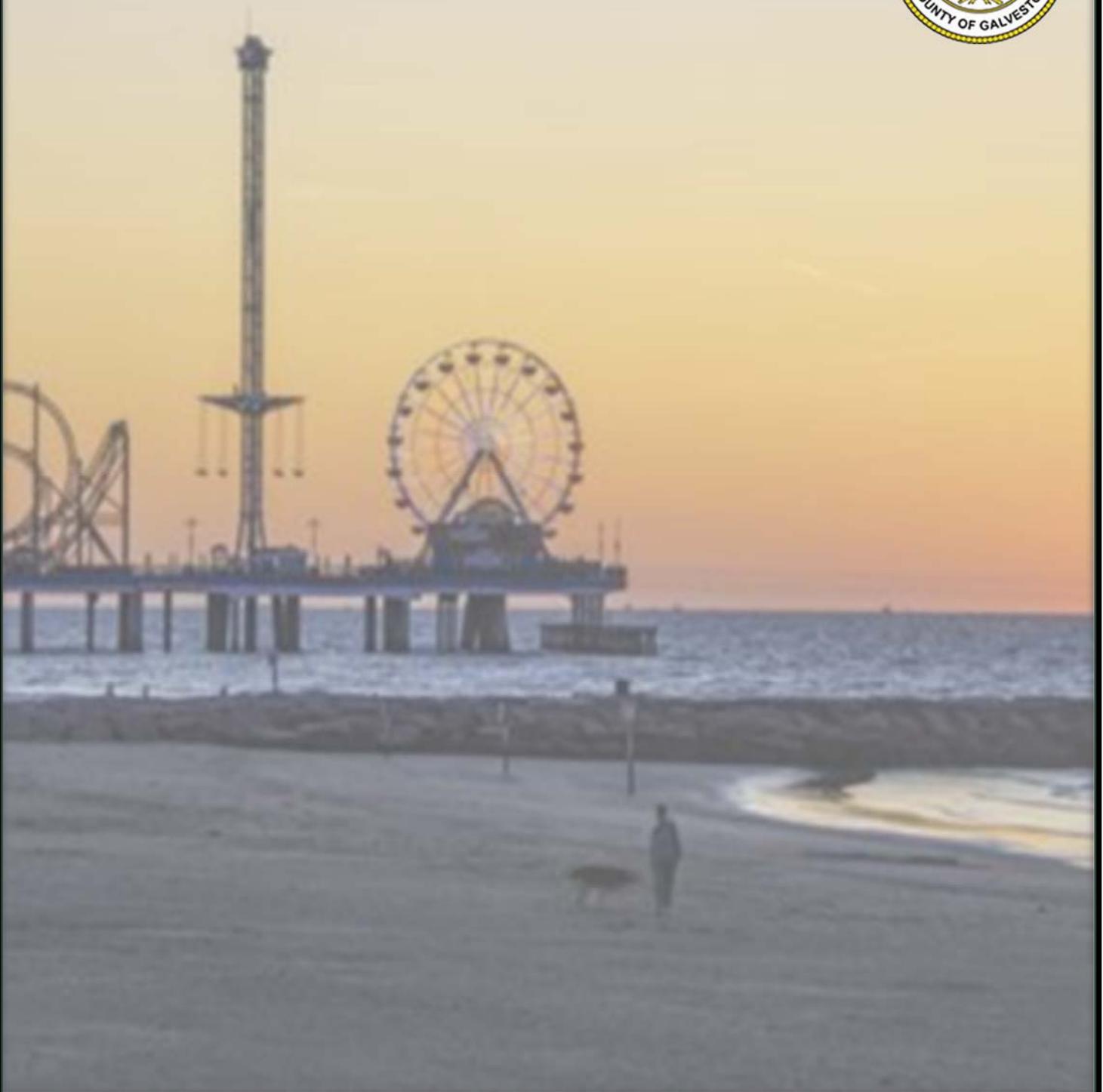


GALVESTON COUNTY, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019



Front Cover Photograph:
Galveston Island Beach and Pleasure Pier – Galveston, Texas

Back Cover Photograph:
Carbide Park – La Marque, Texas

GALVESTON COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended
September 30, 2019

Prepared by:

Office of County Auditor
Galveston County, Texas

Galveston County, Texas
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended September 30, 2019

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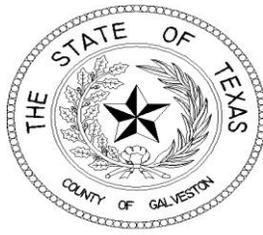
Capital Asset Statistics by Function – Last Ten Fiscal Years 226

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Introductory Section

The Introductory Section contains the transmittal letter, which provides an overview of the County of Galveston's finances, economic prospects and achievements. Also included in this section is the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association. This is the highest form of recognition in governmental financial reporting.

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 24, 2020

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, 2019, is submitted herewith in accordance with Chapter 114.025 of the Local Government Code. The accompanying financial statements were prepared in accordance with generally accepted accounting principles ("GAAP") 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 management's representations concerning the finances of Galveston County, Texas. Management assumes full responsibility for the completeness and reliability of all the information presented in this report.

Internal control. To provide a reasonable basis for making these representations, Galveston County ("the county") has established a comprehensive internal control framework designed for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance the financial statements are free of any material misstatements. 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 objective of the independent audit was to provide reasonable assurance the financial statements of the county for the fiscal year ended September 30, 2019, are free of material misstatements. The independent auditors concluded there was a reasonable basis for rendering an unmodified opinion the county's financial statements for the fiscal year ended September 30, 2019, are fairly presented in conformity with GAAP. The independent auditors' report is located at the front 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 to 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 337,890. 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 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. These powers include the ability to levy a property tax on real property located within its boundaries.

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

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 44-45.

Budget. The annual budget serves as the foundation for the 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 is prepared by fund, function (e.g., public safety) and department (e.g., corrections).

Once this requirement is met, Commissioners Court adopts 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, capital outlay and other financing uses. Budget-to-actual comparisons are provided in this report for the General Fund and all budgeted funds.

INFORMATION USEFUL IN ASSESSING THE COUNTY'S ECONOMIC CONDITION

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

Local economy. The county currently enjoys an improving economic environment and local indicators point to continued stability.

The region's diversified commercial, industrial and manufacturing base 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.

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 and now includes ninety clinics throughout Texas.

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 fifteenth largest port in the United States and the fourth largest in Texas, with total water borne tonnage exceeding 50 million net tons and over twenty-five thousand car loads per year.

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 an economic impact of \$2.3 billion in their fiscal year 2018. A wide variety of exports and imports passes through its facilities. In fiscal year 2018, 4.0 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.

Tourism is an important presence in the county's economy, with more than seven million visitors each year. With nearly two million cruise passengers, two-hundred sixty-eight cruise ship visits traveled through Galveston's port in their most recent reported fiscal year. Galveston is the number one cruise port of Texas, making it the fourth busiest cruise port in the U.S. and ranked among the top 50 ports in the nation. The Island's seashore, its historic downtown and residential districts and its thriving cruise industry attract growing numbers of visitors to the many hotels, 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. Apffel 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. These include the restored mansions of Ashton Villa, the Bishop's Palace and Moody Mansion, along with 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 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 300-room luxury hotel; the ten-story Rainforest Pyramid featuring rainforests of Africa, Asia and the America's; the IMAX 3-D movie theater; the Discovery Pyramid with interactive displays and IMAX "RideFilms" 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 2018 tax year at \$36.4 billion, an increase of 0.3% from the prior tax year. The county's net taxable base value, used to calculate tax revenues for the fiscal year 2019, is \$27.6 billion, an increase of 5.5% from fiscal year 2018.

The major residential subdivisions which added to the 2018 tax base were:

- South Shore Harbor Apartments
- Bayview Section 3
- Bayou Bend Estates
- Bayside at Waterman's
- Beacon Island
- The Oaks at Blue Jay
- Center Park
- Jamaica Bay Villas
- Lago Mar
- Painted Meadows Sections 3, 4 and 5
- Sand Dollar Beach
- West Ranch

Commercial additions include:

- a strip center - Galveston Island
- Home2 Suites by Hilton – Texas City
- a retail center - Kemah
- Sleep Inn & Suites - Galveston Island
- a sport sheds RV & boat storage – League City
- High Point Storage – Lago Mar
- Village Emergency Center – League City
- a power-sports dealer - La Marque
- Honda of Clear Lake – League City
- Memorial Hermann Care Center – League City

The gross taxable base value for the 2019 tax year is expected to increase by 7.4% to \$39.1 billion, and net taxable base value is expected to increase by 7.8% to \$29.7 billion. Future planned developments include:

- Waterfront Apartments and Marina – Galveston
- Beldon Apartments - Friendswood
- Calder Plaza – League City
- Adventure Pointe Amusement park
- Catalon Lago Mar Apartments
- La Quinta Hotel – Texas City
- a Hobbs preschool – League City
- Moses Lake Boat and RV Storage and Marina – Texas City
- a crawfish and shrimp processing facility on Dike Road – Texas City
- GrandSport Speedway – Hitchcock

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. Most recently, on March 19, 2019, the county issued \$30,280,000 in long-term debt for capital outlay, comprising \$22,080,000 of road bonds and \$8,200,000 of building bonds.

During its fiscal year ended September 30, 2019, the county made all of its scheduled principal and interest payments timely. At September 30, 2019, its outstanding bonded debt, including cumulative accretion, totaled \$274,611,523. During that fiscal year then ended, the county paid \$18,040,488 in principal and \$13,811,105 in interest and paying agent fees. The county maintains an “Aaa” rating 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 62-64 of this report.

Post-employment benefits. The county provides post-employment health- and life-insurance benefits to its retirees. At September 30, 2019, the county recognized 516 retirees, 152 of whom are eligible for full health insurance and 364 of whom receive reduced Medicare-supplement insurance. The county

follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension* 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 - H to the Financial Statements on pages 68-78 of this report.

Relevant financial policies. The county has adopted a comprehensive set of financial policies, including operating budget, capital assets, fund balance, revenue accounting, internal audit, budgeted reserves and debt management. During the current year, one of these policies was particularly relevant. The county, by statute, has adopted an investment policy for several years. Beginning in fiscal year 2018, the county began depositing idle cash into temporary investment vehicles in accordance with its formal investment policy. Temporary investments may include certificates of deposit, United States government agency securities, money market investment accounts, negotiable order of withdrawal ("NOW") accounts and local government investment pool facilities. The biggest change in fiscal year 2019 was the improvement in interest rates; during the year ended September 30, 2019, the county earned \$5,251,421 in interest, which was more than double the FY2018 interest earnings. More information about the county's deposits and investments can be found in Note III.A to the Financial Statements on pages 54-57 of this report.

Major initiatives. The county continues to undertake major initiatives to better serve its citizens. These initiatives include parks and cultural services, information technology, grant funding, economic development and emergency management. Examples follow.

Parks and Cultural Services

- construction of the Bolivar Beach Pavilion, funded by the sale of beach stickers
- reconstruction of the pavilion and restrooms at Lobit Park
- construction of new, large picnic pavilion at Fort Travis Seashore Park
- construction of new restroom facilities in Jack Brooks Park
- construction of pedestrian bridge, restroom facilities, parking lot and bus carport at Carbide Park
- roof replacement for Gregory and Bayshore Park pavilion

Information Technology

- implementation of a hosted public web content management system for county offices, appointed officials, departments and constituents
- system upgrade of Judicial Case Management System
- integration of Finance System with Records Management to include web enhancements
- implementation of System Upgrade from application to web-based program
- implementation of seven security products and two security services

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) and Hurricane Harvey (2017) for:
 - restoration of beaches and dunes,
 - remediation and improvements to infrastructure,
 - building of and restoring county facilities and
 - repairing, rebuilding and elevating homes

Economic Development

- establishment of online lead prospecting program to contact prospective businesses and site selectors and to direct leads to the website and capture their contact information
- continuous update of marketing tactics to better capture the targeted audience of site selectors and developers

Emergency Management

- formation of a local Joint Information Center
- creation of an integrated Continuity of Operations Plan and a Reunification Plan
- Complex Coordinated Terrorist Attack gap analysis, training and exercises
- creation of a Regional Flood Search and Rescue Council with the USCG
- incorporation of 2017 National Incident Management System Standards
- EOC improvements to enhance situational awareness and support in response and recovery efforts through the Homeland Security Grant Program
- purchase of a vehicle to support the county and port's response operations through the Port Security Grant Program

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, 2018. This was the twenty-second 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, 2018. 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 Financial Transparency Star, as well as Transparency Stars in Debt Obligation and Public Pensions, to the County of Galveston, Texas, for its excellence in reporting financial information, debt obligations and public pensions for the fiscal year ended September 30, 2018. This is the third consecutive year the county has received awards for financial and

debt obligation transparency and the first year the county applied for and received recognition for its excellence in reporting public pensions. The Transparency Star program recognizes local governments who go beyond legislative requirements by providing financial, debt and pension information in a variety of formats. Each Transparency Star is valid for a period of one year only. The State Comptroller evaluates the County's website annually to determine Galveston County remains in compliance to maintain achievement of the Financial, Debt Obligation and Pension Plans Transparency Stars for each 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



