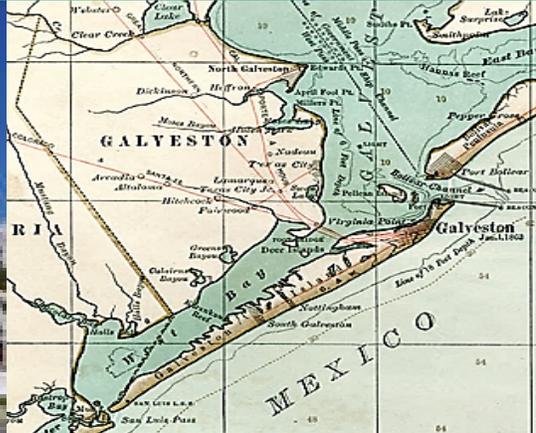




GALVESTON COUNTY, TEXAS

Comprehensive Annual Financial Report



FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2017

GALVESTON COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended
September 30, 2017

Prepared by:

Office of County Auditor
Galveston County, Texas

Galveston County, Texas
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended September 30, 2017

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GALVESTON COUNTY



Office of County Auditor

Randall Rice CPA CISA CIO, County Auditor
Kristin Bulanek CIA, First Assistant County Auditor

P.O. Box 1418, Galveston, Texas 77553

(409) 770-5304

722 Moody Ave 4th Floor, Galveston, TX 77550

March 26, 2018

To the Honorable District Judges of Galveston County
To the Members of the Galveston County Commissioners Court
To the Citizens of Galveston County, Texas

The Comprehensive Annual Financial Report of Galveston County, Texas, for the fiscal year ended September 30, 2017, is submitted herewith in accordance with Chapter 114.025 of the Local Government Code. The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed public accountants.

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 the information presented herein.

Internal control. To provide a reasonable basis for making these representations, the county has established a comprehensive internal control framework 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 the financial statements will be free from material misstatement. The county asserts, 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 Pattillo, Brown & Hill, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance the financial statements of the county for the fiscal year ended September 30, 2017, 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 on the audit, there was a reasonable basis for rendering an unmodified opinion the county's financial statements for the fiscal year ended September 30, 2017, 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 is federally mandated by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements for Federal Awards (Uniform Guidance)*. 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 includes a Schedule of Findings and Questioned Costs. The Single Audit Report is available from the Galveston County Auditor, P.O. Box 1418, Galveston, TX 77553-1418.

Reference to MD&A. GAAP require 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 operates as specified under the Constitution of the State of Texas and Vernon's Texas Code Annotated. It was established on May 15, 1838, by order of 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 of 329,431. The land area includes Galveston Island (the "Island"), thirty-two miles long and situated two miles from the coast; an area of the mainland between the Island and Harris County to the north; and 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 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 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.

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 legally separate from the primary government but 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 currently reports no discretely presented component unit.

Certain county road construction and maintenance is performed by the Galveston County Road District #1, a blended component unit which functions as a department of the county and has been included as an integral part of the county's financial statements. Additional information on this component unit is located in Note I.A.2 to the Financial Statements on pages 60 and 61.

Budget. The annual budget serves as the foundation for Galveston County's financial planning and control. All departments of the county are required to submit requests for appropriations to the County Budget Office. The Budget Office uses these requests as the starting point for developing a proposed budget. The proposed budget and a recommended budget prepared by the Budget Office are submitted to Commissioners Court for their consideration. Commissioners Court then holds budget work sessions to hear specific requests that were not included in the Budget Office's recommended budget. The Court must publish specific information and notices, as well as hold public hearings, concerning the proposed budget as required by state statute.

Once all these requirements are met, Commissioners Court will adopt the budget and the tax rate by September 1 or as soon thereafter as is practical. The appropriated budget is adopted by fund by the primary categories of personal services, supplies, other services and charges, inter/intragovernmental expenditures, other expenses, capital outlay and other financing uses. Budget-to-actual comparisons are provided in this report for the General Fund and all budgeted funds.

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 reduces the volatility in its unemployment rate. Major industries represented 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. The Port of Galveston generated nearly eight hundred seventy million dollars for the state of Texas in 2017. A wide variety of exports and imports passes through its facilities. This past year, over four million tons of cargo passed through the port. 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 University of Texas Medical Branch (UTMB), 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 teaching, state-of-the-art patient care and innovative scientific investigation. The medical facility has expanded to various mainland sites as well, and is now home to forty clinics on and off of the Island.

The mainland cities of Texas City and La Marque have long been home to important industrial corporations. Among those firms are Blanchard Refining Company, LLC; BP Products (NA), Inc.; Valero Refining-Texas, LP; Union Carbide Corporation; and Marathon Petroleum Company, LLC. In addition to the refineries, Texas City is also home to the Port of Texas City / Texas City Terminal Railway Company, which is the eighth largest port in the United States and the third largest in Texas, in total tonnage, ranking behind Houston and Corpus Christi.

Tourism is an important presence in the county's economy, with more than six million visitors each year. Nearly two million cruise passengers traveled through Galveston's port in 2017. Not only is it the number one cruise port of Texas, but it is also the fourth busiest in the U.S. and ranked twelfth in the world's top twenty cruise ports. The Island's seashore, its historic downtown and residential districts and its thriving cruise industry attract growing numbers of visitors to the many hotels and motels, restaurants, shops and museums.

The county enjoys a wealth of year-round cultural, historical and recreational activities. To those seeking outdoor relaxation, the Island offers the amenities of Sea Wolf Park, R.A. Apfel 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 amusement park rides, concessions and ambience of the Galveston Island Historic Pleasure Pier at 25th Street and Seawall Boulevard, coupled with quality restaurants within walking distance, are a very popular attraction.

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 Texas Seaport Museum, home to the restored 1877 iron barque, *Elissa*.

Other Island attractions include the Downtown/Strand, East End and Silk Stocking Historical Districts, which exhibit some of the nation's finest collections of restored commercial and residential Victorian architecture. 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, the Lone Star Motorcycle Rally and Dickens on the Strand draw many thousands of visitors.

The Island is home to exotic Moody Gardens, which comprises: the Moody Gardens Convention Center with 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”. The Kemah Marina has the greatest concentration of boats of any region in Texas and claims the third largest fleet of recreational boats in the United States. In addition, Kemah is home to the Kemah Boardwalk which features a variety of waterfront restaurants, amusements, charming retail stores, festivals and seaside shows daily.

Across the mouth of Galveston Bay from the Island, Port Bolivar and the Bolivar Peninsula are a haven for beachcombers and fishermen.

The Galveston Central Appraisal District reported the county’s gross taxable base value for the 2016 tax year at \$34.0 billion, an increase of 16.9% from the prior tax year. The county’s net taxable base value, used to calculate tax revenues for the fiscal year 2017, is \$25.8 billion, an increase of 6.8% from fiscal year 2016. The major residential subdivisions which added to the 2016 tax base were:

- Magnolia Creek
- Tuscan Lakes
- Sedona
- Bay Colony
- Lago Mar
- Hidden Lakes
- Mar Bella, and
- Painted Meadows.

Commercial additions include:

- a remodeling of McRee Ford
- a Valero Corner Store
- an H-E-B supermarket
- a Hidden Lakes Retail
- a Kiddy Academy, and
- a Balaji Resort on Galveston Island.

The gross taxable base value for the 2017 tax year is expected to increase by 7.1% to \$36.4 billion, and net taxable base value is expected to increase by 7.3% to \$27.7 billion. A significant component of that increase is the Lago Mar subdivision, construction of which began in 2015. This subdivision is projected to bring an additional four thousand homes to the county by 2020. Other planned developments include:

- the relocation of Clear Lake Honda to Galveston County
- the Pinnacle Park (Cabela’s area)
- the Marina River Bend Apartments, and
- the Adventure Pointe Amusement Park.

Long-term financial planning. Two of the major components of long-term financial planning are debt administration and post-employment benefits.

Debt administration. The county funds much of its capital investment by issuing general obligation bonds and certificates of obligation. It last issued non-refunding long-term debt in its fiscal year ended September 30, 2009.

The county has historically monitored conditions of the borrowing market to be able to issue debt to refund outstanding obligations when it can lower its cost of money. On January 31, 2017, the county issued new refunding debt in the amount of \$62,835,000 to defease \$72,020,000 in General Obligation Refunding Bonds Series 2007.

On December 28, 2017, as this report was being prepared, the county issued advance-refunding bonds to defease \$51,360,000 of maturities of its Series 2009A Build America Bonds and \$9,215,000 of maturities of its Series 2009C-2 Build America Bonds. In addition to the advance-refunding, new debt of \$47,000,000 was also issued to fund road, flood control and building capital projects.

During its fiscal year ended September 30, 2017, the county made all of its scheduled principal and interest payments timely. At September 30, 2017, its outstanding bonded debt, including cumulative accretion, totaled \$241,668,885. During that fiscal year then ended, the county paid \$89,787,139 in principal and \$14,088,171 in interest and paying agent fees. The county maintains an "Aaa" rating (upgraded from "Aa1" in January 2017) from Moody's Investors Service, Inc., and an "AA+" rating from Fitch Ratings on its general-obligation debt.

See additional detail in Note III.F to the Financial Statements on pages 78-80 of this report.

Post-employment benefits. The county provides post-employment health- and life-insurance benefits to its retirees. At September 30, 2017, the county recognized 486 retirees, 141 of whom are eligible for full health insurance and 345 of whom receive reduced Medicare-supplement insurance. The county follows the provisions of Governmental Accounting Standards Board Statement 45 with regard to the accounting for post-employment benefits (other than pensions), recognizing an actuarially determined portion of that expense annually as it is deemed to be incurred through employee service. Additional information about the county's post-employment benefits can be found in Notes IV.F - G to the Financial Statements on pages 84-92 of this report.

Relevant financial policies. The county deposits idle cash into temporary investment vehicles 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, 2017, the county earned \$846,316 in interest. More information about the county's deposits and investments can be found in Note III.A to the Financial Statements on pages 70-72 of this report.

Major initiatives. The county continues to undertake major initiatives to better serve its citizens. These initiatives may involve parks and cultural services, information technology, facilities, grant funding and engineering. Examples follow, with additional items and greater detail included in the MD&A section of this report.

Parks and Cultural Services

- construction of permanent restrooms and public showers on the Bolivar Peninsula using funding from the sale of beach parking passes
- opening of Bayside Regional Park in the San Leon/Bacliff area
- completion of the Bayside Community Center at the above-named park
- transfer of the home delivered meal program to Interfaith Ministries of Greater Houston
- reconstruction of Lobit pavilion and restroom building
- construction of new, large picnic pavilion at Fort Travis Seashore Park
- construction of new restroom facility in Jack Brooks Park at Live Oak Pavilion
- construction of new restroom facility in Carbide Park
- installation of shade structure behind Dickinson Community Center
- opening of the Galveston County Museum exhibit hall
- utilization of FEMA funds to purchase mowers, vehicles and buses

Information Technology

- implement time-and-attendance software to integrate payroll and human resource modules of the county's financial software
- large infrastructure upgrade to Galveston County Jail to provide increased security and safety for correctional officers and inmates
- replace network equipment at multiple county sites to ensure continued technology services are delivered to county offices
- implement job ledger module in the county's financial software to track project costs in order to more efficiently report expenditures for various capital, disaster and grant projects
- initiation of the E-Jury process to improve the juror experience during jury selection process
- major improvement to the Galveston County website, including new features to enhance information provided to viewers

Facilities

- construction of the High Island Emergency Shelter, expected to be completed in the fall of 2017
- renovation and conversion of the former Environmental Health Building in La Marque to use as the office of the County Medical Examiner, with completion of construction expected in 2018
- repair foundation damage and the air-conditioning system at the Texas City Annex

Grant Funding

- funding by non-disaster-related grants on projects involving:
 - county law enforcement,
 - criminal prosecution,
 - emergency management, and
 - social services
- grant-funding received after Hurricane Ike (2008) for:
 - restoration of beaches and dunes,
 - remediation and improvements to infrastructure,
 - building of and restoring county facilities, and
 - repairing, rebuilding and elevating homes

Engineering

- preliminary design / schematic layouts for replacement of existing drawbridge connecting Galveston Island and Pelican Island.

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, 2016. This was the twentieth consecutive year the county 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 this CAFR will meet the Certificate of Achievement Program's requirements and we will submit it to the GFOA to seek a certificate.

The County of Galveston, Texas, received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year ended September 30, 2016. To qualify for the Distinguished Budget Presentation Award,

the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide and a communications device.

The Comptroller of the State of Texas awarded a Debt Obligation Transparency Star to the County of Galveston, Texas, for its excellence in reporting debt obligations for the fiscal year ended September 30, 2016, in addition to the Financial Transparency Star. The Transparency Star program recognizes local governments who go beyond legislative requirements by providing financial and debt information in a variety of formats. Each Transparency Star is valid for a period of one year only. We will submit an application for both the Financial and Debt Transparency Stars for fiscal year 2017, with the expectation of receiving both Transparency Stars for the current fiscal year.

The preparation of this report would not have been possible without the 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 contributed to and assisted with 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 the duties of County Auditor.

Respectfully submitted,

Randall Rice CPA
County Auditor



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Government Finance Officers Association

**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, 2016

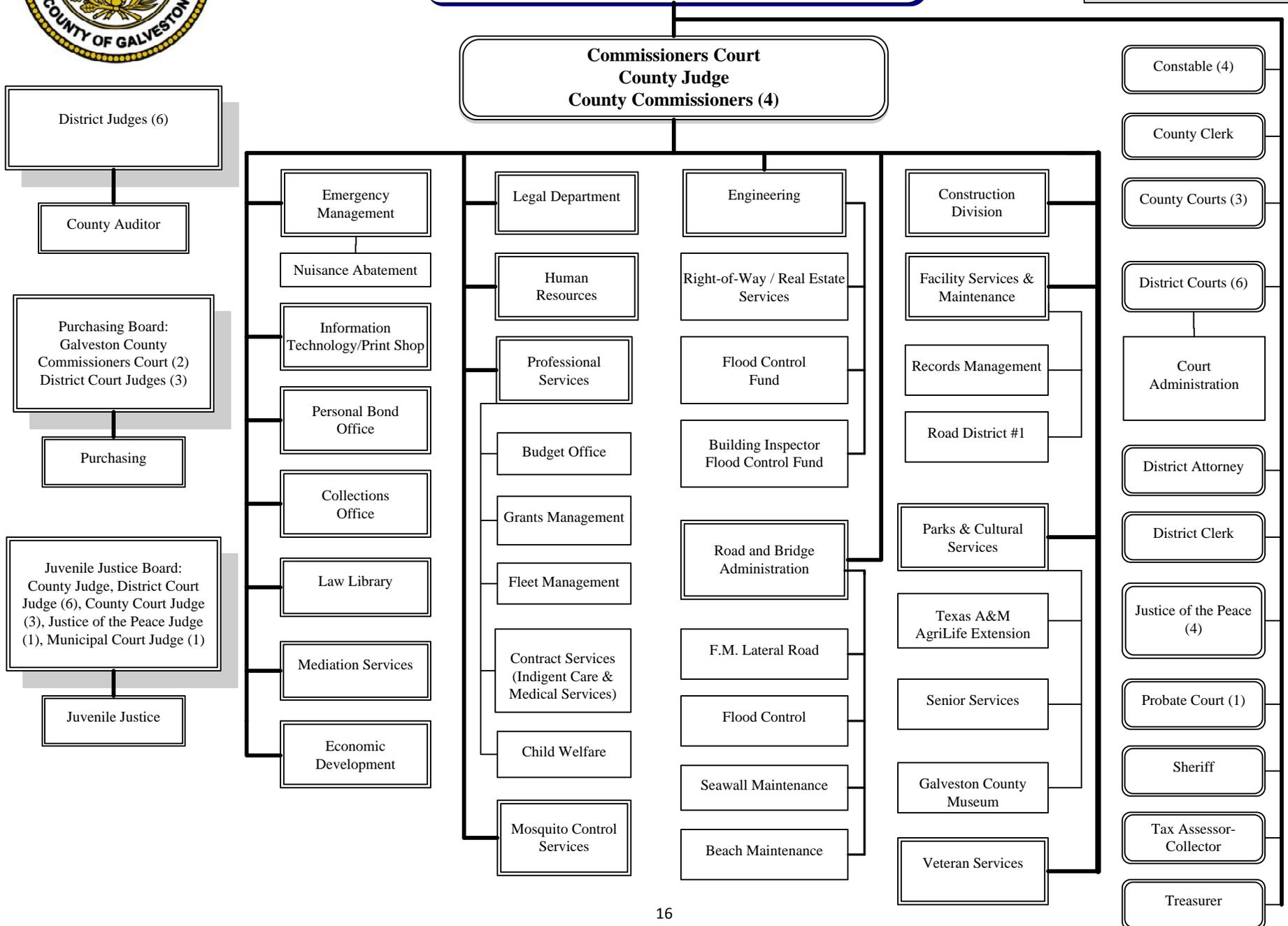
Christopher P. Morill

Executive Director/CEO



Galveston County Citizens

Galveston County Organizational Chart



GALVESTON COUNTY, TEXAS
LIST OF ELECTED AND APPOINTED OFFICIALS
September 30, 2017

County Officials

John Grady Judge, County Court-at-Law 1
 Barbara Roberts Judge, County Court-at-Law 2
 Jack Ewing Judge, County Court-at-Law 3
 Kim Sullivan Judge, Probate Court
 Henry Trochesset Sheriff
 Dwight Sullivan County Clerk
 Cheryl E. Johnson Tax Assessor-Collector
 Allison Cox Justice of the Peace, Pct. 1
 Jim Schweitzer Justice of the Peace, Pct. 2
 Penny Pope Justice of the Peace, Pct. 3
 Kathleen McCumber Justice of the Peace, Pct. 4
 Jack Roady Criminal District Attorney
 John Kinard District Clerk
 Kevin C. Walsh Treasurer
 Rick Sharp Constable, Pct. 1
 Jimmy Fullen Constable, Pct. 2
 Derrick Rose Constable, Pct. 3
 Jerry Fisher Constable, Pct. 4

District Officials

Kerry L. Neves Judge, 10th District Court
 Lonnie Cox Judge, 56th District Court
 John Ellisor Judge, 122nd District Court
 Patricia Grady Judge, 212th District Court
 Anne B. Darring Judge, 306th Family District Court
 Michelle M. Slaughter Judge, 405th District Court

Commissioners Court

Mark Henry County Judge
 Darrell Apffel County Commissioner, Precinct 1
 Joe Giusti County Commissioner, Precinct 2
 Stephen D. Holmes County Commissioner, Precinct 3
 Ken Clark County Commissioner, Precinct 4

Appointed County Officials

Rufus G. Crowder Purchasing Agent
 David Delac Budget Officer
 Randall Rice County Auditor

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PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge
and Members of the Commissioners Court
Galveston County, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Galveston County, Texas (the "County"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Galveston County, Texas, as of September 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as presented in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

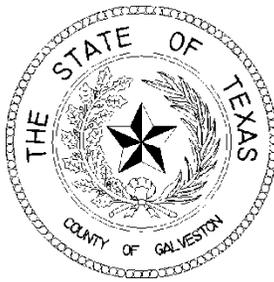
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2018, on our consideration of Galveston County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

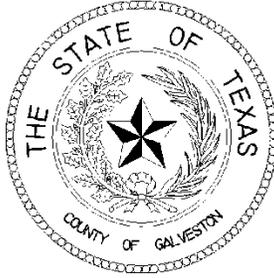
Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 22, 2018



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Management's Discussion and Analysis



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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, 2017. 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, 2017, the county's assets of \$430,736,838 and deferred outflows of \$34,294,965 exceeded its liabilities of \$386,938,589 and deferred inflows of \$2,275,778 by \$75,817,436 (its "net position"), an increase of \$7,271,361 in net position from September 30, 2016. (Note: the increase of \$7,271,361 represents the change in net position of \$7,175,139 plus a prior-period adjustment of \$96,222.)
- Of this net position, \$137,224,225 is the amount of the county's net investment in capital assets, \$43,956,865 is restricted for specific uses and \$(105,363,654) is unrestricted.
- Of the liabilities of \$386,938,589, \$349,534,757 will not be extinguished in the current year ("noncurrent liabilities due in more than one year"). These long-term liabilities include net pension liability and long-term debt.
- The county's revenues of \$204,528,704 were more than its expenses of \$197,353,565 by \$7,175,139 in this same fiscal year.
- Of these revenues of \$204,528,704, program revenues, such as grant revenues and charges for services, contributed \$60,615,077, while general revenues, such as ad valorem taxes, contributed \$143,913,627.

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.

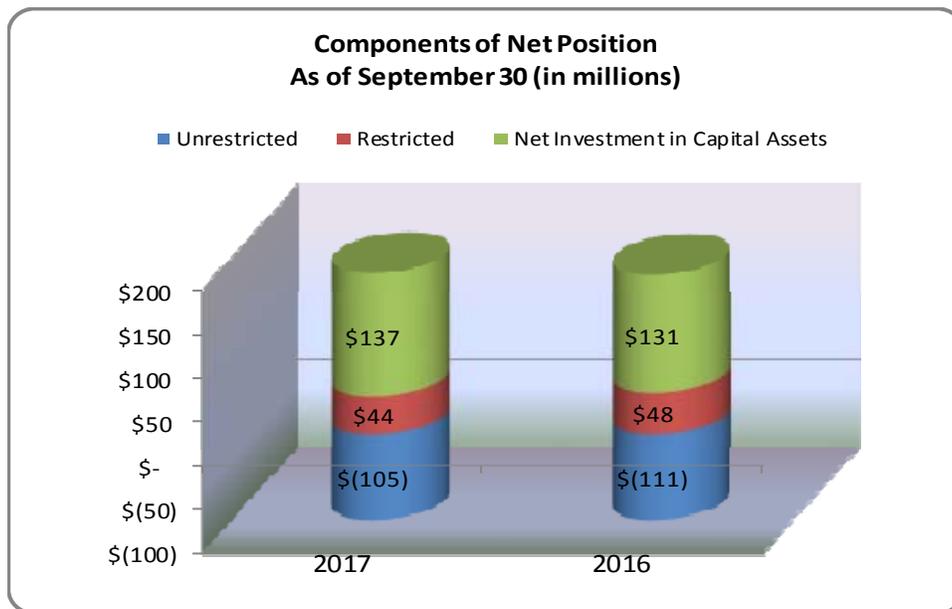
The *Statement of Net Position* presents information on all of the county's assets, deferred outflows, liabilities and deferred inflows, with the difference between the four reported as "net position." Over time, increases or decreases in net position might indicate whether the financial position of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

The *Statement of Activities* presents information showing how the county's net position changed during the most recent fiscal year. All changes in net position 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 (two examples are: 1) uncollected taxes, and 2) vacation leave which employees have earned but not used).

Both of the government-wide financial statements are designed to distinguish functions of the county that are principally supported by taxes and intergovernmental revenues (“governmental activities”) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (“business-type activities”). The governmental activities of the county are divided into the categories of general government, public safety, health and social services, culture and recreation, conservation and roads, bridges and rights-of-way. The county currently engages in no business-type activities.

Government-wide Financial Analysis



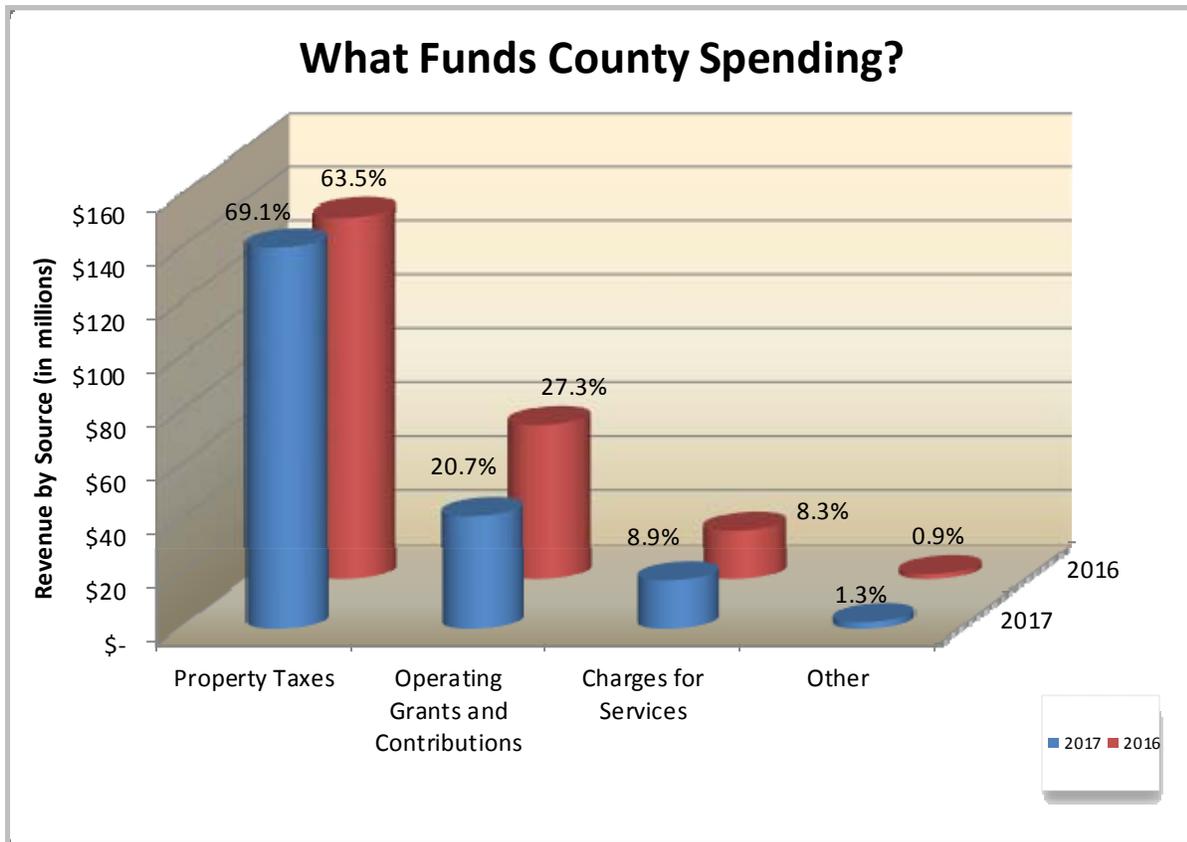
As noted earlier, net position can serve over time as a useful indicator of a government’s financial position. In the case of the county, assets and deferred outflows exceeded liabilities and deferred inflows by \$75,817,436 at the close of the fiscal year ended September 30, 2017.

The largest portion of the county’s net position, \$137,224,225, comprises capital assets (for example, land, infrastructure and buildings and improvements), which is reported 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. It should be noted the resources to re-pay this debt must be provided from other sources, since the capital assets themselves cannot be used to do so.

A portion of the county’s net position, \$43,956,865, is subject to external restrictions, such as bond covenants, grants, statutory restrictions and capital projects. The remainder, \$(105,363,654), is unrestricted. Unrestricted net position is negative because Galveston County incurred long-term liabilities that were not offset by corresponding assets. One of the contributing factors was the county’s issuance of long-term bonds to finance \$42,360,000 of non-county road construction to share the cost of road projects with cities within the county to build and improve roads and bridges. Additionally, the

county records post-employment benefits on a pay-as-you-go basis; the accrued unpaid obligation for post-employment benefits is \$75,889,652 as of September 30, 2017.

The county's net position from current year activities increased by \$7,175,139 (10.45%) during the fiscal year ended September 30, 2017. This increase in net position indicates that, on a flow-of-economic-resources basis, current year revenues were more than sufficient to pay current year expenses. Compared to fiscal year 2016, underlying revenues decreased by \$6,563,266 (3.11%), while underlying expenses increased by \$3,092,267 (1.59%).



Key factors in the net change in revenues include:

- a \$14.8 million decrease in operating grants and contributions due primarily to:
 - a \$7.6 million decrease in operating grants and contributions program revenue from the Community Development Block Grant Housing Program;
 - a \$2.8 million decrease in operating grants and contributions program revenue due to a one-time payment in fiscal year 2016 from the Texas Parks and Wildlife Department and the City of Galveston for 61st Street Lee and Joe Jamail Bay Park construction;
 - a \$2.5 million decrease in General Land Office funding due to a one-time payment in fiscal year 2016 for the Rollover Pass closure project; and
 - a \$1.8 million decrease in TxDOT toll revenue for FM646
- a \$5.3 million increase in property tax general revenues due to an overall increase in appraised values

- a \$2.1 million increase due to the final settlement payment for TIRZ 11 upon closure of that redevelopment zone
- a one-time incentive of \$0.3 million for our jail inmate phone services contract

Key factors in the net change in expenses include:

- a \$0.6 million increase in General Government due primarily to:
 - a \$3.4 million increase in expenditures due to recognizing a long term liability for a tax settlement;
 - a \$7.3 million decrease in CDBG Round 2 Housing expenditures; and
 - a \$4.6 million increase in ending pension liability allocation
- a \$9.3 million increase in Public Safety due primarily to:
 - a \$6 million increase in the allocation of pension liability; and
 - a \$3.8 million increase in Coastal Impact Assistance Grant for the Bolivar beach dune restoration project
- a \$1.2 million increase in Health and Social Services due to an increase in medical examiner costs of \$1.3 million
- a \$1 million increase in Culture and Recreation due in part to a few small items such as:
 - a \$0.2 million increase in personnel expenditures;
 - a \$0.2 million increase in ending pension liability allocation;
 - a \$0.3 million increase in utility expense allocation; and
 - a \$0.3 million increase in depreciation expenses
- a \$7.7 million decrease in Roads, Bridges and Rights-of-Way due to a one-time payment in fiscal year 2016 for the Mud Gully Stormwater Retention Basin project
- a \$1.7 million decrease in interest on long-term debt due to the refunding of the General Obligation Refunding Bonds, Series 2007

As the county presently engages in no business-type activities, governmental activities account for all of the changes in net position at the government-wide reporting level. These changes are presented in condensed format in the tables below.

COUNTY OF GALVESTON, TEXAS

Net Position

September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Current and Other Assets	\$ 169,290,630	\$ 164,810,791
Capital Assets, Net of Accumulated Depreciation	<u>261,446,208</u>	<u>262,568,323</u>
Total Assets	<u>430,736,838</u>	<u>427,379,114</u>
Deferred Charge on Refunding	7,140,435	5,423,392
Deferred Outflows - Pension	<u>27,154,530</u>	<u>32,068,963</u>
Total Deferred Outflows of Resources	<u>34,294,965</u>	<u>37,492,355</u>
Long-Term Liabilities Outstanding	349,534,757	352,061,362
Other Liabilities	<u>37,403,832</u>	<u>41,772,709</u>
Total Liabilities	<u>386,938,589</u>	<u>393,834,071</u>
Deferred Inflows - Pension	<u>2,275,778</u>	<u>2,491,323</u>
Total Deferred Inflows of Resources	<u>2,275,778</u>	<u>2,491,323</u>
Net Position:		
Net Investment in Capital Assets	137,224,225	130,815,042
Restricted	43,956,865	48,293,570
Unrestricted	<u>(105,363,654)</u>	<u>(110,562,537)</u>
Total Net Position	<u>\$ 75,817,436</u>	<u>\$ 68,546,075</u>

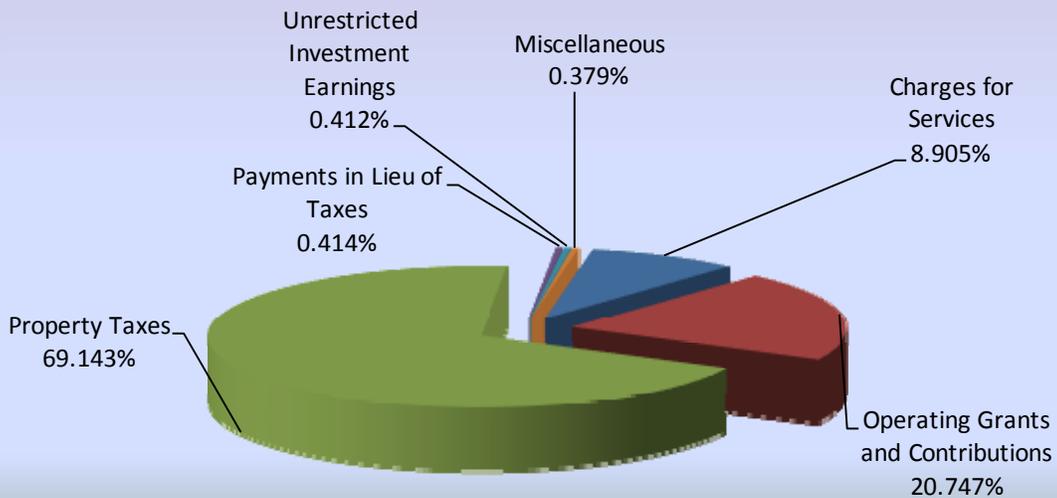
COUNTY OF GALVESTON, TEXAS
Changes in Net Position
September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 18,203,544	\$ 18,008,796
Operating Grants and Contributions	42,411,533	57,227,054
General Revenues:		
Property Taxes	141,341,005	133,944,463
Payments in Lieu of Taxes	845,821	743,788
Unrestricted Investment Earnings	842,215	796,319
Gain on Sale of Assets	109,267	5,775
Miscellaneous	<u>775,319</u>	<u>365,775</u>
Total Revenues	<u>204,528,704</u>	<u>211,091,970</u>
Expenses:		
General Government	74,199,828	73,577,110
Public Safety	77,594,165	68,331,828
Health and Social Services	17,025,487	15,874,567
Culture and Recreation	6,306,544	5,344,112
Conservation	731,895	429,014
Roads, Bridges and Rights-of-Way	8,013,815	15,645,148
Interest on Long-term Debt	<u>13,481,832</u>	<u>15,059,519</u>
Total Expenses	<u>197,353,565</u>	<u>194,261,298</u>
Increase (Decrease) in Net Position	7,175,139	16,830,672
Net Position - Beginning	68,546,075	51,715,403
Prior Period Adjustments	<u>96,222</u>	<u>-</u>
Net Position - Ending	<u>\$ 75,817,436</u>	<u>\$ 68,546,075</u>

COUNTY OF GALVESTON, TEXAS
Revenues by Source - Governmental Activities
September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Program Revenues:		
Charges for Services	\$ 18,203,544	\$ 18,008,796
Operating Grants and Contributions	<u>42,411,533</u>	<u>57,227,054</u>
Total Program Revenues	<u>60,615,077</u>	<u>75,235,850</u>
General Revenues:		
Property Taxes	141,341,005	133,944,463
Payments in Lieu of Taxes	845,821	743,788
Unrestricted Investment Earnings	842,215	796,319
Gain on Sale of Assets	109,267	5,775
Miscellaneous	<u>775,319</u>	<u>365,775</u>
Total General Revenues	<u>143,913,627</u>	<u>135,856,120</u>
Total Revenues by Source	<u>\$ 204,528,704</u>	<u>\$ 211,091,970</u>

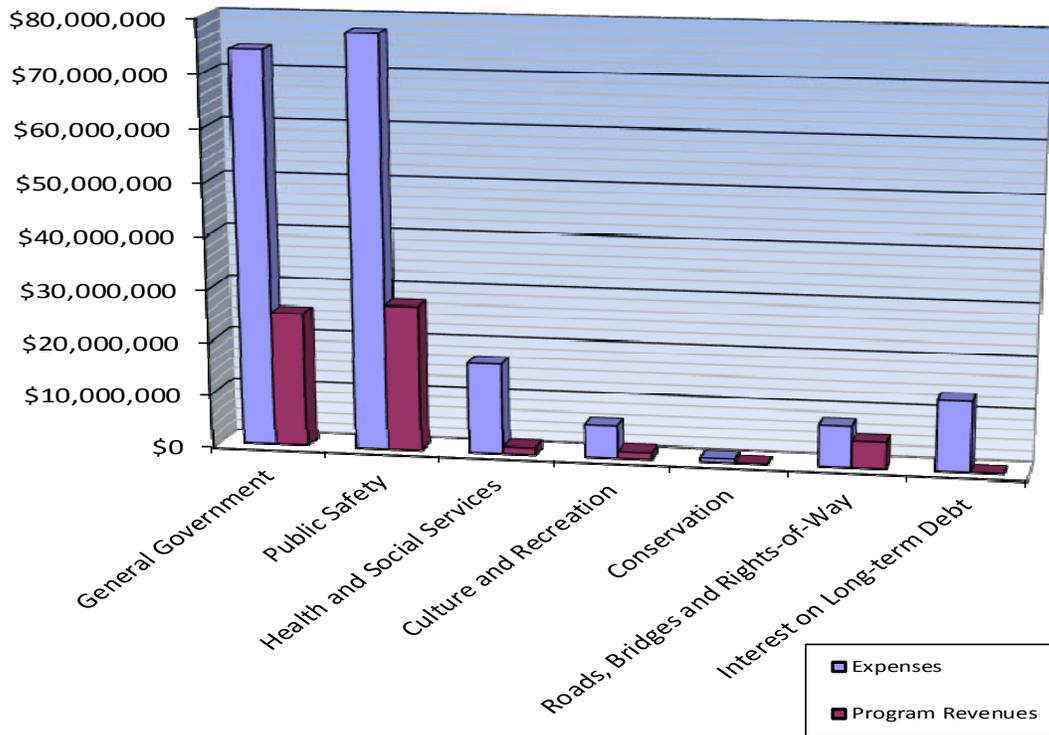
Revenues By Source - Governmental Activities
FY 2017



COUNTY OF GALVESTON, TEXAS
Expenses and Program Revenues - Governmental Activities
For the Year Ended September 30, 2017

Function	Expenses	Program Revenues
General Government	\$ 74,199,828	\$ 25,471,615
Public Safety	77,594,165	27,545,913
Health and Social Services	17,025,487	1,290,255
Culture and Recreation	6,306,544	1,279,456
Conservation	731,895	-
Roads, Bridges and Rights-of-Way	8,013,815	5,027,838
Interest on Long-term Debt	13,481,832	-
Total Expenses and Program Revenues	\$ 197,353,565	\$ 60,615,077

FY 2017 Expenses and Program Revenues
Governmental Activities



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 has no Permanent Funds.

The focus of Governmental Funds is narrower than 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 and fiduciary funds). Reconciliations are provided to facilitate the comparison between Governmental Funds and government-wide activities.

Governmental Accounting Standards Board Statement No. 54, issued in February 2009, provided guidance on the proper usage of the various governmental fund types with the goal of improving the consistency and usefulness of financial reporting across like governmental entities. Statement No. 54 also implemented a hierarchy of five possible classifications of fund balance based upon the degree of restriction of their use. These classifications and examples of their components include:

- Nonspendable – constraints are imposed by the nature of the balance, such as inventories that will not be converted into cash and the corpus of permanent funds
- Restricted – constraints are imposed externally by creditors, grantors, etc.
- Committed – constraints are imposed internally by formal action of the entity’s highest level of decision-makers, such as the county’s Commissioners Court
- Assigned – constraints are imposed by the government’s intention of use for specific purposes, but with no formal action
- Unassigned – the residual classification for General Fund fund balance not included in a more restrictive classification

The classification of the components of the county’s Governmental Funds’ fund balances is discussed in detail in Note I.D.11 to the Financial Statements on pages 67-68 of this report.

The county maintains fifty-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 four funds, all of which the county considers to be “major” funds:

- the General Fund
- the Road and Bridge Fund
- the Grant Fund
- the Debt Service Fund

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

To assist with fiscal oversight, the Commissioners Court adopts annual budgets for the General Fund, most Special Revenue Funds, the Grant Fund and the Debt Service Fund. Some Special Revenue Funds do not issue budgets, while the budgets of others are not under the jurisdiction of Commissioners Court. Project-length, rather than annual, budgets are adopted for the Capital Projects Funds. Schedules contrasting budgeted and actual amounts are presented in this report for all budgeted Governmental Funds in order to demonstrate budgetary compliance, regardless of the basis (annual, project-length or other) on which those budgets are prepared.

Proprietary Funds include Enterprise Funds and Internal Service Funds.

- *Enterprise Funds* are used to report the same functions that would be presented as business-type activities in the government-wide financial statements. The county currently engages in no business-type activity.
- The county’s four *Internal Service Funds* are used to account for: 1) the expenses related to budgeted expenditures of various county departments for group health, unemployment and workers’ compensation insurance; and 2) general casualty and liability insurance premiums. 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 county presently accounts for no Trust Funds and fourteen Agency Funds. Funds include seizures, unclaimed property, payroll, escrow, special collections, trust funds, inmate deposits and special committees.

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, spendable, unrestricted fund balance might serve as a useful measure of the county’s net resources available for spending at fiscal year-end.

**Governmental Funds Classification of Fund Balances
September 30, 2017**

<u>Fund Balance Classification</u>	<u>Amount</u>	<u>Percent of Fund Balance</u>	<u>Examples of Purposes for Which Classification May Be Used</u>
Non-Spendable	\$851,868	0.6%	Inventories; long-term receivables; corpus of Permanent Funds
Restricted	47,657,366	35.1%	Proceeds of long-term debt issued to fund capital projects; ad valorem revenues from debt service and road and bridge components of tax levy; grant revenues restricted to expenditure for a particular purpose
Assigned	35,718,872	26.3%	Monies earmarked for construction projects, disaster recovery, self-insurance, etc.
Unassigned	<u>51,621,538</u>	<u>38.0%</u>	Remainder of General Fund fund balance not classified elsewhere
	<u>\$135,849,644</u>	<u>100.0%</u>	

At September 30, 2017, the county’s Governmental Funds reported a combined ending fund balance of \$135,849,644, an increase of \$8,064,427 (which includes the prior-period adjustment) from September 30, 2016. A small portion of the fund balance, 0.6%, or \$851,868, is non-spendable because it is in the form of inventories. In addition, another 35.1%, or \$47,657,366, of the fund balance is unavailable because it is restricted by external constraints (e.g., debt covenants, grantor requirements and enabling legislation).

The remaining 64.3%, or \$87,340,410, of fund balance is available for new spending. Of that amount, 26.3%, or \$35,718,872, is classified as “assigned,” i.e., tentatively earmarked for specific uses, as follows:

- Self-insurance, \$1,500,000;
- Contingent liabilities, \$1,000,000;
- Disaster recovery, \$2,500,000;
- Beach and parks, \$12,000;
- Construction projects, \$5,956,872; and
- Adopted budget utilization of fund balance, \$24,750,000.

The final 38.0%, or \$51,621,538, of fund balance is classified as “unassigned” and available for any use.

Changes in Fund Balance – Major Funds

General Fund

The General Fund is the county's primary operating fund. At September 30, 2017, the General Fund's unassigned fund balance totaled \$51,621,538; total fund balance increased during the fiscal year to \$81,391,932. As a measure of the General Fund's liquidity, it is useful to compare both unassigned and total fund balances to total expenditures. The General Fund's unassigned fund balance and total fund balance represent 41.9% and 66.1%, respectively, of total expenditures for the fiscal year ended September 30, 2017.

As shown on the Statement of Revenues, Expenditures and Changes in Fund Balance, the net result of revenues less expenditures was an increase in fund balance of \$12,723,899. Commissioners Court has assigned a portion of fund balance to be utilized in the FY 2018 adopted budget in the amount of \$24,750,000 to be used in specific instances such as disasters, statutory requirements, etc.

Road and Bridge Fund

The Road and Bridge Fund is presented as a major fund and has a fund balance at September 30, 2017, of \$655,420. The net decrease in fund balance of \$329,894 from the prior year demonstrates that, although some revenues have increased in the current fiscal year, operating revenues were still insufficient to cover costs. Some significant changes in revenues in fiscal year 2017 occurred in items such as Licenses and Permits (a decrease of \$126,663), Intergovernmental (an increase of \$390,160) and Fines and Forfeitures (a decrease by \$144,722). Two significant changes in this fund's expenditures in the current fiscal year was a decrease of \$182,004 in Roads, Bridges and Rights-of-Way and an increase of \$200,173 in Capital Outlay.

Grant Fund

The Grant Fund is a major fund with a fund balance at September 30, 2017, of \$5,601,198. This fund is used to account for grant funding awarded by the federal or state government or by private foundations. The \$531,826 increase from the prior year is mainly due to a reduction of \$12,254,659 and \$12,771,210 in revenue and expenditure activity, respectively, largely related to the reduction in post-Hurricane Ike housing, infrastructure and mitigation grants, along with a prior period adjustment of \$96,222.

Debt Service Fund

The Debt Service Fund is a major fund with a fund balance at September 30, 2017, of \$7,177,627. Its fund balance decreased by \$4,396,580 from that of the prior fiscal year. The decrease was due to a reduction of the tax levy allocated to debt service in order to lower fund balance. Scheduled debt service was paid timely during fiscal year 2017.

Changes in Fund Balance – Non-Major Funds

The aggregate fund balance of the non-major special revenue funds increased by \$1,815,710, mainly due to activity in four of those funds: the County Clerk Records Management and Preservation, Sheriff's Commissary, Farm-to-Market Lateral Road and Road District #1.

- In the County Clerk Records Management and Preservation Fund, revenues exceeded expenditures by \$465,857. This positive net change is due in large part to the continuing effects of a fee increase on September 1, 2013, from \$5 to \$10 per case filed, which reverts to the \$5

per case filed on September 1, 2019. This fee accounts for \$826,711 of the total revenue of \$831,502.

- In the Sheriff's Commissary Fund, revenues exceeded expenditures by \$404,526. The positive net change is mainly due to jail commissary commissions exceeding expenditures by \$399,162.
- In the Farm-to-Market Lateral Road Fund, total revenues were \$180,791 more than expenditures. The majority of this was due to a new right of way lease for a pipeline company in the amount of \$148,000.
- In the Road District #1 Fund, the net change in fund balance was \$344,190. This is mainly due to revenue from tolls of \$565,844 exceeding expenditures.

