to those most highly rated by nationally recognized statistical rating organizations. As of September 30, 2010, county investments had the following ratings:

Investment	Rating
Local Government Investment Pools:	
MBIA	AAAm
Texpool	AAA
TexTerm	AAAm
Lone Star Investment Pool	AAA

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates may adversely affect the value of investments. The county's investment policy limits the maturities of investments and encourages the holding of investments to maturity. In accordance with its investment policy, the county reduces its exposure to declines in fair value via the weighted-average maturities of its operating funds' investment portfolio. Unless matched to a specific cash flow or specifically authorized by the Commissioners' Court, the county will not directly invest in securities maturing more than thirty-six months from the date of purchase.

The county recognizes that investment risk can result from changes in interest rates, leading to changes in the fair values of the underlying instruments. Investment officers are expected to display prudence, discretion, and intelligence in the selection of securities to minimize such risk. County investments are selected so as to ensure the preservation of capital in the overall portfolio.

At September 30, 2010, county exposure to interest-rate risk as measured by portfolio weighted average to maturity is as summarized below:

Investment Type	Fair Value	Weighted Average to Maturity in Days ("WAM")
Certificates of Deposit	\$ 25,131,900	269.63
Local Government Investment Pools:		
MBIA	100,542	35.00
Texpool	8,689,691	28.00
TexTerm	112,056,831	52.00
Lone Star Investment Pool	191	62.00
	<u>\$ 145,979,155</u>	
Portfolio Weighted Average to Maturity		<u>88.03</u>

Concentration of Credit Risk

The county's investment policy requires the investment portfolio to be diversified with regard to investment instruments, maturities, and financial institutions to reduce the risk of loss resulting from the over-concentration of assets in a specific class of investments, specific maturities, or specific issuers. However, the county does not limit the amounts it may place in the investments of any one issuer.

At September 30, 2010, the composition of the county's investment portfolio was as follows:

Investment Type	Fair Value	Percentage of Total Portfolio
Certificates of Deposit	\$ 25,131,900	17.22%
Local Government Investment Pools -		
MBIA	100,542	0.07%
Texpool	8,689,691	5.95%
TexTerm	112,056,831	76.76%
Lone Star Investment Pool	191	0.00%
Total Investments	<u>\$ 145,979,155</u>	

MBIA and TexTerm are registered with the Securities and Exchange Commission, while the Texas State Comptroller of Public Accounts oversees Texpool. An eleven member board of trustees governs the Lone Star Investment Pool. The fair value of the county's position in Texpool is the same as the value of its pool shares.

At September 30, 2010, Galveston County's discretely presented component unit had 100% of its investment holdings in Texpool, totaling \$91,248.

B. Receivables

At September 30, 2010, receivables and related allowances for uncollectible accounts of the government’s individual major funds, and of its nonmajor Governmental Funds and Internal Service and Fiduciary Funds in their aggregates, are as follows (with summary comparative amounts at September 30, 2009):

	Taxes	Accounts and Other	Interest	Total Gross Receivables	Less Allowance for Uncollectibles	Total 2010	Total 2009
General Fund	\$ 9,852,756	\$ 4,422,017	\$ 464	\$14,275,237	\$ (644,591)	\$13,630,646	\$12,907,508
HMGP-Ike	-	1,748,187	-	1,748,187	-	1,748,187	-
CDBG Housing Program	-	5,900,946	-	5,900,946	-	5,900,946	-
Disaster Recovery-Ike	-	5,177,420	-	5,177,420	-	5,177,420	29,489,221
Nonmajor Governmental Funds	2,253,393	5,310,972	-	7,564,365	(152,666)	7,411,699	5,192,843
Internal Service	-	115,474	-	115,474	-	115,474	248,893
Fiduciary	-	42,299	-	42,299	-	42,299	-
Total Net Receivables	\$12,106,149	\$22,717,315	\$ 464	\$34,823,928	\$ (797,257)	\$34,026,671	\$47,838,465

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, 2010, the various components of deferred revenue reported in the Governmental Funds were as follows (with summary comparative amounts at September 30, 2009):

	Delinquent Property Tax Receivable	Grants	Other	Total 2010	Total 2009
General Fund	\$ 9,208,165	\$ -	\$ -	\$ 9,208,165	\$ 10,355,416
HMGP-Ike	-	8,361,716	-	8,361,716	-
Unlimited Tax Road Bonds Series 2009	-	-	100,000	100,000	100,000
Special Revenue Funds	563,529	785,164	508,937	1,857,630	2,886,164
Debt Service Funds	1,537,198	-	-	1,537,198	1,721,717
Total Deferred Revenue	\$ 11,308,892	\$ 9,146,880	\$ 608,937	\$ 21,064,709	\$ 15,063,297

C. Capital Assets

Primary government

Capital-asset activity for the year ended September 30, 2010, which related solely to governmental activities, was as follows:

<u>Primary Government</u>	Beginning Balance, 10/1/2009	Additions	Deletions	Ending Balance, 9/30/2010
Governmental Activities -				
Capital Assets Not Being Depreciated:				
Land	\$ 27,822,267	\$ 4,948,262	\$ -	\$ 32,770,529
Construction in Progress	3,548,894	9,884,784	(6,793,023)	6,640,655
Total Capital Assets Not Being Depreciated	<u>31,371,161</u>	<u>14,833,046</u>	<u>(6,793,023)</u>	<u>39,411,184</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	188,271,012	4,554,604	-	192,825,616
Improvements Other Than Buildings	1,321,254	-	-	1,321,254
Machinery and Equipment	32,502,544	2,793,352	(2,155,705)	33,140,191
Infrastructure	141,492,104	2,867,557	-	144,359,661
Total Capital Assets Being Depreciated	<u>363,586,914</u>	<u>10,215,513</u>	<u>(2,155,705)</u>	<u>371,646,722</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(49,521,879)	(8,172,001)	-	(57,693,880)
Improvements Other Than Buildings	(517,593)	(51,566)	-	(569,159)
Machinery and Equipment	(19,928,293)	(3,116,637)	2,071,665	(20,973,265)
Infrastructure	(76,824,511)	(2,821,055)	-	(79,645,566)
Total Accumulated Depreciation	<u>(146,792,276)</u>	<u>(14,161,259)</u>	<u>2,071,665</u>	<u>(158,881,870)</u>
Total Capital Assets Being Depreciated, Net	<u>216,794,638</u>	<u>(3,945,746)</u>	<u>(84,040)</u>	<u>212,764,852</u>
Governmental Activities Capital Assets, Net	<u>\$ 248,165,799</u>	<u>\$ 10,887,300</u>	<u>\$ (6,877,063)</u>	<u>\$ 252,176,036</u>

Depreciation expense for the primary government for the year ended September 30, 2010, which related solely to governmental activities, was charged to functions/programs as follows:

	<u>2010</u>	<u>2009</u>
General Government	\$ 5,410,696	\$ 5,421,522
Public Safety	6,065,751	6,144,090
Health and Social Services	1,838,777	155,161
Culture and Recreation	173,265	653,424
Conservation	658,333	11,156
Roads, Bridges, and Rights-of-way	14,437	2,176,330
Total Depreciation Expense	<u>\$ 14,161,259</u>	<u>\$ 14,561,683</u>

Capital projects of the primary government in progress at September 30, 2010, included building construction and renovations, park improvements, parking-lot improvements, major road improvements. At that date, construction commitments with contractors comprised the following:

<u>Project</u>	Amount		Remaining Commitment
	Authorized	Spent to Date	
Agricultural Extension Building at Carbide Park	\$ 2,411,241	\$ 660,828	\$ 1,750,413
Mid-County Annex	5,519,713	2,719,236	2,800,477
Records-Storage Building	225,000	175,735	49,265
Animal Resource Center	2,583,142	713,066	1,870,076
Washington Park Boat Ramp	430,578	229,235	201,343
County Precinct #1 Roads	243,930	126,036	117,894
County Precinct #2 Roads	859,600	528,259	331,341
Deats Road Improvements	265,093	154,472	110,621
Lawrence Road Improvements	434,734	282,360	152,374
Algoa-Friendswood Road	2,675,669	466,340	2,209,329
Jack Brooks Park Parking-Lot Improvements	1,777,376	585,088	1,192,288
Total	<u>\$ 17,426,076</u>	<u>\$ 6,640,655</u>	<u>\$ 10,785,421</u>

The Agricultural Extension Building at Carbide Park, the Mid-County Annex, the Records-Storage Building, the Animal Resource Center, all of the road projects, and the Jack Brooks Park parking-lot improvements are funded by long-term borrowings. The Washington Park Boat Ramp project is financed by the County's operating funds.

Component unit

Capital-asset activity for the Galveston County Health District for the year ended September 30, 2010, follows.

<u>Galveston County Health District</u>	Beginning			Ending Balance, 9/30/2010
	Balance, 10/1/2009	Additions	Deletions	
Capital Assets Being Depreciated:				
Buildings and Improvements	\$ 330,490	\$ 41,933	\$ 9,170	\$ 363,253
Furniture and Equipment	1,512,375	578,068	(25,050)	2,065,393
Vehicles	1,826,546	360,125	(300,707)	1,885,964
Total Capital Assets Being Depreciated	<u>3,669,411</u>	<u>980,126</u>	<u>(316,587)</u>	<u>4,314,610</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(77,924)	(66,035)	(9,170)	(134,789)
Furniture and Equipment	(762,606)	(293,292)	25,050	(1,030,848)
Vehicles	(804,599)	(302,615)	300,707	(806,507)
Total Accumulated Depreciation	<u>(1,645,129)</u>	<u>(661,942)</u>	<u>316,587</u>	<u>(1,972,144)</u>
Total Capital Assets, Net	<u>\$ 2,024,282</u>	<u>\$ 318,184</u>	<u>\$ -</u>	<u>\$ 2,342,466</u>

D. Inter-fund Receivables, Payables, and Transfers

Amounts due to/from funds of the county at September 30, 2010, are as follows (with summary comparative amounts at September 30, 2009):

<u>Payable Reported by:</u>	Nonmajor		Internal	Total	
	<u>General Fund</u>	<u>Governmental Funds</u>	<u>Service Funds</u>	<u>2010</u>	<u>2009</u>
General Fund	\$ -	\$ 110,227	\$ -	\$ 110,227	\$ 6,439,964
HMGP-Ike	375,000	-	-	375,000	-
CDBG Housing Program	4,148,021	-	-	4,148,021	-
Disaster Recovery VI-Ike	-	4,788	48,121	52,909	14,424,447
Nonmajor Governmental Funds	1,901,848	-	240	1,902,088	2,047,918
Agency Funds	30,736	-	-	30,736	30,736
Total	\$ 6,455,605	\$ 115,015	\$ 48,361	\$ 6,618,981	\$ 22,943,065

In the fund financial statements, inter-fund balances result from 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. The amounts payable to the General Fund are the result of year-end negative cash balances in the county’s grant funds.

Transfers among the Governmental and Internal Service Funds for the year ended September 30, 2010, are as follows (with summary comparative amounts for the year ended September 30, 2009):

	Transfers In						Total <u>2010</u>	Total <u>2009</u>
	General <u>Fund</u>	HMGP <u>Ike</u>	Disaster Recovery VI - <u>Ike</u>	Nonmajor Governmental <u>Funds</u>	Internal Service <u>Funds</u>			
<u>Transfers Out</u>								
General Fund	\$ -	\$125,000	\$ -	\$17,687,510	\$1,844,000	\$19,656,510	\$25,356,125	
HMGP Ike	125,000	-	-	-	-	125,000	-	
Disaster Recovery - Ike	-	-	-	213,357	-	213,357	3,550,000	
Nonmajor Governmental Funds	1,737,100	-	304,900	1,719,205	1,373,000	5,134,205	6,541,301	
Total Transfers Out	\$1,862,100	\$125,000	\$ 304,900	\$19,620,072	\$3,217,000	\$25,129,072	\$35,447,426	

Transfers are used: 1) to partially fund Internal Service and Special Revenue Funds’ operations, and 2) to finance activity for which the government must account in specific funds, in accordance with budgetary authorization – for example, subsidies, grant matches, and funding of state-mandated programs.

E. Leases

Operating Leases

Primary Government:

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, 2007. Several amendments to this agreement have resulted in a change from the original lease cost of \$71,439 per month to the current average lease cost of \$70,036 per month. The lease cost for the year ended September 30, 2010, was \$845,407. The future minimum payments for this lease are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2011	\$ 840,432
2012	630,323
Total	<u>\$ 1,470,755</u>

Component Unit:

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

With Mainland Children's Partnership, Inc. -

- for the Texas City 4C's medical and dental clinic – ten-year lease commenced September 1, 2006, with an option to renew for an additional five years; minimum lease payments total \$26,561 per month;
- for the Women's, Infants', and Children's ("WIC") Program – one-year lease commenced on July 25, 2010, and will terminate on August 31, 2011; includes an option to renew three times, with sixty days of advance notice; minimum lease payments total \$3,234 per month.

With the Galveston Housing Authority -

- for the Island Community Center – month-to-month lease commenced on December 1, 2008; minimum lease payments total \$11,475 per month;
- for the Island Community Center – five-year lease commenced August 1, 2006; minimum lease payments total \$14,161 per month;
- for the Island Community Center – five-year lease commenced April 1, 2007; minimum lease payments total \$1,882 per month.

With the EETCO Texas General Partnership -

- for space in Dickinson, Texas, for the WIC Program – five-year lease commenced March 1, 2004; minimum lease payments total \$3,846 per month.

With Dixie Partners –

- for space for the Immunization and the WIC Programs – ten-year lease commenced April 23, 2009; minimum lease payments total \$5,000 per month, plus monthly escrow of \$1,023 for tax, insurance, and maintenance costs.

With the Bacliff Volunteer Fire Department –

- for space for medical services – one-year lease commenced October 1, 2008, renewable annually and cancelable with 120 days of advance written notice; minimum lease payments total \$1,000 per month.

With the Hitchcock Volunteer Fire Department –

- to house one 24-hour 911 ambulance and crew and one 12-hour non-emergency ambulance and crew – one-year memorandum agreement commenced September 1, 2010, and can be terminated with thirty days of advance written notice; lease payments total \$650 per month.

In total, the Galveston County Health District incurred lease expenditures of \$781,141 and \$752,917 during the years ended September 30, 2010 and 2009, respectively. Future minimum lease payments for the next four years are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Amount</u>
2011	\$ 775,948
2012	414,300
2013	403,008
2014	403,008
Total	<u>\$ 1,996,264</u>

F. Long-term Debt

General-obligation debt

Primary Government

Note Payable -

On September 28, 2010, the county issued an uncollateralized note payable to the U.S. Department of Homeland Security under its Community Disaster Loan program. The note bears interest at 2.875% per annum and matures on June 18, 2014. Neither principal nor interest payments are required until maturity. The terms of the loan provide that if the recipient jurisdiction has not recovered sufficiently to meet its operating budget after three full fiscal years, repayment of all or part of the loan may be cancelled. The principal balance at September 30, 2010, was \$5,000,000, the full amount of the borrowing. Annual debt-service requirements to maturity, including principal and interest, are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Payments Due on</u> <u>Note Payable</u>
2010	\$ -
2011	-
2012	-
2013	-
2014	5,678,185
Total	<u>\$ 5,678,185</u>

Bonded Debt -

The county issues bonded debt:

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

The 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*.

Generally, debt-service payments on bonded debt are funded primarily by ad-valorem tax revenues. In these instances, 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 each outstanding bond issue.

An exception to this norm of debt-service funding by tax revenue is the Pass-Through Toll Revenue and Limited Tax Bonds Series 2007, issued to fund the expansion of a segment of the state highway system located in the county. State subsidies predicated on vehicular usage of the road are expected to reimburse the county for the large majority, if not all, of its debt service on this bond issue.

In September 2009 the county sold \$135 million of bonds for capital projects dedicated to facilities, roads, and flood control. All but \$5.8 million of this debt was issued under a new federal program titled "Build America Bonds," through which the county receives semiannual subsidies equal to 35% of the interest it pays on said bonds. In the fiscal year ended September 30, 2010, the county received \$1,918,017 in such subsidies.

No new general-obligation debt was issued in the fiscal year ended September 30, 2010; the amount of such debt issued in prior years totals \$401,498,939. Bond indentures prescribe various restrictions related to these obligations, with which the county believes that it is in compliance.

The principal of general-obligation bonded debt currently outstanding is as follows:

Purpose	Interest Rates	Total	Amount of Total That Is:	
			Capital-Related	Non-Capital Related
Governmental Activities	1.248-6.205 %	\$ 238,843,434	\$ 98,307,062	\$ 140,536,372
Governmental Activities - Refunding	3.5-5.5 %	115,064,988	105,530,000	9,534,988
		<u>\$ 353,908,422</u>	<u>\$ 203,837,062</u>	<u>\$ 150,071,360</u>

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

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 15,620,000	\$ 14,815,671
2012	16,539,988	15,029,259
2013	17,820,000	13,679,662
2014	17,060,000	13,001,519
2015	17,770,000	12,263,964
2016	18,580,000	11,455,797
2017	15,462,138	14,653,527
2018	15,732,087	14,336,625
2019	16,070,488	13,971,483
2020	16,584,273	13,563,086
2021	17,065,965	13,066,975
2022	17,591,822	12,514,182
2023	18,201,620	11,908,421
2024	18,855,406	11,235,614
2025	19,565,544	10,508,123
2026	20,349,091	9,717,013
2027	26,990,000	3,015,437
2028	28,275,000	1,739,458
2029	14,450,000	669,290
2030	2,600,000	191,187
2031	2,725,000	64,719
Total	<u>\$ 353,908,422</u>	<u>\$ 211,401,012</u>

Component Unit

Notes Payable -

The Galveston County Health District's balances of notes payable to banks at September 30, 2010, comprised the following:

- Note payable, collateralized by an ambulance, payable in monthly installments of \$4,700, bearing interest at 5.0% per annum, maturing in May 2012, balance \$85,527.
- Note payable, collateralized by an ambulance, payable in monthly installments of \$4,620, bearing interest at 5.0% per annum, maturing in December 2011, balance \$62,697.
- Note payable, collateralized by equipment, payable in monthly installments of \$1,997, bearing interest at 6.25% per annum, maturing in July 2011, balance \$17,557.
- Note payable bearing interest at 1.75% per annum, due September 30, 2014, un-forgiven balance \$155,000.

Annual debt-service requirements to maturity are as follows:

Year Ending September 30,	Maturities on Notes Payable
2011	\$ 50,636
2012	-
2013	-
2014	155,000
	<u>\$ 205,636</u>

Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2010, was as follows:

<u>Primary Government</u>	Beginning Balance, 10/1/2009	Additions	Reductions	Ending Balance, 9/30/2010	Due Within One Year
Note Payable:					
Community Disaster Loan	\$ 5,000,000	\$ -	\$ -	5,000,000	\$ -
Bonds Payable:					
General Obligation Bonds	364,318,422	-	10,410,000	353,908,422	15,620,000
Accumulated Accretion	14,069,192	2,203,099	-	16,272,291	-
Plus Deferred Amounts:					
Loss on Refundings	(4,448,672)	-	625,465	(3,823,207)	-
Issuance Premiums (Discounts)	(2,483,464)	-	100,490	(2,583,954)	-
Total Bonds Payable	371,455,478	2,203,099	11,135,955	363,773,552	15,620,000
Compensated Absences	4,317,405	432,900	375,686	4,374,619	500,910
Net OPEB Obligation	7,170,645	9,303,684	1,901,071	14,573,258	-
Governmental Activity					
Total Long-term Liabilities	<u>\$ 387,943,528</u>	<u>\$ 11,939,683</u>	<u>\$ 13,412,712</u>	<u>\$ 387,721,429</u>	<u>\$ 16,120,910</u>
<u>Component Unit</u>					
Notes Payable	\$ 125,051	\$ 367,425	\$ 171,695	\$ 320,781	\$ 123,961
Compensated Absences	550,351	-	32,174	518,177	50,000
Total Long-term Liabilities	<u>\$ 675,402</u>	<u>\$ 367,425</u>	<u>\$ 203,869</u>	<u>\$ 838,958</u>	<u>\$ 173,961</u>

A compensated-absences payable of \$763 is reflected as a current liability in the Governmental Funds Balance Sheet. The payment was due and payable by September 30, 2010. 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 if and to the extent that those funds lack sufficient monies.

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 these 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, 2010, are reported in compliance with *GASB Statement 10: Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* (“*GASB 10*”). *GASB 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 coverage for employee health claims is limited to \$150,000 per employee and covered dependent, to a maximum of \$10,586,787 in aggregate claims. A stop-loss policy with American Stop-Loss Insurance pays claims in excess of the individual \$150,000 limit to a maximum of \$1,000,000 in aggregate claims.

The county’s self-insurance coverage 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 (\$600,000 for maritime incidents), in excess of which the policy covers amounts up to \$1,000,000. The aggregate retention for all occurrences is \$2,348,594, in excess of which the policy covers amounts up to \$2,000,000.

The *GASB 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 fiscal years is as follows:

	Year Ended <u>09/30/2010</u>	Year Ended <u>09/30/2009</u>
Unpaid Claims, Beginning of Fiscal Year	\$ 2,749,500	\$ 2,749,500
Incurred (Including IBNR) Claims	9,977,224	10,125,627
Claim Payments	<u>(9,977,224)</u>	<u>(10,125,627)</u>
Unpaid Claims, End of Fiscal Year	<u>\$ 2,749,500</u>	<u>\$ 2,749,500</u>

B. Defeasance of Debt

The county sometimes issues refunding bonds to defease outstanding debt, in order to take advantage of more favorable interest rates, to improve cash flow, etc. Proceeds of the new debt issuances, sufficient to provide for all future debt-service payments for the defeased debt, are placed into irrevocable trusts. 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, 2010, \$96.085 million of bonds outstanding are considered defeased. In the aggregate, these refundings have resulted in a cumulative economic gain of \$3,350,840.

C. Arbitrage Compliance

Per Section 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 the issuance of tax-exempt debt in

order for the interest paid on those obligations to be tax-exempt income to 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 Section 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 are subject to yield restriction. A yield restriction may be satisfied by making yield-reduction payments pursuant to Treasury Regulation Section 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 Section 148(f) of the *Code*. The most recent calculations were made through December 31, 2010, 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 deemed legally incapable of obtaining those services for themselves. The Galveston County Probate Judge appoints 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, 2010 and 2009, Galveston County Department of Social Services employees were administering approximately \$914,304 as follows:

<u>Program</u>	<u>September 30, 2010</u>		<u>September 30, 2009</u>	
	<u>Number of Cases</u>	<u>Approximate Assets Administered</u>	<u>Number of Cases</u>	<u>Approximate Assets Administered</u>
Payee	50	\$ 118,730	71	\$ 106,781
Guardianship	78	795,574	74	1,370,307
Administration	-	-	1	100,000
Total	<u>128</u>	<u>\$ 914,304</u>	<u>146</u>	<u>\$ 1,577,088</u>

E. Contingent Liabilities

Amounts received or receivable through grants 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. Pending actions include suits for damages arising from an alleged violation of federal employment law based upon race by a former employee, from a termination in alleged violation of the Americans with Disabilities Act by a former employee, and from alleged unlawful conditions of confinement by multiple inmates at the county jail. Additionally, claims have been advanced by an institution for services it rendered to a citizen for which that institution asserts county liability, and by a former employee who has filed with the Equal Employment Opportunity Commission alleging discrimination based upon race.

Although the outcome of these 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. Deferred Compensation Plan

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

The county pays the entire cost of the disability-insurance and survivorship benefits. It contributes to the deferred-compensation benefit, and employees fund the remainder under provisions of Section 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 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, 2010 and 2009, consisted of the following:

	<u>2010</u>	<u>2009</u>
American United Life Accounts	\$ 57,677,854	\$ 52,384,551
Lincoln National Account	1,532,979	1,446,768
N.A.C.O. Account	2,934,277	2,875,632
Various Mutual Funds and Certificates of Deposit	-	327,519
Total Assets	<u>\$ 62,145,110</u>	<u>\$ 57,034,470</u>

G. Employee Retirement System and Pension Plan

Plan description

The county provides retirement, disability, and death benefits for full-time employees from an agent, multiple-employer, defined-benefit plan administered by the state-wide, public-employee Texas County and District Retirement System ("TCDRS"). TCDRS is governed by the TCDRS Board of Trustees and administers the pension plans of approximately 575 subdivisions. It issues in the aggregate, on a

calendar-year basis, a comprehensive annual financial report which is available upon request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

The TCDRS plan provisions are adopted by the participating employers' governing bodies, subject to the state's *TCDRS Act* (the "*Act*"). Employees qualify to retire:

- upon reaching sixty years of age and possessing eight years of service credit; or
- at any age and possessing thirty years of service credit; or
- when the sum of their years of age and their years of service credit totals seventy-five or more.

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 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 biweekly payroll deductions, the employee, and by interest earned thereon. The employer contribution rate was 9.84% for both of the fiscal years ended September 30, 2010 and 2009. The employee contribution rate was 7% for both of the calendar years ended December 31, 2010 and 2009.

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-contributed 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, 2010, the cost of the county's TCDRS pension plan as well as the county's required and actual contributions equaled \$5,520,947. 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, 2009 and 2008, which were the basis for determining the contribution rates for calendar years 2010 and 2009, respectively. The most recent actuarial valuation is that of December 31, 2010.

The required contribution was determined as part of the December 31, 2007, actuarial valuation using the entry-age actuarial cost method. The actuarial assumptions at December 31, 2007, included: (a) an 8.0% investment rate of return; (b) projected salary increases of 5.3%; and (c) no cost-of-living adjustment. Both (a) and (b) include an inflation component of 3.5%. The county's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at December 31, 2010, was 14.3 years.

Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, the actuarial value of plan assets as a percentage of the actuarial accrued liability (the "funded ratio") was 89.16%. The actuarial accrued

liability for benefits was \$176.5 million and the actuarial value of assets was \$157.3 million, resulting in an unfunded actuarial accrued liability (“UAAL”) of \$19.1 million. The annual covered payroll was \$54.6 million, and the ratio of the UAAL to the annual covered payroll was 35.03%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

<u>Actuarial Valuation Date</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>
Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Amortization Method	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed
Amortization Period in Years	12.6	14.3	2.8
Asset Valuation Method	SAF: 10-Yr. Smoothed Value; ESF: Fund Value	SAF: 10-Yr. Smoothed Value; ESF: Fund Value	SAF: 10-Yr. Smoothed Value; ESF: Fund Value
Actuarial Assumptions:			
Investment Return	8.0%	8.0%	8.0%
Projected Salary Increases	5.43%	5.3%	5.3%
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, 2010	\$ 5,520,947	100%	\$0
September 30, 2009	5,429,566	100%	0
September 30, 2008	5,046,015	100%	0

H. Other Post-employment Benefits (“OPEB”)

In June 2004, the Governmental Accounting Standards Board issued its Statement No. 45 (“GASB 45”) to create accounting standards for other post-employment benefits other than pensions, or “OPEB.” GASB 45 established rules for the financial reports of state and local governments regarding:

- the measurement, recognition and display of OPEB expenses/expenditures and related assets and liabilities;
- related note disclosures; and, if applicable,
- required supplementary information (“RSI”).

Galveston County implemented GASB 45 timely in its CAFR for the fiscal year ended September 30, 2009.

The county administers its own single-employer, defined-benefit OPEB plan for its former employees who retired after fulfilling the requirements therefor which are specified in the county’s pension plan and are discussed in Note G. The plan offers life, major-medical, prescription-drug, dental and vision insurance. Texas Local Government Code §157.101 assigns to the county commissioners court the authority to establish and amend the plan’s terms.

Plan activity is recorded in the county’s Group Insurance Internal Service Fund using the economic resources measurement focus and the accrual basis of accounting. Plan member and employer

contributions are recorded in the period in which the contributions are due, and benefits and refunds are recognized when due and payable. No comprehensive, stand-alone OPEB-plan financial report is produced, although the regular reports issued by the county's health-plan third-party administrator present much data about retiree benefits discretely from that presented for active employees.

Texas Local Government Code §157.102 assigns to the county commissioners' court the authority to establish and amend the obligations of plan members and of the county to contribute to the plan. The court reviews these amounts annually in comparison with recent claims experience, and adjusts them when it deems it necessary. The plan is currently financed on a pay-as-you-go basis.

Membership in the plan at September 30, 2010, comprised approximately 1,245 active members and 372 retirees. Of the 372 retirees, 139 were less than 65 years of age and 233 were age 65 or older. Retirees less than 65 years of age receive the same medical-plan insurance benefits as do active employees, but at age 65 the coverage is reduced to a supplement when the retirees become Medicare-eligible.

At September 30, 2010, required monthly contributions were as follows:

	Retirees Less Than 65 Years Of Age				County			
	Medical Plans		Dental	Vision	Medical Plans		Dental	Vision
	Option A	Option B			Option A	Option B		
Retiree Only	\$80	\$150	\$25	\$6	\$523	\$523	\$0	\$0
Retiree and Spouse	220	275	50	17	523	523	0	0
Retiree and Child(ren)	175	255	50	14	523	523	0	0
Retiree and Family	300	395	76	22	523	523	0	0

	Retirees 65 Years Of Age Or Older				County			
	Medical Plans		Dental	Vision	Medical Plans		Dental	Vision
	Option A	Option B			Option A	Option B		
Retiree Only	\$0	N/A	\$25	\$6	\$179	N/A	\$0	\$0
Retiree and Spouse	110	N/A	50	17	179	N/A	0	0
Retiree and Child(ren)	96	N/A	50	14	179	N/A	0	0
Retiree and Family	195	N/A	76	22	179	N/A	0	0

The components of the OPEB cost for the fiscal year ended September 30, 2010, are as follows:

Annual Required Contribution ("ARC")	\$ 9,279,964
Add: Interest on Net OPEB Obligation	322,679
Less: Adjustment to the ARC	(298,959)
Annual OPEB Cost (a)	9,303,684
Less: Estimated Net Employer Contributions (b)	(1,901,071)
Increase in Net OPEB Obligation	7,402,613
Net OPEB Obligation, Beginning of Year	7,170,645
Net OPEB Obligation, End of Year	\$ 14,573,258

The percentage of the annual OPEB cost contributed ((b)/(a) in the above table) was 20.43%.

Data on the funded status of the plan at September 30, 2010, is as follows:

Actuarial Valuation Date - September 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability ("AAL") (b)	Total Unfunded AAL ("UAAL") [=(b)-(a)] (c)	Funded Ratio [=(a)/(b)]	Annual Covered Payroll (d)	Ratio of UAAL to Annual Covered Payroll [=(b)-(a)/(d)]
2009	\$ -	\$ 100,273,986	\$ 100,273,986	0%	\$ 42,331,484	236.8780%

Actuarial methods and assumptions

Actuarial valuations involve estimates based upon reported amounts and assumptions about the probability of events for many years ahead. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made for the future.

The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information showing how the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation, and on the pattern of sharing of costs between the employer and plan members to that point.

Actuarial calculations reflect a long-term perspective. Consistent with that perspective, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in the actuarial value of plan assets and accrued liabilities.

The valuation required that the county and actuary make certain assumptions regarding items such as rates of employee turnover, retirement and mortality, as well as economic assumptions regarding trends of health-care costs and interest rates.

In the valuation performed as of September 30, 2007, the “projected unit credit” actuarial cost method was used. Assets held by the plan will be valued actuarially at those assets’ reported market values. The assumed inflation rate is 3% per year. The assumed investment rate of return is 4.5% per year, compounded annually and net of investment expenses. The actuarial calculations assumed no increase in postretirement benefits.

Salaries were assumed to increase by 3% per year due to general wage inflation. Additional increases were assumed for merit and longevity; these ranged from a high of 5.25% for new hires less than 30 years of age to a low of 0.25% for employees in higher age brackets and with more years of service. The payroll growth rate for financing unfunded actuarial accrued liabilities was assumed to be 3% per year.

The assumed rates of increase for health-care costs ranged from an initial 9% to an ultimate 4.5% after nine years.

The amortization method and period are “level as a percentage of employee payroll” and thirty years-open, respectively.

I. Related-Party Transactions

A county commissioner is the owner of the title company that processes the settlements of the HMGP-Ike Special Revenue Fund buy-outs. In the fiscal year ended September 30, 2010, that title company earned revenues of \$239,314 from those settlements. The commissioner abstains from voting on all agenda items that involve the buy-out program and that could entail a conflict of interest.

J. Subsequent Events

Claims and Judgments

Pursuant to an agreement reached early in calendar-year 2009 with a major industrial real-property owner, the county committed to refunding overpaid ad valorem taxes of \$1,078,454.07 with an initial payment of \$20,787.35 and four subsequent annual payments of \$264,416.68 each. The initial payment was made in May, 2009, and two of the remaining four equal annual payments have since been disbursed timely. All of the payments will be funded by tax revenues.

Tax Increment Reinvestment Zone (“TIRZ”) Number 12

On March 8, 2011, the Commissioners’ Court authorized the submission of a claim in the amount of \$5,912,592 for reimbursement of development costs the county incurred in the years 2002 through 2007 in the City of Galveston Tax Increment Reinvestment Zone (“TIRZ”) Number 12. This TIRZ, also referred to as the “North Broadway TIRZ,” includes the Galveston County Justice Center, the completion of which in the spring of 2007 was expected to spur significant economic development in the area. Due at least in part to Hurricane Ike, which devastated the Island one and one-half years later, these expectations of TIRZ Number 12 development remain largely unmet, and the timing of the collection of the claim is thus uncertain.