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, 2018

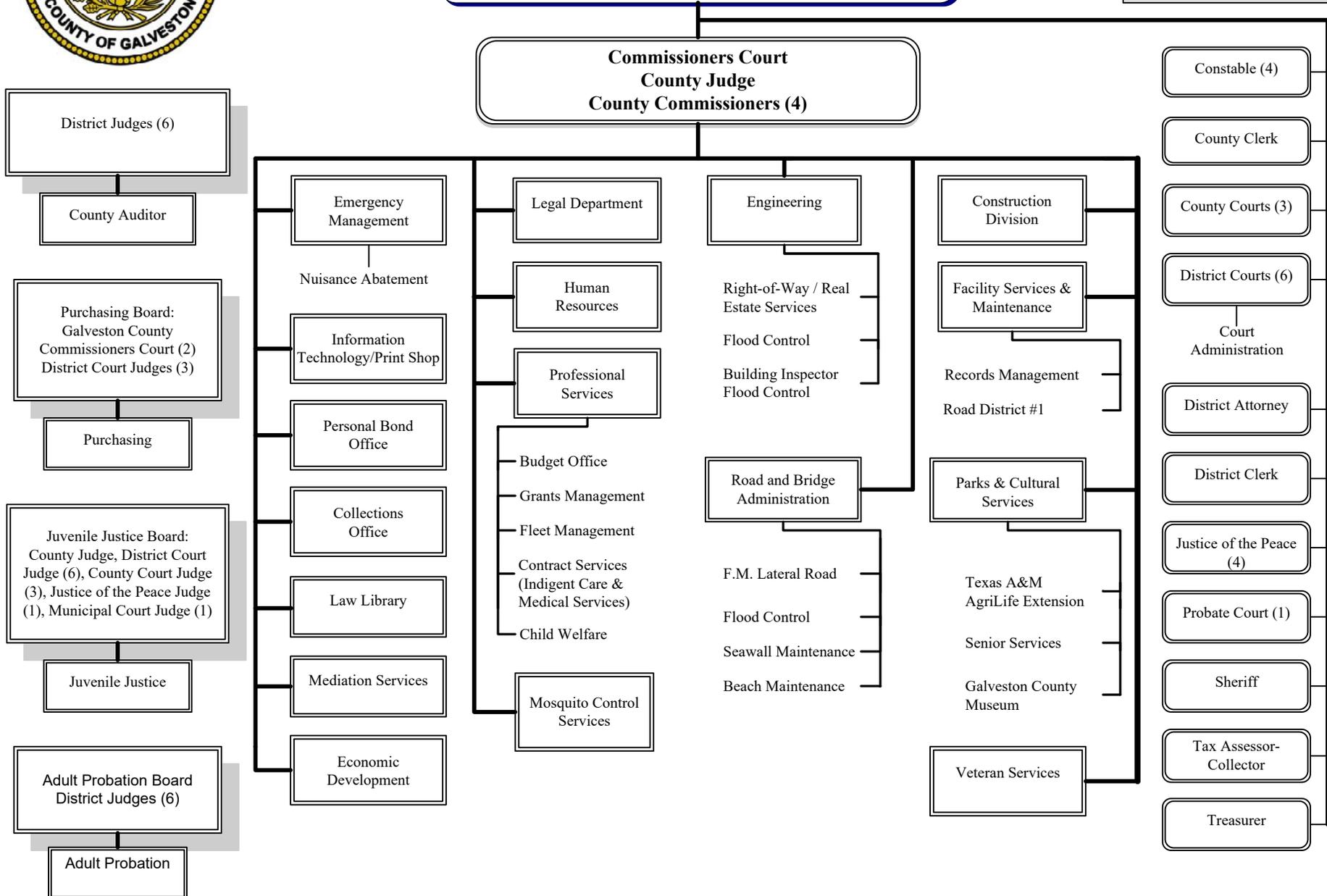
Christopher P. Morill

Executive Director/CEO



Galveston County Citizens

Galveston County Organizational Chart



GALVESTON COUNTY, TEXAS
LIST OF ELECTED AND APPOINTED OFFICIALS
September 30, 2019

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 |
| Jared Robinson | 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 |

County Officials

| | |
|-----------------------|------------------------------|
| John Grady | Judge, County Court-at-Law 1 |
| Kerri Foley | Judge, County Court-at-Law 2 |
| Jack Ewing | Judge, County Court-at-Law 3 |
| Kimberly Sullivan | Judge, Probate Court |
| Henry Trochesset | Sheriff |
| Dwight Sullivan | County Clerk |
| Cheryl E. Johnson | Tax Assessor-Collector |
| Gregory L. Rikard | Justice of the Peace, Pct. 1 |
| Michael W. Nelson | Justice of the Peace, Pct. 2 |
| Billy A. Williams Jr. | 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 |

Appointed County Officials

| | |
|------------------|------------------|
| Rufus G. Crowder | Purchasing Agent |
| David Delac | Budget Officer |
| Randal Rice CPA | County Auditor |

Financial Section

The Financial Section includes the independent auditors' report, management discussion and analysis, basic financial statement, including the accompanying notes, required supplementary information and other supplementary information.

INDEPENDENT AUDITOR'S REPORT

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, 2019, 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, 2019, 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 management's discussion and analysis and 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 management's discussion and analysis and 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 23, 2020, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 23, 2020

Management's Discussion and Analysis

The Management's Discussion and Analysis subsection provides a narrative introduction to, and overview and analysis of, the basic financial statements. It includes a description of the government-wide and fund financial statements, as well as an analysis of the County of Galveston's overall financial position and results of operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The County of Galveston, Texas presents the following narrative overview and analysis of the financial activities of Galveston County for the fiscal year ended September 30, 2019. Please read the information presented here in conjunction with the Letter of Transmittal in the preceding Introductory Section and with the Basic Financial Statements which immediately follow.

FINANCIAL HIGHLIGHTS

- The county's liabilities and deferred inflows exceeded its assets and deferred outflows (net position) by \$46.7 million on a government-wide, full accrual basis at September 30, 2019.
- Of the \$600.1 million liabilities, noncurrent liabilities due in more than one year are \$554.7 million. These long-term liabilities include long-term debt, net pension liability and total OPEB liability.
- The county's total outstanding long-term debt increased by \$10.4 million (including accretion), due to sale of new debt, offset by scheduled debt payments during the year.
- County revenues of \$208.7 million were less than expenses of \$218.1 million, resulting in a net decrease of \$9.5 million from county operations.
- Net capital assets were \$252.7 million as of September 30, 2019. Net depreciation expense attributable to assets of governmental activities amounted to \$18.4 million for 2019.
- At September 30, 2019, the county's Governmental Funds reported a combined ending fund balance of \$215.4 million, an increase of \$24.0 million from September 30, 2018.
- \$86.0 million, or 39.9%, of the combined ending fund balance is classified as "unassigned" and available for any use.
- Additions to capital assets were \$19.1 million, with \$2.7 million coming from transfers from construction in progress.

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* are designed to 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, liabilities and deferred outflows/inflows, with the difference reported as "net position." Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the county is improving or deteriorating.

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 as soon as the underlying events

giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and vacation leave earned but unused).

Both of the government-wide financial statements distinguish functions of the county that are principally supported by taxes and intergovernmental revenues (“governmental activities”) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (“business-type activities”). The governmental activities of the county include general government, public safety, health and social services, culture and recreation, conservation and roads and bridges. The county currently engages in no business-type activities. The government-wide financial statements can be found on pages 31-33 of this report.

Fund Financial Statements. A “fund” is a grouping of related accounts used to maintain control over 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. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as the *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements. The governmental funds financial statements can be found on pages 34-37 of this report.

Because the focus of governmental funds is narrower than the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for governmental activities in the *government-wide financial statements*. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The county maintains fifty-six 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 five funds, which the county considers to be “major” funds:

- the General Fund
- the Road and Bridge Fund
- the Grant Fund
- the Unlimited Tax Road Bonds Series 2017 Capital Project Fund
- the Debt Service Fund

Data from the other governmental funds are combined into a single, aggregated presentation. Individual data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The county adopts annual appropriated budgets for the General Fund, required Special Revenue Funds, the Grant Fund and the Debt Service Fund. Some Special Revenue Funds do not require 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. A budgetary comparison statement has been provided for all budgeted governmental funds to demonstrate budgetary compliance, regardless of the basis (annual, project-length or other) on which those budgets are prepared.

Proprietary Funds. *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.
- *Internal Service Funds* are an accounting device used to accumulate and allocate costs entirely among the county's various functions. The county uses four internal service funds 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 in the form of combining statements is provided on pages 38-40 of this report.

Fiduciary Funds. *Fiduciary Funds* are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of these funds *are not* available to support the county's own programs. The accounting for fiduciary funds is much like that used for proprietary funds. It includes both trust and agency funds. The county presently accounts for one Trust Fund (Retiree Life Reserve) and fourteen Agency Funds. Agency funds include seizures, unclaimed property, payroll taxes and other deductions, escrow, special collections, custodial funds, inmate deposits and special committees. The fiduciary fund statements can be found on pages 41-42 of this report.

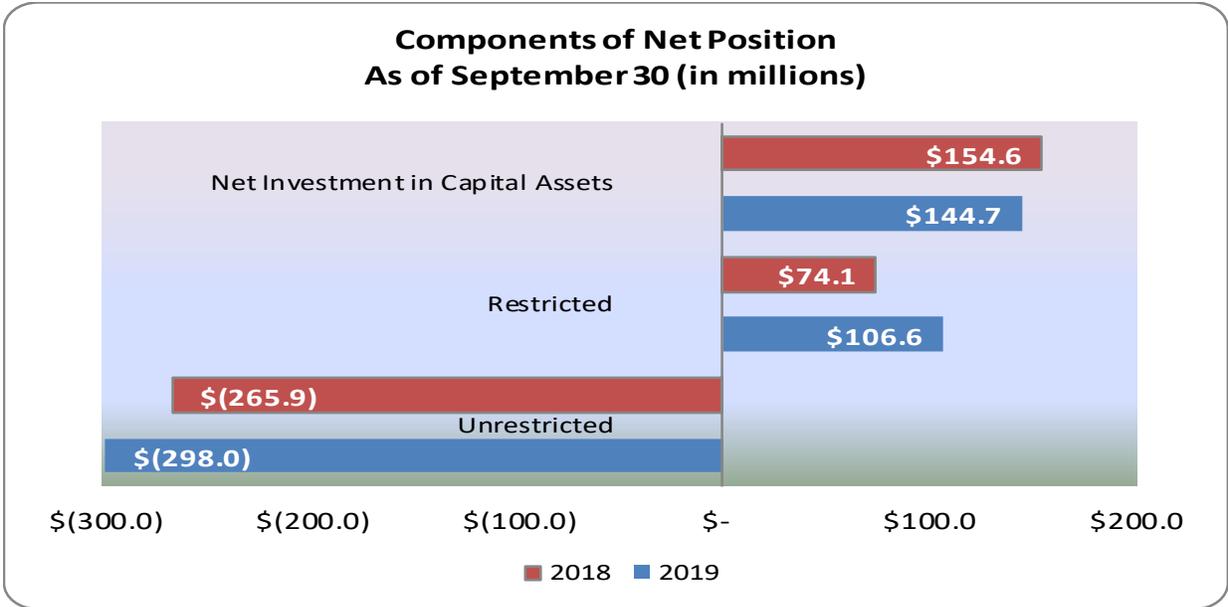
GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the county, liabilities and deferred inflows exceeded assets and deferred outflows by \$46.7 million at the close of the fiscal year ended September 30, 2019.

The largest portion of the county's net position, \$144.7 million, reflects its investment in capital assets (e.g., land, infrastructure, buildings and improvements and machinery and equipment), less any related outstanding debt that was used to acquire those assets. 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 used to re-pay this debt must be provided from other sources, since the capital assets themselves cannot be used to do so.