The aggregate fund balance of the non-major capital project funds decreased by \$2,280,534, mainly due to building and land improvements in the Limited Tax County Buildings Bonds Series 2009B Capital Project Fund and the Parks Department Capital Projects Fund.

- In the Limited Tax County Building Bonds Series 2009B Capital Project Fund, there were expenditures of \$675,553 for the acquisition and renovation of a building in League City to house the County Judge's mainland administration office, as well as the Economic Development department.
- In the Parks Department Capital Projects Fund, expenditures of \$2,197,375 for the construction of a community center and land improvements at Bayside Regional Park were slightly offset by a transfer in from the General Fund of \$510,000.

General Fund Budgetary Highlights

The original adopted budget for General Fund expenditures was \$129,848,951; transfers out to other funds were budgeted at \$1,601,333. The total adopted General Fund budget, including Budgeted Reserves of \$25,250,000, was \$156,700,284. During the year, Budgeted Reserves were reduced by \$9,906,656, with \$3,234,200 used to increase transfers out to other funds to \$4,835,533. The final approved budget for expenditures was \$136,655,429. The increase in other budgeted expenditures was primarily due to:

- An increase of \$2,674,600 in the Sheriff's Office for 1) personal service expenditures for corrections overtime and salary increases in various sheriff divisions in the amount of \$1,471,600; 2) an increase in the jail healthcare contract of \$545,000; 3) necessary upgrades to jail furniture, fixtures and equipment in the amount of \$555,000; and 4) an increase in the jail food services contract of \$103,000;
- An increase of \$1,045,000 in the County Engineer's office for oversight, environmental process and an engineering contract for the Pelican Island Bridge project;
- An increase of \$705,300 in Community Services for medical examiner expenditures;
- An increase of \$357,300 in the Parks Department for personal service expenditures in the amount of \$106,400 and improvements to Walter Hall Park in the amount of \$250,900; and
- An increase of \$322,800 in the Facilities Department for building improvements of \$153,700 to bring various county facilities up to ADA standards and \$169,100 for the rebuild of two chiller units and the purchase of a new chiller.

During the year, actual revenues were greater by \$7,985,090 and actual expenditures were \$13,458,928 less than final budgeted amounts.

The net positive variance in revenues is primarily attributable to:

- An increase of \$4,920,257 in taxes, mainly due to 1) FY16 Texas City TIRZ #11 final payment of \$2,101,687 recognized in FY17 after the possible legal issue was resolved; 2) an approximate increase of \$2,000,000 from new construction and higher market values; and 3) an anticipated reimbursement of \$705,000 through a contra-revenue tax account to League City TIRZ #2 was suspended in January 2017;
- An increase of \$2,414,059 in intergovernmental revenues, mainly due to 1) \$1,367,282 higher than anticipated RTS retainage; 2) an increase of \$342,869 in local jail bed revenue due to retroactive rate increase and back pay for fiscal year 2016; and 3) an increase of \$221,058 for sheriff liaison services to local area school districts and colleges;
- An increase of \$372,371 in charges for services, mainly due to \$320,996 more received than anticipated for both County Clerk Fees and County Clerk Records Archive fees; and
- An increase of \$307,017 in miscellaneous revenue, mainly due to a \$300,000 signing incentive received for a jail inmate phone services contract

The net positive variance in expenditures is primarily attributable to:

- County policy is to leave vacated positions unfilled for at least four payroll periods unless an exemption is approved by Commissioners Court, which resulted in a savings of approximately \$1,500,000.
- In General Government, approximately \$900,000 in personal services contingency was determined not to be required for funding wage parity goals for the various public safety departments. In addition, other contract services were around \$321,000 less than anticipated.
- In Court Administration, costs for indigent defense attorneys on capital cases was approximately \$293,000 less than budgeted.
- In Information Technology, costs for software licensing and maintenance were around \$469,000 less than anticipated. In addition, other costs such as equipment and other rentals (\$230,000), various contract services (\$189,000) and postage (\$92,000) showed expenditures less than what was budgeted.
- In the Facilities Department, several expenditures were less than anticipated; electricity costs (\$518,000), various contract services (\$101,000), and ADA compliance regulations (\$229,000)
- In the Sheriff's Department, salary, overtime and benefit costs were approximately \$1,400,000 less than anticipated in the various sheriff office departments. Approximately \$460,000 in the jail, \$304,000 in the ISD's, \$285,000 for Bolivar Ferry security and \$234,000 in Patrol made up the majority of this difference.
- In Community Services, the majority of the \$884,000 positive variance between actuals and budget can be attributed to costs being less than expected for indigent healthcare services of \$621,000 and medical transportation services of \$125,000.
- In Capital Outlay, the \$2,972,376 positive variance between actual expenditures and the budgeted amount can be attributed to three planned expenditures which did not occur this fiscal year: 1) improvements to the Pelican Island Bridge of approximately \$944,000; 2) jail furniture, fixture and equipment upgrades currently in the RFP stage (estimated at \$1,165,000); and 3) vehicle expenditures of approximately \$519,000 due to the timing of vehicle purchases and actual delivery of the vehicles.

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, Road and Bridge Fund, Debt Service Fund and Grant Fund, as well as a Schedule of Changes in Net Pension Liability and Related Ratios and a Schedule of Employer Contributions for the county’s retirement plan, and a Schedule of Funding Progress for the county’s other post-employment benefits plan.

Capital Assets and Long-Term Debt

Capital Assets

The county’s investment in capital assets at September 30, 2017, net of accumulated depreciation, totaled \$261,446,208, a decrease of \$1,122,115 (0.43%) from the prior year. Capital assets are classified as land, infrastructure, buildings and improvements, machinery and equipment, improvements other than buildings and construction in progress. The decrease in investment in capital assets occurred in part from the recording of current year depreciation for assets reported.

During this fiscal year, \$10,136,219 was transferred from “Construction in Progress” to various capital asset categories, including:

- Infrastructure (Seawall Sidewalk and Freddiesville Street Paving)
- Improvements Other Than Buildings (Lee and Joe Jamail Park Improvements, 61st Street Boat Ramp and 61st Street Pedestrian Bridge)
- Intangible Assets (Audio-Visual upgrades)

At fiscal year-end, total Construction in Progress included the following:

- Land and Land Improvements - \$2,221,739
- Buildings - \$6,040,080
- Improvements Other Than Buildings - \$877,888
- Infrastructure - \$2,376,902
- Machinery and Equipment - \$181,736

COUNTY OF GALVESTON, TEXAS
Capital Assets (Net of Depreciation)
At September 30, 2017 and 2016

	2017	2016
Land	\$ 34,363,202	\$ 34,028,357
Buildings and Improvements	122,712,541	130,798,542
Improvements Other than Buildings	14,087,209	9,802,245
Machinery and Equipment	14,054,284	14,436,065
Infrastructure	64,530,627	62,839,270
Construction in Progress	11,698,345	10,663,844
Total	\$ 261,446,208	\$ 262,568,323

Additional information on the county's capital assets is found in Note III.D to the Financial Statements on pages 74-77 of this report.

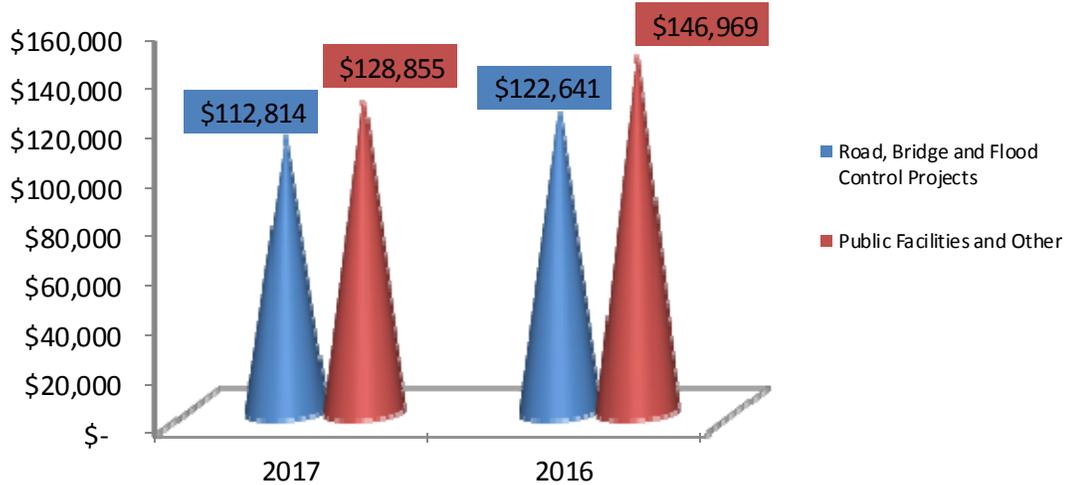
Long-Term Debt

At September 30, 2017, the county's outstanding bonded debt, including accumulated accretion, totaled \$241,668,885, all of which is general obligation bonds. These general obligation bonds are backed by the full faith and credit of the county.

GALVESTON COUNTY, TEXAS
General Obligation Bonds Outstanding, Including
Cumulative Accretion, by Intended Use of Proceeds
At September 30, 2017 and 2016

	2017	2016
Road, Bridge and Flood Control Projects	\$ 112,813,580	\$ 122,640,740
Public Facilities and Other	128,855,305	146,968,524
Total Long-Term Debt	\$ 241,668,885	\$ 269,609,264

Galveston County, Texas
General Obligation Bonds Outstanding, Including
Cumulative Accretion, by Intended Use of Proceeds
At September 30, 2017 and 2016
(\$ in thousands)



The county’s outstanding bonded debt decreased by a net 10.36%, or \$27,940,379, during the fiscal year ended September 30, 2017. New refunding debt added \$62,835,000 of outstanding principal, but this was more than offset by a decrease of \$89,787,139 resulting from \$72,020,000 of refunded principal and \$17,767,139 of scheduled principal payments. Current-year accretion on capital appreciation bonds added \$2,884,622; this increase was offset by the payment of \$3,872,862, resulting in net accretion of \$(988,240). The county maintains an “Aaa” rating (upgraded from “Aa1” in January 2017) from Moody’s Investors Service, Inc., and an “AA+” rating from Fitch Ratings 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 \$1,570,023,000 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 \$7,183,853,000, which also significantly exceeds the amount of the county’s outstanding unlimited tax road bonds, including the cumulative accretion on all 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 78-80 of this report.

Economic Factors and Next Year's Budgets and Rates

- The total ad valorem tax rate for FY2018 is \$0.5519 (all amounts expressed as a ratio to one hundred dollars of valuation).
 - 2017 Effective Tax Rate \$0.555420
 - Ad Valorem Tax Rate:
 - 2018 \$0.5519
 - 2017 \$0.5520
 - Overall Reduction \$0.0001
- The reduction in tax rate is due to an increase in the county's projected net taxable base value of \$1.9 billion, from \$25.8 billion in fiscal year 2017 to \$27.7 billion in fiscal year 2018.
- Property tax revenue in fiscal year 2018 is projected to be \$148.0 million, approximately \$9.7 million more than fiscal year 2017, primarily due to continuing increased commercial development in the middle and northern parts of the county, including League City.
- FY 2018 budget figures for the General Fund include revenues of \$141.6 million, expenditures of \$140.8 million and transfers to other funds of \$1.6 million, with an additional \$24.75 million set aside for unanticipated expenditures.
- As reported by the Bureau of Labor Statistics, the unemployment rate in Galveston County for September 2017 was 5.2%, which exceeded the September 2017 state unemployment rate of 4.0% by 1.2% and the September 2017 national unemployment rate of 4.2% by 1.0%.
- The U.S. Census Bureau estimated the county's population at July 2016, at 329,431, an increase of 38,122 from the 2010 figure of 291,309.
- The Real Estate Center at Texas A&M University reported an average of 497 housing sales per month for the county's fiscal year ended September 30, 2017, at an average median sales price of \$225,715, compared to statistics of 502 and \$205,605, respectively, for its fiscal year ended September 30, 2016.
- The U.S. Census Bureau also reported that in 2015, the most recent year of data available, there were 5,587 employer establishments operating within the county, employing 82,813 persons, with a combined annual payroll of \$3.33 billion.

County Initiatives

Parks and Cultural Services

- The county's primary rental facility, Walter Hall Park in League City, received some major upgrades, which included renovation of the indoor pavilion in fiscal year 2017.
- Construction began on the Galveston County Museum's exhibit hall in fiscal year 2017, with the soft opening of the County Museum occurring in October 2017.
- Bayside Regional Park, at the site of the former Spillway Park in the Bacliff/San Leon area, which will feature the Bayside Community Center discussed below, as well as playgrounds, ponds, trails, soccer fields and picnic shelters, will open November 2017.

- The Bayside Community Center, which will serve seniors in the north county communities of Bacliff and San Leon, will open at Bayside Regional Park in fiscal year 2018. Construction is nearly complete on the approximately 7,000-square-foot facility, with costs expected to total \$1.9 million. The county's Road and Bridge Department is constructing the interior road, parking lots and drainage/storm-water retention system for the center.
- The county will be handing over the home delivered meal program to Interfaith Ministries of Greater Houston. This nonprofit can get people off the waitlists and provide more meals than the county has been able to accommodate.
- Funded through the sale of beach parking passes on Bolivar Peninsula, permanent restrooms and rinse stations will be constructed at Noble Park in Crystal Beach in fiscal year 2018, and sites for the location of mobile restrooms elsewhere on the peninsula have been selected.
- The county has been preliminarily awarded a grant through Texas Parks and Wildlife for improvements to be made to the Highway 3 boat ramp.
- Reconstruction of the pavilion and restrooms at Lobit Park in League City are planned in order to better serve the public.
- Construction of a new large picnic pavilion and running electricity to the bunkers at Fort Travis are set to be completed in fiscal year 2018.
- Restroom facilities for both Jack Brooks Park at Live Oak and Carbide Park will be constructed in fiscal year 2018.
- Installation of a shade structure at Dickinson Community Center, which should provide more programming opportunities for our senior citizens, is planned to begin in the upcoming year.
- With the acquisition of Rollover Pass on Bolivar Peninsula, multiple projects are lined up for both the gulf and bay side, one of which includes the Lauderdale boat ramp.
- In addition, the county has several FEMA alternative park projects awaiting approval. These are:
 - Bunker fencing at Fort Travis,
 - New ground hog arena rake,
 - Playground at Port Bolivar Park, and
 - The purchase of four mowers, twelve vehicles and two senior buses

Information Technology

- The county installed additional security cameras throughout the complex to allow security personnel to more closely monitor the facilities without leaving their station. Not only is this more efficient, but in the event of an incident, footage will be able to be reviewed via digital recording and evidence of the incident will be available so that proper action can be taken.
- Implementation of the county's first log management device for servers, routers and switches to allow information technology staff to monitor events, review issues and recommend improvements through studying and analyzing detailed network traffic and the paths that are being reported via this tool was completed in fiscal year 2017. Previously, information technology did not have the capability to view where all problems existed. Log management will provide objective results that can be studied and assist in improving security and overall performance for the county's network.
- Implementation of time-and-attendance software to integrate payroll and human resources modules of the county's financial software is set to begin in fiscal year 2018. The project's completion will mean the elimination of the data entry and concurrent risk of error inherent in the present manual time-tracking procedures used in the various county departments.

- Increase of Galveston County SAN storage to accommodate growth is expected to be completed in the coming year. As Galveston stores more documents, worksheets, images and video files, the storage consumption will grow at a minimum of 30% per year or doubling in capacity every three years.
- The county is currently working to implement remote bonding at League City booking to allow “eligible” charges to take advantage of the remote bonding via technology, rather than physically transferring the inmate from League City to Galveston County jail to be bonded. Because this will eliminate a requirement for transportation of the inmate, this program is being evaluated to see if it should be expanded to other municipalities in the county, as well.

Facilities

- The county will renovate the former Environmental Health Building in La Marque, which will become the new office of the County Medical Examiner. The project’s cost is expected to total \$6 million. Conceptual planning is under way, and the design and construction phases should be completed in 2017 and 2018, respectively. A separate project in the older building to add emergency electricity generators is budgeted at \$90,000.
- The county continues the long-term process of replacing older fluorescent, incandescent, high-intensity discharge and other forms of lighting in its various facilities with LED technology, thereby reducing electrical consumption and cost.
- Planning is under way to increase the capacity of the North County Annex, including a \$100,000 expansion of its parking lot.
- The county has completed about 90% of an approximately \$500,000 project to correct Americans with Disabilities Act (“ADA”) non-compliance issues that were identified during an extensive review by the Department of Justice in conjunction with an architect familiar with ADA regulations.
- The county plans to spend \$400,000 to repair foundation damage and the air-conditioning system at the Texas City Annex.
- Repairs planned for the dormitory air-conditioning equipment at the Juvenile Justice Center are expected to cost \$100,000.

Engineering

Galveston County is currently undertaking preliminary design / schematic layouts for the replacement of the existing drawbridge connecting Galveston Island and Pelican Island. The proposed bridge replacement will improve the safety by bringing the roadway to current design standards for a low-speed urban facility. The existing bridge has been rehabilitated four times since it was opened to traffic in 1958, and a \$10 million rehabilitation project was just beginning at the end of the current fiscal year. This includes foundation repairs and replacement of electrical components of the rolling lift bascule. Barring another catastrophic event, the bridge has a useful life of less than fifteen years under its current level of ongoing routine maintenance.

Grant Funding

The county continues to use monies from grants, both those awarded pursuant to Hurricane Ike in 2008 and others not disaster-related, to fund capital projects.

On September 12, 2008, Hurricane Ike struck the upper Texas coast, causing enormous damage to buildings and infrastructure within Galveston County.

- With joint funding from the Federal Emergency Management Administration (“FEMA”) and the Texas General Land Office through a grant for hazard mitigation, the county has spent \$80.1 million to buy out owners whose homes, due to erosion, were located post-storm on state-owned beach or were left at high risk of damage from future storms.
- Although the above-mentioned buy-outs decreased the property value on the county’s tax rolls, other post-Ike grants resulted in increased value. For example:
 - Rounds 1 and 2 of the Community Development Block Grant (“CDBG”) Housing Program have provided \$182.8 million to improve or replace homes within the county.
 - The Texas Water Development Board, in conjunction with FEMA’s National Flood Insurance Program, has provided \$31 million of funding to elevate existing homes to lessen their vulnerability to future flood events.
- FEMA has provided \$105 million for the post-Ike remediation and restoration of county facilities and infrastructure.
- Post-Ike CDBG grants have thus far funded \$11 million in infrastructure improvements and emergency facilities, with an additional \$31 million committed to new projects.
- Through the Department of the Interior’s Coastal Impact Assistance Program, \$5 million is committed to beach and dune restoration projects along Galveston County’s coastline.
- An additional \$24.7 million in expenditures has been approved by FEMA for county infrastructure projects through the Sandy Recovery Improvement Act program.
- The county was awarded a three-year, \$1 million Homeland Security grant to improve response to complex coordinated terrorist attacks.
- A RESTORE grant in the amount of \$14 million is expected to be awarded to the county for necessary upgrades to the Texas City Levee. The final award announcements are expected to come during fiscal year 2018.

With regard to non-disaster-related grants, Galveston County receives approximately \$3.1 million in funding annually from various federal and state grants for projects involving county law enforcement, criminal prosecution, emergency management, social services and facilities. Some of these projects include:

- Plans to repair the roofs of pavilions at Bayshore and Gregory Parks at projected costs of \$105,000 and \$111,000, respectively. Funding for these repairs will be through FEMA alternate projects.
- Construction of the High Island Emergency Shelter, on property owned by the High Island Independent School District at the eastern edge of the county, is expected to be completed in the fall of 2017. Funding is provided by a Community Development Block Grant.

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, P.O. Box 1418, Galveston, TX 77553-1418.



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Basic Financial Statements

GALVESTON COUNTY, TEXAS
STATEMENT OF NET POSITION
September 30, 2017

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$ 123,306,818
Receivables (Net of Allowances for Uncollectibles):	
Taxes	10,095,200
Accounts and Other	34,778,537
Inventories	851,868
Restricted Assets:	
Cash and Cash Equivalents	258,207
Capital Assets Not Being Depreciated:	
Land	34,363,202
Construction in Progress	11,698,345
Capital Assets, Net of Accumulated Depreciation:	
Infrastructure	64,530,627
Buildings and Improvements	122,712,541
Machinery and Equipment	14,054,284
Improvements Other Than Buildings	14,087,209
Total Assets	<u>430,736,838</u>
Deferred Outflows of Resources	
Deferred Charge on Refunding	7,140,435
Deferred Outflows - Pension	27,154,530
Total Deferred Outflows of Resources	<u>34,294,965</u>
Liabilities	
Accounts Payable	5,432,944
Salaries Payable	2,193,022
Accrued Interest Payable	2,993,613
Retainage Payable	388,151
Estimated Liability - Claims and Judgments	1,330,645
Due to Others	1,287,049
Payable from Restricted Assets:	
Deposits	258,207
Unearned Revenues - Other	13,945
Noncurrent Liabilities:	
Due within One Year	23,506,256
Due in More Than One Year	349,534,757
Total Liabilities	<u>386,938,589</u>
Deferred Inflows of Resources	
Deferred Inflows - Pension	2,275,778
Total Deferred Inflows of Resources	<u>2,275,778</u>
Net Position	
Net Investment In Capital Assets	137,224,225
Restricted for:	
Grants	5,601,198
Debt Service	5,809,813
Other	792,938
Statute - Regulation	17,156,781
Capital Projects	14,596,135
Unrestricted	(105,363,654)
Total Net Position	<u>\$ 75,817,436</u>

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

GALVESTON COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2017

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Governmental Activities:						
General Government	\$ 74,199,828	\$ 12,945,646	\$ 12,525,969	\$ -	\$ (48,728,213)	\$ (48,728,213)
Public Safety	77,594,165	3,701,006	23,844,907	-	(50,048,252)	(50,048,252)
Health and Social Services	17,025,487	32,454	1,257,801	-	(15,735,232)	(15,735,232)
Culture and Recreation	6,306,544	920,300	359,156	-	(5,027,088)	(5,027,088)
Conservation	731,895	-	-	-	(731,895)	(731,895)
Roads, Bridges and Rights-of-Way	8,013,815	604,138	4,423,700	-	(2,985,977)	(2,985,977)
Interest on Long-term Debt	<u>13,481,832</u>	-	-	-	<u>(13,481,832)</u>	<u>(13,481,832)</u>
Total Governmental Activities	<u>\$ 197,353,565</u>	<u>\$ 18,203,544</u>	<u>\$ 42,411,533</u>	<u>\$ -</u>	<u>\$ (136,738,488)</u>	<u>\$ (136,738,488)</u>
General Revenues:						
Property Taxes:						
Levied for General Purposes					120,284,568	120,284,568
Levied for Debt Service					21,056,437	21,056,437
Payments in Lieu of Taxes					845,821	845,821
Unrestricted Investment Earnings					842,215	842,215
Gain on Sale of Capital Assets					109,267	109,267
Miscellaneous					<u>775,319</u>	<u>775,319</u>
Total General Revenues					<u>143,913,627</u>	<u>143,913,627</u>
Change In Net Position					7,175,139	7,175,139
Net Position - Beginning					68,546,075	68,546,075
Prior Period Adjustment					<u>96,222</u>	<u>96,222</u>
Fund Balances - Beginning, as Restated					<u>68,642,297</u>	<u>68,642,297</u>
Net Position - Ending					<u>\$ 75,817,436</u>	<u>\$ 75,817,436</u>

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

**GALVESTON COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2017**

	<u>General</u>	<u>Road and Bridge</u>	<u>Grant</u>	<u>Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and Cash Equivalents	\$ 63,903,962	\$ 663,417	\$ 1,746,228	\$ 3,772,332	\$ 41,630,211	\$ 111,716,150
Receivables (Net of Allowance for Uncollectibles):						
Taxes	8,093,137	127,914	-	1,625,799	248,350	10,095,200
Accounts and Other	6,893,530	63,114	19,788,771	7,939,119	27,414	34,711,948
Due from Other Funds	18,978,917	-	-	-	-	18,978,917
Inventory at Cost	8,394	238,746	-	-	604,728	851,868
Total Assets	<u>\$ 97,877,940</u>	<u>\$ 1,093,191</u>	<u>\$ 21,534,999</u>	<u>\$ 13,337,250</u>	<u>\$ 42,510,703</u>	<u>\$ 176,354,083</u>
LIABILITIES						
Accounts Payable	\$ 3,096,757	\$ 251,278	\$ 681,765	\$ -	\$ 406,708	\$ 4,436,508
Salaries Payable	1,970,694	58,579	77,014	-	79,933	2,186,220
Compensated Absences Payable	1,122	-	929	-	-	2,051
Retainage Payable	-	-	279,773	-	108,378	388,151
Due to Others	209,612	-	435,970	-	641,467	1,287,049
Escrow Deposits	-	-	-	-	2,400	2,400
Deposits - Held	255,807	-	-	-	-	255,807
Unearned Revenue	688	-	13,257	-	-	13,945
Due to Other Funds	-	-	14,445,093	4,533,824	-	18,978,917
Total Liabilities	<u>5,534,680</u>	<u>309,857</u>	<u>15,933,801</u>	<u>4,533,824</u>	<u>1,238,886</u>	<u>27,551,048</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue:						
Property Taxes	8,093,137	127,914	-	1,625,799	248,350	10,095,200
Charges for Services, Court Fees and Fines	2,858,191	-	-	-	-	2,858,191
Total Deferred Inflows of Resources	<u>10,951,328</u>	<u>127,914</u>	<u>-</u>	<u>1,625,799</u>	<u>248,350</u>	<u>12,953,391</u>
FUND BALANCES						
Non-Spendable	8,394	238,746	-	-	604,728	851,868
Restricted	-	416,674	5,601,198	7,177,627	34,461,867	47,657,366
Assigned	29,762,000	-	-	-	5,956,872	35,718,872
Unassigned	51,621,538	-	-	-	-	51,621,538
Total Fund Balances	<u>81,391,932</u>	<u>655,420</u>	<u>5,601,198</u>	<u>7,177,627</u>	<u>41,023,467</u>	<u>135,849,644</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 97,877,940</u>	<u>\$ 1,093,191</u>	<u>\$ 21,534,999</u>	<u>\$ 13,337,250</u>	<u>\$ 42,510,703</u>	<u>\$ 176,354,083</u>

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

GALVESTON COUNTY, TEXAS
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
September 30, 2017

Total fund balance, governmental funds \$ 135,849,644

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statement, but are reported in the governmental activities of the Statement of Net Position. 261,446,208

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 Position. 9,581,581

Deferred losses on refundings are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position. 7,140,435

Deferred outflows of resources for pension-related activities are not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position. 27,154,530

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 Position. These are as follows:

Bonds payable	(211,676,295)
Accumulated accretion on capital appreciation bonds	(29,992,590)
Compensated absences	(5,527,478)
Net OPEB payable	(75,889,652)
Interest on long-term debt	(2,993,613)
Premiums on issuance of debt	(12,684,066)
Net pension liability	(33,868,264)
Refund for tax settlement	(3,400,617)

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. 10,095,200

Court receivables for fines and related costs that have been imposed and are now due, but are not available soon enough to pay for the current period's expenditures, and are therefore deferred in the funds. 2,858,191

Deferred inflows of resources for pension-related activities are not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position. (2,275,778)

Net position of governmental activities \$ 75,817,436

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

GALVESTON COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2017

	<u>General</u>	<u>Road and Bridge</u>	<u>Grant</u>	<u>Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
Taxes	\$ 116,026,502	\$ 1,484,656	\$ -	\$ 21,055,341	\$ 2,525,271	\$ 141,091,770
Licenses and Permits	1,878	2,738,695	-	-	-	2,740,573
Intergovernmental	11,316,350	778,980	22,270,076	6,146,374	175,074	40,686,854
Charges for Services	7,359,571	-	16,636	-	3,420,481	10,796,688
Fines and Forfeitures	1,701,620	-	-	-	295,051	1,996,671
Investment Earnings	474,187	4,188	6,394	154,734	173,046	812,549
Miscellaneous	2,916,618	932	502,863	-	1,416,709	4,837,122
Total Revenues	<u>139,796,726</u>	<u>5,007,451</u>	<u>22,795,969</u>	<u>27,356,449</u>	<u>8,005,632</u>	<u>202,962,227</u>
EXPENDITURES						
General Government	55,908,020	287,255	3,071,779	-	1,118,009	60,385,063
Public Safety	47,025,480	-	12,580,197	-	2,366,537	61,972,214
Health and Social Services	13,663,804	-	1,070,898	-	988,844	15,723,546
Culture and Recreation	2,764,841	-	22,677	-	354,028	3,141,546
Conservation	529,778	-	-	-	-	529,778
Roads, Bridges and Rights-of-Way	-	4,734,960	-	-	412,683	5,147,643
Debt Service:						
Principal Retirement	-	-	-	17,767,139	-	17,767,139
Interest and Fiscal Charges	-	-	-	14,088,170	-	14,088,170
Bond Issuance Costs	-	-	-	524,298	-	524,298
Capital Outlay	3,304,578	518,334	7,595,335	-	4,249,108	15,667,355
Total Expenditures	<u>123,196,501</u>	<u>5,540,549</u>	<u>24,340,886</u>	<u>32,379,607</u>	<u>9,489,209</u>	<u>194,946,752</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>16,600,225</u>	<u>(533,098)</u>	<u>(1,544,917)</u>	<u>(5,023,158)</u>	<u>(1,483,577)</u>	<u>8,015,475</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	221,527	122,820	2,086,563	-	1,338,776	3,769,686
Transfers Out	(4,203,566)	-	(144,892)	-	(360,995)	(4,709,453)
Sale of Capital Assets	105,713	80,384	38,850	-	40,972	265,919
Face Value - Long Term Debt Issued	-	-	-	62,835,000	-	62,835,000
Premium - Long Term Debt Issued	-	-	-	9,811,578	-	9,811,578
Refunded Bonds - Escrow Agent	-	-	-	(72,020,000)	-	(72,020,000)
Total Other Financing Sources (Uses)	<u>(3,876,326)</u>	<u>203,204</u>	<u>1,980,521</u>	<u>626,578</u>	<u>1,018,753</u>	<u>(47,270)</u>
Net Change in Fund Balances	12,723,899	(329,894)	435,604	(4,396,580)	(464,824)	7,968,205
Fund Balances - Beginning	68,668,033	985,314	5,069,372	11,574,207	41,488,291	127,785,217
Prior Period Adjustments	-	-	96,222	-	-	96,222
Fund Balances - Beginning, as Restated	<u>68,668,033</u>	<u>985,314</u>	<u>5,165,594</u>	<u>11,574,207</u>	<u>41,488,291</u>	<u>127,881,439</u>
Fund Balances - Ending	<u>\$ 81,391,932</u>	<u>\$ 655,420</u>	<u>\$ 5,601,198</u>	<u>\$ 7,177,627</u>	<u>\$ 41,023,467</u>	<u>\$ 135,849,644</u>

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

GALVESTON COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2017

Net change in fund balances - total governmental funds: \$ 7,968,205

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 additions of \$15,667,355 to capital assets, plus a donation of \$27,434 to other revenue, exceeded depreciation of \$16,660,252 in the current period. (965,463)

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue (156,652)

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. 1,399,901

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. 17,140,561

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 in governmental funds	7,004
Compensated absences	(711,817)
Amortization of deferred charges	135,392
Other post-employment benefits	(8,823,037)
Accretion of capital bond interest	988,240
Pension cost, net	(6,994,134)
Refund for Tax Settlement	(3,400,617)

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. 587,556

Change in net position of governmental activities \$ 7,175,139

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

**GALVESTON COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2017**

	Governmental Activities Internal Service Funds
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 11,848,875
Receivables (Net of Allowances for Uncollectibles):	
Accounts and Other	66,589
Total Assets	11,915,464
 LIABILITIES	
Current Liabilities:	
Accounts Payable	996,436
Salaries Payable	6,802
Estimated Liability - Claims	1,330,645
Total Liabilities	2,333,883
 NET POSITION	
Unrestricted	9,581,581
Total Net Position	\$ 9,581,581

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

GALVESTON COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2017

	<u>Governmental Activities Internal Service Funds</u>
OPERATING REVENUES	
Intergovernmental	\$ 169,320
Charges for Services	17,209,688
Insurance Recovery - County	32,873
Reimbursements	<u>1,707,238</u>
Total Operating Revenues	<u>19,119,119</u>
OPERATING EXPENSES	
Contract Services	2,186,245
Insurance	3,656,443
Claims Paid	13,635,557
Supplies	<u>22,960</u>
Total Operating Expenses	<u>19,501,205</u>
Operating Income (Loss)	(382,086)
NONOPERATING REVENUES (EXPENSES)	
Investment Earnings	<u>29,875</u>
Income (loss) before transfers	(352,211)
TRANSFERS	
Transfers In	990,567
Transfers Out	<u>(50,800)</u>
Total Transfers	<u>939,767</u>
Change in Net Position	587,556
Total Net Position-Beginning	<u>8,994,025</u>
Total Net Position-Ending	<u><u>\$ 9,581,581</u></u>

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, 2017**

	<u>Governmental Activities Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from External Sources	\$ 17,241,570
Payments to Suppliers	(5,752,771)
Payments to Employees	(53,357)
Payments for Claims	(13,855,350)
Other Operating Revenues	<u>1,904,690</u>
Net cash provided by (used for) operating activities	<u>(515,218)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer from General Fund	990,567
Repayment to Other Funds	<u>(50,800)</u>
Net cash provided by (used for) noncapital financing activities	<u>939,767</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Earnings	<u>29,875</u>
Net cash provided by (used for) investing activities	<u>29,875</u>
Net increase (decrease) in cash and cash equivalents	454,424
Cash and Cash Equivalents October 1, 2016	<u>11,394,451</u>
Cash and Cash Equivalents September 30, 2017	<u>\$ 11,848,875</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	<u>\$ (382,086)</u>
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:	
(Increase) Decrease in Accounts Receivable	29,753
Increase (Decrease) in Accounts Payable	(160,763)
Increase (Decrease) in Salaries Payable	<u>(2,122)</u>
Total adjustments	<u>(133,132)</u>
Net cash provided by (used for) operating activities	<u>\$ (515,218)</u>

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

GALVESTON COUNTY, TEXAS
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
September 30, 2017

		AGENCY FUNDS
ASSETS		
Cash and Cash Equivalents	\$	17,114,641
Investments		3,626,199
Receivables (Net of Allowances for Uncollectibles):		
Accounts and Other		16,933
Total assets	\$	20,757,773
LIABILITIES		
Accounts Payable	\$	1,114,745
Due to Others		12,960,996
Due to Other Entities		5,834,607
Deposits Held		847,425
Total liabilities	\$	20,757,773

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



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Notes to the Financial Statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

1. Primary government

Galveston County, Texas (the “county”), was organized and exists under the Constitution and laws of the State of Texas. It was established on May 15, 1838, by the President of the Republic of Texas, Sam Houston. The county is located on the upper Texas coast and comprises a land area of 430 square miles. It is governed by an elected Commissioners Court composed of the County Judge and four County Commissioners. Services related to public safety, health and social programs, culture and recreation, conservation and the construction, improvement, maintenance and acquisition of roads, bridges and rights-of-way are provided.

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”), including:

- *Governmental Accounting Standards Board Statement No. 61: The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34*, 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 unit*. A component unit is an organization which is legally separate from the primary government but which is subject to fiscal, and sometimes other, oversight by that government which is so significant that to exclude the component unit’s financial information from that of the primary government could mislead readers. Three specific tests are applied to determine whether a legally separate organization is a component unit of a government. These tests look at:

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

Blended Component Units

A component unit is called *blended* if its operations are so intertwined with those of the primary government that it functions, for all practical purposes, as an integral part of that primary government. No distinction is made between the data of the primary government and that of a blended component unit.

The county has determined its Road District #1 qualifies for classification as a blended component unit and thus reports its financial data in the Road District #1 Special Revenue Fund. Road District #1 was created and defined under Article III, §52 of the Texas Constitution to construct, maintain and operate macadamized, gravel and paved roads and turnpikes. The Commissioners Court is the statutory governing body of Road District #1 and is authorized to act on its behalf to issue debt, set tax rates and

assess tolls. The county maintains all of the accounting records for Road District #1; separate financial statements are not issued.

Discretely Presented Component Units

Alternatively, a component unit is labeled *discretely presented* when it operates with a greater degree of autonomy 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 county currently reports no discretely presented component unit.

B. Government-wide and Fund Financial Statements

The *government-wide financial statements* (i.e., the Statement of Net Position and the Statement of Activities) report information for non-fiduciary activities of the primary government. The effect of inter-fund activity has been removed from these statements.

In the Statement of Net Position, 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 activity.

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 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 use 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 four Internal Service Funds. Their operating revenues consist primarily of charges to the county for

medical insurance, and reimbursements for claims from workers' compensation insurance. Operating expenses for these Internal Service Funds include the payment of claims, the cost of insurance premiums and administrative expenses.

Governmental Funds financial statements use the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they become 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. With regard to this latter criterion, 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 year 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 either 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 made 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 four 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, health and social programs, culture and recreation, conservation and capital outlay, in addition to funding general government administration.
- The Road and Bridge Fund was created and is defined under Article 8, Section 9(c) of the *Texas Constitution*, which authorizes an ad valorem tax of \$0.15 per \$100.00 valuation to be levied and collected for the maintenance of public roads. Additionally, Chapter 256 of the *Texas Transportation Code* states these funds are to be used only for public road work or bridge construction, and only by order of the Commissioners Court.
- The Grant Fund is used to aggregate grant funding awarded by the federal and state governments and by private foundations.
- The Debt Service Fund is used to account for the accumulation of resources disbursed to retire the principal of, and to pay the interest costs and paying-agent fees associated with, the county's long-term debt.

The government reports forty-seven other Governmental Funds as nonmajor funds in the *Special Revenue* and *Capital Projects* fund types.

The government reports, as Proprietary Funds, four *Internal Service Funds*, three of which account for personnel-related insurance (health, workers' compensation and unemployment), and the fourth of which accounts for the insuring of real property and other tangible assets.

The government also reports, as Fiduciary Funds, fourteen *Agency Funds*. 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 or governments. Agency Funds do not present results of operations.

D. Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Net Position or Fund Balance

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 investments 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, 2017, investment earnings of \$308,463 associated with other funds were reported as revenue in the General Fund.

2. Receivables and payables

Intra-reporting entity receivables/payables

Certain activity between funds is representative of lending/borrowing arrangements. The current portions of such balances of intra-reporting entity loans outstanding at fiscal year-end are labeled "due to/from other funds"; the non-current portions are labeled "advances to/from other funds."

Ad valorem property tax receivables

The county sets its tax rates annually. The ad valorem property tax receivable is net of an allowance of 6% of the delinquent receivables outstanding at fiscal year-end for estimated uncollectible accounts. The allowance for interest and penalties depends on the age of the receivables and varies from 6% to 100%. Ad valorem property tax value is assessed at 100% of appraised market value as required by the *Property Tax Code*. A summary of the timing of annual ad-valorem property-tax activity follows ("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
08/01/y1 - 09/30/y1	– tax rates are formally adopted
10/01/y1	– taxes are levied, and tax bills are mailed as soon as practicable thereafter
11/30/y1	– payment due for first half of tax liability from those availing themselves of split-pay
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
05/01/y2	– reminders of current-year unpaid taxes are mailed to property owners
06/30/y2	– payment due for second half of tax liability from those availing themselves of split-pay
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 average cost using the “first-in/first-out” method. Inventories of Governmental Funds are recorded as expenditures when consumed rather than when purchased.

Under the consumption method, the county records certain payments to vendors that are reflective of costs applicable to future accounting periods as prepaid items in both government-wide and fund financial statements.

4. Capital assets

The county considers an asset to be a *capital asset* if it has: 1) an initial cost that exceeds a specified threshold, and 2) an *estimated useful life* that is longer than one year. Capital assets may include land, construction in progress, buildings and improvements, improvements other than buildings and machinery and equipment. Capital assets may also include *infrastructure* – public-domain, long-lived, immovable assets such as roads, bridges, park trails, the Galveston seawall, dams and levees. The county capitalization thresholds are \$5,000 for non-infrastructure capital assets and \$100,000 for infrastructure capital 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; or
- at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the donation date, if donated .

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 county’s depreciable capital assets are depreciated, using the *straight-line method* and assuming no *salvage value*, over the following estimated useful lives.

Asset Type	Years
Dams and levees	60
Bridges	50
Buildings and improvements	40
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	5

5. Deferred outflows and inflows of resources

Deferred outflows and inflows of resources are reported as described below.

A *deferred outflow of resources* is a consumption of a government's net position (a decrease in assets in excess of any related decrease in liabilities, or an increase in liabilities in excess of any related increase in assets) that is applicable to a future reporting period. The county has two items that qualify for reporting in this category:

- **Deferred charge on refunding** – Reported in the government-wide Statement of Net Position, this deferred charge on refunding results from the difference between the carrying value of the refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- **Deferred outflows of resources for pension** – Reported in the government-wide Statement of Net Position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability, and from the results of differences between projected and actual earnings. The deferred outflows of resources related to pensions resulting from county contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension-related deferred outflows will be amortized over the expected remaining service life, which is currently five years, of both active and inactive employees who do, or will, receive pensions through the plan.

A *deferred inflow of resources* is an acquisition of a government's net position (an increase in assets in excess of any related increase in liabilities, or a decrease in liabilities in excess of any related decrease in assets) that is applicable to a future reporting period. The county has two items that qualify for reporting in this category:

- **Deferred inflows of resources for unavailable revenues** – Reported only in the governmental funds Balance Sheet, these unavailable revenues arise under the modified accrual basis of accounting from 1) property taxes, and 2) unpaid charges for services, court fees and fines. The amounts are deferred and recognized as an inflow of resources in the periods in which the amounts become available.
- **Deferred inflows of resources for pension** – Reported in the government-wide Statement of Net Position, these deferred inflows result primarily from differences between the expected and actual actuarial experience. The amounts are amortized over a five year period.

6. Compensated absences

The county permits employees to accumulate earned but unused vacation and sick leave up to specified 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 a specified number of hours per year which differs with tenure, until, at twenty 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 number of hours awarded to full-time employees. Presently, upon termination, employees hired before October 1, 2011, are paid for earned but unused vacation leave up to a maximum of 300 hours, while employees hired on or after October 1, 2011, are paid for earned but unused vacation leave up to a maximum of 120 hours.

Sick Leave

An employee begins to accrue sick leave on the six-month anniversary of the date of employment, at a specified number of hours per year, to a maximum of 720 hours; any excess is forfeited at the next anniversary date. Half-time employees accrue sick leave at one-half the number of hours awarded to full-time employees. If, at termination, employees: 1) qualify to retire (per criteria of the Texas County and District Retirement System), and 2) were hired before October 1, 2011, they are paid for one-half of their accumulated sick-leave balances, presently to a maximum of 360 hours. Employees hired on or after October 1, 2011, receive no compensation at termination for accumulated sick-leave balances.

At September 30, 2017, the total liability for compensated absences was \$5,529,529, of which \$2,051 was recorded in, and payable from, current financial resources of the fund in which the liability was incurred. If current financial resources in that fund are insufficient, or if such treatment is prohibited by grant provisions, the liability is recorded in the General Fund.

7. Pensions

The county reports a liability for pension obligations and related deferred inflows and outflows of resources in accordance with Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*, and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement 68*. Changes in the net pension liability from year to year will be recognized as pension expense on the government-wide Statement of Activities or reported as deferred inflows or outflows of resources on the Statement of Net Position, depending on the nature of the change. Transactions giving rise to deferred inflows and outflows of resources are not entirely recognized in the Statement of Activities in the period in which they arise but are instead amortized over multiple years.

8. Long-term obligations

In the government-wide statements, long-term debt and other long-term obligations are reported as liabilities in the Governmental Activities column in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective-interest method. Bonds payable are reported net of applicable bond premium or discount.

In the Governmental Funds statements, bond premiums, discounts and issuance costs are recognized in the current period. The face amount of debt issued, and related premiums, are reported as other financing sources, while related discounts are reported as other financing uses. Issuance costs, whether withheld from gross proceeds or separately disbursed, are reported as current-period expenditures.

9. Unemployment and workers' compensation benefits

The county provides unemployment benefits through the Texas Association of Counties ("TAC"), funding premiums, determined periodically by TAC, during the processing of each biweekly county payroll. The county provides workers' compensation benefits through a third-party administrator, The Littleton Group, which pays claims as they become due. Both of these benefits are budgeted and paid from current resources.

10. 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.

11. Equity

Fund Balance

In the fund statements, Governmental Funds may report fund balance in as many as five classifications.

- *Nonspendable* fund balance is either not spendable in its present form (e.g., inventory and the long-term portion of notes receivable) or is legally required to be maintained intact (e.g., the corpus of a permanent fund).
- Constraints on the use of *restricted* fund balance are imposed externally (e.g., by creditors, grantors, constitutional provision and enabling legislation).
- The use of *committed* fund balance is restricted via formal action of the government's highest level of decision-making authority - in the county's case, by resolution of its Commissioners Court. A like type of action would be required if the county later desired to modify or rescind the commitment.
- Fund balance amounts classified as *assigned* are constrained by the government's intent to use them for specific purposes, but they are neither restricted nor committed. Authority to assign fund balance rests with Commissioners Court, which does so in adopting the county's annual budget.
- Last, and least restrictive, *unassigned* fund balance is the residual classification for the General Fund for amounts not restricted, committed or assigned within it nor assigned to other funds.