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Required Supplementary Information

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2010

	Original Budget	Final Budget	Actual	Variance, Actual from Final Budget Positive (Negative)	Actual Prior Year
REVENUES					
Taxes	\$ 94,349,352	\$ 94,349,352	\$ 95,374,561	\$ 1,025,209	\$ 91,080,526
Licenses and Permits	53,500	53,500	59,941	6,441	58,927
Intergovernmental	6,491,900	6,684,100	5,755,776	(928,324)	5,174,795
Charges for Services	7,389,915	7,496,015	7,240,391	(255,624)	6,737,653
Fines and Forfeitures	4,582,500	4,582,500	2,499,460	(2,083,040)	2,573,082
Investment	2,067,500	2,067,500	1,471,366	(596,134)	2,414,588
Miscellaneous	3,570,425	4,068,675	5,062,369	993,694	3,894,041
Total revenues	118,505,092	119,301,642	117,463,864	(1,837,778)	111,933,612
EXPENDITURES					
General government					
General Government	6,693,309	6,299,467	4,064,482	2,234,985	4,206,350
County Judge and Commissioners' Court	328,500	328,500	314,943	13,557	313,244
Commissioners' Court	758,400	758,400	732,488	25,912	724,969
County Clerk	3,081,400	3,186,800	2,809,972	376,828	3,079,766
War Veterans Office	100,100	103,400	99,947	3,453	99,818
Bail Bond Board	700	700	244	456	-
Justice Administration	3,301,800	3,235,300	3,229,872	5,428	3,094,027
10th District Court	184,800	184,800	180,716	4,084	177,906
56th District Court	171,800	171,800	167,976	3,824	165,093
122nd District Court	222,100	222,100	217,260	4,840	213,317
212th District Court	169,300	169,300	165,533	3,767	162,674
306th District Court	181,600	181,600	177,662	3,938	174,632
405th District Court	184,800	184,800	179,936	4,864	176,374
County Court #1	561,900	561,900	530,395	31,505	548,744
County Court #2	549,900	549,900	523,510	26,390	540,191
Probate Court	696,500	696,500	634,990	61,510	618,265
County Court #3	517,700	517,700	483,097	34,603	495,519
Justice Court Precinct #1	207,300	214,300	168,175	46,125	161,652
Justice Court Precinct #2	173,500	173,500	168,730	4,770	166,486
Justice Court Precinct #3	291,900	291,900	275,913	15,987	242,086
Justice Court Precinct #4	301,000	306,700	297,859	8,841	268,039
Justice Court Precinct #5	263,600	263,600	257,607	5,993	234,760
Justice Court Precinct #6	251,000	251,000	207,241	43,759	205,373
Justice Court Precinct #7	260,300	260,300	252,115	8,185	247,437
Justice Court Precinct #8-1	329,300	330,300	315,132	15,168	294,747
Justice Court Precinct #8-2	206,300	206,300	199,772	6,528	197,663
Jury and Trial Expense	75,600	75,600	50,443	25,157	37,845
District Clerk	3,267,000	3,374,500	2,923,879	450,621	2,901,285
District Attorney	5,836,000	5,826,400	5,294,201	532,199	5,114,829
Pre-Trial Release	399,600	399,600	377,557	22,043	377,581
County Auditor	2,583,500	2,583,500	2,378,666	204,834	2,215,141
Director of Finance/Administration/Budget Officer	763,600	780,400	726,712	53,688	605,094
County Tax Assessor-Collector	2,584,800	2,611,800	2,472,001	139,799	2,520,961
County Treasurer	514,800	514,800	467,498	47,302	484,828
Purchasing Agent	588,200	588,200	534,042	54,158	639,181
Legal Department	862,900	763,400	718,517	44,883	792,361
Human Resources	502,200	459,300	418,210	41,090	498,164
Information Technology	9,264,000	9,269,000	8,121,969	1,147,031	9,205,704
Facilities Services	6,142,167	6,773,567	6,722,125	51,442	6,399,929
Fleet Management	52,000	742,700	600,077	142,623	-
County Engineer	1,222,441	906,441	670,347	236,094	594,108
Total general government	54,647,617	55,320,075	49,131,811	6,188,264	49,196,143

(Continued)

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended September 30, 2010

	Original Budget	Final Budget	Actual	Variance, Actual from Final Budget Positive (Negative)	Actual Prior Year
Public safety					
Sheriff's Office	\$ 31,336,466	\$ 31,979,266	\$ 30,591,059	\$ 1,388,207	\$ 28,793,745
Constable Precinct #1	267,400	269,000	261,905	7,095	256,163
Constable Precinct #2	265,900	265,900	257,526	8,374	256,108
Constable Precinct #3	366,600	366,600	355,676	10,924	349,209
Constable Precinct #4	288,100	288,100	270,939	17,161	295,725
Constable Precinct #5	279,600	279,600	273,147	6,453	269,726
Constable Precinct #6	218,400	218,400	213,093	5,307	209,897
Constable Precinct #7	472,800	472,800	434,798	38,002	469,816
Constable Precinct #8	529,600	546,600	448,477	98,123	445,165
Emergency Management	1,089,596	1,134,046	905,218	228,828	891,575
Total public safety	<u>35,114,462</u>	<u>35,820,312</u>	<u>34,011,838</u>	<u>1,808,474</u>	<u>32,237,129</u>
Health and social services					
Community Services	3,726,500	3,589,242	3,388,609	200,633	3,431,579
Social Services	997,400	1,007,400	908,243	99,157	1,000,694
Senior Citizens	879,273	858,473	703,820	154,653	607,620
Public Health	6,915,200	6,900,794	6,900,793	1	6,904,152
Total health and social services	<u>12,518,373</u>	<u>12,355,909</u>	<u>11,901,465</u>	<u>454,444</u>	<u>11,944,045</u>
Culture and recreation					
Galveston County Museum	-	160,100	146,813	13,287	-
Beach and Parks Department	2,972,386	2,785,086	2,436,645	348,441	2,452,411
Total Culture and recreation	<u>2,972,386</u>	<u>2,945,186</u>	<u>2,583,458</u>	<u>361,728</u>	<u>2,452,411</u>
Conservation					
County Extension Service	491,700	491,600	454,238	37,362	436,805
Capital outlay					
Buildings and Improvement	166,197	182,297	-	182,297	238,290
Improvements Other Than Buildings	367,779	422,479	257,759	164,720	214,415
Machinery and Equipment	445,565	445,565	118,107	327,458	170,222
Vehicles	728,350	726,996	586,040	140,956	401,004
Technology	252,027	270,421	157,481	112,940	49,788
Total capital outlay	<u>1,959,918</u>	<u>2,047,758</u>	<u>1,119,387</u>	<u>928,371</u>	<u>1,073,719</u>
Total expenditures	<u>107,704,456</u>	<u>108,980,840</u>	<u>99,202,197</u>	<u>9,778,643</u>	<u>97,340,252</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,800,636</u>	<u>10,320,802</u>	<u>18,261,667</u>	<u>7,940,865</u>	<u>14,593,360</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	2,275,400	1,862,100	1,862,100	-	7,981,300
Transfers Out	(18,883,800)	(20,031,510)	(19,656,510)	375,000	(25,356,125)
Sale of Capital Assets	120,000	120,000	52,323	(67,677)	55,110
Face Value - Long Term Debt Issued	-	-	-	-	5,000,000
Transfers and Reserves	(20,203,800)	-	-	-	-
Total other financing sources (uses)	<u>(36,692,200)</u>	<u>(18,049,410)</u>	<u>(17,742,087)</u>	<u>307,323</u>	<u>(12,319,715)</u>
Net change in fund balances	<u>(25,891,564)</u>	<u>(7,728,608)</u>	<u>519,580</u>	<u>8,248,188</u>	<u>2,273,645</u>
Fund balances-beginning	<u>29,861,705</u>	<u>29,861,705</u>	<u>29,861,705</u>	<u>-</u>	<u>27,588,060</u>
Fund balances-ending	<u>\$ 3,970,141</u>	<u>\$ 22,133,097</u>	<u>\$ 30,381,285</u>	<u>\$ 8,248,188</u>	<u>\$ 29,861,705</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HMGP - IKE SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>			Variance with Final Budget - Positive (Negative)	2009 Actual
	Original Budget	Final Budgeted Amounts	Actual Amounts		
REVENUES					
Intergovernmental	\$ 102,452,559	\$ 102,452,559	\$ 31,074,736	\$ (71,377,823)	\$ 313,701
Charges for Services	33,813,753	33,813,753	163,880	(33,649,873)	-
Total revenues	<u>136,266,312</u>	<u>136,266,312</u>	<u>31,238,616</u>	<u>(105,027,696)</u>	<u>313,701</u>
EXPENDITURES					
Public Safety:					
Current:					
Personal Services	16,041	16,041	2,970	13,071	-
Other Services and Charges	136,625,271	134,720,571	29,330,946	105,389,625	313,701
Total Public Safety:	<u>136,641,312</u>	<u>134,736,612</u>	<u>29,333,916</u>	<u>105,402,696</u>	<u>313,701</u>
Capital Outlay	-	1,904,700	1,904,700	-	-
Total expenditures	<u>136,641,312</u>	<u>136,641,312</u>	<u>31,238,616</u>	<u>105,402,696</u>	<u>313,701</u>
Excess (deficiency) of revenues over (under) expenditures	(375,000)	(375,000)	-	375,000	-
OTHER FINANCING SOURCES (USES)					
Transfers In	500,000	500,000	125,000	(375,000)	-
Transfers Out	(125,000)	(125,000)	(125,000)	-	-
Total other financing sources (uses)	<u>375,000</u>	<u>375,000</u>	<u>-</u>	<u>(375,000)</u>	<u>-</u>
Net change in fund balances	-	-	-	-	-
Fund balances-beginning	-	-	-	-	-
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CDBG HOUSING PROGRAM SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>			Variance with Final Budget - Positive (Negative)	2009 Actual
	Original Budget	Final Budgeted Amounts	Actual Amounts		
REVENUES					
Intergovernmental	\$ 99,503,498	\$ 99,503,498	\$ 9,036,155	\$ (90,467,343)	\$ -
EXPENDITURES					
General Government:					
Current:					
Personal Services	1,789,000	1,789,000	342,283	1,446,717	-
Supplies	59,000	59,000	26,409	32,591	-
Other Services and Charges	255,056	255,056	78,644	176,412	-
Intergovernmental	97,400,442	97,400,442	8,588,819	88,811,623	-
Total expenditures	<u>99,503,498</u>	<u>99,503,498</u>	<u>9,036,155</u>	<u>90,467,343</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Fund balances-beginning	-	-	-	-	-
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DISASTER RECOVERY VI - IKE SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>			Variance with Final Budget - Positive (Negative)	2009 Actual
	Original Budget	Final Budgeted Amounts	Actual Amounts		
REVENUES					
Intergovernmental	\$ 15,042,445	\$ 60,219,386	\$ 30,112,316	\$ (30,107,070)	\$ 69,818,262
Miscellaneous	3,199,915	1,125,688	455,862	(669,826)	249,342
Total revenues	<u>18,242,360</u>	<u>61,345,074</u>	<u>30,568,178</u>	<u>(30,776,896)</u>	<u>70,067,604</u>
EXPENDITURES					
Public Safety:					
Current:					
Personal Services	212,430	457,052	1,228,011	(770,959)	855,970
Supplies	6,945,324	1,264,264	305,188	959,076	774,677
Other Services and Charges	14,406,750	60,426,847	30,475,554	29,951,293	76,299,518
Total Public Safety:	<u>21,564,504</u>	<u>62,148,163</u>	<u>32,008,753</u>	<u>30,139,410</u>	<u>77,930,165</u>
Capital Outlay	<u>10,524</u>	<u>2,139,091</u>	<u>22,292</u>	<u>2,116,799</u>	<u>267,570</u>
Total expenditures	<u>21,575,028</u>	<u>64,287,254</u>	<u>32,031,045</u>	<u>32,256,209</u>	<u>78,197,735</u>
Excess (deficiency) of revenues over (under) expenditures	(3,332,668)	(2,942,180)	(1,462,867)	1,479,313	(8,130,131)
OTHER FINANCING SOURCES (USES)					
Transfers In	1,501,662	1,501,662	304,900	(1,196,762)	5,000,000
Transfers Out	(213,357)	(213,357)	(213,357)	-	(3,550,000)
Insurance Recovery Proceeds	<u>665,718</u>	<u>679,065</u>	<u>-</u>	<u>(679,065)</u>	<u>230,817</u>
Total other financing sources (uses)	<u>1,954,023</u>	<u>1,967,370</u>	<u>91,543</u>	<u>(1,875,827)</u>	<u>1,680,817</u>
Net change in fund balances	(1,378,645)	(974,810)	(1,371,324)	(396,514)	(6,449,314)
Fund balances-beginning	<u>1,371,324</u>	<u>1,371,324</u>	<u>1,371,324</u>	<u>-</u>	<u>7,820,638</u>
Fund balances-ending	<u><u>\$ (7,321)</u></u>	<u><u>\$ 396,514</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (396,514)</u></u>	<u><u>\$ 1,371,324</u></u>

Galveston County, Texas
Notes to the Required Supplementary Information
For the Year Ended September 30, 2010

Budgetary Basis of Accounting

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

Galveston County, Texas
Schedule of Funding Progress
Retirement Plan for the Employees of Galveston County, Texas
September 30, 2010

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
12/31/2007	\$ 158,508,872	\$ 163,868,803	\$ 5,359,931	96.73%	\$ 47,534,162	11.28%
12/31/2008	157,316,257	176,451,887	19,135,630	89.16	54,622,846	35.03
12/31/2009	174,780,231	192,062,820	17,282,589	91.00	55,288,272	31.26

Galveston County, Texas
 Schedule of Funding Progress
 Other Post-Employment Benefits Plan for the Employees of Galveston County, Texas
 September 30, 2010

Actuarial Valuation Date - September 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability ("AAL") (b)	Total Unfunded AAL ("UAAL") [=(b)-(a)] (c)	Funded Ratio [=(a)/(b)]	Annual Covered Payroll (d)	Ratio of UAAL to Annual Covered Payroll [=(b)-(a)/(d)]
2009	\$ -	\$ 100,273,986	\$ 100,273,986	0%	\$ 42,331,484	236.8780%



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Nonmajor Governmental Funds



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GOVERNMENTAL FUNDS

Governmental Funds consist of:

The General Fund

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

Special Revenue Funds

Special Revenue Funds account for specific revenues that are legally restricted to expenditure for particular purposes. The Disaster Recovery IV – Ike, HMGP (Hazard Mitigation Grant Program) – Ike, and the CDBG (Community Development Block Grant) Housing Program Special Revenue Grant Funds qualify as a major funds and are thus presented in the Basic Financial Statements of this report.

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 account for the acquisition or construction of major capital facilities other than those financed by Proprietary and Trust Funds. The Limited Tax County Building Bonds Series 2009B and the Unlimited Tax Road Bonds Series 2009A Capital Projects Funds qualify as major funds and are thus presented in the Basic Financial Statements of this report.

**GALVESTON COUNTY, TEXAS
COMBINED BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2010**

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
ASSETS				
Cash and Cash Equivalents	\$ 41,087,386	\$ -	\$ 7,965,794	\$ 49,053,180
Investments	-	9,582,023	42,279,821	51,861,844
Receivables (Net of Allowances for Uncollectibles):				
Taxes	563,525	1,537,202	-	2,100,727
Accounts and Other	1,869,066	9,825	3,432,081	5,310,972
Due from Other Funds	115,015	-	-	115,015
Inventory at Cost	630,057	-	-	630,057
Prepaid Expenditures	4,712	-	-	4,712
Restricted Assets:				
Cash and Cash Equivalents	905,404	-	-	905,404
Total assets	<u>\$ 45,175,165</u>	<u>\$ 11,129,050</u>	<u>\$ 53,677,696</u>	<u>\$ 109,981,911</u>
LIABILITIES				
Accounts Payable	\$ 854,407	\$ -	\$ 7,265,103	\$ 8,119,510
Salaries Payable	542,648	-	-	542,648
Retainage Payable	-	-	494,613	494,613
Due to Others	437,659	117,245	-	554,904
Payable from Restricted Assets:				
Escrow Deposits	32,724	-	-	32,724
Deposits - Held	997	-	-	997
Due to Other Funds	1,902,088	-	-	1,902,088
Deferred Revenues	1,857,630	1,537,198	-	3,394,828
Total liabilities	<u>5,628,153</u>	<u>1,654,443</u>	<u>7,759,716</u>	<u>15,042,312</u>
FUND BALANCES				
Reserved:				
Restricted Assets	2,305	-	-	2,305
Encumbrances	61,848	-	17,342,711	17,404,559
Inventory	630,057	-	-	630,057
Prepaid Expenditures	4,712	-	-	4,712
Debt Service	-	9,474,607	-	9,474,607
Bolivar Peninsula User Fee	869,378	-	-	869,378
Unreserved:				
Designated:				
Capital Projects	-	-	28,575,269	28,575,269
Undesignated	37,978,712	-	-	37,978,712
Total fund balances	<u>39,547,012</u>	<u>9,474,607</u>	<u>45,917,980</u>	<u>94,939,599</u>
Total liabilities and fund balances	<u>\$ 45,175,165</u>	<u>\$ 11,129,050</u>	<u>\$ 53,677,696</u>	<u>\$ 109,981,911</u>

**GALVESTON COUNTY, TEXAS
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2010**

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES				
Taxes	\$ 6,127,780	\$ 16,618,979	\$ -	\$ 22,746,759
Licenses and Permits	2,366,367	-	-	2,366,367
Intergovernmental	11,359,553	1,918,017	10,387,256	23,664,826
Charges for Services	2,826,697	-	-	2,826,697
Fines and Forfeitures	827,543	-	-	827,543
Investment	272,052	169,027	393,275	834,354
Miscellaneous	1,383,020	-	91,612	1,474,632
Total revenues	25,163,012	18,706,023	10,872,143	54,741,178
EXPENDITURES				
Current:				
General Government	1,913,240	-	13,332	1,926,572
Public Safety	13,400,358	-	-	13,400,358
Sanitation	97,798	-	-	97,798
Health and Social Services	5,439,899	-	-	5,439,899
Culture and Recreation	591,031	-	-	591,031
Roads, Bridges and Rights-of-Way	4,748,326	-	22,518,513	27,266,839
Capital Outlay	2,061,324	-	4,082,126	6,143,450
Debt Service:				
Principal Retirement	-	10,410,000	-	10,410,000
Interest and Fiscal Charges	-	14,202,392	-	14,202,392
Total expenditures	28,251,976	24,612,392	26,613,971	79,478,339
Excess (deficiency) of revenues over (under) expenditures	(3,088,964)	(5,906,369)	(15,741,828)	(24,737,161)
OTHER FINANCING SOURCES (USES)				
Transfers In	18,862,623	44,092	713,357	19,620,072
Transfers Out	(5,090,113)	(44,092)	-	(5,134,205)
Sale of Capital Assets	94,164	-	-	94,164
Total other financing sources (uses)	13,866,674	-	713,357	14,580,031
Net change in fund balances	10,777,710	(5,906,369)	(15,028,471)	(10,157,130)
Fund balances-beginning	28,769,302	15,380,976	60,946,451	105,096,729
Fund balances-ending	\$ 39,547,012	\$ 9,474,607	\$ 45,917,980	\$ 94,939,599

NONMAJOR
SPECIAL REVENUE FUNDS

PURPOSE:

COUNTY RECORDS MANAGEMENT (FUND 2101) – On May 30, 1993, Chapter 203, section 203.003-(6.) of the *Local Government Code* was amended by the Texas Legislature establishing a Records Management and Preservation Fund. Fees for this fund are authorized under Sections 51.317, 118.052, 118.0546, and 118.0645 of the *Local Government Code* and Article 102.005(d), of the *Code of Criminal Procedure*. This fund is under the direction of Commissioners' Court and the fees collected may only be used for the purpose of preserving county records and for county records' automation projects.

COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION (FUND 2102) – The County Clerk Records Management and Preservation Fund was established under Chapter 203, section 203.003-(5.) 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.

ELECTION SERVICES CONTRACT (FUND 2103) – The Election Services Contract Fund was established pursuant to *Texas Election Code Chapter 123 Subchapter B*. Lessor which is the County of Galveston and the lessee enter into a lease agreement governed by and construed under the laws of the State of Texas to use electronic voting equipment and other related supplies and administrative fees incurred in the election services under Section 31.100(b), Texas Election Code. The fees collected by the County Clerks are deposited with the County Treasurer into the Election Services Contract 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* Chapter 231, Section 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.

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 78th 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.

TAX ASSESSOR-COLLECTOR SPECIAL INVENTORY TAX ESCROW (FUND 2111) – Chapter 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 any interest earned and any fines or penalties assessed for non-payment on these property taxes.

DONATIONS TO GALVESTON COUNTY (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.

DISTRICT ATTORNEY CONTRABAND POST-10/89 (FUND 2131) - Forfeitures after October 1989 collected by the District Attorney under *Code of Criminal Procedure* Chapter 59.06 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 2132) - Fees collected in connection with processing checks issued or passed in violation of the *Code of Criminal Procedure* Chapter 102.07 are deposited in this fund and are used to defray expenses of the District Attorney's office. Forfeitures are used for law enforcement purposes.

UNCLAIMED PROPERTY (FUND 2148) - 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 *Texas Property Code*.

COURTHOUSE SECURITY (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.

LAW LIBRARY (FUND 2211) - Under *Local Government Code* Chapter 323, 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.

MEDIATION SERVICES PROGRAM (FUND 2212) - The Mediation Services Program, established under the authority of Chapter 152 of the *Civil Practice and Remedies*, 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.

JUSTICE COURT TECHNOLOGY (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 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 2216) – Effective September 1, 2001, *Government Code* Chapter 25, Section 25.00213 establishes a Contributions Fund under the direction of the Probate Court Judge in a county that collects additional fees under Chapter 51, Section 51.704 of the *Government Code*. Deposited into this fund is a State annual compensation of \$40,000 plus any excess state mandated fees. These state fees are pro-rated at year-end and returned to the Counties. Expenditures for this fund are to be used for court-related purposes.

ADULT PROBATION (FUND 2220) -The Texas Community Justice Assistance Division was created under Chapter 509 of the *Government Code*. The purpose of the Division is to make probation services available throughout the State and to improve effectiveness of probation services. The Division 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.

JUVENILE JUSTICE (FUND 2230) – Chapter 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.

SHERIFF'S COMMISSARY (FUND 2240) - This fund, created under *Local Government Code* Chapter 351, Section 351.0415, 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 POST-10/89 (FUND 2242) - Funds collected in connection with drug seizures and forfeitures for the Sheriff's office after *Code of Criminal Procedure* Chapter 59.06 was passed in October 1989. Forfeitures are used to defray expenses of the Sheriff's office.

TASK-FORCE SEIZURES PRE-10/89 (FUND 2245) - Seizures and forfeitures collected by the Task Force prior to *Code of Criminal Procedure* Chapter 59.06 which was passed in October 1989, are accounted for in this fund. Forfeitures are used to defray expenses of the Task Force.

CRIMINAL INVESTIGATIVE DIVISION SEIZURES POST-10/89 (FUND 2246) – After October 1989, seized funds collected in connection with drug and other criminal activity by the Criminal Identification Division are accounted for in this fund under Chapter 59.06 of the *Code of Criminal Procedure*. Forfeitures are used to defray expenses of the Sheriff's Office.

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 74th Texas Legislature. These funds are for expenses related to the continued education of persons licensed under *Occupation Code*, Title 10, and Chapter 1701.

CONSTABLES SEIZURES (FUND 2255) – Seizures and forfeitures collected by the Constables after *Code of Criminal Procedure* Chapter 59.06 was passed in October 1989, and are accounted for in this fund. Forfeitures are used to defray expenses of the Constables.

EMERGENCY MANAGEMENT (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.

ROAD AND BRIDGE (FUND 2301) - This fund was created and defined under Article 8, Section 9(c) of the *Texas Constitution* which authorizes an additional ad-valorem tax of \$.15 per \$100 valuation to be levied and collected for the further maintenance of the public roads. Additionally, Chapter 256 of the *Texas Transportation Code*, states that these funds are to be used only for working public roads or building bridges, and only by the order of the Commissioners’ Court.

FARM-TO-MARKET LATERAL ROAD (FUND 2303) - On March 18, 1967, under Article 8, Section 1.a of the *Texas Constitution*, an election was held which authorized ad-valorem tax of \$.15 per \$100 valuation to be levied. Additionally, Chapter 256, Section 256.044 of the *Texas Transportation Code*, states these funds are to be used only for construction and maintenance of farm-to-market and lateral roads within the county. This fund is under the jurisdiction and control of the Commissioners’ Court.

ROAD DISTRICT #1 (FUND 2341) – The Galveston County Road District #1 was created and defined under Article 3, Section 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.

FLOOD CONTROL (FUND 2370) - On March 18, 1967, under Article 8, Section 1.a of the *Texas Constitution*, an election was held which authorized ad-valorem tax of \$.15 per \$100 valuation to be levied. Additionally, Chapter 256, Section 256.044 of the *Texas Transportation Code*, states these funds are to be used only for flood control purposes in the county. This fund is under the jurisdiction and control of the Commissioners’ Court.

PUBLIC HEALTH (FUND 2401) - The Public Health Fund was created under *the Health and Safety Code*, Chapter 121 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.

MOSQUITO CONTROL DISTRICT (FUND 2410) – On November 7, 1953, in accordance with Chapter 344, section 344.001 of *the Texas Health and Safety Code*, an election was held to create a Mosquito Control District and authorized the levy and collection of taxes of \$.15 per \$100 valuation for the purpose of eradicating mosquitoes in Galveston County. This fund is under the jurisdiction and control of the Commissioners’ Court.

INDIGENT HEALTH CARE FUND (FUND 2420) – The Indigent Health Care Fund is a dedicated fund intended to support the Galveston County Indigent Health Care Program and the Galveston County UPL Program in support of the general health and well being of eligible citizens. The eligibility of citizens is established in Chapter 61 of the Health and Safety Code and by the Galveston County Commissioners’ Court in the “Optional Services Resolution” approved each year preceding the State Fiscal Year.

CHILD WELFARE (FUND 2501) – Chapter 264, section 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 2601) – Chapter 62 of the *Texas Natural Resource Code* authorizes the Commissioners' Court to create a board to operate the Beach Parks program. This board administers through a staff an extensive County Beach Parks System for the citizens of Galveston County.

GALVESTON COUNTY MUSEUM (FUND 2621) – The Galveston County Museum Fund (2621) – The County, under the authority of Local Government Code-Section 318, has set up a fund to provide maintenance to the Galveston County Museum collection. Funding is provided through periodic donations, the Galveston Historical Foundation, and the Galveston County Community Service operational budget.

GRANTS

PURPOSE:

LOW INCOME REPAIR ASSISTANCE PROGRAM (“L.I.R.A.P.”) (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.

LOCAL INITIATIVE PROJECT GRANT (FUND #2817) – the Local Initiative Project Grant (LIP) is a Clean Vehicle Fleet Project granted to Galveston County on April 14, 2009 by the Texas Commission of Environmental Quality under Senate Bill No. 12 Sec. 382.220 or 382.302 and administered in accordance with Chapter 783, Government Code to improve air quality. The purpose of the fund is to replace older high emission vehicles with a cleaner, more fuel efficient vehicles for the enhancement of air quality. These funds are available only to counties participating in the low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement programs created under Sec. 382.209, Health and Safety Code.

ADULT PROBATION COMMUNITY CORRECTIONS (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.

JUVENILE ACCOUNTABILITY INCENTIVE BLOCK (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.

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 INTENSIVE SUPERVISION PROGRAM (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.

INTENSIVE COMMUNITY-BASED PROGRAM (FUND 2843) – The Juvenile Probation Intensive Community Based Program fund is funded by the Texas Juvenile Probation Commission which provides funding for services for habitual misdemeanor youth. The grant funds are intended to serve a priority population of juvenile offenders adjudicated for misdemeanor offenses that, under prior law, were eligible for commitment to the Texas Youth Commission (TYC). [SB103, 80th Legislature Regular Session (2007)].

JUVENILE JUSTICE ALTERNATIVE EDUCATION (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.

ORGANIZED CRIME CONTROL UNIT (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.

AUTO CRIMES TASK FORCE (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.

DWI-TEXAS TRAFFIC SAFETY PROGRAM (FUND 2865) – The Texas department of Transportation awarded two grants to Galveston County Sheriff’s Department. The STEP grants were for additional sheriff units to be assigned during the holidays and Spring Break to conduct DWI and traffic enforcement.

STATE CRIMINAL ALIEN ASSISTANCE PROGRAM (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.

TEXAS VICTIM INFORMATION AND NOTIFICATION EVERY DAY (“V.I.N.E.”) (FUND 2870) – The Texas Attorney General’s Office has awarded Galveston County a grant to implement the VINE program. The purpose of this program is to reimburse Galveston County for certain costs incurred in the participation of a statewide crime victim notification service.

ATTORNEY GENERAL’S VICTIMS ASSISTANCE (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.

VIOLENCE AGAINST WOMEN ACT GRANT (FUND #2877) – the Galveston County Prosecution Project (VAWA) was awarded to Galveston County on October 23, 2008 by Office of the Governor, Criminal Justice Division to fund the prosecution of cases involving violent crimes against women. The Criminal Justice Division is working to ensure that communities throughout the state receive the resources to make Texas a safer place, promote help and healing for crime victims, provide safe places and positive role models for young Texans, enforce laws that protect citizens and expand training opportunities for Texas criminal justice professionals.

CHILDREN’S JUSTICE ACT PROJECT (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.

OFFICE OF EMERGENCY MANAGEMENT (FUND 2891) - Texas Division of Emergency Management and Texas General Land Office has awarded several grants to Galveston County's Office of Emergency Management. These grants have funded HAZMAT equipment, and beach renourishment of Rollover Pass with used dredged materials.

STATE HOMELAND SECURITY (FUND 2892) – U.S. Department of Homeland Security awarded several grants to enhance the capacity of Galveston County emergency responders to prevent, respond to, and to recover from terrorism incidents involving chemical, biological, radiological, nuclear and explosive devices.

COMMUNITY DEVELOPMENT (FUND 2911) - The Office of Rural Community Affairs has awarded Galveston County several grants, which have been used in upgrade of the San Leon sewer system, and to finance repairs of the sand sock which protects the shoreline on Bolivar Peninsula.

CDBG INFRASTRUCTURE PROGRAM (FUND 2915) – This is a grant through the Office of Rural and Community affairs (ORCA) and is administered by the Texas Department of Housing and Community Affairs (TDHCA). A non-housing grant that is a supplement to the 2008 Disaster Recovery Grant to provide for restoration and revitalization of local economic and infrastructure projects.

SENIOR CITIZENS (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.

TEXANS FEEDING TEXANS PROGRAM GRANT - (FUND #2923) - This fund is a Home-Delivered Meal program granted to Galveston County Department of Parks and Senior Services that supplements and extends the existing services related directly to meals to homebound persons in the County who are elderly and/or have a disability. Grant funding is through the Texas Department of Agriculture.

KEMPNER (FUND 2925) – The Harris and Eliza Kempner Fund has awarded several grants to Galveston County's Senior Citizens. These grants were used to provide legal service seminars for senior citizens in Galveston County.

COMMUNITY DEVELOPMENT BLOCK – MEALS ON WHEELS (FUND 2927) – The City of Galveston has a contract with the Galveston County's Senior Citizens to fund meals for home bound senior citizens who reside in the City of Galveston. These funds are provided by the City of Galveston Community Development Block Grant.

INTENSIVE FAMILY PRESERVATION (FUND 2941) - Moody Memorial Methodist Church Endowment Fund originally awarded the Intensive Family Preservation Grant to the Galveston County. Since its inception several other groups have taken the over the funding of these expenditures. The purpose of the grant is to assist clients in meeting their concrete needs so that they may function as a family and prevent further disruption of the family unit.

COUNTY BEACH AND PARKS PROJECTS (FUND 2962) - The National Oceanic Atmospheric Administration, U.S. Department of the Interior, Texas Parks and Wildlife Department, Texas Commission on Environmental Quality, Texas General Land Office and Union Carbide have awarded various grants to Galveston County. These grants were used to purchase land for a wetland protection project (McAllis Point), an ADA equestrian trail at Jack Brooks Park, clean up of Clear Creek and plans for a Therapeutic Gardens at Union Carbide Park.

2009 RECOVERY ACT JUSTICE ASSISTANCE GRANT (FUND 2974) - This grant is funded by the U.S. Department of Justice and is shared with 8 Galveston County cities for individual and joint City and County Projects. It provides for a combination of technology and data drive equipment and software for Community Policing activities.

UNITED STATES DEPARTMENT OF JUSTICE PROGRAMS (FUND 2975) - The U.S. Department of Justice has awarded several Local Law Enforcement Block Grants (LLEBG) and several Edward Byrne Memorial Justice Assistance Grants (JAG) to Galveston County. The purpose of these grants is to reduce crime and improve public safety. These grants were used to purchase small equipment, computer hardware and software.

COPS GRANTS PROGRAM (FUND 2976) - This is a three year grant funded by the U.S. Department of Justice and provides for the hiring of 9 Sheriff Deputies for the 3 year term of the grant. 6 of the Deputies are assigned to the Clear Creek Independent School District and 3 are assigned to regular County duties.

MOODY FOUNDATION GRANTS (FUND 2985) – This grant was awarded to the Galveston County Sheriff’s Department for the purchase of equipment to continue to perform their duties in a safer and more protected way for the citizens and visitors of Galveston County.

HURRICANE IKE GRANTS (FUND 2993) – This is a State Grant through the Texas Department of Emergency Management to assist outside agencies in the rehabilitation and restoration of properties throughout the county.

DISASTER RECOVERY – RITA (FUND 2999) – After Hurricane Rita hit the Gulf Coast area; Galveston County received a Presidential Disaster Declaration for Public and Individual Assistance. The Federal Emergency Management Agency awarded a grant to fund approved pre-disaster and disaster recovery projects in Galveston County.