Statement of Net Position

| Summary of Net Position | | |
|---|------------------|------------------|
| September 30, 2019 and 2018 | | |
| (\$ in millions) | | |
| | 2019 | 2018 |
| Assets: | | |
| Current and Other Assets | \$ 258.1 | \$ 233.9 |
| Capital Assets, Net of Accumulated Depreciation | <u>252.7</u> | <u>254.8</u> |
| Total Assets | <u>510.8</u> | <u>488.7</u> |
| Total Deferred Outflows of Resources | <u>59.6</u> | <u>39.6</u> |
| Liabilities: | | |
| Current Liabilities | 45.4 | 42.1 |
| Long-Term Liabilities | <u>554.7</u> | <u>516.1</u> |
| Total Liabilities | <u>600.1</u> | <u>558.2</u> |
| Total Deferred Inflows of Resources | <u>16.9</u> | <u>7.3</u> |
| Net Position: | | |
| Net Investment in Capital Assets | 144.7 | 154.6 |
| Restricted | 106.6 | 74.1 |
| Unrestricted | <u>(298.0)</u> | <u>(265.9)</u> |
| Total Net Position | <u>\$ (46.7)</u> | <u>\$ (37.2)</u> |

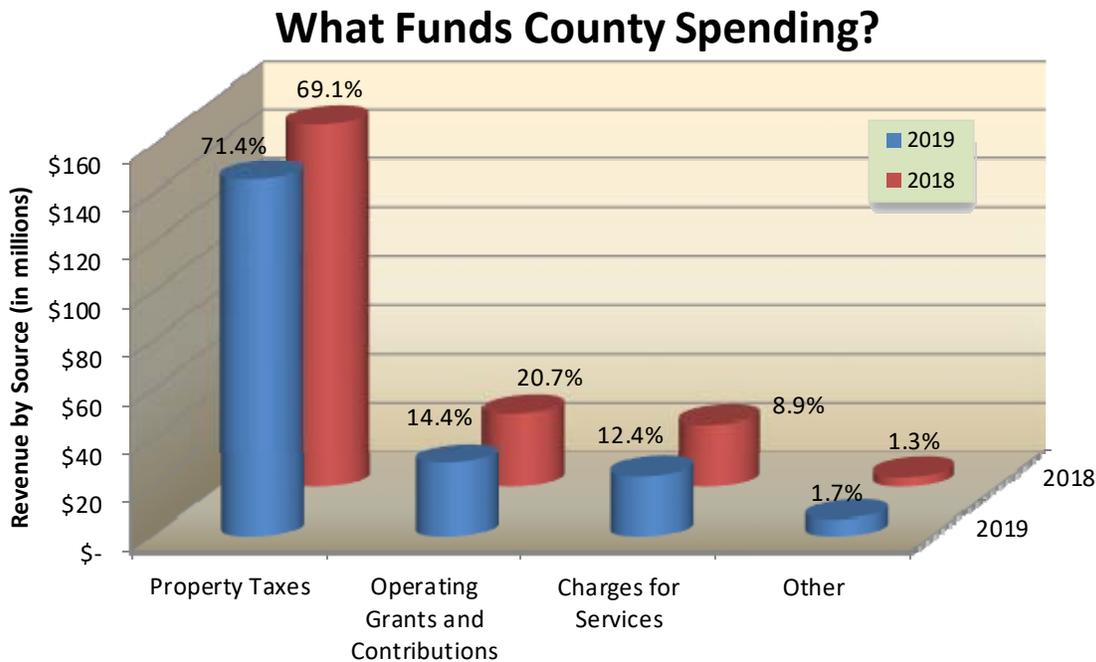


A portion of the county's net position, \$106.6 million, represents resources subject to external restrictions on their use. The remainder, (\$298.0) million, is unrestricted. Because the county incurred long-term liabilities not offset by corresponding assets, unrestricted net position is negative. GASB Statement No. 75 established standards for recognizing and measuring liabilities, expenses/expenditures and deferred outflow/inflow of resources regarding other post-employment benefits. A contributor to the negative net position is the total unpaid obligation of \$233.8 million for post-employment benefits. A secondary contributor was issuance of \$30.3 million in bonds to fund capital projects for roads and bridges, flood control and county buildings. See pages 72-78 of the Notes to the Financial Statements for more details about the OPEB plan and pension liability and the effects of GASB Statement No. 75.

Statement of Activities

| Changes in Net Position | | |
|-------------------------------------|------------------|------------------|
| September 30, 2019 and 2018 | | |
| (\$ in millions) | | |
| | 2019 | 2018 |
| Revenues: | | |
| Program Revenues: | | |
| Charges for Services | \$ 25.0 | \$ 25.7 |
| Operating Grants and Contributions | 30.2 | 29.9 |
| General Revenues: | | |
| Property Taxes | 146.3 | 148.1 |
| Payments in Lieu of Taxes | 1.5 | 1.1 |
| Unrestricted Investment Earnings | 5.3 | 2.3 |
| Gain on Sale of Capital Assets | 0.2 | 0.1 |
| Miscellaneous | 0.2 | 0.3 |
| Total Revenues | <u>208.7</u> | <u>207.5</u> |
| Expenses: | | |
| General Government | 80.6 | 74.6 |
| Public Safety | 83.3 | 76.1 |
| Health and Social Services | 17.2 | 17.0 |
| Culture and Recreation | 7.0 | 6.8 |
| Conservation | 0.8 | 0.7 |
| Roads, Bridges and Rights-of-Way | 15.5 | 9.3 |
| Interest on Long-term Debt | 13.7 | 8.9 |
| Total Expenses | <u>218.1</u> | <u>193.4</u> |
| Increase (Decrease) in Net Position | (9.5) | 14.1 |
| Net Position - Beginning | (37.2) | 75.8 |
| Prior Period Adjustment | - | (127.1) |
| Net Position - Ending | <u>\$ (46.7)</u> | <u>\$ (37.2)</u> |

The county's net position from current year activities decreased by \$9.5 million (25.5%) between revenues and expenditures during the fiscal year ended September 30, 2019. The negative change in net position for current year activity indicates that, on a flow-of-economic-resources basis, current year revenues were insufficient to pay current year expenses. Compared to fiscal year 2018, underlying revenues increased by \$1.1 million (0.5%), while underlying expenses increased by \$24.7 million (12.8%).



Key factors in the net change in revenues include:

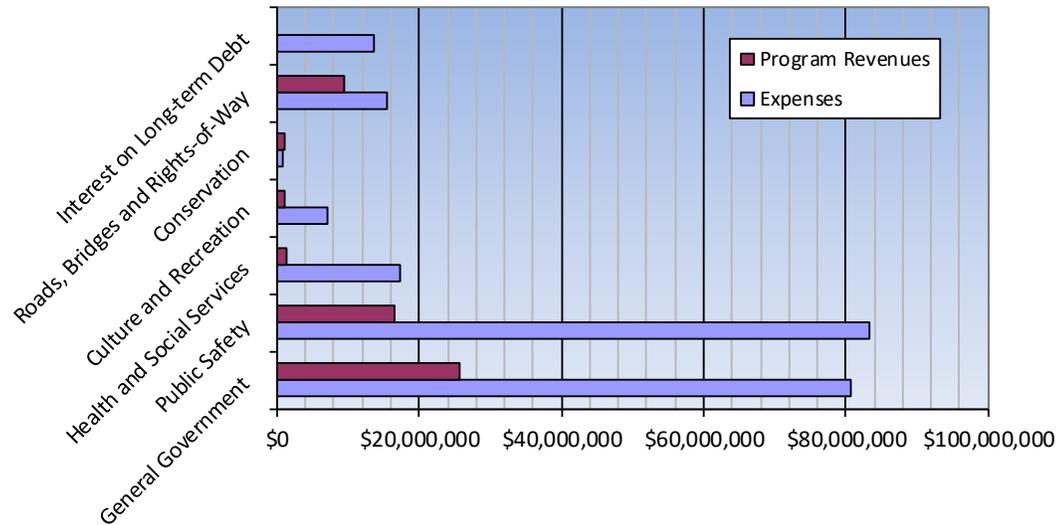
- Property Tax revenues decreased by \$1.7 million due to a reduction in the tax rate.
- Investment earnings increased by \$3.0 million related to the December 2017 bonds issuance.

Key factors in the net change in expenses include:

- General Government expenses increased by \$6.0 million mostly due to increases in healthcare costs, capital asset depreciation and pension expense.
- Roads, Bridges and Rights-of-Way expenses increased by \$4.3 million related to drainage improvement and road construction projects.
- Public Safety expenses were up by \$7.2 million due to increases in pension and other personnel-related expenses, as well as increases related to disaster and emergency preparedness projects.
- Interest on Long-term Debt expense increased by \$6.7 million owing to the issuance of new bonds in the prior and current year.

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.

FY 2019 Expenses and Program Revenues Governmental Activities



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

As noted earlier, the county 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.

Changes in Fund Balance – Major Funds

General Fund. The *General Fund* is the county’s primary operating fund. At September 30, 2019, the General Fund’s unassigned fund balance totaled \$86.0 million; total fund balance decreased during the fiscal year to \$91.0 million. 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 62.1% and 65.8%, respectively, of total expenditures for the fiscal year ended September 30, 2019.

Revenues increased from the prior year by \$0.8 million. Increases in revenues were due to an increase of investment interest of \$1.4 million and a \$1.9 million increase in the amounts paid by school districts for resource officers. These increases were offset by a \$2.4 million decrease in property tax revenue due to a reduction of the tax levy allocated to the General Fund.

As shown on the Statement of Revenues, Expenditures and Changes in Fund Balance, the net result of revenues less expenditures and other financing sources was a decrease in fund balance of \$1.0 million. Commissioners Court has assigned a portion of fund balance to be utilized in the fiscal year 2020 adopted budget in the amount of \$40.3 million to be used as needed for unforeseen expenditures not known at the time the budget was adopted.

Road and Bridge Fund. The *Road and Bridge Fund* has a fund balance at September 30, 2019, of \$0.9 million. The fund balance increased from the prior year by \$0.7 million. This increase is mainly a result of a \$1.4 million increase of tax revenue due to an increase in tax levy allocation, offset by a \$0.2 million decrease in transfers-in due to the increase in tax revenue, along with a \$0.2 million increase in fuel and oil expenditures.

Grant Fund. The *Grant Fund* has a fund balance at September 30, 2019, of \$2.1 million. This fund is used to account for grant funding awarded by the federal or state government or by private foundations. Although the fund balance decreased by \$0.9 million in the current fiscal year, it is an improvement from the prior year, which had a decrease of \$2.6 million and is mostly due to a reduction of expenditure activity related to the post-Hurricane Ike housing, infrastructure and mitigation grants.

Unlimited Tax Road Bonds Series 2017 Capital Project Fund. The *Unlimited Tax Road and Refunding Bonds Series 2017 Capital Project Fund* has a fund balance at September 30, 2019 of \$32.0 million. This fund was established in fiscal year 2018 to account for \$32.0 million in funding from bonds to construct, purchase, maintain and/or operate roads and turnpikes within the county. Additions to the fund in the current year included \$1.5 million in intergovernmental revenue and \$0.8 million in investment earnings, while deductions were \$2.5 million for the planning and construction of road projects.

Debt Service Fund. The *Debt Service Fund* has a fund balance at September 30, 2019, of \$7.6 million. Its fund balance decreased by \$0.6 million from the prior fiscal year. The net change was due to higher interest charges of \$1.3 million and a \$0.5 million increase in principal retirement, offset by an increase of tax revenue \$0.9 million.

General Fund Budgetary Highlights

The original adopted budget for General Fund operating expenditures was \$138.6 million, plus transfers out to other funds budgeted at \$2.4 million. Including budgeted reserves of \$25.5 million, the total adopted General Fund budget was \$166.4 million (rounded). During the year, budgeted reserves were reduced by \$19.9 million; \$8.4 million was used to increase transfers out to other funds to \$10.7 million. The final approved budget for operating expenditures was \$150.2 million. The increase in operating budgeted expenditures was primarily due to:

- Public Safety budgeted expenditures increased by \$3.0 million for overtime and salary increases, jail healthcare and inmate housing agreements.
- Capital Outlay budgeted expenditures increased by \$4.5 million mainly due to an increase in costs of vehicles, various park and park building improvements and repairs, digital storage space, elevator modernization in the courthouse and the Pelican Island Bridge project.

During the year, actual revenues were greater by \$3.4 million and actual expenditures were \$11.7 million less than final budgeted amounts. See table below for significant budget to actual variances for both revenues and expenditures in the General Fund. Amounts presented are in dollars rounded to millions.

| | | <u>Budgeted</u> | <u>Actual</u> | <u>Difference</u> |
|-----------------------|-----|-----------------|-----------------|-------------------|
| Revenues | | | | |
| Taxes | (1) | \$ 119.6 | \$ 117.3 | \$ (2.2) |
| Licenses and Permits | | 0.2 | 0.3 | 0.0 |
| Intergovernmental | (2) | 4.6 | 7.8 | 3.1 |
| Charges for Services | | 7.1 | 7.2 | 0.1 |
| Fines and Forfeitures | | 1.4 | 1.3 | (0.1) |
| Investment Earnings | (3) | 0.6 | 2.3 | 1.6 |
| Miscellaneous | (4) | 10.1 | 10.9 | 0.8 |
| Total Revenues | | <u>\$ 143.7</u> | <u>\$ 147.1</u> | <u>\$ 3.4</u> |

(1) Taxes - decrease due to lower allocation of property tax revenue to General Fund

(2) Intergovernmental - increase due to higher than anticipated road and liquor taxes

(3) Investment Earnings - increase due to higher amount of funds available to invest and higher interest rates

(4) Miscellaneous - increase due to higher rental and lease revenue, as well as increase in state reimbursement of overtime

| | | <u>Budgeted</u> | <u>Actual</u> | <u>Difference</u> |
|----------------------------|-----|-----------------|-----------------|-------------------|
| Expenditures | | | | |
| General Government | (1) | \$ 69.1 | \$ 63.4 | \$ (5.7) |
| Public Safety | (2) | 56.9 | 54.3 | (2.6) |
| Health And Social Services | (3) | 14.5 | 13.4 | (1.1) |
| Culture And Recreation | | 3.0 | 2.7 | (0.3) |
| Conservation | | 1.0 | 0.6 | (0.3) |
| Capital Outlay | (4) | 5.7 | 4.0 | (1.8) |
| Total Expenditures | | <u>\$ 150.2</u> | <u>\$ 138.4</u> | <u>\$ (11.7)</u> |

(1) General Government - decrease due to county policy related to vacated positions left unfilled for 4 payroll periods, unspent contract services and lower utility and fuel costs

(2) Public Safety - decrease due to unspent contract services

(3) Health And Social Services - decrease due to lower indigent medical care services

(4) Capital Outlay - decrease due to planned projects including park improvements and software upgrade projects that did not occur or were not completed by fiscal year-end

Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 44-79 of this report.