At September 30, 2017, the county reports the following classifications of amounts in the fund balances of its Governmental Funds:

	<u>General</u>	<u>Road and Bridge</u>	<u>Grant</u>	<u>Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Non-Spendable:						
Inventory	\$ 8,394	\$ 238,746	\$ -	\$ -	\$ 604,728	\$ 851,868
Total Non-Spendable	8,394	238,746	-	-	604,728	851,868
Restricted:						
Capital Projects:						
Road Construction	-	-	-	-	8,219,079	8,219,079
Parks Dept	-	-	-	-	672,349	672,349
Toll Road	-	-	-	-	3,746,096	3,746,096
Other	-	-	-	-	4,667,562	4,667,562
Beach and Parks	-	-	99	-	3,369,366	3,369,465
Other-Special Revenue	-	-	-	-	13,787,415	13,787,415
Debt Service	-	-	-	7,177,627	-	7,177,627
Road and Bridge	-	416,674	-	-	-	416,674
Disaster Recovery						
Building/Infrastructure	-	-	4,857,806	-	-	4,857,806
Hazard Mitigation Grant	-	-	8,927	-	-	8,927
Social Services & Public Safety	-	-	734,366	-	-	734,366
Total Restricted	-	416,674	5,601,198	7,177,627	34,461,867	47,657,366
Assigned:						
Beach and Parks	12,000	-	-	-	-	12,000
Self-insurance	1,500,000	-	-	-	-	1,500,000
Contingent Liabilities	1,000,000	-	-	-	-	1,000,000
Disaster Recovery	2,500,000	-	-	-	-	2,500,000
Adopted Budget						
Utilization of Fund						
Balance	24,750,000	-	-	-	-	24,750,000
Construction Projects	-	-	-	-	5,956,872	5,956,872
Total Assigned	29,762,000	-	-	-	5,956,872	35,718,872
Unassigned	51,621,538	-	-	-	-	51,621,538
Total Fund Balances	<u>\$81,391,932</u>	<u>\$655,420</u>	<u>\$5,601,198</u>	<u>\$7,177,627</u>	<u>\$41,023,467</u>	<u>\$135,849,644</u>

12. 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.

13. Indirect expense allocation

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

14. Restricted, committed and assigned resources

Per county policy, when both restricted and unrestricted resources are available to fund an expenditure/expense, the restricted resources are applied first. Within unrestricted resources, when committed, assigned and/or unassigned resources are available to fund an expenditure/expense, any committed resources are applied first, followed by the assigned resources and followed lastly by the unassigned resources.

15. Implementation of new standards

There were no new pronouncements of the Governmental Accounting Standards Board (“GASB”) which affected the county’s reporting for the fiscal year ended September 30, 2017.

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, most Special Revenue Funds, the Grant Fund and the Debt Service Fund.

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 include:

Constables' Forfeitures ¹	Probate Court Contributions ³
District Attorney Check Collection Fees ¹	Sheriff's Commissary ⁴
District Attorney Contraband Post-10/89 ¹	Sheriff's Forfeitures Post-10/89 ¹
Election Services Contract ²	Task Force Forfeiture Pre-10/89 ¹
Law Enforcement Continued Education ⁴	Tax Assessor-Collector Special Inventory Tax Escrow ⁴

¹ "Receive and File" Commissioners Court agenda items only.

² Under the control of the Elections Services Officer.

³ Under the control of the Probate Court Judge.

⁴ Governed by specific statutes; the county 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, grantor covenants, construction contracts and statute.

Certain county department heads submit annual budget requests during the third quarter of the fiscal year. The budget requested may not exceed the total of the beginning fund balance added to the revenue estimated by the County Auditor for the coming fiscal year. The county Budget Office reviews budget requests and meets to discuss them with department heads in Commissioners Court workshops. In late summer, a proposed budget is presented to the Commissioners Court; public hearings are held, at which time the Commissioners Court may change the proposed budget. The final budget is adopted in late August or early September 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 collect the budgeted tax revenues. The County Auditor opens the various appropriation accounts and administers the budget during the year.

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.

Encumbrance accounting is utilized in Governmental Funds to the extent necessary to assure budgetary control and accountability and to facilitate effective cash planning. Encumbrances are claims against the budget that are created through the issuance of purchase orders and the execution of contracts. Encumbrances outstanding at year-end are reported as restricted or assigned fund balance, as appropriate, and do not constitute expenditures or liabilities because those dollar amounts will be re-appropriated during the subsequent year.

At September 30, 2017, the amount of encumbrances expected to be honored in the following year upon performance by the vendor were as follows:

Major Funds:	Amount
General Fund	\$ 1,293,553
Road and Bridge Fund	269,749
Grant Fund	2,635,847
Nonmajor Funds	1,783,024
Total Encumbrances	<u>\$ 5,982,172</u>

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 county's main depository is Prosperity Bank of Galveston, with the following four "participating banks" as sub-depositories: Frost Bank, J.P. Morgan Chase, Moody National Bank of Galveston and Texas First Bank (including branches in Dickinson, Galveston, Hitchcock, Santa Fe and Texas City). 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, 2015 and will expire September 30, 2019.

Pledged securities must meet the criteria of the county's depository contracts and applicable state law. As of September 30, 2017, custodians are the Federal Home Loan of Dallas in Irving, Texas and Prosperity Bank of El Campo, 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

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 were its deposits not covered by depository insurance and were they 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, 2017, 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.

In addition to county deposits, various officials are responsible for cash which is not the property of the county, but for the accounting for and protection of which the county is responsible. These funds may be seized for a court case, unclaimed property, inmate accounts and legal judgments awarded by a court to minors and other persons, cash bonds and other accounts where the money does not belong to the county. At September 30, 2017, the County's demand deposits were \$123,647,909 and the carrying value of all custodial cash accounts maintained by various officials totaled \$17,113,930.

Investments

The Commissioners Court controls the county's investment portfolio in accordance with state statute and the county's formal investment policy. Applicable statutes include:

- *Texas Government Code*, Chapter 2256, "Public Funds Investment," Subchapter A, "Authorized Investments for Governmental Entities"; and
- *Texas Local Government Code*, Subchapter E, "Depository Accounts," §116.112, "Investment of Funds."

The county's formal investment policy limits portfolio content to United States Treasury bills, 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.

No county-owned funds were invested at September 30, 2017. However, the County and District Clerks, upon court order, invest monies for minors and other persons in those individuals' names. Such custodial investments at September 30, 2017, consist of certificates of deposit, held by those two elected officials, with original maturities of four months or more at the date of acquisition. The fair value of these custodial accounts totaled \$3,626,198. The investments are presented at amortized cost in accordance with GASB Statement No. 31: *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

Schedule of Deposits and Investments at September 30, 2017

	<u>County Accounts</u>	<u>Custodial Accounts</u>
Deposits:		
Demand Deposits	\$ 123,647,909	\$ 17,113,930
Investments:		
Certificates of Deposits	-	3,626,198
Total Investments	-	3,626,198
Total Deposits and Investments	<u>\$ 123,647,909</u>	<u>\$ 20,740,128</u>

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 by managing 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 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, 2017, the county had no exposure to interest-rate risk, as measured by portfolio weighted-average to maturity, as it had no investments.

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 specific classes of holdings, for specific terms and with specific issuers. However, the county does not limit the amounts it may place in the investments of any one issuer.

At September 30, 2017, the county had no exposure to concentration of credit risk, as measured by the percentage of total portfolio to the fair value of the portfolio, as it had no investments.

B. Receivables

At September 30, 2017, 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 the aggregate, are as follows (with summary comparative amounts at September 30, 2016):

	Taxes	Accounts and Other	Total Gross Receivables	Less Allowance for Uncollectibles	Total 2017	Total 2016
Governmental Funds:						
Major Funds:						
General Fund	\$ 8,609,721	\$ 6,893,530	\$15,503,251	\$ (516,584)	\$14,986,667	\$13,184,269
Road and Bridge	136,079	63,114	199,193	(8,165)	191,028	234,530
Grant	-	19,788,771	19,788,771	-	19,788,771	33,617,062
Debt Service	1,729,573	7,939,119	9,668,692	(103,774)	9,564,918	5,662,781
Nonmajor Funds	<u>264,202</u>	<u>17,959</u>	<u>282,161</u>	<u>(15,852)</u>	<u>266,309</u>	<u>336,876</u>
Total Governmental Funds	10,739,575	34,702,493	45,442,068	(644,375)	44,797,693	53,035,518
Internal Service Funds	-	66,589	66,589	-	66,589	96,342
Fiduciary Funds	-	<u>16,933</u>	<u>16,933</u>	-	<u>16,933</u>	<u>14,422</u>
Total Net Receivables	<u>\$10,739,575</u>	<u>\$34,786,015</u>	<u>\$45,525,590</u>	<u>\$ (644,375)</u>	<u>\$44,881,215</u>	<u>\$53,146,282</u>

C. Inter-fund Receivables, Payables and Transfers

Amounts due to/from funds of the county at September 30, 2017, are as follows (with summary comparative amounts at September 30, 2016):

Payable Reported by:	General Fund	Total 2017	Total 2016
Grant Fund	\$ 14,445,093	\$ 14,445,093	\$ 24,292,045
Debt Service Fund	<u>4,533,824</u>	<u>4,533,824</u>	-
Total	<u>\$ 18,978,917</u>	<u>\$ 18,978,917</u>	<u>\$ 24,292,045</u>

The various payables to the General Fund from the major Grant Fund and from the Debt Service Fund exist to offset negative cash balances at fiscal year-end which result from the timing differences between when expenditures are made and when reimbursement is received from third parties, including grantor agencies.

Inter-fund balances in the fund financial statements will be liquidated in the subsequent fiscal year. Balances between individual Governmental Funds and between Governmental Funds and Internal Service Funds are eliminated in the government-wide financial statements.

Transfers among the Governmental and Internal Service Funds for the year ended September 30, 2017, are as follows (with summary comparative amounts for the year ended September 30, 2016):

Transfers Out	Transfers In					Total 2017	Total 2016
	General Fund	Road and Bridge	Grant Fund	Nonmajor Governmental Funds	Internal Service Funds		
General Fund	\$ -	\$ -	\$ 2,086,563	\$ 1,126,436	\$ 990,567	\$ 4,203,566	\$ 2,659,475
Grant Fund	144,892	-	-	-	-	144,892	48,596
Nonmajor Governmental Funds	25,835	122,820	-	212,340	-	360,995	6,231
Internal Service Funds	50,800	-	-	-	-	50,800	-
Total Transfers Out	<u>\$ 221,527</u>	<u>\$ 122,820</u>	<u>\$ 2,086,563</u>	<u>\$ 1,338,776</u>	<u>\$ 990,567</u>	<u>\$ 4,760,253</u>	<u>\$ 2,714,302</u>

Transfers are used to: 1) partially fund operations of Internal Service Funds and Special Revenue Funds; and 2) 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.

D. Capital Assets

Primary Government

Capital-asset activity for the year ended September 30, 2017, which related solely to governmental activities, was as follows:

	Beginning Balance, 10/1/2016	Additions	Deletions	Ending Balance, 9/30/2017
Governmental Activities -				
Capital Assets Not Being Depreciated:				
Land	\$ 34,028,357	\$ 335,595	\$ (750)	\$ 34,363,202
Construction in Progress	10,663,844	11,170,720	(10,136,219)	11,698,345
Total Capital Assets Not Being Depreciated	44,692,201	11,506,315	(10,136,969)	46,061,547
Capital Assets Being Depreciated:				
Buildings and Improvements	241,447,262	896,925	(146,167)	242,198,020
Improvements Other Than Buildings	11,807,656	4,981,378	(11,119)	16,777,915
Machinery and Equipment	47,455,280	3,684,677	(2,123,777)	49,016,180
Infrastructure	161,024,757	4,761,712	-	165,786,469
Total Capital Assets Being Depreciated	461,734,955	14,324,692	(2,281,063)	473,778,584
Less Accumulated Depreciation for:				
Buildings and Improvements	(110,648,720)	(8,957,477)	120,718	(119,485,479)
Improvements Other Than Buildings	(2,005,411)	(691,132)	5,837	(2,690,706)
Machinery and Equipment	(33,019,215)	(3,918,446)	1,975,765	(34,961,896)
Infrastructure	(98,185,487)	(3,070,355)	-	(101,255,842)
Total Accumulated Depreciation	(243,858,833)	(16,637,410)	2,102,320	(258,393,923)
Total Capital Assets Being Depreciated, Net	217,876,122	(2,312,718)	(178,743)	215,384,661
Governmental Activities Capital Assets, Net	\$ 262,568,323	\$ 9,193,597	\$(10,315,712)	\$ 261,446,208

Depreciation expense for the primary government for the year ended September 30, 2017, which is related solely to governmental activities, was charged to functions/programs as follows:

	2017	2016
General Government	\$ 7,022,073	\$ 6,851,233
Public Safety	6,688,890	6,620,168
Roads, Bridges, and Rights-of-Way	1,771,419	1,746,840
Health and Social Services	136,717	124,104
Culture and Recreation	937,514	679,932
Conservation	80,797	81,998
Total Depreciation Expense	\$ 16,637,410	\$ 16,104,275

Capital projects of the primary government in progress at September 30, 2017, included building construction and renovations, park improvements, infrastructure improvements and software upgrades.

At that date, construction commitments with contractors comprised the following:

Project	Amount		Remaining Commitment
	Authorized	Spent to Date	
Rollover Pass	\$ 3,460,280	\$ 2,042,797	\$ 1,417,483
I-45/Santa Fe ROW Acquisition	390,750	159,942	230,808
High Island Emergency Shelter	4,251,550	4,181,112	70,438
Community Center, Bayside Regional Park	2,025,294	1,858,968	166,326
Bayside Regional Park (former 64 Acre/Spillway Park)	2,223,842	482,016	1,741,826
Bolivar Culverts	1,271,900	6,800	1,265,100
San Leon Roads	3,190,526	954,775	2,235,751
ADA Compliance Project 2016 (former Walkway Access)	265,352	162,116	103,236
Pocket Park#2 Improvements	261,401	233,756	27,645
Intellidact, Court Redaction Software	225,000	93,506	131,494
Pelican Island Bridge	2,045,000	1,100,818	944,182
Data to Image Mapping	40,000	11,000	29,000
Bayside Regional Park Access Rd	357,652	314,509	43,143
Odyssey Modules	100,000	3,270	96,730
Gum Bayou Channel Project	215,488	19,000	196,488
Time and Attendance Software	185,000	73,960	111,040
Total	\$ 20,509,035	\$ 11,698,345	\$ 8,810,689

The projects listed above are funded as follows:

Long-term Borrowings

- Community Center, Bayside Regional Park
- Bayside Regional Park (former 64 Acre/Spillway Park)
- Bayside Regional Park Access Rd

Grants

- I-45/Santa Fe ROW Acquisition
- High Island Emergency Shelter
- Bolivar Culverts
- San Leon Roads
- Pocket Park#2 Improvements
- Gum Bayou Channel Project

County Operating Funds

- Rollover Pass
- ADA Compliance Project 2016 (former Walkway Access)
- Intellidact, Court Redaction Software
- Pelican Island Bridge
- Data to Image Mapping
- Odyssey Modules
- Time and Attendance Software

E. Leases

Operating Leases

Late in fiscal year 2013, the county entered into a five-year agreement with Xerox Corporation extending from September 2, 2013, through September 1, 2018, to lease photocopiers. The agreement includes a fixed minimum monthly fee for a specified maximum number of copies, plus an additional charge for copies in excess of that maximum. For the fiscal year ended September 30, 2017, the average monthly photocopier expense was \$32,721, for a total of \$392,649. Similar monthly and annual expenses are expected for each remaining year of the agreement.

In addition to leasing office equipment, the County also has agreements with outside parties as both a lessor and lessee.

As lessor, the county has a number of non-cancelable operating leases with rentals in aggregate of \$1,904,059 for the year ended September 30, 2017. Buildings with lease arrangements (in whole or a portion thereof) are carried at a cost of \$49,842,225 with accumulated depreciation of \$12,628,933. Future minimum rental revenues applicable to the operating leases are as follows:

<u>Fiscal Year</u>	<u>Contractual Future Rental Revenues</u>
2018	\$ 1,948,699
2019	1,911,697
2020	1,899,763
2021	1,899,763
2022	1,899,763
Total	<u>\$ 9,559,685</u>

As lessee, the county rents office space under operating leases that expire over periods of up to six years. Most of the leases are non-cancelable and renewal options are available. The aggregate total of these lease obligations is \$556,564 for the year ended September 30, 2017.

Future minimum rental payments applicable to the operating leases are as follows:

<u>Fiscal Year</u>	<u>Contractual Future Rental Obligations</u>
2018	\$ 556,564
2019	480,372
2020	425,949
2021	425,949
2022	425,949
Total	<u>\$ 2,314,783</u>

F. Long-term Debt

General Obligation Debt

Bonded Debt -

The county issues bonded debt:

- to provide funds for the acquisition and/or construction of capital assets, 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. Bonded debt currently outstanding and presented in the financial statements consists only of general-obligation bonds issued after voter approval at general election, although in the past the county has also issued certificates of obligation at the majority will of Commissioners Court, as allowed by the *Certificate of Obligations Act*.

Per requirements of its bond indentures, the county accumulates resources to pay principal and interest from a debt service fund used solely for that purpose. Bond indentures also prescribe various other restrictions related to the obligations, with which the county believes it is in compliance.

Generally, the county's debt-service payments are funded by ad-valorem tax revenues. An exception to this funding norm is the case of the bonds which the county issued in fiscal year 2007 to provide monies to expand 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 a large portion of the related debt service. The original bonds issued were Pass-Through Toll Revenue and Limited Tax Bonds Series 2007; these were partially advance-refunded in March 2012 by the issuance of \$40,910,000 of Pass-Through Toll Revenue and Limited Tax Refunding Bonds Series 2012.

Although funded primarily by tax revenues, interest on the debt service on three other bond series is significantly subsidized by the federal government through the Build America Bonds ("BABs") Program. In September 2009 the county issued approximately \$129.2 million of BABs to finance facilities, road, and flood control capital projects. At the time of issuance, the county expected to receive semiannual subsidies equal to the nominal 35% of the interest it pays on the bonds. However, due to continuing federal budget reductions first triggered on March 1, 2013, this 35% rebate was decreased to 31.96% of the county's August 1, 2013 BABs interest payments, while the actual rebate percentages in fiscal years 2014, 2015, 2016 and 2017 equaled 32.48%, 32.45%, 32.62% and 32.69%, respectively.

The rebate percentage for future years' interest payments is not yet known. In the fiscal year ended September 30, 2017, the county received \$1,856,456 in such BABs subsidies.

Advanced Refunding -

On January 31, 2017, the county issued \$62,835,000 in Limited Tax Refunding Bonds Series 2017 with maturities dated from February 1, 2018 through February 1, 2028, at interest rates of 2.0% through 5.0%. The new obligations refunded all of the principal and interest remaining on the General Obligation Refunding Bonds Series 2007, which totaled \$92,350,787. The maturities of the refunded bonds extended from February 1, 2018, through February 1, 2028, at interest rates of 3.5% through 4.5%. The net proceeds of \$72,646,578 (including a \$9,811,578 premium) were deposited into an irrevocable trust with an escrow agent to provide funds for the future debt service payments on the refunded bonds. As a result, the General Obligation Refunding Bonds Series 2007 are considered defeased and the liability for those bonds has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$2,560,038. This amount is the unamortized discount for the refunded bond being netted against the new debt and amortized over the remaining life of the refunded debt. The General Obligations Refunding Bonds Series 2007 were advanced refunded to reduce the county's total debt service payments over twelve years by \$6,595,445 and to obtain an economic gain (difference between the net present values of the debt service payments on the old and new debt) of \$5,760,512.

Additionally, on December 28, 2017, as this report was being prepared, the county issued additional refunding and new debt totaling \$102,105,000, with \$10,582,624 in issuance premiums in three series. The three series are as follows:

- \$78,805,000 Unlimited Tax Road and Refunding Bonds, Series 2017, which will fund
 - \$51,360,000 refunding of Unlimited Tax Road Bonds Series 2009A
 - \$32,000,000 towards new capital projects
- \$14,465,000 Limited Tax Flood Control and Refunding Bonds, Series 2017, which will fund
 - \$9,215,000 refunding of Unlimited Tax Flood Control Bonds Series 2009C-2
 - \$6,000,000 towards new capital projects
- \$8,835,000 Limited Tax County Building Bonds, Series 2017A, which will fund
 - \$9,000,000 towards new capital projects

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	3.0% - 6.205%	\$ 118,821,295	\$ 56,947,303	\$ 61,873,992
Governmental Activities - Refunding	2.0% - 5.0%	<u>92,855,000</u>	<u>64,440,000</u>	<u>28,415,000</u>
Total General Obligation Bonds		<u>\$ 211,676,295</u>	<u>\$ 121,387,303</u>	<u>\$ 90,288,992</u>

Annual debt service requirements to maturity for general obligation bonds, all issued for governmental activities, are as follows:

Year Ending September 30,	Principal ⁽¹⁾	Interest ⁽¹⁾
2018	\$ 17,532,087	\$ 13,686,556
2019	17,920,488	13,310,317
2020	18,359,273	12,827,654
2021	18,895,965	12,227,504
2022	19,436,822	11,575,919
2023	15,726,620	10,964,208
2024	15,255,405	10,399,389
2025	15,315,544	9,819,288
2026	15,919,091	9,201,013
2027	22,465,000	2,596,622
2028	23,740,000	1,329,464
2029	11,110,000	339,115
Total	<u>\$ 211,676,295</u>	<u>\$ 108,277,050</u>

(1) Columns may not foot due to rounding.

Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2017, was as follows:

	Beginning Balance, <u>10/1/2016</u>	<u>Additions</u>	<u>Reductions</u>	Ending Balance, <u>9/30/2017</u>	<u>Due Within One Year</u>
Bonds Payable:					
General Obligation Bonds	\$ 238,628,434	\$ 62,835,000	\$ 89,787,139	\$ 211,676,295	\$ 17,532,088
Accumulated Accretion	30,980,830	2,884,622	3,872,862	29,992,590	4,097,913
Issuance Premiums (Discounts)	<u>1,290,837</u>	<u>12,371,616</u>	<u>978,387</u>	<u>12,684,066</u>	<u>-</u>
Total Bonds Payable	270,900,101	78,091,238	94,638,388	254,352,951	21,630,001
Compensated Absences	4,869,488	1,126,160	466,119	5,529,529	742,716
Tax Settlement	-	3,400,617	-	3,400,617	1,133,539
Net Pension Liability	31,573,018	9,176,591	6,881,345	33,868,264	-
Net OPEB Obligation	<u>67,066,615</u>	<u>15,674,063</u>	<u>6,851,026</u>	<u>75,889,652</u>	<u>-</u>
Governmental Activity					
Total Long-term Liabilities	<u>\$ 374,409,222</u>	<u>\$ 107,468,669</u>	<u>\$ 108,836,878</u>	<u>\$ 373,041,013</u>	<u>\$ 23,506,256</u>

A compensated absences payable of \$2,051 is reflected as a current liability in the Governmental Funds Balance Sheet. The payment was due and payable by September 30, 2017. Liabilities for compensated absences are generally liquidated by the non-grant funds that bear the related employees' payroll costs prior to their termination, and by the General Fund in the case of grants which do not pay for benefits or

to the extent the other funds lack sufficient monies. The net OPEB obligation is typically liquidated by the General Fund.

G. Deferred Inflows of Resources

Governmental Funds report *deferred inflows* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

At September 30, 2017, the various components of unavailable revenues reported in the Governmental Funds were as follows (with summary comparative amounts at September 30, 2016):

	Delinquent Property Tax Receivable	Delinquent Court Collections	Total 2017	Total 2016
Major Funds:				
General Fund	\$ 8,093,137	\$ 2,858,191	\$10,951,328	\$ 9,549,000
Road and Bridge	127,914	-	127,914	128,152
Debt Service Fund	1,625,799	-	1,625,799	1,624,703
Nonmajor Governmental Funds	<u>248,350</u>	<u>-</u>	<u>248,350</u>	<u>251,635</u>
Total Deferred Inflows	<u>\$10,095,200</u>	<u>\$ 2,858,191</u>	<u>\$12,953,391</u>	<u>\$ 11,553,490</u>

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 strives to identify, evaluate and manage risk in order to minimize liability exposure and accidental damage to, and loss of, human resources and property. Claim settlements in the last three years have not exceeded coverage.

The county accounts for various risk-management transactions in the Self-Insurance Reserve Fund. These transactions include the purchase of insurance coverage for damage or loss related to property, professional liability (i.e., public officials’ bonds), crime and fidelity. The county self-insures for general and vehicular liability, and for liability resulting from certain claims for property damage. Non-litigated claims are expensed on a “pay-as-you-go” basis. Potential liability arising from the operation of a motorized vehicle is evaluated in accordance with the Texas Tort Claims Act. The Legal Department handles claims involving litigation. The county:

- Self-insures for vehicular damage claims.
- Purchases “all other perils” insurance from Great American Insurance for its facilities, currently for \$279,784,640 in coverage, with an annual premium of \$170,185 and a deductible of \$50,000.
- Purchases windstorm and hail insurance from the Texas Windstorm Insurance Association for forty-nine properties. The insured value is \$98,329,481; the annual premium for the most recent policy year was \$964,073, and the deductible is 5% of the insured value of the building(s) damaged.

- Purchases flood insurance from Wright National Flood Insurance for forty-nine properties with a total insured value of \$27,872,000, for an annual premium of \$216,174, and with deductibles of \$5,000 per building and (if included) \$5,000 contents per building.
- Purchases employee crime and fidelity insurance from Hartfield Insurance Group with a limit of \$1,000,000, an annual premium of \$6,311 and a deductible of \$150,000.

The county self-insures for group health and workers' compensation insurance claims, accounting for this activity in the Employee Benefits and Workers' Compensation Internal Service Funds, respectively. Various county departments participate in these funds' expenses based upon estimates of amounts needed to pay prior and current year claims. The claims liabilities in the Employee Benefits and Workers' Compensation Funds at September 30, 2017, are reported in compliance with GASB Statement No. 10: *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* (GASB 10), as amended by GASB Statement No. 62: *Codification Of Accounting And Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB And AICPA Pronouncements* (GASB 62). GASB 10, as amended by GASB 62, requires 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 \$300,000 per employee and covered dependent, to a maximum of \$13,833,038 in aggregate claims. A stop-loss policy with Westport-SwissRe pays claims in excess of the individual \$300,000 limit. An additional stop-loss policy is in force for aggregate coverage through Aetna for claims in excess of the annual attachment point, up to a maximum of \$1,000,000.

The county's self-insurance coverage for workers' compensation claims provides medical and indemnification benefits for job-related injuries, as is required by law.

The GASB 10 (as amended by GASB 62) estimate of liability is based on county-specific experience of claims incurred but not reported ("IBNR"). Because the county accrues any known claims that have been incurred but not yet paid in the current fiscal year, the incurred claims amount will be the same as the claim payments. Liability activity during the past two fiscal years is as follows:

	Year Ended 09/30/2017	Year Ended 09/30/2016
Unpaid Claims, Beginning of Fiscal Year	\$ 1,330,645	\$ 1,330,645
Incurred (including IBNR) Claims	13,635,557	11,040,203
Claim Payments	<u>(13,635,557)</u>	<u>(11,040,203)</u>
Unpaid Claims, End of Fiscal Year	<u>\$ 1,330,645</u>	<u>\$ 1,330,645</u>

B. Defeasance of Debt

The county on occasion 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 along with the investment earnings thereon 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. At September 30, 2017, the county has no outstanding debt considered defeased,

because all advance-refunded maturities have been called. In the aggregate, refundings have resulted in a cumulative economic gain of \$13,556,984.

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 § 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
- 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, 2017, and Arbitrage Compliance Specialists has opined the county has no filing requirements or arbitrage rebate liability as of that date on any unexpended debt proceeds.

D. 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 county expects any such amounts to be immaterial.

The county becomes party to litigation and claims in the ordinary course of business. 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 they will not materially adversely affect the financial condition of the county.

E. 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 (“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 per provisions of Section 457 of the *Internal Revenue Code of 1986* as amended, through mandatory tax-deferred payroll deductions.

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.

Employees may not make optional deferred-compensation contributions to the Alternate Plan in addition to the mandatory payroll deductions, but they may do so into one or more other investment vehicles offered by the county.

Restricted deferred-compensation assets in the custody of third-party administrators at September 30, 2017, and 2016, consisted of the following:

	<u>2017</u>	<u>2016</u>
American United Life Accounts	\$ 85,670,534	\$ 82,660,857
Lincoln National Account	832,587	808,148
N.A.C.O. Account	<u>4,751,289</u>	<u>4,200,805</u>
	<u>\$ 91,254,410</u>	<u>\$ 87,669,810</u>

F. Employee Retirement System and Pension Plan

Plan Description

The county provides retirement, disability and death benefits for full-time employees through an agent, multiple-employer, defined-benefit plan. This plan is 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 735 counties and districts. 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 a minimum of eight years of service credit; or
- at any age after accumulating thirty years of service credit; or
- after the sum of their years of age and their years of service credit totals seventy-five or more.

Plan 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 the 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 plan, the interest earned thereon, and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the *Act*.

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 the employer, along with biweekly payroll deductions from the employee and the interest earned thereon.

For the fiscal year ended September 30, 2017, the employer contribution rate was 14%. However, due to forfeitures from separating, non-vested employees, the actual percentage rate paid by the county was 11.46%. The employee contribution rate for the period was 7%.

If a plan suffers an adverse experience, provisions of the *Act* allow the employer to contribute for twenty-five years at a fixed, increased rate determined actuarially by TCDRS, or to reduce the benefits earned in the future.

Actuarial Assumptions

Updated mortality assumptions were adopted in the actuarial valuation of December 31, 2016. All other actuarial assumptions that determined the total pension liability as of December 31, 2016, were based on the results of an actuarial experience study for the period January 1, 2009, through December 31, 2012, except where Governmental Accounting Standards Board Statement No. 68 required otherwise.

The following are the key assumptions and methods applied to this measurement period:

Valuation Date	December 31, 2016
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method:	
Smoothing Period	5 years
Recognition Method	Non-Asymptotic
Corridor	None
Inflation	3.0%
Salary Increases	3.5%
Investment Rate of Return	8.1%
Cost-of-Living Adjustments	Cost-of-living adjustments for Galveston County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in either the GASB calculations or the funding valuation.
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.

Discount Rate

The discount rate used to measure the total pension liability was 8.1%, unchanged from that of the previous year. The projection of cash flows used to determine this discount rate assumed that plan members and the employer contributed at the statutorily required rates. Based on that assumption, the pension plan's fiduciary net position was projected to be sufficient to make all future benefit payments to current members of the plan. Therefore, the long-term expected rate of return on pension-plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments is 8.00%, net of investment expenses, including inflation and was determined using a building-block method. Ranges of expected future real rates of return (expected returns, net of pension-plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the TCDRS target asset allocation as of December 31, 2016, are summarized below:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected Minus Inflation)
US Equities	Dow Jones U.S. Total Stock Market Index	13.50%	4.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	16.00%	7.70%
Global Equities	MSCI World (net) Index	1.50%	5.00%
International Equities - Developed	MSCI World Ex USA (net)	10.00%	4.70%
International Equities - Emerging	MSCI World Ex USA (net)	7.00%	5.70%
Investment-Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	0.60%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.70%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2.00%	3.83%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	10.00%	8.15%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	6.70%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	2.00%	3.85%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	5.60%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	6.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	20.00%	3.85%

Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2015	\$ 366,003,920	\$ 334,430,902	\$ 31,573,018
Changes for the year:			
Service cost	8,514,565	-	8,514,565
Interest on total pension liability	29,143,719	-	29,143,719
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(558,220)	-	(558,220)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(852,833)	(852,833)	-
Benefit payments	(20,317,968)	(20,317,968)	-
Administrative expenses	-	(268,351)	268,351
Member contributions	-	4,295,905	(4,295,905)
Net investment income	-	24,668,039	(24,668,039)
Employer contributions	-	6,879,586	(6,879,586)
Other	-	(770,360)	770,360
Balances as of December 31, 2016	<u>\$ 381,933,183</u>	<u>\$ 348,064,920</u>	<u>\$ 33,868,263</u>

Sensitivity of the County's Share of the Net Pension Liability

The following table presents the county's net pension liability/(asset) calculated using three different discount rates: at one percentage point lower than the current rate (7.1%), at the current rate (8.1%), and at one percentage point higher than the current rate (9.1%):

	At Current Discount Rate Minus 1%: 7.1%	At Current Discount Rate: 8.1%	At Current Discount Rate Plus 1%: 9.1%
Total pension liability	\$ 428,497,568	\$ 381,933,183	\$ 343,103,364
Fiduciary net position	<u>348,064,920</u>	<u>348,064,920</u>	<u>348,064,920</u>
Net pension liability/(asset)	<u>\$ 80,432,648</u>	<u>\$ 33,868,263</u>	<u>\$ (4,961,556)</u>

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

For the year ended September 30, 2017, the county recognized pension expense of \$14,294,985.

At September 30, 2017, the county reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 2,275,778	\$ -
Change of assumptions	-	1,905,904
Net difference between projected and actual earnings	-	19,613,569
Contributions made subsequent to measurement date	-	5,635,057
Total	<u>\$ 2,275,778</u>	<u>\$ 27,154,530</u>

The county reported \$5,635,057 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date. These will be recognized as a reduction of the net pension liability for the fiscal year ending September 30, 2018.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended September 30,</u>	<u>Amount</u>
2018	\$ 6,544,620
2019	6,544,620
2020	5,757,916
2021	396,539
Total	<u>\$ 19,243,695</u>

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

The county administers its own single-employer, defined-benefit OPEB plan for former employees who retired after qualifying to do so according to the requirements of the county’s pension plan (discussed in Note F, above). The plan offers life, major medical, prescription drug, dental and vision insurance. Texas Local Government Code §157.101 assigns to the Commissioners Court the authority to establish and amend the plan’s terms.

Plan activity is recorded in the Employee Benefits 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 third-party administrator for the county’s health plan present much data about retiree benefits discretely from that presented for active employees.

Texas Local Government Code §157.102 assigns to the 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 it adjusts them when it deems it necessary. The plan is currently financed on a pay-as-you-go basis, except for the expense of the premiums which purchase the paid-up life-insurance policies awarded to employees upon retirement.

Membership in the plan at September 30, 2017, comprised approximately 1,206 active members and 486 retirees. Of the 486 retirees, 141 were less than 65 years of age and 345 were age 65 or older. Retirees less than 65 years of age receive the same medical-insurance benefits as do active employees, but at age 65, when the retirees become Medicare-eligible, the coverage is reduced to a supplement.

At September 30, 2017, required monthly contributions were as follows:

	Non-Tobacco-Using Retirees Less Than 65 Years Of Age						County Contribution				
	Medical Plans (1)			Dental	Dental	Vision	Medical Plans (1)			Dental	Vision
	Option A	Option B	Option C	Low Plan	High Plan	Option A	Option B	Option C			
Retiree Only	\$89	\$205	\$42	\$25	\$37	\$6	\$545	\$545	\$545	\$0	\$0
Retiree and Spouse	236	355	187	50	74	17	545	545	545	0	0
Retiree and Child(ren)	189	331	125	50	74	14	545	545	545	0	0
Retiree and Family	320	504	257	76	113	22	545	545	545	0	0

	Tobacco-Using Retirees Less Than 65 Years Of Age						County Contribution				
	Medical Plans (2)			Dental	Dental	Vision	Medical Plans (2)			Dental	Vision
	Option D	Option E	Option F	Low Plan	High Plan	Option D	Option E	Option F			
Retiree Only	\$216	\$355	\$159	\$25	\$37	\$6	\$545	\$545	\$545	\$0	\$0
Retiree and Spouse	363	505	304	50	74	17	545	545	545	0	0
Retiree and Child(ren)	316	481	240	50	74	14	545	545	545	0	0
Retiree and Family	447	654	374	76	113	22	545	545	545	0	0

	Retirees 65 Years Of Age and Older						County Contribution					
	Medical Plans (3)				Dental	Vision	Medical Plans (3)				Dental	Vision
	Option G	Option H					Option G	Option H				
Retiree Only	\$0	\$25			\$25	\$6	\$179	\$179			\$0	\$0
Retiree and Spouse	110	135			50	17	179	179			0	0
Retiree and Child(ren)	127	244			50	14	179	179			0	0
Retiree and Family	195	220			76	22	179	179			0	0

	Non-HRA Retirees Less Than 65 Years Of Age						County Contribution				
	Medical Plans (4)			Dental	Dental	Vision	Medical Plans (2)			Dental	Vision
	Option I	Option J	Option K	Low Plan	High Plan		Option D	Option E	Option F		
Retiree Only	\$279	\$430	\$218	\$25	\$37	\$6	\$545	\$545	\$545	\$0	\$0
Retiree and Spouse	426	580	363	50	74	17	545	545	545	0	0
Retiree and Child(ren)	379	556	303	50	74	14	545	545	545	0	0
Retiree and Family	510	729	433	76	113	22	545	545	545	0	0

(1) Option A = under-65 "base" plan; Option B = under-65 "buy-up" plan; Option C = High-Deductible Health Plan ("HDHP")/Health Savings Account ("HSA").

(2) Option D = under-65 "base" plan; Option E = under-65 "buy-up" plan; Option F = High-Deductible Health Plan ("HDHP")/Health Savings Account ("HSA").

(3) Option G = 65-and-older plan without CareHere Clinic; Option H = 65-and-older plan with CareHere Clinic.

(4) Option I = Non-HRA: under-65 "base" plan; Option J = Non-HRA: under-65 "buy-up" plan; Option K = Non-HRA: High-Deductible Health Plan ("HDHP")/Health Savings Account ("HSA").

The components of the OPEB cost for the fiscal year ended September 30, 2017, are as follows:

Annual Required Contribution ("ARC")	\$ 15,573,704
Add: Interest on Net OPEB Obligation	2,749,731
Less: Adjustment to the ARC	<u>(2,649,372)</u>
Annual OPEB Cost (a)	15,674,063
Less: Estimated Net Employer Contributions (b)	<u>(6,851,026)</u>
Increase in Net OPEB Obligation	8,823,037
Net OPEB Obligation, Beginning of Year	<u>67,066,615</u>
Net OPEB Obligation, End of Year	<u><u>\$ 75,889,652</u></u>

The county's annual OPEB cost, the net estimated employer contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation at year-end, for the fiscal year ended September 30, 2017, and for the two preceding fiscal years, is as follows:

Fiscal Year Ended September 30,	Annual OPEB Cost (a)	Net Estimated Employer Contributions (b)	Percentage of Annual OPEB Cost Contributed (b/a)	Net OPEB Obligation, End of Year (c)
				[Pr. Yr. (c) + Cur. Yr. (a) - Cur. Yr. (b)]
2015	\$ 16,563,137	\$ 6,311,285	38.10	\$ 57,688,101
2016	15,206,426	5,827,912	38.33	67,066,615
2017	15,674,063	6,851,026	43.71	75,889,652

Data on the funded status of the plan at September 30, 2017, is as follows:

Actuarial Valuation Date - October 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liability ("AAL") (b)	Unfunded AAL ("UAAL") [=(b)-(a)] (c)	Funded Ratio [=(a)/(b)]	Annual Covered Payroll (d)	Ratio of UAAL to Annual Covered Payroll [=(b)-(a)/(d)]
2015	\$ 7,944,516	\$ 153,532,625	\$ 145,588,109	5.17%	\$ 57,112,219	254.92%

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, decreasing or remaining constant 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 in effect at 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 the county and actuary to 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 October 1, 2015, the "projected unit credit" actuarial cost method was used. Assets held by the plan, if any, will be valued actuarially at those assets' reported market values. The assumed inflation rate is 2.50% per year. The assumed investment rate of return is 4.10% per year, net of expenses. The actuarial calculations assumed no increase in postretirement benefits.

Salaries were assumed to increase by 3.00% per year due to general wage inflation. The assumed rates of increase for health-care costs are the following:

- for retirees less than age sixty-five, initial rate of 7.50%, declining to an ultimate rate of 5.00% after twelve years;
- for retirees sixty-five years of age and older, initial rate of 7.50%, declining to an ultimate rate of 4.25% after fifteen years

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

H. Claims and Judgments

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, the fulfillment of these expectations of TIRZ Number 12 development has lagged, and the timing of collections against the claim remains uncertain. The county has received four payments thus far: one of \$700,000 in August 2014, one of \$200,000 in December 2015, one of \$160,000 in September 2016, and one of \$255,000 in September 2017.

A large county ad valorem taxpayer filed lawsuits challenging the appraised value of the taxpayer's properties in Texas City, including a refinery, for tax years 2013 through 2016. The lawsuit concerning the 2013 tax year was tried before a jury, resulting in a judgment in favor of the taxpayer. The court of appeals reversed, and the taxpayer filed a petition for review in the Texas Supreme Court. After the Texas Supreme Court issued a ruling in favor of the taxpayer, Galveston County, the Appraisal District and other taxing entities settled four lawsuits filed by the taxpayer. The settlement agreement fixed the appraised value of the taxpayer's taxable properties to \$487,093,074 as of January 1, 2013; \$445,508,645 as of January 1, 2014; \$427,763,127 as of January 1, 2015 and \$435,934,800 as of January 1, 2016. Based on the agreed appraised values, the taxpayer is entitled to a refund from Galveston County in the amount of \$3,365,751.66 and Galveston County Road and Flood District in the amount of \$34,865.83. The settlement agreement allows Galveston County and Galveston County Road and Flood District to make the refund by three annual payments in the amount of \$1,121,917.22 and \$11,621.94, respectively, each payable on or before January 15, 2018, January 15, 2019 and January 15, 2020. The taxpayer released any claim for interest on the refunded amounts other than claims for interest arising out of any failure to timely pay the refunds according to the schedule described above.

Galveston County settled a lawsuit brought by a construction contractor concerning a claim for contract damages alleged to arise out of delays caused by the county. The county filed a motion challenging jurisdiction of the trial court based on claim of immunity from suit. The trial court denied the motion. The court of appeals affirmed in part and reversed in part. After the Texas Supreme Court denied a petition for review, the county and the contractor mediated the case resulting in a settlement in which the contractor released all claims in exchange for a payment of \$665,000.

Galveston County also settled a claim brought by the parents of an inmate in the Galveston County Jail who died while in custody. The plaintiffs alleged that the decedent died as a result of seizures allegedly caused by discontinuance of decedent's prescription benzodiazepine when he entered the jail to serve a 30 day sentence. Plaintiffs released all claims against the county, the Sheriff and several Sheriff Deputies in exchange for a payment of \$750,000. Inmate medical providers under contract with the county reached a separate settlement with the plaintiffs.

I. Prior-Period Adjustments

The Galveston County Adult Drug Court Program, a part of the Grant Funds, was previously considered a part of the Adult Probation program and, therefore, not included in the County's prior-year financial reporting. It was determined in the current fiscal year that this grant is funded to the county and should be reported, along with other grants of the county. Therefore, the following prior-period adjustment was recorded in the fiscal year ended September 30, 2017.