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GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
ALL NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009

	COUNTY RECORDS MANAGEMENT	COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION	ELECTION SERVICES CONTRACT	DISTRICT CLERK CHILD SUPPORT IV-D
ASSETS				
Cash and Cash Equivalents	\$ 121,665	\$ 2,227,992	\$ 1,313,698	\$ 114,711
Receivables (Net of Allowances for Uncollectibles):				
Taxes	-	-	-	-
Accounts and Other	2,862	3,255	54,303	-
Due from Other Funds	-	-	-	-
Inventory at Cost	-	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted Assets:				
Cash and Cash Equivalents	-	-	-	-
Total assets	\$ 124,527	\$ 2,231,247	\$ 1,368,001	\$ 114,711
LIABILITIES				
Accounts Payable	\$ -	\$ 1,727	\$ -	\$ -
Salaries Payable	1,885	17,354	-	-
Compensated Absences Payable	-	-	-	-
Retainage Payable	-	-	-	-
Due to Others	-	-	-	-
Payable from Restricted Assets:				
Escrow Deposits	-	-	-	-
Deposits - Held	-	-	-	-
Due to Other Funds	-	-	951,069	-
Deferred Revenues	-	-	-	-
Total liabilities	1,885	19,081	951,069	-
FUND BALANCES				
Reserved:				
Restricted Assets	-	-	-	-
Encumbrances	-	-	-	-
Inventory	-	-	-	-
Prepaid Expenditures	-	-	-	-
Bolivar Peninsula User Fee	-	-	-	-
Unreserved:				
Designated:				
Special Lateral Roads	-	-	-	-
Undesignated	122,642	2,212,166	416,932	114,711
Total fund balances	122,642	2,212,166	416,932	114,711
Total liabilities and fund balances	\$ 124,527	\$ 2,231,247	\$ 1,368,001	\$ 114,711

(Continued)

DISTRICT CLERK RECORDS MANAGEMENT	TAX ASSESSOR- COLLECTOR SPECIAL INVENTORY TAX ESCROW	DONATIONS TO GALVESTON COUNTY	DISTRICT ATTORNEY CONTRABAND POST-10/89	DISTRICT ATTORNEY CHECK COLLECTION FEES
\$ 87,774	\$ 40,690	\$ 870	\$ 57,715	\$ 57,025
-	-	-	-	-
774	758	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ 88,548	\$ 41,448	\$ 870	\$ 57,715	\$ 57,025
\$ -	\$ -	\$ -	\$ 3,114	\$ -
-	2,951	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	2,951	-	3,114	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
88,548	38,497	870	54,601	57,025
88,548	38,497	870	54,601	57,025
\$ 88,548	\$ 41,448	\$ 870	\$ 57,715	\$ 57,025

GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
ALL NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009

	UNCLAIMED PROPERTY	COURTHOUSE SECURITY	LAW LIBRARY	MEDIATION SERVICES PROGRAM
ASSETS				
Cash and Cash Equivalents	\$ 190,439	\$ 326,044	\$ 300,160	\$ 749,590
Receivables (Net of Allowances for Uncollectibles):				
Taxes	-	-	-	-
Accounts and Other	-	1,083	2,963	1,020
Due from Other Funds	-	-	-	-
Inventory at Cost	-	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted Assets:				
Cash and Cash Equivalents	-	-	-	-
Total assets	\$ 190,439	\$ 327,127	\$ 303,123	\$ 750,610
LIABILITIES				
Accounts Payable	\$ -	\$ 324	\$ 44,295	\$ 3,983
Salaries Payable	-	7,365	2,535	-
Compensated Absences Payable	-	-	-	-
Retainage Payable	-	-	-	-
Due to Others	132,109	-	-	-
Payable from Restricted Assets:				
Escrow Deposits	-	-	-	-
Deposits - Held	-	-	-	-
Due to Other Funds	-	-	-	-
Deferred Revenues	-	-	-	-
Total liabilities	132,109	7,689	46,830	3,983
FUND BALANCES				
Reserved:				
Restricted Assets	-	-	-	-
Encumbrances	-	-	-	-
Inventory	-	-	-	-
Prepaid Expenditures	-	-	-	-
Bolivar Peninsula User Fee	-	-	-	-
Unreserved:				
Designated:				
Special Lateral Roads	-	-	-	-
Undesignated	58,330	319,438	256,293	746,627
Total fund balances	58,330	319,438	256,293	746,627
Total liabilities and fund balances	\$ 190,439	\$ 327,127	\$ 303,123	\$ 750,610

(Continued)

	JUSTICE COURT TECHNOLOGY	PROBATE COURT CONTRIBUTIONS	ADULT PROBATION	JUVENILE JUSTICE	SHERIFF'S COMMISSARY
\$	111,520	\$ 310,059	\$ 675,289	\$ 2,100,510	\$ 1,037,593
	-	-	-	-	-
	-	-	114,826	112,795	-
	-	-	-	-	-
	-	-	4,712	-	-
	-	-	-	-	-
\$	111,520	\$ 310,059	\$ 794,827	\$ 2,213,305	\$ 1,037,593
\$	-	\$ 350	\$ 11,321	\$ 41,995	\$ -
	-	-	76,615	118,378	269
	-	-	-	-	-
	-	-	51,360	950	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	23,700
	-	-	506,246	-	-
	-	350	645,542	161,323	23,969
	-	-	-	-	-
	-	-	-	-	-
	-	-	4,712	-	-
	-	-	-	-	-
	-	-	-	-	-
	111,520	309,709	144,573	2,051,982	1,013,624
	111,520	309,709	149,285	2,051,982	1,013,624
\$	111,520	\$ 310,059	\$ 794,827	\$ 2,213,305	\$ 1,037,593

GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
ALL NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009

	SHERIFF SEIZURES POST-10/89	TASK FORCE SEIZURES PRE-10/89	CRIMINAL INVESTIGATIVE DIVISION SEIZURES POST-10/89	LAW ENFORCEMENT CONTINUED EDUCATION
ASSETS				
Cash and Cash Equivalents	\$ 297,007	\$ 36,941	\$ 5,919	\$ 138,593
Receivables (Net of Allowances for Uncollectibles):				
Taxes	-	-	-	-
Accounts and Other	-	-	-	-
Due from Other Funds	-	-	-	-
Inventory at Cost	-	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted Assets:				
Cash and Cash Equivalents	-	-	-	-
Total assets	\$ 297,007	\$ 36,941	\$ 5,919	\$ 138,593
LIABILITIES				
Accounts Payable	\$ 10,083	\$ -	\$ -	\$ 49
Salaries Payable	-	-	-	-
Compensated Absences Payable	-	-	-	-
Retainage Payable	-	-	-	-
Due to Others	205,678	13,161	5,919	-
Payable from Restricted Assets:				
Escrow Deposits	-	-	-	-
Deposits - Held	-	-	-	-
Due to Other Funds	-	-	-	-
Deferred Revenues	-	-	-	-
Total liabilities	215,761	13,161	5,919	49
FUND BALANCES				
Reserved:				
Restricted Assets	-	-	-	-
Encumbrances	-	-	-	-
Inventory	-	-	-	-
Prepaid Expenditures	-	-	-	-
Bolivar Peninsula User Fee	-	-	-	-
Unreserved:				
Designated:				
Special Lateral Roads	-	-	-	-
Undesignated	81,246	23,780	-	138,544
Total fund balances	81,246	23,780	-	138,544
Total liabilities and fund balances	\$ 297,007	\$ 36,941	\$ 5,919	\$ 138,593

(Continued)

CONSTABLES' SEIZURES	EMERGENCY MANAGEMENT	ROAD AND BRIDGE	FARM-TO- MARKET LATERAL ROAD	ROAD DISTRICT #1
\$ 3,500	\$ 7,240,924	\$ 5,240,328	\$ 1,727,657	\$ 566,364
-	-	176,703	16,758	669
-	-	249,547	1,999	606
-	-	-	-	-
-	-	412,547	-	-
-	-	-	-	-
-	32,724	-	-	-
\$ 3,500	\$ 7,273,648	\$ 6,079,125	\$ 1,746,414	\$ 567,639
\$ -	\$ -	\$ 278,648	\$ -	\$ 328
-	935	99,331	2,974	-
-	-	-	-	-
-	-	-	-	-
-	-	20,651	439	-
-	32,724	-	-	-
-	-	-	-	-
-	240	-	-	-
-	-	179,399	16,757	669
-	33,899	578,029	20,170	997
-	-	-	-	-
-	-	48,171	-	414
-	-	412,547	-	-
-	-	-	-	-
-	-	-	-	-
3,500	7,239,749	5,040,378	1,726,244	566,228
3,500	7,239,749	5,501,096	1,726,244	566,642
\$ 3,500	\$ 7,273,648	\$ 6,079,125	\$ 1,746,414	\$ 567,639

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
ALL NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009**

	FLOOD CONTROL	PUBLIC HEALTH	MOSQUITO CONTROL DISTRICT	INDIGENT HEALTH CARE FUND
ASSETS				
Cash and Cash Equivalents	\$ 2,665,764	\$ -	\$ 451,924	\$ 11,297,026
Receivables (Net of Allowances for Uncollectibles):				
Taxes	257,511	-	111,884	-
Accounts and Other	4,654	57,634	646	-
Due from Other Funds	-	-	-	-
Inventory at Cost	-	-	217,510	-
Prepaid Expenditures	-	-	-	-
Restricted Assets:				
Cash and Cash Equivalents	2,305	-	-	-
Total assets	\$ 2,930,234	\$ 57,634	\$ 781,964	\$ 11,297,026
LIABILITIES				
Accounts Payable	\$ 55,616	\$ -	\$ 15,164	\$ 48,020
Salaries Payable	39,131	29,358	22,533	-
Compensated Absences Payable	-	-	-	-
Retainage Payable	-	-	-	-
Due to Others	-	-	7,385	-
Payable from Restricted Assets:				
Escrow Deposits	-	-	-	-
Deposits - Held	-	-	-	-
Due to Other Funds	-	28,276	-	-
Deferred Revenues	257,511	-	111,884	-
Total liabilities	352,258	57,634	156,966	48,020
FUND BALANCES				
Reserved:				
Restricted Assets	2,305	-	-	-
Encumbrances	13,263	-	-	-
Inventory	-	-	217,510	-
Prepaid Expenditures	-	-	-	-
Bolivar Peninsula User Fee	-	-	-	-
Unreserved:				
Designated:				
Special Lateral Roads	-	-	-	-
Undesignated	2,562,408	-	407,488	11,249,006
Total fund balances	2,577,976	-	624,998	11,249,006
Total liabilities and fund balances	\$ 2,930,234	\$ 57,634	\$ 781,964	\$ 11,297,026

(Continued)

	CHILD WELFARE	BEACH AND PARKS	GALVESTON COUNTY MUSEUM	GRANTS	TOTALS	
					2010	2009
\$	415,726	\$ 34,589	\$ 19,960	\$ 1,121,820	\$ 41,087,386	\$ 28,793,964
	-	-	-	-	563,525	699,922
	40,306	56,214	-	1,162,821	1,869,066	2,372,769
	-	-	-	115,015	115,015	5,167,238
	-	-	-	-	630,057	617,722
	-	-	-	-	4,712	9,090
	997	869,378	-	-	905,404	35,745
\$	457,029	\$ 960,181	\$ 19,960	\$ 2,399,656	\$ 45,175,165	\$ 37,696,450
\$	18,581	\$ 47,711	\$ -	\$ 273,098	\$ 854,407	\$ 1,750,516
	1,696	5,506	-	113,832	542,648	497,534
	-	-	-	-	-	9,439
	-	-	-	-	-	11,150
	-	-	7	-	437,659	1,716,416
	-	-	-	-	32,724	32,191
	997	-	-	-	997	1,337
	-	-	-	898,803	1,902,088	2,022,401
	-	-	-	785,164	1,857,630	2,886,164
	21,274	53,217	7	2,070,897	5,628,153	8,927,148
	-	-	-	-	2,305	2,217
	-	-	-	-	61,848	41,853
	-	-	-	-	630,057	617,722
	-	-	-	-	4,712	9,090
	-	869,378	-	-	869,378	394,395
	-	-	-	-	-	384,785
	435,755	37,586	19,953	328,759	37,978,712	27,319,240
	435,755	906,964	19,953	328,759	39,547,012	28,769,302
\$	457,029	\$ 960,181	\$ 19,960	\$ 2,399,656	\$ 45,175,165	\$ 37,696,450

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	COUNTY RECORDS MANAGEMENT	COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION	ELECTION SERVICES CONTRACT	DISTRICT CLERK CHILD SUPPORT IV-D
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	8,822
Charges for Services	129,330	772,848	175,894	-
Fines and Forfeitures	-	-	-	-
Investment Earnings	-	-	-	-
Miscellaneous	1,140	-	-	-
Total revenues	130,470	772,848	175,894	8,822
EXPENDITURES				
Current :				
General Government	234,367	547,668	76,145	-
Public Safety	-	-	-	-
Sanitation	-	-	-	-
Health and Social Services	-	-	-	-
Culture and Recreation	-	-	-	-
Roads, Bridges, and Rights-of-Way	-	-	-	-
Capital Outlay	-	2,059	-	-
Total expenditures	234,367	549,727	76,145	-
Excess (deficiency) of revenues over (under) expenditures	(103,897)	223,121	99,749	8,822
OTHER FINANCING SOURCES (USES)				
Transfers In	80,000	-	-	-
Transfers Out	(4,600)	(457,600)	(105,400)	-
Sale of Capital Assets	-	-	-	-
Total other financing sources (uses)	75,400	(457,600)	(105,400)	-
Net change in fund balances	(28,497)	(234,479)	(5,651)	8,822
Fund balances-beginning	151,139	2,446,645	422,583	105,889
Fund balances-ending	\$ 122,642	\$ 2,212,166	\$ 416,932	\$ 114,711

DISTRICT CLERK RECORDS MANAGEMENT	TAX ASSESSOR- COLLECTOR SPECIAL INVENTORY TAX ESCROW	DONATIONS TO GALVESTON COUNTY	DISTRICT ATTORNEY CONTRABAND POST-10/89	DISTRICT ATTORNEY CHECK COLLECTION FEES
\$ -	\$ 10,520	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
82,915	-	-	-	6,077
-	-	-	32,238	-
-	7,645	-	-	-
12,000	-	-	750	-
94,915	18,165	-	32,988	6,077
-	78,893	-	30,048	10,082
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	78,893	-	30,048	10,082
94,915	(60,728)	-	2,940	(4,005)
-	-	-	-	-
(40,000)	-	-	-	-
-	-	-	-	-
(40,000)	-	-	-	-
54,915	(60,728)	-	2,940	(4,005)
33,633	99,225	870	51,661	61,030
\$ 88,548	\$ 38,497	\$ 870	\$ 54,601	\$ 57,025

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	UNCLAIMED PROPERTY	COURTHOUSE SECURITY	LAW LIBRARY	MEDIATION SERVICES PROGRAM
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	206,524	322,315	167,580
Fines and Forfeitures	-	-	-	-
Investment Earnings	3,113	-	-	10,789
Miscellaneous	-	-	-	-
Total revenues	3,113	206,524	322,315	178,369
EXPENDITURES				
Current :				
General Government	-	-	345,039	41,423
Public Safety	-	227,136	-	-
Sanitation	-	-	-	-
Health and Social Services	-	-	-	-
Culture and Recreation	-	-	-	-
Roads, Bridges, and Rights-of-Way	-	-	-	-
Capital Outlay	-	-	-	-
Total expenditures	-	227,136	345,039	41,423
Excess (deficiency) of revenues over (under) expenditures	3,113	(20,612)	(22,724)	136,946
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	(10,200)	(600)	-
Sale of Capital Assets	-	-	-	-
Total other financing sources (uses)	-	(10,200)	(600)	-
Net change in fund balances	3,113	(30,812)	(23,324)	136,946
Fund balances-beginning	55,217	350,250	279,617	609,681
Fund balances-ending	\$ 58,330	\$ 319,438	\$ 256,293	\$ 746,627

	JUSTICE COURT TECHNOLOGY	PROBATE COURT CONTRIBUTIONS	ADULT PROBATION	JUVENILE JUSTICE	SHERIFF'S COMMISSARY
\$	-	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-
	-	40,000	2,251,675	381,860	-
	-	-	-	334	-
	65,769	-	-	-	-
	-	-	13,143	28,713	15,457
	-	-	6,751	327,480	223,908
	65,769	40,000	2,271,569	738,387	239,365
	60,000	12,384	-	-	-
	-	-	2,114,657	4,951,160	222,784
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	60,000	12,384	2,114,657	4,951,160	222,784
	5,769	27,616	156,912	(4,212,773)	16,581
	-	-	-	5,277,000	-
	-	(35,000)	(17,000)	(167,400)	(12,400)
	-	-	-	-	-
	-	(35,000)	(17,000)	5,109,600	(12,400)
	5,769	(7,384)	139,912	896,827	4,181
	105,751	317,093	9,373	1,155,155	1,009,443
\$	111,520	\$ 309,709	\$ 149,285	\$ 2,051,982	\$ 1,013,624

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	SHERIFF SEIZURES POST-10/89	TASK FORCE SEIZURES PRE-10/89	CRIMINAL INVESTIGATIVE DIVISION SEIZURES POST-10/89	LAW ENFORCEMENT CONTINUED EDUCATION
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	33,105
Charges for Services	-	-	-	-
Fines and Forfeitures	117,325	-	-	-
Investment Earnings	1,023	-	-	-
Miscellaneous	456	-	-	-
Total revenues	118,804	-	-	33,105
EXPENDITURES				
Current :				
General Government	-	-	-	-
Public Safety	65,333	6,232	-	47,676
Sanitation	-	-	-	-
Health and Social Services	-	-	-	-
Culture and Recreation	-	-	-	-
Roads, Bridges, and Rights-of-Way	-	-	-	-
Capital Outlay	23,205	-	-	-
Total expenditures	88,538	6,232	-	47,676
Excess (deficiency) of revenues over (under) expenditures	30,266	(6,232)	-	(14,571)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	(5,400)	-	-
Sale of Capital Assets	-	-	-	-
Total other financing sources (uses)	-	(5,400)	-	-
Net change in fund balances	30,266	(11,632)	-	(14,571)
Fund balances-beginning	50,980	35,412	-	153,115
Fund balances-ending	\$ 81,246	\$ 23,780	\$ -	\$ 138,544

CONSTABLES' SEIZURES	EMERGENCY MANAGEMENT	ROAD AND BRIDGE	FARM-TO- MARKET LATERAL ROAD	ROAD DISTRICT #1
\$ -	\$ -	\$ 2,928,310	\$ 697	\$ 9
-	-	2,366,367	-	-
-	5,135	912,818	28,170	-
-	-	-	-	550,856
-	-	612,211	-	-
-	-	86,817	30,496	13,475
-	-	4,439	35,780	-
-	5,135	6,910,962	95,143	564,340
-	-	-	-	-
-	9,503	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	3,992,813	205,599	549,914
-	-	1,043,660	29,891	-
-	9,503	5,036,473	235,490	549,914
-	(4,368)	1,874,489	(140,347)	14,426
-	1,258,113	-	-	-
-	(304,900)	(2,002,200)	(192,100)	(463,800)
-	-	16,634	45,268	-
-	953,213	(1,985,566)	(146,832)	(463,800)
-	948,845	(111,077)	(287,179)	(449,374)
3,500	6,290,904	5,612,173	2,013,423	1,016,016
\$ 3,500	\$ 7,239,749	\$ 5,501,096	\$ 1,726,244	\$ 566,642

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	FLOOD CONTROL	PUBLIC HEALTH	MOSQUITO CONTROL DISTRICT	INDIGENT HEALTH CARE FUND
REVENUES				
Taxes	\$ 2,137,805	\$ -	\$ 1,050,439	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	384,125
Charges for Services	160,921	-	-	-
Fines and Forfeitures	-	-	-	-
Investment Earnings	42,628	-	11,212	-
Miscellaneous	157,476	-	-	-
Total revenues	2,498,830	-	1,061,651	384,125
EXPENDITURES				
Current :				
General Government	214,956	-	-	-
Public Safety	1,152,117	-	-	-
Sanitation	-	-	-	-
Health and Social Services	-	-	1,255,393	2,310,876
Culture and Recreation	-	-	-	-
Roads, Bridges, and Rights-of-Way	-	-	-	-
Capital Outlay	671,726	-	37,915	-
Total expenditures	2,038,799	-	1,293,308	2,310,876
Excess (deficiency) of revenues over (under) expenditures	460,031	-	(231,657)	(1,926,751)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	11,649,900
Transfers Out	(83,700)	-	(17,000)	-
Sale of Capital Assets	-	-	5,875	-
Total other financing sources (uses)	(83,700)	-	(11,125)	11,649,900
Net change in fund balances	376,331	-	(242,782)	9,723,149
Fund balances-beginning	2,201,645	-	867,780	1,525,857
Fund balances-ending	\$ 2,577,976	\$ -	\$ 624,998	\$ 11,249,006

CHILD WELFARE	BEACH AND PARKS	GALVESTON COUNTY MUSEUM	GRANTS	TOTALS	
				2010	2009
\$ -	\$ -	\$ -	\$ -	\$ 6,127,780	\$ 6,465,369
-	-	-	-	2,366,367	2,444,962
39,350	179,127	-	7,095,366	11,359,553	10,081,986
-	251,103	-	-	2,826,697	2,289,656
-	-	-	-	827,543	791,922
-	4,260	-	3,281	272,052	503,507
3,267	20,030	19,953	569,590	1,383,020	1,146,105
42,617	454,520	19,953	7,668,237	25,163,012	23,723,507
-	-	-	262,235	1,913,240	1,941,874
-	-	-	4,603,760	13,400,358	13,597,135
-	-	-	97,798	97,798	6,900
280,216	-	-	1,593,414	5,439,899	4,158,971
-	591,031	-	-	591,031	534,676
-	-	-	-	4,748,326	6,332,108
-	80,726	-	172,142	2,061,324	1,951,263
280,216	671,757	-	6,729,349	28,251,976	28,522,927
(237,599)	(217,237)	19,953	938,888	(3,088,964)	(4,799,420)
250,000	260,000	-	87,610	18,862,623	14,207,021
-	(12,700)	-	(1,158,113)	(5,090,113)	(3,497,601)
-	26,387	-	-	94,164	30,481
250,000	273,687	-	(1,070,503)	13,866,674	10,739,901
12,401	56,450	19,953	(131,615)	10,777,710	5,940,481
423,354	850,514	-	460,374	28,769,302	22,828,821
\$ 435,755	\$ 906,964	\$ 19,953	\$ 328,759	\$ 39,547,012	\$ 28,769,302

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - GRANT FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009**

	LOW INCOME REPAIR ASSISTANCE PROGRAM ("L.I.R.A.P.")	LOCAL INITIATIVE PROJECT ("L.I.R.A.P.")	ADULT PROBATION COMMUNITY CORRECTIONS
ASSETS			
Cash and Cash Equivalents	\$ 15,830	\$ 2,263	\$ 97,402
Receivables: (Net of Allowance for Uncollectibles)			
Accounts and Other	-	-	1,900
Due from Other Funds	-	-	-
Total assets	\$ 15,830	\$ 2,263	\$ 99,302
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ 18,335
Salaries Payable	-	-	12,210
Compensated Absences Payable	-	-	-
Due to Others	-	-	-
Due to Other Funds	-	-	-
Deferred Revenues	-	-	68,757
Total liabilities	-	-	99,302
FUND BALANCES			
Reserved:			
Unreserved:			
Undesignated	15,830	2,263	-
Total fund balances	15,830	2,263	-
Total liabilities and fund balances	\$ 15,830	\$ 2,263	\$ 99,302

(Continued)

JUVENILE ACCOUNTABILITY INCENTIVE BLOCK	JUVENILE JUSTICE STATE AID	JUVENILE JUSTICE INTENSIVE SUPERVISION PROGRAM	INTENSIVE COMMUNITY- BASED PROGRAM	JUVENILE JUSTICE ALTERNATIVE EDUCATION
\$ 4,227	\$ 195,879	\$ 127,859	\$ 23,429	\$ 70,432
6,394	-	34	1,307	13,204
-	-	-	-	-
\$ 10,621	\$ 195,879	\$ 127,893	\$ 24,736	\$ 83,636
<hr/>				
\$ -	\$ 15,420	\$ 34,544	\$ 16,704	\$ 57,885
3,396	20,672	16,253	-	-
-	-	-	-	-
-	-	-	-	-
6,100	105,056	35,221	-	-
-	40,649	33,165	8,032	24,478
9,496	181,797	119,183	24,736	82,363
<hr/>				
1,125	14,082	8,710	-	1,273
1,125	14,082	8,710	-	1,273
\$ 10,621	\$ 195,879	\$ 127,893	\$ 24,736	\$ 83,636

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - GRANT FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009**

	ORGANIZED CRIME CONTROL UNIT	AUTO CRIMES TASK FORCE	DWI-TEXAS TRAFFIC SAFETY PROGRAM
ASSETS			
Cash and Cash Equivalents	\$ 1,824	\$ -	\$ -
Receivables: (Net of Allowance for Uncollectibles)			
Accounts and Other	-	236,441	-
Due from Other Funds	-	115,015	-
Total assets	\$ 1,824	\$ 351,456	\$ -
LIABILITIES			
Accounts Payable	\$ -	\$ 5,956	\$ -
Salaries Payable	-	19,675	-
Compensated Absences Payable	-	-	-
Due to Others	-	-	-
Due to Other Funds	-	211,949	-
Deferred Revenues	-	11	-
Total liabilities	-	237,591	-
FUND BALANCES			
Reserved:			
Unreserved:			
Undesignated	1,824	113,865	-
Total fund balances	1,824	113,865	-
Total liabilities and fund balances	\$ 1,824	\$ 351,456	\$ -

(Continued)

STATE CRIMINAL ALIEN ASSISTANCE PROGRAM	TEXAS VICTIM INFOR- MATION AND NOTIFICATION EVERY DAY ("V.I.N.E.")	ATTORNEY GENERAL'S VICTIMS ASSISTANCE	VIOLENCE AGAINST WOMEN ACT	CHILDREN'S JUSTICE ACT PROJECT
\$ -	\$ -	\$ 3,621	\$ 2,991	\$ 1,685
89,823	2,194	4,130	5,555	-
-	-	-	-	-
\$ 89,823	\$ 2,194	\$ 7,751	\$ 8,546	\$ 1,685
\$ 19,762	\$ 2,194	\$ -	\$ -	\$ -
-	-	2,264	4,273	-
-	-	-	-	-
-	-	-	-	-
70,061	-	-	4,273	-
-	-	-	-	-
89,823	2,194	2,264	8,546	-
-	-	5,487	-	1,685
-	-	5,487	-	1,685
\$ 89,823	\$ 2,194	\$ 7,751	\$ 8,546	\$ 1,685

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - GRANT FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009**

	OFFICE OF EMERGENCY MANAGEMENT	STATE HOMELAND SECURITY	COMMUNITY DEVELOPMENT
ASSETS			
Cash and Cash Equivalents	\$ -	\$ -	\$ 195,785
Receivables: (Net of Allowance for Uncollectibles)			
Accounts and Other	131,275	115,388	90,802
Due from Other Funds	-	-	-
Total assets	\$ 131,275	\$ 115,388	\$ 286,587
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ 89,299
Salaries Payable	-	4,004	-
Compensated Absences Payable	-	-	-
Due to Others	-	-	-
Due to Other Funds	131,275	105,450	-
Deferred Revenues	-	-	197,288
Total liabilities	131,275	109,454	286,587
FUND BALANCES			
Reserved:			
Unreserved:			
Undesignated	-	5,934	-
Total fund balances	-	5,934	-
Total liabilities and fund balances	\$ 131,275	\$ 115,388	\$ 286,587

(Continued)

CDBG INFRASTRUCTURE PROGRAM	SENIOR CITIZENS	TEXANS FEEDING TEXANS PROGRAM	KEMPNER	COMMUNITY DEVELOPMENT BLOCK - MEALS ON WHEELS
\$ 369,911	\$ -	\$ -	\$ -	\$ -
699	114,924	-	-	-
-	-	-	-	-
\$ 370,610	\$ 114,924	\$ -	\$ -	\$ -
\$ -	\$ 11,969	\$ -	\$ -	\$ -
-	10,543	-	-	-
-	-	-	-	-
-	-	-	-	-
-	17,022	-	-	-
300,000	-	-	-	-
300,000	39,534	-	-	-
70,610	75,390	-	-	-
70,610	75,390	-	-	-
\$ 370,610	\$ 114,924	\$ -	\$ -	\$ -

GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - GRANT FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009

	INTENSIVE FAMILY PRESERVATION	COUNTY BEACH AND PARKS PROJECTS	2009 RECOVERY ACT ASSISTANCE GRANT
ASSETS			
Cash and Cash Equivalents	\$ -	\$ 7,646	\$ -
Receivables: (Net of Allowance for Uncollectibles)			
Accounts and Other	-	72,877	51,949
Due from Other Funds	-	-	-
Total assets	\$ -	\$ 80,523	\$ 51,949
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Salaries Payable	-	-	-
Compensated Absences Payable	-	-	-
Due to Others	-	-	-
Due to Other Funds	-	79,933	-
Deferred Revenues	-	590	51,949
Total liabilities	-	80,523	51,949
FUND BALANCES			
Reserved:			
Unreserved:			
Undesignated	-	-	-
Total fund balances	-	-	-
Total liabilities and fund balances	\$ -	\$ 80,523	\$ 51,949

(Continued)

UNITED STATES DEPARTMENT OF JUSTICE PROGRAMS	COPS GRANTS PROGRAM	MOODY FOUNDATION GRANTS	HURRICANE IKE GRANTS	DISASTER RECOVERY - RITA
\$ 1,029	\$ -	\$ 7	\$ -	\$ -
70,920	153,005	-	-	-
-	-	-	-	-
\$ 71,949	\$ 153,005	\$ 7	\$ -	\$ -
\$ 1,030	\$ -	\$ -	\$ -	\$ -
-	20,542	-	-	-
-	-	-	-	-
-	-	-	-	-
-	132,463	-	-	-
60,245	-	-	-	-
61,275	153,005	-	-	-
10,674	-	7	-	-
10,674	-	7	-	-
\$ 71,949	\$ 153,005	\$ 7	\$ -	\$ -

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - GRANT FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009**

	TOTALS	
	2010	2009
ASSETS		
Cash and Cash Equivalents	\$ 1,121,820	\$ 3,790,908
Receivables: (Net of Allowance for Uncollectibles)		
Accounts and Other	1,162,821	1,256,606
Due from Other Funds	115,015	115,015
Total assets	\$ 2,399,656	\$ 5,162,529
LIABILITIES		
Accounts Payable	\$ 273,098	\$ 556,466
Salaries Payable	113,832	72,886
Compensated Absences Payable	-	9,439
Due to Others	-	1,082,374
Due to Other Funds	898,803	943,081
Deferred Revenues	785,164	2,037,909
Total liabilities	2,070,897	4,702,155
FUND BALANCES		
Reserved:		
Unreserved:		
Undesignated	328,759	460,374
Total fund balances	328,759	460,374
Total liabilities and fund balances	\$ 2,399,656	\$ 5,162,529



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GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - GRANT FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	LOW INCOME REPAIR ASSISTANCE PROGRAM ("L.I.R.A.P.")	LOCAL INITIATIVE PROJECT ("L.I.R.A.P.")	ADULT PROBATION COMMUNITY CORRECTIONS
REVENUES			
Intergovernmental	\$ 929,183	\$ -	\$ 425,571
Investment Earnings	2,372	36	-
Miscellaneous	-	-	-
Total revenues	931,555	36	425,571
EXPENDITURES			
Current :			
General Government	-	-	-
Public Safety	-	-	442,571
Sanitation	-	-	-
Health and Social Services	929,183	-	-
Culture and Recreation	-	-	-
Capital Outlay	-	-	-
Total expenditures	929,183	-	442,571
Excess (deficiency) of revenues over (under) expenditures	2,372	36	(17,000)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	17,000
Transfers Out	-	-	-
Total other financing sources (uses)	-	-	17,000
Net change in fund balances	2,372	36	-
Fund balances-beginning	13,458	2,227	-
Fund balances-ending	\$ 15,830	\$ 2,263	\$ -

(Continued)

JUVENILE ACCOUNTABILITY INCENTIVE BLOCK	JUVENILE JUSTICE STATE AID	JUVENILE JUSTICE INTENSIVE SUPERVISION PROGRAM	INTENSIVE COMMUNITY- BASED PROGRAM	JUVENILE JUSTICE ALTERNATIVE EDUCATION
\$ 80,578	\$ 669,638	\$ 492,317	\$ 97,463	\$ 431,378
-	-	-	-	-
-	-	-	-	-
80,578	669,638	492,317	97,463	431,378
79,453	-	-	-	-
-	667,701	494,369	97,463	451,084
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
79,453	667,701	494,369	97,463	451,084
1,125	1,937	(2,052)	-	(19,706)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,125	1,937	(2,052)	-	(19,706)
-	12,145	10,762	-	20,979
\$ 1,125	\$ 14,082	\$ 8,710	\$ -	\$ 1,273

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - GRANT FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	ORGANIZED CRIME CONTROL UNIT	AUTO CRIMES TASK FORCE	DWI-TEXAS TRAFFIC SAFETY PROGRAM
REVENUES			
Intergovernmental	\$ -	739,301	\$ 10,965
Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total revenues	-	739,301	10,965
EXPENDITURES			
Current :			
General Government	-	-	-
Public Safety	-	621,309	10,965
Sanitation	-	-	-
Health and Social Services	-	-	-
Culture and Recreation	-	-	-
Capital Outlay	-	99,265	-
Total expenditures	-	720,574	10,965
Excess (deficiency) of revenues over (under) expenditures	-	18,727	-
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	18,727	-
Fund balances-beginning	1,824	95,138	-
Fund balances-ending	\$ 1,824	113,865	\$ -

(Continued)

STATE CRIMINAL ALIEN ASSISTANCE PROGRAM	TEXAS VICTIM INFOR- MATION AND NOTIFICATION EVERY DAY ("V.I.N.E.")	ATTORNEY GENERAL'S VICTIMS ASSISTANCE	VIOLENCE AGAINST WOMEN ACT	CHILDREN'S JUSTICE ACT PROJECT
\$ 89,823	\$ 25,860	\$ 54,670	\$ 102,897	\$ -
-	-	-	-	-
-	-	-	-	-
89,823	25,860	54,670	102,897	-
-	25,860	54,025	102,897	-
89,823	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
89,823	25,860	54,025	102,897	-
-	-	645	-	-
-	-	-	-	-
-	-	-	-	-
-	-	645	-	-
-	-	4,842	-	1,685
\$ -	\$ -	\$ 5,487	\$ -	\$ 1,685

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - GRANT FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	OFFICE OF EMERGENCY MANAGEMENT	STATE HOMELAND SECURITY	COMMUNITY DEVELOPMENT
REVENUES			
Intergovernmental	\$ 47,126	\$ 148,693	\$ 98,602
Investment Earnings	-	-	-
Miscellaneous	-	29	-
	<hr/>		
Total revenues	47,126	148,722	98,602
<hr/>			
EXPENDITURES			
Current :			
General Government	-	-	-
Public Safety	47,126	142,788	1,503
Sanitation	-	-	97,099
Health and Social Services	-	-	-
Culture and Recreation	-	-	-
Capital Outlay	-	-	-
	<hr/>		
Total expenditures	47,126	142,788	98,602
<hr/>			
Excess (deficiency) of revenues over (under) expenditures	-	5,934	-
<hr/>			
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<hr/>		
Total other financing sources (uses)	-	-	-
<hr/>			
Net change in fund balances	-	5,934	-
<hr/>			
Fund balances-beginning	-	-	-
	<hr/>		
Fund balances-ending	\$ -	\$ 5,934	\$ -
	<hr/> <hr/>		

(Continued)