Other Information

In addition to the basic financials statements and accompanying notes, this report also presents certain required supplementary information (“RSI”) about the budgetary compliance of the county’s General Fund, Road and Bridge Fund and Grant Fund. Also included are schedules regarding the net pension liability and employer contributions for the county’s retirement plan, as well as schedules related to OPEB liability and funding. The RSI can be found on pages 82-99 of this report.

Capital Assets and Debt Administration

Capital Assets. The county’s investment in capital assets at September 30, 2019, net of accumulated depreciation, totaled \$252.7 million, a decrease of \$2.1 million (0.8%) 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 as well as the sale of capital assets.

Capital Assets (Net of Depreciation) At September 30, 2019 and 2018

| | <u>2019</u> | <u>2018</u> |
|-----------------------------------|-----------------------|-----------------------|
| Land | \$ 38,463,029 | \$ 34,363,202 |
| Buildings and Improvements | 111,986,252 | 120,090,168 |
| Improvements Other than Buildings | 13,278,497 | 13,742,709 |
| Machinery and Equipment | 21,524,784 | 15,240,914 |
| Infrastructure | 61,050,925 | 64,397,577 |
| Construction in Progress | <u>6,374,103</u> | <u>6,918,884</u> |
| Total | <u>\$ 252,677,590</u> | <u>\$ 254,753,454</u> |

During this fiscal year, \$2.7 million was transferred from “Construction in Progress” to various capital asset categories, including:

- Land (Rights of Way: I-45/Santa Fe and Gum Bayou Channel)
- Building Improvements (electrical and plumbing)
- Technology (Justice Center Integrated Security)
- Intangible Assets (various software)

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

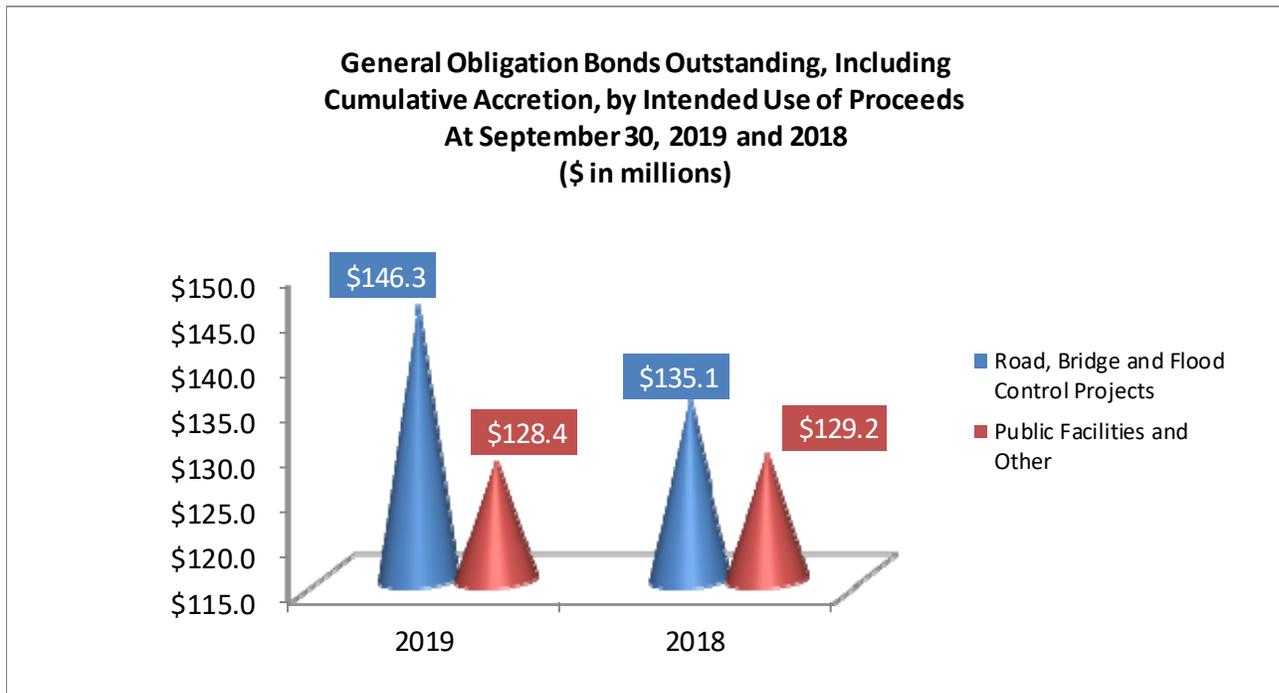
- Land and Land Improvements: \$2.2 million
- Buildings: \$0.9 million
- Improvements Other Than Buildings: \$0.4 million
- Infrastructure: \$2.8 million
- Intangible Assets: \$0.1 million

Additional information on the county’s capital assets is found in Note III.D to the Financial Statements on pages 59-60 of this report.

Long-Term Debt. At September 30, 2019, the county’s outstanding bonded debt, including accumulated accretion, totaled \$274.6 million, all of which is general obligation bonds. These general obligation bonds are backed by the full faith and credit of the county.

**General Obligation Bonds Outstanding, Including
Cumulative Accretion, by Intended Use of Proceeds
At September 30, 2019 and 2018**

| | 2019 | 2018 |
|---|-----------------------|-----------------------|
| Road, Bridge and Flood Control Projects | \$ 146,252,532 | \$ 135,090,304 |
| Public Facilities and Other | 128,358,991 | 129,150,844 |
| Total Long-Term Debt | <u>\$ 274,611,523</u> | <u>\$ 264,241,148</u> |



The county's outstanding bonded debt increased by a net 3.9%, or \$10.4 million, during the fiscal year ended September 30, 2019. New debt added \$30.3 million of outstanding principal, which was offset by a decrease of \$18.0 million in scheduled principal payments. Current-year accretion on capital appreciation bonds added \$2.4 million; this increase was offset by the payment of \$4.3 million, resulting in net accretion of (\$1.9) million.

The county maintains an "Aaa" rating 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 5 percent of the assessed full valuation. The current debt limit for the county is \$1.7 billion, which is significantly in excess of the county's outstanding general obligation debt. In addition, Article III §52 of the Texas Constitution limits the unlimited tax road bonds a governmental entity may issue to 25 percent of the assessed full valuation. The current debt limit for the county is \$7.9 billion, which is significantly in excess of the county's outstanding unlimited tax road bonds.

Additional information concerning the county's long-term debt can be found in Note III.F to the Financial Statements on pages 62-64 of this report.

Economic Factors and Next Year's Budgets and Rates

- The total ad valorem tax rate for FY2020 is \$0.516137 (per one hundred dollars of valuation). This is a reduction of \$0.015761 from the FY2019 tax rate of \$0.531898.
- The reduction in tax rate is due to an increase in the county's net taxable base value from \$27.6 billion in fiscal year 2019 to \$29.6 billion in fiscal year 2020.
- FY 2020 budget figures for the General Fund include revenues of \$140.6 million, expenditures of \$138.8 million and transfers to other funds of \$1.7 million, with an additional \$40.3 million set aside for unanticipated expenditures.
- As reported by the Bureau of Labor Statistics, the unemployment rate in Galveston County for September 2019 was 3.8%, which exceeded the state 2019 state unemployment rate of 3.4% by 0.4% and the September 2019 national unemployment rate of 3.5% by 0.3%.
- The U.S. Census Bureau estimated the county's population at July 2018, at 337,890, an increase of 46,581 from the 2010 figure of 291,309.
- The Real Estate Center at Texas A&M University reported an average of 544 housing sales per month for the county's fiscal year ended September 30, 2019, at an average median sales price of \$276,240 compared to statistics of 541 and \$227,993 respectively, for its fiscal year ended September 30, 2018.
- The U.S. Census Bureau also reported that in 2017, the most recent year of data available, there were 5,913 employer establishments operating within the county, employing 87,056 persons, with a combined annual payroll of \$3.5 billion.

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.

Basic Financial Statements

The Basic Financial Statements subsection includes the government-wide statements, which incorporates governmental activities of the County of Galveston in order to provide an overview of the financial position and results of operations for the reporting entity. This subsection also includes the fund financial statements of the county and the accompanying notes to the financial statements.

GALVESTON COUNTY, TEXAS
STATEMENT OF NET POSITION
September 30, 2019

| | <u>Governmental Activities</u> |
|---|--------------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 47,316,153 |
| Investments | 164,812,917 |
| Receivables (Net of Allowances for Uncollectibles): | |
| Taxes | 10,888,407 |
| Accounts and Other | 33,683,749 |
| Inventories | 873,357 |
| Prepaid Expenses | 5,625 |
| Capital Assets Not Being Depreciated: | |
| Land | 38,463,029 |
| Construction in Progress | 6,374,103 |
| Capital Assets, Net of Accumulated Depreciation: | |
| Infrastructure | 61,050,925 |
| Buildings and Improvements | 111,986,252 |
| Machinery and Equipment | 21,524,784 |
| Improvements Other Than Buildings | 13,278,497 |
| Net OPEB Asset - Retiree Life Reserve | <u>550,451</u> |
| Total Assets | <u>510,808,249</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred Charge on Refunding | 9,233,108 |
| Deferred Outflows - Pension | 30,766,628 |
| Deferred Outflows - OPEB - Retiree Life Reserve | 1,261,381 |
| Deferred Outflows - OPEB - Retiree Health Plan | <u>18,291,456</u> |
| Total Deferred Outflows of Resources | <u>59,552,573</u> |
| LIABILITIES | |
| Accounts Payable | 7,855,378 |
| Salaries Payable | 2,729,284 |
| Accrued Interest Payable | 3,125,516 |
| Retainage Payable | 98,608 |
| Estimated Liability - Claims and Judgments | 1,330,645 |
| Due to Others | 459,289 |
| Deposits Payable | 295,078 |
| Unearned Revenue | 3,168 |
| Noncurrent Liabilities: | |
| Due within One Year | |
| Long-Term Liabilities | 25,039,871 |
| Total OPEB Liability | 4,451,979 |
| Due in More Than One Year | |
| Long-Term Liabilities | 278,903,145 |
| Net Pension Liability | 46,442,144 |
| Total OPEB Liability | <u>229,370,279</u> |
| Total Liabilities | <u>600,104,384</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Deferred Inflows - Pension | 2,031,511 |
| Deferred Inflows - RHP | <u>14,891,546</u> |
| Total Deferred Inflows of Resources | <u>16,923,057</u> |

GALVESTON COUNTY, TEXAS
STATEMENT OF NET POSITION
September 30, 2019

Governmental Activities

NET POSITION

| | |
|----------------------------------|-------------------------------|
| Net Investment In Capital Assets | 144,735,707 |
| Restricted for: | |
| Grants | 2,123,249 |
| Debt Service | 6,239,454 |
| Other | 4,806,077 |
| Statute - Regulation | 17,454,527 |
| Capital Projects | 76,010,567 |
| Unrestricted | <u>(298,036,200)</u> |
| Total Net Position | <u>\$ (46,666,619)</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, 2019

| <u>Functions/Programs</u> | <u>Program Revenues</u> | | | <u>Capital Grants and Contributions</u> | <u>Net (Expense) Revenue and Changes in Net Position</u> |
|--------------------------------------|------------------------------|---------------------------------|---|---|--|
| | <u>Expenses</u> | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | | <u>Governmental Activities</u> |
| Governmental Activities: | | | | | |
| General Government | \$ 80,602,237 | \$ 14,887,679 | \$ 10,805,153 | \$ - | \$ (54,909,405) |
| Public Safety | 83,273,748 | 8,453,874 | 7,980,824 | - | (66,839,050) |
| Health and Social Services | 17,237,980 | 4,317 | 1,325,478 | - | (15,908,185) |
| Culture and Recreation | 7,019,728 | 980,579 | 132,661 | - | (5,906,488) |
| Conservation | 801,502 | - | 1,047,566 | - | 246,064 |
| Roads, Bridges and Rights-of-Way | 15,545,050 | 625,654 | 8,898,372 | - | (6,021,024) |
| Interest on Long-term Debt | 13,653,803 | - | - | - | (13,653,803) |
| Total Governmental Activities | <u>\$ 218,134,049</u> | <u>\$ 24,952,103</u> | <u>\$ 30,190,054</u> | <u>\$ -</u> | <u>\$ (162,991,892)</u> |
| General Revenues: | | | | | |
| Property Taxes | | | | | 146,334,737 |
| Payments in Lieu of Taxes | | | | | 1,540,265 |
| Unrestricted Investment Earnings | | | | | 5,251,424 |
| Gain on Sale of Capital Assets | | | | | 185,712 |
| Miscellaneous | | | | | 208,051 |
| Total General Revenues | | | | | <u>153,520,189</u> |
| Change In Net Position | | | | | (9,471,703) |
| Net Position - Beginning | | | | | <u>(37,194,916)</u> |
| Net Position - Ending | | | | | <u>\$ (46,666,619)</u> |