Government-Wide Net Assets

Beginning Net Position, as Previously Reported	\$ 68,546,075
Effect of Correction in Reporting of Galveston County Adult Drug Court Program	<u>96,222</u>
Beginning Net Position, as Restated	<u>\$ 68,642,297</u>

Other Governmental Funds Fund Balance

Beginning Fund Balance, as Previously Reported	\$ 127,785,217
Effect of Correction in Reporting of Galveston County Adult Drug Court Program	<u>96,222</u>
Beginning Fund Balance, as Restated	<u>\$ 127,881,439</u>

Required Supplementary Information

(Continued)

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	Original Budget	Final Budget	Actual	Variance, Actual from Final Budget Positive (Negative)	Prior Year Actual
REVENUES					
Taxes	\$ 111,106,245	\$ 111,106,245	\$ 116,026,502	\$ 4,920,257	\$ 106,823,182
Licenses and Permits	3,400	3,400	1,878	(1,522)	3,878
Intergovernmental	8,881,305	8,902,291	11,316,350	2,414,059	9,799,461
Charges for Services	6,987,200	6,987,200	7,359,571	372,371	7,698,487
Fines and Forfeitures	1,751,400	1,751,400	1,701,620	(49,780)	1,751,454
Investment Earnings	451,500	451,500	474,187	22,687	440,989
Miscellaneous	2,609,600	2,609,600	2,916,618	307,018	2,784,056
Total Revenues	<u>131,790,650</u>	<u>131,811,636</u>	<u>139,796,726</u>	<u>7,985,090</u>	<u>129,301,507</u>
EXPENDITURES					
General Government					
General Government					
Personal Services	7,072,043	6,669,676	5,769,592	900,084	6,136,991
Supplies	27,900	27,900	563	27,337	5,857
Other Services and Charges	2,710,479	2,879,044	2,222,117	656,927	1,986,482
Total General Government	<u>9,810,422</u>	<u>9,576,620</u>	<u>7,992,272</u>	<u>1,584,348</u>	<u>8,129,330</u>
County Judge					
Personal Services	434,372	434,372	431,689	2,683	414,284
Supplies	4,600	4,600	3,774	826	3,321
Other Services and Charges	5,000	5,000	1,108	3,892	13,455
Total County Judge	<u>443,972</u>	<u>443,972</u>	<u>436,571</u>	<u>7,401</u>	<u>431,060</u>
Commissioners Court					
Personal Services	840,304	840,304	782,717	57,587	723,810
Supplies	4,100	4,100	808	3,292	1,358
Other Services and Charges	4,900	4,900	621	4,279	48,000
Total Commissioners Court	<u>849,304</u>	<u>849,304</u>	<u>784,146</u>	<u>65,158</u>	<u>773,168</u>
County Clerk					
Personal Services	3,061,063	3,099,970	2,965,027	134,943	3,100,212
Supplies	44,000	44,000	29,868	14,132	51,478
Other Services and Charges	755,653	755,653	697,499	58,154	1,011,994
Total County Clerk	<u>3,860,716</u>	<u>3,899,623</u>	<u>3,692,394</u>	<u>207,229</u>	<u>4,163,684</u>
Veterans Services					
Personal Services	160,897	160,897	151,468	9,429	146,661
Supplies	2,100	2,100	1,006	1,094	1,197
Other Services and Charges	4,500	4,500	2,020	2,480	-
Total Veterans Services	<u>167,497</u>	<u>167,497</u>	<u>154,494</u>	<u>13,003</u>	<u>147,858</u>
Veterans Treatment Court Program					
Supplies	3,000	3,000	417	2,583	1,518
Other Services and Charges	27,000	27,000	400	26,600	22,214
Total Veterans Treatment Court Program	<u>30,000</u>	<u>30,000</u>	<u>817</u>	<u>29,183</u>	<u>23,732</u>

(Continued)

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	Original Budget	Final Budget	Actual	Variance, Actual from Final Budget Positive (Negative)	Prior Year Actual
Economic Development Office					
Personal Services	240,659	240,659	202,884	37,775	202,314
Supplies	2,600	2,600	567	2,033	1,325
Other Services and Charges	<u>134,900</u>	<u>200,900</u>	<u>105,265</u>	<u>95,635</u>	<u>78,049</u>
Total Economic Development Office	<u>378,159</u>	<u>444,159</u>	<u>308,716</u>	<u>135,443</u>	<u>281,688</u>
10th District Court					
Personal Services	193,582	193,582	187,015	6,567	183,191
Supplies	1,500	1,500	394	1,106	522
Other Services and Charges	<u>2,870</u>	<u>2,870</u>	<u>560</u>	<u>2,310</u>	<u>1,885</u>
Total 10th District Court	<u>197,952</u>	<u>197,952</u>	<u>187,969</u>	<u>9,983</u>	<u>185,598</u>
56th District Court					
Personal Services	196,480	196,480	196,449	31	172,630
Supplies	1,500	1,500	508	992	1,055
Other Services and Charges	<u>2,700</u>	<u>2,700</u>	<u>270</u>	<u>2,430</u>	<u>265</u>
Total 56th District Court	<u>200,680</u>	<u>200,680</u>	<u>197,227</u>	<u>3,453</u>	<u>173,950</u>
122nd District Court					
Personal Services	191,775	191,775	188,671	3,104	198,041
Supplies	1,500	1,500	577	923	667
Other Services and Charges	<u>2,870</u>	<u>2,870</u>	<u>1,285</u>	<u>1,585</u>	<u>265</u>
Total 122nd District Court	<u>196,145</u>	<u>196,145</u>	<u>190,533</u>	<u>5,612</u>	<u>198,973</u>
212th District Court					
Personal Services	193,582	193,582	177,919	15,663	181,889
Supplies	1,500	2,600	1,974	626	894
Other Services and Charges	<u>1,925</u>	<u>2,235</u>	<u>2,155</u>	<u>80</u>	<u>1,811</u>
Total 212th District Court	<u>197,007</u>	<u>198,417</u>	<u>182,048</u>	<u>16,369</u>	<u>184,594</u>
306th District Court					
Personal Services	224,543	224,543	217,949	6,594	213,454
Supplies	1,500	2,000	1,403	597	1,422
Other Services and Charges	<u>3,475</u>	<u>3,475</u>	<u>490</u>	<u>2,985</u>	<u>1,275</u>
Total 306th District Court	<u>229,518</u>	<u>230,018</u>	<u>219,842</u>	<u>10,176</u>	<u>216,151</u>
405th District Court					
Personal Services	211,457	211,457	190,643	20,814	199,269
Supplies	1,500	2,475	784	1,691	976
Other Services and Charges	<u>4,593</u>	<u>4,593</u>	<u>270</u>	<u>4,323</u>	<u>330</u>
Total 405th District Court	<u>217,550</u>	<u>218,525</u>	<u>191,697</u>	<u>26,828</u>	<u>200,575</u>
Court Administration Office					
Personal Services	355,296	511,259	380,787	130,472	287,421
Supplies	13,000	13,000	12,598	402	11,531
Other Services and Charges	<u>3,467,500</u>	<u>3,509,500</u>	<u>3,124,127</u>	<u>385,373</u>	<u>3,289,550</u>
Total Court Administration Office	<u>3,835,796</u>	<u>4,033,759</u>	<u>3,517,512</u>	<u>516,247</u>	<u>3,588,502</u>

(Continued)

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	Original Budget	Final Budget	Actual	Variance, Actual from Final Budget Positive (Negative)	Prior Year Actual
County Court #1					
Personal Services	415,175	415,175	415,073	102	410,287
Supplies	1,500	1,500	341	1,159	707
Other Services and Charges	<u>2,503</u>	<u>2,503</u>	<u>1,651</u>	<u>852</u>	<u>1,129</u>
Total County Court #1	<u>419,178</u>	<u>419,178</u>	<u>417,065</u>	<u>2,113</u>	<u>412,123</u>
County Court #2					
Personal Services	404,816	404,816	397,352	7,464	401,136
Supplies	1,500	1,724	716	1,008	258
Other Services and Charges	<u>2,600</u>	<u>2,600</u>	<u>384</u>	<u>2,216</u>	<u>1,830</u>
Total County Court #2	<u>408,916</u>	<u>409,140</u>	<u>398,452</u>	<u>10,688</u>	<u>403,224</u>
County Court #3					
Personal Services	397,300	398,880	398,880	-	381,881
Supplies	1,500	1,500	1,199	301	372
Other Services and Charges	<u>3,450</u>	<u>1,870</u>	<u>1,124</u>	<u>746</u>	<u>2,638</u>
Total County Court #3	<u>402,250</u>	<u>402,250</u>	<u>401,203</u>	<u>1,047</u>	<u>384,891</u>
Probate Court					
Personal Services	571,650	574,687	574,437	250	561,034
Supplies	3,600	3,600	3,600	-	3,597
Other Services and Charges	<u>129,850</u>	<u>130,328</u>	<u>128,748</u>	<u>1,580</u>	<u>97,215</u>
Total Probate Court	<u>705,100</u>	<u>708,615</u>	<u>706,785</u>	<u>1,830</u>	<u>661,846</u>
Justice Court Precinct #1					
Personal Services	427,260	427,260	408,635	18,625	396,961
Supplies	8,925	8,925	7,611	1,314	9,448
Other Services and Charges	<u>5,700</u>	<u>5,700</u>	<u>2,519</u>	<u>3,181</u>	<u>2,053</u>
Total Justice Court Precinct #1	<u>441,885</u>	<u>441,885</u>	<u>418,765</u>	<u>23,120</u>	<u>408,462</u>
Justice Court Precinct #2					
Personal Services	432,272	434,125	429,424	4,701	383,932
Supplies	9,000	11,500	11,156	344	7,624
Other Services and Charges	<u>5,700</u>	<u>5,700</u>	<u>5,467</u>	<u>233</u>	<u>4,064</u>
Total Justice Court Precinct #2	<u>446,972</u>	<u>451,325</u>	<u>446,047</u>	<u>5,278</u>	<u>395,620</u>
Justice Court Precinct #3					
Personal Services	495,070	495,070	491,865	3,205	458,754
Supplies	12,000	12,000	6,514	5,486	9,158
Other Services and Charges	<u>5,296</u>	<u>5,296</u>	<u>5,104</u>	<u>192</u>	<u>6,320</u>
Total Justice Court Precinct #3	<u>512,366</u>	<u>512,366</u>	<u>503,483</u>	<u>8,883</u>	<u>474,232</u>
Justice Court Precinct #4					
Personal Services	417,606	419,459	416,508	2,951	383,042
Supplies	7,125	7,125	4,872	2,253	5,846
Other Services and Charges	<u>5,720</u>	<u>5,720</u>	<u>4,163</u>	<u>1,557</u>	<u>521</u>
Total Justice Court Precinct #4	<u>430,451</u>	<u>432,304</u>	<u>425,543</u>	<u>6,761</u>	<u>389,409</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	Original Budget	Final Budget	Actual	Variance, Actual from Final Budget Positive (Negative)	Prior Year Actual
District Clerk					
Personal Services	2,893,606	2,921,921	2,921,920	1	2,839,505
Supplies	104,935	123,690	104,172	19,518	81,854
Other Services and Charges	550,955	522,640	348,662	173,978	410,441
Total District Clerk	<u>3,549,496</u>	<u>3,568,251</u>	<u>3,374,754</u>	<u>193,497</u>	<u>3,331,800</u>
District Attorney					
Personal Services	6,083,587	6,126,907	6,104,944	21,963	5,816,922
Supplies	91,274	118,535	56,938	61,597	69,863
Other Services and Charges	293,275	316,275	147,111	169,164	144,097
Total District Attorney	<u>6,468,136</u>	<u>6,561,717</u>	<u>6,308,993</u>	<u>252,724</u>	<u>6,030,882</u>
Collections Office					
Personal Services	391,231	383,539	350,812	32,727	377,919
Supplies	7,500	7,500	5,270	2,230	3,987
Other Services and Charges	16,000	6,000	967	5,033	-
Total Collections Office	<u>414,731</u>	<u>397,039</u>	<u>357,049</u>	<u>39,990</u>	<u>381,906</u>
Personal Bond Office					
Personal Services	188,144	188,144	177,788	10,356	161,672
Supplies	3,500	3,500	456	3,044	2,377
Other Services and Charges	-	2,500	699	1,801	497
Total Personal Bond Office	<u>191,644</u>	<u>194,144</u>	<u>178,943</u>	<u>15,201</u>	<u>164,546</u>
County Auditor					
Personal Services	2,420,348	2,420,654	2,356,580	64,074	2,242,230
Supplies	11,121	11,121	4,812	6,309	5,802
Other Services and Charges	50,620	50,620	44,602	6,018	43,227
Total County Auditor	<u>2,482,089</u>	<u>2,482,395</u>	<u>2,405,994</u>	<u>76,401</u>	<u>2,291,259</u>
Professional Services					
Personal Services	726,425	730,635	646,525	84,110	556,658
Supplies	3,500	3,500	1,879	1,621	2,482
Other Services and Charges	110,000	110,000	13,105	96,895	6,214
Total Professional Services	<u>839,925</u>	<u>844,135</u>	<u>661,509</u>	<u>182,626</u>	<u>565,354</u>
County Tax Assessor-Collector					
Personal Services	2,602,976	2,691,996	2,681,142	10,854	2,597,887
Supplies	30,713	30,713	28,880	1,833	26,657
Other Services and Charges	60,550	60,550	53,364	7,186	35,886
Total County Tax Assessor-Collector	<u>2,694,239</u>	<u>2,783,259</u>	<u>2,763,386</u>	<u>19,873</u>	<u>2,660,430</u>
County Treasurer					
Personal Services	608,798	608,798	584,106	24,692	517,704
Supplies	20,000	20,000	7,642	12,358	8,804
Other Services and Charges	34,000	34,000	17,873	16,127	17,633
Total County Treasurer	<u>662,798</u>	<u>662,798</u>	<u>609,621</u>	<u>53,177</u>	<u>544,141</u>

(Continued)

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance, Actual from Final Budget Positive (Negative)</u>	<u>Prior Year Actual</u>
Purchasing Agent					
Personal Services	600,647	600,647	600,272	375	570,914
Supplies	5,386	8,386	5,088	3,298	3,326
Other Services and Charges	<u>26,595</u>	<u>23,595</u>	<u>18,967</u>	<u>4,628</u>	<u>12,638</u>
Total Purchasing Agent	<u>632,628</u>	<u>632,628</u>	<u>624,327</u>	<u>8,301</u>	<u>586,878</u>
Legal Department					
Personal Services	971,752	971,752	891,714	80,038	843,435
Supplies	12,300	12,300	9,049	3,251	7,194
Other Services and Charges	<u>541,500</u>	<u>541,500</u>	<u>348,877</u>	<u>192,623</u>	<u>1,020,405</u>
Total Legal Department	<u>1,525,552</u>	<u>1,525,552</u>	<u>1,249,640</u>	<u>275,912</u>	<u>1,871,034</u>
Human Resources					
Personal Services	474,954	474,954	316,391	158,563	444,418
Supplies	12,540	12,540	2,121	10,419	4,947
Other Services and Charges	<u>109,300</u>	<u>111,370</u>	<u>56,692</u>	<u>54,678</u>	<u>138,778</u>
Total Human Resources	<u>596,794</u>	<u>598,864</u>	<u>375,204</u>	<u>223,660</u>	<u>588,143</u>
Information Technology					
Personal Services	3,192,399	3,223,033	3,183,176	39,857	3,129,427
Supplies	631,223	689,840	526,111	163,729	683,354
Other Services and Charges	<u>4,156,610</u>	<u>4,128,764</u>	<u>3,157,888</u>	<u>970,876</u>	<u>2,754,450</u>
Total Information Technology	<u>7,980,232</u>	<u>8,041,637</u>	<u>6,867,175</u>	<u>1,174,462</u>	<u>6,567,231</u>
Facilities Services					
Personal Services	1,139,881	1,174,881	1,070,781	104,100	1,129,027
Supplies	318,500	332,444	309,334	23,110	340,412
Other Services and Charges	<u>5,893,500</u>	<u>5,947,698</u>	<u>4,885,926</u>	<u>1,061,772</u>	<u>5,072,179</u>
Total Facilities Services	<u>7,351,881</u>	<u>7,455,023</u>	<u>6,266,041</u>	<u>1,188,982</u>	<u>6,541,618</u>
County Architect					
Personal Services	130,301	130,301	119,913	10,388	127,453
Other Services and Charges	<u>2,000</u>	<u>2,000</u>	<u>732</u>	<u>1,268</u>	<u>68,716</u>
Total County Architect	<u>132,301</u>	<u>132,301</u>	<u>120,645</u>	<u>11,656</u>	<u>196,169</u>
Fleet Management					
Personal Services	747,631	747,631	745,001	2,630	689,357
Supplies	616,112	601,462	434,653	166,809	454,001
Other Services and Charges	<u>307,600</u>	<u>337,600</u>	<u>195,135</u>	<u>142,465</u>	<u>228,434</u>
Total Fleet Management	<u>1,671,343</u>	<u>1,686,693</u>	<u>1,374,789</u>	<u>311,904</u>	<u>1,371,792</u>
County Engineer					
Personal Services	600,442	544,283	527,556	16,727	501,318
Supplies	11,050	11,050	6,027	5,023	3,492
Other Services and Charges	<u>70,950</u>	<u>123,450</u>	<u>62,786</u>	<u>60,664</u>	<u>18,251</u>
Total County Engineer	<u>682,442</u>	<u>678,783</u>	<u>596,369</u>	<u>82,414</u>	<u>523,061</u>
Total General Government	<u>62,258,067</u>	<u>62,708,953</u>	<u>55,908,020</u>	<u>6,800,933</u>	<u>56,444,914</u>

(Continued)

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	Original Budget	Final Budget	Actual	Variance, Actual from Final Budget Positive (Negative)	Prior Year Actual
Public Safety					
Sheriff's Office					
Personal Services	32,334,640	34,205,182	32,788,265	1,416,917	30,886,712
Supplies	554,400	588,880	479,545	109,335	657,460
Other Services and Charges	5,376,854	6,113,787	6,004,157	109,630	5,715,408
Total Sheriff's Office	<u>38,265,894</u>	<u>40,907,849</u>	<u>39,271,967</u>	<u>1,635,882</u>	<u>37,259,580</u>
Constable Precinct #2B (Previously #1)					
Personal Services	27,493	27,493	27,398	95	201,612
Supplies	375	175	-	175	1,638
Other Services and Charges	-	-	-	-	15,739
Total Constable Precinct #2B (Previously #1)	<u>27,868</u>	<u>27,668</u>	<u>27,398</u>	<u>270</u>	<u>218,989</u>
Constable Precinct #3B (Previously #2)					
Personal Services	27,184	27,184	27,175	9	152,902
Supplies	375	375	-	375	967
Other Services and Charges	-	-	-	-	14,041
Total Constable Precinct #3B (Previously #2)	<u>27,559</u>	<u>27,559</u>	<u>27,175</u>	<u>384</u>	<u>167,910</u>
Constable Precinct #3 (Previously #3)					
Personal Services	603,641	662,555	593,145	69,410	394,979
Supplies	10,680	15,180	14,251	929	4,106
Other Services and Charges	5,000	5,000	2,154	2,846	17,457
Total Constable Precinct #3 (Previously #3)	<u>619,321</u>	<u>682,735</u>	<u>609,550</u>	<u>73,185</u>	<u>416,542</u>
Constable Precinct #2 (Previously #4)					
Personal Services	547,454	587,155	494,881	92,274	197,147
Supplies	7,519	7,519	5,980	1,539	1,574
Other Services and Charges	3,867	3,867	1,914	1,953	17,524
Total Constable Precinct #2 (Previously #4)	<u>558,840</u>	<u>598,541</u>	<u>502,775</u>	<u>95,766</u>	<u>216,245</u>
Constable Precinct #1B (Previously #5)					
Personal Services	27,493	28,002	28,002	-	212,831
Supplies	375	66	-	66	724
Other Services and Charges	-	-	-	-	14,267
Total Constable Precinct #1B (Previously #5)	<u>27,868</u>	<u>28,068</u>	<u>28,002</u>	<u>66</u>	<u>227,822</u>
Constable Precinct #3C (Previously #6)					
Personal Services	-	-	-	-	54,119
Other Services and Charges	-	-	-	-	4,794
Total Constable Precinct #3C (Previously #6)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,913</u>
Constable Precinct #1 (Previously #7)					
Personal Services	522,750	583,039	577,415	5,624	389,270
Supplies	8,000	8,000	7,152	848	3,797
Other Services and Charges	1,800	1,800	1,633	167	14,265
Total Constable Precinct #1 (Previously #7)	<u>532,550</u>	<u>592,839</u>	<u>586,200</u>	<u>6,639</u>	<u>407,332</u>

(Continued)

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance, Actual from Final Budget Positive (Negative)</u>	<u>Prior Year Actual</u>
Constable Precinct #4 (Previously #8)					
Personal Services	521,799	618,283	611,567	6,716	468,155
Supplies	8,795	8,795	7,351	1,444	2,406
Other Services and Charges	1,775	1,775	1,577	198	18,134
Total Constable Precinct #4 (Previously #8)	<u>532,369</u>	<u>628,853</u>	<u>620,495</u>	<u>8,358</u>	<u>488,695</u>
Drug Court Program					
Personal Services	-	1,391	1,391	-	-
Other Services and Charges	-	35,009	24,278	10,731	-
Total Drug Court Program	<u>-</u>	<u>36,400</u>	<u>25,669</u>	<u>10,731</u>	<u>-</u>
Juvenile Justice					
Personal Services	3,389,502	3,389,542	3,322,321	67,221	3,382,257
Supplies	83,780	104,766	77,107	27,659	71,528
Other Services and Charges	1,214,073	1,214,033	960,509	253,524	946,769
Total Juvenile Justice	<u>4,687,355</u>	<u>4,708,341</u>	<u>4,359,937</u>	<u>348,404</u>	<u>4,400,554</u>
Emergency Management					
Personal Services	413,057	340,556	326,964	13,592	399,976
Supplies	37,657	39,968	28,234	11,734	17,498
Other Services and Charges	727,730	503,804	461,717	42,087	607,164
Total Emergency Management	<u>1,178,444</u>	<u>884,328</u>	<u>816,915</u>	<u>67,413</u>	<u>1,024,638</u>
Nuisance Abatement					
Personal Services	-	136,109	67,816	68,293	-
Supplies	-	5,749	1,587	4,162	-
Other Services and Charges	-	216,500	79,994	136,506	-
Total Nuisance Abatement	<u>-</u>	<u>358,358</u>	<u>149,397</u>	<u>208,961</u>	<u>-</u>
Total Public Safety	<u>46,458,068</u>	<u>49,481,539</u>	<u>47,025,480</u>	<u>2,456,059</u>	<u>44,887,220</u>
Health And Social Services					
Health Administration & Sanitation					
Other Services and Charges	7,085,904	7,085,904	7,081,813	4,091	7,305,075
Total Health Administration & Sanitation	<u>7,085,904</u>	<u>7,085,904</u>	<u>7,081,813</u>	<u>4,091</u>	<u>7,305,075</u>
Community Services					
Personal Services	229,509	229,509	212,560	16,949	248,240
Supplies	1,300	1,300	667	633	697
Other Services and Charges	5,932,558	6,644,527	5,778,126	866,401	4,668,826
Total Community Services	<u>6,163,367</u>	<u>6,875,336</u>	<u>5,991,353</u>	<u>883,983</u>	<u>4,917,763</u>
Child Welfare					
Personal Services	47,690	47,690	47,661	29	46,693
Supplies	61,500	61,500	29,772	31,728	45,910
Other Services and Charges	151,836	157,559	141,065	16,494	157,955
Total Child Welfare	<u>261,026</u>	<u>266,749</u>	<u>218,498</u>	<u>48,251</u>	<u>250,558</u>

(Continued)

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	Original Budget	Final Budget	Actual	Variance, Actual from Final Budget Positive (Negative)	Prior Year Actual
Senior Citizens					
Personal Services	350,909	352,741	332,279	20,462	304,587
Supplies	24,640	24,640	23,301	1,339	24,923
Other Services and Charges	39,255	39,255	16,560	22,695	23,780
Total Senior Citizens	<u>414,804</u>	<u>416,636</u>	<u>372,140</u>	<u>44,496</u>	<u>353,290</u>
Total Health And Social Services	<u>13,925,101</u>	<u>14,644,625</u>	<u>13,663,804</u>	<u>980,821</u>	<u>12,826,686</u>
Culture And Recreation					
Galveston County Museum					
Personal Services	103,785	103,785	101,023	2,762	94,435
Supplies	24,100	24,100	13,161	10,939	12,428
Other Services and Charges	60,780	60,780	57,912	2,868	49,297
Total Galveston County Museum	<u>188,665</u>	<u>188,665</u>	<u>172,096</u>	<u>16,569</u>	<u>156,160</u>
Beach And Parks Department					
Personal Services	1,640,327	1,776,071	1,756,623	19,448	1,574,551
Supplies	201,624	206,324	185,399	20,925	65,464
Other Services and Charges	279,670	355,170	261,687	93,483	228,363
Total Beach And Parks Department	<u>2,121,621</u>	<u>2,337,565</u>	<u>2,203,709</u>	<u>133,856</u>	<u>1,868,378</u>
Beach Maintenance-Road & Bridge					
Personal Services	117,222	125,507	125,507	-	94,514
Supplies	29,600	21,315	7,713	13,602	6,822
Other Services and Charges	299,910	313,662	255,816	57,846	280,376
Total Beach Maintenance-Road & Bridge	<u>446,732</u>	<u>460,484</u>	<u>389,036</u>	<u>71,448</u>	<u>381,712</u>
Total Culture And Recreation	<u>2,757,018</u>	<u>2,986,714</u>	<u>2,764,841</u>	<u>221,873</u>	<u>2,406,250</u>
Conservation					
County Extension Service					
Personal Services	490,354	490,354	484,067	6,287	441,769
Supplies	45,970	45,970	31,118	14,852	27,214
Other Services and Charges	20,320	20,320	14,593	5,727	17,178
Total County Extension Service	<u>556,644</u>	<u>556,644</u>	<u>529,778</u>	<u>26,866</u>	<u>486,161</u>
Capital Outlay					
Buildings and Improvement	40,000	268,412	210,969	57,443	30,500
Improvements Other Than Buildings	1,056,000	2,142,460	1,181,485	960,975	-
Machinery and Equipment	1,052,700	2,148,455	944,786	1,203,669	214,000
Vehicles	1,300,353	1,378,057	859,082	518,975	85,519
Technology	445,000	339,570	108,256	231,314	405,017
Total Capital Outlay	<u>3,894,053</u>	<u>6,276,954</u>	<u>3,304,578</u>	<u>2,972,376</u>	<u>735,036</u>
Total Expenditures	<u>129,848,951</u>	<u>136,655,429</u>	<u>123,196,501</u>	<u>13,458,928</u>	<u>117,786,267</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>1,941,699</u>	<u>(4,843,793)</u>	<u>16,600,225</u>	<u>21,444,018</u>	<u>11,515,240</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance, Actual from Final Budget Positive (Negative)</u>	<u>Prior Year Actual</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	125,649	221,527	95,878	48,596
Transfers Out	(1,601,333)	(4,835,533)	(4,203,566)	631,967	(2,659,475)
Sale of Capital Assets	75,000	75,000	105,713	30,713	19,387
Budgeted Contingencies Used	(25,250,000)	(15,343,344)	-	15,343,344	-
Total Other Financing Sources (Uses)	<u>(26,776,333)</u>	<u>(19,978,228)</u>	<u>(3,876,326)</u>	<u>16,101,902</u>	<u>(2,591,492)</u>
Net Change in Fund Balance	(24,834,634)	(24,822,021)	12,723,899	37,545,920	8,923,748
Fund Balance-Beginning	<u>68,668,033</u>	<u>68,668,033</u>	<u>68,668,033</u>	-	<u>59,744,285</u>
Fund Balance-Ending	<u>\$ 43,833,399</u>	<u>\$ 43,846,012</u>	<u>\$ 81,391,932</u>	<u>\$ 37,545,920</u>	<u>\$ 68,668,033</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND

For the Year Ended September 30, 2017

With Comparative Actual Amounts for the Year Ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Prior Year Actual</u>
REVENUES					
Taxes	\$ 1,449,900	\$ 1,449,900	\$ 1,484,656	\$ 34,756	\$ 1,402,081
Licenses and Permits	2,700,000	2,700,000	2,738,695	38,695	2,865,358
Intergovernmental	706,492	706,492	778,980	72,488	388,820
Fines and Forfeitures	194,500	194,500	-	(194,500)	144,722
Investment Earnings	3,300	3,300	4,188	888	4,916
Miscellaneous	-	-	932	932	1,381
Total Revenues	<u>5,054,192</u>	<u>5,054,192</u>	<u>5,007,451</u>	<u>(46,741)</u>	<u>4,807,278</u>
EXPENDITURES					
Current:					
General Government					
Personal Services	-	-	-	-	1,793
Supplies	20,000	20,000	15,673	4,327	21,962
Other Services and Charges	-	300,000	271,582	28,418	285,126
Total General Government	<u>20,000</u>	<u>320,000</u>	<u>287,255</u>	<u>32,745</u>	<u>308,881</u>
Roads, Bridges and Rights-Of-Way					
Personal Services	2,230,958	2,401,974	2,401,200	774	2,403,767
Supplies	3,048,493	2,910,304	2,192,226	718,078	2,419,349
Other Services and Charges	93,879	183,872	141,534	42,338	93,848
Total Roads, Bridges and Rights-Of-Way	<u>5,373,330</u>	<u>5,496,150</u>	<u>4,734,960</u>	<u>761,190</u>	<u>4,916,964</u>
Capital Outlay	575,233	656,683	518,334	138,349	56,521
Total Expenditures	<u>5,968,563</u>	<u>6,472,833</u>	<u>5,540,549</u>	<u>932,284</u>	<u>5,282,366</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(914,371)</u>	<u>(1,418,641)</u>	<u>(533,098)</u>	<u>885,543</u>	<u>(475,088)</u>
Other Financing Sources (Uses)					
Transfers In	-	122,820	122,820	-	-
Sale of Capital Assets	-	-	80,384	80,384	-
Budgeted Contingencies Used	(750,000)	(368,550)	-	368,550	-
Total Other Financing Sources (Uses)	<u>(750,000)</u>	<u>(245,730)</u>	<u>203,204</u>	<u>448,934</u>	<u>-</u>
Net Change in Fund Balance	(1,664,371)	(1,664,371)	(329,894)	1,334,477	(475,088)
Fund Balance-Beginning	<u>985,314</u>	<u>985,314</u>	<u>985,314</u>	<u>-</u>	<u>1,460,402</u>
Fund Balance-Ending	<u>\$ (679,057)</u>	<u>\$ (679,057)</u>	<u>\$ 655,420</u>	<u>\$ 1,334,477</u>	<u>\$ 985,314</u>

(Continued)

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANT FUND

For the Year Ended September 30, 2017

With Comparative Actual Amounts for the Year Ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Prior Year Actual</u>
REVENUES					
Intergovernmental	\$ 104,641,635	\$ 104,641,635	\$ 22,270,076	\$ (82,371,559)	\$ 33,753,627
Charges for Services	898,396	898,396	16,636	(881,760)	376,574
Investment Earnings	2,954	2,954	6,394	3,440	924
Miscellaneous	<u>1,461,913</u>	<u>1,461,913</u>	<u>502,863</u>	<u>(959,050)</u>	<u>919,503</u>
Total Revenues	<u>107,004,898</u>	<u>107,004,898</u>	<u>22,795,969</u>	<u>(84,208,929)</u>	<u>35,050,628</u>
EXPENDITURES					
Current:					
General Government					
Personal Services	1,212,270	1,212,270	625,617	586,653	508,585
Supplies	101,279	101,279	48,589	52,690	63,151
Other Services and Charges	<u>11,709,702</u>	<u>11,709,702</u>	<u>2,397,573</u>	<u>9,312,129</u>	<u>10,146,183</u>
Total General Government	<u>13,023,251</u>	<u>13,023,251</u>	<u>3,071,779</u>	<u>9,951,472</u>	<u>10,717,919</u>
Public Safety					
Personal Services	4,371,263	4,371,263	2,377,285	1,993,978	1,684,556
Supplies	1,134,096	1,134,096	256,036	878,060	164,802
Other Services and Charges	<u>56,342,282</u>	<u>56,342,282</u>	<u>9,946,876</u>	<u>46,395,406</u>	<u>10,967,637</u>
Total Public Safety	<u>61,847,641</u>	<u>61,847,641</u>	<u>12,580,197</u>	<u>49,267,444</u>	<u>12,816,995</u>
Health and Social Services					
Personal Services	503,304	503,304	412,666	90,638	407,866
Supplies	388,269	388,269	289,928	98,341	310,951
Other Services and Charges	<u>3,711,678</u>	<u>3,711,678</u>	<u>368,304</u>	<u>3,343,374</u>	<u>307,191</u>
Total Health and Social Services	<u>4,603,251</u>	<u>4,603,251</u>	<u>1,070,898</u>	<u>3,532,353</u>	<u>1,026,008</u>
Culture and Recreation					
Personal Services	12,162	12,162	12,161	1	-
Supplies	2,600	2,600	2,600	-	-
Other Services and Charges	<u>7,916</u>	<u>7,916</u>	<u>7,916</u>	<u>-</u>	<u>84,000</u>
Total Culture and Recreation	<u>22,678</u>	<u>22,678</u>	<u>22,677</u>	<u>1</u>	<u>84,000</u>
Capital Outlay	<u>27,351,882</u>	<u>27,351,882</u>	<u>7,595,335</u>	<u>19,756,547</u>	<u>12,467,174</u>
Total Expenditures	<u>106,848,703</u>	<u>106,848,703</u>	<u>24,340,886</u>	<u>82,507,817</u>	<u>37,112,096</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>156,195</u>	<u>156,195</u>	<u>(1,544,917)</u>	<u>(1,701,112)</u>	<u>(2,061,468)</u>

**GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANT FUND**

For the Year Ended September 30, 2017

With Comparative Actual Amounts for the Year Ended September 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Prior Year Actual</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	6,453,022	6,453,022	2,086,563	(4,366,459)	802,031
Transfers Out	(206,002)	(206,002)	(144,892)	61,110	(48,596)
Sale of Capital Assets	-	-	38,850	38,850	93,351
Total Other Financing Sources (Uses)	<u>6,247,020</u>	<u>6,247,020</u>	<u>1,980,521</u>	<u>(4,266,499)</u>	<u>846,786</u>
Net Change in Fund Balance	6,403,215	6,403,215	435,604	(5,967,611)	(1,214,682)
Fund Balance-Beginning	5,165,594	5,165,594	5,069,372	96,222	6,284,054
Prior Period Adjustments	-	-	96,222	96,222	-
Fund Balances - Beginning, as Restated	<u>5,165,594</u>	<u>5,165,594</u>	<u>5,165,594</u>	<u>192,444</u>	<u>6,284,054</u>
Fund Balance-Ending	<u>\$ 11,568,809</u>	<u>\$ 11,568,809</u>	<u>\$ 5,601,198</u>	<u>\$ (5,775,167)</u>	<u>\$ 5,069,372</u>

Galveston County, Texas
Notes to the Required Supplementary Information – Budgetary Schedules
For the Year Ended September 30, 2017

Budgetary Basis of Accounting

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

Galveston County, Texas
Schedule of Changes in Net Pension Liability and Related Ratios
General Employees' Retirement Plan for the Employees of Galveston County, Texas
For the Last Three Calendar Years

	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Total Pension Liability			
Service cost	\$ 8,514,565	\$ 8,033,265	\$ 7,971,478
Interest on total pension liability	29,143,719	28,029,902	26,719,008
Effect of plan changes	-	(1,570,636)	-
Effect of assumption changes or inputs	-	3,176,506	-
Effect of economic/demographic (gains) or losses	(558,220)	(2,943,467)	(227,582)
Benefit payments/refunds of contributions	<u>(21,170,801)</u>	<u>(19,704,571)</u>	<u>(18,511,860)</u>
Net change in total pension liability	15,929,263	15,020,999	15,951,044
Total pension liability, beginning	<u>366,003,920</u>	<u>350,982,921</u>	<u>335,031,877</u>
Total pension liability, ending (a)	<u><u>\$381,933,183</u></u>	<u><u>\$366,003,920</u></u>	<u><u>\$350,982,921</u></u>
Fiduciary Net Position			
Employer contributions	\$ 6,879,586	\$ 6,534,101	\$ 6,419,135
Member contributions	4,295,905	4,072,510	3,997,855
Investment income net of investment expenses	24,668,039	414,224	22,444,380
Benefit payments/refunds of contributions	(21,170,801)	(19,704,571)	(18,511,860)
Administrative expenses	(268,351)	(243,373)	(258,882)
Other	<u>(770,360)</u>	<u>(34,899)</u>	<u>(117,593)</u>
Net change in fiduciary net position	13,634,018	(8,962,008)	13,973,035
Fiduciary net position, beginning	<u>334,430,902</u>	<u>343,392,910</u>	<u>329,419,875</u>
Fiduciary net position, ending (b)	<u><u>\$348,064,920</u></u>	<u><u>\$334,430,902</u></u>	<u><u>\$343,392,910</u></u>
Net pension liability / (asset), ending = (a) - (b)	<u><u>\$ 33,868,263</u></u>	<u><u>\$ 31,573,018</u></u>	<u><u>\$ 7,590,011</u></u>
Fiduciary net position as a % of total pension liability	91.13%	91.37%	97.84%
Pensionable covered payroll	\$ 61,370,078	\$ 58,080,901	\$ 57,112,219
Net pension liability as a % of covered payroll	55.19%	54.36%	13.29%

GASB Statements No. 68 and No. 71 were implemented during the fiscal year ended September 30, 2015.

This schedule is intended to show information for ten years; additional years' information will be displayed as it becomes available.

Galveston County, Texas
Schedule of Employer Contributions
General Employees' Retirement Plan for the Employees of Galveston County, Texas
For the Last Four Fiscal Years

Year Ending September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll ⁽¹⁾	Actual Contribution as a % of Covered Payroll
2014	\$ 6,298,097	\$ 6,298,097	\$ -	\$ 57,069,071	11.0%
2015	6,736,606	6,736,606	-	59,944,754	11.2%
2016	6,788,319	6,788,319	-	60,509,533	11.2%
2017	7,302,610	7,302,610	-	64,057,982	11.4%

⁽¹⁾ Payroll is calculated based on contributions as reported to TCDRS.

GASB Statements No. 68 and 71 were implemented during the fiscal year ended September 30, 2015.

This schedule is intended to show information for ten years; additional years' information will be displayed as it becomes available.

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	valuation)
Asset Valuation Method	5-year smoothed market
Inflation	3.0%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.00%, net of investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	In the 2015 actuarial valuation, assumed life expectancies were adjusted as a result of adopting a new projection scale (110% of the MP-2014 Ultimate Scale) for 2014 and later. Previously Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.
Changes in Plan Provisions Reflected in the Schedule*	No changes in plan provisions are reflected in the Schedule of Employer Contributions.

**Only changes effective 2015 and later are shown in the notes to schedule*

Galveston County, Texas
Schedule of Funding Progress
General Employees' Post-Employment Benefits Plan for the Employees of Galveston County, Texas
September 30, 2017

Actuarial Valuation Date - October 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liability ("AAL") (b)	Unfunded AAL ("UAAL") [= (b)-(a)] (c)	Funded Ratio [= (a)/(b)]	Annual Covered Payroll * (d)	Ratio of UAAL to Annual Covered Payroll [= (b)-(a)/(d)]
2007	\$ -	\$ 93,047,637	\$ 93,047,637	0.0%	\$ 42,360,523	219.66%
2009	-	100,273,986	100,273,986	0.0%	54,622,846	183.58%
2011	-	124,919,562	124,919,562	0.0%	56,047,951	222.88%
2013	7,204,085	142,413,596	135,209,511	5.1%	54,338,090	248.83%
2015	7,944,516	153,532,625	145,588,109	5.2%	57,112,219	254.92%

* The Annual Covered Payroll amounts for the actuarial valuation dates of October 1, 2007, 2009 and 2011 have been restated to agree with those of the actuarial valuations of the county's Texas County and District Retirement System plan of December 31, 2006, 2008 and 2010, respectively.

The correspondence of the actuarial data used for the county's various fiscal years with the actuarial valuation dates is as follows:

Actuarial data for the fiscal years ended	Was provided by the actuarial valuations dated
September 30, 2009 and 2010	October 1, 2007
September 30, 2011 and 2012	October 1, 2009
September 30, 2013 and 2014	October 1, 2011
September 30, 2015	October 1, 2013
September 30, 2016 and 2017	October 1, 2015

GOVERNMENTAL FUNDS

Governmental Funds consist of:

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 Road and Bridge Fund qualifies as a major fund and is thus presented in the Basic Financial Statements of this report. The Grant Fund accounts for state, federal and private grants legally restricted to specific purposes. The Grant Fund qualifies as a major fund and is thus presented in the Basic Financial Statements of this report.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources to retire the principal of, and to pay the interest costs and paying-agent fees associated with, the county's long-term debt.

Capital Projects Funds

Capital Projects Funds account for the acquisition or construction of major capital assets.

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended September 30, 2017

With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017			Variance with Final Budget- Positive (Negative)	Prior Year Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Taxes	\$ 21,251,658	\$ 21,251,658	\$ 21,055,341	\$ (196,317)	\$ 23,370,053
Intergovernmental	7,553,423	7,553,423	6,146,374	(1,407,049)	8,003,783
Investment Earnings	85,000	85,000	154,734	69,734	140,016
Total Revenues	<u>28,890,081</u>	<u>28,890,081</u>	<u>27,356,449</u>	<u>(1,533,632)</u>	<u>31,513,852</u>
EXPENDITURES					
Debt Service:					
Principal Retirement	17,767,139	17,767,139	17,767,139	-	20,960,000
Interest and Fiscal Charges	13,950,935	13,995,641	14,088,170	(92,529)	10,806,319
Bond Issuance Cost	-	524,299	524,298	1	-
Total Expenditures	<u>31,718,074</u>	<u>32,287,079</u>	<u>32,379,607</u>	<u>(92,528)</u>	<u>31,766,319</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(2,827,993)</u>	<u>(3,396,998)</u>	<u>(5,023,158)</u>	<u>(1,626,160)</u>	<u>(252,467)</u>
OTHER FINANCING SOURCES (USES)					
Face Value - Long Term Debt Issued	-	62,835,000	62,835,000	-	-
Premium - Long Term Debt Issued	-	9,803,932	9,811,578	7,646	-
Refunded Bonds - Escrow Agent	-	(72,114,633)	(72,020,000)	94,633	-
Total other financing sources (uses)	<u>-</u>	<u>524,299</u>	<u>626,578</u>	<u>102,279</u>	<u>-</u>
Net change in fund balances	(2,827,993)	(2,872,699)	(4,396,580)	(1,523,881)	(252,467)
Fund Balance-Beginning	<u>11,574,207</u>	<u>11,574,207</u>	<u>11,574,207</u>	<u>-</u>	<u>11,826,674</u>
Fund Balance-Ending	<u>\$ 8,746,214</u>	<u>\$ 8,701,508</u>	<u>\$ 7,177,627</u>	<u>\$ (1,523,881)</u>	<u>\$ 11,574,207</u>

Nonmajor Governmental Funds

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2017**

	<u>SPECIAL REVENUE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
ASSETS			
Cash and Cash Equivalents	\$ 17,469,979	\$ 24,160,232	\$ 41,630,211
Receivables (Net of Allowances for Uncollectibles):			
Taxes	248,350	-	248,350
Accounts and Other	27,414	-	27,414
Inventory at Cost	604,728	-	604,728
Total Assets	<u>\$ 18,350,471</u>	<u>\$ 24,160,232</u>	<u>\$ 42,510,703</u>
LIABILITIES			
Accounts Payable	\$ 258,278	\$ 148,430	\$ 406,708
Salaries Payable	79,933	-	79,933
Retainage Payable	-	108,378	108,378
Due to Others	1	641,466	641,467
Escrow Deposits	2,400	-	2,400
Total Liabilities	<u>340,612</u>	<u>898,274</u>	<u>1,238,886</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	248,350	-	248,350
Total Deferred Inflows of Resources	<u>248,350</u>	<u>-</u>	<u>248,350</u>
FUND BALANCES			
Non-Spendable	604,728	-	604,728
Restricted	17,156,781	17,305,086	34,461,867
Assigned	-	5,956,872	5,956,872
Total Fund Balances	<u>17,761,509</u>	<u>23,261,958</u>	<u>41,023,467</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 18,350,471</u>	<u>\$ 24,160,232</u>	<u>\$ 42,510,703</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2017

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES			
Taxes	\$ 2,525,271	\$ -	\$ 2,525,271
Intergovernmental	175,074	-	175,074
Charges for Services	3,420,481	-	3,420,481
Fines and Forfeitures	295,051	-	295,051
Investment Earnings	63,825	109,221	173,046
Miscellaneous	1,394,809	21,900	1,416,709
Total Revenues	<u>7,874,511</u>	<u>131,121</u>	<u>8,005,632</u>
EXPENDITURES			
General Government	1,072,535	45,474	1,118,009
Public Safety	2,366,537	-	2,366,537
Health and Social Services	988,844	-	988,844
Culture and Recreation	354,028	-	354,028
Roads, Bridges and Rights-of-Way	333,340	79,343	412,683
Capital Outlay	960,090	3,289,018	4,249,108
Total Expenditures	<u>6,075,374</u>	<u>3,413,835</u>	<u>9,489,209</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>1,799,137</u>	<u>(3,282,714)</u>	<u>(1,483,577)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	58,524	1,280,252	1,338,776
Transfers Out	(82,923)	(278,072)	(360,995)
Sale of Capital Assets	40,972	-	40,972
Total Other Financing Sources (Uses)	<u>16,573</u>	<u>1,002,180</u>	<u>1,018,753</u>
Net Change in Fund Balances	1,815,710	(2,280,534)	(464,824)
Fund Balances - Beginning	<u>15,945,799</u>	<u>25,542,492</u>	<u>41,488,291</u>
Fund Balances - Ending	<u>\$ 17,761,509</u>	<u>\$ 23,261,958</u>	<u>\$ 41,023,467</u>

NONMAJOR
SPECIAL REVENUE FUNDS

COUNTY RECORDS MANAGEMENT AND PRESERVATION - On May 30, 1993, Chapter 203, §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 §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 - The County Clerk Records Management and Preservation Fund was established under Chapter 203, §203.003(5) of the *Local Government Code*. 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 County Clerk records management and automation projects.

ELECTION SERVICES CONTRACT - The Election Services Contract Fund was established pursuant to *Texas Election Code* Chapter 123 Subchapter B. The County of Galveston and the lessee enter into a lease agreement to use electronic voting equipment and other related supplies and administrative fees incurred in the election services under §31.100(b), *Texas Election Code*. Fees collected by the County Clerk for the county equipment are deposited with the County Treasurer into the Election Services Contract Fund.

DISTRICT CLERK CHILD SUPPORT IV-D - The District Clerk Child Support IV-D Fund was created under the authority of *Texas Family Code* Chapter 231, §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 the 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 - The District Clerk Records Management Fund was established under the authority of §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 District Clerk records management and automation projects.

ELECTION CODE CHAPTER 19 - Pursuant to *Election Code* §19.002, this revenue is paid by the secretary of state to the voter registrar and must be used to defray the cost of voter registration, and may be used to pay for any item or service designed to increase the number of registered voters in the state, maintain and report an accurate list of the number of registered voters or increase the efficiency of the voter registration office, including hiring temporary voter registration personnel. These monies may not be used to pay for the normal day to day operation of the office. They must be used within a two-year period or else lapse to the state for distribution to counties with limited technological resources to upgrade voter registration technology.

TAX ASSESSOR-COLLECTOR SPECIAL INVENTORY TAX ESCROW - Chapter 23.12 of the *Property Tax Code* states 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.

COUNTY AND DISTRICT COURT TECHNOLOGY – Under the *Code of Criminal Procedure* Chapter 102, §102.0169, a defendant convicted in a county court, statutory county court or district court shall pay a county and district court technology fee of \$4.00 as a cost of court. These fees are to be deposited into a fund known as the County and District Court Technology Fund which shall be under the direction of the Commissioners Court. The fund designated by this article must be used to finance the cost of continuing education and training for court judges or clerks regarding technological enhancements for their respective courts or the purchase and maintenance of technological enhancements for a county court, statutory county court or district court.