CDBG INFRASTRUCTURE PROGRAM	SENIOR CITIZENS	TEXANS FEEDING TEXANS PROGRAM	KEMPNER	COMMUNITY DEVELOPMENT BLOCK - MEALS ON WHEELS
\$ 699	\$ 612,274	\$ 65,267	\$ -	\$ -
-	-	-	-	-
-	-	6	900	-
699	612,274	65,273	900	-
-	-	-	-	-
-	-	-	-	-
699	-	-	-	-
-	573,686	87,251	900	-
-	-	-	-	-
-	-	-	-	-
699	573,686	87,251	900	-
-	38,588	(21,978)	-	-
70,610	-	-	-	-
-	-	-	-	-
70,610	-	-	-	-
70,610	38,588	(21,978)	-	-
-	36,802	21,978	-	-
\$ 70,610	\$ 75,390	\$ -	\$ -	\$ -

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - GRANT FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	INTENSIVE FAMILY PRESERVATION	COUNTY BEACH AND PARKS PROJECTS	2009 RECOVERY ACT ASSISTANCE GRANT
REVENUES			
Intergovernmental	\$ -	\$ 72,877	\$ 323,542
Investment Earnings	-	-	267
Miscellaneous	-	-	-
Total revenues	-	72,877	323,809
EXPENDITURES			
Current :			
General Government	-	-	-
Public Safety	-	-	323,809
Sanitation	-	-	-
Health and Social Services	2,394	-	-
Culture and Recreation	-	-	-
Capital Outlay	-	72,877	-
Total expenditures	2,394	72,877	323,809
Excess (deficiency) of revenues over (under) expenditures	(2,394)	-	-
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(2,394)	-	-
Fund balances-beginning	2,394	-	-
Fund balances-ending	\$ -	\$ -	\$ -

(Continued)

UNITED STATES DEPARTMENT OF JUSTICE PROGRAMS	COPS GRANTS PROGRAM	MOODY FOUNDATION GRANTS	HURRICANE IKE GRANTS	DISASTER RECOVERY - RITA
\$ 110,096	\$ 533,371	\$ -	\$ -	\$ 933,175
606	-	-	-	-
-	9,980	-	558,675	-
110,702	543,351	-	558,675	933,175
-	-	-	-	-
110,702	543,351	521	558,675	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
110,702	543,351	521	558,675	-
-	-	(521)	-	933,175
-	-	-	-	-
-	-	-	-	(1,158,113)
-	-	-	-	(1,158,113)
-	-	(521)	-	(224,938)
10,674	-	528	-	224,938
\$ 10,674	\$ -	\$ 7	\$ -	\$ -

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - GRANT FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	TOTALS	
	2010	2009
REVENUES		
Intergovernmental	\$ 7,095,366	\$ 5,741,553
Investment Earnings	3,281	6,094
Miscellaneous	569,590	730,236
	7,668,237	6,477,883
EXPENDITURES		
Current :		
General Government	262,235	232,018
Public Safety	4,603,760	4,014,055
Sanitation	97,798	6,900
Health and Social Services	1,593,414	1,880,205
Culture and Recreation	-	42,232
Capital Outlay	172,142	314,946
	6,729,349	6,490,356
Excess (deficiency) of revenues over (under) expenditures	938,888	(12,473)
OTHER FINANCING SOURCES (USES)		
Transfers In	87,610	12,901
Transfers Out	(1,158,113)	(12,901)
	(1,070,503)	-
Net change in fund balances	(131,615)	(12,473)
Fund balances-beginning	460,374	472,847
Fund balances-ending	\$ 328,759	\$ 460,374



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GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY RECORDS MANAGEMENT SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Charges for Services	\$ 136,106	\$ 129,330	\$ (6,776)	\$ 132,334
Miscellaneous	-	1,140	1,140	-
Total revenues	136,106	130,470	(5,636)	132,334
EXPENDITURES				
General Government:				
Current:				
Personal Services	58,100	48,240	9,860	68,618
Supplies	2,000	1,010	990	-
Other Services and Charges	198,300	185,117	13,183	190,183
Total expenditures	258,400	234,367	24,033	258,801
Excess (deficiency) of revenues over (under) expenditures	(122,294)	(103,897)	18,397	(126,467)
OTHER FINANCING SOURCES (USES)				
Transfers In	80,000	80,000	-	80,000
Transfers Out	(4,600)	(4,600)	-	(7,000)
Total other financing sources (uses)	75,400	75,400	-	73,000
Net change in fund balances	(46,894)	(28,497)	18,397	(53,467)
Fund balances-beginning	151,139	151,139	-	204,606
Fund balances-ending	\$ 104,245	\$ 122,642	\$ 18,397	\$ 151,139

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Charges for Services	\$ 821,600	\$ 772,848	\$ (48,752)	\$ 795,553
EXPENDITURES				
General Government:				
Current:				
Personal Services	540,500	446,530	93,970	296,333
Supplies	58,800	22,762	36,038	79,025
Other Services and Charges	138,300	78,376	59,924	496,109
Total General Government:	<u>737,600</u>	<u>547,668</u>	189,932	871,467
Capital Outlay	1,461,894	2,059	1,459,835	-
Total expenditures	<u>2,199,494</u>	<u>549,727</u>	1,649,767	871,467
Excess (deficiency) of revenues over (under) expenditures	(1,377,894)	223,121	1,601,015	(75,914)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(457,600)	(457,600)	-	(476,900)
Net change in fund balances	(1,835,494)	(234,479)	1,601,015	(552,814)
Fund balances-beginning	<u>2,446,645</u>	<u>2,446,645</u>	-	2,999,459
Fund balances-ending	<u>\$ 611,151</u>	<u>\$ 2,212,166</u>	<u>\$ 1,601,015</u>	<u>\$ 2,446,645</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
ELECTION SERVICES CONTRACT FUND SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Charges for Services	\$ -	\$ 175,894	\$ 175,894	126,474
EXPENDITURES				
General Government:				
Current:				
Supplies	14,950	14,800	150	-
Other Services and Charges	-	61,345	(61,345)	47,966
Total expenditures	14,950	76,145	(61,195)	47,966
Excess (deficiency) of revenues over (under) expenditures	(14,950)	99,749	114,699	78,508
OTHER FINANCING SOURCES (USES)				
Transfers Out	(105,400)	(105,400)	-	-
Net change in fund balances	(120,350)	(5,651)	114,699	78,508
Fund balances-beginning	422,583	422,583	-	344,075
Fund balances-ending	\$ 302,233	\$ 416,932	\$ 114,699	\$ 422,583

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DISTRICT CLERK CHILD SUPPORT IV-D SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Intergovernmental	\$ 3,400	\$ 8,822	\$ 5,422	\$ 3,733
EXPENDITURES	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	3,400	8,822	5,422	3,733
Fund balances-beginning	105,889	105,889	-	102,156
Fund balances-ending	\$ 109,289	\$ 114,711	\$ 5,422	\$ 105,889

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DISTRICT CLERK RECORDS MANAGEMENT SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Charges for Services	\$ 35,800	\$ 82,915	\$ 47,115	\$ 29,813
Miscellaneous	12,000	12,000	-	-
Total revenues	<u>47,800</u>	<u>94,915</u>	<u>47,115</u>	<u>29,813</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	47,800	94,915	47,115	29,813
OTHER FINANCING SOURCES (USES)				
Transfers Out	(40,000)	(40,000)	-	(40,000)
Net change in fund balances	7,800	54,915	47,115	(10,187)
Fund balances-beginning	<u>33,633</u>	<u>33,633</u>	<u>-</u>	<u>43,820</u>
Fund balances-ending	<u><u>\$ 41,433</u></u>	<u><u>\$ 88,548</u></u>	<u><u>\$ 47,115</u></u>	<u><u>\$ 33,633</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
TAX ASSESSOR-COLLECTOR SPECIAL INVENTORY TAX ESCROW SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes	\$ -	\$ 10,520	\$ 10,520	\$ 4,035
Investment Earnings	-	7,645	7,645	14,943
Total revenues	-	18,165	18,165	18,978
EXPENDITURES				
General Government:				
Current:				
Personal Services	89,500	78,003	11,497	-
Other Services and Charges	5,800	890	4,910	-
Total expenditures	95,300	78,893	16,407	-
Excess (deficiency) of revenues over (under) expenditures	(95,300)	(60,728)	34,572	18,978
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	-	(49,500)
Net change in fund balances	(95,300)	(60,728)	34,572	(30,522)
Fund balances-beginning	99,225	99,225	-	129,747
Fund balances-ending	\$ 3,925	\$ 38,497	\$ 34,572	\$ 99,225

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DONATIONS TO GALVESTON COUNTY SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	\$ -	\$ -	\$ -	\$ -
Fund balances-beginning	870	870	-	870
Fund balances-ending	<u><u>870</u></u>	<u><u>870</u></u>	<u><u>-</u></u>	<u><u>870</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
DISTRICT ATTORNEY CONTRABAND POST-10/89 SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Fines and Forfeitures	\$ -	\$ 32,238	\$ 32,238	\$ 38,942
Miscellaneous	-	750	750	-
Total revenues	<u>-</u>	<u>32,988</u>	<u>32,988</u>	<u>38,942</u>
EXPENDITURES				
General Government:				
Current:				
Supplies	3,600	3,225	375	1,647
Other Services and Charges	47,413	26,823	20,590	17,955
Total expenditures	<u>51,013</u>	<u>30,048</u>	<u>20,965</u>	<u>19,602</u>
Excess (deficiency) of revenues over (under) expenditures	(51,013)	2,940	53,953	19,340
Fund balances-beginning	<u>51,661</u>	<u>51,661</u>	-	<u>32,321</u>
Fund balances-ending	<u><u>\$ 648</u></u>	<u><u>\$ 54,601</u></u>	<u><u>\$ 53,953</u></u>	<u><u>\$ 51,661</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
DISTRICT ATTORNEY CHECK COLLECTION FEES SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Charges for Services	\$ -	\$ 6,077	\$ 6,077	\$ 9,086
EXPENDITURES				
General Government:				
Current:				
Supplies	8,000	-	8,000	284
Other Services and Charges	47,000	10,082	36,918	23,771
Total General Government:	55,000	10,082	44,918	24,055
Capital Outlay	2,000	-	2,000	-
Total expenditures	<u>57,000</u>	<u>10,082</u>	<u>46,918</u>	<u>24,055</u>
Excess (deficiency) of revenues over (under) expenditures	(57,000)	(4,005)	52,995	(14,969)
Fund balances-beginning	<u>61,030</u>	<u>61,030</u>	<u>-</u>	<u>75,999</u>
Fund balances-ending	<u><u>\$ 4,030</u></u>	<u><u>\$ 57,025</u></u>	<u><u>\$ 52,995</u></u>	<u><u>\$ 61,030</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
UNCLAIMED PROPERTY SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Investment Earnings	\$ -	\$ 3,113	\$ 3,113	\$ 6,499
Miscellaneous	-	-	-	425
Total revenues	<u>-</u>	<u>3,113</u>	<u>3,113</u>	<u>6,924</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	3,113	3,113	6,924
Fund balances-beginning	<u>55,217</u>	<u>55,217</u>	<u>-</u>	<u>48,293</u>
Fund balances-ending	<u><u>\$ 55,217</u></u>	<u><u>\$ 58,330</u></u>	<u><u>\$ 3,113</u></u>	<u><u>\$ 55,217</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COURTHOUSE SECURITY SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Charges for Services	\$ 200,300	\$ 206,524	\$ 6,224	\$ 204,381
EXPENDITURES				
Public Safety:				
Current:				
Personal Services	255,300	215,598	39,702	202,633
Supplies	5,000	3,138	1,862	1,518
Other Services and Charges	30,400	8,400	22,000	21,200
Total expenditures	<u>290,700</u>	<u>227,136</u>	<u>63,564</u>	<u>225,351</u>
Excess (deficiency) of revenues over (under) expenditures	(90,400)	(20,612)	69,788	(20,970)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(10,200)	(10,200)	-	(19,800)
Net change in fund balances	(100,600)	(30,812)	69,788	(40,770)
Fund balances-beginning	<u>350,250</u>	<u>350,250</u>	<u>-</u>	<u>391,020</u>
Fund balances-ending	<u>\$ 249,650</u>	<u>\$ 319,438</u>	<u>\$ 69,788</u>	<u>\$ 350,250</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LAW LIBRARY SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Charges for Services	\$ 218,000	\$ 322,315	\$ 104,315	\$ 235,455
EXPENDITURES				
General Government:				
Current:				
Personal Services	64,500	48,530	15,970	61,554
Supplies	295,749	293,733	2,016	260,653
Other Services and Charges	13,449	2,776	10,673	1,300
Total expenditures	<u>373,698</u>	<u>345,039</u>	<u>28,659</u>	<u>323,507</u>
Excess (deficiency) of revenues over (under) expenditures	(155,698)	(22,724)	132,974	(88,052)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(600)	(600)	-	(5,200)
Total other financing sources (uses)	<u>(600)</u>	<u>(600)</u>	<u>-</u>	<u>(5,200)</u>
Net change in fund balances	(156,298)	(23,324)	132,974	(93,252)
Fund balances-beginning	<u>279,617</u>	<u>279,617</u>	<u>-</u>	<u>372,869</u>
Fund balances-ending	<u><u>\$ 123,319</u></u>	<u><u>\$ 256,293</u></u>	<u><u>\$ 132,974</u></u>	<u><u>\$ 279,617</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MEDIATION SERVICES PROGRAM SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Charges for Services	\$ 122,865	\$ 167,580	\$ 44,715	\$ 131,981
Investment Earnings	14,000	10,789	(3,211)	15,413
Total revenues	<u>136,865</u>	<u>178,369</u>	<u>41,504</u>	<u>147,394</u>
EXPENDITURES				
General Government:				
Current:				
Other Services and Charges	75,000	41,423	33,577	9,750
Excess (deficiency) of revenues over (under) expenditures	61,865	136,946	75,081	137,644
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	19,620
Net change in fund balances	61,865	136,946	75,081	157,264
Fund balances-beginning	<u>609,681</u>	<u>609,681</u>	<u>-</u>	<u>452,417</u>
Fund balances-ending	<u>\$ 671,546</u>	<u>\$ 746,627</u>	<u>\$ 75,081</u>	<u>\$ 609,681</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
JUSTICE COURT TECHNOLOGY SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Fines and Forfeitures	\$ 68,600	\$ 65,769	\$ (2,831)	\$ 69,712
EXPENDITURES				
General Government:				
Current:				
Other Services and Charges	60,000	60,000	-	60,000
Excess (deficiency) of revenues over (under) expenditures	8,600	5,769	(2,831)	9,712
Fund balances-beginning	105,751	105,751	-	96,039
Fund balances-ending	\$ 114,351	\$ 111,520	\$ (2,831)	\$ 105,751

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
PROBATE COURT CONTRIBUTIONS SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Intergovernmental	\$ -	\$ 40,000	\$ 40,000	\$ 60,322
EXPENDITURES				
General Government:				
Current:				
Supplies	2,000	1,055	945	109
Other Services and Charges	11,500	11,329	171	4,591
Total expenditures	<u>13,500</u>	<u>12,384</u>	<u>1,116</u>	<u>4,700</u>
Excess (deficiency) of revenues over (under) expenditures	(13,500)	27,616	41,116	55,622
OTHER FINANCING SOURCES (USES)				
Transfers Out	(35,000)	(35,000)	-	(20,000)
Net change in fund balances	(48,500)	(7,384)	41,116	35,622
Fund balances-beginning	<u>317,093</u>	<u>317,093</u>	<u>-</u>	<u>281,471</u>
Fund balances-ending	<u><u>\$ 268,593</u></u>	<u><u>\$ 309,709</u></u>	<u><u>\$ 41,116</u></u>	<u><u>\$ 317,093</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
ADULT PROBATION SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	<u>2009 Actual</u>
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>		
REVENUES				
Intergovernmental	\$ 4,088,396	\$ 2,251,675	\$ (1,836,721)	\$ 2,313,849
Investment Earnings	33,000	13,143	(19,857)	20,883
Miscellaneous	13,000	6,751	(6,249)	9,455
Total revenues	<u>4,134,396</u>	<u>2,271,569</u>	<u>(1,862,827)</u>	<u>2,344,187</u>
EXPENDITURES				
Public Safety:				
Current:				
Personal Services	4,168,078	1,902,127	2,265,951	1,933,147
Supplies	30,000	9,285	20,715	9,414
Other Services and Charges	485,454	203,245	282,209	525,865
Total expenditures	<u>4,683,532</u>	<u>2,114,657</u>	<u>2,568,875</u>	<u>2,468,426</u>
Excess (deficiency) of revenues over (under) expenditures	(549,136)	156,912	706,048	(124,239)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(35,935)	(17,000)	18,935	-
Net change in fund balances	(585,071)	139,912	724,983	(124,239)
Fund balances-beginning	9,373	9,373	-	133,612
Fund balances-ending	<u>\$ (575,698)</u>	<u>\$ 149,285</u>	<u>\$ 724,983</u>	<u>\$ 9,373</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
JUVENILE JUSTICE SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	<u>2009 Actual</u>
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>		
REVENUES				
Intergovernmental	\$ 188,000	\$ 381,860	\$ 193,860	\$ 235,664
Charges for Services	500	334	(166)	490
Investment Earnings	30,000	28,713	(1,287)	40,561
Miscellaneous	-	327,480	327,480	3,144
Total revenues	<u>218,500</u>	<u>738,387</u>	<u>519,887</u>	<u>279,859</u>
EXPENDITURES				
Public Safety:				
Current:				
Personal Services	3,699,200	3,362,650	336,550	3,388,308
Supplies	89,900	78,194	11,706	64,675
Other Services and Charges	1,758,800	1,510,316	248,484	1,552,668
Total Public Safety:	<u>5,547,900</u>	<u>4,951,160</u>	<u>596,740</u>	<u>5,005,651</u>
Capital Outlay	7,764	-	7,764	-
Total expenditures	<u>5,555,664</u>	<u>4,951,160</u>	<u>604,504</u>	<u>5,005,651</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,337,164)</u>	<u>(4,212,773)</u>	<u>1,124,391</u>	<u>(4,725,792)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	5,277,000	5,277,000	-	4,851,000
Transfers Out	(167,400)	(167,400)	-	(354,500)
Total other financing sources (uses)	<u>5,109,600</u>	<u>5,109,600</u>	<u>-</u>	<u>4,496,500</u>
Net change in fund balances	(227,564)	896,827	1,124,391	(229,292)
Fund balances-beginning	<u>1,155,155</u>	<u>1,155,155</u>	<u>-</u>	<u>1,384,447</u>
Fund balances-ending	<u>\$ 927,591</u>	<u>\$ 2,051,982</u>	<u>\$ 1,124,391</u>	<u>\$ 1,155,155</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
SHERIFF'S COMMISSARY SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Investment Earnings	\$ -	\$ 15,457	\$ 15,457	\$ 26,556
Miscellaneous	-	223,908	223,908	217,629
Total revenues	-	239,365	239,365	244,185
EXPENDITURES				
Public Safety:				
Current:				
Personal Services	-	268	(268)	-
Other Services and Charges	-	222,516	(222,516)	87,133
Total expenditures	-	222,784	(222,784)	87,133
Excess (deficiency) of revenues over (under) expenditures	-	16,581	16,581	157,052
OTHER FINANCING SOURCES (USES)				
Transfers Out	(12,400)	(12,400)	-	(23,700)
Net change in fund balances	(12,400)	4,181	16,581	133,352
Fund balances-beginning	1,009,443	1,009,443	-	876,091
Fund balances-ending	\$ 997,043	\$ 1,013,624	\$ 16,581	\$ 1,009,443

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
SHERIFF SEIZURES POST-10/89 SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Fines and Forfeitures	\$ -	\$ 117,325	\$ 117,325	\$ 7,319
Investment Earnings	-	1,023	1,023	1,019
Miscellaneous	-	456	456	-
Total revenues	-	118,804	118,804	8,338
EXPENDITURES				
Public Safety:				
Current:				
Supplies	9,000	34,143	(25,143)	-
Other Services and Charges	34,000	31,190	2,810	-
Total Public Safety:	43,000	65,333	(22,333)	-
Capital Outlay	59,074	23,205	35,869	-
Total expenditures	102,074	88,538	13,536	-
Excess (deficiency) of revenues over (under) expenditures	(102,074)	30,266	132,340	8,338
Fund balances-beginning	50,980	50,980	-	42,642
Fund balances-ending	\$ (51,094)	\$ 81,246	\$ 132,340	\$ 50,980

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
TASK FORCE SEIZURES PRE-10/89 SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Fines and Forfeitures	\$ -	\$ -	\$ -	\$ 3,790
Miscellaneous	-	-	-	402
Total revenues	-	-	-	4,192
EXPENDITURES				
Public Safety:				
Current:				
Intergovernmental	-	6,232	(6,232)	-
Miscellaneous	-	-	-	441
Total expenditures	-	6,232	(6,232)	441
Excess (deficiency) of revenues over (under) expenditures	-	(6,232)	6,232	3,751
OTHER FINANCING SOURCES (USES)				
Transfers Out	(5,400)	(5,400)	-	(5,400)
Net change in fund balances	(5,400)	(11,632)	6,232	(1,649)
Fund balances-beginning	35,412	35,412	-	37,061
Fund balances-ending	<u>\$ 30,012</u>	<u>\$ 23,780</u>	<u>\$ 6,232</u>	<u>\$ 35,412</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
CRIMINAL INVESTIGATIVE DIVISION SEIZURES POST-10/89 SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>			<u>2009</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>	
Fund balances-beginning	\$ -	\$ -	\$ -	\$ -
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
LAW ENFORCEMENT CONTINUED EDUCATION SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Intergovernmental	\$ 33,106	\$ 33,105	\$ (1)	\$ 7,664
EXPENDITURES				
Public Safety:				
Current:				
Inter-/Intragovernmental	186,219	47,676	138,543	15,640
Excess (deficiency) of revenues over (under) expenditures	(153,113)	(14,571)	138,542	(7,976)
Fund balances-beginning	153,115	153,115	-	161,091
Fund balances-ending	<u>\$ 2</u>	<u>\$ 138,544</u>	<u>\$ 138,542</u>	<u>\$ 153,115</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
CONSTABLES' SEIZURES SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Fines and Forfeitures	\$ -	\$ -	\$ -	\$ 3,500
EXPENDITURES	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	3,500
Fund balances-beginning	3,500	3,500	-	-
Fund balances-ending	<u>\$ 3,500</u>	<u>\$ 3,500</u>	<u>\$ -</u>	<u>\$ 3,500</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
EMERGENCY MANAGEMENT SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Intergovernmental	-	\$ 5,135	\$ 5,135	\$ 42,653
Investment Earnings	-	-	-	540
Miscellaneous	-	-	-	25,214
Total revenues	-	5,135	5,135	68,407
EXPENDITURES				
Public Safety:				
Current:				
Other Services and Charges	725,497	9,503	715,994	262,130
Excess (deficiency) of revenues over (under) expenditures	(725,497)	(4,368)	721,129	(193,723)
OTHER FINANCING SOURCES (USES)				
Transfers In	1,258,113	1,258,113	-	5,100,000
Transfers Out	(304,900)	(304,900)	-	-
Total other financing sources (uses)	953,213	953,213	-	5,100,000
Net change in fund balances	227,716	948,845	721,129	4,906,277
Fund balances-beginning	6,290,904	6,290,904	-	1,384,627
Fund balances-ending	\$ 6,518,620	\$ 7,239,749	\$ 721,129	\$ 6,290,904

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ROAD AND BRIDGE SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes	\$ 2,897,472	\$ 2,928,310	\$ 30,838	\$ 3,087,892
Licenses and Permits	2,460,000	2,366,367	(93,633)	2,444,962
Intergovernmental	861,000	912,818	51,818	1,565,347
Fines and Forfeitures	655,000	612,211	(42,789)	668,659
Investment Earnings	173,000	86,817	(86,183)	169,934
Miscellaneous	4,439	4,439	-	10
Total revenues	7,050,911	6,910,962	(139,949)	7,936,804
EXPENDITURES				
General Government				
Current:				
Other Services and Charges	830,908	-	830,908	13,667
Roads, Bridges, & R.O.W:				
Current:				
Personal Services	2,939,200	1,958,055	981,145	2,597,613
Supplies	2,572,639	1,419,987	1,152,652	2,477,553
Other Services and Charges	468,314	433,357	34,957	397,290
Miscellaneous	293,000	181,414	111,586	183,000
Total Roads, Bridges, & R.O.W:	6,273,153	3,992,813	2,280,340	5,655,456
Capital Outlay	1,258,765	1,043,660	215,105	317,110
Total expenditures	8,362,826	5,036,473	3,326,353	5,986,233
Excess (deficiency) of revenues over (under) expenditures	(1,311,915)	1,874,489	3,186,404	1,950,571
OTHER FINANCING SOURCES (USES)				
Transfers Out	(2,002,200)	(2,002,200)	-	(2,063,100)
Sale of Capital Assets	10,000	16,634	6,634	21,752
Total other financing sources (uses)	(1,992,200)	(1,985,566)	6,634	(2,041,348)
Net change in fund balances	(3,304,115)	(111,077)	3,193,038	(90,777)
Fund balances-beginning	5,612,173	5,612,173	-	5,702,950
Fund balances-ending	\$ 2,308,058	\$ 5,501,096	\$ 3,193,038	\$ 5,612,173

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FARM-TO-MARKET LATERAL ROAD SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes	\$ 1,200	\$ 697	\$ (503)	\$ 1,421
Intergovernmental	28,000	28,170	170	28,455
Investment Earnings	60,000	30,496	(29,504)	61,331
Miscellaneous	36,100	35,780	(320)	40,786
Total revenues	125,300	95,143	(30,157)	131,993
EXPENDITURES				
Roads, Bridges, and Rights-of-Way:				
Current:				
Personal Services	80,400	75,029	5,371	72,623
Supplies	3,000	540	2,460	1,052
Other Services and Charges	149,100	130,030	19,070	45,331
Total Roads, Bridges, and Rights-of-Way:	232,500	205,599	26,901	119,006
Capital Outlay	302,950	29,891	273,059	20,421
Total expenditures	535,450	235,490	299,960	139,427
Excess (deficiency) of revenues over (under) expenditures	(410,150)	(140,347)	269,803	(7,434)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(192,100)	(192,100)	-	(71,900)
Sale of Capital Assets	2,100	45,268	43,168	4,550
Total other financing sources (uses)	(190,000)	(146,832)	43,168	(67,350)
Net change in fund balances	(600,150)	(287,179)	312,971	(74,784)
Fund balances-beginning	2,013,423	2,013,423	-	2,088,207
Fund balances-ending	\$ 1,413,273	\$ 1,726,244	\$ 312,971	\$ 2,013,423

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ROAD DISTRICT #1 SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes	\$ 60	\$ 9	\$ (51)	\$ 171
Charges for Services	730,000	550,856	(179,144)	385,746
Investment Earnings	30,000	13,475	(16,525)	32,644
Total revenues	760,060	564,340	(195,720)	418,561
EXPENDITURES				
Roads, Bridges, and Rights-of-Way:				
Current:				
Personal Services	-	1,024	(1,024)	-
Supplies	10,000	4,430	5,570	4,825
Other Services and Charges	702,500	544,460	158,040	552,821
Total Roads, Bridges, and Rights-of-Way:	712,500	549,914	162,586	557,646
Capital Outlay	37,701	-	37,701	-
Total expenditures	750,201	549,914	200,287	557,646
Excess (deficiency) of revenues over (under) expenditures	9,859	14,426	4,567	(139,085)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(463,800)	(463,800)	-	(113,800)
Net change in fund balances	(453,941)	(449,374)	4,567	(250,101)
Fund balances-beginning	1,016,016	1,016,016	-	1,266,117
Fund balances-ending	\$ 562,075	\$ 566,642	\$ 4,567	\$ 1,016,016

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FLOOD CONTROL SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes	\$ 2,081,245	\$ 2,137,805	\$ 56,560	\$ 2,263,081
Charges for Services	498,525	160,921	(337,604)	82,117
Investment Earnings	55,000	42,628	(12,372)	67,155
Miscellaneous	34,320	157,476	123,156	115,139
Total revenues	2,669,090	2,498,830	(170,260)	2,527,492
EXPENDITURES				
General Government:				
Current:				
Other Services and Charges	261,403	214,956	46,447	76,341
Public Safety:				
Current:				
Personal Services	1,115,400	604,076	511,324	987,235
Supplies	222,600	227,174	(4,574)	195,109
Other Services and Charges	499,100	320,867	178,233	335,964
Total Public Safety	1,837,100	1,152,117	684,983	1,518,308
Capital Outlay	2,721,244	671,726	2,049,518	859,266
Total expenditures	4,819,747	2,038,799	2,780,948	2,453,915
Excess (deficiency) of revenues over (under) expenditures	(2,150,657)	460,031	2,610,688	73,577
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	898,500
Transfers Out	(83,700)	(83,700)	-	(136,800)
Sale of Capital Assets	100	-	(100)	-
Total other financing sources (uses)	(83,600)	(83,700)	(100)	761,700
Net change in fund balances	(2,234,257)	376,331	2,610,588	835,277
Fund balances-beginning	2,201,645	2,201,645	-	1,366,368
Fund balances-ending	\$ (32,612)	\$ 2,577,976	\$ 2,610,588	\$ 2,201,645

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PUBLIC HEALTH SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010			2009 Actual
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	
Fund balances-beginning	\$ -	\$ -	\$ -	\$ -
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MOSQUITO CONTROL DISTRICT SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes	\$ 1,038,234	\$ 1,050,439	\$ 12,205	\$ 1,108,769
Investment Earnings	37,000	11,212	(25,788)	36,867
Miscellaneous	-	-	-	38
Total revenues	<u>1,075,234</u>	<u>1,061,651</u>	<u>(13,583)</u>	<u>1,145,674</u>
EXPENDITURES				
Health and Social Services:				
Current:				
Personal Services	689,100	629,176	59,924	595,745
Supplies	485,100	545,688	(60,588)	428,903
Other Services and Charges	96,300	80,529	15,771	86,736
Total Health and Social Services:	<u>1,270,500</u>	<u>1,255,393</u>	<u>15,107</u>	<u>1,111,384</u>
Capital Outlay	<u>75,358</u>	<u>37,915</u>	<u>37,443</u>	<u>439,520</u>
Total expenditures	<u>1,345,858</u>	<u>1,293,308</u>	<u>52,550</u>	<u>1,550,904</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(270,624)</u>	<u>(231,657)</u>	<u>38,967</u>	<u>(405,230)</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(17,000)	(17,000)	-	(68,300)
Sale of Capital Assets	-	5,875	5,875	1,395
Total other financing sources (uses)	<u>(17,000)</u>	<u>(11,125)</u>	<u>5,875</u>	<u>(66,905)</u>
Net change in fund balances	<u>(287,624)</u>	<u>(242,782)</u>	<u>44,842</u>	<u>(472,135)</u>
Fund balances-beginning	<u>867,780</u>	<u>867,780</u>	<u>-</u>	<u>1,339,915</u>
Fund balances-ending	<u>\$ 580,156</u>	<u>\$ 624,998</u>	<u>\$ 44,842</u>	<u>\$ 867,780</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
INDIGENT HEALTH CARE SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	<u>2010</u>		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Intergovernmental	\$ -	\$ 384,125	\$ 384,125	\$ 580
EXPENDITURES				
Health and Social Services:				
Current:				
Other Services and Charges	13,175,176	2,310,876	10,864,300	859,723
Excess (deficiency) of revenues over (under) expenditures	<u>(13,175,176)</u>	<u>(1,926,751)</u>	<u>11,248,425</u>	<u>(859,143)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	11,649,900	11,649,900	-	2,385,000
Net change in fund balances	(1,525,276)	9,723,149	11,248,425	1,525,857
Fund balances-beginning	<u>1,525,857</u>	<u>1,525,857</u>	<u>-</u>	<u>-</u>
Fund balances-ending	<u><u>\$ 581</u></u>	<u><u>\$ 11,249,006</u></u>	<u><u>\$ 11,248,425</u></u>	<u><u>\$ 1,525,857</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CHILD WELFARE SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Intergovernmental	\$ 30,000	\$ 39,350	\$ 9,350	\$ 14,667
Miscellaneous	1,200	3,267	2,067	1,932
Total revenues	31,200	42,617	11,417	16,599
EXPENDITURES				
Health and Social Services:				
Current:				
Personal Services	51,300	24,409	26,891	5,564
Supplies	102,500	52,368	50,132	58,563
Other Services and Charges	292,500	203,439	89,061	243,532
Total expenditures	446,300	280,216	166,084	307,659
Excess (deficiency) of revenues over (under) expenditures	(415,100)	(237,599)	177,501	(291,060)
OTHER FINANCING SOURCES (USES)				
Transfers In	250,000	250,000	-	400,000
Transfers Out	-	-	-	(4,000)
Total other financing sources (uses)	250,000	250,000	-	396,000
Net change in fund balances	(165,100)	12,401	177,501	104,940
Fund balances-beginning	423,354	423,354	-	318,414
Fund balances-ending	\$ 258,254	\$ 435,755	\$ 177,501	\$ 423,354

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BEACH AND PARKS SPECIAL REVENUE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Intergovernmental	\$ 67,500	\$ 179,127	\$ 111,627	\$ 67,499
Charges for Services	227,300	251,103	23,803	156,226
Investment Earnings	2,800	4,260	1,460	3,068
Miscellaneous	20,100	20,030	(70)	1,695
Total revenues	317,700	454,520	136,820	228,488
EXPENDITURES				
Culture and Recreation:				
Current:				
Personal Services	181,500	79,499	102,001	149,706
Supplies	30,400	22,585	7,815	42,782
Other Services and Charges	549,000	488,947	60,053	299,956
Total Culture and Recreation:	760,900	591,031	169,869	492,444
Capital Outlay	85,568	80,726	4,842	-
Total expenditures	846,468	671,757	174,711	492,444
Excess (deficiency) of revenues over (under) expenditures	(528,768)	(217,237)	311,531	(263,956)
OTHER FINANCING SOURCES (USES)				
Transfers In	260,000	260,000	-	460,000
Transfers Out	(12,700)	(12,700)	-	(24,800)
Sale of Capital Assets	-	26,387	26,387	-
Total other financing sources (uses)	247,300	273,687	26,387	435,200
Net change in fund balances	(281,468)	56,450	337,918	171,244
Fund balances-beginning	850,514	850,514	-	679,270
Fund balances-ending	\$ 569,046	\$ 906,964	\$ 337,918	\$ 850,514

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GALVESTON COUNTY MUSEUM
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget - Positive (Negative)	2009 Actual
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Miscellaneous	\$ -	\$ 19,953	\$ 19,953	\$ -
EXPENDITURES	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	19,953	19,953	-
Fund balances-beginning	-	-	-	-
Fund balances-ending	<u>\$ -</u>	<u>\$ 19,953</u>	<u>\$ 19,953</u>	<u>\$ -</u>

NONMAJOR
DEBT SERVICE FUNDS

PURPOSE:

GENERAL OBLIGATION REFUNDING BONDS SERIES 2007 (Fund 4020) – The General Obligation Refunding Bonds Series 2007 were issued to advance refund a portion of the County’s outstanding 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 (collectively referred to as “Refunded Obligations”).)