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

**GALVESTON COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2019**

| | <u>General</u> | <u>Road and Bridge</u> | <u>Grant</u> | <u>Unlimited Tax Road Bonds Series 2017</u> | <u>Debt Service</u> | <u>Total Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|------------------------------|----------------------------|-----------------------------|---|----------------------------|--|---|
| ASSETS | | | | | | | |
| Cash and Cash Equivalents | \$ 12,411,187 | \$ 239,688 | \$ 152,412 | \$ - | \$ 1,128,393 | \$ 28,243,923 | \$ 42,175,603 |
| Investments | 63,427,963 | 542,719 | - | 31,551,121 | 2,554,451 | 55,334,292 | 153,410,546 |
| Receivables (Net of Allowance for Uncollectibles): | | | | | | | |
| Taxes | 8,732,337 | 152,175 | - | - | 1,781,132 | 222,763 | 10,888,407 |
| Accounts and Other | 10,268,245 | 64,855 | 18,510,736 | 879,558 | 3,900,994 | 24,419 | 33,648,807 |
| Due from Other Funds | 15,715,269 | - | - | - | - | - | 15,715,269 |
| Inventory at Cost | 6,668 | 262,638 | - | - | - | 604,051 | 873,357 |
| Total Assets | <u>\$ 110,561,669</u> | <u>\$ 1,262,075</u> | <u>\$ 18,663,148</u> | <u>\$ 32,430,679</u> | <u>\$ 9,364,970</u> | <u>\$ 84,429,448</u> | <u>\$ 256,711,989</u> |
| LIABILITIES | | | | | | | |
| Accounts Payable | \$ 3,068,698 | \$ 122,710 | \$ 519,808 | \$ 407,940 | \$ - | \$ 2,321,357 | \$ 6,440,513 |
| Salaries Payable | 2,492,805 | 68,591 | 76,588 | - | - | 87,021 | 2,725,005 |
| Compensated Absences Payable | 10,963 | - | - | - | - | - | 10,963 |
| Retainage Payable | - | - | 32,726 | 49,295 | - | 16,587 | 98,608 |
| Due to Others | 261,283 | - | 198,006 | - | - | - | 459,289 |
| Escrow Deposits | - | - | - | - | - | 2,408 | 2,408 |
| Deposits - Held | 292,670 | - | - | - | - | - | 292,670 |
| Due to Other Funds | - | - | 15,712,771 | - | - | 2,498 | 15,715,269 |
| Unearned Revenue | 2,207 | - | - | - | - | 961 | 3,168 |
| Total Liabilities | <u>6,128,626</u> | <u>191,301</u> | <u>16,539,899</u> | <u>457,235</u> | <u>-</u> | <u>2,430,832</u> | <u>25,747,893</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Unavailable Revenue: | | | | | | | |
| Property Taxes | 8,732,337 | 152,175 | - | - | 1,781,132 | 222,763 | 10,888,407 |
| Charges for Services, Court Fees and Fines | 4,671,445 | - | - | - | - | - | 4,671,445 |
| Total Deferred Inflows of Resources | <u>13,403,782</u> | <u>152,175</u> | <u>-</u> | <u>-</u> | <u>1,781,132</u> | <u>222,763</u> | <u>15,559,852</u> |
| FUND BALANCES | | | | | | | |
| Non-Spendable | 6,668 | 262,638 | - | - | - | 604,051 | 873,357 |
| Restricted | - | 655,961 | 2,123,249 | 31,973,444 | 7,583,838 | 78,115,485 | 120,451,977 |
| Assigned | 5,012,000 | - | - | - | - | 3,058,742 | 8,070,742 |
| Unassigned | 86,010,593 | - | - | - | - | (2,425) | 86,008,168 |
| Total Fund Balances | <u>91,029,261</u> | <u>918,599</u> | <u>2,123,249</u> | <u>31,973,444</u> | <u>7,583,838</u> | <u>81,775,853</u> | <u>215,404,244</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 110,561,669</u> | <u>\$ 1,262,075</u> | <u>\$ 18,663,148</u> | <u>\$ 32,430,679</u> | <u>\$ 9,364,970</u> | <u>\$ 84,429,448</u> | <u>\$ 256,711,989</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, 2019

| | |
|--|------------------------|
| Total fund balance, governmental funds | \$ 215,404,244 |
| 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. | 252,677,590 |
| The net OPEB asset used in governmental activities is not a current financial resource and therefore is not reported in the fund financial statement, but is reported in the governmental activities of the Statement of Net Position. | 550,451 |
| The assets and liabilities of internal service funds are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position. | 13,833,699 |
| 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. | 9,233,108 |
| 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. | 30,766,628 |
| Deferred outflows of resources for OPEB-related activities are not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position. | 19,552,837 |
| 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 | (247,913,720) |
| Accumulated accretion on capital appreciation bonds | (26,697,803) |
| Compensated absences | (5,776,091) |
| Total OPEB liability | (233,822,258) |
| Interest on long-term debt | (3,125,516) |
| Premiums on issuance of debt | (22,410,900) |
| Net pension liability | (46,442,144) |
| Refund for tax settlement | (1,133,539) |
| 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. | 10,888,407 |
| 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. | 4,671,445 |
| 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. | <u>(16,923,057)</u> |
| Net position of governmental activities | <u>\$ (46,666,619)</u> |

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, 2019

| | <u>General</u> | <u>Road and Bridge</u> | <u>Grant</u> | <u>Unlimited Tax Road Bonds Series 2017</u> | <u>Debt Service</u> | <u>Total Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|----------------------|--------------------------------|---------------------|---|-------------------------|--|---|
| REVENUES | | | | | | | |
| Taxes | \$ 117,326,714 | \$ 2,943,416 | \$ - | \$ - | \$ 24,530,433 | \$ 1,167,487 | \$ 145,968,050 |
| Licenses and Permits | 278,962 | 2,874,890 | - | - | - | - | 3,153,852 |
| Intergovernmental | 7,751,306 | 417,478 | 13,451,505 | 1,457,893 | 6,135,379 | 172,374 | 29,385,935 |
| Charges for Services | 7,246,299 | - | 9,342 | - | - | 3,648,359 | 10,904,000 |
| Fines and Forfeitures | 1,293,966 | - | - | - | - | 271,246 | 1,565,212 |
| Investment Earnings | 2,258,773 | 18,331 | 1,603 | 811,179 | 609,652 | 1,293,905 | 4,993,443 |
| Miscellaneous | 10,930,350 | 36,571 | 226,400 | - | - | 1,129,994 | 12,323,315 |
| Total Revenues | <u>147,086,370</u> | <u>6,290,686</u> | <u>13,688,850</u> | <u>2,269,072</u> | <u>31,275,464</u> | <u>7,683,365</u> | <u>208,293,807</u> |
| EXPENDITURES | | | | | | | |
| General Government | 63,420,775 | 911,548 | 3,051,447 | - | - | 2,326,645 | 69,710,415 |
| Public Safety | 54,291,212 | - | 7,943,506 | - | - | 2,444,446 | 64,679,164 |
| Health and Social Services | 13,436,175 | - | 1,244,325 | - | - | 1,210,436 | 15,890,936 |
| Culture and Recreation | 2,684,621 | - | 112,290 | - | - | 578,036 | 3,374,947 |
| Conservation | 631,704 | - | - | - | - | - | 631,704 |
| Roads, Bridges and Rights-of-Way | - | 4,505,012 | 1,390,205 | 2,480,356 | - | 4,147,457 | 12,523,030 |
| Debt Service: | | | | | | | |
| Principal Retirement | - | - | - | - | 18,040,488 | - | 18,040,488 |
| Interest and Fiscal Charges | - | - | - | - | 13,811,105 | - | 13,811,105 |
| Bond Issuance Costs | - | - | - | - | 361,109 | - | 361,109 |
| Capital Outlay | 3,968,603 | 644,378 | 1,085,867 | 241,912 | - | 10,467,452 | 16,408,212 |
| Total Expenditures | <u>138,433,090</u> | <u>6,060,938</u> | <u>14,827,640</u> | <u>2,722,268</u> | <u>32,212,702</u> | <u>21,174,472</u> | <u>215,431,110</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>8,653,280</u> | <u>229,748</u> | <u>(1,138,790)</u> | <u>(453,196)</u> | <u>(937,238)</u> | <u>(13,491,107)</u> | <u>(7,137,303)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers In | 109,381 | 398,456 | 323,998 | - | - | 39,683,512 | 40,515,347 |
| Transfers Out | (9,893,530) | - | (102,398) | - | (33,000,000) | (12,436) | (43,008,364) |
| Sale of Capital Assets | 92,159 | 104,559 | 25,729 | - | - | 57,477 | 279,924 |
| Face Value - Long Term Debt Issued | - | - | - | - | 30,280,000 | - | 30,280,000 |
| Premium - Long Term Debt Issued | - | - | - | - | 3,089,781 | - | 3,089,781 |
| Total Other Financing Sources (Uses) | <u>(9,691,990)</u> | <u>503,015</u> | <u>247,329</u> | <u>-</u> | <u>369,781</u> | <u>39,728,553</u> | <u>31,156,688</u> |
| Net Change in Fund Balances | (1,038,710) | 732,763 | (891,461) | (453,196) | (567,457) | 26,237,446 | 24,019,385 |
| Fund Balances - Beginning | <u>92,067,971</u> | <u>185,836</u> | <u>3,014,710</u> | <u>32,426,640</u> | <u>8,151,295</u> | <u>55,538,407</u> | <u>191,384,859</u> |
| Fund Balances - Ending | <u>\$ 91,029,261</u> | <u>\$ 918,599</u> | <u>\$ 2,123,249</u> | <u>\$ 31,973,444</u> | <u>\$ 7,583,838</u> | <u>\$ 81,775,853</u> | <u>\$ 215,404,244</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, 2019

Net change in fund balances - total governmental funds: \$ 24,019,385

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

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which depreciation of \$18,357,497 exceeded additions of \$16,408,212 in the current period. (1,949,285)

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets. Thus, the change in the net position differs from the change in fund balance by the undepreciated cost of the asset sold (126,579)

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. (71,479)

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 proceeds exceeded repayments. (15,329,293)

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 | (72,576) |
| Compensated absences | (175,048) |
| Amortization of deferred charges | (1,278,150) |
| Other post-employment benefits | (12,298,326) |
| Accretion of capital bond interest | 1,869,137 |
| Pension cost, net | (7,003,056) |
| Refund for tax settlement | 1,133,539 |

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 change in net position of certain internal service funds is reported with governmental activities. 1,810,028

Change in net position of governmental activities \$ (9,471,703)

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

GALVESTON COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2019

| | | Governmental Activities Internal Service Funds |
|--|-----------|---|
| | | |
| ASSETS | | |
| Current Assets: | | |
| Cash and Cash Equivalents | \$ | 5,140,550 |
| Investments | | 11,402,371 |
| Receivables (Net of Allowances for Uncollectibles): | | |
| Accounts and Other | | 34,942 |
| Prepaid Items | | 5,625 |
| Total Assets | | 16,583,488 |
| LIABILITIES | | |
| Current Liabilities: | | |
| Accounts Payable | | 1,414,865 |
| Salaries Payable | | 4,279 |
| Estimated Liability - Claims | | 1,330,645 |
| Total Liabilities | | 2,749,789 |
| NET POSITION | | |
| Unrestricted | | 13,833,699 |
| Total Net Position | \$ | 13,833,699 |