DONATIONS TO GALVESTON COUNTY - 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 - 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 - Fees collected in connection with processing checks issued or passed in violation of the *Code of Criminal Procedure* Chapter 102.007 are deposited in this fund and are used to defray expenses of the District Attorney's office. Forfeitures are used for law enforcement purposes.

COURTHOUSE SECURITY - 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 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.

JUSTICE COURT BUILDING SECURITY - The Justice Court Building Security Fund was created under Chapter 102.017 of the *Code of Criminal Procedure* to finance security personnel, services and items related to buildings that house the operations of the justice courts. The clerks of the respective courts are to collect a \$4.00 security fee as a cost of court and remit them to the County Treasurer. The County Treasurer is to deposit one-fourth of the court cost into a fund known as the Justice Court Building Security Fund, with the remaining three-fourths being remitted into the Courthouse Security Fund. This fund is under the direction of the Commissioners Court.

APPELLATE JUDICIAL - The Appellate Judicial Fund was established as required under *Government Code* 22.2021 for use by any Commissioners Court in the First or Fourteenth Court of Appeals District. A court cost of not more than \$5.00 is collected for each civil suit filed in county court, county court at law, probate court or district court in the county and remitted to the County Treasurer to deposit into this fund. The fees collected and deposited into the Appellate Judicial Fund are only to be used to defray costs and expenses incurred for the operation of the courts of appeals. The Commissioners Court shall administer this fund to maintain the system in cooperation with the chief justice of the courts of appeals.

LAW LIBRARY - Under *Local Government Code* Chapter 323, §323.021-323.025, the Commissioners Court of a county may establish and maintain a law library at the county seat. A sum set by Commissioners Court, not to exceed \$35, 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 - 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 \$10.00 collected on each civil case filed.

JUSTICE COURT TECHNOLOGY - 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 and charge 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 - Effective September 1, 2001, *Government Code* Chapter 25, §25.00213 establishes a Contributions Fund under the direction of the Probate Court Judge in a county that collects additional fees under Chapter 51, §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.

SUPPLEMENTAL COURT-INITIATED GUARDIANSHIP FEE - Pursuant to *Local Government Code* §118.067, this \$20.00 fee is collected for court-initiated guardianship proceedings and is paid by the persons filing both original and adverse probate actions. It is used to supplement, but not supplant, other monies used to pay guardian and attorney ad litem costs, and to pay for guardianship programs for indigent, incapacitated persons without family members suitable and willing to serve as guardians.

PRETRIAL INTERVENTION PROGRAM - This fund was created in accordance with *Texas Code of Criminal Procedures* Article 102.0121 to account for a fee to reimburse the county for expenses related to a defendant's participation in a pretrial intervention program offered by the county. The funds must be used for expenditures related to pretrial intervention programs.

COURT REPORTER SERVICES FUND - The Court Reporter Services Fund accounts for the fees collected by the County and District Clerks pursuant to *Government Code* §51.601 to be used to defray the cost of court-reporting services.

SHERIFF'S COMMISSARY - This fund, created under *Local Government Code* Chapter 351, §351.0415, accounts for commissary operations. The commissary is controlled by the County Sheriff and is a means for inmates to purchase personal items. The proceeds from operations are used to address the social needs of county inmates.

SHERIFF FORFEITURES POST-10/89 - Funds collected in connection with drug 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 FORFEITURES PRE-10/89 - 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.

LAW ENFORCEMENT CONTINUED EDUCATION - 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 1701.157.

CONSTABLES' FORFEITURES - Forfeitures collected by the constables after *Code of Criminal Procedure* Chapter 59.06 was passed in October 1989 are accounted for in this fund. Forfeitures are used to defray expenses of the constables.

EMERGENCY MANAGEMENT - 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. This fund is funded by and under the jurisdiction and control of the Commissioners Court.

FARM-TO-MARKET LATERAL ROAD - Chapter 256, §256.005 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 - The Galveston County Road District #1 was created under Article 3, §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 - Chapter 256, §256.006 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.

MOSQUITO CONTROL DISTRICT - On November 7, 1953, in accordance with Chapter 344, §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.

BEACH AND PARKS - 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 - The county, under the authority of *Local Government Code* §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.

GALVESTON COUNTY, TEXAS
 COMBINING BALANCE SHEET
 ALL NONMAJOR SPECIAL REVENUE FUNDS
 September 30, 2017
 With Comparative Totals at September 30, 2016

(Continued)

	COUNTY RECORDS MANAGEMENT AND PRESERVATION	COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION	ELECTION SERVICES CONTRACT	DISTRICT CLERK CHILD SUPPORT IV-D	DISTRICT CLERK RECORDS MANAGEMENT	ELECTION CODE CHAPTER 19	TAX ASSESSOR- COLLECTOR SPECIAL INVENTORY TAX ESCROW
ASSETS							
Cash and Cash Equivalents	\$ 435,771	\$ 2,594,648	\$ 672,976	\$ 46,815	\$ 198,118	\$ -	\$ 83,783
Receivables (Net of Allowances for Uncollectibles):							
Taxes	-	-	-	-	-	-	-
Accounts and Other	680	1,373	-	-	399	713	721
Inventory at Cost	-	-	-	-	-	-	-
Total Assets	<u>\$ 436,451</u>	<u>\$ 2,596,021</u>	<u>\$ 672,976</u>	<u>\$ 46,815</u>	<u>\$ 198,517</u>	<u>\$ 713</u>	<u>\$ 84,504</u>
LIABILITIES							
Accounts Payable	\$ -	\$ 4,584	\$ 20,248	\$ -	\$ -	\$ -	\$ 251
Salaries Payable	1,437	5,721	3,335	-	-	712	-
Due to Others	-	-	-	-	-	-	-
Escrow Deposits	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total Liabilities	<u>1,437</u>	<u>10,305</u>	<u>23,583</u>	<u>-</u>	<u>-</u>	<u>712</u>	<u>251</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Property Taxes	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Non-Spendable	-	-	-	-	-	-	-
Restricted	435,014	2,585,716	649,393	46,815	198,517	1	84,253
Total Fund Balances	<u>435,014</u>	<u>2,585,716</u>	<u>649,393</u>	<u>46,815</u>	<u>198,517</u>	<u>1</u>	<u>84,253</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 436,451</u>	<u>\$ 2,596,021</u>	<u>\$ 672,976</u>	<u>\$ 46,815</u>	<u>\$ 198,517</u>	<u>\$ 713</u>	<u>\$ 84,504</u>

GALVESTON COUNTY, TEXAS
 COMBINING BALANCE SHEET
 ALL NONMAJOR SPECIAL REVENUE FUNDS
 September 30, 2017
 With Comparative Totals at September 30, 2016

(Continued)

	COUNTY AND DISTRICT COURT TECHNOLOGY	DONATIONS TO GALVESTON COUNTY	DISTRICT ATTORNEY CONTRABAND POST-10/89	DISTRICT ATTORNEY CHECK COLLECTION FEES	COURTHOUSE SECURITY	JUSTICE COURT BUILDING SECURITY	APPELLATE JUDICIAL	LAW LIBRARY
ASSETS								
Cash and Cash Equivalents	\$ 65,155	\$ 44,795	\$ 136,811	\$ 7,257	\$ 53,432	\$ 49,822	\$ 103,553	\$ 152,560
Receivables (Net of Allowances for Uncollectibles):								
Taxes	-	-	-	-	-	-	-	-
Accounts and Other	54	-	1,120	-	553	13	335	1,682
Inventory at Cost	-	-	-	-	-	-	-	-
Total Assets	\$ 65,209	\$ 44,795	\$ 137,931	\$ 7,257	\$ 53,985	\$ 49,835	\$ 103,888	\$ 154,242
LIABILITIES								
Accounts Payable	\$ -	\$ 1,819	\$ 2,226	\$ -	\$ -	\$ -	\$ -	\$ 25,451
Salaries Payable	-	-	-	-	6,253	-	-	-
Due to Others	-	-	-	-	-	-	-	-
Escrow Deposits	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-
Total Liabilities	-	1,819	2,226	-	6,253	-	-	25,451
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Property Taxes	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-
FUND BALANCES								
Non-Spendable	-	-	-	-	-	-	-	-
Restricted	65,209	42,976	135,705	7,257	47,732	49,835	103,888	128,791
Total Fund Balances	65,209	42,976	135,705	7,257	47,732	49,835	103,888	128,791
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 65,209	\$ 44,795	\$ 137,931	\$ 7,257	\$ 53,985	\$ 49,835	\$ 103,888	\$ 154,242

GALVESTON COUNTY, TEXAS
 COMBINING BALANCE SHEET
 ALL NONMAJOR SPECIAL REVENUE FUNDS
 September 30, 2017
 With Comparative Totals at September 30, 2016

(Continued)

	MEDIATION SERVICES PROGRAM	JUSTICE COURT TECHNOLOGY	PROBATE COURT CONTRIBUTIONS	SUPPLEMENTAL COURT- INITIATED GUARDIANSHIP FEE	PRETRIAL INTERVENTION PROGRAM	COURT REPORTER SERVICE FUND	SHERIFF'S COMMISSARY
ASSETS							
Cash and Cash Equivalents	\$ 1,056,751	\$ 179,321	\$ 340,811	\$ 144,032	\$ 92,025	\$ 198,676	\$ 1,147,827
Receivables (Net of Allowances for Uncollectibles):							
Taxes	-	-	-	-	-	-	-
Accounts and Other	945	52	-	380	-	855	-
Inventory at Cost	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,057,696</u>	<u>\$ 179,373</u>	<u>\$ 340,811</u>	<u>\$ 144,412</u>	<u>\$ 92,025</u>	<u>\$ 199,531</u>	<u>\$ 1,147,827</u>
LIABILITIES							
Accounts Payable	\$ 2,700	\$ -	\$ 66	\$ 2,044	\$ -	\$ -	\$ -
Salaries Payable	-	-	-	-	-	-	-
Due to Others	-	-	-	-	-	-	-
Escrow Deposits	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total Liabilities	<u>2,700</u>	<u>-</u>	<u>66</u>	<u>2,044</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Property Taxes	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Non-Spendable	-	-	-	-	-	-	-
Restricted	1,054,996	179,373	340,745	142,368	92,025	199,531	1,147,827
Total Fund Balances	<u>1,054,996</u>	<u>179,373</u>	<u>340,745</u>	<u>142,368</u>	<u>92,025</u>	<u>199,531</u>	<u>1,147,827</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,057,696</u>	<u>\$ 179,373</u>	<u>\$ 340,811</u>	<u>\$ 144,412</u>	<u>\$ 92,025</u>	<u>\$ 199,531</u>	<u>\$ 1,147,827</u>

GALVESTON COUNTY, TEXAS
 COMBINING BALANCE SHEET
 ALL NONMAJOR SPECIAL REVENUE FUNDS
 September 30, 2017
 With Comparative Totals at September 30, 2016

(Continued)

	SHERIFF FORFEITURES POST-10/89	TASK FORCE FORFEITURES PRE-10/89	LAW ENFORCEMENT CONTINUED EDUCATION	CONSTABLES' FORFEITURES	EMERGENCY MANAGEMENT	FARM-TO- MARKET LATERAL ROAD	ROAD DISTRICT #1
ASSETS							
Cash and Cash Equivalents	\$ 496,275	\$ -	\$ 156,072	\$ 3,507	\$ 804,228	\$ 1,414,136	\$ 1,670,108
Receivables (Net of Allowances for Uncollectibles):							
Taxes	-	-	-	-	-	4,385	-
Accounts and Other	6,398	-	-	-	-	4,128	3,632
Inventory at Cost	-	-	-	-	-	-	-
Total Assets	\$ 502,673	\$ -	\$ 156,072	\$ 3,507	\$ 804,228	\$ 1,422,649	\$ 1,673,740
LIABILITIES							
Accounts Payable	\$ 527	\$ -	\$ 791	\$ -	\$ -	\$ 750	\$ -
Salaries Payable	-	-	-	-	-	2,573	5,564
Due to Others	-	-	-	-	-	-	-
Escrow Deposits	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total Liabilities	527	-	791	-	-	3,323	5,564
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Property Taxes	-	-	-	-	-	4,385	-
Total Deferred Inflows of Resources	-	-	-	-	-	4,385	-
FUND BALANCES							
Non-Spendable	-	-	-	-	-	-	-
Restricted	502,146	-	155,281	3,507	804,228	1,414,941	1,668,176
Total Fund Balances	502,146	-	155,281	3,507	804,228	1,414,941	1,668,176
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 502,673	\$ -	\$ 156,072	\$ 3,507	\$ 804,228	\$ 1,422,649	\$ 1,673,740

GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
ALL NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2017
With Comparative Totals at September 30, 2016

	FLOOD CONTROL CONTROL	MOSQUITO CONTROL DISTRICT	BEACH AND PARKS	GALVESTON COUNTY MUSEUM	TOTALS	
					2017	2016
ASSETS						
Cash and Cash Equivalents	\$ 1,588,786	\$ 123,774	\$ 3,401,809	\$ 6,345	\$ 17,469,979	\$ 15,766,189
Receivables (Net of Allowances for Uncollectibles):						
Taxes	148,163	95,802	-	-	248,350	251,635
Accounts and Other	1,666	225	1,490	-	27,414	85,241
Inventory at Cost	31,708	573,020	-	-	604,728	409,631
Total Assets	<u>\$ 1,770,323</u>	<u>\$ 792,821</u>	<u>\$ 3,403,299</u>	<u>\$ 6,345</u>	<u>\$ 18,350,471</u>	<u>\$ 16,512,696</u>
LIABILITIES						
Accounts Payable	\$ 73,852	\$ 98,824	\$ 24,145	\$ -	\$ 258,278	\$ 206,546
Salaries Payable	28,623	15,928	9,787	-	79,933	75,518
Due to Others	-	-	1	-	1	1,200
Escrow Deposits	2,400	-	-	-	2,400	2,378
Unearned Revenue	-	-	-	-	-	29,620
Total Liabilities	<u>104,875</u>	<u>114,752</u>	<u>33,933</u>	<u>-</u>	<u>340,612</u>	<u>315,262</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Property Taxes	148,163	95,802	-	-	248,350	251,635
Total Deferred Inflows of Resources	<u>148,163</u>	<u>95,802</u>	<u>-</u>	<u>-</u>	<u>248,350</u>	<u>251,635</u>
FUND BALANCES						
Non-Spendable	31,708	573,020	-	-	604,728	409,631
Restricted	1,485,577	9,247	3,369,366	6,345	17,156,781	15,536,168
Total Fund Balances	<u>1,517,285</u>	<u>582,267</u>	<u>3,369,366</u>	<u>6,345</u>	<u>17,761,509</u>	<u>15,945,799</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,770,323</u>	<u>\$ 792,821</u>	<u>\$ 3,403,299</u>	<u>\$ 6,345</u>	<u>\$ 18,350,471</u>	<u>\$ 16,512,696</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2017
With Comparative Totals for the Year Ended September 30, 2016

(Continued)

	COUNTY RECORDS MANAGEMENT AND PRESERVATION	COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION	ELECTION SERVICES CONTRACT	DISTRICT CLERK CHILD SUPPORT IV-D	DISTRICT CLERK RECORDS MANAGEMENT	ELECTION CODE CHAPTER 19	TAX ASSESSOR- COLLECTOR SPECIAL INVENTORY TAX ESCROW
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,406
Intergovernmental	-	-	-	2,444	-	26,085	-
Charges for Services	87,154	826,711	246,148	-	54,092	-	-
Fines and Forfeitures	-	-	-	-	-	-	-
Investment Earnings	1,165	6,719	1,704	143	494	19	6,191
Miscellaneous	1,996	-	-	-	-	-	-
Total Revenues	<u>90,315</u>	<u>833,430</u>	<u>247,852</u>	<u>2,587</u>	<u>54,586</u>	<u>26,104</u>	<u>12,597</u>
EXPENDITURES							
General Government	53,418	316,532	116,420	21,278	-	26,105	7,448
Public Safety	-	-	-	-	-	-	-
Health and Social Services	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-
Roads, Bridges and Rights-of-Way	-	-	-	-	-	-	-
Capital Outlay	-	51,041	-	-	-	-	-
Total Expenditures	<u>53,418</u>	<u>367,573</u>	<u>116,420</u>	<u>21,278</u>	<u>-</u>	<u>26,105</u>	<u>7,448</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>36,897</u>	<u>465,857</u>	<u>131,432</u>	<u>(18,691)</u>	<u>54,586</u>	<u>(1)</u>	<u>5,149</u>
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	(50,495)	-	-	(6,592)	-	-
Sale of Capital Assets	-	25	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(50,470)</u>	<u>-</u>	<u>-</u>	<u>(6,592)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	36,897	415,387	131,432	(18,691)	47,994	(1)	5,149
Fund Balances - Beginning	398,117	2,170,329	517,961	65,506	150,523	2	79,104
Fund Balances - Ending	<u>\$ 435,014</u>	<u>\$ 2,585,716</u>	<u>\$ 649,393</u>	<u>\$ 46,815</u>	<u>\$ 198,517</u>	<u>\$ 1</u>	<u>\$ 84,253</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2017
With Comparative Totals for the Year Ended September 30, 2016

(Continued)

	COUNTY AND DISTRICT COURT TECHNOLOGY	DONATIONS TO GALVESTON COUNTY	DISTRICT ATTORNEY CONTRABAND POST-10/89	DISTRICT ATTORNEY CHECK COLLECTION FEES	COURTHOUSE SECURITY	JUSTICE COURT BUILDING SECURITY	APPELLATE JUDICIAL	LAW LIBRARY
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	8,051	-	-	60	150,699	8,075	-	212,889
Fines and Forfeitures	-	-	82,412	-	-	-	34,351	-
Investment Earnings	71	108	537	-	220	132	247	338
Miscellaneous	-	31,496	22,737	-	-	-	-	-
Total Revenues	8,122	31,604	105,686	60	150,919	8,207	34,598	213,227
EXPENDITURES								
General Government	-	-	96,241	-	-	-	-	162,504
Public Safety	-	-	-	-	218,794	2,400	-	-
Health and Social Services	-	7,745	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Roads, Bridges and Rights-of-Way	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	-	7,745	96,241	-	218,794	2,400	-	162,504
Excess (Deficiency) of Revenues over (under) Expenditures	8,122	23,859	9,445	60	(67,875)	5,807	34,598	50,723
OTHER FINANCING SOURCES (USES)								
Transfers In	57,087	-	-	-	1,437	-	-	-
Transfers Out	-	-	(25,836)	-	-	-	-	-
Sale of Capital Assets	-	-	2,019	-	-	-	-	-
Total Other Financing Sources (Uses)	57,087	-	(23,817)	-	1,437	-	-	-
Net Change in Fund Balances	65,209	23,859	(14,372)	60	(66,438)	5,807	34,598	50,723
Fund Balances - Beginning	-	19,117	150,077	7,197	114,170	44,028	69,290	78,068
Fund Balances - Ending	\$ 65,209	\$ 42,976	\$ 135,705	\$ 7,257	\$ 47,732	\$ 49,835	\$ 103,888	\$ 128,791

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2017
With Comparative Totals for the Year Ended September 30, 2016

(Continued)

	MEDIATION SERVICES PROGRAM	JUSTICE COURT TECHNOLOGY	PROBATE COURT CONTRIBUTIONS	SUPPLEMENTAL COURT-INITIATED GUARDIANSHIP FEE	PRETRIAL INTERVENTION PROGRAM	COURT REPORTER SERVICE FUND	SHERIFF'S COMMISSARY
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	40,000	-	-	-	-
Charges for Services	112,037	-	-	22,846	31,019	102,176	-
Fines and Forfeitures	-	32,456	-	-	-	-	-
Investment Earnings	3,739	454	936	395	216	524	5,364
Miscellaneous	-	-	-	-	-	-	802,659
Total Revenues	<u>115,776</u>	<u>32,910</u>	<u>40,936</u>	<u>23,241</u>	<u>31,235</u>	<u>102,700</u>	<u>808,023</u>
EXPENDITURES							
General Government	117,086	-	13,707	24,892	-	-	-
Public Safety	-	-	-	-	-	-	403,497
Health and Social Services	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-
Roads, Bridges and Rights-of-Way	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	<u>117,086</u>	<u>-</u>	<u>13,707</u>	<u>24,892</u>	<u>-</u>	<u>-</u>	<u>403,497</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,310)</u>	<u>32,910</u>	<u>27,229</u>	<u>(1,651)</u>	<u>31,235</u>	<u>102,700</u>	<u>404,526</u>
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(1,310)</u>	<u>32,910</u>	<u>27,229</u>	<u>(1,651)</u>	<u>31,235</u>	<u>102,700</u>	<u>404,526</u>
Fund Balances - Beginning	<u>1,056,306</u>	<u>146,463</u>	<u>313,516</u>	<u>144,019</u>	<u>60,790</u>	<u>96,831</u>	<u>743,301</u>
Fund Balances - Ending	<u>\$ 1,054,996</u>	<u>\$ 179,373</u>	<u>\$ 340,745</u>	<u>\$ 142,368</u>	<u>\$ 92,025</u>	<u>\$ 199,531</u>	<u>\$ 1,147,827</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2017
With Comparative Totals for the Year Ended September 30, 2016

(Continued)

	SHERIFF		LAW		EMERGENCY	FARM-TO-	ROAD DISTRICT
	FORFEITURES	TASK FORCE	ENFORCEMENT	CONSTABLES'		MARKET	
	POST-10/89	PRE-10/89	CONTINUED	FORFEITURES	MANAGEMENT	LATERAL	#1
			EDUCATION			ROAD	
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 159	\$ -
Intergovernmental	-	-	30,302	-	3,540	72,703	-
Charges for Services	-	-	-	-	-	-	565,844
Fines and Forfeitures	145,832	-	-	-	-	-	-
Investment Earnings	1,560	-	429	12	2,190	5,035	5,220
Miscellaneous	13,450	-	-	-	-	210,110	-
Total Revenues	160,842	-	30,731	12	5,730	288,007	571,064
EXPENDITURES							
General Government	-	-	-	-	-	-	-
Public Safety	53,042	-	21,314	-	4,875	-	-
Health and Social Services	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-
Roads, Bridges and Rights-of-Way	-	-	-	-	-	106,466	226,874
Capital Outlay	12,128	-	-	-	-	750	-
Total Expenditures	65,170	-	21,314	-	4,875	107,216	226,874
Excess (Deficiency) of Revenues over (under) Expenditures	95,672	-	9,417	12	855	180,791	344,190
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Sale of Capital Assets	11,475	-	-	-	-	3,600	-
Total Other Financing Sources (Uses)	11,475	-	-	-	-	3,600	-
Net Change in Fund Balances	107,147	-	9,417	12	855	184,391	344,190
Fund Balances - Beginning	394,999	-	145,864	3,495	803,373	1,230,550	1,323,986
Fund Balances - Ending	\$ 502,146	\$ -	\$ 155,281	\$ 3,507	\$ 804,228	\$ 1,414,941	\$ 1,668,176

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2017
With Comparative Totals for the Year Ended September 30, 2016

	MOSQUITO		GALVESTON		<u>TOTALS</u>	
	FLOOD CONTROL	CONTROL DISTRICT	BEACH AND PARKS	COUNTY MUSEUM	2017	2016
REVENUES						
Taxes	\$ 1,493,448	\$ 1,025,258	\$ -	\$ -	\$ 2,525,271	\$ 2,358,461
Intergovernmental	-	-	-	-	175,074	2,670,426
Charges for Services	224,478	-	768,202	-	3,420,481	3,303,047
Fines and Forfeitures	-	-	-	-	295,051	256,023
Investment Earnings	6,683	1,835	11,145	-	63,825	62,362
Miscellaneous	308,771	3,590	-	-	1,394,809	844,375
Total Revenues	<u>2,033,380</u>	<u>1,030,683</u>	<u>779,347</u>	<u>-</u>	<u>7,874,511</u>	<u>9,494,694</u>
EXPENDITURES						
General Government	116,904	-	-	-	1,072,535	1,093,708
Public Safety	1,662,615	-	-	-	2,366,537	2,097,859
Health and Social Services	-	981,099	-	-	988,844	1,063,489
Culture and Recreation	-	-	354,028	-	354,028	411,087
Roads, Bridges and Rights-of-Way	-	-	-	-	333,340	317,392
Capital Outlay	282,240	89,339	524,592	-	960,090	2,834,015
Total Expenditures	<u>2,061,759</u>	<u>1,070,438</u>	<u>878,620</u>	<u>-</u>	<u>6,075,374</u>	<u>7,817,550</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(28,379)</u>	<u>(39,755)</u>	<u>(99,273)</u>	<u>-</u>	<u>1,799,137</u>	<u>1,677,144</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	58,524	40,906
Transfers Out	-	-	-	-	(82,923)	(6,231)
Sale of Capital Assets	11,649	-	12,204	-	40,972	4,285
Total Other Financing Sources (Uses)	<u>11,649</u>	<u>-</u>	<u>12,204</u>	<u>-</u>	<u>16,573</u>	<u>38,960</u>
Net Change in Fund Balances	(16,730)	(39,755)	(87,069)	-	1,815,710	1,716,104
Fund Balances - Beginning	1,534,015	622,022	3,456,435	6,345	15,945,799	14,229,695
Fund Balances - Ending	<u>\$ 1,517,285</u>	<u>\$ 582,267</u>	<u>\$ 3,369,366</u>	<u>\$ 6,345</u>	<u>\$ 17,761,509</u>	<u>\$ 15,945,799</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY RECORDS MANAGEMENT AND PRESERVATION SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ 93,000	\$ 87,154	\$ (5,846)	\$ 92,651
Investment Earnings	-	1,165	1,165	-
Miscellaneous	-	1,996	1,996	1,574
Total Revenues	<u>93,000</u>	<u>90,315</u>	<u>(2,685)</u>	<u>94,225</u>
EXPENDITURES				
General Government:				
Current:				
Personal Services	55,386	53,418	1,968	53,004
Supplies	4,000	-	4,000	-
Total Expenditures	<u>59,386</u>	<u>53,418</u>	<u>5,968</u>	<u>53,004</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>33,614</u>	<u>36,897</u>	<u>3,283</u>	<u>41,221</u>
OTHER FINANCING SOURCES (USES)				
Budgeted Contingencies Used	(200,000)	-	200,000	-
Net Change in Fund Balance	(166,386)	36,897	203,283	41,221
Fund Balance - Beginning	<u>398,117</u>	<u>398,117</u>	<u>-</u>	<u>356,896</u>
Fund Balance - Ending	<u>\$ 231,731</u>	<u>\$ 435,014</u>	<u>\$ 203,283</u>	<u>\$ 398,117</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY CLERK RECORDS MANAGEMENT AND PRESERVATION SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ 705,400	\$ 826,711	\$ 121,311	\$ 831,502
Investment Earnings	-	6,719	6,719	-
Total Revenues	<u>705,400</u>	<u>833,430</u>	<u>128,030</u>	<u>831,502</u>
EXPENDITURES				
General Government:				
Current:				
Personal Services	223,428	222,755	673	158,323
Supplies	32,740	14,021	18,719	14,687
Other Services and Charges	<u>167,200</u>	<u>79,756</u>	<u>87,444</u>	<u>66,680</u>
Total General Government	423,368	316,532	106,836	239,690
Capital Outlay	<u>420,000</u>	<u>51,041</u>	<u>368,959</u>	<u>80,324</u>
Total Expenditures	<u>843,368</u>	<u>367,573</u>	<u>475,795</u>	<u>320,014</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(137,968)</u>	<u>465,857</u>	<u>603,825</u>	<u>511,488</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(50,496)	(50,495)	1	-
Sale of Capital Assets	-	25	25	-
Budgeted Contingencies Used	<u>(195,364)</u>	<u>-</u>	<u>195,364</u>	<u>-</u>
Total Other Financing Sources (Uses)	(245,860)	(50,470)	195,390	-
Net Change in Fund Balance	(383,828)	415,387	799,215	511,488
Fund Balance - Beginning	<u>2,170,329</u>	<u>2,170,329</u>	<u>-</u>	<u>1,658,841</u>
Fund Balance - Ending	<u><u>\$ 1,786,501</u></u>	<u><u>\$ 2,585,716</u></u>	<u><u>\$ 799,215</u></u>	<u><u>\$ 2,170,329</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
ELECTION SERVICES CONTRACT FUND SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017			Prior Year Actual
	Final Budget	Actual	Variance with Final Budget - Positive (Negative)	
REVENUES				
Charges for Services	\$ 154,500	\$ 246,148	\$ 91,648	\$ 260,399
Investment Earnings	-	1,704	1,704	-
Miscellaneous	-	-	-	15,000
Total Revenues	<u>154,500</u>	<u>247,852</u>	<u>93,352</u>	<u>275,399</u>
EXPENDITURES				
General Government:				
Current:				
Personal Services	173,088	91,048	82,040	135,418
Supplies	10,700	1,906	8,794	30,565
Other Services and Charges	51,300	23,466	27,834	30,915
Total General Government	<u>235,088</u>	<u>116,420</u>	<u>118,668</u>	<u>196,898</u>
Capital Outlay	-	-	-	10,000
Total Expenditures	<u>235,088</u>	<u>116,420</u>	<u>118,668</u>	<u>206,898</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(80,588)	131,432	212,020	68,501
Fund Balance - Beginning	<u>517,961</u>	<u>517,961</u>	-	<u>449,460</u>
Fund Balance - Ending	<u><u>\$ 437,373</u></u>	<u><u>\$ 649,393</u></u>	<u><u>\$ 212,020</u></u>	<u><u>\$ 517,961</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT CLERK CHILD SUPPORT IV-D SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Intergovernmental	\$ 4,000	\$ 2,444	\$ (1,556)	\$ 3,833
Investment Earnings	-	143	143	-
Total Revenues	4,000	2,587	(1,413)	3,833
EXPENDITURES				
General Government:				
Current:				
Personal Services	47,690	21,278	26,412	43,923
Excess (Deficiency) of Revenues over (under) Expenditures	(43,690)	(18,691)	24,999	(40,090)
OTHER FINANCING SOURCES (USES)				
Budgeted Contingencies Used	(25,000)	-	25,000	-
Net Change in Fund Balance	(68,690)	(18,691)	49,999	(40,090)
Fund Balance - Beginning	65,506	65,506	-	105,596
Fund Balance - Ending	\$ (3,184)	\$ 46,815	\$ 49,999	\$ 65,506

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT CLERK RECORDS MANAGEMENT SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ 57,300	\$ 54,092	\$ (3,208)	\$ 58,001
Investment Earnings	-	494	494	-
Total Revenues	<u>57,300</u>	<u>54,586</u>	<u>(2,714)</u>	<u>58,001</u>
EXPENDITURES				
General Government:				
Current:				
Other Services and Charges	-	-	-	14,835
Excess (Deficiency) of Revenues over (under) Expenditures	<u>57,300</u>	<u>54,586</u>	<u>(2,714)</u>	<u>43,166</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(6,593)	(6,592)	1	-
Budgeted Contingencies Used	(18,407)	-	18,407	-
Total Other Financing Sources (Uses)	(25,000)	(6,592)	18,408	-
Net Change in Fund Balance	32,300	47,994	15,694	43,166
Fund Balance - Beginning	<u>150,523</u>	<u>150,523</u>	<u>-</u>	<u>107,357</u>
Fund Balance - Ending	<u>\$ 182,823</u>	<u>\$ 198,517</u>	<u>\$ 15,694</u>	<u>\$ 150,523</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ELECTION CODE CHAPTER 19 SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Intergovernmental	\$ 37,000	\$ 26,085	\$ (10,915)	\$ 25,825
Investment Earnings	-	19	19	26
Total Revenues	<u>37,000</u>	<u>26,104</u>	<u>(10,896)</u>	<u>25,851</u>
EXPENDITURES				
General Government:				
Current:				
Personal Services	30,942	23,800	7,142	25,021
Supplies	2,500	2,128	372	2,500
Other Services and Charges	7,765	177	7,588	2,055
Total Expenditures	<u>41,207</u>	<u>26,105</u>	<u>15,102</u>	<u>29,576</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(4,207)	(1)	4,206	(3,725)
Fund Balance - Beginning	<u>2</u>	<u>2</u>	<u>-</u>	<u>3,727</u>
Fund Balance - Ending	<u>\$ (4,205)</u>	<u>\$ 1</u>	<u>\$ 4,206</u>	<u>\$ 2</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
TAX ASSESSOR-COLLECTOR SPECIAL INVENTORY TAX ESCROW SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Taxes	\$ 25,000	\$ 6,406	\$ (18,594)	\$ 16,899
Investment Earnings	<u>6,300</u>	<u>6,191</u>	<u>(109)</u>	<u>6,251</u>
Total Revenues	<u>31,300</u>	<u>12,597</u>	<u>(18,703)</u>	<u>23,150</u>
EXPENDITURES				
General Government:				
Current:				
Other Services and Charges	<u>9,575</u>	<u>7,448</u>	<u>2,127</u>	<u>5,332</u>
Excess (Deficiency) of Revenues over (under) Expenditures	21,725	5,149	(16,576)	17,818
Fund Balance - Beginning	<u>79,104</u>	<u>79,104</u>	<u>-</u>	<u>61,286</u>
Fund Balance - Ending	<u>\$ 100,829</u>	<u>\$ 84,253</u>	<u>\$ (16,576)</u>	<u>\$ 79,104</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY AND DISTRICT COURT TECHNOLOGY
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	<u>2017</u>		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ -	\$ 8,051	\$ 8,051	\$ -
Investment Earnings	-	71	71	-
Total Revenues	<u>-</u>	<u>8,122</u>	<u>8,122</u>	<u>-</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>-</u>	<u>8,122</u>	<u>8,122</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>57,089</u>	<u>57,087</u>	<u>(2)</u>	<u>-</u>
Net Change in Fund Balance	57,089	65,209	8,120	-
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 57,089</u>	<u>\$ 65,209</u>	<u>\$ 8,120</u>	<u>\$ -</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DONATIONS TO GALVESTON COUNTY
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Investment Earnings	-	108	108	-
Miscellaneous	\$ 7,750	\$ 31,496	\$ 23,746	\$ 6,562
Total Revenues	<u>7,750</u>	<u>31,604</u>	<u>23,854</u>	<u>6,562</u>
EXPENDITURES				
Health and Social Services:				
Current:				
Supplies	500	500	-	-
Other Services and Charges	20,000	7,245	12,755	5,827
Total expenditures	<u>20,500</u>	<u>7,745</u>	<u>12,755</u>	<u>5,827</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(12,750)	23,859	36,609	735
Fund Balance - Beginning	<u>19,117</u>	<u>19,117</u>	<u>-</u>	<u>18,382</u>
Fund Balance - Ending	<u>\$ 6,367</u>	<u>\$ 42,976</u>	<u>\$ 36,609</u>	<u>\$ 19,117</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
DISTRICT ATTORNEY CONTRABAND POST-10/89 SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Fines and Forfeitures	\$ 75,000	\$ 82,412	\$ 7,412	\$ 102,439
Investment Earnings	-	537	537	518
Miscellaneous	-	22,737	22,737	-
Total Revenues	75,000	105,686	30,686	102,957
EXPENDITURES				
General Government:				
Current:				
Supplies	31,500	95	31,405	2,363
Other Services and Charges	122,539	96,146	26,393	70,868
Total Expenditures	154,039	96,241	57,798	73,231
Excess (Deficiency) of Revenues over (under) Expenditures	(79,039)	9,445	88,484	29,726
OTHER FINANCING SOURCES (USES)				
Transfers Out	(25,836)	(25,836)	-	-
Sale of Capital Assets	-	2,019	2,019	-
Total Other Financing Sources (Uses)	(25,836)	(23,817)	2,019	-
Net Change in Fund Balance	(104,875)	(14,372)	90,503	29,726
Fund Balance - Beginning	150,077	150,077	-	120,351
Fund Balance - Ending	\$ 45,202	\$ 135,705	\$ 90,503	\$ 150,077

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
DISTRICT ATTORNEY CHECK COLLECTION FEES SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ -	\$ 60	\$ 60	\$ 75
EXPENDITURES				
General Government:				
Current:				
Other Services and Charges	-	-	-	120
Excess (Deficiency) of Revenues over (under) Expenditures	-	60	60	(45)
Fund Balance - Beginning	<u>7,197</u>	<u>7,197</u>	-	<u>7,242</u>
Fund Balance - Ending	<u>\$ 7,197</u>	<u>\$ 7,257</u>	<u>\$ 60</u>	<u>\$ 7,197</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COURTHOUSE SECURITY SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	<u>2017</u>		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ 144,100	\$ 150,699	\$ 6,599	\$ 155,473
Investment Earnings	-	220	220	-
Total Revenues	<u>144,100</u>	<u>150,919</u>	<u>6,819</u>	<u>155,473</u>
EXPENDITURES				
Public Safety:				
Current:				
Personal Services	<u>218,793</u>	<u>218,794</u>	<u>(1)</u>	<u>205,523</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(74,693)</u>	<u>(67,875)</u>	<u>6,818</u>	<u>(50,050)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,437	1,437	-	-
Budgeted Contingencies Used	<u>(24,761)</u>	<u>-</u>	<u>24,761</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(23,324)</u>	<u>1,437</u>	<u>24,761</u>	<u>-</u>
Net Change in Fund Balance	(98,017)	(66,438)	31,579	(50,050)
Fund Balance - Beginning	<u>114,170</u>	<u>114,170</u>	<u>-</u>	<u>164,220</u>
Fund Balance - Ending	<u>\$ 16,153</u>	<u>\$ 47,732</u>	<u>\$ 31,579</u>	<u>\$ 114,170</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUSTICE COURT BUILDING SECURITY SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ 9,300	\$ 8,075	\$ (1,225)	\$ 9,598
Investment Earnings	-	132	132	-
Total Revenues	<u>9,300</u>	<u>8,207</u>	<u>(1,093)</u>	<u>9,598</u>
EXPENDITURES				
Public Safety:				
Current:				
Supplies	<u>2,400</u>	<u>2,400</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	6,900	5,807	(1,093)	9,598
Fund Balance - Beginning	<u>44,028</u>	<u>44,028</u>	<u>-</u>	<u>34,430</u>
Fund Balance - Ending	<u><u>\$ 50,928</u></u>	<u><u>\$ 49,835</u></u>	<u><u>\$ (1,093)</u></u>	<u><u>\$ 44,028</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
APPELLATE JUDICIAL SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Fines and Forfeitures	\$ 34,500	\$ 34,351	\$ (149)	\$ 34,410
Investment Earnings	-	247	247	-
Total Revenues	<u>34,500</u>	<u>34,598</u>	<u>98</u>	<u>34,410</u>
EXPENDITURES	-	-	-	-
Excess (Deficiency) of Revenues over (under) Expenditures	34,500	34,598	98	34,410
Fund Balance - Beginning	<u>69,290</u>	<u>69,290</u>	-	<u>34,880</u>
Fund Balance - Ending	<u>\$ 103,790</u>	<u>\$ 103,888</u>	<u>\$ 98</u>	<u>\$ 69,290</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LAW LIBRARY SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ 203,300	\$ 212,889	\$ 9,589	\$ 203,446
Investment Earnings	-	338	338	-
Total Revenues	<u>203,300</u>	<u>213,227</u>	<u>9,927</u>	<u>203,446</u>
EXPENDITURES				
General Government:				
Current:				
Supplies	176,000	162,504	13,496	230,210
Other Services and Charges	2,000	-	2,000	-
Total Expenditures	<u>178,000</u>	<u>162,504</u>	<u>15,496</u>	<u>230,210</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>25,300</u>	<u>50,723</u>	<u>25,423</u>	<u>(26,764)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	30,000
Net Change in Fund Balance	25,300	50,723	25,423	3,236
Fund Balance - Beginning	<u>78,068</u>	<u>78,068</u>	-	<u>74,832</u>
Fund Balance - Ending	<u><u>\$ 103,368</u></u>	<u><u>\$ 128,791</u></u>	<u><u>\$ 25,423</u></u>	<u><u>\$ 78,068</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MEDIATION SERVICES PROGRAM SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ 106,200	\$ 112,037	\$ 5,837	\$ 107,652
Investment Earnings	3,200	3,739	539	3,663
Total Revenues	<u>109,400</u>	<u>115,776</u>	<u>6,376</u>	<u>111,315</u>
EXPENDITURES				
General Government:				
Current:				
Other Services and Charges	118,000	117,086	914	124,095
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(8,600)</u>	<u>(1,310)</u>	<u>7,290</u>	<u>(12,780)</u>
OTHER FINANCING SOURCES (USES)				
Budgeted Contingencies Used	(500,000)	-	500,000	-
Net Change in Fund Balance	(508,600)	(1,310)	507,290	(12,780)
Fund Balance - Beginning	<u>1,056,306</u>	<u>1,056,306</u>	<u>-</u>	<u>1,069,086</u>
Fund Balance - Ending	<u>\$ 547,706</u>	<u>\$ 1,054,996</u>	<u>\$ 507,290</u>	<u>\$ 1,056,306</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUSTICE COURT TECHNOLOGY SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	<u>2017</u>		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Fines and Forfeitures	\$ 39,000	\$ 32,456	\$ (6,544)	\$ 38,461
Investment Earnings	-	454	454	-
Total Revenues	<u>39,000</u>	<u>32,910</u>	<u>(6,090)</u>	<u>38,461</u>
EXPENDITURES				
General Government:				
Current:				
Other Services and Charges	<u>81,000</u>	<u>-</u>	<u>81,000</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(42,000)	32,910	74,910	38,461
Fund Balance - Beginning	<u>146,463</u>	<u>146,463</u>	<u>-</u>	<u>108,002</u>
Fund Balance - Ending	<u>\$ 104,463</u>	<u>\$ 179,373</u>	<u>\$ 74,910</u>	<u>\$ 146,463</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
PROBATE COURT CONTRIBUTIONS SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Intergovernmental	\$ 40,000	\$ 40,000	\$ -	\$ 41,527
Investment Earnings	-	936	936	-
Total Revenues	<u>40,000</u>	<u>40,936</u>	<u>936</u>	<u>41,527</u>
EXPENDITURES				
General Government:				
Current:				
Supplies	4,000	3,619	381	22,322
Other Services and Charges	25,400	10,088	15,312	10,578
Total Expenditures	<u>29,400</u>	<u>13,707</u>	<u>15,693</u>	<u>32,900</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>10,600</u>	<u>27,229</u>	<u>16,629</u>	<u>8,627</u>
OTHER FINANCING SOURCES (USES)				
Budgeted Contingencies Used	(200,000)	-	200,000	-
Net Change in Fund Balance	(189,400)	27,229	216,629	8,627
Fund Balance - Beginning	<u>313,516</u>	<u>313,516</u>	<u>-</u>	<u>304,889</u>
Fund Balance - Ending	<u>\$ 124,116</u>	<u>\$ 340,745</u>	<u>\$ 216,629</u>	<u>\$ 313,516</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SUPPLEMENTAL COURT-INITIATED GUARDIANSHIP FEE SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	<u>2017</u>		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ 22,000	\$ 22,846	\$ 846	\$ 21,389
Investment Earnings	-	395	395	-
Total Revenues	<u>22,000</u>	<u>23,241</u>	<u>1,241</u>	<u>21,389</u>
EXPENDITURES				
General Government:				
Current:				
Other Services and Charges	<u>30,000</u>	<u>24,892</u>	<u>5,108</u>	<u>26,507</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(8,000)	(1,651)	6,349	(5,118)
Fund Balance - Beginning	<u>144,019</u>	<u>144,019</u>	-	<u>149,137</u>
Fund Balance - Ending	<u>\$ 136,019</u>	<u>\$ 142,368</u>	<u>\$ 6,349</u>	<u>\$ 144,019</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PRETRIAL INTERVENTION PROGRAM SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ 28,000	\$ 31,019	\$ 3,019	\$ 22,481
Investment Earnings	-	216	216	-
Total Revenues	<u>28,000</u>	<u>31,235</u>	<u>3,235</u>	<u>22,481</u>
EXPENDITURES	-	-	-	-
Excess (Deficiency) of Revenues over (under) Expenditures	28,000	31,235	3,235	22,481
Fund Balance - Beginning	<u>60,790</u>	<u>60,790</u>	-	<u>38,309</u>
Fund Balance - Ending	<u>\$ 88,790</u>	<u>\$ 92,025</u>	<u>\$ 3,235</u>	<u>\$ 60,790</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COURT REPORTER SERVICE FUND SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Charges for Services	\$ 100,700	\$ 102,176	\$ 1,476	\$ 96,673
Investment Earnings	100	524	424	158
Total Revenues	<u>100,800</u>	<u>102,700</u>	<u>1,900</u>	<u>96,831</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	100,800	102,700	1,900	96,831
Fund Balance - Beginning	<u>96,831</u>	<u>96,831</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 197,631</u></u>	<u><u>\$ 199,531</u></u>	<u><u>\$ 1,900</u></u>	<u><u>\$ 96,831</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
SHERIFF'S COMMISSARY SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Investment Earnings	\$ 5,000	\$ 5,364	\$ 364	\$ 2,862
Miscellaneous	<u>1,460,000</u>	<u>802,659</u>	<u>(657,341)</u>	<u>453,230</u>
Total Revenues	<u>1,465,000</u>	<u>808,023</u>	<u>(656,977)</u>	<u>456,092</u>
EXPENDITURES				
Public Safety:				
Current:				
Other Services and Charges	<u>438,000</u>	<u>403,497</u>	<u>34,503</u>	<u>337,682</u>
Excess (Deficiency) of Revenues over (under) Expenditures	1,027,000	404,526	(622,474)	118,410
Fund Balance - Beginning	<u>743,301</u>	<u>743,301</u>	<u>-</u>	<u>624,891</u>
Fund Balance - Ending	<u>\$ 1,770,301</u>	<u>\$ 1,147,827</u>	<u>\$ (622,474)</u>	<u>\$ 743,301</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
SHERIFF FORFEITURES POST-10/89 SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Fines and Forfeitures	\$ 58,900	\$ 145,832	\$ 86,932	\$ 80,713
Investment Earnings	1,200	1,560	360	1,086
Miscellaneous	-	13,450	13,450	28,403
Total Revenues	60,100	160,842	100,742	110,202
EXPENDITURES				
Public Safety:				
Current:				
Supplies	52,272	51,452	820	3,064
Other Services and Charges	66,600	1,590	65,010	18,726
Total Public Safety	118,872	53,042	65,830	21,790
Capital Outlay	27,128	12,128	15,000	-
Total Expenditures	146,000	65,170	80,830	21,790
Excess (Deficiency) of Revenues over (under) Expenditures	(85,900)	95,672	181,572	88,412
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	6,231
Sale of Capital Assets	-	11,475	11,475	4,285
Total Other Financing Sources (Uses)	-	11,475	11,475	10,516
Net Change in Fund Balance	(85,900)	107,147	193,047	98,928
Fund Balance - Beginning	394,999	394,999	-	296,071
Fund Balance - Ending	\$ 309,099	\$ 502,146	\$ 193,047	\$ 394,999