LIMITED TAX COUNTY BUILDING BONDS SERIES 2009B (“BUILD AMERICA BONDS”)(FUND 4021) – The Series 2009B Bonds are being used to (i) purchase, construct, reconstruct, improve, and/or equip buildings or rooms for the housing of offices, courts, records or equipments, or for the conducting of other public business (ii) pay for professional services rendered in connection with the aforementioned projects, (iii) pay the costs associated with the issuance of the Series 2009B Bonds and (iv) pay a portion of the interest on the Series 2009B Bonds.

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

COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C (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 JUSTICE CENTER BONDS SERIES 2001 (FUND 4215) - The Justice Center and Public Safety Building Bonds Series 2001 were issued to build, improve, and equip building, jail, and court facilities within the county and to purchase, improve, and build necessary related sites and parking facilities for same.

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

PARK ROADS/PARKING LOT IMPROVEMENTS CERTIFICATES OF OBLIGATION SERIES 2002A (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.

LIMITED TAX FORWARD REFUNDING BONDS SERIES 2003 (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 4284) - The General Obligation 1999/2001 Refunding Bonds Series 2004 were issued to refund a portion of the county's outstanding Tax and Revenue Certificates of Obligation Series 1999 and a portion of the county's outstanding Justice Center and Public Safety Building Bonds Series 2001.

PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS SERIES 2007 (FUND 4358) - The Pass-Through Toll Revenue and Limited Tax Bonds were issued to fund: i) the design, development, financing, construction, extension, expansion, and improvement of a non-toll project or facility for Farm-to-Market Road 646, a part of the state highway system located in the county; ii) the payment of interest on the bonds while the project is constructed; and iii) the payment of the costs of issuing the bonds.

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

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

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

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

UNLIMITED TAX ROAD BONDS SERIES 2009A ("BUILD AMERICA BONDS") (FUND 4371) - The Series 2009A Bonds were issued to (i) construct, purchase, maintain and/or operate macadamized, graveled and paved roads and turnpikes, (ii) pay for professional services rendered in connection with the aforementioned projects, and (iii) pay the costs associated with the issuance of the Series 2009A Bonds and (iv) pay a portion of the interest on the Series 2009A Bonds.

LIMITED TAX FLOOD CONTROL SERIES 2009C-1 (FUND 4390) - The Series 2009C Bonds are being used to (i) establish, construct, extend, maintain, or improve a seawall breakwater, levee, floodway, and/or drainway, (ii) pay for professional services rendered in connection with the aforementioned projects, (iii) pay the costs associated with the issuance of the Series 2009C Bonds and (iv) pay a portion of the interest on the Series 2009C Bonds.

LIMITED TAX FLOOD CONTROL SERIES 2009C-2 ("BUILD AMERICA BONDS") (FUND 4393) - The Series 2009C Bonds are being used to (i) establish, construct, extend, maintain, or improve a seawall breakwater, levee, floodway, and/or drainway, (ii) pay for professional services rendered in connection with the aforementioned projects, (iii) pay the costs associated with the issuance of the Series 2009C Bonds and (iv) pay a portion of the interest on the Series 2009C Bonds.

GALVESTON COUNTY CERTIFICATES OF OBLIGATION SERIES 2008 (Fund 4392) – The Galveston County Certificates of Obligation Series 2008 were issued for the purpose of evidencing the indebtedness of the County to pay all or any part of the contractual obligations to be incurred for the construction of public works, the purchase of, among other things, materials, supplies, equipment, machinery, buildings, land and rights-of-way for authorized needs and purposes for the payment of contractual obligations for professional services, to wit: *(i)* levee improvements and improvements of various pump stations; *(ii)* improvements to the Texas City Dike and the Texas City Dike Road; *(iii)* improvements to various City of Texas City roads in the San Leon portion of the County; and *(iv)* for professional services rendered in connection with the above listed projects.



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**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009**

	GENERAL OBLIGATION REFUNDING BONDS SERIES 2007	LIMITED TAX COUNTY BUILDING BONDS SERIES 2009B ("BUILD AMERICA BONDS")	CONSTRUCTION/ IMPROVEMENT TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 1999	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C
ASSETS				
Investments	\$ 1,183,633	\$ 827,326	\$ 240,868	\$ 442,934
Receivables (Net of Allowances for Uncollectibles):				
Taxes	147,988	-	49,957	85,824
Accounts and Other	1,976	-	163	271
Total assets	\$ 1,333,597	\$ 827,326	\$ 290,988	\$ 529,029
LIABILITIES				
Interest Payable	\$ -	\$ -	\$ -	\$ -
Due to Others	9,210	-	6,227	12,153
Due to Other Funds	-	-	-	-
Deferred Revenues	147,988	-	49,957	85,824
Total liabilities	157,198	-	56,184	97,977
FUND BALANCES				
Reserved for Debt Service	1,176,399	827,326	234,804	431,052
Total fund balances	1,176,399	827,326	234,804	431,052
Total liabilities and fund balances	\$ 1,333,597	\$ 827,326	\$ 290,988	\$ 529,029

(Continued)

LIMITED TAX JUSTICE CENTER BONDS SERIES 2001	LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A	PARK ROADS/ PARKING LOT IMPROVEMENTS CERTIFICATES OF OBLIGATION SERIES 2002A	LIMITED TAX FORWARD REFUNDING BONDS SERIES 2003	GENERAL OBLIGATION 1999/2001 REFUNDING BONDS SERIES 2004
\$ 683,830	\$ 570,639	\$ 239,376	\$ -	\$ 892,069
134,785	197,839	35,883	-	331,270
1,085	964	248	-	2,012
\$ 819,700	\$ 769,442	\$ 275,507	\$ -	\$ 1,225,351
\$ -	\$ -	\$ -	\$ -	\$ -
11,825	25,679	3,122	-	24,582
-	-	-	-	-
134,785	197,838	35,884	-	331,270
146,610	223,517	39,006	-	355,852
673,090	545,925	236,501	-	869,499
673,090	545,925	236,501	-	869,499
\$ 819,700	\$ 769,442	\$ 275,507	\$ -	\$ 1,225,351

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009**

	PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS SERIES 2007	SAN LUIS PASS BRIDGE CERTIFICATES OF OBLIGATION SERIES 2002	UNLIMITED TAX ROAD BONDS SERIES 2001	UNLIMITED TAX ROAD BONDS SERIES 2003B
ASSETS				
Investments	\$ 539,254	\$ 404,547	\$ 557,007	\$ 424,605
Receivables (Net of Allowances for Uncollectibles):				
Taxes	-	50,068	94,635	285,963
Accounts and Other	-	407	818	694
Total assets	\$ 539,254	\$ 455,022	\$ 652,460	\$ 711,262
LIABILITIES				
Interest Payable	\$ -	\$ -	\$ -	\$ -
Due to Others	-	4,526	7,961	4,498
Due to Other Funds	-	-	-	-
Deferred Revenues	-	50,066	94,635	285,963
Total liabilities	-	54,592	102,596	290,461
FUND BALANCES				
Reserved for Debt Service	539,254	400,430	549,864	420,801
Total fund balances	539,254	400,430	549,864	420,801
Total liabilities and fund balances	\$ 539,254	\$ 455,022	\$ 652,460	\$ 711,262

(Continued)

UNLIMITED TAX ROAD REFUNDING BONDS SERIES 2004A	UNLIMITED TAX ROAD BONDS SERIES 2009A ("BUILD AMERICA BONDS")	LIMITED TAX FLOOD CONTROL SERIES 2009C-1	LIMITED TAX FLOOD CONTROL SERIES 2009C-2 ("BUILD AMERICA BONDS")	GALVESTON COUNTY CERTIFICATES OF OBLIGATION SERIES 2008
\$ 367,588	\$ 1,396,181	\$ 129,914	\$ 107,810	\$ 574,442
61,511	-	-	-	61,479
372	-	-	-	815
\$ 429,471	\$ 1,396,181	\$ 129,914	\$ 107,810	\$ 636,736
\$ -	\$ -	\$ -	\$ -	\$ -
3,566	-	-	-	3,896
-	-	-	-	-
61,509	-	-	-	61,479
65,075	-	-	-	65,375
364,396	1,396,181	129,914	107,810	571,361
364,396	1,396,181	129,914	107,810	571,361
\$ 429,471	\$ 1,396,181	\$ 129,914	\$ 107,810	\$ 636,736

**GALVESTON COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 September 30, 2010
 With Comparative Totals at September 30, 2009**

	TOTALS	
	2010	2009
ASSETS		
Investments	\$ 9,582,023	\$ 16,087,922
Receivables (Net of Allowances for Uncollectibles):		
Taxes	1,537,202	1,721,714
Accounts and Other	9,825	-
	\$ 11,129,050	\$ 17,809,636
LIABILITIES		
Interest Payable	\$ -	\$ 520,508
Due to Others	117,245	186,435
Due to Other Funds	-	-
Deferred Revenues	1,537,198	1,721,717
	1,654,443	2,428,660
FUND BALANCES		
Reserved for Debt Service	9,474,607	15,380,976
	9,474,607	15,380,976
Total liabilities and fund balances	\$ 11,129,050	\$ 17,809,636



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GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	GENERAL OBLIGATION REFUNDING BONDS SERIES 2007	LIMITED TAX COUNTY BUILDING BONDS SERIES 2009B ("BUILD AMERICA BONDS")	CONSTRUCTION/ IMPROVEMENT TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 1999	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C
REVENUES				
Taxes	\$ 3,842,253	\$ -	\$ 161,648	\$ 190,899
Intergovernmental	-	659,037	-	-
Investment Earnings	31,552	6,359	3,925	9,224
Total revenues	3,873,805	665,396	165,573	200,123
EXPENDITURES				
Debt Service:				
Principal Retirement	445,000	-	140,000	90,000
Interest and Fiscal Charges	3,410,275	1,882,962	39,105	289,373
Total expenditures	3,855,275	1,882,962	179,105	379,373
Excess (deficiency) of revenues over (under) expenditures	18,530	(1,217,566)	(13,532)	(179,250)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Face Value - Long Term Debt Issued	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	18,530	(1,217,566)	(13,532)	(179,250)
Fund balances-beginning	1,157,869	2,044,892	248,336	610,302
Fund balances-ending	\$ 1,176,399	\$ 827,326	\$ 234,804	\$ 431,052

(Continued)

LIMITED TAX JUSTICE CENTER BONDS SERIES 2001	LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A	PARK ROADS/ PARKING LOT IMPROVEMENTS CERTIFICATES OF OBLIGATION SERIES 2002A	LIMITED TAX FORWARD REFUNDING BONDS SERIES 2003	GENERAL OBLIGATION 1999/2001 REFUNDING BONDS SERIES 2004
\$ 1,984,603	\$ 1,208,209	\$ 413,635	\$ 819,461	\$ 2,574,754
-	-	-	-	-
8,784	11,391	3,930	1,981	15,038
1,993,387	1,219,600	417,565	821,442	2,589,792
1,685,000	1,385,000	335,000	1,070,000	1,370,000
115,868	246,931	95,580	26,750	1,033,061
1,800,868	1,631,931	430,580	1,096,750	2,403,061
192,519	(412,331)	(13,015)	(275,308)	186,731
-	-	-	-	44,092
-	-	-	(44,092)	-
-	-	-	-	-
-	-	-	(44,092)	44,092
192,519	(412,331)	(13,015)	(319,400)	230,823
480,571	958,256	249,516	319,400	638,676
\$ 673,090	\$ 545,925	\$ 236,501	\$ -	\$ 869,499

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS SERIES 2007	SAN LUIS PASS BRIDGE CERTIFICATES OF OBLIGATION SERIES 2002	UNLIMITED TAX ROAD BONDS SERIES 2001	UNLIMITED TAX ROAD BONDS SERIES 2003B
REVENUES				
Taxes	\$ -	\$ 745,964	\$ 1,533,580	\$ 884,003
Intergovernmental	-	-	-	-
Investment Earnings	26,830	5,613	6,971	6,600
Total revenues	26,830	751,577	1,540,551	890,603
EXPENDITURES				
Debt Service:				
Principal Retirement	365,000	470,000	1,265,000	285,000
Interest and Fiscal Charges	2,164,506	133,238	86,818	384,919
Total expenditures	2,529,506	603,238	1,351,818	669,919
Excess (deficiency) of revenues over (under) expenditures	(2,502,676)	148,339	188,733	220,684
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Face Value - Long Term Debt Issued	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(2,502,676)	148,339	188,733	220,684
Fund balances-beginning	3,041,930	252,091	361,131	200,117
Fund balances-ending	\$ 539,254	\$ 400,430	\$ 549,864	\$ 420,801

(Continued)

UNLIMITED TAX ROAD REFUNDING BONDS SERIES 2004A	UNLIMITED TAX ROAD BONDS SERIES 2009A ("BUILD AMERICA BONDS")	LIMITED TAX FLOOD CONTROL SERIES 2009C-1	LIMITED TAX FLOOD CONTROL SERIES 2009C-2 ("BUILD AMERICA BONDS")	GALVESTON COUNTY CERTIFICATES OF OBLIGATION SERIES 2008
\$ 685,328	\$ -	\$ -	\$ -	1,574,642
-	1,091,096	-	167,884	-
6,407	14,349	1,043	848	8,182
691,735	1,105,445	1,043	168,732	1,582,824
105,000	-	-	-	1,400,000
424,214	3,117,419	134,012	479,670	137,691
529,214	3,117,419	134,012	479,670	1,537,691
162,521	(2,011,974)	(132,969)	(310,938)	45,133
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
162,521	(2,011,974)	(132,969)	(310,938)	45,133
201,875	3,408,155	262,883	418,748	526,228
\$ 364,396	\$ 1,396,181	\$ 129,914	\$ 107,810	\$ 571,361

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	TOTALS	
	2010	2009
REVENUES		
Taxes	\$ 16,618,979	\$ 15,714,509
Intergovernmental	1,918,017	-
Investment Earnings	169,027	330,095
Total revenues	18,706,023	16,044,604
EXPENDITURES		
Debt Service:		
Principal Retirement	10,410,000	9,685,000
Interest and Fiscal Charges	14,202,392	8,982,382
Total expenditures	24,612,392	18,667,382
Excess (deficiency) of revenues over (under) expenditures	(5,906,369)	(2,622,778)
OTHER FINANCING SOURCES (USES)		
Transfers In	44,092	-
Transfers Out	(44,092)	-
Face Value - Long Term Debt Issued	-	6,134,571
Total other financing sources (uses)	-	6,134,571
Net change in fund balances	(5,906,369)	3,511,793
Fund balances-beginning	15,380,976	11,869,183
Fund balances-ending	\$ 9,474,607	\$ 15,380,976



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GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL OBLIGATION REFUNDING BONDS SERIES 2007 DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 3,725,507	\$ 3,732,075	\$ 6,568	\$ 4,877,178
Ad Valorem Taxes - Delinquent	29,000	72,730	43,730	26,352
Penalties and Interest	65,000	37,448	(27,552)	34,529
Investment Earnings	45,000	31,552	(13,448)	45,678
Total revenues	3,864,507	3,873,805	9,298	4,983,737
EXPENDITURES				
Debt Service:				
Principal Retirement	445,000	445,000	-	425,000
Interest and Fiscal Charges	3,412,800	3,410,275	2,525	3,427,675
Total expenditures	3,857,800	3,855,275	2,525	3,852,675
Excess (deficiency) of revenues over (under) expenditures	6,707	18,530	11,823	1,131,062
Fund balances-beginning	1,157,869	1,157,869	-	26,807
Fund balances-ending	\$ 1,164,576	\$ 1,176,399	\$ 11,823	\$ 1,157,869

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LIMITED TAX COUNTY BUILDING BONDS SERIES 2009B ("BUILD AMERICA BONDS") DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Intergovernmental	\$ 720,139	\$ 659,037	\$ (61,102)	\$ -
Investment Earnings	2,500	6,359	3,859	35
Total revenues	<u>722,639</u>	<u>665,396</u>	<u>(57,243)</u>	<u>35</u>
EXPENDITURES				
Debt Service:				
Interest and Fiscal Charges	2,060,041	1,882,962	177,079	-
Excess (deficiency) of revenues over (under) expenditures	(1,337,402)	(1,217,566)	119,836	35
OTHER FINANCING SOURCES (USES)				
Face Value - Long Term Debt Issued	-	-	-	2,044,857
Net change in fund balances	(1,337,402)	(1,217,566)	119,836	2,044,892
Fund balances-beginning	<u>2,044,892</u>	<u>2,044,892</u>	<u>-</u>	<u>-</u>
Fund balances-ending	<u><u>\$ 707,490</u></u>	<u><u>\$ 827,326</u></u>	<u><u>\$ 119,836</u></u>	<u><u>\$ 2,044,892</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CONSTRUCTION/IMPROVEMENT TAX AND REVENUE
CERTIFICATES OF OBLIGATION SERIES 1999 DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010			2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)	
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 147,636	\$ 147,896	\$ 260	\$ 1,803
Ad Valorem Taxes - Delinquent	15,000	9,422	(5,578)	8,189
Penalties and Interest	6,000	4,330	(1,670)	6,076
Investment Earnings	6,000	3,925	(2,075)	8,790
Total revenues	<u>174,636</u>	<u>165,573</u>	<u>(9,063)</u>	<u>24,858</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	140,000	140,000	-	135,000
Interest and Fiscal Charges	41,700	39,105	2,595	46,187
Total expenditures	<u>181,700</u>	<u>179,105</u>	<u>2,595</u>	<u>181,187</u>
Excess (deficiency) of revenues over (under) expenditures	(7,064)	(13,532)	(6,468)	(156,329)
Fund balances-beginning	<u>248,336</u>	<u>248,336</u>	<u>-</u>	<u>404,665</u>
Fund balances-ending	<u><u>\$ 241,272</u></u>	<u><u>\$ 234,804</u></u>	<u><u>\$ (6,468)</u></u>	<u><u>\$ 248,336</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 166,347	\$ 166,641	\$ 294	\$ 1,802
Ad Valorem Taxes - Delinquent	35,000	16,725	(18,275)	15,202
Penalties and Interest	9,500	7,533	(1,967)	11,103
Investment Earnings	18,000	9,224	(8,776)	22,624
Total revenues	<u>228,847</u>	<u>200,123</u>	<u>(28,724)</u>	<u>50,731</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	90,000	90,000	-	90,000
Interest and Fiscal Charges	290,800	289,373	1,427	292,610
Total expenditures	<u>380,800</u>	<u>379,373</u>	<u>1,427</u>	<u>382,610</u>
Excess (deficiency) of revenues over (under) expenditures	(151,953)	(179,250)	(27,297)	(331,879)
Fund balances-beginning	<u>610,302</u>	<u>610,302</u>	<u>-</u>	<u>942,181</u>
Fund balances-ending	<u><u>\$ 458,349</u></u>	<u><u>\$ 431,052</u></u>	<u><u>\$ (27,297)</u></u>	<u><u>\$ 610,302</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LIMITED TAX JUSTICE CENTER BONDS SERIES 2001 DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 1,922,630	\$ 1,926,022	\$ 3,392	\$ 1,402,631
Ad Valorem Taxes - Delinquent	36,000	37,207	1,207	20,293
Penalties and Interest	18,800	21,374	2,574	19,051
Investment Earnings	12,500	8,784	(3,716)	15,091
Total revenues	1,989,930	1,993,387	3,457	1,457,066
EXPENDITURES				
Debt Service:				
Principal Retirement	1,685,000	1,685,000	-	1,580,000
Interest and Fiscal Charges	118,400	115,868	2,532	185,275
Total expenditures	1,803,400	1,800,868	2,532	1,765,275
Excess (deficiency) of revenues over (under) expenditures	186,530	192,519	5,989	(308,209)
Fund balances-beginning	480,571	480,571	-	788,780
Fund balances-ending	\$ 667,101	\$ 673,090	\$ 5,989	\$ 480,571

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 1,132,995	\$ 1,134,995	\$ 2,000	\$ 1,442,671
Ad Valorem Taxes - Delinquent	70,000	50,173	(19,827)	31,490
Penalties and Interest	29,000	23,041	(5,959)	29,997
Investment Earnings	25,000	11,391	(13,609)	29,062
Total revenues	1,256,995	1,219,600	(37,395)	1,533,220
EXPENDITURES				
Debt Service:				
Principal Retirement	1,385,000	1,385,000	-	1,390,000
Interest and Fiscal Charges	248,200	246,931	1,269	293,750
Total expenditures	1,633,200	1,631,931	1,269	1,683,750
Excess (deficiency) of revenues over (under) expenditures	(376,205)	(412,331)	(36,126)	(150,530)
Fund balances-beginning	958,256	958,256	-	1,108,786
Fund balances-ending	\$ 582,051	\$ 545,925	\$ (36,126)	\$ 958,256

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PARK ROADS/PARKING LOT IMPROVEMENTS SERIES 2002A DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 398,373	\$ 399,074	\$ 701	\$ 379,988
Ad Valorem Taxes - Delinquent	7,500	9,511	2,011	5,752
Penalties and Interest	4,800	5,050	250	5,162
Investment Earnings	6,500	3,930	(2,570)	7,693
Total revenues	417,173	417,565	392	398,595
EXPENDITURES				
Debt Service:				
Principal Retirement	335,000	335,000	-	320,000
Interest and Fiscal Charges	97,900	95,580	2,320	109,502
Total expenditures	432,900	430,580	2,320	429,502
Excess (deficiency) of revenues over (under) expenditures	(15,727)	(13,015)	2,712	(30,907)
Fund balances-beginning	249,516	249,516	-	280,423
Fund balances-ending	\$ 233,789	\$ 236,501	\$ 2,712	\$ 249,516

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LIMITED TAX FORWARD REFUNDING BONDS SERIES 2003 DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 798,055	\$ 791,858	\$ (6,197)	\$ 802,018
Ad Valorem Taxes - Delinquent	30,000	17,303	(12,697)	13,400
Penalties and Interest	20,500	10,300	(10,200)	18,464
Investment Earnings	15,000	1,981	(13,019)	10,207
Total revenues	863,555	821,442	(42,113)	844,089
EXPENDITURES				
Debt Service:				
Principal Retirement	1,070,000	1,070,000	-	1,015,000
Interest and Fiscal Charges	29,300	26,750	2,550	78,875
Total expenditures	1,099,300	1,096,750	2,550	1,093,875
Excess (deficiency) of revenues over (under) expenditures	(235,745)	(275,308)	(39,563)	(249,786)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(44,092)	(44,092)	-	-
Net change in fund balances	(279,837)	(319,400)	(39,563)	(249,786)
Fund balances-beginning	319,400	319,400	-	569,186
Fund balances-ending	\$ 39,563	\$ -	\$ (39,563)	\$ 319,400

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL OBLIGATION 1999/2001 REFUNDING BONDS SERIES 2004 DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 2,478,182	\$ 2,490,157	\$ 11,975	\$ 2,197,243
Ad Valorem Taxes - Delinquent	35,000	54,071	19,071	19,996
Penalties and Interest	24,000	30,526	6,526	21,804
Investment Earnings	32,000	15,038	(16,962)	24,627
Total revenues	2,569,182	2,589,792	20,610	2,263,670
EXPENDITURES				
Debt Service:				
Principal Retirement	1,370,000	1,370,000	-	1,315,000
Interest and Fiscal Charges	1,035,300	1,033,061	2,239	1,085,186
Total expenditures	2,405,300	2,403,061	2,239	2,400,186
Excess (deficiency) of revenues over (under) expenditures	163,882	186,731	22,849	(136,516)
OTHER FINANCING SOURCES (USES)				
Transfers In	44,092	44,092	-	-
Net change in fund balances	207,974	230,823	22,849	(136,516)
Fund balances-beginning	638,676	638,676	-	775,192
Fund balances-ending	\$ 846,650	\$ 869,499	\$ 22,849	\$ 638,676

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS SERIES 2007 DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Investment Earnings	\$ 50,000	\$ 26,830	\$ (23,170)	\$ 115,855
EXPENDITURES				
Debt Service:				
Principal Retirement	365,000	365,000	-	-
Interest and Fiscal Charges	2,166,300	2,164,506	1,794	2,172,718
Total expenditures	2,531,300	2,529,506	1,794	2,172,718
Excess (deficiency) of revenues over (under) expenditures	(2,481,300)	(2,502,676)	(21,376)	(2,056,863)
Fund balances-beginning	3,041,930	3,041,930	-	5,098,793
Fund balances-ending	\$ 560,630	\$ 539,254	\$ (21,376)	\$ 3,041,930

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SAN LUIS PASS BRIDGE CERTIFICATES OF OBLIGATION SERIES 2002 DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 723,208	\$ 724,484	\$ 1,276	\$ 485,695
Ad Valorem Taxes - Delinquent	8,000	13,517	5,517	6,797
Penalties and Interest	5,500	7,963	2,463	6,813
Investment Earnings	7,000	5,613	(1,387)	8,399
Total revenues	743,708	751,577	7,869	507,704
EXPENDITURES				
Debt Service:				
Principal Retirement	470,000	470,000	-	450,000
Interest and Fiscal Charges	135,600	133,238	2,362	152,593
Total expenditures	605,600	603,238	2,362	602,593
Excess (deficiency) of revenues over (under) expenditures	138,108	148,339	10,231	(94,889)
Fund balances-beginning	252,091	252,091	-	346,980
Fund balances-ending	\$ 390,199	\$ 400,430	\$ 10,231	\$ 252,091

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
UNLIMITED TAX ROAD BONDS SERIES 2001 DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 1,487,583	\$ 1,490,205	\$ 2,622	\$ 1,067,290
Ad Valorem Taxes - Delinquent	25,000	27,458	2,458	14,694
Penalties and Interest	14,400	15,917	1,517	13,645
Investment Earnings	9,000	6,971	(2,029)	11,207
Total revenues	1,535,983	1,540,551	4,568	1,106,836
EXPENDITURES				
Debt Service:				
Principal Retirement	1,265,000	1,265,000	-	1,185,000
Interest and Fiscal Charges	89,400	86,818	2,582	138,900
Total expenditures	1,354,400	1,351,818	2,582	1,323,900
Excess (deficiency) of revenues over (under) expenditures	181,583	188,733	7,150	(217,064)
Fund balances-beginning	361,131	361,131	-	578,195
Fund balances-ending	\$ 542,714	\$ 549,864	\$ 7,150	\$ 361,131

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
UNLIMITED TAX ROAD BONDS SERIES 2003B DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 850,448	\$ 851,948	\$ 1,500	\$ 439,648
Ad Valorem Taxes - Delinquent	15,000	17,922	2,922	12,926
Penalties and Interest	7,300	14,133	6,833	14,699
Investment Earnings	7,000	6,600	(400)	9,574
Total revenues	879,748	890,603	10,855	476,847
EXPENDITURES				
Debt Service:				
Principal Retirement	285,000	285,000	-	275,000
Interest and Fiscal Charges	387,200	384,919	2,281	394,388
Total expenditures	672,200	669,919	2,281	669,388
Excess (deficiency) of revenues over (under) expenditures	207,548	220,684	13,136	(192,541)
Fund balances-beginning	200,117	200,117	-	392,658
Fund balances-ending	\$ 407,665	\$ 420,801	\$ 13,136	\$ 200,117

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
UNLIMITED TAX ROAD REFUNDING BONDS SERIES 2004A DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 667,073	\$ 668,250	\$ 1,177	\$ 159,361
Ad Valorem Taxes - Delinquent	12,000	9,927	(2,073)	6,587
Penalties and Interest	4,450	7,151	2,701	5,099
Investment Earnings	12,000	6,407	(5,593)	11,563
Total revenues	695,523	691,735	(3,788)	182,610
EXPENDITURES				
Debt Service:				
Principal Retirement	105,000	105,000	-	105,000
Interest and Fiscal Charges	425,400	424,214	1,186	427,692
Total expenditures	530,400	529,214	1,186	532,692
Excess (deficiency) of revenues over (under) expenditures	165,123	162,521	(2,602)	(350,082)
Fund balances-beginning	201,875	201,875	-	551,957
Fund balances-ending	\$ 366,998	\$ 364,396	\$ (2,602)	\$ 201,875

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
UNLIMITED TAX ROAD BONDS SERIES 2009A ("BUILD AMERICA BONDS") DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Intergovernmental	\$ 1,192,258	\$ 1,091,096	\$ (101,162)	\$ -
Investment Earnings	2,500	14,349	11,849	60
Total revenues	<u>1,194,758</u>	<u>1,105,445</u>	<u>(89,313)</u>	<u>60</u>
EXPENDITURES				
Debt Service:				
Interest and Fiscal Charges	3,408,951	3,117,419	291,532	-
Excess (deficiency) of revenues over (under) expenditures	(2,214,193)	(2,011,974)	202,219	60
OTHER FINANCING SOURCES (USES)				
Face Value - Long Term Debt Issued	-	-	-	3,408,095
Net change in fund balances	(2,214,193)	(2,011,974)	202,219	3,408,155
Fund balances-beginning	3,408,155	3,408,155	-	-
Fund balances-ending	<u>\$ 1,193,962</u>	<u>\$ 1,396,181</u>	<u>\$ 202,219</u>	<u>\$ 3,408,155</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LIMITED TAX FLOOD CONTROL SERIES 2009C-1 DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Investment Earnings	\$ 2,500	\$ 1,043	\$ (1,457)	\$ 5
EXPENDITURES				
Debt Service:				
Interest and Fiscal Charges	148,938	134,012	14,926	-
Excess (deficiency) of revenues over (under) expenditures	(146,438)	(132,969)	13,469	5
OTHER FINANCING SOURCES (USES)				
Face Value - Long Term Debt Issued	-	-	-	262,878
Net change in fund balances	(146,438)	(132,969)	13,469	262,883
Fund balances-beginning	262,883	262,883	-	-
Fund balances-ending	\$ 116,445	\$ 129,914	\$ 13,469	\$ 262,883

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LIMITED TAX FLOOD CONTROL SERIES 2009C-2 ("BUILD AMERICA BONDS") DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Intergovernmental	\$ 183,450	\$ 167,884	\$ (15,566)	\$ -
Investment Earnings	2,500	848	(1,652)	7
Total revenues	185,950	168,732	(17,218)	7
EXPENDITURES				
Debt Service:				
Interest and Fiscal Charges	526,642	479,670	46,972	-
Excess (deficiency) of revenues over (under) expenditures	(340,692)	(310,938)	29,754	7
OTHER FINANCING SOURCES (USES)				
Face Value - Long Term Debt Issued	-	-	-	418,741
Net change in fund balances	(340,692)	(310,938)	29,754	418,748
Fund balances-beginning	418,748	418,748	-	-
Fund balances-ending	\$ 78,056	\$ 107,810	\$ 29,754	\$ 418,748

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GALVESTON COUNTY CERTIFICATES OF OBLIGATION SERIES 2008 DEBT SERVICE FUND
For the Year Ended September 30, 2010
With Comparative Actual Amounts for the Year Ended September 30, 2009

	2010		Variance with Final Budget- Positive (Negative)	2009 Actual Amounts
	Final Budgeted Amounts	Actual Amounts		
REVENUES				
Taxes:				
Ad Valorem Taxes - Current	\$ 1,570,942	\$ 1,574,642	\$ 3,700	\$ 2,089,061
Investment Earnings	6,000	8,182	2,182	9,618
Total revenues	1,576,942	1,582,824	5,882	2,098,679
EXPENDITURES				
Debt Service:				
Principal Retirement	1,400,000	1,400,000	-	1,400,000
Interest and Fiscal Charges	140,200	137,691	2,509	177,031
Total expenditures	1,540,200	1,537,691	2,509	1,577,031
Excess (deficiency) of revenues over (under) expenditures	36,742	45,133	8,391	521,648
Fund balances-beginning	526,228	526,228	-	4,580
Fund balances-ending	\$ 562,970	\$ 571,361	\$ 8,391	\$ 526,228

NONMAJOR
CAPITAL PROJECTS FUNDS

PURPOSE:

COUNTY CAPITAL PROJECTS FUND (FUND# 3100) - This fund was created in the fiscal year ended September 30, 2008 to account for various project-length County capital projects funded by resources other than bond proceeds.

COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C (FUND 3206) - Issued on September 4th 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.

LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A (FUND 3222) - Issued on September 4th 2003, in the amount of \$57,245,000 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, improve and equip buildings, jails and court facilities in the County and to pay the costs associated with the issuance of the Criminal Justice Bonds.

ROAD BONDS SERIES 1987 (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 76th Texas Legislature to Title 9, Chapter 1471 of the Texas Government Code.

Original issue	\$ 6,300,000	Refunding Bonds
	<u>13,000,000</u>	Road Bonds
	<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	314,000
	<hr/>
	\$4,614,875
	<hr/> <hr/>

UNLIMITED TAX ROAD BONDS SERIES 2003B (FUND 3307) - Issued on September 4th 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.

UNLIMITED TAX ROAD BONDS SERIES 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.

PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS SERIES 2007 (FUND 3310) - This fund was created in the fiscal year ended September 30, 2007, to account for the financial resources used to design, develop, finance, construct, extend, expand and improve a non-toll project or facility for Farm-to-Market Road 646, a part of the state highway system located in the county.

GALVESTON CAUSEWAY RAILROAD BRIDGE PROJECT (FUND 3315) – This fund was created in the fiscal year ended September 30, 2005 to account for all transactions associated with the Galveston Causeway Railroad Bridge Project. The U.S. Coast Guard issued an “Order to Alter” directing Galveston County to alter the Old Galveston Causeway Railroad drawbridge to eliminate the obstruction to free navigation. The total cost of the project is \$33,350,000. Federal share of the project will be 91.96% and the remaining 8.04% will be paid as follows; Burlington Northern Santa Fe Railroad (80%), City of Galveston, Gulf Coast Water Authority, and Port of Galveston (10%), Center Point Energy (5%) and Galveston County (5%).

COUNTY ROAD AND BRIDGE PROJECTS (FUND 3316) –This fund was created in the fiscal year ended September 30, 2005 to account for various project-length County road and bridge projects. Currently, this fund is used to account for the road repair project on Texas City Seawall associated with the Grand Cay Harbor development.