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, 2019**

| | | Governmental Activities |
|---|-----------|--------------------------------------|
| | | <u>Internal Service Funds</u> |
| OPERATING REVENUES | | |
| Charges for Services | \$ | 18,125,977 |
| Insurance Recovery - County | | 39,828 |
| Reimbursements | | <u>1,714,073</u> |
| Total Operating Revenues | | <u>19,879,878</u> |
| OPERATING EXPENSES | | |
| Contract Services | | 2,137,147 |
| Insurance | | 2,825,822 |
| Claims Paid | | 15,822,346 |
| Supplies | | <u>31,855</u> |
| Total Operating Expenses | | <u>20,817,170</u> |
| Operating Income (Loss) | | (937,292) |
| NONOPERATING REVENUES (EXPENSES) | | |
| Investment Earnings | | <u>254,303</u> |
| Income (loss) before transfers | | (682,989) |
| TRANSFERS | | |
| Transfer from Other Funds | | 2,552,017 |
| Repayment to Other Funds | | <u>(59,000)</u> |
| Total Transfers | | <u>2,493,017</u> |
| Change in Net Position | | 1,810,028 |
| Total Net Position-Beginning | | <u>12,023,671</u> |
| Total Net Position-Ending | \$ | <u>13,833,699</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, 2019

| | Governmental Activities Internal Service Funds |
|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from External Sources | \$ 18,282,479 |
| Payments to Suppliers | (4,979,721) |
| Payments to Employees | (22,322) |
| Payments for Claims | (15,973,473) |
| Other Operating Revenues | 1,716,828 |
| Net cash provided by (used for) operating activities | (976,209) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Transfer from Other Funds | 2,552,017 |
| Repayment to Other Funds | (59,000) |
| Net cash provided by (used for) noncapital financing activities | 2,493,017 |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Purchase of Investments | (11,402,371) |
| Matured Investments | 12,770,211 |
| Investment Earnings | 254,303 |
| Net cash provided by (used for) investing activities | 1,622,143 |
| Net increase (decrease) in cash and cash equivalents | 3,138,951 |
| Cash and Cash Equivalents October 1, 2018 | 2,001,599 |
| Cash and Cash Equivalents September 30, 2019 | \$ 5,140,550 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | |
| Operating income (loss) | \$ (937,292) |
| Adjustments to reconcile operating income to net cash provided by (used for) operating activities: | |
| (Increase) Decrease in Accounts Receivable | 119,736 |
| (Increase) Decrease in Prepaid Services | (5,625) |
| Increase (Decrease) in Accounts Payable | (151,728) |
| Increase (Decrease) in Salaries Payable | (1,300) |
| Total adjustments | (38,917) |
| Net cash provided by (used for) operating activities | \$ (976,209) |

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

GALVESTON COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2019 and December 31, 2018

| | Agency Funds | Trust Fund |
|--|----------------------------------|---------------------------------|
| | <u>September 30, 2019</u> | <u>December 31, 2018</u> |
| ASSETS | | |
| Cash and Cash Equivalents | \$ 19,181,250 | \$ - |
| Investments: | | |
| Certificates of Deposit | 2,841,486 | - |
| Fixed Income | - | 10,509,519 |
| Receivables (Net of Allowances for Uncollectibles): | | |
| Accounts and Other | <u>18,640</u> | <u>-</u> |
| Total Assets | <u>\$ 22,041,376</u> | <u>\$ 10,509,519</u> |
| LIABILITIES | | |
| Accounts Payable | \$ 1,057,410 | \$ - |
| Due to Others | 13,208,322 | - |
| Due to Other Entities | 6,828,376 | - |
| Deposits Held | <u>947,268</u> | <u>-</u> |
| Total Liabilities | <u>\$ 22,041,376</u> | <u>-</u> |
| NET POSITION - RESTRICTED FOR OPEB | | <u>\$ 10,509,519</u> |

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

GALVESTON COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
RETIREE LIFE RESERVE FIDUCIARY FUND
For the Year Ended December 31, 2018

| | December 31, 2018 |
|-------------------------------------|--------------------------|
| ADDITIONS | |
| Contributions | |
| Employer | \$ 1,374,395 |
| Investment Income | |
| Interest | 314,048 |
| Total Additions | 1,688,443 |
| DEDUCTIONS | |
| Benefit Payments | 1,014,858 |
| OPEB Plan Administrative Expense | 100,375 |
| Total Deductions | 1,115,233 |
| Net Increase in Net Position | 573,210 |
| NET POSITION | |
| Beginning of Year | 9,936,309 |
| End of Year | \$ 10,509,519 |

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

Notes to the Financial Statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

1. Primary government

Galveston County, Texas 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 services provided and used are not eliminated in the process of consolidation, whereas indirect expense allocations are eliminated from the government-wide financial 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 and proprietary funds financial statements use the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Proprietary Funds distinguish *operating revenues and expenses* from *non-operating items*. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operations. The county's Proprietary Funds are its 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 county reports the following five major funds, all of which are Governmental Funds:

- The *General Fund* is the primary operating fund. It accounts for all financial resources of the general government except those 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 *Unlimited Tax Road Bonds Series 2017 Fund* is a capital project fund which accounts for the expenditures to construct, purchase, maintain and/or operate macadamized, graveled and paved roads and turnpikes within the county as funded by the December 2017 issuance of the Unlimited Tax Road Refunding Bond, Series 2017.
- 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 county reports fifty-one other Governmental Funds as nonmajor funds in the *Special Revenue* and *Capital Projects* fund types.

The county 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 county also reports, as Fiduciary Funds, one *Trust Fund* and fourteen *Agency Funds*. The Trust Fund is used to account for the retiree life reserve plan, which is an irrevocable trust. Agency Funds are used to account for situations where the government's role is purely custodial, such as the receipt and remittance of fiduciary resources to individuals, private organizations or governments. Agency Funds do not present results of operations. The largest agency funds are used to account for monies held in custody for county clerk and district clerk registry funds until a court order determines their disposition, as well as tax collections collected by the Tax Assessor-Collector for other entities until their distribution. A full listing and description of the county's agency funds can be found in the combining and individual fund statements and schedules.

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 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.

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*.

Property taxes for the county are levied based on the taxable value on the lien date of January 1st prior to September 30th of the same year. They become due October 1st of that same year and delinquent after January 31st of the following year, with the exception of homeowners over 65, disabled persons, disabled vets and surviving spouses of disabled vets who have the option of making quarterly tax payments. Disaster-affected customers have also been allowed to make quarterly payments. Receivables and revenues for prior-year levies delinquent at year end and outstanding 60 days after year end are reflected on the government-wide statements based on the full accrual method of accounting and under the modified accrual method in the fund statements.

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.

In addition to assets, the statement of financial position and / or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element,

deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The county has the following 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 / OPEB** – Reported in the government-wide Statement of Net Position, this deferred outflow results from pension plan and OPEB (Other Post-Employment Benefits) contributions made after the measurement date of the net pension and OPEB liability, and from the results of differences between projected and actual earnings and changes in assumptions. The deferred outflows of resources related to pensions and OPEB resulting from county contributions made subsequent to the measurement date will be recognized as a reduction of the net pension and OPEB liability in the next fiscal year. The difference 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 and OPEB through the plan.

In addition to liabilities, the statement of financial position and / or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The county has the following types of 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 and the difference between projected and actual earnings. The amounts are amortized over a closed 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, 2019, the total liability for compensated absences was \$5,787,054, of which \$10,963 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. Other post-employment benefits (OPEB)

Retiree Life Reserve (RLR): For purposes of measuring the total OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. To meet long-term funding needs, contributions are actuarially determined as a percentage of payroll. Information regarding the county's net OPEB asset is obtained from a report prepared by a consulting actuary, Gabriel Roeder Smith & Company.

Retiree Health Plan (RHP): For purposes of measuring the total OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the county for benefits due and payable that are not reimbursed by plan assets. Information regarding the county's total OPEB liability is obtained from a report prepared by a consulting actuary, Gabriel Roeder Smith & Company.

9. 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.

10. 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 which pays claims as they become due. Both of these benefits are budgeted and paid from current resources.

11. 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.

12. 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. In other funds, this classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

At September 30, 2019, 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>Unlimited Tax Road Bonds Series 2017</u> | <u>Debt Service</u> | <u>Total Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--------------------------|---------------------|------------------------|--------------------|---|---------------------|--|---------------------------------|
| Non-Spendable: | | | | | | | |
| Inventory | \$ 6,668 | \$262,638 | \$ - | \$ - | \$ - | \$ 604,051 | \$ 873,357 |
| Total Non-Spendable | 6,668 | 262,638 | - | - | - | 604,051 | 873,357 |
| Restricted: | | | | | | | |
| Capital Projects: | | | | | | | |
| Road Construction | - | - | - | 31,973,444 | - | 31,114,386 | 63,087,830 |
| Parks Dept | - | - | - | - | - | 572,898 | 572,898 |
| Toll Road | - | - | - | - | - | 3,821,690 | 3,821,690 |
| Flood Control | - | - | - | - | - | 6,615,999 | 6,615,999 |
| Buildings | - | - | - | - | - | 14,953,381 | 14,953,381 |
| Other | - | - | - | - | - | 448,927 | 448,927 |
| Beach and Parks | - | - | 152,721 | - | - | 4,352,773 | 4,505,494 |
| Other-Special Revenue | - | - | - | - | - | 16,235,431 | 16,235,431 |
| Debt Service | - | - | - | - | 7,583,838 | - | 7,583,838 |
| Road and Bridge | - | 655,961 | - | - | - | - | 655,961 |
| Disaster Recovery | - | - | 1,744,135 | - | - | - | 1,744,135 |
| Hazard Mitigation | - | - | 35,842 | - | - | - | 35,842 |
| Health/Social Services | - | - | 190,551 | - | - | - | 190,551 |
| Total Restricted | - | 655,961 | 2,123,249 | 31,973,444 | 7,583,838 | 78,115,485 | 120,451,977 |
| Assigned: | | | | | | | |
| Beach and Parks | 12,000 | - | - | - | - | - | 12,000 |
| Indigent Defense | - | - | - | - | - | - | - |
| Self-insurance | 1,500,000 | - | - | - | - | - | 1,500,000 |
| Contingent Liabilities | 1,000,000 | - | - | - | - | - | 1,000,000 |
| Disaster Recovery | 2,500,000 | - | - | - | - | - | 2,500,000 |
| Construction Projects | - | - | - | - | - | 3,058,742 | 3,058,742 |
| Total Assigned | 5,012,000 | - | - | - | - | 3,058,742 | 8,070,742 |
| Unassigned | 86,010,593 | - | - | - | - | (2,425) | 86,008,168 |
| Total Fund Balances | <u>\$91,029,261</u> | <u>\$918,599</u> | <u>\$2,123,249</u> | <u>\$ 31,973,444</u> | <u>\$7,583,838</u> | <u>\$81,775,853</u> | <u>\$ 215,404,244</u> |

13. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make assumptions resulting in estimates that may 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.

14. Indirect expense allocation

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

15. 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.

16. Implementation of new standards

In its fiscal year ended September 30, 2019, the county implemented the following pronouncement of the Governmental Accounting Standards Board (“GASB”):

- GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The objective of this statement is to improve consistency in the information that is disclosed regarding debt, including direct borrowing and direct placements, and to provide financial statement users with additional essential information about debt. Implementation of this GASB statement affects the Notes to the Financial Statements.

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.

Some 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:

| | |
|--|--|
| Constable Pct 3 Forfeitures ¹ | Law Enforcement Continued Education ⁴ |
| Constable Pct 4 Forfeitures ¹ | Probate Court Contributions ³ |
| District Attorney Check Collection Fees ¹ | Sheriff's Commissary ⁴ |
| District Attorney Forfeitures After 10/89 | Sheriff's Forfeitures Post-10/89 ¹ |
| Election Services Contract ² | 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.

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, 2019, 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 | \$ 1,455,071 |
| Grant Fund | 4,037,169 |
| Unlimited Tax Road Bonds Series 2017 Fund | 4,299,461 |
| Nonmajor Funds | 4,378,250 |
| Total Encumbrances | \$ 14,169,951 |

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: Bank of America, 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, expiring September 30, 2019. These contracts have been renegotiated and will continue October 1, 2019 through September 30, 2023.

Pledged securities must meet the criteria of the county's depository contracts and applicable state law. As of September 30, 2019, 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, 2019, 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, 2019, the county's demand deposits were \$47,316,153 and the carrying value of all custodial cash accounts maintained by various officials totaled \$19,181,250.

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.

The county participates in two Local Government Investment Pools: Texas Class and Texas Term (which is split between Texas Daily and Texas Term). These are overseen by a governing board consisting of

individuals elected from participating government entities in the pool. The fair value of the county's position in the pool is the same as the value of the pool shares.