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
TASK FORCE FORFEITURES PRE-10/89 SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017			Prior Year Actual
	Final Budget	Actual	Variance with Final Budget - Positive (Negative)	
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
Other Financing Sources (Uses)				
Transfers Out	-	-	-	(6,231)
Net Change in Fund Balance	-	-	-	(6,231)
Fund Balance - Beginning	-	-	-	6,231
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
LAW ENFORCEMENT CONTINUED EDUCATION SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Intergovernmental	\$ 46,371	\$ 30,302	\$ (16,069)	\$ 31,595
Investment Earnings	-	429	429	-
Total Revenues	46,371	30,731	(15,640)	31,595
EXPENDITURES				
Public Safety:				
Current:				
Other Services and Charges	144,105	21,314	122,791	-
Intergovernmental	-	-	-	10,505
Total Expenditures	144,105	21,314	122,791	10,505
Excess (Deficiency) of Revenues over (under) Expenditures	(97,734)	9,417	107,151	21,090
Fund Balance - Beginning	145,864	145,864	-	124,774
Fund Balance - Ending	\$ 48,130	\$ 155,281	\$ 107,151	\$ 145,864

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
CONSTABLES' FORFEITURES SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	<u>2017</u>		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Investment Earnings	\$ -	\$ 12	\$ 12	\$ 12
EXPENDITURES	-	-	-	-
Excess (Deficiency) of Revenues over (under) Expenditures	-	12	12	12
Fund Balance - Beginning	3,495	3,495	-	3,483
Fund Balance - Ending	<u>\$ 3,495</u>	<u>\$ 3,507</u>	<u>\$ 12</u>	<u>\$ 3,495</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EMERGENCY MANAGEMENT SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Intergovernmental	\$ 2,750	\$ 3,540	\$ 790	\$ 7,576
Investment Earnings	-	2,190	2,190	15,721
Miscellaneous	-	-	-	17,908
Total Revenues	<u>2,750</u>	<u>5,730</u>	<u>2,980</u>	<u>41,205</u>
EXPENDITURES				
Public Safety:				
Current:				
Supplies	6,010	-	6,010	7,881
Other Services and Charges	876,403	4,875	871,528	3,477
Total Public Safety	882,413	4,875	877,538	11,358
Capital Outlay	800,000	-	800,000	800,000
Total Expenditures	<u>1,682,413</u>	<u>4,875</u>	<u>1,677,538</u>	<u>811,358</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,679,663)</u>	<u>855</u>	<u>1,680,518</u>	<u>(770,153)</u>
OTHER FINANCING SOURCES (USES)				
Budgeted Contingencies Used	(998,800)	-	998,800	-
Net Change in Fund Balance	(2,678,463)	855	2,679,318	(770,153)
Fund Balance - Beginning	<u>803,373</u>	<u>803,373</u>	<u>-</u>	<u>1,573,526</u>
Fund Balance - Ending	<u>\$ (1,875,090)</u>	<u>\$ 804,228</u>	<u>\$ 2,679,318</u>	<u>\$ 803,373</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FARM-TO-MARKET LATERAL ROAD SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Taxes	\$ -	\$ 159	\$ 159	\$ 207
Intergovernmental	36,500	72,703	36,203	25,070
Investment Earnings	3,800	5,035	1,235	4,243
Miscellaneous	55,700	210,110	154,410	48,467
Total Revenues	<u>96,000</u>	<u>288,007</u>	<u>192,007</u>	<u>77,987</u>
EXPENDITURES				
Roads, Bridges and Rights-of-Way:				
Current:				
Personal Services	99,848	99,800	48	85,566
Supplies	3,000	652	2,348	1,237
Other Services and Charges	8,295	6,014	2,281	1,608
Total Roads, Bridges and Rights-of-Way	<u>111,143</u>	<u>106,466</u>	<u>4,677</u>	<u>88,411</u>
Capital Outlay	<u>40,000</u>	<u>750</u>	<u>39,250</u>	<u>500</u>
Total Expenditures	<u>151,143</u>	<u>107,216</u>	<u>43,927</u>	<u>88,911</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(55,143)</u>	<u>180,791</u>	<u>235,934</u>	<u>(10,924)</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	3,600	3,600	-
Budgeted Contingencies Used	<u>(750,000)</u>	<u>-</u>	<u>750,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(750,000)</u>	<u>3,600</u>	<u>753,600</u>	<u>-</u>
Net Change in Fund Balance	<u>(805,143)</u>	<u>184,391</u>	<u>989,534</u>	<u>(10,924)</u>
Fund Balance - Beginning	<u>1,230,550</u>	<u>1,230,550</u>	<u>-</u>	<u>1,241,474</u>
Fund Balance - Ending	<u>\$ 425,407</u>	<u>\$ 1,414,941</u>	<u>\$ 989,534</u>	<u>\$ 1,230,550</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD DISTRICT #1 SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 7
Charges for Services	450,000	565,844	115,844	550,498
Investment Earnings	<u>3,300</u>	<u>5,220</u>	<u>1,920</u>	<u>3,917</u>
Total Revenues	<u>453,300</u>	<u>571,064</u>	<u>117,764</u>	<u>554,422</u>
EXPENDITURES				
Roads, Bridges and Rights-of-Way:				
Current:				
Personal Services	237,676	223,550	14,126	218,316
Supplies	3,000	1,164	1,836	7,082
Other Services and Charges	<u>4,000</u>	<u>2,160</u>	<u>1,840</u>	<u>3,583</u>
Total Roads, Bridges and Rights-of-Way	244,676	226,874	17,802	228,981
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,515</u>
Total Expenditures	<u>244,676</u>	<u>226,874</u>	<u>17,802</u>	<u>242,496</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>208,624</u>	<u>344,190</u>	<u>135,566</u>	<u>311,926</u>
OTHER FINANCING SOURCES (USES)				
Budgeted Contingencies Used	<u>(350,000)</u>	<u>-</u>	<u>350,000</u>	<u>-</u>
Net Change in Fund Balance	(141,376)	344,190	485,566	311,926
Fund Balance - Beginning	<u>1,323,986</u>	<u>1,323,986</u>	<u>-</u>	<u>1,012,060</u>
Fund Balance - Ending	<u><u>\$ 1,182,610</u></u>	<u><u>\$ 1,668,176</u></u>	<u><u>\$ 485,566</u></u>	<u><u>\$ 1,323,986</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FLOOD CONTROL SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Taxes	\$ 1,468,634	\$ 1,493,448	\$ 24,814	\$ 1,371,529
Charges for Services	-	224,478	224,478	258,017
Investment Earnings	5,700	6,683	983	6,504
Miscellaneous	246,000	308,771	62,771	273,132
Total Revenues	<u>1,720,334</u>	<u>2,033,380</u>	<u>313,046</u>	<u>1,909,182</u>
EXPENDITURES				
General Government:				
Current:				
Other Services and Charges	225,368	116,904	108,464	23,387
Public Safety:				
Current:				
Personal Services	1,311,126	1,194,123	117,003	1,160,847
Supplies	250,663	241,563	9,100	157,570
Other Services and Charges	410,010	226,929	183,081	192,584
Total Public Safety	<u>1,971,799</u>	<u>1,662,615</u>	<u>309,184</u>	<u>1,511,001</u>
Capital Outlay	314,729	282,240	32,489	246,498
Total Expenditures	<u>2,511,896</u>	<u>2,061,759</u>	<u>450,137</u>	<u>1,780,886</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(791,562)</u>	<u>(28,379)</u>	<u>763,183</u>	<u>128,296</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	11,649	11,649	-
Budgeted Contingencies Used	(324,606)	-	324,606	-
Total Other Financing Sources (Uses)	<u>(324,606)</u>	<u>11,649</u>	<u>336,255</u>	<u>-</u>
Net Change in Fund Balance	<u>(1,116,168)</u>	<u>(16,730)</u>	<u>1,099,438</u>	<u>128,296</u>
Fund Balance - Beginning	<u>1,534,015</u>	<u>1,534,015</u>	<u>-</u>	<u>1,405,719</u>
Fund Balance - Ending	<u><u>\$ 417,847</u></u>	<u><u>\$ 1,517,285</u></u>	<u><u>\$ 1,099,438</u></u>	<u><u>\$ 1,534,015</u></u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOSQUITO CONTROL DISTRICT SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Taxes	\$ 1,006,135	\$ 1,025,258	\$ 19,123	\$ 969,819
Investment Earnings	1,400	1,835	435	1,675
Miscellaneous	23,000	3,590	(19,410)	-
Total Revenues	<u>1,030,535</u>	<u>1,030,683</u>	<u>148</u>	<u>971,494</u>
EXPENDITURES				
Health and Social Services:				
Current:				
Personal Services	627,859	612,995	14,864	633,517
Supplies	530,800	293,651	237,149	392,367
Other Services and Charges	84,500	74,453	10,047	31,778
Total Health and Social Services	1,243,159	981,099	262,060	1,057,662
Capital Outlay	115,539	89,339	26,200	-
Total Expenditures	<u>1,358,698</u>	<u>1,070,438</u>	<u>288,260</u>	<u>1,057,662</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(328,163)</u>	<u>(39,755)</u>	<u>288,408</u>	<u>(86,168)</u>
OTHER FINANCING SOURCES (USES)				
Budgeted Contingencies Used	(297,083)	-	297,083	-
Net Change in Fund Balance	(625,246)	(39,755)	585,491	(86,168)
Fund Balance - Beginning	<u>622,022</u>	<u>622,022</u>	<u>-</u>	<u>708,190</u>
Fund Balance - Ending	<u>\$ (3,224)</u>	<u>\$ 582,267</u>	<u>\$ 585,491</u>	<u>\$ 622,022</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BEACH AND PARKS SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ 2,535,000
Charges for Services	515,000	768,202	253,202	635,192
Investment Earnings	14,500	11,145	(3,355)	15,726
Total Revenues	<u>529,500</u>	<u>779,347</u>	<u>249,847</u>	<u>3,185,918</u>
EXPENDITURES				
Culture and Recreation:				
Current:				
Personal Services	429,458	259,626	169,832	257,712
Supplies	22,000	18,360	3,640	50,664
Other Services and Charges	220,300	76,042	144,258	91,048
Total Culture and Recreation	<u>671,758</u>	<u>354,028</u>	<u>317,730</u>	<u>399,424</u>
Capital Outlay	<u>1,304,580</u>	<u>524,592</u>	<u>779,988</u>	<u>1,683,178</u>
Total Expenditures	<u>1,976,338</u>	<u>878,620</u>	<u>1,097,718</u>	<u>2,082,602</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,446,838)</u>	<u>(99,273)</u>	<u>1,347,565</u>	<u>1,103,316</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	4,675
Sale of Capital Assets	-	12,204	12,204	-
Budgeted Contingencies Used	(39,920)	-	39,920	-
Total Other Financing Sources (Uses)	<u>(39,920)</u>	<u>12,204</u>	<u>52,124</u>	<u>4,675</u>
Net Change in Fund Balance	(1,486,758)	(87,069)	1,399,689	1,107,991
Fund Balance - Beginning	<u>3,456,435</u>	<u>3,456,435</u>	<u>-</u>	<u>2,348,444</u>
Fund Balance - Ending	<u>\$ 1,969,677</u>	<u>\$ 3,369,366</u>	<u>\$ 1,399,689</u>	<u>\$ 3,456,435</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GALVESTON COUNTY MUSEUM SPECIAL REVENUE FUND
For the Year Ended September 30, 2017
With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017		Variance with Final Budget - Positive (Negative)	Prior Year Actual
	Final Budget	Actual		
REVENUES	\$ -	\$ -	\$ -	\$ 99
EXPENDITURES				
Culture and Recreation:				
Current:				
Supplies	17,000	-	17,000	11,663
Excess (Deficiency) of Revenues over (under) Expenditures	(17,000)	-	17,000	(11,564)
Fund Balance - Beginning	6,345	6,345	-	17,909
Fund Balance - Ending	<u>\$ (10,655)</u>	<u>\$ 6,345</u>	<u>\$ 17,000</u>	<u>\$ 6,345</u>

NONMAJOR
CAPITAL PROJECT FUNDS

COUNTY CAPITAL PROJECTS FUND - 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.

CAPITAL REPLENISHMENT FUND - This fund was created in the fiscal year ended September 30, 2011. The Capital Replenishment Fund is funded by resources other than bond proceeds to accumulate reserves for major repairs of county owned facilities.

LIMITED TAX COUNTY BUILDING BONDS SERIES 2009B - This fund was created in fiscal year 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 and to pay for professional services rendered in connection with the projects.

COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C - Issued September 4, 2003 in the amount of \$40,890,000; proceeds used to purchase 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 - Issued September 4, 2003 in the amount of \$57,245,000; proceeds used to build, improve and equip buildings, jails and court facilities and to pay the costs associated with the issuance of the bonds.

PARKS DEPARTMENT CAPITAL PROJECTS FUND - Fund created to account for the net proceeds from the sale of the Bayshore RV Park and Spillway Fishing Pier in fiscal year 2007 and for the reinvestment of those proceeds into other county park land and facilities. The park and fishing pier were originally developed using federal land and water conservation funds, requiring the county to expend the sale proceeds as per federal and state regulations relating to the conversion of park lands to private purposes.

ROAD BONDS SERIES 1987 - Issued for the purpose of constructing and improving county roads.

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 Road Bond Fund, 1987:

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

UNLIMITED TAX ROAD BONDS SERIES 2003B - Issued September 4, 2003, in the amount of \$9,625,000 to be used to build and improve roads within the county and to pay the costs associated with the issuance of the bonds.

UNLIMITED TAX ROAD BONDS SERIES 2001 - Issued in March 2001 in the amount of \$26,151,372 as 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. Proceeds used to build and improve roads within the county.

PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS SERIES 2007 - Fund created in fiscal year 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.

UNLIMITED TAX ROAD BONDS SERIES 2009A - Fund created in fiscal year 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 funded by a dedicated bond issue.

GALVESTON CAUSEWAY RAILROAD BRIDGE PROJECT – Fund was created in fiscal year 2005 pursuant to an order issued by the U.S. Coast Guard requiring alteration of an existing railroad bridge to eliminate obstructions that its configuration posed to free navigation.

COUNTY ROAD AND BRIDGE PROJECTS - This fund was created in fiscal year 2005 to account for various county road and bridge projects. The 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 - Issued in September 2009 in the amount of \$15,000,000 to be used to: 1) establish, construct, extend, maintain or improve a seawall, breakwater, levee, floodway and/or drainage; 2) pay for the professional services rendered in connection with the aforementioned projects; 3) pay the costs associated with the issuance of the Series 2009C Bonds; and 4) pay a portion of the interest on the Series 2009C Bonds.

CERTIFICATES OF OBLIGATION SERIES 2008 - Issued in March 2008 in the amount of \$7,000,000 to be used to pay all or part of the contractual obligations to be incurred for the construction of public works: 1) levee improvements and improvements to various pump stations; 2) improvements to the Texas City Dike and the Texas City Dike road; 3) improvements to various City of Texas City roads in the San Leon portion of the county; and 4) for the professional services rendered in connection with the above listed projects.

GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2017
With Comparative Totals at September 30, 2016

(Continued)

	COUNTY CAPITAL PROJECTS FUND	CAPITAL REPLENISHMENT FUND	LIMITED TAX COUNTY BUILDING BONDS SERIES 2009B	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C
ASSETS				
Cash and Cash Equivalents	\$ 4,024,824	\$ 1,773,353	\$ 390,693	\$ 124,790
Total Assets	\$ 4,024,824	\$ 1,773,353	\$ 390,693	\$ 124,790
LIABILITIES				
Accounts Payable	\$ 94,678	\$ -	\$ 7,447	\$ -
Retainage Payable	-	-	-	-
Due to Others	-	-	-	-
Total Liabilities	94,678	-	7,447	-
FUND BALANCES				
Restricted	-	-	383,246	124,790
Assigned	3,930,146	1,773,353	-	-
Total Fund Balances	3,930,146	1,773,353	383,246	124,790
Total Liabilities and Fund Balances	\$ 4,024,824	\$ 1,773,353	\$ 390,693	\$ 124,790

(Continued)

LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A	PARKS DEPARTMENT CAPITAL PROJECTS FUND	ROAD BONDS SERIES 1987	UNLIMITED TAX ROAD BONDS SERIES 2003B	UNLIMITED TAX ROAD BONDS SERIES 2001	PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS SERIES 2007
\$ 8,391	\$ 826,587	\$ 34,527	\$ 1,910,047	\$ 1,366,009	\$ 3,746,096
<u>\$ 8,391</u>	<u>\$ 826,587</u>	<u>\$ 34,527</u>	<u>\$ 1,910,047</u>	<u>\$ 1,366,009</u>	<u>\$ 3,746,096</u>
\$ -	\$ 45,860	\$ -	\$ -	\$ -	\$ -
-	108,378	-	-	-	-
-	-	-	-	-	-
-	154,238	-	-	-	-
8,391	672,349	34,527	1,910,047	1,366,009	3,746,096
-	-	-	-	-	-
<u>8,391</u>	<u>672,349</u>	<u>34,527</u>	<u>1,910,047</u>	<u>1,366,009</u>	<u>3,746,096</u>
<u>\$ 8,391</u>	<u>\$ 826,587</u>	<u>\$ 34,527</u>	<u>\$ 1,910,047</u>	<u>\$ 1,366,009</u>	<u>\$ 3,746,096</u>

GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2017
With Comparative Totals at September 30, 2016

(Continued)

	UNLIMITED TAX ROAD BONDS SERIES 2009A	GALVESTON CAUSEWAY RAILROAD BRIDGE PROJECT	COUNTY ROAD AND BRIDGE PROJECTS	LIMITED TAX FLOOD CONTROL SERIES 2009C
ASSETS				
Cash and Cash Equivalents	\$ 8,860,990	\$ -	\$ 253,373	\$ 526,094
Total Assets	\$ 8,860,990	\$ -	\$ 253,373	\$ 526,094
LIABILITIES				
Accounts Payable	\$ 445	\$ -	\$ -	\$ -
Retainage Payable	-	-	-	-
Due to Others	641,466	-	-	-
Total Liabilities	641,911	-	-	-
FUND BALANCES				
Restricted	8,219,079	-	-	526,094
Assigned	-	-	253,373	-
Total Fund Balances	8,219,079	-	253,373	526,094
Total Liabilities and Fund Balances	\$ 8,860,990	\$ -	\$ 253,373	\$ 526,094

CERTIFICATES OF OBLIGATION SERIES 2008	TOTALS	
	2017	2016
\$ 314,458	\$ 24,160,232	\$ 26,312,356
\$ 314,458	\$ 24,160,232	\$ 26,312,356
\$ -	\$ 148,430	\$ 122,341
-	108,378	6,057
-	641,466	641,466
-	898,274	769,864
314,458	17,305,086	19,778,008
-	5,956,872	5,764,484
314,458	23,261,958	25,542,492
\$ 314,458	\$ 24,160,232	\$ 26,312,356

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2017
With Comparative Totals for the Year Ended September 30, 2016

(Continued)

	COUNTY CAPITAL PROJECTS FUND	CAPITAL REPLENISHMENT FUND	LIMITED TAX COUNTY BUILDING BONDS SERIES 2009B	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2003C
REVENUES				
Investment Earnings	\$ 13,747	\$ 5,705	\$ 3,790	\$ 440
Miscellaneous	18,032	-	3,868	-
Total Revenues	<u>31,779</u>	<u>5,705</u>	<u>7,658</u>	<u>440</u>
EXPENDITURES				
General Government	38,027	-	7,447	-
Roads, Bridges and Rights-of-Way	-	-	-	-
Capital Outlay	416,090	-	675,553	-
Total Expenditures	<u>454,117</u>	<u>-</u>	<u>683,000</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(422,338)</u>	<u>5,705</u>	<u>(675,342)</u>	<u>440</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	455,252	315,000	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>455,252</u>	<u>315,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	32,914	320,705	(675,342)	440
Fund Balances-Beginning	<u>3,897,232</u>	<u>1,452,648</u>	<u>1,058,588</u>	<u>124,350</u>
Fund Balances-Ending	<u><u>\$ 3,930,146</u></u>	<u><u>\$ 1,773,353</u></u>	<u><u>\$ 383,246</u></u>	<u><u>\$ 124,790</u></u>

(Continued)

LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A	PARKS DEPARTMENT CAPITAL PROJECTS FUND	ROAD BONDS SERIES 1987	UNLIMITED TAX ROAD BONDS SERIES 2003B	UNLIMITED TAX ROAD BONDS SERIES 2001	PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS SERIES 2007
\$ 30	\$ 7,986	\$ 121	\$ 9,496	\$ 5,014	\$ 18,600
-	-	-	-	-	-
<u>30</u>	<u>7,986</u>	<u>121</u>	<u>9,496</u>	<u>5,014</u>	<u>18,600</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	2,197,375	-	-	-	-
-	<u>2,197,375</u>	-	-	-	-
30	(2,189,389)	121	9,496	5,014	18,600
-	510,000	-	-	-	-
-	(122,820)	-	-	-	-
-	<u>387,180</u>	-	-	-	-
30	(1,802,209)	121	9,496	5,014	18,600
<u>8,361</u>	<u>2,474,558</u>	<u>34,406</u>	<u>1,900,551</u>	<u>1,360,995</u>	<u>3,727,496</u>
<u>\$ 8,391</u>	<u>\$ 672,349</u>	<u>\$ 34,527</u>	<u>\$ 1,910,047</u>	<u>\$ 1,366,009</u>	<u>\$ 3,746,096</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2017
With Comparative Totals for the Year Ended September 30, 2016

(Continued)

	UNLIMITED TAX ROAD BONDS SERIES 2009A	GALVESTON CAUSEWAY RAILROAD BRIDGE PROJECT	COUNTY ROAD AND BRIDGE PROJECTS	LIMITED TAX FLOOD CONTROL SERIES 2009C
REVENUES				
Investment Earnings	\$ 36,642	\$ 126	\$ 915	\$ 5,048
Miscellaneous	-	-	-	-
Total Revenues	<u>36,642</u>	<u>126</u>	<u>915</u>	<u>5,048</u>
EXPENDITURES				
General Government	-	-	-	-
Roads, Bridges and Rights-of-Way	72,323	-	7,020	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>72,323</u>	<u>-</u>	<u>7,020</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(35,681)</u>	<u>126</u>	<u>(6,105)</u>	<u>5,048</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	(155,252)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(155,252)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(35,681)	(155,126)	(6,105)	5,048
Fund Balances-Beginning	<u>8,254,760</u>	<u>155,126</u>	<u>259,478</u>	<u>521,046</u>
Fund Balances-Ending	<u><u>\$ 8,219,079</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 253,373</u></u>	<u><u>\$ 526,094</u></u>

CERTIFICATES OF OBLIGATION SERIES 2008	TOTALS	
	2017	2016
\$ 1,561	\$ 109,221	\$ 147,585
-	21,900	234,728
<u>1,561</u>	<u>131,121</u>	<u>382,313</u>
-	45,474	154,451
-	79,343	7,851,589
-	3,289,018	1,788,637
-	<u>3,413,835</u>	<u>9,794,677</u>
<u>1,561</u>	<u>(3,282,714)</u>	<u>(9,412,364)</u>
-	1,280,252	1,668,000
-	(278,072)	-
-	<u>1,002,180</u>	<u>1,668,000</u>
1,561	(2,280,534)	(7,744,364)
<u>312,897</u>	<u>25,542,492</u>	<u>33,286,856</u>
<u>\$ 314,458</u>	<u>\$ 23,261,958</u>	<u>\$ 25,542,492</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
COUNTY CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Total	Prior Year Actual
		Reported in Prior Years	Actual		
REVENUES					
Intergovernmental	\$ 3,424,731	\$ 3,424,731	\$ -	\$ 3,424,731	\$ -
Investment Earnings	26,836	13,089	13,747	26,836	13,089
Miscellaneous	<u>216,250</u>	<u>198,218</u>	<u>18,032</u>	<u>216,250</u>	<u>-</u>
Total Revenues	<u>3,667,817</u>	<u>3,636,038</u>	<u>31,779</u>	<u>3,667,817</u>	<u>13,089</u>
EXPENDITURES					
General Government:					
Administration Costs	2,096,604	2,096,604	38,027	2,134,631	81,993
Capital Outlay:					
IT Capital Projects	7,140,518	4,549,194	416,090	4,965,284	1,018,259
JB Park Arena	30,000	27,569	-	27,569	27,569
Galveston Fire/EMS Station	<u>3,382,283</u>	<u>3,382,283</u>	<u>-</u>	<u>3,382,283</u>	<u>-</u>
Total Expenditures	<u>12,649,405</u>	<u>10,055,650</u>	<u>454,117</u>	<u>10,509,767</u>	<u>1,127,821</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(8,981,588)</u>	<u>(6,419,612)</u>	<u>(422,338)</u>	<u>(6,841,950)</u>	<u>(1,114,732)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	13,898,555	13,443,303	455,252	13,898,555	1,353,000
Transfers Out	(3,975,674)	(3,975,674)	-	(3,975,674)	-
Sale of Capital Assets	<u>849,215</u>	<u>849,215</u>	<u>-</u>	<u>849,215</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>10,772,096</u>	<u>10,316,844</u>	<u>455,252</u>	<u>10,772,096</u>	<u>1,353,000</u>
Net Change in Fund Balance	<u>\$ 1,790,508</u>	<u>\$ 3,897,232</u>	32,914	<u>\$ 3,930,146</u>	238,268
Fund Balance-Beginning			3,897,232		3,658,964
Fund Balance-Ending			<u>\$ 3,930,146</u>		<u>\$ 3,897,232</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
CAPITAL REPLENISHMENT CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Prior Year Actual	
		Reported in Prior Years	Actual		Total
REVENUES					
Investment Earnings	\$ 10,099	\$ 4,394	\$ 5,705	\$ 10,099	\$ 4,394
EXPENDITURES					
Culture and Recreation:					
Administration Costs	14,100	14,100	-	14,100	-
Capital Outlay:					
Parks Division	105,900	100,022	-	100,022	81,407
Road & Bridge Re-Roof	22,624	22,624	-	22,624	-
Total Expenditures	142,624	136,746	-	136,746	81,407
Excess (Deficiency) of Revenues over (under) Expenditures	(132,525)	(132,352)	5,705	(126,647)	(77,013)
OTHER FINANCING SOURCES (USES)					
Transfers In	1,900,000	1,585,000	315,000	1,900,000	315,000
Net Change in Fund Balance	\$ 1,767,475	\$ 1,452,648	320,705	\$ 1,773,353	237,987
Fund Balance-Beginning			1,452,648		1,214,661
Fund Balance-Ending			\$ 1,773,353		\$ 1,452,648

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
LIMITED TAX COUNTY BUILDING BONDS SERIES 2009B CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Total	Prior Year Actual
		Reported in Prior Years	Actual		
REVENUES					
Investment Earnings	\$ 266,839	\$ 263,049	\$ 3,790	\$ 266,839	\$ 5,618
Miscellaneous	177,270	173,402	3,868	177,270	168,362
Total Revenues	<u>444,109</u>	<u>436,451</u>	<u>7,658</u>	<u>444,109</u>	<u>173,980</u>
EXPENDITURES					
General Government:					
Administration Costs	1,076,490	1,078,194	7,447	1,085,641	72,458
Capital Outlay:					
Administration Costs	-	-	675,553	675,553	-
Agricultural Ext Facility	3,298,764	2,931,027	-	2,931,027	-
Mid-County Annex	29,646,382	28,241,976	-	28,241,976	-
Records Storage Bldg	3,945,853	3,789,250	-	3,789,250	-
North County Annex	156,621	110,273	-	110,273	-
Animal Resource Center	5,540,600	5,514,361	-	5,514,361	5,195
Llewellyn Bldg	180,000	180,000	-	180,000	-
823 Grand Bacliff	324,913	309,328	-	309,328	297,913
Bond Issuance Costs	679,393	679,393	-	679,393	-
Total Expenditures	<u>44,849,016</u>	<u>42,833,802</u>	<u>683,000</u>	<u>43,516,802</u>	<u>375,566</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(44,404,907)</u>	<u>(42,397,351)</u>	<u>(675,342)</u>	<u>(43,072,693)</u>	<u>(201,586)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	500,000	500,000	-	500,000	-
Face Value - Long Term Debt Issued	42,955,939	42,955,939	-	42,955,939	-
Total Other Financing Sources (Uses)	<u>43,455,939</u>	<u>43,455,939</u>	<u>-</u>	<u>43,455,939</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (948,968)</u>	<u>\$ 1,058,588</u>	<u>(675,342)</u>	<u>\$ 383,246</u>	<u>(201,586)</u>
Fund Balance-Beginning			<u>1,058,588</u>		<u>1,260,174</u>
Fund Balance-Ending			<u>\$ 383,246</u>		<u>\$ 1,058,588</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
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, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Total	Prior Year Actual
		Reported in Prior Years	Actual		
REVENUES					
Investment Earnings	\$ 3,327,397	\$ 3,326,957	\$ 440	\$ 3,327,397	\$ 529
Miscellaneous	25,629	25,629	-	25,629	-
Total Revenues	<u>3,353,026</u>	<u>3,352,586</u>	<u>440</u>	<u>3,353,026</u>	<u>529</u>
EXPENDITURES					
General Government:					
Administration Costs	882,533	882,553	-	882,553	-
Capital Outlay:					
Information Tech Project	238,207	103,200	-	103,200	-
Courthouse Renovations - Sev Prj	1,552,388	1,552,388	-	1,552,388	-
Courthouse Renovations - Mgr/Agnt	1,026,371	1,026,371	-	1,026,371	-
Courthouse Renovations - Bldg Constr	10,257,736	10,257,736	-	10,257,736	-
646 Building	14,620	14,620	-	14,620	-
Construction Manager-Agent	55,075	55,075	-	55,075	-
Community Building Construction	33,459,597	33,453,403	-	33,453,403	-
Road and Bridge Projects	710,018	710,018	-	710,018	-
Park Projects	41,292	-	-	-	-
Bond Issuance Costs	597,757	597,757	-	597,757	-
Total Expenditures	<u>48,835,594</u>	<u>48,653,121</u>	<u>-</u>	<u>48,653,121</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(45,482,568)</u>	<u>(45,300,535)</u>	<u>440</u>	<u>(45,300,095)</u>	<u>529</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	4,675,110	4,675,110	-	4,675,110	-
Face Value - Long Term Debt Issued	40,890,000	40,890,000	-	40,890,000	-
Premium - Long Term Debt Issued	265,643	265,643	-	265,643	-
Discount - Long Term Debt Issued	(542,806)	(542,806)	-	(542,806)	-
Performance Bonds Forfeited	136,938	136,938	-	136,938	-
Total Other Financing Sources (Uses)	<u>45,424,885</u>	<u>45,424,885</u>	<u>-</u>	<u>45,424,885</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (57,683)</u>	<u>\$ 124,350</u>	440	<u>\$ 124,790</u>	529
Fund Balance-Beginning			124,350		123,821
Fund Balance-Ending			<u>\$ 124,790</u>		<u>\$ 124,350</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
LIMITED TAX CRIMINAL JUSTICE CENTER BONDS SERIES 2003A CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Prior Year Actual	
		Reported in Prior Years	Actual		Total
REVENUES					
Intergovernmental	\$ 668,187	\$ 468,179	\$ -	\$ 468,179	\$ -
Investment Earnings	<u>2,863,932</u>	<u>2,705,923</u>	<u>30</u>	<u>2,705,953</u>	<u>28</u>
Total Revenues	<u>3,532,119</u>	<u>3,174,102</u>	<u>30</u>	<u>3,174,132</u>	<u>28</u>
EXPENDITURES					
General Government:					
Administration Costs	41,279	41,279	-	41,279	-
Capital Outlay:					
Courthouse Renovations	4,117,630	4,117,630	-	4,117,630	-
Justice Center	61,511	61,511	-	61,511	-
646 Building Construction	56,201,386	56,201,386	-	56,201,386	-
Capital Outlay - Vehicles	381,619	379,532	-	379,532	-
Capitalized FF&E	2,463,264	2,463,251	-	2,463,251	-
Bond Issuance Costs	<u>792,255</u>	<u>792,255</u>	<u>-</u>	<u>792,255</u>	<u>-</u>
Total Expenditures	<u>64,058,944</u>	<u>64,056,844</u>	<u>-</u>	<u>64,056,844</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(60,526,825)</u>	<u>(60,882,742)</u>	<u>30</u>	<u>(60,882,712)</u>	<u>28</u>
OTHER FINANCING SOURCES (USES)					
Transfers Out	(75,195)	(75,195)	-	(75,195)	-
Sale of Capital Asset	2,886,162	2,886,162	-	2,886,162	-
Face Value - Long Term Debt Issued	57,245,000	57,245,000	-	57,245,000	-
Premium - Long Term Debt Issued	1,212,089	1,212,089	-	1,212,089	-
Discount - Long Term Debt Issued	<u>(376,953)</u>	<u>(376,953)</u>	<u>-</u>	<u>(376,953)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>60,891,103</u>	<u>60,891,103</u>	<u>-</u>	<u>60,891,103</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 364,278</u>	<u>\$ 8,361</u>	<u>30</u>	<u>\$ 8,391</u>	<u>28</u>
Fund Balance-Beginning			<u>8,361</u>		<u>8,333</u>
Fund Balance-Ending			<u>\$ 8,391</u>		<u>\$ 8,361</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
PARKS DEPARTMENT CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Prior Year Actual	
		Reported in Prior Years	Actual		Total
REVENUES					
Investment Earnings	\$ 17,325	\$ 9,339	\$ 7,986	\$ 17,325	\$ 9,339
EXPENDITURES					
Capital Outlay:					
Bayside Regional Park (former 64-Acre Park)	4,219,608	1,772,589	2,197,375	3,969,964	358,294
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(4,202,283)</u>	<u>(1,763,250)</u>	<u>(2,189,389)</u>	<u>(3,952,639)</u>	<u>(348,955)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	4,747,808	4,237,808	510,000	4,747,808	-
Transfers Out	<u>(122,820)</u>	<u>-</u>	<u>(122,820)</u>	<u>(122,820)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>4,624,988</u>	<u>4,237,808</u>	<u>387,180</u>	<u>4,624,988</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 422,705</u>	<u>\$ 2,474,558</u>	(1,802,209)	<u>\$ 672,349</u>	(348,955)
Fund Balance-Beginning			<u>2,474,558</u>		<u>2,823,513</u>
Fund Balance-Ending			<u>\$ 672,349</u>		<u>\$ 2,474,558</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
ROAD BONDS SERIES 1987 CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Total	Prior Year Actual
		Reported in Prior Years	Actual		
REVENUES					
Intergovernmental	\$ 1,360,155	\$ 1,360,155	\$ -	\$ 1,360,155	\$ -
Investment Earnings	4,045,870	4,045,748	121	4,045,869	117
Miscellaneous	5,511	5,511	-	5,511	-
Total Revenues	<u>5,411,536</u>	<u>5,411,414</u>	<u>121</u>	<u>5,411,535</u>	<u>117</u>
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Administration Costs	327,801	343,973	-	343,973	-
S.H. 3	1,643,782	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	2,631,931	2,631,931	-	2,631,931	-
F.M. 528	980,072	980,072	-	980,072	-
F.M. 1764	5,978,648	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	1,967,983	1,920,783	-	1,920,783	-
Total Expenditures	<u>20,833,545</u>	<u>20,802,517</u>	<u>-</u>	<u>20,802,517</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(15,422,009)</u>	<u>(15,391,103)</u>	<u>121</u>	<u>(15,390,982)</u>	<u>117</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 Balance	<u>\$ 3,500</u>	<u>\$ 34,406</u>	121	<u>\$ 34,527</u>	117
Fund Balance-Beginning			34,406		34,289
Fund Balance-Ending			<u>\$ 34,527</u>		<u>\$ 34,406</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
UNLIMITED TAX ROAD BONDS SERIES 2003B CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Total	Prior Year Actual
		Reported in Prior Years	Actual		
REVENUES					
Intergovernmental	\$ 3,414,614	\$ 3,414,614	\$ -	\$ 3,414,614	\$ -
Investment Earnings	2,114,043	2,104,547	9,496	2,114,043	9,460
Total Revenues	<u>5,528,657</u>	<u>5,519,161</u>	<u>9,496</u>	<u>5,528,657</u>	<u>9,460</u>
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Galv/Signals Various Locations	711,894	268,144	-	268,144	-
Century Blvd	197,038	-	-	-	-
FM 646 Pass Thru Toll	5,600,832	5,270,448	-	5,270,448	-
FM 646 - IH 45 to FM 270	350,000	302,622	-	302,622	-
FM 646 - SH 6 to FM 517	49,999	49,999	-	49,999	-
FM 518 - FM 2094 to SH 146	103,131	103,131	-	103,131	-
FM 518 Bypass	520,000	-	-	-	-
SH 96	3,000,000	3,000,000	-	3,000,000	-
Capital Outlay:					
FM 646 Pass Thru Toll	59,400	59,400	-	59,400	-
Fort Travis Park	442,485	442,485	-	442,485	-
Highways and Roads	834,034	574,033	-	574,033	-
Bond Issuance Costs	154,363	154,363	-	154,363	-
Total Expenditures	<u>12,023,176</u>	<u>10,224,625</u>	<u>-</u>	<u>10,224,625</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(6,494,519)</u>	<u>(4,705,464)</u>	<u>9,496</u>	<u>(4,695,968)</u>	<u>9,460</u>
OTHER FINANCING SOURCES (USES)					
Transfers Out	(2,942,322)	(2,942,322)	-	(2,942,322)	-
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)	<u>6,606,015</u>	<u>6,606,015</u>	<u>-</u>	<u>6,606,015</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 111,496</u>	<u>\$ 1,900,551</u>	<u>9,496</u>	<u>\$ 1,910,047</u>	<u>9,460</u>
Fund Balance-Beginning			<u>1,900,551</u>		<u>1,891,091</u>
Fund Balance-Ending			<u>\$ 1,910,047</u>		<u>\$ 1,900,551</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
UNLIMITED TAX ROAD BONDS SERIES 2001 CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Total	Prior Year Actual
		Reported in Prior Years	Actual		
REVENUES					
Investment Earnings	\$ 3,622,929	\$ 3,443,636	\$ 5,014	\$ 3,448,650	\$ 4,849
Miscellaneous	825,323	825,323	-	825,323	-
Total Revenues	<u>4,448,252</u>	<u>4,268,959</u>	<u>5,014</u>	<u>4,273,973</u>	<u>4,849</u>
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
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	53,035	-	53,035	-
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	-
Loop 197	1,000,000	1,000,000	-	1,000,000	-
Stewart, Jones	3,749,184	3,749,184	-	3,749,184	-
FM 646 Pass Thru Toll	2,200,920	1,100,499	-	1,100,499	-
FM 646	748,329	748,329	-	748,329	-
6th	189,052	-	-	-	-
FM 517	60,948	60,948	-	60,948	-
SH 99	1,239,000	1,239,000	-	1,239,000	-
SH 96	500,000	500,000	-	500,000	-
Seawall	795,160	795,160	-	795,160	-
Bond Issuance Costs	202,421	202,421	-	202,421	-
Total Expenditures	<u>30,705,612</u>	<u>29,411,659</u>	<u>-</u>	<u>29,411,659</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(26,257,360)	(25,142,700)	5,014	(25,137,686)	4,849
OTHER FINANCING SOURCES (USES)					
Long Term Debt Issued	26,503,695	26,503,695	-	26,503,695	-
Net Change in Fund Balances	<u>\$ 246,335</u>	<u>\$ 1,360,995</u>	5,014	<u>\$ 1,366,009</u>	4,849
Fund Balances-Beginning			1,360,995		1,356,146
Fund Balances-Ending			<u>\$ 1,366,009</u>		<u>\$ 1,360,995</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
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, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Total	Prior Year Actual
		Reported in Prior Years	Actual		
REVENUES					
Intergovernmental	\$ 1,085,386	\$ 1,085,386	\$ -	\$ 1,085,386	\$ -
Investment Earnings	<u>3,179,872</u>	<u>3,161,272</u>	<u>18,600</u>	<u>3,179,872</u>	<u>18,621</u>
Total Revenues	<u>4,265,258</u>	<u>4,246,658</u>	<u>18,600</u>	<u>4,265,258</u>	<u>18,621</u>
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
FM 646 Pass Thru Toll Rd Project	44,058,697	40,494,061	-	40,494,061	57,494
Capital Outlay:					
FM 646 Pass Thru Toll Rd Project	25,100	25,101	-	25,101	-
Bond Issuance Costs	<u>672,492</u>	<u>672,492</u>	<u>-</u>	<u>672,492</u>	<u>-</u>
Total Expenditures	<u>44,756,289</u>	<u>41,191,654</u>	<u>-</u>	<u>41,191,654</u>	<u>57,494</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(40,491,031)</u>	<u>(36,944,996)</u>	<u>18,600</u>	<u>(36,926,396)</u>	<u>(38,873)</u>
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	<u>(758,717)</u>	<u>(758,717)</u>	<u>-</u>	<u>(758,717)</u>	<u>-</u>
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 Balance	<u>\$ 181,461</u>	<u>\$ 3,727,496</u>	18,600	<u>\$ 3,746,096</u>	(38,873)
Fund Balance-Beginning			<u>3,727,496</u>		<u>3,766,369</u>
Fund Balance-Ending			<u>\$ 3,746,096</u>		<u>\$ 3,727,496</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
UNLIMITED TAX ROAD BONDS SERIES 2009A CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Total	Prior Year Actual
		Reported in Prior Years	Actual		
REVENUES					
Intergovernmental	\$ 1,714,605	\$ 1,714,605	\$ -	\$ 1,714,605	\$ -
Investment Earnings	632,252	595,610	36,642	632,252	37,415
Miscellaneous	66,366	66,366	-	66,366	66,366
Total Revenues	<u>2,413,223</u>	<u>2,376,581</u>	<u>36,642</u>	<u>2,413,223</u>	<u>103,781</u>
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Non-County-Owned Roads	55,330,485	51,844,336	72,323	51,916,659	66,412
County Owned Roads	6,385	6,385	-	6,385	-
Capital Outlay:					
County-Owned Roads	13,382,869	13,400,387	-	13,400,387	-
Bond Issuance Costs	1,129,895	1,129,895	-	1,129,895	-
Total Expenditures	<u>69,849,634</u>	<u>66,381,003</u>	<u>72,323</u>	<u>66,453,326</u>	<u>66,412</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(67,436,411)</u>	<u>(64,004,422)</u>	<u>(35,681)</u>	<u>(64,040,103)</u>	<u>37,369</u>
OTHER FINANCING SOURCES (USES)					
Face Value - Long Term Debt Issued	71,593,226	71,593,226	-	71,593,226	-
Sale of Capital Asset	665,956	665,956	-	665,956	-
Total Other Financing Sources (Uses)	<u>72,259,182</u>	<u>72,259,182</u>	<u>-</u>	<u>72,259,182</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 4,822,771</u>	<u>\$ 8,254,760</u>	<u>(35,681)</u>	<u>\$ 8,219,079</u>	<u>37,369</u>
Fund Balance-Beginning			<u>8,254,760</u>		<u>8,217,391</u>
Fund Balance-Ending			<u>\$ 8,219,079</u>		<u>\$ 8,254,760</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
GALVESTON CAUSEWAY RAILROAD BRIDGE PROJECT CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Total	Prior Year Actual
		Reported in Prior Years	Actual		
REVENUES					
Intergovernmental	\$ 97,089,573	\$ 90,122,625	\$ -	\$ 90,122,625	\$ -
Investment Earnings	653	527	126	653	527
Total Revenues	<u>97,090,226</u>	<u>90,123,152</u>	<u>126</u>	<u>90,123,278</u>	<u>527</u>
EXPENDITURES					
Roads, Bridges and Rights-of-Way: Galveston Causeway RR Bridge	97,618,609	90,484,195	-	90,484,195	-
Total Expenditures	<u>97,618,609</u>	<u>90,484,195</u>	<u>-</u>	<u>90,484,195</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(528,383)</u>	<u>(361,043)</u>	<u>126</u>	<u>(360,917)</u>	<u>527</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	511,682	516,169	-	516,169	-
Transfers Out	-	-	(155,252)	(155,252)	-
Total Other Financing Sources (Uses)	<u>511,682</u>	<u>516,169</u>	<u>(155,252)</u>	<u>360,917</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (16,701)</u>	<u>\$ 155,126</u>	<u>(155,126)</u>	<u>\$ -</u>	<u>527</u>
Fund Balance-Beginning			<u>155,126</u>		<u>154,599</u>
Fund Balance-Ending			<u>\$ -</u>		<u>\$ 155,126</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
COUNTY ROAD AND BRIDGE PROJECTS CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Total	Prior Year Actual
		Reported in Prior Years	Actual		
REVENUES					
Charges for Services	\$ 150,000	\$ 315,808	\$ -	\$ 315,808	\$ -
Investment Earnings	<u>30,767</u>	<u>29,852</u>	<u>915</u>	<u>30,767</u>	<u>884</u>
Total Revenues	<u>180,767</u>	<u>345,660</u>	<u>915</u>	<u>346,575</u>	<u>884</u>
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Administration Costs	-	26,186	7,020	33,206	-
Capital Outlay:					
Grand Cay Project	151,008	59,996	-	59,996	-
FM 646 Pass Thru Toll Road	<u>8,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>159,208</u>	<u>86,182</u>	<u>7,020</u>	<u>93,202</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 21,559</u>	<u>\$ 259,478</u>	(6,105)	<u>\$ 253,373</u>	884
Fund Balance-Beginning			<u>259,478</u>		<u>258,594</u>
Fund Balance-Ending			<u>\$ 253,373</u>		<u>\$ 259,478</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
LIMITED TAX FLOOD CONTROL BONDS SERIES 2009C CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Prior Year Actual	
		Reported in Prior Years	Actual		Total
REVENUES					
Investment Earnings	\$ 375,558	\$ 370,510	\$ 5,048	\$ 375,558	\$ 41,160
Miscellaneous	<u>272</u>	<u>271</u>	<u>-</u>	<u>271</u>	<u>-</u>
Total Revenues	<u>375,830</u>	<u>370,781</u>	<u>5,048</u>	<u>375,829</u>	<u>41,160</u>
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Dickinson Bayou	2,024,000	1,902,154	-	1,902,154	-
FM 646	2,200,000	2,137,172	-	2,137,172	-
Mud Gully Stormwater Detention Basin	7,727,683	7,727,683	-	7,727,683	7,727,683
Capital Outlay:					
Clear Creek	2,272,317	2,272,317	-	2,272,317	-
Bond Issuance Costs	<u>204,571</u>	<u>204,571</u>	<u>-</u>	<u>204,571</u>	<u>-</u>
Total Expenditures	<u>14,428,571</u>	<u>14,243,897</u>	<u>-</u>	<u>14,243,897</u>	<u>7,727,683</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(14,052,741)</u>	<u>(13,873,116)</u>	<u>5,048</u>	<u>(13,868,068)</u>	<u>(7,686,523)</u>
OTHER FINANCING SOURCES (USES)					
Face Value - Long Term Debt Issued	14,318,381	14,318,381	-	14,318,381	-
Premium - Long Term Debt Issued	<u>75,781</u>	<u>75,781</u>	<u>-</u>	<u>75,781</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>14,394,162</u>	<u>14,394,162</u>	<u>-</u>	<u>14,394,162</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 341,421</u>	<u>\$ 521,046</u>	5,048	<u>\$ 526,094</u>	(7,686,523)
Fund Balance-Beginning			<u>521,046</u>		<u>8,207,569</u>
Fund Balance-Ending			<u>\$ 526,094</u>		<u>\$ 521,046</u>

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
CERTIFICATES OF OBLIGATION SERIES 2008 CAPITAL PROJECTS FUND
From Inception and for the Year Ended September 30, 2017
With Comparative Amounts for the Year Ended September 30, 2016

	Total Project Authorized	2017		Total	Prior Year Actual
		Reported in Prior Years	Actual		
REVENUES					
Investment Earnings	\$ 259,271	\$ 257,711	\$ 1,561	\$ 259,272	\$ 1,555
EXPENDITURES					
Roads, Bridges and Rights-of-Way:					
Administration Costs	87,758	87,819	-	87,819	-
Texas City Hurricane Levee	3,124,218	3,084,685	-	3,084,685	-
Texas City Dike Improvements	742,480	742,480	-	742,480	-
La Marque Pump Station	192,744	172,698	-	172,698	-
San Leon Road Improvements	400,000	400,000	-	400,000	-
Capital Outlay:					
Skyline Drive	323,912	323,912	-	323,912	-
Texas City Hurricane Levee	356,445	380,020	-	380,020	-
Bond Issuance Costs	53,000	53,000	-	53,000	-
Total Expenditures	<u>5,280,557</u>	<u>5,244,614</u>	<u>-</u>	<u>5,244,614</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(5,021,286)</u>	<u>(4,986,903)</u>	<u>1,561</u>	<u>(4,985,342)</u>	<u>1,555</u>
OTHER FINANCING SOURCES (USES)					
Face Value - Long Term Debt Issued	7,000,000	7,000,000	-	7,000,000	-
Transfers In	213,357	213,357	-	213,357	-
Transfers Out	<u>(1,913,557)</u>	<u>(1,913,557)</u>	<u>-</u>	<u>(1,913,557)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>5,299,800</u>	<u>5,299,800</u>	<u>-</u>	<u>5,299,800</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 278,514</u>	<u>\$ 312,897</u>	1,561	<u>\$ 314,458</u>	1,555
Fund Balance-Beginning			<u>312,897</u>		<u>311,342</u>
Fund Balance-Ending			<u>\$ 314,458</u>		<u>\$ 312,897</u>

Proprietary Funds

PROPRIETARY FUNDS

Proprietary Funds comprise two fund subtypes: Enterprise Funds and Internal Service Funds.