LIMITED TAX FLOOD CONTROL BONDS SERIES 2009C (FUND 3370) - Issued In September 2009, in the amount of \$15,000,000 pursuant to the Constitution and the general laws of the State of Texas, including particularly *Article XI, Section 7 of the Texas Constitution* and *Chapter 571, Texas Government Code*, as amended, and order adopted by the Commissioner’s Court of the County authorizing the issuance of the bonds. The proceeds will be used to (i) establish, construct, extend, maintain, or improve a seawall, breakwater, levee, floodway, and/or drainway, (ii) pay for the professional services rendered in connection with the aforementioned projects, (iii) pay the costs associated with the issuance of the Series 2009C Bonds and (iv) pay a portion of the interest on the Series 2009C Bonds.

GALVESTON COUNTY TEXAS CERTIFICATE OF OBLIGATION SERIES 2008 (FUND 3373)
Issued in March 2008, in the amount of \$7,000,000 pursuant to the Constitution and the general laws of the State of Texas, including *Chapter 271, Subchapter C Texas Local Government Code*, as amended. The Texas Legislature enacted *Section 271.041-271.065 of the Texas Local Government Code* to authorize counties to issues bonds payable from a combination of ad valorem taxes and net revenues received from the County’s park concession and building rental system. Commissioners’ Court ordered the issuance of the bonds on February 13, 2008. The proceeds will be used to pay all or part of the contractual obligations to be incurred for the construction of public works: *i)* levee improvements and improvements to various pump stations; *ii)* improvements to the Texas City Dike and the Texas City Dike road; *iii)* improvements to various City of Texas City roads in the San Leon portion of the County; and *iv)* for the professional services rendered in connection with the above listed projects.

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009**

	COUNTY CAPITAL PROJECTS FUND	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C	LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A	ROAD BONDS SERIES 1987
ASSETS				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	1,607,170	1,310,936	85	539,152
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	199,203	-	-	-
Due from Other Funds	-	-	-	-
Total assets	\$ 1,806,373	\$ 1,310,936	\$ 85	\$ 539,152
LIABILITIES				
Accounts Payable	\$ 70,208	\$ -	\$ -	\$ -
Retainage Payable	138,654	-	-	-
Due to Other Funds	-	-	-	-
Total liabilities	208,862	-	-	-
FUND BALANCES				
Reserved for Encumbrances	231,647	-	-	-
Unreserved:				
Designated for Capital Projects	1,365,864	1,310,936	85	539,152
Total fund balances	1,597,511	1,310,936	85	539,152
Total liabilities and fund balances	\$ 1,806,373	\$ 1,310,936	\$ 85	\$ 539,152

(Continued)

UNLIMITED TAX ROAD BONDS SERIES 2003B	UNLIMITED TAX ROAD BONDS SERIES 2001	PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS SERIES 2007	GALVESTON CAUSEWAY RAILROAD BRIDGE PROJECT	COUNTY ROAD AND BRIDGE PROJECTS
\$ -	\$ -	\$ 7,965,794	\$ -	\$ -
6,165,301	1,341,489	12,479,498	257,931	111,705
1,541	-	-	3,231,337	-
-	-	-	-	-
\$ 6,166,842	\$ 1,341,489	\$ 20,445,292	\$ 3,489,268	\$ 111,705
\$ 161,390	\$ 3,275	\$ 590,261	\$ 3,019,024	\$ -
-	-	-	355,959	-
-	-	-	-	-
161,390	3,275	590,261	3,374,983	-
-	-	16,991,702	-	6,819
6,005,452	1,338,214	2,863,329	114,285	104,886
6,005,452	1,338,214	19,855,031	114,285	111,705
\$ 6,166,842	\$ 1,341,489	\$ 20,445,292	\$ 3,489,268	\$ 111,705

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2010
With Comparative Totals at September 30, 2009**

	LIMITED TAX FLOOD CONTROL SERIES 2009C		GALVESTON COUNTY CERTIFICATES OF OBLIGATION SERIES 2008		TOTALS	
					2010	2009
ASSETS						
Cash and Cash Equivalents	\$	-	\$	-	\$ 7,965,794	\$ 19,631,910
Investments		14,075,714		4,390,840	42,279,821	43,807,821
Receivables (Net of Allowances for Uncollectibles):						
Accounts and Other		-		-	3,432,081	398,438
Due from Other Funds		-		-	-	305
Total assets	\$	14,075,714	\$	4,390,840	\$ 53,677,696	\$ 63,838,474
LIABILITIES						
Accounts Payable	\$	20,945	\$	3,400,000	\$ 7,265,103	\$ 2,613,085
Retainage Payable		-		-	494,613	253,421
Due to Other Funds		-		-	-	25,517
Total liabilities		20,945		3,400,000	7,759,716	2,892,023
FUND BALANCES						
Reserved for Encumbrances		92,496		20,047	17,342,711	9,183,138
Unreserved:						
Designated for Capital Projects		13,962,273		970,793	28,575,269	51,763,313
Total fund balances		14,054,769		990,840	45,917,980	60,946,451
Total liabilities and fund balances	\$	14,075,714	\$	4,390,840	\$ 53,677,696	\$ 63,838,474



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GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	COUNTY CAPITAL PROJECTS FUND	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C	LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A	ROAD BONDS SERIES 1987
REVENUES				
Intergovernmental	\$ 3,041,764	\$ -	\$ -	\$ -
Investment Earnings	-	46	24	11,433
Miscellaneous	65,712	25,629	-	-
Total revenues	3,107,476	25,675	24	11,433
EXPENDITURES				
General Government	-	13,332	-	-
Roads, Bridges and Rights-of-Way	-	-	-	120,550
Capital Outlay	3,745,756	-	-	233,100
Bond Issuance Costs	-	-	-	-
Total expenditures	3,745,756	13,332	-	353,650
Excess (deficiency) of revenues over (under) expenditures	(638,280)	12,343	24	(342,217)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Face Value - Long Term Debt Issued	-	-	-	-
Premium - Long Term Debt Issued	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(638,280)	12,343	24	(342,217)
Fund balances-beginning	2,235,791	1,298,593	61	881,369
Fund balances-ending	\$ 1,597,511	\$ 1,310,936	\$ 85	\$ 539,152

(Continued)

UNLIMITED TAX ROAD BONDS SERIES 2003B	UNLIMITED TAX ROAD BONDS SERIES 2001	PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS SERIES 2007	GALVESTON CAUSEWAY RAILROAD BRIDGE PROJECT	COUNTY ROAD AND BRIDGE PROJECTS
\$ -	\$ -	\$ -	\$ 7,345,492	\$ -
37,976	19,400	260,830	-	1,782
-	-	-	-	-
37,976	19,400	260,830	7,345,492	1,782
-	-	-	-	-
750,594	353,410	9,997,328	7,731,207	-
59,400	-	25,100	-	-
-	-	-	-	-
809,994	353,410	10,022,428	7,731,207	-
(772,018)	(334,010)	(9,761,598)	(385,715)	1,782
-	-	-	500,000	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	500,000	-
(772,018)	(334,010)	(9,761,598)	114,285	1,782
6,777,470	1,672,224	29,616,629	-	109,923
\$ 6,005,452	\$ 1,338,214	\$ 19,855,031	\$ 114,285	\$ 111,705

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2010
With Comparative Totals for the Year Ended September 30, 2009

	LIMITED TAX FLOOD CONTROL SERIES 2009C	GALVESTON COUNTY CERTIFICATES OF OBLIGATION SERIES 2008	TOTALS	
			2010	2009
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 10,387,256	\$ 5,529,333
Investment Earnings	30,104	31,680	393,275	1,374,159
Miscellaneous	271	-	91,612	-
Total revenues	30,375	31,680	10,872,143	6,903,492
EXPENDITURES				
General Government	-	-	13,332	1,283,275
Roads, Bridges and Rights-of-Way	165,424	3,400,000	22,518,513	14,971,296
Capital Outlay	-	18,770	4,082,126	1,596,728
Bond Issuance Costs	-	-	-	204,571
Total expenditures	165,424	3,418,770	26,613,971	18,055,870
Excess (deficiency) of revenues over (under) expenditures	(135,049)	(3,387,090)	(15,741,828)	(11,152,378)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	213,357	713,357	4,745,505
Transfers Out	-	-	-	(3,043,700)
Face Value - Long Term Debt Issued	-	-	-	14,318,381
Premium - Long Term Debt Issued	-	-	-	75,781
Total other financing sources (uses)	-	213,357	713,357	16,095,967
Net change in fund balances	(135,049)	(3,173,733)	(15,028,471)	4,943,589
Fund balances-beginning	14,189,818	4,164,573	60,946,451	56,002,862
Fund balances-ending	\$ 14,054,769	\$ 990,840	\$ 45,917,980	\$ 60,946,451



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GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
BUDGET (PROJECT-LENGTH) AND ACTUAL
COUNTY CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2010
With Comparative Amounts for the Year Ended September 30, 2009

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2010			LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	
REVENUES					
Intergovernmental	\$ 3,379,083	\$ 337,318	\$ 3,041,764	\$ 3,379,082	\$ 337,318
Miscellaneous	198,218	132,506	65,712	198,218	-
Total revenues	3,577,301	469,824	3,107,476	3,577,300	337,318
EXPENDITURES					
General Government:					
Administration Costs	1,298,940	1,298,940	-	1,298,940	1,277,939
Capital Outlay:					
IT Capital Projects	2,274,881	5,095	738,034	743,129	5,095
Galveston Fire/EMS Station	3,600,000	371,313	3,007,722	3,379,035	371,313
Total expenditures	7,173,821	1,675,348	3,745,756	5,421,104	1,654,347
Excess (deficiency) of revenues over (under) expenditures	(3,596,520)	(1,205,524)	(638,280)	(1,843,804)	(1,317,029)
OTHER FINANCING SOURCES (USES)					
Transfers In	5,743,700	5,743,700	-	5,743,700	4,743,700
Transfers Out	(3,151,600)	(3,151,600)	-	(3,151,600)	(3,043,700)
Sale of Capital Assets	849,215	849,215	-	849,215	-
Total other financing sources (uses)	3,441,315	3,441,315	-	3,441,315	1,700,000
Net change in fund balances	\$ (155,205)	\$ 2,235,791	\$ (638,280)	\$ 1,597,511	\$ 382,971
Fund balances-beginning			2,235,791		1,852,820
Fund balances-ending			\$ 1,597,511		\$ 2,235,791

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
BUDGET (PROJECT-LENGTH) AND ACTUAL
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2010
With Comparative Amounts for the Year Ended September 30, 2009

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2010			LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	
REVENUES					
Investment Earnings	\$ 3,326,357	\$ 3,326,309	\$ 46	\$ 3,326,355	\$ 77
Miscellaneous	25,630	-	25,629	25,629	-
Total revenues	3,351,987	3,326,309	25,675	3,351,984	77
EXPENDITURES					
General Government:					
Administration Costs	1,758,395	534,150	13,332	547,482	5,336
Capital Outlay:					
Courthouse Renovations - Sev Prj	1,552,388	1,552,388	-	1,552,388	-
Courthouse Renovations - Mgr/Agnt	1,026,371	836,345	-	836,345	-
Courthouse Renovations - Bldg Constr	10,257,736	10,447,762	-	10,447,762	-
646 Building	14,620	14,620	-	14,620	-
Construction Manager-Agent	55,075	55,075	-	55,075	-
Community Building Construction	33,514,504	33,414,504	-	33,414,504	-
Bond Issuance Costs	597,757	597,757	-	597,757	-
Total expenditures	48,776,846	47,452,601	13,332	47,465,933	5,336
Excess (deficiency) of revenues over (under) expenditures	(45,424,859)	(44,126,292)	12,343	(44,113,949)	(5,259)
OTHER FINANCING SOURCES (USES)					
Transfers In	4,675,110	4,675,110	-	4,675,110	-
Face Value - Long Term Debt Issue	40,890,000	40,890,000	-	40,890,000	-
Premium - Long Term Debt Issue	265,643	265,643	-	265,643	-
Discount - Long Term Debt Issue	(542,806)	(542,806)	-	(542,806)	-
Performance Bonds Forfeited	136,938	136,938	-	136,938	-
Total other financing sources (uses)	45,424,885	45,424,885	-	45,424,885	-
Net change in fund balances	\$ 26	\$ 1,298,593	12,343	\$ 1,310,936	(5,259)
Fund balances-beginning			1,298,593		1,303,852
Fund balances-ending			\$ 1,310,936		\$ 1,298,593

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
BUDGET (PROJECT-LENGTH) AND ACTUAL
LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A
From Inception and for the Year Ended September 30, 2010
With Comparative Amounts for the Year Ended September 30, 2009

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2010			LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	
REVENUES					
Investment	\$ 2,699,662	\$ 2,699,638	\$ 24	\$ 2,699,662	\$ 61
Intergovernmental	468,179	468,179	-	468,179	-
Total revenues	3,167,841	3,167,817	24	3,167,841	61
EXPENDITURES					
Capital Outlay:					
Justice Center	61,511	61,511	-	61,511	-
Courthouse Renovations	4,117,630	4,117,630	-	4,117,630	-
646 Building Construction	56,201,386	56,201,386	-	56,201,386	-
Bond Issuance Costs	792,255	792,255	-	792,255	-
Total expenditures	61,172,782	61,172,782	-	61,172,782	-
Excess (deficiency) of revenues over (under) expenditures	(58,004,941)	(58,004,965)	24	(58,004,941)	61
OTHER FINANCING SOURCES (USES)					
Transfers Out	(75,110)	(75,110)	-	(75,110)	-
Face Value - Long Term Debt Issue	57,245,000	57,245,000	-	57,245,000	-
Premium - Long Term Debt Issue	1,212,089	1,212,089	-	1,212,089	-
Discount - Long Term Debt Issued	(376,953)	(376,953)	-	(376,953)	-
Total other financing sources (uses)	58,005,026	58,005,026	-	58,005,026	-
Net change in fund balances	\$ 85	\$ 61	24	\$ 85	61
Fund balances-beginning			61		
Fund balances-ending			\$ 85		\$ 61

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
BUDGET (PROJECT-LENGTH) AND ACTUAL
ROAD BONDS SERIES 1987 CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2010
With Comparative Amounts for the Year Ended September 30, 2009

	<u>ACTUAL TO SEPTEMBER 30, 2010</u>				LAST YEAR'S ACTUAL
	TOTAL PROJECT AUTHORIZED	REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	
REVENUES					
Intergovernmental	\$ 1,360,155	\$ 1,360,155	\$ -	\$ 1,360,155	\$ -
Investment Earnings	4,043,052	4,031,617	11,433	4,043,050	28,064
Miscellaneous	5,511	5,511	-	5,511	-
Total revenues	<u>5,408,718</u>	<u>5,397,283</u>	<u>11,433</u>	<u>5,408,716</u>	<u>28,064</u>
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Administration Costs	-	327,801	-	327,801	-
S.H. 3	1,646,821	1,643,782	-	1,643,782	-
S.H. 146	37,617	37,617	-	37,617	-
F.M. 270	612,935	612,935	-	612,935	-
F.M. 517	2,773,729	2,511,381	120,550	2,631,931	93,175
F.M. 528	980,072	980,072	-	980,072	-
F.M. 1764	6,161,837	5,978,648	-	5,978,648	-
F.M. 2094	2,343,776	2,343,776	-	2,343,776	-
Loop 197 N.	4,309,000	4,309,000	-	4,309,000	-
Capital Outlay:					
Highways and Roads	1,695,918	1,196,411	233,100	1,429,511	-
Total expenditures	<u>20,561,705</u>	<u>19,941,423</u>	<u>353,650</u>	<u>20,295,073</u>	<u>93,175</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,152,987)</u>	<u>(14,544,140)</u>	<u>(342,217)</u>	<u>(14,886,357)</u>	<u>(65,111)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	4,888,892	4,888,892	-	4,888,892	-
Transfers Out	(2,463,383)	(2,463,383)	-	(2,463,383)	-
Long Term Debt Issued	13,000,000	13,000,000	-	13,000,000	-
Total other financing sources (uses)	<u>15,425,509</u>	<u>15,425,509</u>	<u>-</u>	<u>15,425,509</u>	<u>-</u>
Net change in fund balances	<u><u>\$ 272,522</u></u>	<u><u>\$ 881,369</u></u>	<u>(342,217)</u>	<u><u>\$ 539,152</u></u>	<u>(65,111)</u>
Fund balances-beginning			<u>881,369</u>		<u>946,480</u>
Fund balances-ending			<u><u>\$ 539,152</u></u>		<u><u>\$ 881,369</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
BUDGET (PROJECT-LENGTH) AND ACTUAL
UNLIMITED TAX ROAD BONDS SERIES 2003B CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2010
With Comparative Amounts for the Year Ended September 30, 2009

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2010			LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	
REVENUES					
Intergovernmental	\$ 3,414,614	\$ 3,414,614	\$ -	\$ 3,414,614	\$ 3,414,614
Investment Earnings	1,934,567	1,896,591	37,976	1,934,567	128,631
Total revenues	5,349,181	5,311,205	37,976	5,349,181	3,543,245
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Administration Costs	-	90,616	-	90,616	-
Galv/Signals Various Locations	750,000	123,856	157,472	281,328	72,006
Fort Travis Park	442,485	-	-	-	-
FM 646 Pass Thru Toll	8,605,437	4,328,427	593,122	4,921,549	(72,005)
FM 646 - IH 45 to FM 270	350,000	290,931	-	290,931	13,243
FM 646 - SH 6 to FM 517	49,999	49,999	-	49,999	-
FM 518 - FM 2094 to SH 146	975,000	43,880	-	43,880	4,444,312
FM 518 Bypass	520,000	-	-	-	-
SH 96	3,000,000	3,000,000	-	3,000,000	-
Capital Outlay:					
Galv/Signals Various Locations	-	-	59,400	59,400	-
Bond Issuance Costs	154,363	154,363	-	154,363	-
Total expenditures	14,847,284	8,082,072	809,994	8,892,066	4,457,556
Excess (deficiency) of revenues over (under) expenditures	(9,498,103)	(2,770,867)	(772,018)	(3,542,885)	(914,311)
OTHER FINANCING SOURCES (USES)					
Face Value - Long Term Debt Issued	9,625,000	9,625,000	-	9,625,000	-
Discount - Long Term Debt Issued	(76,663)	(76,663)	-	(76,663)	-
Total other financing sources (uses)	9,548,337	9,548,337	-	9,548,337	-
Net change in fund balances	\$ 50,234	\$ 6,777,470	(772,018)	\$ 6,005,452	(914,311)
Fund balances-beginning			6,777,470		7,691,781
Fund balances-ending			\$ 6,005,452		\$ 6,777,470

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
BUDGET (PROJECT-LENGTH) AND ACTUAL
UNLIMITED TAX ROAD BONDS SERIES 2001 CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2010
With Comparative Amounts for the Year Ended September 30, 2009

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2010			LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	
REVENUES					
Investment Earnings	\$ 3,390,393	\$ 3,370,993	\$ 19,400	\$ 3,390,393	\$ 42,091
Miscellaneous	825,323	825,323	-	825,323	-
Total revenues	4,215,716	4,196,316	19,400	4,215,716	42,091
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Administration Cost	-	20,718	-	20,718	-
Deats	5,458,053	5,458,053	-	5,458,053	-
Fairwood	2,255,539	2,255,539	-	2,255,539	-
Sunset	5,607,649	5,607,649	-	5,607,649	-
Fort Travis	57,515	2,515	-	2,515	-
Pearson Road	304,453	304,453	-	304,453	-
Baker Street	10,000	10,000	-	10,000	-
Vacek Road	95,438	95,438	-	95,438	-
Calder Road	1,856,569	1,856,569	-	1,856,569	-
25th Avenue	4,375,382	4,375,382	-	4,375,382	-
FM 646 Pass Thru Toll	2,200,920	746,429	353,410	1,099,839	746,429
Loop 197	1,000,000	1,000,000	-	1,000,000	-
Stewart, Jones	3,749,184	3,749,184	-	3,749,184	-
FM 646	748,329	748,329	-	748,329	-
FM 517	250,000	60,948	-	60,948	-
SH 96	500,000	500,000	-	500,000	-
SH 99	1,239,000	1,239,000	-	1,239,000	-
Seawall	795,160	795,160	-	795,160	-
Bond Issuance Costs	202,421	202,421	-	202,421	-
Total expenditures	30,705,612	29,027,787	353,410	29,381,197	746,429
Excess (deficiency) of revenues over (under) expenditures	(26,489,896)	(24,831,471)	(334,010)	(25,165,481)	(704,338)
OTHER FINANCING SOURCES (USES)					
Long Term Debt Issued	26,503,695	26,503,695	-	26,503,695	-
Net change in fund balances	\$ 13,799	\$ 1,672,224	(334,010)	\$ 1,338,214	(704,338)
Fund balances-beginning			1,672,224		2,376,562
Fund balances-ending			\$ 1,338,214		\$ 1,672,224

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
BUDGET (PROJECT-LENGTH) AND ACTUAL
PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS SERIES 2007 CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2010
With Comparative Amounts for the Year Ended September 30, 2009

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2010			LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	
REVENUES					
Intergovernmental	\$ 1,085,386	\$ 1,085,386	\$ -	\$ 1,085,386	\$ 1,085,386
Investment Earnings	2,877,318	2,616,488	260,830	2,877,318	1,042,544
Total revenues	<u>3,962,704</u>	<u>3,701,874</u>	<u>260,830</u>	<u>3,962,704</u>	<u>2,127,930</u>
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
FM 646 Pass Thru Toll Rd Project	43,842,348	14,085,245	9,997,328	24,082,573	8,970,709
Capital Outlay:					
FM 646 Pass Thru Toll Rd Project	-	-	25,100	25,100	-
Bond Issuance Costs	672,492	672,492	-	672,492	-
Total expenditures	<u>44,514,840</u>	<u>14,757,737</u>	<u>10,022,428</u>	<u>24,780,165</u>	<u>8,970,709</u>
Excess (deficiency) of revenues over (under) expenditures	(40,552,136)	(11,055,863)	(9,761,598)	(20,817,461)	(6,842,779)
OTHER FINANCING SOURCES (USES)					
Face Value - Long Term Debt Issued	41,311,228	41,311,228	-	41,311,228	-
Premium - Long Term Debt Issued	119,981	119,981	-	119,981	-
Discount - Long Term Debt Issued	(758,717)	(758,717)	-	(758,717)	-
Total other financing sources (uses)	<u>40,672,492</u>	<u>40,672,492</u>	<u>-</u>	<u>40,672,492</u>	<u>-</u>
Net change in fund balances	<u>\$ 120,356</u>	<u>\$ 29,616,629</u>	\$ (9,761,598)	<u>\$ 19,855,031</u>	\$ (6,842,779)
Fund balances-beginning			<u>29,616,629</u>		<u>36,459,408</u>
Fund balances-ending			<u>\$ 19,855,031</u>		<u>\$ 29,616,629</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
BUDGET (PROJECT-LENGTH) AND ACTUAL
GALVESTON CAUSEWAY RAILROAD BRIDGE PROJECT CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2010
With Comparative Amounts for the Year Ended September 30, 2009

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2010			LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	
REVENUES					
Intergovernmental	\$ 94,325,425	\$ 2,280,397	\$ 7,345,492	\$ 9,625,889	\$ 692,015
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Galveston Causeway RR Bridge	94,843,564	2,296,566	7,731,207	10,027,773	697,776
Excess (deficiency) of revenues over (under) expenditures	(518,139)	(16,169)	(385,715)	(401,884)	(5,761)
OTHER FINANCING SOURCES (USES)					
Transfers In	511,682	16,169	500,000	516,169	1,805
Net change in fund balances	\$ (6,457)	\$ -	114,285	\$ 114,285	(3,956)
Fund balances-beginning			-		3,956
Fund balances-ending			\$ 114,285		\$ -

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
BUDGET (PROJECT-LENGTH) AND ACTUAL
COUNTY ROAD AND BRIDGE PROJECTS CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2010
With Comparative Amounts for the Year Ended September 30, 2009

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2010			LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	
REVENUES					
Investment Earnings	\$ 21,701	\$ 19,919	\$ 1,782	\$ 21,701	\$ 3,176
Charges for Services	150,000	150,000	-	150,000	-
Total revenues	<u>171,701</u>	<u>169,919</u>	<u>1,782</u>	<u>171,701</u>	<u>3,176</u>
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Administration Costs	9,272	-	-	-	-
Grand Cay Project	151,008	59,996	-	59,996	-
FM 646 Pass Thru Toll	8,200	-	-	-	-
Total expenditures	<u>168,480</u>	<u>59,996</u>	<u>-</u>	<u>59,996</u>	<u>-</u>
Net change in fund balances	<u>\$ 3,221</u>	<u>\$ 109,923</u>	<u>1,782</u>	<u>\$ 111,705</u>	<u>3,176</u>
Fund balances-beginning			<u>109,923</u>		<u>106,747</u>
Fund balances-ending			<u>\$ 111,705</u>		<u>\$ 109,923</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
BUDGET (PROJECT-LENGTH) AND ACTUAL
LIMITED TAX FLOOD CONTROL BONDS SERIES 2009C
From Inception and for the Year Ended September 30, 2010
With Comparative Amounts for the Year Ended September 30, 2009

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2010			LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	
REVENUES					
Investment Earnings	\$ 30,332	\$ 227	\$ 30,104	\$ 30,331	\$ 227
Miscellaneous	-	-	271	271	-
Total revenues	30,332	227	30,375	30,602	227
EXPENDITURES					
Roads, Bridges and Rights-of-Way: FM 646	15,000,227	-	165,424	165,424	-
Bond Issuance Costs	204,571	204,571	-	204,571	204,571
Total expenditures	15,204,798	204,571	165,424	369,995	204,571
Excess (deficiency) of revenues over (under) expenditures	(15,174,466)	(204,344)	(135,049)	(339,664)	(204,344)
OTHER FINANCING SOURCES (USES)					
Face Value - Long Term Debt Issue	14,318,653	14,318,381	-	14,318,381	14,318,381
Premium - Long Term Debt Issue	75,781	75,781	-	75,781	75,781
Total other financing sources (uses)	14,394,434	14,394,162	-	14,394,162	14,394,162
Net change in fund balances	\$ (780,032)	\$ 14,189,818	\$ (135,049)	\$ 14,054,498	\$ 14,189,818
Fund balances-beginning			14,189,818		-
Fund balances-ending			\$ 14,054,769		\$ 14,189,818

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
BUDGET (PROJECT-LENGTH) AND ACTUAL
GALVESTON COUNTY CERTIFICATES OF OBLIGATION SERIES 2008 CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2010
With Comparative Amounts for the Year Ended September 30, 2009

	TOTAL PROJECT AUTHORIZED	ACTUAL TO SEPTEMBER 30, 2010			LAST YEAR'S ACTUAL
		REPORTED IN PRIOR YEARS	CURRENT YEAR	TOTAL	
REVENUES					
Investment Earnings	\$ 244,493	\$ 212,813	\$ 31,680	\$ 244,493	\$ 129,288
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Administration Costs	662,234	74,720	-	74,720	5,651
Texas City Hurricane Levee	3,392,200	-	3,000,000	3,000,000	-
Skyline Drive	-	-	-	-	-
Texas City Dike Improvements	805,000	742,480	400,000	1,142,480	742,480
La Marque Pump Station	192,744	172,698	-	172,698	172,698
Capital Outlay:					
Skyline Drive	323,912	305,142	18,770	323,912	305,142
Bond Issuance Costs	53,000	53,000	-	53,000	-
Total expenditures	5,429,090	1,348,040	3,418,770	4,766,810	1,225,971
Excess (deficiency) of revenues over (under) expenditures	(5,184,597)	(1,135,227)	(3,387,090)	(4,522,317)	(1,096,683)
OTHER FINANCING SOURCES (USES)					
Face Value - Long Term Debt Issue	7,000,000	7,000,000	-	7,000,000	-
Transfers In	213,357	-	213,357	213,357	-
Transfers Out	(1,700,200)	(1,700,200)	-	(1,700,200)	-
Total other financing sources (uses)	5,513,157	5,299,800	213,357	5,513,157	-
Net change in fund balances	\$ 328,560	\$ 4,164,573	\$ (3,173,733)	\$ 990,840	\$ (1,096,683)
Fund balances-beginning			4,164,573		5,261,256
Fund balances-ending			\$ 990,840		\$ 4,164,573

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 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 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.

WORKERS' COMPENSATION (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
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
September 30, 2010

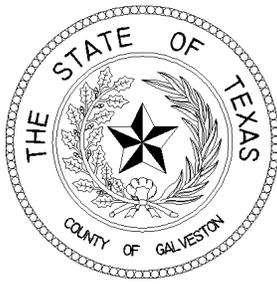
	<u>GROUP INSURANCE</u>	<u>SELF- INSURANCE RESERVE</u>	<u>WORKERS' COMPENSATION</u>	<u>TOTAL</u>
ASSETS				
Investments	\$ 4,597,069	\$ 1,579,735	\$ 2,021,450	\$ 8,198,254
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	109,245	344	5,885	115,474
Due from Other Funds	-	-	48,361	48,361
Prepaid Items	-	218,885	-	218,885
Total Assets	<u>4,706,314</u>	<u>1,798,964</u>	<u>2,075,696</u>	<u>8,580,974</u>
LIABILITIES				
Accounts Payable	\$ 60,415	\$ 138,289	\$ 36,764	\$ 235,468
Salaries Payable	-	4,187	3,553	7,740
Estimated Liability - Claims	1,628,500	-	1,121,000	2,749,500
Total liabilities	<u>1,688,915</u>	<u>142,476</u>	<u>1,161,317</u>	<u>2,992,708</u>
NET ASSETS				
Unrestricted	<u>3,017,399</u>	<u>1,656,488</u>	<u>914,379</u>	<u>5,588,266</u>
Total net assets	<u><u>\$ 3,017,399</u></u>	<u><u>\$ 1,656,488</u></u>	<u><u>\$ 914,379</u></u>	<u><u>\$ 5,588,266</u></u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2010

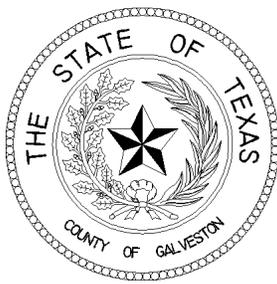
	GROUP INSURANCE	SELF- INSURANCE RESERVE	WORKERS' COMPENSATION	TOTAL
OPERATING REVENUES				
Intergovernmental	\$ 158,832	\$ -	\$ -	\$ 158,832
Charges for Services	11,108,452	-	-	11,108,452
Insurance Recovery - County	-	18,406	-	18,406
Reimbursements	537,613	-	11,000	548,613
Miscellaneous	-	33,060	15,408	48,468
Total operating revenues	11,804,897	51,466	26,408	11,882,771
OPERATING EXPENSES				
Personal Services	\$ -	\$ 233,820	\$ -	\$ 233,820
Contract Services	1,442,500	-	64,641	1,507,141
Insurance	1,126,983	2,323,062	26,283	3,476,328
Claims Paid	9,861,402	-	886,218	10,747,620
Miscellaneous	-	140,000	-	140,000
Total operating expenses	12,430,885	2,696,882	977,142	16,104,909
Operating income (loss)	(625,988)	(2,645,416)	(950,734)	(4,222,138)
NON-OPERATING REVENUES				
Investment Earnings	3,910	-	554	4,464
Income (loss) before transfers	(622,078)	(2,645,416)	(950,180)	(4,217,674)
Transfers In	644,000	2,045,400	527,600	3,217,000
Change in net assets	21,922	(600,016)	(422,580)	(1,000,674)
Total net assets-beginning	2,995,477	2,256,504	1,336,959	6,588,940
Total net assets-ending	\$ 3,017,399	\$ 1,656,488	\$ 914,379	\$ 5,588,266

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2010

	GROUP INSURANCE	SELF- INSURANCE RESERVE	WORKERS' COMPENSATION	TOTAL
Cash flows from operating activities:				
Receipts from Users	\$ 12,740,558	\$ 52,180	\$ 26,408	\$ 12,819,146
Payments to Suppliers	(2,648,118)	(2,306,711)	(942,504)	(5,897,333)
Payments to Employees	-	(233,679)	-	(233,679)
Payments for Claims	(9,861,402)	(115,822)	-	(9,977,224)
Other Operating Revenues	537,612	-	-	537,612
Net cash provided (used) by operating activities	768,650	(2,604,032)	(916,096)	(2,751,478)
Cash flows from noncapital financing activities:				
Transfers in	644,000	2,045,400	527,600	3,217,000
Cash flows from investing activities:				
Purchase of Investments	(4,597,069)	(1,579,735)	(2,021,450)	(8,198,254)
Matured Investments	3,180,509	2,138,367	2,409,392	7,728,268
Investment Earnings	3,910	-	554	4,464
Net cash provided (used) by investing activities	(1,412,650)	558,632	388,496	(465,522)
Net increase (decrease) in cash and cash equivalents	-	-	-	-
Cash and Cash Equivalents October 1, 2009	-	-	-	-
Cash and Cash Equivalents September 30, 2010	\$ -	\$ -	\$ -	\$ -
Income (loss) before transfers provided (used) by operating activities:				
Operating income (loss)	\$ (625,988)	\$ (2,645,416)	\$ (950,734)	\$ (4,222,138)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
(Increase) Decrease in Accounts Receivable	127,983	714	-	128,697
(Increase) Decrease in Prepaid Items	-	(14,693)	-	(14,693)
Increase (Decrease) in Accounts Payable	(78,634)	55,222	36,764	13,352
Increase (Decrease) in Salaries Payable	-	141	(2,126)	(1,985)
Increase (Decrease) in Due to Others	1,345,289	-	-	1,345,289
Total adjustments	1,394,638	41,384	34,638	1,470,660
Net cash provided (used) by operating activities	\$ 768,650	\$ (2,604,032)	\$ (916,096)	\$ (2,751,478)



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Fiduciary Funds

FIDUCIARY FUNDS

Fiduciary Funds consist of:

Agency Funds

Agency Funds are similar to Trust Funds 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 7601) – A clearing fund for County payrolls.

ESCROW (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 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 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.

APPELLATE JUDICIAL SYSTEM FEES (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 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 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 COLLECTIONS (FUND 7611) - Collections made by the County Tax Assessor-Collector which are held until distribution are accounted for in this fund.