Investments at September 30, 2019 were made up of holdings in local government investment pools with original maturities of six to nine months at the date of acquisition. The fair value of the county's investments totaled \$164,812,917. The county also holds investments in custodial accounts handled through the county and district clerks, who upon court order, invest monies for minors and other persons in those individuals' names. Such custodial investments at September 30, 2019, consist of certificates of deposit with original maturities of four months or more at the date of acquisition. The fair value of these custodial accounts totaled \$2,841,486. In addition, the county also invests funds for a retiree life reserve plan in the amount of \$10,509,519 to fund life insurance for employees when they retire. 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, 2019

| | <u>County Accounts</u> | <u>Custodial Accounts</u> | <u>Retiree Life Reserve</u> |
|-------------------------------------|----------------------------|-------------------------------|---------------------------------|
| Deposits: | | | |
| Demand Deposits | \$ 47,316,153 | \$ 19,181,250 | \$ - |
| Investments: | | | |
| Certificates of Deposits | - | 2,841,486 | |
| Fixed Income | | | 10,509,519 |
| Local Government Investment Pools - | | | |
| Texas Class | 46,670,673 | | |
| TexasDaily | 56,904,808 | | |
| TexasTerm | 61,237,436 | | |
| Total Investments | <u>164,812,917</u> | <u>2,841,486</u> | <u>10,509,519</u> |
| Total Deposits and Investments | <u>\$ 212,129,070</u> | <u>\$ 22,022,736</u> | <u>\$ 10,509,519</u> |

Credit Risk

State law and the county's investment policy limit investment in all categories to those most highly rated by nationally recognized statistical rating organizations.

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.

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, 2019, the composition of the county's investment portfolio was as follows:

| Investment Breakout by Type at September 30, 2019 | | | | |
|--|-----------------------|--------------------------------------|---|---------------|
| <u>Investment Type</u> | <u>Fair Value</u> | <u>Percentage Of Total Portfolio</u> | <u>Weighted Average to Maturity in Days ("WAM")</u> | <u>Rating</u> |
| Local Government Investment Pools - | | | | |
| Texas Class | \$ 46,670,673 | 28.32% | 70.00 | AAAm |
| TexasDaily | 56,904,808 | 34.53% | 32.00 | AAAm |
| TexasTerm | 61,237,436 | 37.16% | 87.34 | AAAm |
| Total Investments | <u>\$ 164,812,917</u> | <u>100.00%</u> | <u>63.32</u> | |

B. Receivables

At September 30, 2019, 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:

| | <u>Taxes</u> | <u>Accounts and Other</u> | <u>Total Gross Receivables</u> | <u>Less Allowance for Uncollectibles</u> | <u>Total 2019</u> |
|--------------------------|----------------------|---------------------------|--------------------------------|--|----------------------|
| Governmental Funds: | | | | | |
| Major Funds: | | | | | |
| General Fund | \$ 9,289,721 | \$ 13,938,666 | \$ 23,228,387 | \$ (4,227,805) | \$ 19,000,582 |
| Road and Bridge | 161,888 | 64,855 | 226,743 | (9,713) | 217,030 |
| Grant | - | 18,510,736 | 18,510,736 | - | 18,510,736 |
| Unlimited Tax Road | | | | | |
| Bonds Series 2017 | - | 879,558 | 879,558 | - | 879,558 |
| Debt Service | 1,894,821 | 3,900,994 | 5,795,815 | (113,689) | 5,682,126 |
| Nonmajor Funds | <u>236,983</u> | <u>24,419</u> | <u>261,402</u> | <u>(14,220)</u> | <u>247,182</u> |
| Total Governmental Funds | 11,583,413 | 37,319,228 | 48,902,641 | (4,365,427) | 44,537,214 |
| Internal Service Funds | - | - | - | - | - |
| Fiduciary Funds | - | <u>34,942</u> | <u>34,942</u> | - | <u>34,942</u> |
| Total Net Receivables | <u>\$ 11,583,413</u> | <u>\$ 37,354,170</u> | <u>\$ 48,937,583</u> | <u>\$ (4,365,427)</u> | <u>\$ 44,572,156</u> |

C. Inter-fund Receivables, Payables and Transfers

Amounts due to/from funds of the county at September 30, 2019, are as follows:

| | |
|-----------------------------|----------------------|
| Payable Reported by: | <u>General Fund</u> |
| Grant Fund | \$ 15,712,771 |
| Nonmajor Governmental Funds | <u>2,498</u> |
| Total | <u>\$ 15,715,269</u> |

The various payables to the General Fund from the various funds 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.

Normally, inter-fund balances in the fund financial statements will be liquidated in the subsequent fiscal year. The exception this year would be the transfer from the debt service funds to the capital project funds for the bond issuances approved for capital projects. 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, 2019, are as follows:

| | <u>Transfers In</u> | | | | | |
|-----------------------------------|---------------------|-----------------------|-------------------|--|------------------------------|----------------------|
| | General | Road and Bridge | Grant Fund | Nonmajor Govern- mental Funds | Internal Service Funds | Total 2019 |
| Transfers Out | | | | | | |
| General Fund | \$ - | \$ 398,456 | \$ 323,998 | \$ 6,671,076 | \$ 2,500,000 | \$ 9,893,530 |
| Grant Fund | 50,381 | - | - | - | 52,017 | 102,398 |
| Debt Service | - | - | - | 33,000,000 | - | 33,000,000 |
| Nonmajor Governmental Funds | - | - | - | 12,436 | - | 12,436 |
| Internal Service Funds | <u>59,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>59,000</u> |
| Total Transfers Out | <u>\$ 109,381</u> | <u>\$ 398,456</u> | <u>\$ 323,998</u> | <u>\$ 39,683,512</u> | <u>\$ 2,552,017</u> | <u>\$ 43,067,364</u> |

Transfers are used to: 1) partially fund operations of Internal Service Funds and Special Revenue Funds; 2) allocate bond issuances set aside for capital projects from the Debt Service Fund to related capital project funds and 3) 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, 2019, which related solely to governmental activities, was as follows:

| | Beginning Balance, 10/1/2018 | Additions | Deletions | Ending Balance, 9/30/2019 |
|---|------------------------------------|---------------------|-----------------------|---------------------------------|
| Governmental Activities - | | | | |
| Capital Assets Not Being Depreciated: | | | | |
| Land | \$ 34,363,202 | \$ 4,099,827 | \$ - | \$ 38,463,029 |
| Construction in Progress | 6,918,884 | 2,135,499 | (2,680,280) | 6,374,103 |
| Total Capital Assets Not Being Depreciated | <u>41,282,086</u> | <u>6,235,326</u> | <u>(2,680,280)</u> | <u>44,837,132</u> |
| Capital Assets Being Depreciated: | | | | |
| Buildings and Improvements | 248,616,193 | 1,023,644 | - | 249,639,837 |
| Improvements Other Than Buildings | 17,152,477 | 340,640 | (10,169) | 17,482,948 |
| Machinery and Equipment | 52,948,751 | 11,479,044 | (4,292,383) | 60,135,412 |
| Infrastructure | 168,901,813 | - | - | 168,901,813 |
| Total Capital Assets Being Depreciated | <u>487,619,234</u> | <u>12,843,328</u> | <u>(4,302,552)</u> | <u>496,160,010</u> |
| Less Accumulated Depreciation for: | | | | |
| Buildings and Improvements | (128,526,025) | (9,127,560) | - | (137,653,585) |
| Improvements Other Than Buildings | (3,409,768) | (797,183) | 2,500 | (4,204,451) |
| Machinery and Equipment | (37,707,837) | (5,086,102) | 4,183,311 | (38,610,628) |
| Infrastructure | (104,504,236) | (3,346,652) | - | (107,850,888) |
| Total Accumulated Depreciation | <u>(274,147,866)</u> | <u>(18,357,497)</u> | <u>4,185,811</u> | <u>(288,319,552)</u> |
| Total Capital Assets Being Depreciated, Net | <u>213,471,368</u> | <u>(5,514,169)</u> | <u>(116,741)</u> | <u>207,840,458</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 254,753,454</u> | <u>\$ 721,157</u> | <u>\$ (2,797,021)</u> | <u>\$ 252,677,590</u> |

Depreciation expense for the primary government for the year ended September 30, 2019, which is related solely to governmental activities, was charged to functions/programs as follows:

| | |
|-----------------------------------|----------------------|
| General Government | \$ 8,310,791 |
| Public Safety | 6,660,583 |
| Roads, Bridges, and Rights-of-Way | 1,958,155 |
| Health and Social Services | 180,058 |
| Culture and Recreation | 1,160,525 |
| Conservation | 87,385 |
| Total Depreciation Expense | <u>\$ 18,357,497</u> |

Capital projects of the primary government in progress at September 30, 2019, included building construction and renovations, park improvements, infrastructure improvements and software upgrades.

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

| Project | Amount | | Remaining Commitment |
|--|----------------------|---------------------|-------------------------|
| | Authorized | Spent to Date | |
| Rollover Pass | \$ 4,303,078 | \$ 2,235,755 | \$ 2,067,323 |
| Pavilion, Bayshore Park (PW15158.12a) | 122,756 | 15,312 | 107,444 |
| Pavilion, Gregory Park (PW15158.12b) | 136,528 | 16,144 | 120,384 |
| New Road & Bridge Facility | 934,000 | 24,500 | 909,500 |
| Bolivar Beach Pavilion | 1,847,698 | 331,747 | 1,515,951 |
| Elva Lobit Park Restroom | 121,115 | 104,572 | 16,543 |
| Jack Brooks Park Restroom | 121,115 | 104,572 | 16,543 |
| Carbide Park Restroom | 157,640 | 138,885 | 18,755 |
| Medical Examiner-La Marque | 6,023,488 | 71,946 | 5,951,542 |
| Bacliff Annex JP1 Courthouse & Parking | 280,350 | 11,235 | 269,115 |
| Elevators, 722 Moody Courthouse | 422,249 | 99,565 | 322,684 |
| Bolivar Culverts | 1,271,900 | 127,378 | 1,144,522 |
| Pocket Park#2 Improvements | 321,891 | 285,391 | 36,500 |
| Pelican Island Bridge | 2,208,261 | 1,895,549 | 312,712 |
| Bacliff 10th St. Reconstruction | 586,253 | 81,984 | 504,269 |
| Bacliff 9th & 11th Ave Drainage | 738,830 | 127,687 | 611,143 |
| Bacliff Villas Drainage | 563,106 | 80,473 | 482,633 |
| Seawall Riprap Restoration | 2,416,383 | 82,417 | 2,333,966 |
| Birch Road Bridge Replacement | 1,500,000 | 160,757 | 1,339,243 |
| Highland Bayou Slope Stability | 1,500,000 | 59,850 | 1,440,150 |
| Highland Bayou Jay Road Ditch | 1,500,000 | 114,136 | 1,385,864 |
| Willow Bayou Drainage | 1,684,923 | 4,500 | 1,680,423 |
| 2017 Road Bonds - Program Mgmt | 538,719 | 81,155 | 457,564 |
| Intellidact, Court Redaction Software | 225,000 | 93,506 | 131,494 |
| One Solution Job Ledger | 37,000 | 8,163 | 28,837 |
| One Solution SQL Migration | 27,516 | 8,767 | 18,749 |
| Odyssey Modules | 75,000 | 8,157 | 66,842 |
| Total | \$ 29,664,799 | \$ 6,374,103 | \$ 23,290,695 |

Due to Hurricane Harvey, several of the county's assets have been deemed idle and are therefore temporarily impaired. Although repairs have begun, there are still several parks, facilities and roads that are in need of additional maintenance to bring them back to their pre-disaster condition. As of the end of the fiscal year, the estimates for the repairs, broken out by asset type, are as follows 1) \$1,279,114 in parks; 2) \$187,492 in facilities; and 3) \$3,239,400 in roads. As of September 30, 2019 no insurance proceeds have been received for any of the damages to help offset the incurred and anticipated incurred expenses.

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, 2019, the average monthly photocopier expense was \$30,097, for a total of \$361,169. The expired copier contract has been converted to a month-to-month while the county is reviewing proposals for a new multi-year contract. In addition, Galveston County has two different contracts with Pitney Bowes to lease election and mailing equipment. For the fiscal year ended September 30, 2019, the average monthly expense for these two contracts combined were \$6,207, for a total of \$74,480.

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 \$1,967,556 for the year ended September 30, 2019. Buildings with lease arrangements (in whole or a portion thereof) are carried at a cost of \$53,384,375 with accumulated depreciation of \$15,769,337.

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

| <u>Fiscal Year</u> | <u>Contractual Future Rental Revenues</u> |
|--------------------|---|
| 2020 | \$ 1,966,455 |
| 2021 | 1,942,053 |
| 2022 | 1,916,319 |
| 2023 | 1,916,319 |
| 2024 | <u>1,931,319</u> |
| Total | <u>\$ 9,672,465</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 \$580,077 for the year ended September 30, 2019.

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

| <u>Fiscal Year</u> | <u>Contractual Future Rental Obligations</u> |
|--------------------|--|
| 2020 | \$ 579,703 |
| 2021 | 579,703 |
| 2022 | 579,703 |
| 2023 | 539,703 |
| 2024 | <u>439,999</u> |
| Total | <u>\$ 2,718,811</u> |

F. Long-term Debt

General Obligation Debt

General obligation bonds are issued to provide funding for long-term capital improvements. In addition, they are issued to refund outstanding general obligation bonds when market conditions enable the county to achieve significant reductions in its debt service payments. Such bonds are direct obligations of the county, and the full faith and credit of the county are pledged as security. The county is required to submit to public referendum for authority to issue general obligation bonds.

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 partially 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 percentage has continued to increase slightly, equaling 32.935% in the current fiscal year.