Enterprise Funds

Enterprise Funds are used to report the same functions that would be presented as business-type activities in the government-wide financial statements. The county currently engages in no business-type activity and therefore maintains no Enterprise Funds.

Internal Service Funds

Internal Service Funds may be used 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. The county maintains the following Internal Service Funds:

EMPLOYEE BENEFITS - The Employee Benefits Fund accounts for the administration of the health insurance benefits that are provided to current and former county employees. Primarily the county self-insures against these risks, but in instances it also pays premiums on insurance policies in order to obtain additional coverage.

WORKERS' COMPENSATION - The Workers' Compensation Fund was established for the purpose of paying Worker's Compensation claims.

UNEMPLOYMENT - The Unemployment Fund accounts for unemployment insurance.

SELF-INSURANCE RESERVE – The Self-Insurance Reserve Fund provides for general liability and casualty loss coverage.

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2017

	EMPLOYEE BENEFITS	WORKERS' COMPENSATION	UNEMPLOYMENT	SELF- INSURANCE RESERVE	TOTAL
ASSETS					
Cash and Cash Equivalents	\$ 3,318,708	\$ 1,285,579	\$ 650,073	\$ 6,594,515	\$ 11,848,875
Receivables (Net of Allowances for Uncollectibles):					
Accounts and Other	<u>51,456</u>	<u>-</u>	<u>-</u>	<u>15,133</u>	<u>66,589</u>
Total Assets	<u>3,370,164</u>	<u>1,285,579</u>	<u>650,073</u>	<u>6,609,648</u>	<u>11,915,464</u>
LIABILITIES					
Accounts Payable	970,680	25,578	-	178	996,436
Salaries Payable	-	1,360	5,442	-	6,802
Estimated Liability - Claims	<u>883,745</u>	<u>446,900</u>	<u>-</u>	<u>-</u>	<u>1,330,645</u>
Total Liabilities	<u>1,854,425</u>	<u>473,838</u>	<u>5,442</u>	<u>178</u>	<u>2,333,883</u>
NET POSITION					
Unrestricted	<u>1,515,739</u>	<u>811,741</u>	<u>644,631</u>	<u>6,609,470</u>	<u>9,581,581</u>
Total Net Position	<u>\$ 1,515,739</u>	<u>\$ 811,741</u>	<u>\$ 644,631</u>	<u>\$ 6,609,470</u>	<u>\$ 9,581,581</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2017

	<u>EMPLOYEE BENEFITS</u>	<u>WORKERS' COMPENSATION</u>	<u>UNEMPLOYMENT</u>	<u>SELF- INSURANCE RESERVE</u>	<u>TOTAL</u>
OPERATING REVENUES					
Intergovernmental	\$ 169,320	\$ -	\$ -	\$ -	\$ 169,320
Charges for Services	12,917,451	876,785	265,379	3,150,073	17,209,688
Insurance Recovery - County	-	-	-	32,873	32,873
Reimbursements	<u>1,362,637</u>	<u>46,260</u>	<u>298,341</u>	<u>-</u>	<u>1,707,238</u>
Total Operating Revenues	<u>14,449,408</u>	<u>923,045</u>	<u>563,720</u>	<u>3,182,946</u>	<u>19,119,119</u>
OPERATING EXPENSES					
Contract Services	\$ 2,140,714	\$ 45,531	\$ -	\$ -	\$ 2,186,245
Insurance	835,386	53,847	219,793	2,547,417	3,656,443
Claims Paid	13,329,884	305,673	-	-	13,635,557
Supplies	<u>22,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,960</u>
Total Operating Expenses	<u>16,328,944</u>	<u>405,051</u>	<u>219,793</u>	<u>2,547,417</u>	<u>19,501,205</u>
Operating Income (Loss)	(1,879,536)	517,994	343,927	635,529	(382,086)
NON-OPERATING REVENUES					
Investment Earnings	<u>8,660</u>	<u>3,067</u>	<u>656</u>	<u>17,492</u>	<u>29,875</u>
Income (loss) before transfers	(1,870,876)	521,061	344,583	653,021	(352,211)
TRANSFERS					
Transfers In	708,567	-	282,000	-	990,567
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,800)</u>	<u>(50,800)</u>
Total Transfers	<u>708,567</u>	<u>-</u>	<u>282,000</u>	<u>(50,800)</u>	<u>939,767</u>
Change in Net Position	(1,162,309)	521,061	626,583	602,221	587,556
Total Net Position - Beginning	<u>2,678,048</u>	<u>290,680</u>	<u>18,048</u>	<u>6,007,249</u>	<u>8,994,025</u>
Total Net Position - Ending	<u>\$ 1,515,739</u>	<u>\$ 811,741</u>	<u>\$ 644,631</u>	<u>\$ 6,609,470</u>	<u>\$ 9,581,581</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2017

	EMPLOYEE BENEFITS	WORKERS' COMPENSATION	UNEMPLOYMENT	SELF- INSURANCE RESERVE	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from Outside Sources	\$ 12,958,776	\$ 849,594	\$ 265,379	\$ 3,167,821	\$ 17,241,570
Payments to Suppliers	(3,135,270)	(70,262)	-	(2,547,239)	(5,752,771)
Payments to Employees	-	(52,174)	(1,183)	-	(53,357)
Payments for Claims	(13,329,884)	(305,673)	(219,793)	-	(13,855,350)
Other Operating Revenues	<u>1,535,510</u>	<u>70,839</u>	<u>298,341</u>	<u>-</u>	<u>1,904,690</u>
Net Cash Provided by (Used for) Operating Activities	(1,970,868)	492,324	342,744	620,582	(515,218)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfer from General Fund	708,567	-	282,000	-	990,567
Repayment to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,800)</u>	<u>(50,800)</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	708,567	-	282,000	(50,800)	939,767
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment Earnings	<u>8,660</u>	<u>3,067</u>	<u>656</u>	<u>17,492</u>	<u>29,875</u>
Net Cash Provided by (Used for) Investing Activities	8,660	3,067	656	17,492	29,875
Net Increase (Decrease) in Cash and Cash Equivalents	(1,253,641)	495,391	625,400	587,274	454,424
Cash and Cash Equivalents October 1, 2016	<u>4,572,349</u>	<u>790,188</u>	<u>24,673</u>	<u>6,007,241</u>	<u>11,394,451</u>
Cash and Cash Equivalents September 30, 2017	<u>\$ 3,318,708</u>	<u>\$ 1,285,579</u>	<u>\$ 650,073</u>	<u>\$ 6,594,515</u>	<u>\$ 11,848,875</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Operating Income (Loss)	<u>\$ (1,879,536)</u>	<u>\$ 517,994</u>	<u>\$ 343,927</u>	<u>\$ 635,529</u>	<u>\$ (382,086)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
(Increase) Decrease in Accounts Receivable	44,878	-	-	(15,125)	29,753
Increase (Decrease) in Accounts Payable	(136,210)	(24,731)	-	178	(160,763)
Increase (Decrease) in Salaries Payable	-	(939)	(1,183)	-	(2,122)
Total Adjustments	<u>(91,332)</u>	<u>(25,670)</u>	<u>(1,183)</u>	<u>(14,947)</u>	<u>(133,132)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (1,970,868)</u>	<u>\$ 492,324</u>	<u>\$ 342,744</u>	<u>\$ 620,582</u>	<u>\$ (515,218)</u>



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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

DA SEIZED FUNDS – To account for monies seized by the District Attorney’s Office after October 1989 per *Code of Criminal Procedure* Chapter 59.06 and held until court order determines their disposition.

SHERIFF SEIZED FUNDS – To account for monies seized by the Sheriff’s Department after October 1989 per *Code of Criminal Procedure* Chapter 59.06 and held until court order determines their disposition.

CRIMINAL INVESTIGATIVE DIVISION SEIZURES POST-10/89 – To account for monies seized by the Criminal Investigative Division after October 1989 per *Code of Criminal Procedure* Chapter 59.06 and held until court order determines their disposition.

TASK-FORCE SEIZURES PRE-10/89 – To account for monies seized by task force prior to the enactment of *Code of Criminal Procedure* Chapter 59.06 and held until court order determines their disposition.

UNCLAIMED PROPERTY - To account for unclaimed property valued at less than one hundred dollars and presumed abandoned as defined by Chapters 72 and 75 of the *Texas Property Code*.

PAYROLL – To account for the funding and payment of the liabilities associated with county employee compensation, such as salaries, payroll and Medicare taxes, pension and Alternate Plan contributions, etc.

ESCROW - To account for monies held in trust by the county or over which the Commissioners Court has general oversight responsibility.

BOND ESCROW - To account for monies received from the escrow agents of refunded bonds to be paid to the holders thereof by the County Treasurer as paying agent.

TAX ASSESSOR-COLLECTOR UNDISTRIBUTED COLLECTIONS – To account for tax payments collected by the County Tax Assessor-Collector for other entities until their distribution.

COUNTY CLERK TRUST – To account for registry funds remanded to the custody of the County Clerk until a court order determines their disposition.

DISTRICT CLERK TRUST – To account for registry funds remanded to the custody of the District Clerk until a court order determines their disposition.

INMATE DEPOSITS – To account for county jail inmates' monies until they request payment or the monies are returned to them upon their release.

CHILDREN'S PROTECTIVE SERVICES ESCROW – To account for Social Security and child-support monies due to children who are under the supervision of Children's Protective Services.

DICKINSON BAYOU STEERING COMMITTEE – To account for dues paid by members of the Dickinson Bayou Steering Committee, to be used for meals and other expenses of that committee, which are held in trust by the county.

(Continued)

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
September 30, 2017
With Comparative Amounts as of September 30, 2016

	<u>DA SEIZED FUNDS</u>	<u>SHERIFF SEIZED FUNDS</u>	<u>CRIMINAL INVESTIGATIVE DIVISION SEIZURES POST-10/89</u>	<u>TASK-FORCE SEIZURES PRE-10/89</u>	<u>UNCLAIMED PROPERTY</u>	<u>PAYROLL</u>	<u>ESCROW</u>
ASSETS							
Cash and Cash Equivalents	\$ 83,843	\$ 186,204	\$ 5,958	\$ 14,454	\$ 239,115	\$ 1,104,252	\$ 846,140
Investments	-	-	-	-	-	-	-
Receivables (Net of Allowances for Uncollectibles):							
Accounts and Other	-	-	-	-	-	3,570	13,363
Total Assets	<u>\$ 83,843</u>	<u>\$ 186,204</u>	<u>\$ 5,958</u>	<u>\$ 14,454</u>	<u>\$ 239,115</u>	<u>\$ 1,107,822</u>	<u>\$ 859,503</u>
LIABILITIES							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,107,162	\$ 7,297
Due to Others	83,843	186,204	5,958	14,454	225,635	-	15,004
Due to Other Entities	-	-	-	-	13,480	660	-
Deposits Held	-	-	-	-	-	-	837,202
Total Liabilities	<u>\$ 83,843</u>	<u>\$ 186,204</u>	<u>\$ 5,958</u>	<u>\$ 14,454</u>	<u>\$ 239,115</u>	<u>\$ 1,107,822</u>	<u>\$ 859,503</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
September 30, 2017
With Comparative Amounts as of September 30, 2016

	BOND ESCROW	TAX ASSESSOR- COLLECTOR UNDISTRIBUTED COLLECTIONS	COUNTY CLERK TRUST	DISTRICT CLERK TRUST	INMATE DEPOSITS	CHILDREN'S PROTECTIVE SERVICES - ESCROW	DICKINSON BAYOU STEERING COMMITTEE	TOTALS	
								2017	2016
ASSETS									
Cash and Cash Equivalents	\$ 5,311	\$ 5,771,948	\$ 5,281,980	\$ 3,411,201	\$ 105,207	\$ 10,223	\$ 48,805	\$ 17,114,641	\$ 16,279,807
Investments	-	-	2,129,250	1,496,949	-	-	-	3,626,199	4,014,093
Receivables (Net of Allowances for Uncollectibles):									
Accounts and Other	-	-	-	-	-	-	-	16,933	14,422
Total Assets	\$ 5,311	\$ 5,771,948	\$ 7,411,230	\$ 4,908,150	\$ 105,207	\$ 10,223	\$ 48,805	\$ 20,757,773	\$ 20,308,322
LIABILITIES									
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 286	\$ 1,114,745	\$ 924,784
Due to Others	5,311	-	7,411,230	4,908,150	105,207	-	-	12,960,996	13,273,806
Due to Other Entities	-	5,771,948	-	-	-	-	48,519	5,834,607	5,140,211
Deposits Held	-	-	-	-	-	10,223	-	847,425	969,521
Total Liabilities	\$ 5,311	\$ 5,771,948	\$ 7,411,230	\$ 4,908,150	\$ 105,207	\$ 10,223	\$ 48,805	\$ 20,757,773	\$ 20,308,322

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2017

	<u>BALANCE</u> <u>10/1/2016</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>9/30/2017</u>
<u>DA SEIZED FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 80,773	\$ 49,177	\$ 46,107	\$ 83,843
Total Assets	<u>\$ 80,773</u>	<u>\$ 49,177</u>	<u>\$ 46,107</u>	<u>\$ 83,843</u>
LIABILITIES				
Due to Others	\$ 80,773	\$ 59,364	\$ 56,294	\$ 83,843
Total Liabilities	<u>\$ 80,773</u>	<u>\$ 59,364</u>	<u>\$ 56,294</u>	<u>\$ 83,843</u>
<u>SHERIFF SEIZED FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 243,654	\$ 17,343	\$ 74,793	\$ 186,204
Total Assets	<u>\$ 243,654</u>	<u>\$ 17,343</u>	<u>\$ 74,793</u>	<u>\$ 186,204</u>
LIABILITIES				
Due to Others	\$ 243,654	\$ 97,939	\$ 155,389	\$ 186,204
Total Liabilities	<u>\$ 243,654</u>	<u>\$ 97,939</u>	<u>\$ 155,389</u>	<u>\$ 186,204</u>
<u>CRIMINAL INVESTIGATIVE DIVISION SEIZURES POST-10/89</u>				
ASSETS				
Cash and Cash Equivalents	\$ 5,937	\$ 21	\$ -	\$ 5,958
Total Assets	<u>\$ 5,937</u>	<u>\$ 21</u>	<u>\$ -</u>	<u>\$ 5,958</u>
LIABILITIES				
Due to Others	\$ 5,937	\$ 21	\$ -	\$ 5,958
Total Liabilities	<u>\$ 5,937</u>	<u>\$ 21</u>	<u>\$ -</u>	<u>\$ 5,958</u>
<u>TASK-FORCE SEIZURES PRE-10/89</u>				
ASSETS				
Cash and Cash Equivalents	\$ 14,403	\$ 51	\$ -	\$ 14,454
Total Assets	<u>\$ 14,403</u>	<u>\$ 51</u>	<u>\$ -</u>	<u>\$ 14,454</u>
LIABILITIES				
Due to Others	\$ 14,403	\$ 51	\$ -	\$ 14,454
Total Liabilities	<u>\$ 14,403</u>	<u>\$ 51</u>	<u>\$ -</u>	<u>\$ 14,454</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2017

	<u>BALANCE</u> <u>10/1/2016</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>9/30/2017</u>
<u>UNCLAIMED PROPERTY</u>				
ASSETS				
Cash and Cash Equivalents	\$ 236,715	\$ 3,829	\$ 1,429	\$ 239,115
Total Assets	<u>\$ 236,715</u>	<u>\$ 3,829</u>	<u>\$ 1,429</u>	<u>\$ 239,115</u>
LIABILITIES				
Due to Others	\$ 223,835	\$ 1,800	\$ -	\$ 225,635
Due to Other Entities	12,880	600	-	13,480
Total Liabilities	<u>\$ 236,715</u>	<u>\$ 2,400</u>	<u>\$ -</u>	<u>\$ 239,115</u>
<u>PAYROLL</u>				
ASSETS				
Cash and Cash Equivalents	\$ 1,011,939	\$ 181,645,277	\$ 181,552,964	\$ 1,104,252
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	-	3,570	-	3,570
Total Assets	<u>\$ 1,011,939</u>	<u>\$ 181,648,847</u>	<u>\$ 181,552,964</u>	<u>\$ 1,107,822</u>
LIABILITIES				
Accounts Payable	\$ 924,214	\$ 23,723,191	\$ 23,540,243	\$ 1,107,162
Due to Other Entities	87,725	31,767,402	31,854,467	660
Total Liabilities	<u>\$ 1,011,939</u>	<u>\$ 55,490,593</u>	<u>\$ 55,394,710</u>	<u>\$ 1,107,822</u>
<u>ESCROW</u>				
ASSETS				
Cash and Cash Equivalents	\$ 952,003	\$ 3,134,371	\$ 3,240,234	\$ 846,140
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	14,422	20,264	21,323	13,363
Total Assets	<u>\$ 966,425</u>	<u>\$ 3,154,635</u>	<u>\$ 3,261,557</u>	<u>\$ 859,503</u>
LIABILITIES				
Accounts Payable	\$ 461	\$ 92,903	\$ 86,067	\$ 7,297
Due to Others	6,666	10,834	2,496	15,004
Deposits Held	959,298	3,050,899	3,172,995	837,202
Total Liabilities	<u>\$ 966,425</u>	<u>\$ 3,154,636</u>	<u>\$ 3,261,558</u>	<u>\$ 859,503</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2017

	<u>BALANCE</u> <u>10/1/2016</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>9/30/2017</u>
<u>BOND ESCROW</u>				
ASSETS				
Cash and Cash Equivalents	\$ 5,311	\$ -	\$ -	\$ 5,311
Total Assets	<u>\$ 5,311</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,311</u>
LIABILITIES				
Due to Others	\$ 5,311	\$ -	\$ -	\$ 5,311
Total Liabilities	<u>\$ 5,311</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,311</u>
<u>TAX ASSESSOR-COLLECTOR UNDISTRIBUTED COLLECTIONS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 5,037,554	\$ 608,718,573	\$ 607,984,179	\$ 5,771,948
Total Assets	<u>\$ 5,037,554</u>	<u>\$ 608,718,573</u>	<u>\$ 607,984,179</u>	<u>\$ 5,771,948</u>
LIABILITIES				
Due to Other Entities	\$ 5,037,554	\$ 608,718,573	\$ 607,984,179	\$ 5,771,948
Total Liabilities	<u>\$ 5,037,554</u>	<u>\$ 608,718,573</u>	<u>\$ 607,984,179</u>	<u>\$ 5,771,948</u>
<u>COUNTY CLERK TRUST</u>				
ASSETS				
Cash and Cash Equivalents	\$ 4,918,516	\$ 23,083,879	\$ 22,720,415	\$ 5,281,980
Investments	2,323,829	61,463	256,042	2,129,250
Total Assets	<u>\$ 7,242,345</u>	<u>\$ 23,145,342</u>	<u>\$ 22,976,457</u>	<u>\$ 7,411,230</u>
LIABILITIES				
Due to Others	\$ 7,242,345	\$ 23,145,342	\$ 22,976,457	\$ 7,411,230
Total Liabilities	<u>\$ 7,242,345</u>	<u>\$ 23,145,342</u>	<u>\$ 22,976,457</u>	<u>\$ 7,411,230</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2017

	<u>BALANCE</u> <u>10/1/2016</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>9/30/2017</u>
<u>DISTRICT CLERK TRUST</u>				
ASSETS				
Cash and Cash Equivalents	\$ 3,551,931	\$ 1,709,124	\$ 1,849,854	\$ 3,411,201
Investments	<u>1,690,264</u>	<u>118,132</u>	<u>311,447</u>	<u>1,496,949</u>
Total Assets	<u>\$ 5,242,195</u>	<u>\$ 1,827,256</u>	<u>\$ 2,161,301</u>	<u>\$ 4,908,150</u>
LIABILITIES				
Due to Others	\$ 5,242,195	\$ 1,709,124	\$ 2,043,169	\$ 4,908,150
Total Liabilities	<u>\$ 5,242,195</u>	<u>\$ 1,709,124</u>	<u>\$ 2,043,169</u>	<u>\$ 4,908,150</u>
<u>INMATE DEPOSITS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 208,687	\$ 4,308,359	\$ 4,411,839	\$ 105,207
Total Assets	<u>\$ 208,687</u>	<u>\$ 4,308,359</u>	<u>\$ 4,411,839</u>	<u>\$ 105,207</u>
LIABILITIES				
Due to Others	\$ 208,687	\$ 4,308,359	\$ 4,411,839	\$ 105,207
Total Liabilities	<u>\$ 208,687</u>	<u>\$ 4,308,359</u>	<u>\$ 4,411,839</u>	<u>\$ 105,207</u>
<u>CHILDREN'S PROTECTIVE SERVICES - ESCROW</u>				
ASSETS				
Cash and Cash Equivalents	\$ 10,223	\$ -	\$ -	\$ 10,223
Total Assets	<u>\$ 10,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,223</u>
LIABILITIES				
Deposits Held	\$ 10,223	\$ -	\$ -	\$ 10,223
Total Liabilities	<u>\$ 10,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,223</u>

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2017

	<u>BALANCE</u> <u>10/1/2016</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>9/30/2017</u>
<u>DICKINSON BAYOU STEERING COMMITTEE</u>				
ASSETS				
Cash and Cash Equivalents	\$ 2,161	\$ 47,769	\$ 1,125	\$ 48,805
Total Assets	<u>\$ 2,161</u>	<u>\$ 47,769</u>	<u>\$ 1,125</u>	<u>\$ 48,805</u>
LIABILITIES				
Accounts Payable	\$ 109	\$ 1,302	\$ 1,125	\$ 286
Due to Other Entities	2,052	47,769	1,302	48,519
Total Liabilities	<u>\$ 2,161</u>	<u>\$ 49,071</u>	<u>\$ 2,427</u>	<u>\$ 48,805</u>
 <u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 16,279,807	\$ 822,717,773	\$ 821,882,939	\$ 17,114,641
Investments	4,014,093	179,595	567,489	3,626,199
Receivables (Net of Allowances for Uncollectibles):				
Accounts and Other	14,422	23,834	21,323	16,933
Total Assets	<u>\$ 20,308,322</u>	<u>\$ 822,921,202</u>	<u>\$ 822,471,751</u>	<u>\$ 20,757,773</u>
LIABILITIES				
Accounts Payable	\$ 924,784	\$ 23,817,396	\$ 23,627,435	\$ 1,114,745
Due to Others	13,273,806	29,332,834	29,645,644	12,960,996
Due to Other Entities	5,140,211	640,534,344	639,839,948	5,834,607
Deposits Held	969,521	3,050,899	3,172,995	847,425
Total Liabilities	<u>\$ 20,308,322</u>	<u>\$ 696,735,473</u>	<u>\$ 696,286,022</u>	<u>\$ 20,757,773</u>

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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 say about the county's overall financial health.

Contents	Section
<u>Financial Trends</u>	1
<i>Financial trends information is intended to assist readers in understanding and assessing how the county's financial position has changed over time.</i>	
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Table 1.2 - Changes in Net Position	
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Table 4.1 - Demographic and Economic Statistics	
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<u>Operating Information</u>	5
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Table 5.1 - County Employees by Function and Chart	
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Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

Financial Trends



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GALVESTON COUNTY, TEXAS
TABLE 1.1 - NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net Position - Governmental Activities										
Net Investment In Capital Assets	\$ 137,224	\$ 130,815	\$ 125,612	\$ 127,529	\$ 131,464	\$ 107,571	\$ 102,410	\$ 97,415	\$ 62,797	\$ 107,958
Restricted for:										
Grants	5,601	5,069	6,284	7,291	8,472	2,557	787	329	1,832	8,293
Debt Service	5,810	10,198	11,614	10,958	9,625	9,473	9,921	7,864	15,645	12,575
Other Projects	793	3,327	-	1	7,194	162	260	-	-	-
Statute - Regulation	17,157	13,311	-	-	-	-	-	-	-	-
Capital Projects	14,596	16,388	-	-	-	2,020	2,915	1,709	2,346	-
Unrestricted	<u>(105,364)</u>	<u>(110,563)</u>	<u>(91,795)</u>	<u>(96,376)</u>	<u>(102,707)</u>	<u>(58,349)</u>	<u>(39,371)</u>	<u>(8,592)</u>	<u>45,726</u>	<u>28,264</u>
Total Net Position-Governmental Activities (1)	<u>\$ 75,817</u>	<u>\$ 68,546</u>	<u>\$ 51,715</u>	<u>\$ 49,403</u>	<u>\$ 54,047</u>	<u>\$ 63,434</u>	<u>\$ 76,922</u>	<u>\$ 98,725</u>	<u>\$ 128,346</u>	<u>\$ 157,090</u>

(1) Columns may not foot due to rounding.

(continued)

GALVESTON COUNTY, TEXAS
TABLE 1.2 - CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Expenses										
Governmental Activities:										
General Government	\$ 74,200	\$ 73,577	\$ 95,141	\$ 104,795	\$ 63,158	\$ 96,351	\$ 100,079	\$ 63,394	\$ 59,080	\$ 57,076
Public Safety	77,594	68,332	69,979	68,035	59,173	66,696	106,660	122,790	134,746	57,562
Health and Social Services	17,025	15,875	15,418	17,368	20,173	19,154	17,038	18,757	17,455	18,213
Culture and Recreation	6,306	5,344	5,072	5,719	5,861	6,674	6,181	6,522	6,265	6,428
Conservation	732	429	585	604	614	535	492	546	535	475
Roads, Bridges and Rights-of-Way	8,014	15,645	8,223	9,309	25,108	47,984	87,814	40,488	24,297	12,228
Interest on Long-term Debt	13,482	15,060	14,311	14,978	16,047	16,238	17,997	18,345	11,662	10,617
Total Governmental Activities Expenses (3)	<u>197,353</u>	<u>194,261</u>	<u>208,728</u>	<u>220,806</u>	<u>190,135</u>	<u>253,631</u>	<u>336,261</u>	<u>270,842</u>	<u>254,040</u>	<u>162,599</u>
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	12,946	14,393	14,400	14,001	13,793	14,808	14,121	16,864	16,452	15,998
Public Safety	3,701	2,174	2,244	1,943	1,854	2,002	1,884	1,636	1,576	4,201
Health and Social Services	32	7	11	-	-	-	-	-	5	3
Culture and Recreation	920	841	651	563	617	484	476	419	321	463
Roads, Bridges and Rights-of-Way	604	594	585	551	556	591	553	587	421	769
Operating Grants and Contributions	42,412	57,227	69,968	75,184	35,776	95,036	171,373	100,735	89,943	20,835
Capital Grants and Contributions	-	-	-	-	-	-	203	73	734	36
Total Governmental Activities Program Revenues (3)	<u>60,615</u>	<u>75,236</u>	<u>87,859</u>	<u>92,242</u>	<u>52,596</u>	<u>112,921</u>	<u>188,610</u>	<u>120,314</u>	<u>109,452</u>	<u>42,305</u>
Net (Expense) Revenue-Governmental Activities	<u>(136,738)</u>	<u>(119,025)</u>	<u>(120,869)</u>	<u>(128,565)</u>	<u>(137,539)</u>	<u>(140,710)</u>	<u>(147,651)</u>	<u>(150,528)</u>	<u>(144,588)</u>	<u>(120,294)</u>
Total Primary Government Net Expense	<u>\$(136,738)</u>	<u>\$(119,025)</u>	<u>\$(120,869)</u>	<u>\$(128,565)</u>	<u>\$(137,539)</u>	<u>\$(140,710)</u>	<u>\$(147,651)</u>	<u>\$(150,528)</u>	<u>\$(144,588)</u>	<u>\$(120,294)</u>

GALVESTON COUNTY, TEXAS
TABLE 1.2 - CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes:										
Levied for General Purpose	120,285	110,591	103,736	98,702	98,384	94,931	91,863	100,219	95,032	93,562
Levied for Debt Service	21,056	23,353	24,797	25,092	25,264	26,618	27,534	16,434	15,221	16,273
Payments in Lieu of Taxes	846	744	939	2,163	2,076	1,994	2,101	1,764	1,337	1,897
Unrestricted Grants and Contributions	-	-	-	-	-	86	-	-	-	-
Unrestricted Investment Earnings	842	796	967	1,085	1,088	1,022	2,009	2,426	4,152	4,605
Gain on Sale of Capital Assets	109	6	59	6	90	486	-	-	-	660
Miscellaneous	775	366	154	103	284	332	424	62	101	108
Extraordinary Item - Insurance Recovery Proceeds (1)	-	-	-	-	-	-	-	-	-	5,511
Extraordinary Item - Infrastructure Loss (2)	-	-	-	-	-	-	-	-	-	(344)
Extraordinary Item - TWIA Case Settlement (1)	-	-	-	-	-	2,369	-	-	-	-
Total Governmental Activities (3)	<u>143,913</u>	<u>135,856</u>	<u>130,653</u>	<u>127,151</u>	<u>127,185</u>	<u>127,838</u>	<u>123,931</u>	<u>120,905</u>	<u>115,843</u>	<u>122,273</u>
Change in Net Position-Governmental Activities (3)	<u>\$ 7,175</u>	<u>\$ 16,831</u>	<u>\$ 9,784</u>	<u>\$ (1,414)</u>	<u>\$ (10,354)</u>	<u>\$ (12,872)</u>	<u>\$ (23,720)</u>	<u>\$ (29,623)</u>	<u>\$ (28,745)</u>	<u>\$ 1,979</u>

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

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

(3) Columns may not foot due to rounding.

GALVESTON COUNTY, TEXAS
TABLE 1.3 - GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Tax (General Purposes)	Property Tax (Debt Service)	Total
2017	\$ 120,285	\$ 21,056	\$ 141,341
2016	110,591	23,353	133,944
2015	103,736	24,797	128,533
2014	98,702	25,092	123,794
2013	98,384	25,264	123,648
2012	94,931	26,618	121,549
2011	91,863	27,534	119,397
2010	100,219	16,434	116,653
2009	95,032	15,221	110,253
2008	93,562	16,273	109,835

GALVESTON COUNTY, TEXAS
TABLE 1.4 - FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011 (1)</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<i>General Fund</i>										
Non-spendable										
Prepaid Items	\$ 8	\$ 88	\$ -	\$ 1	\$ -	\$ -	\$ 267	\$ -	\$ -	\$ -
<i>Assigned</i>										
<i>Adopted Budget Utilization of Fund</i>										
Balance	24,750	24,835	29,149	19,986	17,667	-	-	-	-	-
Beach and Parks	12	12	12	-	-	-	-	-	-	-
Indigent Defense	-	-	-	-	-	-	951	-	-	-
Self-insurance	1,500	1,500	1,500	1,500	1,500	1,500	1,500	-	-	-
Contingent Liability	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	-	-
Disaster Protection	2,500	2,500	2,500	2,500	2,500	2,500	2,500	-	-	-
<i>Unassigned</i>										
Reserved	-	-	-	-	-	-	-	289	629	482
Unreserved	-	-	-	-	-	-	-	30,092	29,232	27,106
Total General Fund (2)	\$ 81,392	\$ 68,668	\$ 59,744	\$ 41,586	\$ 45,836	\$ 43,191	\$ 32,863	\$ 30,381	\$ 29,861	\$ 27,588
<i>All Other Governmental Funds</i>										
<i>Non-spendable</i>										
Inventory	\$ 843	\$ 673	\$ 885	\$ 740	\$ 802	\$ 587	\$ 791	\$ -	\$ -	\$ -
Prepaid Items	-	-	-	-	6	-	4	-	-	-
<i>Restricted</i>										
General Government	6,739	7,450	9,112	32,192	5,195	4,467	4,325	-	-	-
Public Safety	7,774	6,721	5,934	17,717	12,069	9,911	10,382	-	-	-
Health and Social Services	291	443	301	5,314	8,442	8,736	11,668	-	-	-
Culture and Recreation	4,048	3,480	2,369	919	1,826	1,425	1,089	-	-	-
Roads, Bridges and Rights-of-Way	20,787	3,234	3,372	2,009	4,741	4,269	4,822	-	-	-
Debt Service	7,178	11,574	11,827	12,222	10,626	10,342	11,042	-	-	-
County Building Projects	831	19,778	28,000	4,095	35,177	49,233	86,822	-	-	-
<i>Assigned</i>										
Other Construction Projects	5,957	5,764	5,287	2,468	1,970	7,737	3,175	-	-	-
Unassigned	-	-	-	-	-	(354)	-	-	-	-
Reserved	-	-	-	-	-	-	-	48,020	25,697	35,912
<i>Unreserved, reported in:</i>										
Special Revenue Funds	-	-	-	-	-	-	-	37,979	29,075	28,672
Capital Projects Funds	-	-	-	-	-	-	-	99,688	161,394	33,938
Total All Other Governmental Funds (2)	\$ 54,448	\$ 59,117	\$ 67,088	\$ 77,676	\$ 80,854	\$ 96,353	\$ 134,120	\$ 185,687	\$ 216,166	\$ 98,522

(1) Beginning in 2011, fund balances are reported using GASB 54 classifications

(2) Columns may not foot due to rounding.

GALVESTON COUNTY, TEXAS
TABLE 1.5 - CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

REVENUES	2017	2016	2015	2014	2013
Taxes	\$ 141,092	\$ 133,954	\$ 128,927	\$ 123,944	\$ 124,352
Licenses and Permits	2,741	2,869	2,659	2,740	2,606
Intergovernmental (1)	40,687	54,616	68,491	73,863	34,666
Charges for Services	10,797	11,378	11,142	10,033	9,820
Fines and Forfeitures	1,997	2,152	2,433	3,024	2,893
Investment Earnings	813	797	973	1,131	1,218
Miscellaneous	4,837	4,784	3,944	5,559	6,316
Total Revenues (3)	202,962	210,550	218,569	220,292	181,871
EXPENDITURES					
General Government	60,385	68,720	90,906	98,709	53,170
Public Safety	61,972	59,802	55,547	53,964	48,776
Sanitation	-	-	-	-	-
Health and Social Services	15,724	14,916	14,408	16,257	18,852
Culture and Recreation	3,142	2,901	2,656	2,811	2,759
Conservation	530	486	470	455	472
Roads, Bridges and Rights-of-Way	5,148	13,086	5,857	6,146	22,311
Debt Service:					
Principal	17,767	20,960	20,075	24,300	20,830
Interest and Fiscal Charges	14,088	10,806	11,667	13,086	13,258
Bond Issuance Costs	524	-	-	-	-
Capital Outlay	15,667	17,881	7,501	12,234	11,744
Total Expenditures (3)	194,947	209,559	209,087	227,962	192,172
Excess (Deficiency) of Revenues over (under) Expenditures (3)	8,015	991	9,481	(7,670)	(10,301)
OTHER FINANCING SOURCES (USES)					
Transfers In	3,770	2,560	7,171	11,312	19,744
Transfers Out	(4,709)	(2,714)	(7,171)	(11,312)	(23,104)
Sale of Capital Assets	266	117	183	85	218
Insurance Recovery Proceeds (2)	-	-	-	-	-
Face Value - Long Term Debt Issued	62,835	-	-	-	-
Premium - Long Term Debt Issued	9,812	-	-	-	-
Discount - Long Term Debt Issued	-	-	-	-	-
Refunded Bonds - Escrow Agent Payments	(72,020)	-	-	-	-
Total Other Financing Sources (Uses) (3)	(47)	(38)	183	85	(3,142)
Extraordinary Item - Texas Windstorm Case Settlement	-	-	-	-	-
Net Change in Fund Balances (3)	\$ 7,968	\$ 953	\$ 9,664	\$ (7,585)	\$ (13,443)
Debt Service as a Percentage of Noncapital Expenditures	17.8%	16.6%	15.7%	17.3%	18.9%

(1) The increases in intergovernmental revenues in fiscal years 2009-2011 were due to receipts of FEMA reimbursements for hurricane damages and funding reimbursements for CDBG and FEMA disaster programs.

(2) Insurance proceeds received for damages caused by Hurricane Ike.

(3) Columns may not foot due to rounding.

GALVESTON COUNTY, TEXAS
TABLE 1.5 - CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 121,711	\$ 119,442	\$ 118,121	\$ 113,260	\$ 108,051
2,575	2,372	2,426	2,504	2,267
93,437	168,880	99,644	90,604	22,987
10,504	9,756	10,231	9,027	9,879
2,911	3,034	3,327	3,365	3,588
1,118	2,136	2,526	4,624	5,211
4,883	6,067	6,995	5,289	5,559
<u>237,139</u>	<u>311,687</u>	<u>243,270</u>	<u>228,675</u>	<u>157,542</u>
91,382	96,145	60,315	52,430	55,122
48,731	95,316	108,755	123,765	48,516
-	2	98	7	21
17,823	16,004	17,341	16,093	16,987
2,381	2,940	3,174	2,988	2,813
432	450	454	437	449
51,635	84,543	37,972	21,308	9,257
16,960	15,620	10,410	9,685	9,351
14,496	14,820	14,202	8,982	8,134
669	-	-	2,014	1,047
<u>22,807</u>	<u>34,196</u>	<u>17,438</u>	<u>7,925</u>	<u>6,336</u>
<u>267,316</u>	<u>360,036</u>	<u>270,159</u>	<u>245,634</u>	<u>158,033</u>
<u>(30,177)</u>	<u>(48,349)</u>	<u>(26,889)</u>	<u>(16,960)</u>	<u>(491)</u>
6,655	21,698	21,912	31,934	17,555
(9,876)	(24,447)	(25,129)	(35,447)	(21,571)
3,555	125	146	86	1,122
-	-	-	231	5,512
52,650	-	-	140,000	95,425
-	-	-	76	229
6,495	-	-	-	(4,380)
<u>(58,451)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(83,278)</u>
<u>1,028</u>	<u>(2,624)</u>	<u>(3,071)</u>	<u>136,879</u>	<u>10,613</u>
<u>2,369</u>	<u>696</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (26,780)</u>	<u>\$ (50,277)</u>	<u>\$ (29,960)</u>	<u>\$ 119,919</u>	<u>\$ 10,122</u>
12.9%	9.3%	9.7%	7.9%	11.5%

Revenue Capacity

GALVESTON COUNTY, TEXAS
TABLE 2.1 - ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year	Real Property			Personal Property	Utilities Pipelines, and Boats	Total	Tax Rate (2)
	Residential Property	Commercial and Industrial Property	Other Property				
2016-17	23,397,810	4,873,131	464,472	1,973,315	691,739	31,400,467	0.5520
2015-16	21,478,627	4,953,958	487,918	2,333,462	645,749	29,899,714	0.5670
2014-15	18,686,405	5,038,663	333,560	2,641,770	597,311	27,297,709	0.5848
2013-14	17,776,170	5,041,174	310,272	2,712,504	559,233	26,399,353	0.5898
2012-13	17,329,409	5,419,783	317,224	2,508,533	528,636	26,103,585	0.6088
2011-12	16,713,893	5,329,897	324,910	2,361,728	514,614	25,245,042	0.6218
2010-11	16,376,920	5,173,385	325,967	2,277,406	484,879	24,638,557	0.6288
2009-10	15,372,187	5,706,544	337,362	1,957,107	485,787	23,858,987	0.6300
2008-09	16,268,734	5,671,747	487,060	2,483,647	493,932	25,405,120	0.5700
2007-08	16,255,587	5,922,331	488,178	2,503,858	493,892	25,663,846	0.5800

(1) Source: Galveston Central Appraisal District.