DEBT SERVICE AGENCY (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
COMBINING BALANCE SHEET
AGENCY FUNDS
September 30, 2010
With Comparative Amounts as of September 30, 2009**

	<u>PAYROLL</u>	<u>ESCROW</u>	<u>CHILDREN'S PROTECTIVE SERVICES - ESCROW</u>	<u>INMATE DEPOSITS</u>
ASSETS				
Investments	\$ 721,650	\$ 1,286,131	\$ 10,223	\$ 36,687
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	120	41,839	-	-
Restricted Assets:				
Guardianship Assets	-	914,304	-	-
Total Assets	<u>\$ 721,770</u>	<u>\$ 2,242,274</u>	<u>\$ 10,223</u>	<u>\$ 36,687</u>
LIABILITIES				
Accounts Payable	\$ 26	\$ 116,015	\$ -	\$ -
Due to Others	-	14,446	-	36,687
Due to Other Entities	721,744	-	-	-
Due to Other Funds	-	-	-	-
Deposits Held	-	1,197,509	10,223	-
Deposits Held for Restricted Assets	-	914,304	-	-
Total Liabilities	<u>\$ 721,770</u>	<u>\$ 2,242,274</u>	<u>\$ 10,223</u>	<u>\$ 36,687</u>

(Continued)

<u>APPELLATE JUDICIAL SYSTEM FEES</u>	<u>DISTRICT CLERK TRUST</u>	<u>COUNTY CLERK TRUST</u>	<u>TAX ASSESSOR- COLLECTOR UNDISTRIBUTED COLLECTIONS</u>
\$ 50,084	\$ 6,649,484	\$ 4,913,969	\$ 3,731,537
340	-	-	-
-	-	-	-
<u>\$ 50,424</u>	<u>\$ 6,649,484</u>	<u>\$ 4,913,969</u>	<u>\$ 3,731,537</u>
\$ -	\$ -	\$ -	\$ -
-	6,649,484	4,913,969	-
-	-	-	3,731,537
-	-	-	-
50,424	-	-	-
-	-	-	-
<u>\$ 50,424</u>	<u>\$ 6,649,484</u>	<u>\$ 4,913,969</u>	<u>\$ 3,731,537</u>

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
AGENCY FUNDS
September 30, 2010
With Comparative Amounts as of September 30, 2009**

	DEBT SERVICE AGENCY	TOTALS	
		2010	2009
ASSETS			
Investments	\$ 36,047	\$ 17,435,812	\$ 18,404,858
Receivables (Net of Allowances for Uncollectibles):			
Accounts and Other	-	42,299	4,717
Restricted Assets:			
Guardianship Assets	-	914,304	1,577,088
Total Assets	\$ 36,047	\$ 18,392,415	\$ 19,986,663
LIABILITIES			
Accounts Payable	\$ -	\$ 116,041	\$ 12,123
Due to Others	5,311	11,619,897	12,731,443
Due to Other Entities	-	4,453,281	4,488,022
Due to Other Funds	30,736	30,736	30,736
Deposits Held	-	1,258,156	1,147,251
Deposits Held for Restricted Assets	-	914,304	1,577,088
Total Liabilities	\$ 36,047	\$ 18,392,415	\$ 19,986,663

GALVESTON COUNTY, TEXAS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2010

	<u>BALANCE</u> <u>10/1/2009</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>9/30/2010</u>
PAYROLL				
ASSETS				
Investments	\$ 719,259	\$ 137,634,732	\$ 137,632,341	\$ 721,650
Accounts and Other	-	212	92	120
Total assets	<u>\$ 719,259</u>	<u>\$ 137,634,944</u>	<u>\$ 137,632,433</u>	<u>\$ 721,770</u>
LIABILITIES				
Accounts Payable	\$ 26	\$ 3,644,784	\$ 3,644,784	\$ 26
Due to Other Entities	719,233	26,553,905	26,551,394	721,744
Total liabilities	<u>\$ 719,259</u>	<u>\$ 30,198,690</u>	<u>\$ 30,196,178</u>	<u>\$ 721,770</u>
ESCROW				
ASSETS				
Investments	\$ 1,150,006	\$ 4,645,628	\$ 4,509,503	\$ 1,286,131
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	4,717	226,840	189,718	41,839
Guardianship Assets	1,577,088	-	662,784	914,304
Total assets	<u>\$ 2,731,811</u>	<u>\$ 4,872,468</u>	<u>\$ 5,362,005</u>	<u>\$ 2,242,274</u>
LIABILITIES				
Accounts Payable	\$ 12,097	\$ 1,840,292	\$ 1,736,374	\$ 116,015
Due to Others	5,757	96,186	87,497	14,446
Deposits Held	1,136,869	4,732,316	4,671,676	1,197,509
Deposits Held for Restricted Assets	1,577,088	-	662,784	914,304
Total liabilities	<u>\$ 2,731,811</u>	<u>\$ 6,668,794</u>	<u>\$ 7,158,331</u>	<u>\$ 2,242,274</u>
CHILDREN'S PROTECTIVE SERVICES - ESCROW				
ASSETS				
Investments	<u>\$ 10,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,223</u>
LIABILITIES				
Deposits Held	<u>\$ 10,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,223</u>
INMATE DEPOSITS				
ASSETS				
Investments	<u>\$ 41,198</u>	<u>\$ -</u>	<u>\$ 4,511</u>	<u>\$ 36,687</u>
LIABILITIES				
Due to Others	<u>\$ 41,198</u>	<u>\$ -</u>	<u>\$ 4,511</u>	<u>\$ 36,687</u>

(Continued)

GALVESTON COUNTY, TEXAS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2010

	<u>BALANCE</u> <u>10/1/2009</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>9/30/2010</u>
APPELLATE JUDICIAL SYSTEM FEES				
ASSETS				
Investments	\$ 159	\$ 50,165	\$ 240	\$ 50,084
Receivables:				
Accounts and Other	-	340	-	340
Total assets	\$ 159	\$ 50,505	\$ 240	\$ 50,424
LIABILITIES				
Deposits Held	\$ 159	\$ 50,505	\$ 240	\$ 50,424
DISTRICT CLERK TRUST				
ASSETS				
Investments	\$ 7,782,231	\$ 383,467	\$ 1,516,214	\$ 6,649,484
LIABILITIES				
Due to Others	\$ 7,782,231	-	\$ 1,132,747	\$ 6,649,484
COUNTY CLERK TRUST				
ASSETS				
Investments	\$ 4,896,946	\$ 979,493	\$ 962,470	\$ 4,913,969
LIABILITIES				
Due to Others	\$ 4,896,946	\$ 17,023	-	\$ 4,913,969
TAX ASSESSOR-COLLECTOR UNDISTRIBUTED COLLECTIONS				
ASSETS				
Investments	\$ 3,768,789	\$ 90,423	\$ 127,675	\$ 3,731,537
LIABILITIES				
Due to Other Entities	\$ 3,768,789	-	\$ 37,252	\$ 3,731,537

(Continued)

GALVESTON COUNTY, TEXAS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2010

	<u>BALANCE</u> <u>10/1/2009</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>9/30/2010</u>
DEBT SERVICE AGENCY				
ASSETS				
Investments	\$ 36,047	\$ -	\$ -	\$ 36,047
LIABILITIES				
Due to Others	\$ 5,311	\$ -		\$ 5,311
Due to Other Funds	30,736	-		30,736
Total liabilities	<u>\$ 36,047</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,047</u>
TOTALS - ALL AGENCY FUNDS				
ASSETS				
Investments	\$ 18,404,858	\$ 143,783,908	\$ 144,752,954	\$ 17,435,812
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	4,717	227,392	189,810	42,299
Guardianship Assets	1,577,088	-	662,784	914,304
Total assets	<u>\$ 19,986,663</u>	<u>\$ 144,011,300</u>	<u>\$ 145,605,548</u>	<u>\$ 18,392,415</u>
LIABILITIES				
Accounts Payable	\$ 12,123	\$ 5,485,076	\$ 5,381,158	\$ 116,041
Due to Others	12,731,443	113,209	1,224,755	11,619,897
Due to Other Entities	4,488,022	26,553,905	26,588,646	4,453,281
Due to Funds	30,736	-	-	30,736
Deposits Held	1,147,251	4,782,821	4,671,916	1,258,156
Deposits Held for Restricted Assets	1,577,088	-	662,784	914,304
Total liabilities	<u>\$ 19,986,663</u>	<u>\$ 36,935,012</u>	<u>\$ 38,529,259</u>	<u>\$ 18,392,415</u>



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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, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
GOVERNMENTAL FUNDS CAPITAL ASSETS		
Land	\$ 32,770,529	\$ 27,822,267
Buildings and Improvements	192,825,616	188,271,012
Improvements Other Than Buildings	1,321,254	1,321,254
Machinery and Equipment	33,140,191	32,502,544
Infrastructure	144,359,661	141,492,104
Construction in Progress	6,640,655	3,548,894
	<u>\$ 411,057,906</u>	<u>\$ 394,958,075</u>

INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE		
General Fund	\$ 19,146,898	\$ 19,588,167
Special Revenue Funds and Grants	352,895,462	27,674,508
Capital Projects Funds	9,248,358	339,120,193
Gifts	29,767,188	8,575,207
	<u>\$ 411,057,906</u>	<u>\$ 394,958,075</u>

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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GALVESTON COUNTY, TEXAS
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY
 SEPTEMBER 30, 2010

FUNCTION AND ACTIVITY	IMPROVEMENTS				CONSTRUCTION IN PROGRESS
	LAND	BUILDINGS	OTHER THAN BUILDINGS	MACHINERY & EQUIPMENT	
General government:					
General Government	9,882,182	96,616,826	419,885	3,958,620	-
County Clerk				1,993,419	-
County Records Management				149,962	-
Justice Courts	48,220	171,621	-	-	-
District Clerk				98,369	-
District Attorney				90,505	-
Tax Assessor-Collector				53,004	-
Information Technology				3,581,943	-
Facilities Services	47,217	6,454,838	11,119	1,094,646	4,268,864
County Engineer				-	28,140
Total general government	9,977,619	103,243,285	431,004	11,020,468	28,140
Public safety:					
Sheriff	2,452,292	67,096,668		9,308,600	-
Const Pet#8				24,956	-
Medical Examiner		433,715		-	-
Juvenile Justice	18,047	6,045,345		238,700	-
Emergency Management				246,494	-
Flood Control	1,065,717	3,903,472		2,100,353	80,084,106
Total public safety	3,536,056	77,479,200		11,919,103	80,084,106
Roads, bridges, and right-of-way:					
Road Department	2,590,047	340,953		6,336,770	2,142,556
Road District #1		283,669		24,820	9,705,186
Rights of Way Department	1,880,230			-	-
Total roads, bridges, and rights-of-way	4,470,277	624,622		6,361,590	58,525,885
					2,142,556

GALVESTON COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY
 SEPTEMBER 30, 2010

FUNCTION AND ACTIVITY	IMPROVEMENTS					CONSTRUCTION IN PROGRESS
	LAND	BUILDINGS	OTHER THAN BUILDINGS	MACHINERY & EQUIPMENT	INFRASTRUCTURE	
Health and social services:						
Health Administration and Sanitation	378,794	1,320,808	-	-	-	-
Mosquito Control District				1,175,657	-	-
Senior Citizens	55,595	1,105,894	-	371,301	-	-
Total health and social services	434,389	2,426,702		1,546,958		
Culture and recreation:						
Museum	20,677	62,352	-	-	-	-
Beach and Parks Department	14,331,511	8,989,455	870,747	1,653,459	5,721,530	229,235
Beach Maintenance-Road and Bridge				478,022	-	-
Total culture and recreation	14,352,188	9,051,807	870,747	2,131,481	5,721,530	229,235
Conservation			19,503	160,591	-	-
Total governmental funds capital assets	32,770,529	192,825,616	1,321,254	33,140,191	144,359,661	6,640,655

This schedule presents only the capital asset balances related to governmental funds. Generally, the capital assets of Internal Service Funds would be

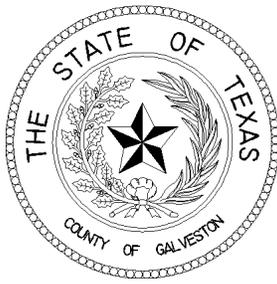
GALVESTON COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

FUNCTIONS AND ACTIVITY	GOVERNMENTAL FUNDS CAPITAL ASSETS OCTOBER 1, 2009	ADDITIONS	DEDUCTIONS	TRANSFERS	GOVERNMENTAL FUNDS CAPITAL ASSETS SEPTEMBER 30, 2010
General government:					
General Government	108,972,809	1,904,704			110,877,513
County Clerk	1,998,919			(5,500)	1,993,419
County Records Management	149,962				149,962
Justice Courts	219,841				219,841
District Clerk	98,369				98,369
District Attorney	90,505				90,505
Tax Assessor-Collector	33,304	19,700			53,004
Information Technology	3,895,453	977,459	(1,296,468)	5,500	3,581,944
Facilities Services	4,555,398	10,899,211	(3,679,532)	101,606	11,876,683
County Engineer	2,653,167	441,393	(3,066,420)		28,140
Total general governmental	122,667,727	14,242,467	(8,042,420)	101,606	128,969,380
Public safety:					
Sheriff's Department	78,519,417	663,351	(223,603)	(101,606)	78,857,559
Medical Examiner	433,715				433,715
Juvenile Justice	6,302,093	24,956			6,327,049
Emergency Management	246,494				246,494
Flood Control	83,846,624	3,488,222	(181,198)		87,153,648
Total public safety	169,348,343	4,176,529	(404,801)	(101,606)	173,018,465
Roads, bridges, and right-of-way:					
Road Department	55,060,746	5,503,815	(333,536)		60,231,025
Road District #1	10,013,675				10,013,675
Rights-of-Way Department	1,850,339	29,891			1,880,230
Total roads, bridges, and rights-of-way	66,924,760	5,533,706	(333,536)	-	72,124,930
Health and social services:					
Health Administration and Sanitation	1,699,602				1,699,602
Mosquito Control District	1,173,478	37,915	(35,736)		1,175,657
Senior Citizens	1,551,952		(19,162)		1,532,790
Total health and social services	4,425,032	37,915	(54,898)	-	4,408,049
Culture and recreation:					
Museum	83,029				83,029
Beach and Parks Department	30,871,023	955,688	(30,774)		31,795,937
Beach Maintenance- Road and Bridge	470,893	70,924	(63,795)		478,022
Total culture and recreation	31,424,945	1,026,612	(94,569)	-	32,356,988
Conservation	167,268	31,330	(18,504)	-	180,094
Total governmental funds capital assets	394,958,075	25,048,559	(8,948,728)	-	411,057,906

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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Statistical Section

This part of the County of Galveston's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the county's overall financial health.

Financial Trends

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

Revenue Capacity

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

Debt Capacity

These schedules contain information to help the reader assess the affordability of the county's current level of outstanding debt and the county's ability to issue additional debt in the future.

Demographic and Economic Information

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

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.



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Financial Trends

GALVESTON COUNTY, TEXAS
NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS
 (accrual basis of accounting)
 (amounts expressed in thousands)

	Fiscal Year							
	2003*	2004	2005	2006	2007	2008	2009	2010
Net assets - governmental activities								
Invested in capital assets, net of related debt	\$ 114,231	\$ 93,040	\$ 97,944	\$ 103,625	\$ 117,622	\$ 107,958	\$ 62,797	\$ 97,415
Restricted for:								
Grants	902	548	210	565	482	8,293	1,832	329
Debt service	1,926	4,111	4,534	5,448	12,820	12,575	15,645	7,864
Other projects	55	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	2,346	1,709
Unrestricted	10,150	19,494	25,692	31,154	24,188	28,264	45,726	(8,592)
Total net assets - governmental activities	\$ 127,263	\$ 117,193	\$ 128,381	\$ 140,793	\$ 155,112	\$ 157,090	\$ 128,346	\$ 98,724

* Since this was the year of implementation of Governmental Accounting Standards Board Statement No. 34, no government-wide financial information for years prior to fiscal year 2003 is available.

GALVESTON COUNTY, TEXAS
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year							
	2003*	2004	2005	2006	2007	2008	2009	2010
Expenses								
Governmental activities:								
General Government	\$ 41,671	\$ 42,501	\$ 38,234	\$ 44,828	\$ 51,530	\$ 57,076	\$ 59,080	\$ 63,394
Public Safety	35,293	36,420	39,715	40,233	46,077	57,562	134,746	122,790
Sanitation	-	18	18	575	187	21	7	97
Health and Social Services	14,148	12,196	15,799	15,987	16,825	18,213	17,455	18,757
Culture and Recreation	3,037	6,827	4,347	4,101	6,347	6,428	6,265	6,522
Conservation	328	315	403	392	426	475	535	546
Roads, Bridges, and Rights-of-way	17,077	19,991	9,552	10,985	14,587	12,207	24,290	40,390
Interest on Long-term Debt	5,841	10,173	10,269	10,199	10,057	10,617	11,662	18,345
Total governmental activities expenses	117,395	128,441	118,337	127,300	146,036	162,599	254,040	270,841
Program revenues								
Governmental activities:								
Charges for services:								
General Government	12,609	13,809	13,469	15,156	17,094	15,998	16,452	16,864
Public Safety	1,752	1,712	1,627	1,750	1,776	4,201	1,576	1,636
Roads, Bridges, and Rights-of-way	750	759	331	679	866	769	421	587
Other	405	216	125	137	385	466	326	419
Operating grants and contributions	11,904	11,430	14,216	13,614	24,553	20,835	89,943	100,735
Capital grants and contributions	1,232	3,177	3,574	4,251	2,895	36	734	73
Total governmental activities program revenues	28,652	31,103	33,342	35,587	47,569	42,305	109,452	120,314
Net (expense) revenue-governmental activities	(88,743)	(97,338)	(84,995)	(91,713)	(98,467)	(120,294)	(144,588)	(150,527)
General revenues and other changes in net assets								
Governmental activities:								
Taxes:								
Property taxes, levied for general purpose	64,635	70,302	75,543	81,610	89,018	93,562	95,032	100,219
Property taxes, levied for debt service	10,014	12,549	14,303	15,820	15,895	16,273	15,221	16,435
Payments in lieu of taxes	1,064	758	875	1,467	1,433	1,897	1,337	1,764
Unrestricted investment earnings	3,657	5,865	4,413	4,480	5,534	4,605	4,152	2,426
Gain on sale of capital assets	1,618	-	610	1,000	870	660	-	-
Miscellaneous	94	221	406	460	37	108	101	62
Extraordinary Item-Insurance Recovery Proceeds (1)	-	-	-	-	-	5,511	-	-
Extraordinary Item-Infrastructure Loss (2)	-	-	-	-	-	(344)	-	-
Total governmental activities	81,082	89,695	96,150	104,837	112,787	122,273	115,843	120,906
Change in net assets-governmental activities	\$ (7,661)	\$ (7,643)	\$ 11,155	\$ 13,124	\$ 14,320	\$ 1,979	\$ (28,745)	\$ (29,621)

* Since this was the year of implementation of Governmental Accounting Standards Board Statement No. 34 no government-wide financial information for years prior to fiscal year 2003 is available.

(1.) Insurance proceeds received for damage caused by Hurricane Ike.

(2) Book value of Bolivar Peninsula roads destroyed by Hurricane Ike.

GALVESTON COUNTY, TEXAS
GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE
LAST EIGHT FISCAL YEARS
 (accrual basis of accounting)
 (amounts expressed in thousands)

Fiscal Year	Property Tax (General Purposes)	Property Tax (Debt Service)	Total
2003*	\$ 64,635	\$ 10,014	\$ 74,649
2004	70,302	12,549	82,851
2005	75,543	14,303	89,846
2006	81,693	15,820	97,513
2007	89,018	15,895	104,913
2008	93,562	16,273	109,835
2009	95,032	15,221	110,253
2010	100,219	16,434	116,653

** Since this was the year of implementation of Governmental Accounting Standards Board Statement No. 34, no government-wide financial information for years prior to fiscal year 2003 is available.*

GALVESTON COUNTY, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund										
Reserved	\$ 1,416	\$ 1,421	\$ 995	\$ 551	\$ 953	\$ 616	\$ 274	\$ 482	\$ 629	\$ 289
Unreserved (1)	5,575	5,856	5,310	12,557	18,195	25,006	28,865	27,106	29,232	30,092
Total general fund (4)	\$ 6,991	\$ 7,277	\$ 6,305	\$ 13,108	\$ 19,148	\$ 25,622	\$ 29,139	\$ 27,588	\$ 29,861	\$ 30,381
All other governmental funds										
Reserved (2) (3) (5)	\$ 10,461	\$ 19,024	\$ 30,607	\$ 67,798	\$ 24,561	\$ 10,073	\$ 15,617	\$ 35,912	\$ 25,697	\$ 48,020
Unreserved, reported in:										
Special Revenue Funds	14,261	14,309	16,722	16,990	16,782	18,467	21,491	28,672	29,075	37,979
Debt Service Funds	-	-	-	-	-	-	-	-	-	-
Capital Projects Funds (3), (4), (7)	67,692	63,171	129,233	38,803	31,114	19,477	49,741	33,938	161,394	99,688
Total all other governmental funds (6)	\$ 92,413	\$ 96,504	\$ 176,562	\$ 123,591	\$ 72,457	\$ 48,018	\$ 86,849	\$ 98,522	\$ 216,166	\$ 185,687

(1) The Galveston County Commissioners' Court's goal is to build, at a minimum, an unreserved fund balance equal to three months of budgeted operating funds. For fiscal year 2011, that is equivalent to \$28,227,500. In order to help accomplish this goal, the court has kept in place a mandatory four pay period salary-lapse policy, which can generate up to \$5 million annually in lapsed funds. The court has also restricted budget growth whereby the amounts expended in each fiscal year will be less than actual revenues. During budget development for FY 2011, the court further requested budget cuts of 3% (on top of the previous year's 10%), from departments to meet anticipated revenue decreases.

(2) The increase in reserved funds during fiscal years 2001 through 2004 is attributable to encumbrances for capital projects.

(3) There was a substantial increase in the capital projects unreserved fund balance from fiscal years 2001 through 2003. The county issued bonds, the proceeds of which were used to build, improve, and equip buildings, jails, and court facilities in the county.

(4) There was a substantial increase in the capital projects unreserved fund balance in fiscal year 2007. The county issued \$48 million in Pass-through Toll Revenue and Limited Tax Bonds, the proceeds of which were used for designing, developing, financing, constructing, expanding or improving a non-toll project for FM 646, a part of the State Highway System.

(5) The increase in reserved funds during fiscal year 2008 is attributable to encumbrances for capital projects.

(6) Columns may not foot due to rounding.

(7) In fiscal year 2009 the county issued \$135 million in Unlimited Tax Roads Bonds, Limited Tax County Building Bonds and Limited Tax flood Control Bonds. The

proceeds of which were used to construct, purchase, maintain and/or operate macadamized, graveled and paved roads and turnpikes. To reconstruct, improve, and/or equip buildings. Maintain or improve a seaway, breakwater, levee, floodway and/or drainway.

GALVESTON COUNTY, TEXAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Taxes	\$ 60,712	\$ 68,843	\$ 74,072	\$ 82,806	\$ 88,759	\$ 97,414	\$ 103,810	\$ 108,051	\$ 113,260	\$ 118,121
Licenses and Permits	2,028	2,088	2,058	2,100	2,140	2,325	2,320	2,267	2,504	2,426
Intergovernmental (1) (2)	11,913	9,749	11,559	14,661	15,120	16,317	20,106	22,987	90,604	99,644
Charges for Services	8,210	8,858	8,262	8,300	8,334	9,818	10,289	9,879	9,027	10,231
Fines and Forfeitures	3,136	3,024	2,679	2,818	2,786	2,763	3,578	3,588	3,365	3,327
Investment Earnings (3)	3,922	4,290	3,657	5,991	4,676	5,132	6,213	5,211	4,624	2,526
Miscellaneous (4)	3,008	2,948	5,046	5,004	4,566	5,899	5,867	5,559	5,289	6,995
Total Revenues	92,930	99,800	107,334	121,681	126,383	139,669	152,183	157,542	228,675	243,271
Expenditures										
Current:										
General Government	31,585	32,579	36,936	34,864	39,269	42,655	49,899	55,122	52,430	60,315
Public Safety	28,430	28,363	30,751	32,961	33,784	35,231	39,926	48,516	123,765	108,755
Sanitation	-	-	-	18	18	575	87	21	7	98
Health and Social Services (5)	5,420	5,065	5,624	14,996	14,978	15,137	15,222	16,987	16,093	17,341
Culture and Recreation	242	247	2,351	3,045	2,378	2,336	2,600	2,813	2,988	3,174
Conservation	3,005	2,264	310	301	349	366	401	449	437	454
Roads, Bridges, and Rights-of-Way (6)	4,379	4,938	4,308	4,510	5,023	4,410	12,086	9,257	21,308	37,972
Debt Service (7):										
Principal	3,937	5,030	6,125	4,115	5,999	7,372	7,831	9,351	9,685	10,410
Interest and Fiscal Charges	3,000	4,620	4,038	8,164	8,254	8,178	7,879	8,134	8,982	14,202
Bond Issuance Costs	475	118	1,544	601	-	-	672	1,047	2,014	-
Refund - Prior Year Tax Revenue	-	-	-	-	159	159	159	-	-	-
Capital Outlay (8)	10,974	14,370	36,342	64,751	61,192	40,567	19,143	6,336	7,925	17,438
Total Expenditures	91,447	97,594	128,330	168,325	171,404	156,986	155,905	158,033	245,634	270,161
Excess (deficiency) of revenues over (under) expenditures	1,483	2,206	(20,996)	(46,644)	(45,021)	(17,317)	(3,722)	(491)	(16,960)	(26,890)

GALVESTON COUNTY, TEXAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Other Financing Sources (Uses)										
Transfers In	4,870	4,927	6,651	6,525	4,669	8,083	10,529	17,555	31,934	21,912
Transfers Out	(15,274)	(14,943)	(17,041)	(8,920)	(6,418)	(10,711)	(16,123)	(21,571)	(35,447)	(25,129)
Sale of Capital Assets	353	62	2,230	184	1,082	1,979	4,033	1,121	86	146
Capital Lease	-	-	-	2,053	-	-	-	-	-	-
Insurance Recovery Proceeds	-	-	-	-	-	-	-	-	231	-
Long Term Debt Issued	61,795	12,125	-	-	-	-	-	-	-	-
Face Value - Long Term Debt Issued (7), (8)	-	-	107,760	-	-	-	48,270	95,425	140,000	-
Face Value - Refunding Bonds Issued	-	-	-	42,595	-	-	-	-	-	-
Premium - Long Term Debt Issued	-	-	1,478	-	-	-	120	228	76	-
Premium - Refunding Bonds Issued	-	-	-	3,596	-	-	-	-	-	-
Discount - Long Term Debt Issued	-	-	(996)	-	-	-	(759)	(4,380)	-	-
Refunded Bonds - Escrow Agent Payments	-	-	-	(45,556)	-	-	-	(83,278)	-	-
Other	(37)	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	51,707	2,170	100,082	476	(668)	(649)	46,070	10,613	136,879	(3,071)
Net Change In Fund Balances	\$ 53,190	\$ 4,377	\$ 79,086	\$ (46,168)	\$ (45,689)	\$ (17,966)	\$ 42,348	\$ 10,122	\$ 119,919	\$ (29,961)
Debt service as a percentage of noncapital expenditures	8.6%	11.6%	11.0%	11.9%	12.9%	13.4%	11.5%	11.5%	7.9%	9.7%

- (1) The decrease in intergovernmental revenues in 2002 was due to a reduction in emergency management grant funding.
- (2) The increase in intergovernmental revenues between fiscal years 2002-2004 and fiscal years 2008-2010 was due to receipt of FEMA reimbursements for tropical storm damage and hurricane damage.
- (3) The steady decrease in investment earnings from fiscal years 2008-2010 was due to the current economic recession of the nation.
- (4) The increase in miscellaneous revenues beginning in 2003 was due to a reclassification of revenue from the Intergovernmental category.
The County also saw an increase in interlocal agreement reimbursements in fiscal year 2003.
- (5) The increase in the Health and Social Services expenditures beginning in fiscal year 2004 was due to a reclassification of our component unit operating transfer.
- (6) The increase in the Debt Service Expenditures was funded by proceeds of bonds issued from 2001 through 2010 for various capital projects.
- (7) In fiscal year 2007 the county issued \$48 million in Pass-through Toll Revenue and Limited Tax Bonds, the proceeds of which were used for designing, developing, financing, constructing, expanding or improving a non-toll project for FM 646, a part of the State Highway System.
- (8) In fiscal year 2009 the county issued \$135 million in Unlimited Tax Roads Bonds and Limited Tax County Building Bonds and Limited Tax Flood Control Bonds. The proceeds of which were used to construct, purchase, maintain and/or operate macadamized, gravelled and paved roads and turnpikes, to reconstruct, improve, and/or equip buildings, and to maintain or improve a sewer, breakwater, levee, floodway and/or drainway.



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Revenue Capacity



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

Fiscal Year (2)	Real Property (2)				Utilities Pipelines, and Boats(2)	Total	Tax Rate (3)
	Residential Property	Commercial and Industrial Property	Other Property	Personal Property(2)			
2001-02	\$ 9,205,486	\$ 3,736,701	\$ 308,034	\$ 1,078,268	\$ 501,539	\$ 14,830,028	\$ 0.5654
2002-03	9,977,177	3,272,051	248,098	1,203,608	480,471	15,181,405	0.6063
2003-04	11,117,759	2,581,926	263,487	1,095,026	493,894	15,552,092	0.6400
2004-05	12,165,244	3,696,766	264,640	1,583,664	490,251	18,200,565	0.6388
2005-06	14,937,565	5,178,597	430,272	1,889,053	483,955	22,919,442	0.6288
2006-07	15,264,251	5,267,615	446,370	1,970,825	495,067	23,444,128	0.5988
2007-08	16,255,587	5,922,331	488,178	2,503,858	493,892	25,663,846	0.5800
2008-09	16,268,734	5,671,747	487,060	2,483,647	493,932	25,405,120	0.5700
2009-10	15,372,187	5,706,544	337,362	1,957,107	485,787	23,858,987	0.6300

(1) Ratio of total assessed value to total estimated value is 100%.

Data prior to fiscal year 2002 is unavailable.

(2) Source: Galveston Central Appraisal District.