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

GALVESTON COUNTY, TEXAS
TABLE 2.2 - PROPERTY TAX RATES
DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)(2)
LAST TEN FISCAL YEARS

Taxing Jurisdiction	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<u>Galveston County Direct Rates</u>										
Maintenance & Operations	\$ 0.464209	\$ 0.464731	\$ 0.469178	\$ 0.466788	\$ 0.479419	\$ 0.480819	\$ 0.479336	\$0.532964	\$0.482075	\$0.485670
Debt Service	0.057963	0.068392	0.077775	0.084678	0.085536	0.092421	0.099218	0.069576	0.068202	0.068465
Special Road Levy	0.024076	0.028124	0.031891	0.032234	0.034960	0.039705	0.041196	0.016060	0.008323	0.014465
Farm to Market Lateral Road/Flood	<u>0.005753</u>	<u>0.005757</u>	<u>0.005956</u>	<u>0.006100</u>	<u>0.008855</u>	<u>0.008855</u>	<u>0.009000</u>	<u>0.011400</u>	<u>0.011400</u>	<u>0.011400</u>
Total Direct Rate	\$ 0.552000	\$ 0.567004	\$ 0.584800	\$ 0.589800	\$ 0.608770	\$ 0.621800	\$ 0.628750	\$0.630000	\$0.570000	\$0.580000
<u>Cities</u>										
Galveston	0.526000	0.529000	0.533890	0.554000	0.554001	0.554001	0.554000	0.554000	0.494000	0.494000
Friendswood	0.546000	0.568700	0.519400	0.519400	0.597000	0.590200	0.585100	0.579700	0.579700	0.576400
Hitchcock	0.413202	0.413202	0.413202	0.413202	0.396105	0.396491	0.472295	0.473230	0.473230	0.511080
Jamaica Beach	0.198590	0.225678	0.266334	0.264380	0.281307	0.287100	0.289500	0.322800	0.251100	0.260300
La Marque	0.490764	0.490764	0.490764	0.514360	0.514360	0.514360	0.514360	0.514360	0.514360	0.514360
League City	0.570000	0.573500	0.597000	0.597000	0.597000	0.610000	0.616000	0.630000	0.630000	0.608800
Texas City	0.497183	0.449210	0.438000	0.453000	0.425000	0.425000	0.425000	0.425000	0.425000	0.435610
Tiki Island	0.333170	0.282210	0.295986	0.293966	0.278301	0.238174	0.213783	0.204667	0.166307	0.164860
Bayou Vista	0.385000	0.355000	0.355000	0.366683	0.374455	0.376833	0.379495	0.417222	0.352400	0.354200
Clear Lake Shores	-	-	-	-	-	-	-	-	-	0.204750
Dickinson	0.408610	0.408610	0.408610	0.408610	0.408600	0.408610	0.408600	0.408600	0.408600	0.408600
Kemah	0.219214	0.254011	0.265545	0.246488	0.249999	0.250000	0.250000	0.280293	0.265247	0.270000
Santa Fe	0.326200	0.345000	0.358900	0.370200	0.314700	0.311400	0.311400	0.311400	0.311400	0.299200
<u>School and Junior College Districts</u>										
Galveston	1.155000	1.155000	1.155000	1.116500	1.165000	1.165000	1.165000	1.165000	1.165000	1.175000
Friendswood	1.387000	1.367000	1.367000	1.367000	1.367000	1.367000	1.367000	1.367000	1.367000	1.177000
Hitchcock	1.540000	1.540000	1.540000	1.540000	1.540000	1.540000	1.500000	1.440050	1.410050	1.121505
La Marque (3)	-	1.220000	1.220000	1.220000	1.220000	1.240000	1.240000	1.240000	1.240000	1.240000
Texas City	1.440500	1.429800	1.262600	1.290900	1.269200	1.295300	1.288600	1.216000	1.184931	1.112750
Clear Creek	1.400000	1.400000	1.400000	1.400000	1.360000	1.360000	1.360000	1.360000	1.360000	1.320000
Dickinson	1.540000	1.540000	1.540000	1.540000	1.540000	1.540000	1.540000	1.504000	1.500000	1.430000
High Island	1.320000	1.270000	1.320000	1.370000	1.420000	1.470000	1.490000	1.600000	1.305690	1.300000
Santa Fe	1.402300	1.416700	1.435800	1.449000	1.453900	1.495000	1.419200	1.330200	1.160000	1.160000
College of the Mainland	0.208376	0.202307	0.205085	0.221210	0.225970	0.232020	0.233890	0.221640	0.221640	0.227380
Galveston College	0.170250	0.178750	0.187000	0.187000	0.189420	0.189450	0.189475	0.190000	0.170000	0.170000

GALVESTON COUNTY, TEXAS
TABLE 2.2 - PROPERTY TAX RATES
DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)(2)
LAST TEN FISCAL YEARS

Taxing Jurisdiction	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Special Districts										
Bacliff MUD	0.376890	0.401964	0.433583	0.305545	0.292358	0.290974	0.291058	0.318548	0.295422	0.303640
Bayview MUD	0.150000	0.234700	0.230600	0.227600	0.232600	0.233400	0.238100	0.238100	0.236800	0.218500
South Shore MUD #2	Dissolved	Dissolved	Dissolved	Dissolved	Dissolved	Dissolved	0.170000	0.220000	0.240000	0.290000
South Shore MUD #3	Dissolved	Dissolved	Dissolved	Dissolved	Dissolved	Dissolved	-	0.160000	0.160000	0.170000
South Shore MUD #6	Dissolved	Dissolved	0.120000	0.215000	0.290000	0.290000	0.290000	0.290000	0.290000	0.300000
South Shore Harbour MUD#7	0.450000	0.490000	0.530000	0.530000	0.550000	0.600000	0.650000	0.700000	0.750000	0.800000
Tara Glen MUD	0.560000	0.570000	0.630000	0.660000	0.660000	0.670000	0.670000	0.670000	0.670000	0.670000
Flamingo Isles MUD	0.580000	0.580000	0.600000	0.587500	0.587500	0.587500	0.587500	0.500000	0.500000	0.500000
Bay Colony West MUD	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
GC Fresh Water Supply District #6	0.222002	0.235237	0.252000	0.231680	0.225000	0.228742	0.236324	0.225403	0.223105	0.222900
Galveston County Consolidated Drainage Dist.	0.112000	0.115000	0.135000	0.140000	0.140000	0.140000	0.142500	0.142500	0.142500	0.142500
Galveston County EMS District #1	0.084000	0.850000	0.857000	0.857000	0.857000	0.863000	0.863000	0.863000	0.085000	0.079810
Galveston County EMS District #2	0.078877	0.085000	0.095000	0.063021	-	-	-	-	-	-
Galveston County Management District #1	Pending	0.800000	Pending	0.800000	0.800000	0.800000	0.800000	0.800000	0.800000	-
Galveston County MUD #2	Dissolved	Dissolved	Dissolved	0.300000	0.270000	0.260000	0.240000	0.240000	0.240000	0.250000
Galveston County MUD #3	Dissolved	Dissolved	0.030000	0.120000	0.120000	0.120000	0.120000	0.120000	0.130000	0.140000
Galveston County MUD #6	0.460000	0.460000	0.470000	0.439000	0.439000	0.422000	0.400000	0.400000	0.440000	0.460000
Galveston County MUD #12	0.246319	0.244265	0.283626	0.283626	0.270643	0.260488	0.243826	0.259575	0.259575	0.258420
Galveston County MUD #13	0.295000	0.360000	0.460000	0.500000	0.540000	0.540000	0.550000	0.560000	0.585000	0.610000
Galveston County MUD #14	0.690000	0.710000	0.740000	0.740000	0.780000	0.860000	0.860000	0.870000	0.870000	0.880000
Galveston County MUD #15	0.580000	0.660000	0.720000	0.760000	0.780000	0.790000	0.790000	0.790000	0.795000	0.825000
Galveston County MUD #29	Dissolved	Dissolved	Dissolved	Dissolved	-	0.180000	0.188500	0.188500	0.170000	-
Galveston County MUD #30	0.270000	0.330000	0.350000	0.350000	0.350000	0.350000	0.350000	0.350000	0.350000	0.350000
Galveston County MUD #31	0.920000	0.940000	0.990000	1.000000	1.040000	1.090000	1.090000	1.090000	1.090000	1.090000
Galveston County MUD #32	0.750000	0.750000	0.750000	Pending	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000
Galveston County MUD #39	0.680000	0.800000	0.880000	0.880000	0.880000	0.900000	0.900000	0.900000	0.900000	0.900000

GALVESTON COUNTY, TEXAS
TABLE 2.2 - PROPERTY TAX RATES
DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)(2)
LAST TEN FISCAL YEARS

Taxing Jurisdiction	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Special Districts (Continued)										
Galveston County MUD #43	0.960000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Galveston County MUD #44	0.800000	0.800000	0.800000	0.800000	0.800000	0.800000	0.800000	0.800000	0.800000	0.800000
Galveston County MUD #45	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Galveston County MUD #46	0.970000	0.980000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	-	1.000000
Galveston County MUD #52	1.500000	1.500000	Pending	1.500000	-	-	-	-	-	1.500000
Galveston County MUD #54	0.540000	0.540000	0.540000	0.540000	0.540000	1.000000	1.000000	-	-	-
Galveston County MUD #56	1.000000	1.000000	Pending	-	-	-	-	-	-	-
Galveston County MUD #66	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	-	-	-
Galveston County MUD #68	0.915000	0.950000	0.950000	0.950000	0.950000	0.900000	0.900000	0.850000	-	0.850000
Galveston County Navigation District #1	0.041673	0.452920	0.466180	0.466180	0.046618	0.046618	0.048809	0.047970	-	0.330300
West Ranch Management District #1	0.550000	0.650000	0.650000	0.650000	0.650000	0.650000	0.650000	0.650000	0.650000	0.650000
Westwood Management District	1.000000	1.000000	1.000000	-	-	-	-	-	-	-
Water Control Improvement Dist. #1	0.168300	0.200500	0.201673	0.205402	0.206977	0.210377	0.213687	0.218190	-	0.220260
Water Control Improvement Dist. #8	0.248500	0.263800	0.280000	0.293700	0.295200	0.295600	0.300000	0.250700	-	0.250000
Water Control Improvement Dist. #12	0.260000	0.280000	0.300000	0.300000	0.300000	0.300000	0.300000	0.300000	-	0.370000
Water Control Improvement Dist. #19	0.489378	0.489378	0.489378	0.483978	0.483978	0.483978	0.456468	0.461816	-	0.183110
San Leon MUD	0.450000	0.450000	0.450000	0.450000	0.450000	0.450000	0.450000	0.450000	0.450000	0.450000
Drainage District #1	0.100000	0.110000	0.115000	0.120000	0.120000	0.115000	0.115000	0.124933	0.119684	0.114210
Drainage District #2	0.063021	0.063021	0.063021	0.063021	0.063021	0.063021	0.063021	0.063021	0.063021	0.057360

(1) Source: Galveston Central Appraisal District

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

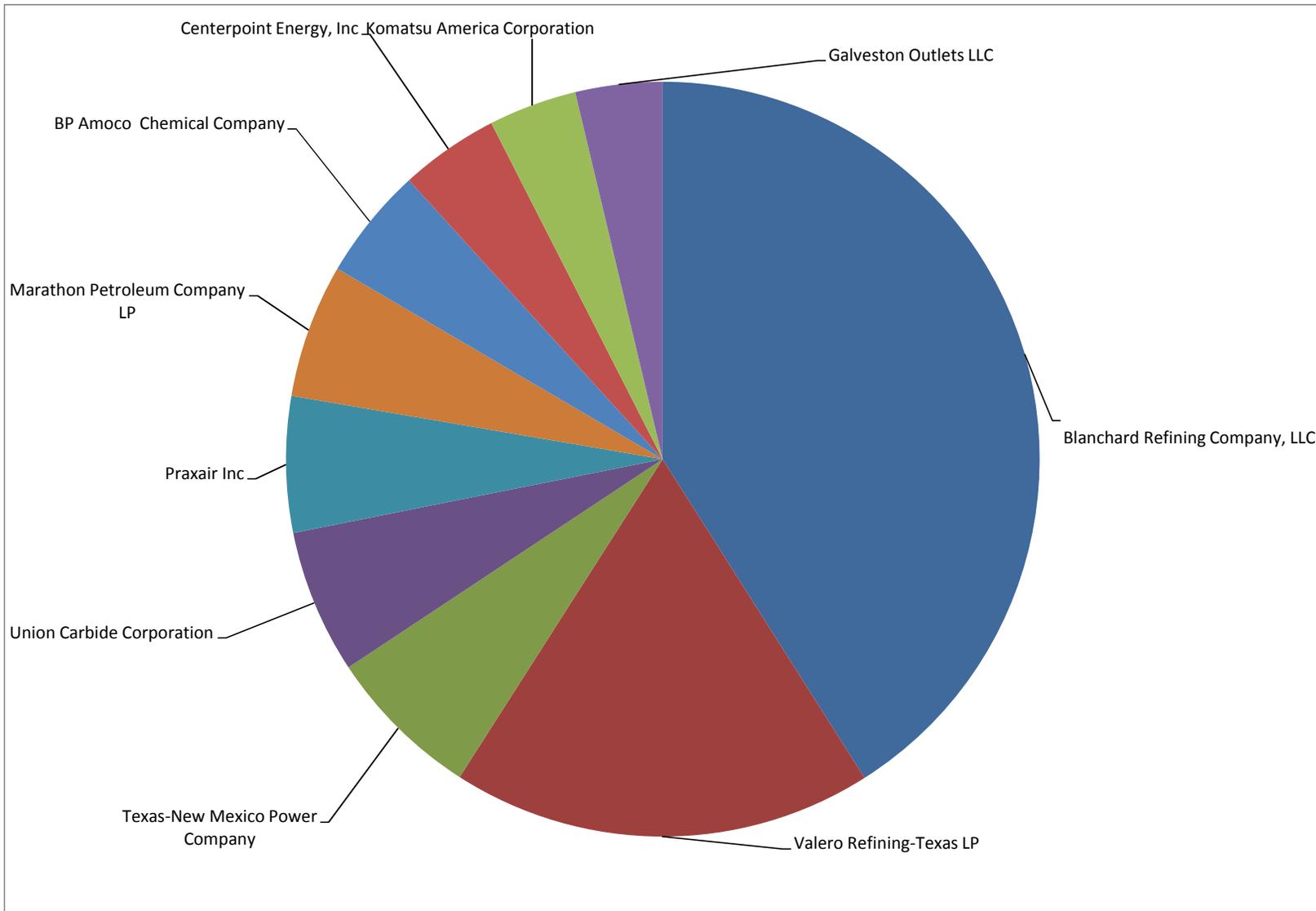
(3) Effective July 1, 2016, Texas City ISD adopted La Marque ISD.

GALVESTON COUNTY, TEXAS
TABLE 2.3 - PRINCIPAL TAXPAYERS (1)
CURRENT YEAR AND NINE YEARS AGO
(Amounts expressed in thousands)

Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	% of Total Taxable Assessed Value	Taxable Assessed Value	Rank	% of Total Taxable Assessed Value
Blanchard Refining Company, LLC	1,000,063	1	3.18%			
Valero Refining-Texas LP	440,334	2	1.40%	789,304	2	3.08%
Texas-New Mexico Power Company	162,126	3	0.52%	84,991	10	0.33%
Union Carbide Corporation	150,355	4	0.48%	351,665	4	1.37%
Praxair Inc	141,910	5	0.45%	197,696	5	0.77%
Marathon Petroleum Company LP	139,934	6	0.45%	165,911	6	0.65%
BP Amoco Chemical Company	117,495	7	0.37%	153,747	7	0.60%
Centerpoint Energy, Inc	103,446	8	0.33%	93,843	8	0.37%
Komatsu America Corporation	92,236	9	0.29%			
Galveston Outlets LLC	91,170	10	0.29%			
BP Products (NA) Inc.				1,790,106	1	6.98%
South Houston Green Power, LP				360,517	3	1.40%
Sterling Chemicals				88,038	9	0.34%
Totals	<u>\$ 2,439,069</u>		<u>7.77%</u>	<u>\$ 4,075,818</u>		<u>15.88%</u>

(1) Source: Galveston Central Appraisal District Top Taxpayer Report
Report shows only top ten (10) taxpayers for tax year 2017. Total assessed value = \$31,400,467

Taxable Assessed Value



GALVESTON COUNTY, TEXAS
TABLE 2.4 - PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN 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	
		Amount (2)	Percentage of Levy		Amount (3)	Percentage of Levy
2017	140,409	138,501	98.64%	-	138,501	98.64%
2016	135,674	134,108	98.85%	776	134,884	99.42%
2015	130,979	129,171	98.62%	1,287	130,458	99.60%
2014	125,449	123,805	98.69%	1,262	125,067	99.70%
2013	126,372	124,528	98.54%	1,498	126,026	99.73%
2012	122,958	121,996	99.22%	670	122,666	99.76%
2011	122,114	119,744	98.06%	2,074	121,819	99.76%
2010	120,995	118,563	97.99%	2,149	120,712	99.77%
2009	117,317	114,712	97.78%	2,337	117,049	99.77%
2008	109,659	107,656	98.17%	1,760	109,416	99.78%

(1) Source: Galveston County Tax Assessor-Collector

(2) Collected from October 1 through September 30.

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

Debt Capacity

GALVESTON COUNTY, TEXAS
TABLE 3.1 - RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities		Total	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Notes Payable			
2016-17	254,353	-	254,353	24.45%	772
2015-16	270,900	-	270,900	27.09%	841
2014-15	287,665	-	287,665	29.60%	916
2013-14	307,441	-	307,441	34.14%	997
2012-13	317,319	5,000	322,319	34.82%	1,073
2011-12	319,793	5,000	324,793	36.69%	1,098
2010-11	338,288	5,000	343,288	40.06%	1,173
2009-10	353,908	5,000	358,908	44.37%	1,232
2008-09	364,318	5,000	369,318	45.22%	1,280
2007-08	239,003	-	239,003	31.04%	829

GALVESTON COUNTY, TEXAS
TABLE 3.2 - 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 (2)	Gross Original-Issue Bonded Debt (2)(3)	Gross Refunding Bonded Debt (2)(3)	Total Gross Bonded Debt (2)	Accumulated Accretion	Net Issuance Premiums/ (Discounts)	Less: Net Position Restricted for Debt Service (2)	Net Bonded Debt (2)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2016-17	329,431	31,400,467	118,821	92,855	211,676	29,993	12,684	5,810	205,866	0.66	625
2015-16	322,225	29,899,714	126,307	112,321	238,628	30,981	1,291	10,198	228,430	0.76	709
2014-15	314,198	27,297,709	132,199	127,389	259,588	28,077	1,773	11,614	247,974	0.91	789
2013-14	308,448	26,399,353	138,311	141,352	279,663	25,328	2,450	10,958	268,705	1.02	871
2012-13	300,484	26,103,585	145,318	153,645	298,963	22,725	3,154	9,625	289,338	1.11	963
2011-12	295,747	25,245,042	-	-	319,793	20,262	3,859	9,473	310,320	1.23	1,049
2010-11	292,607	24,638,557	-	-	338,288	18,604	(2,661)	9,921	328,367	1.33	1,122
2009-10	291,309	23,858,987	-	-	353,908	16,272	(2,584)	7,864	346,044	1.45	1,188
2008-09	288,489	25,405,120	-	-	364,318	14,069	(2,483)	15,645	348,673	1.37	1,209
2007-08	288,239	25,663,846	-	-	239,003	11,987	(2,417)	12,575	226,428	0.88	786

(1) Source: U.S. Census Bureau

(2) Amounts expressed in thousands.

(3) Amounts not readily available for fiscal years prior to 2013.



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GALVESTON COUNTY, TEXAS
TABLE 3.3 - COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT (1)(2)
GENERAL OBLIGATION BONDS
September 30, 2017
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
<u>Galveston County</u>	\$ 254,353	100%	\$ 254,353
Total Direct Debt	<u>254,353</u>		<u>254,353</u>
<u>Cities</u>			
Dickinson	8,920	100%	8,920
Bayou Vista	122	100%	122
Friendswood	28,498	80.52%	22,947
Galveston	10,714	100%	10,714
Hitchcock	957	100%	957
La Marque	15,800	100%	15,800
League City	91,821	98.64%	90,572
Texas City	33,609	100%	33,609
Tiki Island	2,530	100%	2,530
Santa Fe	3,155	100%	3,155
Total Cities	<u>196,126</u>		<u>189,326</u>
<u>School Districts</u>			
Dickinson	312,298	100%	312,298
Friendswood	95,597	99.94%	95,539
Galveston	47,040	100%	47,040
High Island	895	100%	895
Hitchcock	36,799	100%	36,799
Santa Fe	54,585	100%	54,585
Texas City	<u>124,334</u>	100%	<u>124,334</u>
Total School Districts	<u>671,548</u>		<u>671,490</u>
<u>Co-Line School Districts</u>			
Clear Creek	<u>841,749</u>	31.16%	<u>262,289</u>
<u>Other</u>			
Bacliff MUD	12,854	100%	12,854
Bay Colony West MUD	15,919	100%	15,919
Flamingo Isle MUD	3,513	100%	3,513
Galveston County FWSD #6	6,506	100%	6,506
Galveston County MUD #6	9,787	100%	9,787
Galveston County MUD #12	551	100%	551
Galveston County MUD #13	1,985	100%	1,985
Galveston County MUD #14	8,384	100%	8,384
Galveston County MUD #15	7,533	100%	7,533
Galveston County MUD #30	4,502	100%	4,502
Galveston County MUD #31	2,165	100%	2,165
Galveston County MUD #32	2,974	100%	2,974
Galveston County MUD #39	24,351	100%	24,351
Galveston County MUD #43	26,638	100%	26,638
Galveston County MUD #44	10,027	100%	10,027
Galveston County MUD #45	18,701	100%	18,701
Galveston County MUD #46	36,650	100%	36,650
Galveston County MUD #54	15,058	100%	15,058
Galveston County MUD #66	3,911	100%	3,911
Galveston County MUD #68	3,151	100%	3,151

GALVESTON COUNTY, TEXAS
TABLE 3.3 - COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT (1)(2)
GENERAL OBLIGATION BONDS
September 30, 2017
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
San Leon MUD	8,287	100%	8,287
Galveston WCID #1	2,272	100%	2,272
Galveston WCID #8	4,799	100%	4,799
Galveston WCID #12	13,802	100%	13,802
South Shore Harbor MUD #7	15,682	100%	15,682
Tara Glen MUD	1,656	100%	1,656
West Ranch Management Dist	23,090	100%	23,090
Total Others	<u>284,750</u>		<u>284,748</u>
Total Overlapping Debt	<u>\$ 1,994,171</u>		<u>\$ 1,407,853</u>
Total Direct and Overlapping Debt	<u>\$ 2,248,526</u>		<u>\$ 1,662,206</u>
Ratio of Direct and Overlapping Debt to 2017 Gross Taxable Assessed Valuation			5.29%
Per Capita Direct and Overlapping Debt (2017 estimated population = 329,431) (3)			5,046
Gross Taxable Assessed Valuation			\$ 31,400,467

(1) Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. The percentage of overlapping debt applicable is estimated using the taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the county's boundaries and dividing it by the total assessed value of the overlapping government.

(2) 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 March 24, 2017; 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.

(3) 2017 estimated county population and Per Capita Direct and Overlapping Debt amounts are not rounded to thousands.

GALVESTON COUNTY, TEXAS
TABLE 3.4 - 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)	\$ 31,400,467
Debt limit rate (5% of assessed value)	x 5%
Dollar amount of debt limit	<u>1,570,023</u>
Amount of debt applicable to constitutional debt limit:	
Total general bonded debt, including cumulative accretion	\$ 241,669
Less: Debt Service fund balance	<u>(7,178)</u>
Total debt applicable to limitation	<u>234,491</u>
Legal debt margin	<u>\$ 1,335,532</u>

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Debt limit	\$ 1,570,023	\$ 1,494,986	\$ 1,364,885	\$ 1,319,968	\$ 1,305,179	\$ 1,262,252	\$ 1,231,928	\$ 1,192,949	\$ 1,270,256	\$ 1,283,192
Total net debt applicable to limit	<u>234,491</u>	<u>258,035</u>	<u>275,839</u>	<u>293,739</u>	<u>311,347</u>	<u>329,713</u>	<u>345,850</u>	<u>360,706</u>	<u>363,007</u>	<u>239,122</u>
Legal debt margin	<u>\$ 1,335,532</u>	<u>\$ 1,236,951</u>	<u>\$ 1,089,046</u>	<u>\$ 1,026,229</u>	<u>\$ 993,832</u>	<u>\$ 932,539</u>	<u>\$ 886,078</u>	<u>\$ 832,243</u>	<u>\$ 907,249</u>	<u>\$ 1,044,070</u>
Total net debt applicable to the limit as a percentage of debt limit	14.94%	17.26%	20.21%	22.25%	23.85%	26.12%	28.07%	30.24%	28.58%	18.63%

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
TABLE 3.4 - LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Bonds Issued Under Article 3, §52

Assessed value of real property (excluding exemptions)	\$ 28,735,413
Debt limit rate	X 25%
Amount of Debt Limit	<u>7,183,853</u>
Total Road Bonds Outstanding, including cumulative accretion	<u>(78,040)</u>
Legal debt margin	<u>\$ 7,105,813</u>

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Debt limit	\$ 7,183,853	\$ 6,730,126	\$ 6,014,657	\$ 5,781,904	\$ 5,766,604	\$ 5,592,175	\$ 5,469,068	\$ 5,354,023	\$ 5,606,885	\$ 5,666,524
Less: Road bonds outstanding	<u>(78,040)</u>	<u>(81,256)</u>	<u>(85,870)</u>	<u>(93,678)</u>	<u>(93,678)</u>	<u>(100,266)</u>	<u>(107,904)</u>	<u>(111,283)</u>	<u>(111,928)</u>	<u>(37,541)</u>
Legal debt margin	<u>\$ 7,105,813</u>	<u>\$ 6,648,870</u>	<u>\$ 5,928,787</u>	<u>\$ 5,688,226</u>	<u>\$ 5,672,926</u>	<u>\$ 5,491,909</u>	<u>\$ 5,361,164</u>	<u>\$ 5,242,740</u>	<u>\$ 5,494,957</u>	<u>\$ 5,628,983</u>

The county is authorized under Article III, §52, of the Texas 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.

Demographic and Economic Information

GALVESTON COUNTY, TEXAS
TABLE 4.1 - DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (1)	Per Capita Personal Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
2017	329,431	10,405,078	31,585	37.5	85,201	4.60%
2016	322,225	9,998,642	31,030	37.5	84,391	4.40%
2015	314,198	9,716,887	30,926	37.4	81,062	4.86%
2014	308,448	9,004,196	29,192	37.5	92,043	5.50%
2013	300,484	9,256,109	30,804	37.5	80,432	7.90%
2012	295,747	8,853,482	29,936	37.0	79,803	7.70%
2011	292,607	8,568,974	29,285	37.2	79,043	9.60%
2010	291,309	8,089,068	27,768	36.7	78,519	8.20%
2009	288,489	8,167,701	28,312	36.2	78,820	8.50%
2008	288,239	7,698,864	26,710	36.3	79,000	5.54%

(1) Source: U.S. Census Bureau as of November 2017

(3) Source: 2012-2016 American Community Survey

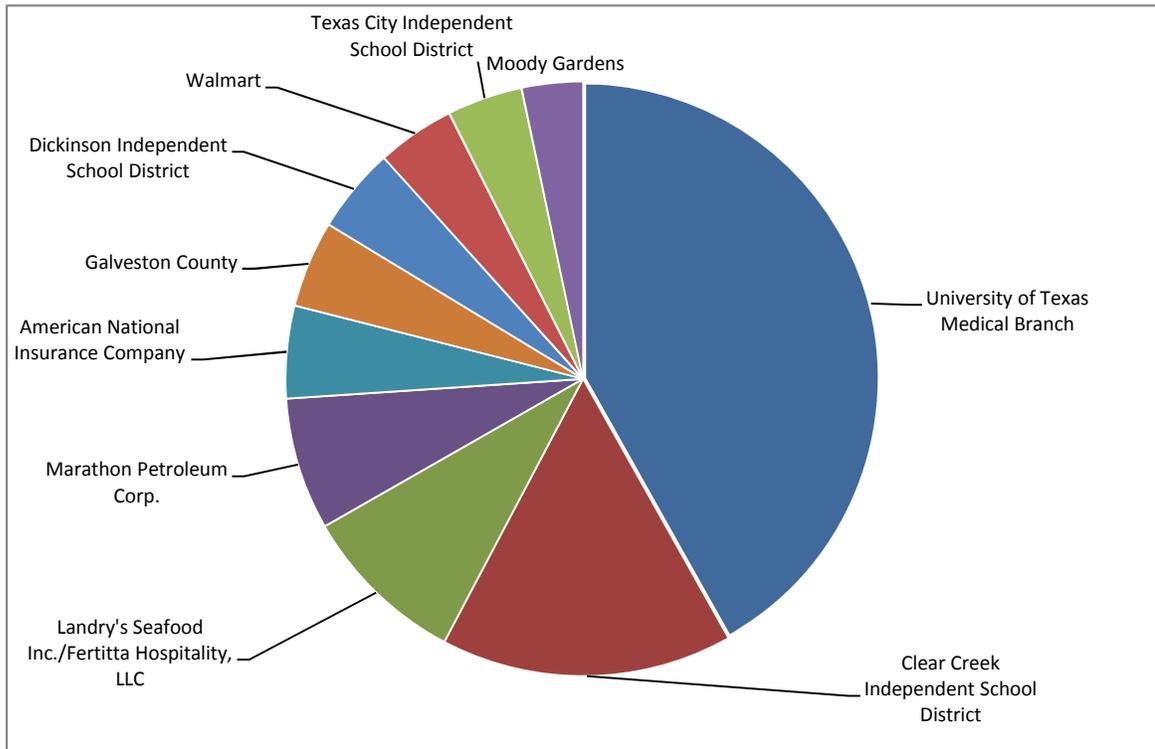
(3) Source: Bureau of Labor Statistics as of November 2017

GALVESTON COUNTY, TEXAS
TABLE 4.2 - PRINCIPAL EMPLOYERS (1)
CURRENT YEAR AND NINE YEARS AGO

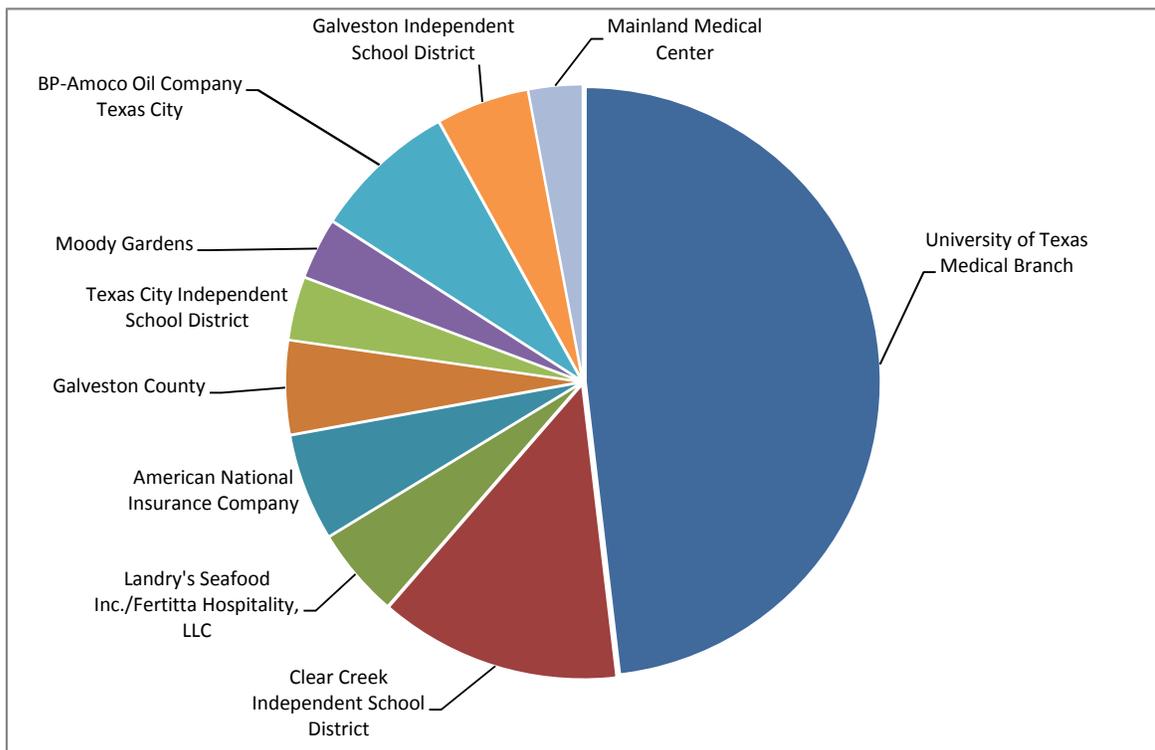
Employer	2017			2008		
	Number of Employees	Rank	% of Principal-Employer Employees	Number of Employees	Rank	% of Principal-Employer Employees
University of Texas Medical Branch	(2) 12,939	1	41.9%	12,200	1	48.1%
Clear Creek Independent School District	4,899	2	15.9%	3,352	2	13.2%
Landry's Seafood Inc./Fertitta Hospitality, LLC	2,788	3	9.0%	1,245	7	4.9%
Marathon Petroleum Corp.	2,225	4	7.2%			
American National Insurance Company	1,552	5	5.0%	1,485	4	5.9%
Galveston County	(4) 1,457	6	4.7%	1,296	5	5.1%
Dickinson Independent School District	(5) 1,441	7	4.7%			
Walmart	1,308	8	4.2%			
Texas City Independent School District	(3)(5) 1,269	9	4.1%	879	8	3.5%
Moody Gardens	1,027	10	3.3%	850	9	3.4%
BP-Amoco Oil Company Texas City				2,000	3	7.9%
Galveston Independent School District				1,285	6	5.1%
Mainland Medical Center				750	10	3.0%
Total	30,905		100.0%	25,342		100.0%

(1) Source: Unless otherwise stated below: Texas City - La Marque Chamber of Commerce and Galveston Chamber of Commerce-Galveston Economic Development Partnership, 2016, League City Economic Development
(2) University of Texas Data Reference Card for Fiscal year 2016
(3) Effective July 1, 2016, Texas City ISD annexed La Marque ISD.
(4) Human Resources budgeted positions for 2017
(5) Source: 2016-2017 Texas Education Agency Staff Salaries and FTE Counts

Principal Employers 2017



Principal Employers 2008



Operating Information

GALVESTON COUNTY, TEXAS
TABLE 5.1 - COUNTY EMPLOYEES BY FUNCTION (1)
LAST TEN FISCAL YEARS

Function	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Government	506	492	484	486	479	476	483	491	481	555
Public Safety	705	695	688	687	687	644	666	665	638	556
Road and Bridges, and Rights-of-Way	51	51	74	51	61	57	49	55	56	54
Health and Social Services	37	38	27	30	52	52	59	60	60	76
Culture and Recreation	58	49	51	47	52	40	50	53	53	45
Conservation	<u>12</u>	<u>12</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>11</u>	<u>11</u>	<u>10</u>	<u>10</u>	<u>10</u>
Total	<u>1,369</u>	<u>1,337</u>	<u>1,333</u>	<u>1,310</u>	<u>1,340</u>	<u>1,280</u>	<u>1,318</u>	<u>1,334</u>	<u>1,298</u>	<u>1,296</u>

(1) Source: Galveston County Budget Office and Human Resources

GALVESTON COUNTY, TEXAS
TABLE 5.2 - OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function /Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government										
<i>Tax Assessor- Collector</i>										
Employees	52	52	52	52	51	50	50	52	52	53
Ad-Valorem Accounts	195,085	193,692	192,387	190,815	192,450	190,051	189,495	189,114	187,473	189,520
Vehicle Registration/Licenses	365,770	293,964	290,458	279,003	277,521	261,515	262,687	258,471	257,566	259,329
Entities for which we collect	39	39	40	40	37	37	36	36	35	35
Number of Registered Voters	206,947	207,701	188,134	193,054	182,503	185,379	177,347	182,813	163,852	191,052
Beer and Wine Permits	728	854	1,537	612	670	883	748	705	899	2,254
Special Inventory Tax Accounts	205	182	178	166	152	133	129	129	144	141
Coin Operated Machines	3,647	2,034	2,526	3,134	3,048	3,634	3,980	1,591	7,622	771
<i>County Clerk</i>										
Employees	57	56	56	56	52	52	51	60	60	60
Record Property/Govt	76,418	76,388	77,212	73,112	63,272	71,149	66,039	64,677	68,733	78,917
Marriage License	2,574	2,419	2,093	2,111	2,223	2,174	2,048	2,077	1,940	2,260
Assumed Names (Business Names)	3,049	2,882	2,655	2,618	2,783	2,763	2,839	3,065	3,385	2,758
Number of Criminal Cases Filed	7,362	8,586	9,166	10,372	9,931	11,135	11,042	15,493	15,271	14,137
Number of Civil Suits Filed	2,793	2,127	2,359	2,071	2,485	2,427	2,310	2,211	1,798	1,730
Number of Probate Cases Filed	1,055	1,003	1,021	954	873	969	866	839	748	810
Probate Mental Health Cases filed	231	227	228	189	140	237	353	398	243	355
Elections Held	3	7	9	7	14	22	16	23	20	29
<i>District Clerk</i>										
Number of Employees	54	53	52	52	50	50	63	46	49	48
Civil Cases	6,049	1,528	1,386	1,412	2,370	3,072	5,726	4,375	5,695	5,776
Criminal Cases	3,250	2,688	4,619	4,760	4,471	3,944	7,898	4,016	3,908	4,566
Tax Cases Processed	639	556	1,066	711	990	1,016	3,095	1,072	727	839
CPS Cases Processed	143	111	141	135	86	84	206	117	101	102
Juvenile Cases	381	419	826	690	521	659	857	380	362	919
Jurors Summoned	65,000	56,953	56,000	53,266	54,419	56,800	49,600	59,050	63,600	52,900

GALVESTON COUNTY, TEXAS
TABLE 5.2 - OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

(continued)

Function /Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government										
<i>Human Resources</i>										
Applications Accepted	4,210	6,116	5,348	6,254	2,993	2,340	1,905	1,745	1,168	1,348
Positions Filled	210	219	234	228	264	253	270	219	258	484
<i>Justice of the Peace (9 precincts) (2)(3)</i>										
<i>Precinct #1 (Formerly 5 & 7)</i>										
Number of Employees	7	7	9	9	10	10	9	10	10	10
Civil Cases Filed	1,468	1,511	382	2,108	5,515	3,801	1,637	1,669	1,862	1,922
Civil Cases Disposed	1,460	1,483	393	2,087	1,894	2,017	1,795	1,738	1,646	1,786
Civil Cases Appealed	4	2	-	3	2	2	2	1	0	-
Criminal Cases Filed	4,273	3,422	1,793	9,468	7,895	5,814	7,394	7,899	8,596	8,724
Criminal Cases Disposed	2,003	4,121	1,443	6,942	7,227	6,302	6,195	8,130	9,015	7,272
Criminal Cases Appealed	-	23	5	35	47	13	37	21	49	47
<i>Precinct #2 (Formerly 1 & 4)</i>										
Number of Employees	7	7	11	8	10	10	10	9	9	8
Civil Cases Filed	1,380	1,404	2,109	1,160	2,719	1,979	906	1,133	1,310	1,888
Civil Cases Disposed	1,388	1,654	2,056	1,223	871	967	891	1,177	1,266	1,545
Civil Cases Appealed	19	18	26	19	31	6	22	14	13	12
Criminal Cases Filed	5,884	5,771	8,256	5,293	5,728	4,205	6,108	5,701	5,623	7,638
Criminal Cases Disposed	3,834	9,840	8,655	9,704	4,843	5,496	5,832	6,977	5,181	6,212
Criminal Cases Appealed	27	45	97	41	82	68	61	70	38	38

GALVESTON COUNTY, TEXAS
TABLE 5.2 - OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

(continued)

Function /Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government										
<i>Precinct #3 (Formerly 2, 3 & 6)</i>										
Number of Employees	8	8	15	10	13	13	13	13	13	13
Civil Cases Filed	929	987	2,112	1,009	3,640	4,920	623	783	962	1,128
Civil Cases Disposed	945	967	2,006	1,512	884	703	709	828	915	797
Civil Cases Appealed	21	12	26	22	23	14	13	13	13	24
Criminal Cases Filed	2,484	2,187	6,545	3,908	4,148	4,028	6,098	7,202	8,502	13,368
Criminal Cases Disposed	1,815	13,044	18,751	4,595	4,451	5,772	7,479	8,616	12,847	15,289
Criminal Cases Appealed	6	9	55	34	30	65	84	88	46	125
<i>Precinct #4 (Formerly 8-1 & 8-2)</i>										
Number of Employees	7	7	8	8	10	10	10	9	9	9
Civil Cases Filed	1,142	943	249	999	872	969	818	940	1,112	1,239
Civil Cases Disposed	1,080	804	267	1,030	805	847	780	937	905	831
Civil Cases Appealed	14	15	5	17	23	18	14	13	4	3
Criminal Cases Filed	3,233	4,039	1,046	5,984	6,545	4,782	4,116	5,515	4,896	5,535
Criminal Cases Disposed	3,062	4,583	1,056	4,701	5,088	5,209	4,393	5,951	4,924	6,574
Criminal Cases Appealed	43	83	8	57	50	55	56	46	53	44
Public Safety										
<i>Sheriff</i>										
Number of Employees	512	503	489	460	460	579	459	429	413	395
Daily average in County Jail	1,126	1,015	923	878	878	903	939	980	931	1,066
Number of persons booked	17,359	17,032	17,188	19,621	19,621	18,514	18,226	19,098	19,360	19,476
Number of Civil Processes	4,029	3,727	5,193	4,461	4,461	4,345	7,085	6,926	6,529	7,137

GALVESTON COUNTY, TEXAS
TABLE 5.2 - OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function /Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Road, Bridges & Right-of-Way										
<i>County Maintained Roads - Road and Bridge</i>										
Precinct #1	208.9 mi	209 mi	211.3 mi	211.7 mi	211.7 mi	211.8 mi	203.3 mi	208.0 mi	199.2 mi	199.2 mi
Precinct #2	107.8 mi	108 mi	104.1 mi	104.8 mi	104.8 mi	104.8 mi	104.8 mi	105.0 mi	104.4 mi	104.4 mi
Precinct #3	11.1 mi	13.5 mi	14.5 mi	14.5 mi	15.3 mi	15.3 mi	21.3 mi	20.0 mi	20.5 mi	20.5 mi
Precinct #4	2.7 mi	2.7 mi	3.8 mi	3.8 mi	3.8 mi	3.8 mi	7.3 mi	5.0 mi	5.10 mi	5.10 mi
Health and Social Services										
<i>Community Services</i>										
Community Clinics	2	2	2	2	2	2	2	2	2	2
Employees' CareHere! Clinics	3	3	3	3	2	2	2	2	2	2
Culture and Recreation										
<i>County Parks Department</i>										
Park Permits Approved	549	1,045	966	800	411	539	850	904	965	986
Festival & Special Events Hosted	57	46	31	22	21	17	12	12	11	11
Vehicle Permits Sold	75,176	59,614	44,581	40,581	40,487	32,005	30,895	24,859	14,985	30,880
Golf Cart Permits Sold	8,163	7,847	5,151	4,825	4,972	2,045	1,981	1,409	1,496	2,192

(1) Source: Various county departments

(2) Source: Texas State Courts Website: www.courts.state.tx.us/courts/jp.asp

(3) As a result of the renumbering of Justice Precincts, the new precincts include the historical information from their counterparts.

(4) For 2013, the number of civil cases served, or attempted to be served, is for January 2013 thru September 2013.

GALVESTON COUNTY, TEXAS
TABLE 5.3 - CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government										
Number of buildings	18	18	18	18	18	17	18	18	17	18
Number of courtrooms	20	20	20	21	21	21	21	21	21	21
Public Safety										
Jail capacity/number of beds (2)	1,187	1,187	1,187	1,187	1,187	1,187	1,187	1,187	1,187	1,187
Stations / substations	4	4	4	3	3	3	3	3	3	3
Sheriff's Department vehicles	174	173	155	121	113	141	132	130	128	128
Boats / seacrafts	6	8	7	7	7	5	5	5	5	5
Training facility	1	1	1	1	1	1	1	1	1	1
Animal facility	1	1	1	1	1	1	1	1	1	1
Sheriff's Department buildings	3	3	3	3	3	3	3	3	3	3
Medical Examiner building	1	1	1	1	1	1	1	1	1	1
Juvenile Justice buildings	4	4	4	4	4	4	4	4	4	4
Emergency Management building	1	1	1	1	1	1	1	1	1	1
Flood Control buildings	4	4	4	3	3	3	3	3	3	3
Roads, Bridges, & R.O.W.										
Miles of county roads	331	333	334	335	336	336	337	338	329	329
Bridges	18	22	22	22	22	22	22	22	22	22
Motor Vehicles	18	27	34	37	37	39	40	43	42	42
Heavy and General Equipment	66	58	65	71	71	77	74	77	77	77
Health and Social Services										
Clinics	3	3	3	2	2	3	4	4	4	4
Animal Shelter	1	1	1	1	1	1	1	1	1	1
Mosquito Control vehicles	22	19	19	19	19	19	19	19	19	19
Airplanes	2	2	2	2	2	2	2	2	2	2
Airboat	1	1	1	1	1	1	1	1	1	1
Spray units	13	13	8	8	8	13	13	13	13	13
Senior Citizens centers	3	3	3	3	3	3	6	6	6	6
Senior Citizens vehicles	13	15	15	10	9	10	9	9	9	9

GALVESTON COUNTY, TEXAS
TABLE 5.3 - CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Culture and Recreation										
Museum	-	-	-	-	-	1	1	1	1	1
Parks	24	23	23	23	23	23	26	26	26	26
Park acreage	1,395	1,385	1,385	1,385	1,385	1,385	1,321	1,321	1,266	1,266
Park buildings	12	11	11	20	20	19	32	31	31	31
Community centers	3	3	3	3	3	3	6	6	6	6
Athletic fields & courts	48	47	47	47	52	52	41	41	41	41
Boat launches	10	10	10	10	10	11	11	11	11	11
Campground sites	9	9	9	9	9	9	9	9	9	9
Trails (feet) (1)	31,680	31,680	31,680	31,680	31,680	31,680	31,680	31,680	31,680	31,680
Equestrian trails (feet) (1)	12,576	12,576	12,576	12,576	12,576	12,576	12,576	12,576	12,576	12,576
Vehicles	25	26	27	27	25	29	30	25	30	30
Parks Heavy & General Equipment	66	68	62	54	55	50	52	47	47	47
Beach maintenance equipment	11	12	20	22	20	17	9	8	7	7
Conservation										
Extension service vehicles	5	5	5	5	5	6	7	7	6	6

(1) Source: Parks Department. Trails data includes hiking, biking and walking.

(2) Source: Texas Commission on Jail Standards website