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

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

Taxing Jurisdiction	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Galveston County Direct Rates										
Maintenance & Operations	\$0.469563	\$0.472800	\$0.511900	\$0.529710	\$0.527650	\$0.518126	\$0.498920	\$0.485670	\$0.482075	\$0.532964
Debt Service	0.063037	0.080200	0.057569	0.077050	0.089900	0.093224	0.070954	0.068465	0.068202	0.069576
Special Road Levy	0.000000	0.000000	0.024431	0.020840	0.010400	0.006000	0.017476	0.014465	0.008323	0.016060
Farm to Market Lateral Road/Flood	0.012400	0.012400	0.012400	0.012400	0.010800	0.011400	0.011400	0.011400	0.011400	0.011400
Total Direct Rate	\$0.545000	\$0.565400	\$0.606300	\$0.640000	\$0.638750	\$0.628750	\$0.598750	\$0.580000	\$0.570000	\$0.630000
Cities										
Galveston	0.548600	0.559100	0.554900	0.541700	0.541700	0.541700	0.494000	0.494000	0.494000	0.554000
Friendswood	0.638500	0.638500	0.638500	0.638500	0.638500	0.604000	0.582100	0.576400	0.579700	0.579700
Hitchcock	0.567000	0.567000	0.568400	0.581380	0.538900	0.534557	0.555050	0.511080	0.473230	0.473230
Jamaica Beach	0.522499	0.479930	0.460900	0.420820	0.345400	0.311200	0.285000	0.260300	0.251100	0.322800
La Marque	0.546100	0.536100	0.536100	0.510340	0.540300	0.553300	0.514360	0.514360	0.514360	0.514360
League City	0.667500	0.662500	0.650000	0.640000	0.630000	0.527500	0.608800	0.608800	0.630000	0.630000
Texas City	0.328750	0.333500	0.357500	0.456240	0.456240	0.456240	0.456240	0.435610	0.425000	0.425000
Tiki Island	0.164288	0.159600	0.169100	0.165890	0.175900	0.160252	0.155590	0.164860	0.166307	0.204667
Bayou Vista	0.378077	0.370100	0.375000	0.340000	0.354000	0.356200	0.338720	0.354200	0.352400	0.417222
Clear Lake Shores	0.339507	0.329600	0.262633	0.241810	0.238600	0.238600	0.210000	0.204750	0.000000	0.000000
Crystal Beach	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Dickinson	0.350574	0.390000	0.373000	0.391500	0.414500	0.434500	0.408800	0.408600	0.408600	0.408600
Kemah	0.095000	0.092600	0.071200	0.150000	0.170200	0.208545	0.255395	0.270000	0.265247	0.280293
Santa Fe	0.352100	0.262000	0.271900	0.271900	0.274700	0.282400	0.299200	0.299200	0.311400	0.311400
School and Junior College Districts										
Galveston	1.520000	1.520000	1.570000	1.560000	1.710000	1.685000	1.525000	1.175000	1.165000	1.165000
Friendswood	1.585000	1.617000	1.637000	1.637000	1.637000	1.637000	1.507000	1.177000	1.367000	1.367000
Hitchcock	1.705900	1.710000	1.710000	1.710000	1.710000	1.695000	1.565050	1.121505	1.410050	1.440050
La Marque	1.625005	1.625000	1.650000	1.730000	1.743000	1.740000	1.570000	1.240000	1.240000	1.240000
Texas City	1.611800	1.611900	1.604700	1.623400	1.613000	1.587100	1.448354	1.112750	1.184931	1.216000
Clear Creek	1.700840	1.725000	1.740000	1.730000	1.745000	1.775000	1.630000	1.320000	1.360000	1.360000
Dickinson	1.754000	1.747000	1.764000	1.743000	1.738000	1.751000	1.724000	1.430000	1.500000	1.504000
High Island	1.500000	1.500000	1.500000	1.770000	1.709100	1.700000	1.630000	1.300000	1.305690	1.600000
Santa Fe	1.422000	1.510000	1.570000	1.570000	1.570000	1.570000	1.445000	1.160000	1.160000	1.302000
College of the Mainland	0.218000	0.218000	0.231870	0.263060	0.245250	0.243020	0.233450	0.227380	0.221640	0.221640
Galveston College	0.197800	0.195200	0.195200	0.195200	0.195200	0.191800	0.170000	0.170000	0.170000	0.190000
Special Districts										
Bacliff MUD	0.080000	0.070000	0.165000	0.238260	0.243700	0.350000	0.315800	0.303640	0.295422	0.318548
Bayview MUD	0.237800	0.240000	0.236800	0.220000	0.220000	0.220000	0.216900	0.218500	0.236800	0.238100
South Shore MUD #2	0.570000	0.000000	0.570000	0.520000	0.450000	0.340000	0.290000	0.290000	0.240000	0.220000
South Shore MUD #3	0.325000	0.300000	0.300000	0.240000	0.220000	0.200000	0.180000	0.170000	0.160000	0.160000
South Shore MUD #6	0.460000	0.400000	0.380000	1.000000	1.000000	0.310000	0.300000	0.300000	0.290000	0.290000
South Shore Harbour MUD#7	0.000000	0.000000	0.000000	0.000000	0.000000	0.950000	0.820000	0.800000	0.750000	0.700000
Tara Glen MUD	0.800000	0.750000	0.725000	0.700000	0.700000	0.670000	0.670000	0.670000	0.670000	0.670000
Flamingo Isles MUD	0.000000	0.000000	0.000000	0.000000	0.000000	0.500000	0.500000	0.500000	0.500000	0.500000

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

Taxing Jurisdiction	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Special Districts (Continued)										
Bay Colony West MUD	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$1.000000	\$1.000000	\$1.000000	\$1.000000	\$1.000000
Clear Creek Drainage District	0.155000	0.155000	0.155000	0.150000	0.150000	0.000000	0.000000	0.000000	0.000000	0.000000
Fresh Water Supply District #6	0.257210	0.219500	0.282700	0.245080	0.249600	0.220153	0.201300	0.222900	0.223105	0.225403
Galveston County Consolidated Drainage District	0.000000	0.000000	0.000000	0.000000	0.000000	0.148300	0.000000	0.142500	0.142500	0.142500
Galveston County EMS District	0.094199	0.095060	0.095390	0.085800	0.085800	0.082670	0.081700	0.079810	0.085000	0.0863000
Galveston County Management District #1	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.800000	0.800000
Galveston County MUD #1 (2)	0.445282	0.460000	0.460000	0.460000	0.460000	0.460000	0.000000	0.000000	0.000000	0.000000
Galveston County MUD #2	0.560000	0.460000	0.430000	0.390000	0.365000	0.300000	0.260000	0.250000	0.240000	0.240000
Galveston County MUD #3	0.450000	0.430000	0.390000	0.320000	0.250000	0.210000	0.160000	0.140000	0.130000	0.120000
Galveston County MUD #6	0.860000	0.750000	0.700000	0.700000	0.700000	0.640000	0.480000	0.460000	0.440000	0.400000
Galveston County MUD #12	0.245468	0.188400	0.252862	0.258620	0.220100	0.207717	0.270000	0.258420	0.259575	0.259575
Galveston County MUD #13	0.965000	0.965000	0.915000	0.860000	0.760000	0.710000	0.630000	0.610000	0.585000	0.560000
Galveston County MUD #14	1.000000	1.000000	1.000000	0.970000	0.920000	0.900000	0.880000	0.880000	0.870000	0.870000
Galveston County MUD #15	0.870890	0.870000	0.870000	0.860000	0.830000	0.825000	0.825000	0.825000	0.795000	0.790000
Galveston County MUD #29 (3)	0.188758	0.175000	0.175000	0.175000	0.175000	0.170000	0.000000	0.000000	0.170000	Pending
Galveston County MUD #30	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.350000	0.350000	0.350000	0.350000
Galveston County MUD #31	0.000000	0.000000	0.000000	0.000000	0.000000	1.090000	1.090000	1.090000	1.090000	1.090000
Galveston County MUD #32	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000
Galveston County MUD #39	0.000000	0.000000	0.900000	0.900000	0.900000	0.900000	0.900000	0.900000	0.900000	0.900000
Galveston County MUD #43	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Galveston County MUD #44	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.800000	0.800000	0.800000
Galveston County MUD #45	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Galveston County MUD #46	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	1.000000	1.000000	0.000000	1.000000
Galveston County MUD #52	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.500000	1.500000	0.000000	0.000000
Galveston County MUD #68	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.850000	0.000000	0.850000
Galveston County Navigation District #1	0.041136	0.040600	0.042000	0.042000	0.040900	0.038000	0.033690	0.330300	0.000000	0.047970
West Ranch Management District #1	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.650000	0.650000	0.650000	0.650000
Water Control Improvement Dist. #1	0.350000	0.330000	0.310000	0.262620	0.262500	0.241490	0.230260	0.220260	0.000000	0.218190
Water Control Improvement Dist. #8	0.250000	0.250000	0.250000	0.250000	0.250000	0.246300	0.247400	0.250000	0.000000	0.250700
Water Control Improvement Dist. #12	0.526900	0.526900	0.520000	0.470000	0.420000	0.420000	0.370000	0.370000	0.000000	0.300000
Water Control Improvement Dist. #19	0.156102	0.153100	0.152700	0.150170	0.170800	0.165030	0.159520	0.183110	0.000000	0.461816
San Leon MUD	0.287000	0.446000	0.488000	0.450500	0.449100	0.434700	0.434500	0.450000	0.450000	0.450000
Drainage District #1	0.088061	0.097720	0.095800	0.090100	0.090100	0.103887	0.108940	0.114210	0.119684	0.124933
Drainage District #2	0.056273	0.056600	0.058800	0.058800	0.058800	0.055200	0.055740	0.057360	0.063021	0.063021
Drainage District #3	0.234694	0.216100	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

(1) Tax rates are reported in dollars per \$100 of value.
(2) Galveston County MUD No. 1 was dissolved in 2006 and was annexed by the City of Galveston.
Source: Galveston Central Appraisal District
(3) As of this date of publication, the Galveston County MUD #29 2010 Tax Rate had not been released.

**GALVESTON COUNTY, TEXAS
PRINCIPAL TAXPAYERS (1)
September 30, 2010
(amounts expressed in thousands)**

<u>Taxpayer</u>	<u>2010</u>			<u>2001</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total Taxable Assessed Value</u>
BP Products (NA) Inc.	\$ 1,618,991	1	6.79%	\$ -	-	-
Valero Refining-Texas LP	737,214	2	3.09%	223,041	5	1.54%
Union Carbide Corporation	258,272	3	1.08%	434,358	2	3.00%
Praxair Inc.	179,607	4	0.75%	-	-	-
Marathon Petroleum Company LLC	134,120	5	0.56%	-	-	-
South Houston Green Power, LP	130,000	6	0.54%	-	-	-
BP Amoco Chemical Company	117,178	7	0.49%	308,384	3	2.13%
Centerpoint Energy Inc.	89,391	8	0.37%	-	-	-
Texas-New Mexico Power Company	85,034	9	0.36%	67,453	9	0.47%
BASF Corporation	57,266	10	0.24%	-	-	-
Sterling Chemicals	-	-	-	263,674	4	1.82%
Reliant Energy HL & P	-	-	-	180,604	6	1.25%
Amoco Texas Refinery Company	-	-	-	1,344,991	1	9.29%
Marathon Ashland Petroleum LLC	-	-	-	87,997	7	0.61%
Texas City Cogeneration, LP	-	-	-	84,130	8	0.58%
Southwestern Bell Telephone Company	-	-	-	60,708	10	0.42%
	<u>3,407,073</u>		<u>14.28%</u>	<u>3,055,340</u>		<u>21.11%</u>
Other Taxpayers	412,883		1.73%	445,408		3.08%
Totals	<u>\$ 3,819,956</u>		<u>16.01%</u>	<u>\$ 3,500,748</u>		<u>24.19%</u>

(1) Source: Galveston Central Appraisal District Top Taxpayer Calculations performed as of December 27, 2010.
Total assessed value = \$23,858,987

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

Fiscal Year ended September 30	Total Adjusted Tax Levy	Collected Within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Collected to Date	
		Amounts (1)	Percentage of Levy		Amount (2)	Percentage of Levy
2001-02	\$ 67,538	\$ 65,524	97.02%	\$ 1,784	\$ 67,308	99.66%
2002-03	71,185	69,298	97.35%	1,610	70,908	99.61%
2003-04	81,486	79,367	97.40%	1,797	81,164	99.60%
2004-05	88,144	85,893	97.45%	1,845	87,738	99.54%
2005-06	96,882	94,764	97.81%	1,699	96,463	99.57%
2006-07	104,947	103,081	98.22%	1,344	104,425	99.50%
2007-08	109,649	107,656	98.18%	1,242	108,898	99.32%
2008-09	117,255	114,712	97.83%	1,341	116,053	98.97%
2009-10	120,902	118,563	98.07%	-	118,563	98.07%

* Data prior to fiscal year 2002 is unavailable.

(1) Collected from October 1 through September 30.

(2) Collection amounts include overpayments which may be, or have been, refunded to taxpayers.

Source: Galveston County Tax Assessor-Collector.



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Debt Capacity



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GALVESTON COUNTY, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

Fiscal Year	General Obligation Bonds	Notes Payable (1)	Capital Leases	Total	Percentage of Personal Income	Per Capita
2001	\$ 91,932	\$ -	\$ -	\$ 91,932	11.97%	\$ 361
2002	102,388	-	-	102,388	12.88%	393
2003	207,423	-	-	207,423	25.28%	777
2004	203,663	-	1,753	205,416	23.56%	755
2005	197,928	-	1,753	199,681	29.97%	731
2006	191,128	-	1,193	192,321	31.45%	678
2007	232,163	-	609	232,772	31.85%	820
2008	239,003	-	-	239,003	31.04%	829
2009	364,318	5,000	-	369,318	45.22%	1,280
2010	353,908	5,000	-	358,908	44.37%	1,232

Source: Galveston County's Annual Financial Report

(1) On September 28, 2009, the county issued a note payable to the U.S. Department of Homeland Security under its Community Disaster Loan Program. The \$5,000,000 is still payable as of September 30, 2010.

GALVESTON COUNTY, TEXAS
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT (1)
GENERAL OBLIGATION BONDS
September 30, 2010
(amounts expressed in thousands)

<u>Governmental Unit</u>	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
<u>Galveston County</u>	313,816	100%	313,816
Total Direct Debt	\$ 313,816		\$ 313,816
<u>Cities</u>			
Dickinson	12,485	100%	12,485
Friendswood	23,720	78.64%	18,653
Galveston	76,715	100%	76,715
Hitchcock	1,668	100%	1,668
La Marque	6,500	100%	6,500
League City	97,020	98.44%	95,506
Texas City	38,995	100%	38,995
Total Cities	257,103		250,523
<u>School Districts</u>			
Dickinson	233,465	100%	233,465
Friendswood	116,115	100%	116,115
Galveston	74,030	100%	74,030
High Island	1,685	100%	1,685
Hitchcock	26,876	100%	26,876
La Marque	26,898	100%	26,898
Santa Fe	60,955	100%	60,955
Texas City	117,110	100%	117,110
Total School Districts	657,134		657,134
<u>Co-Line School Districts</u>			
Clear Creek	669,359	30.79%	206,096

GALVESTON COUNTY, TEXAS
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT (1)
GENERAL OBLIGATION BONDS
September 30, 2010
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
Other			
Bacliff MUD	\$ 7,295	100%	\$ 7,295
Bay Colony West MUD	5,455	100%	5,455
Bayview MUD	305	100%	305
Flamingo Isle MUD	4,490	100%	4,490
Galveston CC District	3,235	100%	3,235
Galveston County FWSD #6	5,580	100%	5,580
Galveston County MUD #2	3,575	100%	3,575
Galveston County MUD #3	4,705	100%	4,705
Galveston County MUD #6	18,280	100%	18,280
Galveston County MUD #12	845	100%	845
Galveston County MUD #13	6,675	100%	6,675
Galveston County MUD #14	14,640	100%	14,640
Galveston County MUD #15	13,435	100%	13,435
Galveston County MUD #29	4,290	100%	4,290
Galveston County MUD #30	2,410	100%	2,410
Galveston County MUD #32	2,360	100%	2,360
Galveston County MUD #39	19,350	100%	19,350
Galveston County MUD #43	22,290	100%	22,290
Galveston County MUD #44	3,870	100%	3,870
Galveston County MUD #68	2,675	100%	2,675
San Leon MUD	3,325	100%	3,325
Galveston WCID #1	7,240	100%	7,240
Galveston WCID #8	5,370	100%	5,370
Galveston WCID #12	17,845	100%	17,845
South Shore Harbor MUD #2	3,560	100%	3,560
South Shore Harbor MUD #6	4,800	100%	4,800
South Shore Harbor MUD #7	20,990	100%	20,990
Tara Glen MUD	3,220	100%	3,220
Total Others	<u>212,110</u>		<u>212,110</u>
Total Overlapping Debt	<u>\$ 1,795,706</u>		<u>\$ 1,325,863</u>
Total Direct and Overlapping Debt	<u>\$ 2,109,522</u>		<u>\$ 1,639,679</u>
Ratio of Direct and Overlapping Debt to 2010 Net Taxable Assessed Valuation			8.50%
Per Capita Direct and Overlapping Debt (2010 estimated population = (2010 = 291,309) (2)			5,629
Net Taxable Assessed Valuation			\$ 19,284,551

(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 last revised June 14, 2006; TMR#0084. 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) 2010 estimated county population and Per Capita Direct and Overlapping Debt amounts are not rounded to thousands.

**GALVESTON COUNTY, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)**

Bonds Issued Under Texas General Laws

Assessed value of all taxable property (excluding exemptions)

Debt limit rate (5% of assessed value)

Dollar amount of debt limit

Amount of debt applicable to constitutional debt limit:

Total general bonded debt, including cumulative accretion

Less Debt Service fund balance

Total debt applicable to limitation

Legal debt margin

\$ 23,858,987
x 5%
1,192,949

\$ 370,181
(9,475)

360,706
\$ 832,243

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	\$ 723,570	\$ 748,131	\$ 801,694	\$ 855,177	\$ 941,570	\$ 1,091,754	\$ 1,172,206	\$ 1,283,192	\$ 1,270,256	\$ 1,192,949
Total net debt applicable to limit	97,096	105,721	209,324	205,632	200,745	194,891	229,641	239,122	365,007	360,706
Legal debt margin	\$ 626,474	\$ 642,410	\$ 592,370	\$ 649,545	\$ 740,825	\$ 896,863	\$ 942,565	\$ 1,044,070	\$ 907,249	\$ 832,243
Total net debt applicable to the limit as a percentage of debt limit	13.42%	14.13%	26.11%	24.05%	21.32%	17.85%	19.59%	18.63%	28.58%	30.24%

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, authorized 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 the 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.

GALVESTON COUNTY, TEXAS
LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 (amounts expressed in thousands)

Bonds Issued Under Article 3, Section 52

Assessed value of real property (excluding exemptions)

Debt limit rate

Amount of Debt Limit

Total Road Bonds Outstanding, including cumulative accretion

Legal debt margin

\$ 21,416,093
 X 25%
 5,354,023
 (111,283)
 \$ 5,242,740

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	\$ 3,206,392	\$ 3,334,036	\$ 3,583,132	\$ 3,812,922	\$ 4,180,324	\$ 4,872,923	\$ 5,244,559	\$ 5,666,524	\$ 5,606,885	\$ 5,354,023
Less: Road bonds outstanding	(38,039)	(33,737)	(38,625)	(37,811)	(38,225)	(38,675)	(38,122)	(37,541)	(111,928)	(111,283)
Legal debt margin	\$ 3,168,353	\$ 3,300,299	\$ 3,544,507	\$ 3,775,111	\$ 4,142,099	\$ 4,834,248	\$ 5,206,437	\$ 5,628,983	\$ 5,494,957	\$ 5,242,740

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

Fiscal Year	Population (1)	Assessed Value *	Gross Bonded Debt *	Less Debt Service Funds*	Net Bonded Debt *	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2000-01	254,923	\$ 14,471,404	\$ 98,817	\$ 1,721	\$ 97,096	0.67%	\$ 381
2001-02	260,825	14,830,028	107,449	1,728	105,721	0.71	405
2002-03	266,858	15,181,405	210,661	1,337	209,324	1.38	784
2003-04	272,024	15,555,092	208,405	2,773	205,632	1.32	756
2004-05	273,162	18,200,565	204,331	3,586	200,745	1.10	735
2005-06	283,551	22,919,442	199,289	4,398	194,891	0.85	687
2006-07	283,987	23,444,128	242,183	12,542	229,641	0.98	810
2007-08	288,239	25,663,846	250,991	11,869	239,122	0.93	830
2008-09	288,489	25,405,120	378,388	15,381	363,007	1.43	1,259
2009-10	291,309	23,858,987	370,181	9,475	360,706	1.51	1,238

* Amounts expressed in thousands.

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

Demographic and Economic Information

**GALVESTON COUNTY, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population (1)	Personal Income (1)(3)	Per Capita Personal Income (1)(3)	Median Age (1)	School Enrollment (2)	Unemployment Rate (1)
2001	254,923	\$ 7,677,185	\$ 30,113	35.9	66,985	5.30%
2002	260,825	7,947,793	30,474	35.9	74,000	6.60%
2003	266,858	8,205,612	30,762	35.9	70,000	7.20%
2004	272,024	8,719,729	32,055	35.6	70,329	6.90%
2005	273,162	6,663,514	24,394	35.6	73,142	5.70%
2006	283,551	6,115,628	21,568	36.0	73,919	4.90%
2007	283,987	7,307,960	25,773	36.0	78,508	4.30%
2008	288,239	7,698,864	26,710	36.3	79,000	5.54%
2009	288,489	8,167,701	28,312	36.2	78,450	8.50%
2010	291,309	8,089,068	27,768	36.7	77,323	8.2%(P)

(1) U.S. Bureau of Census; American Community Survey 2009 and Census 2010

(2) Texas Education Agency Amount expressed in thousands.

(3) Amount expressed in thousands.

P: Preliminary. Figures were taken from United States Department of Labor-Bureau of Labor Statistics Database.

**GALVESTON COUNTY, TEXAS
PRINCIPAL EMPLOYERS *
CURRENT YEAR AND NINE YEARS AGO**

Employer	2010			2001		
	Number of Employees	Rank	% of Principal-Employer Employees	Number of Employees	Rank	% of Principal-Employer Employees
University of Texas Medical Branch	11,591	1	47.2%	13,321	1	51.5%
Clear Creek Independent School District	3,200	2	13.0%	3,352	2	13.0%
BP-Amoco Oil Company Texas City	2,300	3	9.4%	1,200	6	4.6%
Walmart**	1,450	4	5.9%	-	-	0.0%
Galveston County	1,334	5	5.4%	1,376	5	5.3%
Ineos Nova LLC.	1,150	6	4.7%	-	-	0.0%
Galveston Independent School District	1,044	7	4.2%	1,450	4	5.6%
Texas City Independent School District	879	8	3.6%	879	8	3.4%
American National Insurance Company (ANICO)	850	9	3.4%	1,601	3	6.2%
Moody Gardens	783	10	3.2%	1,024	7	4.0%
Dow Chemical	-	-	-	850	9	3.3%
City of Galveston	-	-	-	793	10	3.1%
Total	24,581		100.0%	25,846		100.0%

* Source: Texas City - La Marque Chamber of Commerce and Galveston Chamber of Commerce.-Galveston Economic Development Partnership, 2010, Clear Lake Shores Chamber of Commerce

*University of Texas Data Reference Card for Fiscal year 2009.

**Various Walmart Human Resources Dept.-approximate count of employees for all stores including SAM's Clubs in county.



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Operating Information

**GALVESTON COUNTY, TEXAS
COUNTY EMPLOYEES BY FUNCTION *
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government	463	450	450	455	454	505	551	555	481	491
Public Safety	532	539	560	575	555	547	535	556	638	665
Road and Bridges, and Rights-of-Way	53	49	47	43	50	47	51	54	56	55
Health and Social Services	133	121	64	79	74	67	74	76	60	60
Culture and Recreation	44	50	50	49	44	41	47	45	53	53
Conservation	10	8	9	11	10	10	11	10	10	10
Total	1,235	1,217	1,180	1,212	1,187	1,217	1,269	1,296	1,298	1,334

* Source: Galveston County Budget Office/Human Resources.

**GALVESTON COUNTY, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST EIGHT FISCAL YEARS***

<u>Function</u>	<u>Fiscal Year</u>							
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Government								
Number of buildings	18	18	19	20	20	18	17	18
Number of courtrooms	19	19	19	21	21	21	21	21
Public Safety								
Jail capacity/number of beds (2)	881	881	881	1,187	1,187	1,187	1,187	1,187
Stations / substations (3)	3	3	3	3	3	3	3	3
Sheriff's Department vehicles	113	117	115	136	120	128	128	130
Boats / seacrafts	10	10	10	10	10	10	10	10
Training facility	1	1	1	1	1	1	1	1
Animal facility	1	1	1	1	1	1	1	1
Sheriff's Department buildings	3	3	3	5	5	3	3	3
Medical Examiner building	1	1	1	1	1	1	1	1
Juvenile Justice buildings	4	4	4	4	4	4	4	4
Emergency Management building	1	1	1	1	1	1	1	1
Flood Control buildings	3	3	3	3	3	3	3	3
Roads, Bridges, & Rights-of-Way								
Miles of county roads (4)	324	325	326	323	357	329	329	338
Bridges	22	22	22	22	22	22	22	22
Motor Vehicles	54	54	46	56	46	42	42	43
Heavy and General Equipment	66	62	69	78	79	77	77	77
Health and Social Services								
Clinics	2	2	2	2	3	4	4	4
Animal Shelter	1	1	1	1	1	1	1	1
Mosquito Control vehicles	17	17	19	21	19	19	19	19
Airplanes	2	2	2	2	2	2	2	2
Airboat	1	1	1	1	1	1	1	1
Spray units	13	13	13	13	13	13	13	13
Senior Citizens centers	4	4	4	4	4	6	6	6
Senior Citizens vehicles	5	5	6	7	7	9	9	9
Culture and Recreation								
Museum	1	1	1	1	1	1	1	1
Parks	26	26	25	25	26	26	26	26
Park acreage (5)	1,201	1,201	1,204	1,204	1,255	1,266	1,266	1,350
Park buildings	30	30	30	30	31	31	31	31
Community centers	4	4	4	4	4	6	6	6
Athletic fields & courts (5)	41	41	41	41	41	41	41	41
Boat launches	11	11	11	11	11	11	11	11
Campground sites (5)	9	9	9	9	9	9	9	9
Trails (feet) (1)(5)	751	751	751	751	751	31,680	31,680	31,680
Equestrian trails (feet) (1)(5)	-	-	-	-	-	12,576	12,576	12,576
Vehicles	32	28	32	39	34	30	27	25
Parks Heavy & General Equipment	31	35	36	47	40	47	47	47
Beach maintenance equipment	6	6	6	6	6	7	7	8
Conservation								
Extension service vehicles	5	5	5	5	6	6	6	7

* Data prior to fiscal year 2003 is unavailable.

(1) Prior to FY 2008, trails data was only for hiking. Starting FY 2008, trails data was updated to include hiking, biking, & walking (Parks Department information).

(2) Information from Texas Commission on Jail Standards website

(3) Information from Galveston County Sheriff's Office

(4) Information from Galveston County Engineer's Office

(5) Information from Galveston County Parks & Senior Services Dept

**GALVESTON COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST FIVE FISCAL YEARS ***

Function /Program	2006	2007	2008	2009	2010
General Government					
<i>Tax Assessor- Collector</i>					
Employees	53	53	53	52	52
Ad-Valorem Accounts	172,782	181,952	189,520	187,473	189,114
Motor Vehicle Registration/Licenses	240,369	251,750	259,329	257,566	258,471
Number of entities for which we collect	34	32	35	35	36
Number of Registered Voters	185,911	179,172	191,052	163,852	182,813
Beer and Wine Permits	921	2,063	2,254	899	705
Special Inventory Tax Accounts	175	106	141	144	129
Coin Operated Machines	1,076	396	771	7,622	1,591
<i>County Clerk</i>					
Employees	55	59	60	60	60
Recording Real Property and Governmental	89,496	83,986	78,917	68,733	64,677
Marriage License	2,320	2,411	2,260	1,940	2,077
Assumed Names (Business Names)	3,218	2,984	2,758	3,385	3,065
Number of Criminal Cases Filed	11,933	13,857	14,137	15,271	15,493
New Cases filed by DA	-	12,323	11,653	12,872	13,726
Appeals from Lower Courts	-	1,013	1,134	1,128	1,287
Others-Motions Revoke Probation, Etc.	-	521	361	387	472
Bond Forfeitures	1,074	1,437	989	884	684
Number of Civil Suits Filed	2,028	2,229	1,730	1,798	2,211
Number of Probate Cases Filed	877	1,415	810	748	839
Probate Mental Health Cases filed	274	466	355	243	398
Elections Held (County, School, Federal)	15	13	29	20	23
<i>District Clerk</i>					
Number of Employees	48	47	48	49	46
Civil Cases	6,659	7,327	5,776	5,695	4,375
Criminal cases	4,544	4,544	4,566	3,908	4,016
Tax Cases Processed	1,092	1,235	839	727	1,072
CPS Cases Processed	154	157	102	101	117
Juvenile Cases	1,004	1,099	919	362	380
Jurors Summoned	34,563	55,300	52,900	63,600	59,050
<i>Human Resources</i>					
Applications Accepted	1,609	1,555	1,348	1,168	1,745
Positions Filled	356	335	484	258	219
<i>Justice of the Peace (8 precincts)</i>					
<i>Precinct #1</i>					
Number of Employees	4	4	3	4	4
Civil Cases Filed	864	852	1,395	731	652
Civil Cases Disposed	804	693	1,056	752	703
Civil Cases Appealed	4	7	9	9	8
Criminal Cases Filed	2,667	2,499	2,358	1,235	1,680
Criminal Cases Disposed	1,596	1,778	1,597	1,031	2,880
Criminal Cases Appealed	10	15	13	18	8
<i>Precinct #2</i>					
Number of Employees	3	3	3	3	3
Civil Cases Filed	543	466	469	308	269
Civil Cases Disposed	540	401	366	284	299
Civil Cases Appealed	13	14	16	6	8
Criminal Cases Filed	540	422	273	222	178
Criminal Cases Disposed	373	393	230	205	375
Criminal Cases Appealed	3	2	1	-	1

(continued)

**GALVESTON COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST FIVE FISCAL YEARS ***

Function /Program	2006	2007	2008	2,009	2010
General Government					
<i>Justice of the Peace (8 precincts)</i>					
<i>Precinct #3</i>					
Number of Employees	5	5	5	5	5
Civil Cases Filed	488	689 (b)	612	630	487
Civil Cases Disposed	280	178	384	614	501
Civil Cases Appealed	-	-	6	6	2
Criminal Cases Filed	8,096	8,056	6,442	5,815	4,046
Criminal Cases Disposed	4,578	9,413	6,143	8,903	4,439
Criminal Cases Appealed	43	95	68	35	53
<i>Precinct #4</i>					
Number of Employees	6	6	5	5	5
Civil Cases Filed	335	338	493	579	481
Civil Cases Disposed	303	274	489	514	474
Civil Cases Appealed	3	4	3	4	6
Criminal Cases Filed	4,470	4,948	5,280	4,388	4,021
Criminal Cases Disposed	5,592	5,988	4,615	4,150	4,097
Criminal Cases Appealed	31	22	25	20	62
<i>Precinct #5</i>					
Number of Employees	5	4	5	5	5
Civil Cases Filed	602	676	915	911	692
Civil Cases Disposed	498	707	889	818	798
Civil Cases Appealed	-	3	-	-	1
Criminal Cases Filed	4,518	5,077	4,537	3,903	3,722
Criminal Cases Disposed	-	3,660	3,683	4,915	3,179
Criminal Cases Appealed	3	2	9	15	8
<i>Precinct #6 **</i>					
Number of Employees	5	5	5	5	5
Civil Cases Filed	38	65	47	24	27
Civil Cases Disposed	20	37	47	17	28
Civil Cases Appealed	1	4	2	1	3
Criminal Cases Filed	7,779	5,724	6,653	2,465	2,978
Criminal Cases Disposed	7,244	6,302	8,916	3,739	3,802
Criminal Cases Appealed	123	60	56	11	34
<i>Precinct #7</i>					
Number of Employees	5	5	5	5	5
Civil Cases Filed	862	841	1,007	951	977
Civil Cases Disposed	5,144	715	897	828	940
Civil Cases Appealed	2	-	-	-	-
Criminal Cases Filed	5,144	4,379	4,187	4,693	4,177
Criminal Cases Disposed	4,424	5,541	3,589	4,100	4,951
Criminal Cases Appealed	15	11	38	34	13
<i>Precinct #8-1 & 8-2 (Previously JP6)</i>					
Number of Employees	9	9	9	9	9
Civil Cases Filed	893	944	1,239	1,112	940
Civil Cases Disposed	652	25	831	905	937
Civil Cases Appealed	2	2	3	4	13
Criminal Cases Filed	8,598	6,448	5,535	4,896	5,515
Criminal Cases Disposed	5,457	1,001	6,574	4,924	5,951
Criminal Cases Appealed	28	1	44	53	46
Public Safety					
<i>Sheriff</i>					
Number of Employees	365	395	395	413	429
Daily average in County Jail	969	1,041	1,066	931	980
Number of persons booked	18,269	21,898	19,476	19,360	19,098
Number of Civil Processes	6,780	5,970	7,137	6,529	6,926

(continued)

**GALVESTON COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST FIVE FISCAL YEARS ***

Function /Program	2006	2007	2008	2009	2010
Public Safety					
<i>Constables (8 precincts)</i>					
*** <i>Precinct #1</i>					
Number of Employees	4	4	4	4	4
Civil Cases Processed	4,988	1,781	1,743	1,472	1,611
*** <i>Precinct #2</i>					
Number of Employees	4	4	4	4	4
Civil Cases Processed	1,013	954	792	1,022	1,056
*** <i>Precinct #3</i>					
Number of Employees	5	6	6	6	6
Civil Cases Processed	427	1,517	2,500	3,500	3,626
*** <i>Precinct #4</i>					
Number of Employees	5	4	4	4	4
Civil Cases Processed	1,440	1,304	846	911	782
*** <i>Precinct #5</i>					
Number of Employees	4	4	4	4	4
Civil Cases Processed	1,400	2,200	2,046	2,240	2,110
*** <i>Precinct #6</i>					
Number of Employees	3	3	3	6	3
Civil Cases Processed	91	94	92	40	67
*** <i>Precinct #7</i>					
Number of Employees	9	7	12	12	12
Civil Cases Processed	2,016	2,083	2,800	1,902	2,154
*** <i>Precinct #8</i>					
Number of Employees	11	10	10	9	8
Civil Cases Processed	1,442	2,148	2,301	2,036	1,977
Road, Bridges & Right-of-Way					
<i>County Maintained Roads - Road and Bridge</i>					
<i>(Lane Road Miles)</i>					
Precinct #1	213.76 miles	211.57 miles	199.2 miles	199.2 miles	208.0 miles
Precinct #2	126.95 miles	118.35 miles	104.4 miles	104.4 miles	105.0 miles
Precinct #3	21.93 miles	21.02 miles	20.5 miles	20.5 miles	20.0 miles
Precinct #4	6.22 miles	6.06 miles	5.10 miles	5.10 miles	5.0 miles
Health and Social Services					
Community Services					
Community Clinics	2	2	2	2	2
Employees' CareHere! Clinics	-	2	2	2	2
Culture and Recreation					
County Parks Department					
Park Permits Approved	412(a)	623(a)	986	965	904
Festival & Special Events Hosted	22(a)	25(a)	11	11	12
Vehicle Permits Sold (a)	-	22,059	30,880	14,985 (c)	24,859
Golf Permits Sold (a)	-	1,606	2,192	1,496 (c)	1,409

Sources: Various county departments; Texas State Courts Website: www.courts.state.tx.us/courts/jp.asp

* Data prior to fiscal year 2006 is unavailable.

** In January 3, 2009, an order of renumbering Justice Precinct 9 as Justice Precinct 6 takes effect under Article 5, Section 18(a) of Texas Constitution.

***The figures provided by the Constables Precinct 1 - 9 were the total count for various cases/warrants

(a) Parks Department have created the Bolivar Beach Parking Sticker Program in 2007 which issues permits to Bolivar Peninsula beaches.

(b) Updated figure for Precinct#3 Civil Cases Filed in 2007 .

(c) 2009 numbers are post Hurricane Ike.



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**GALVESTON COUNTY, TEXAS
COUNTY AUDITOR'S OFFICE PERSONNEL**

March, 2011

*Cliff Billingsley, BS, MPA, CPA
County Auditor*

*Rolando (Ron) Chapa, BBA, CPA
First Assistant County Auditor - Director of Auditing*

*Vacant
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 Audit Supervisor</i>
<i>L. Susan Black, BBA, CPA.....</i>	<i>Chief Accountant</i>
<i>Kristin Bulanek, BBA</i>	<i>Internal Auditor I</i>
<i>Vacant.....</i>	<i>Accounting Supervisor</i>
<i>Ana de Leon</i>	<i>Senior Accounts Payable Technician</i>
<i>E. (Suzie) Dover.....</i>	<i>Administrative Coordinator</i>
<i>Sylvia Friedsam</i>	<i>Payroll Audit Manager</i>
<i>Rebecca Galloway</i>	<i>Accounts Payable Technician</i>
<i>Michael Guffey, AA, BA, MPA, CFE</i>	<i>Internal Auditor II</i>
<i>Vacant</i>	<i>Accounts Payable Technician</i>
<i>Kristin Lee</i>	<i>I.T. Systems Technician</i>
<i>Travis Leopulos, AA</i>	<i>Internal Auditor Technician</i>
<i>Diane Manning, MS, CISA.....</i>	<i>Financial System & Report Specialist</i>
<i>Lori McWhirter, BS.....</i>	<i>Internal Auditor I</i>
<i>Mindi Ortiz.....</i>	<i>Accountant I</i>
<i>Jocelyn (Jojo) Paz, AS</i>	<i>Accountant III</i>
<i>Norma Pimentel, AS.....</i>	<i>Accountant II</i>
<i>Tony L. Pompa, BBA.....</i>	<i>Accountant I</i>
<i>Maria Juanita Ramirez</i>	<i>Accounts Payable Specialist</i>
<i>John Sanchez, Jr., AS, BS</i>	<i>Accounting Supervisor</i>
<i>Troy Springer, BS.....</i>	<i>Accountant IV</i>
<i>Katherine Seidl-Smith, BS.....</i>	<i>Accountant III</i>
<i>Rosemary Trevino</i>	<i>Accountant II</i>
<i>Jennifer Trigo, AA, BS</i>	<i>Accounting Technician</i>
<i>Dianora L.Vargas</i>	<i>Accounts Payable Supervisor</i>
<i>Latoya Wyche, BBA</i>	<i>Internal Auditor III</i>
<i>Yun Yap, BS</i>	<i>Internal Auditor I</i>

GALVESTON COUNTY, TEXAS COUNTY AUDITOR'S OFFICE PERSONNEL - ORGANIZATIONAL CHART MARCH, 2011