The rebate percentage for future years' interest payments is not yet known. In the fiscal year ended September 30, 2019, the county received \$576,450 in such BABs subsidies.

Should the county default on its outstanding bonds, any registered owner of the certificates is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring specific performance from the county.

New Bond Issuance -

On March 19, 2019, the county issued new debt totaling \$30,280,000, with \$3,089,781 in issuance premiums in two series. The two series are as follows:

- Unlimited Tax Road Bonds, Series 2019 of \$22,080,000 with maturities dated from February 1, 2020 through February 1, 2039, at interest rates of 3.0% through 5.0%. The proceeds of \$24,258,324 (including a premium of \$2,178,324) were transferred to the county and will be used to construct, purchase, maintain and/or operate macadamized, graveled and paved roads and turnpikes, as well as pay the costs of the issuance of the bonds.
- Limited Tax County Building Bonds Series 2019 of \$8,200,000 with maturities dated from February 1, 2020 through February 1, 2039, at interest rates of 3.0% through 5.0%. The proceeds of \$9,111,457 (including a \$911,457 premium) were transferred to the county to purchase, construct, reconstruct, improve and/or equip buildings or rooms for the housing of offices, courts, records or equipment, or for the conducting of other public business, as well as pay the costs of issuance of the bonds.

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 | 2.0% - 5.905% | \$ 114,596,620 | \$ 54,472,991 | \$ 60,123,629 |
| Governmental Activities - Refunding | 3.0% - 5.0% | <u>133,317,100</u> | <u>56,840,000</u> | <u>76,477,100</u> |
| Total General Obligation Bonds | | <u><u>\$ 247,913,720</u></u> | <u><u>\$ 111,312,991</u></u> | <u><u>\$ 136,600,729</u></u> |

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

| Year Ending September 30, | Principal | Interest |
|---------------------------|------------------------------|------------------------------|
| 2020 | \$ 18,644,273 | \$ 15,112,901 |
| 2021 | 19,185,965 | 14,095,846 |
| 2022 | 19,736,821 | 13,503,538 |
| 2023 | 16,031,620 | 12,956,586 |
| 2024 | 15,560,406 | 12,480,585 |
| 2025-2029 | 89,814,635 | 35,557,922 |
| 2030-2034 | 31,025,000 | 10,719,425 |
| 2035-2039 | <u>37,915,000</u> | <u>3,833,675</u> |
| Total | <u><u>\$ 247,913,720</u></u> | <u><u>\$ 118,260,478</u></u> |

Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2019, was as follows:

| | Beginning Balance, <u>10/1/2018</u> | <u>Additions</u> | <u>Reductions</u> | Ending Balance, <u>9/30/2019</u> | Due Within <u>One Year</u> |
|-------------------------------|---|----------------------|----------------------|--|-------------------------------|
| Bonds Payable: | | | | | |
| General Obligation Bonds | \$ 235,674,208 | \$ 30,280,000 | \$ 18,040,488 | \$ 247,913,720 | \$ 18,644,273 |
| Accumulated Accretion | 28,566,940 | 2,440,374 | 4,309,511 | 26,697,803 | 4,525,727 |
| Issuance Premiums (Discounts) | <u>21,275,295</u> | <u>3,089,781</u> | <u>1,954,176</u> | <u>22,410,900</u> | <u>-</u> |
| Total Bonds Payable | 285,516,443 | 35,810,155 | 24,304,175 | 297,022,423 | 23,170,000 |
| Compensated Absences | 5,619,035 | 874,680 | 706,661 | 5,787,054 | 736,332 |
| Tax Settlement | <u>2,267,078</u> | <u>-</u> | <u>1,133,539</u> | <u>1,133,539</u> | <u>1,133,539</u> |
| Governmental Activity | | | | | |
| Total Long-term Liabilities | <u>\$ 293,402,556</u> | <u>\$ 36,684,835</u> | <u>\$ 26,144,375</u> | <u>\$ 303,943,016</u> | <u>\$ 25,039,871</u> |

A compensated absences payable of \$10,963 is reflected in the Governmental Funds Balance Sheet. The payment was due and payable by September 30, 2019. 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.

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, 2019, the various components of unavailable revenues reported in the Governmental Funds were as follows:

| | Delinquent Property Tax Receivable | Delinquent Court Collections | Total 2019 |
|-----------------------------|--|------------------------------------|----------------------|
| Major Funds: | | | |
| General Fund | \$ 8,732,337 | \$ 4,671,445 | \$ 13,403,782 |
| Road and Bridge | 152,175 | - | 152,175 |
| Debt Service Fund | 1,781,132 | - | 1,781,132 |
| Nonmajor Governmental Funds | <u>222,763</u> | <u>-</u> | <u>222,763</u> |
| Total Deferred Inflows | <u>\$ 10,888,407</u> | <u>\$ 4,671,445</u> | <u>\$ 15,559,852</u> |

H. Deficit Fund Equity

At September 30, 2019, the Election Code Chapter 19 fund, a nonmajor special revenue fund, had a deficit fund balance of \$2,425 due to timing differences between the expenditures incurred in this fund and the funding to cover said expenditures. This deficit is considered temporary and is expected to be relieved during the next fiscal year through a transfer from the General Fund.

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 for its facilities, currently for \$289,889,116 in coverage, with an annual premium of \$164,097 and a deductible of \$50,000.
- Purchases windstorm and hail insurance for fifty-six properties. The insured value is \$99,063,839; the annual premium for the most recent policy year was \$1,075,571, and the deductible is 5% of the insured value of the building(s) damaged.
- Purchases flood insurance for fifty-one properties with a total insured value of \$30,182,300, for an annual premium of \$231,617, and with deductibles of \$5,000 per building and (if included) \$5,000 contents per building.
- Purchases employee crime and fidelity insurance 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, 2019, are reported in compliance with GASB Statement No. 62, *Codification Of Accounting And Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB And AICPA Pronouncements*. GASB Statement No. 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 \$16,862,703 in aggregate claims. A stop-loss policy pays

claims in excess of the individual \$300,000 limit. An additional stop-loss policy is in force for aggregate coverage 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 Statement No. 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 09/30/2019 | Year Ended 09/30/2018 |
|---|--------------------------|--------------------------|
| Unpaid Claims, Beginning of Fiscal Year | \$ 1,330,645 | \$ 1,330,645 |
| Incurred (including IBNR) Claims | 15,822,346 | 13,224,427 |
| Claim Payments | <u>(15,822,346)</u> | <u>(13,224,427)</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, 2019, 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 \$16,934,713.

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 exercises reasonable diligence to apply any remaining unexpended debt proceeds to qualifying projects. The county contracts with a compliance specialist to perform annual arbitrage calculations required under Section 148(f) of the *Code*. The most recent calculations were made through December 31, 2018, in which it was 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 through grants are subject to audit and adjustment by grantor agencies. Any disallowed claims may constitute a liability of the applicable funds. The expenditures disallowed by the grantor cannot be determined currently, although the county expects any 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 Social Security, the 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, 2019, consisted of the following:

| | |
|-------------------------------|-----------------------|
| American United Life Accounts | \$ 96,584,539 |
| Lincoln National Account | 500,748 |
| N.A.C.O. Account | <u>5,511,795</u> |
| | <u>\$ 102,597,082</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”). TCERS is governed by the TCERS Board of Trustees and administers the pension plans of approximately 780 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 TCERS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

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

Employees qualify to retire:

- upon reaching sixty years of age 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 adopted by the employer’s governing body within the constraints imposed by the *Act*. The employee contribution rate is a percentage of employee earnings subject to adjustment by the governing body within the constraints of the *Act*. Funding is provided by monthly contributions from the employer with biweekly payroll deductions from the employee and the interest earned thereon.

For the fiscal year ended September 30, 2019, the nominal employer contribution rate was 14%. However, due to forfeitures from separating, non-vested employees, the actual percentage rate paid by the county was 11.87%. 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 TCERS, or to reduce the benefits earned in the future.

Actuarial Assumptions

Updated mortality assumptions were adopted in the actuarial valuation of December 31, 2018. All other actuarial assumptions that determined the total pension liability as of December 31, 2018, were based on the results of an actuarial experience study for the period January 1, 2013, through December 31, 2016, 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, 2018 |
| Actuarial Cost Method | Entry Age Normal ⁽¹⁾ |
| Amortization Method: | |
| Recognition of Economic/Demographic Gains or Losses | Straight-Line Amortization over Expected Working Life |
| Recognition of Assumptions Changes or Inputs | Straight-Line Amortization over Expected Working Life |
| Asset Valuation Method: | |
| Smoothing Period | 5 years |
| Recognition Method | Non-Asymptotic |
| Corridor | None |
| Inflation | 2.75% |
| Salary Increases | Varies by age and service. 4.9% average over career, including inflation |
| Investment Rate of Return | 8.10% (gross of administrative expenses) |
| 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. |

⁽¹⁾ Individual entry age normal cost method, as required by GASB Statement No. 68, used for GASB calculations.

Note that a slightly different version of the entry age normal cost method is used for the funding actuarial valuation.

Discount Rate

The discount rate for the total pension liability was 8.1%, unchanged from the previous year. The cash flows used to project this discount rate assumed 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. 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 assumed long-term investment return of 8.0% is net after investment and administrative expenses. It is assumed returns will equal the nominal rate of 8.0% for calculating the actuarial accrued liability and the normal cost contribution rate for the retirement plan of the county.

Best estimates of geometric real rates of return for each major asset class included in the TCDRS target asset allocation as of December 31, 2018, are summarized below:

| Asset Class | Benchmark | Target Allocation | Geometric Real Rate of Return (Expected Minus 1.70% Inflation) |
|------------------------------------|--|-------------------|--|
| US Equities | Dow Jones U.S. Total Stock Market Index | 10.50% | 5.40% |
| Private Equity | Cambridge Associates Global Private Equity & Venture Capital Index | 18.00% | 8.40% |
| Global Equities | MSCI World (net) Index | 2.50% | 5.70% |
| International Equities - Developed | MSCI World Ex USA (net) | 10.00% | 5.40% |
| International Equities - Emerging | MSCI World Ex USA (net) | 7.00% | 5.90% |
| Investment-Grade Bonds | Bloomberg Barclays U.S. Aggregate Bond Index | 3.00% | 1.60% |
| Strategic Credit | FTSE High-Yield Cash-Pay Capped Index | 12.00% | 4.39% |
| Direct Lending | S&P/LSTA Leveraged Loan Index | 11.00% | 7.95% |
| Distressed Debt | Cambridge Associates Distressed Securities Index | 2.00% | 7.20% |
| REIT Equities | 67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index | 2.00% | 4.15% |
| Master Limited Partnerships (MLPs) | Alerian MLP Index | 3.00% | 5.35% |
| Private Real Estate Partnerships | Cambridge Associates Real Estate Index | 6.00% | 6.30% |
| Hedge Funds | Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index | 13.00% | 3.90% |

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 | \$ 466,442,563 | \$ 415,722,026 | \$ 372,929,257 |
| Fiduciary net position | 369,279,882 | 369,279,882 | 369,279,882 |
| Net pension liability/(asset) | <u>\$ 97,162,681</u> | <u>\$ 46,442,144</u> | <u>\$ 3,649,375</u> |

*Changes in Net Pension Liability**

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|--|-----------------------------------|---------------------------------------|---------------------------------------|
| Balances at December 31, 2017 | \$ 399,570,319 | \$ 388,150,545 | \$ 11,419,774 |
| Changes for the year: | | | |
| Service cost | 8,550,427 | - | 8,550,427 |
| Interest on total pension liability | 32,131,066 | - | 32,131,066 |
| Effect of economic/demographic gains or losses | (1,193,608) | - | (1,193,608) |
| Refund of contributions | (1,091,944) | (1,091,944) | - |
| Benefit payments | (22,244,234) | (22,244,234) | - |
| Administrative expenses | - | (296,607) | 296,607 |
| Member contributions | - | 4,586,948 | (4,586,948) |
| Net investment income | - | (7,353,289) | 7,353,289 |
| Employer contributions | - | 7,778,148 | (7,778,148) |
| Other | - | (249,684) | 249,684 |
| Balances as of December 31, 2018 | <u>\$ 415,722,026</u> | <u>\$ 369,279,883</u> | <u>\$ 46,442,144</u> |

*Amounts may not foot due to rounding

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

For the year ended September 30, 2019, the county recognized pension expense of \$15,165,019 and deferred inflows/outflows of resources related to pensions from the following sources:

| | Deferred Inflows of Resources | Deferred Outflows of Resources |
|--|----------------------------------|-----------------------------------|
| Differences between expected and actual experience | \$ 2,031,511 | \$ - |
| Change of assumptions | - | 1,306,047 |
| Net difference between projected and actual earnings | - | 23,195,571 |
| Contributions made subsequent to measurement date | - | 6,265,010 |
| Total | <u>\$ 2,031,511</u> | <u>\$ 30,766,628</u> |

An amount of \$6,265,010 is reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the fiscal year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending September 30, | Amount |
|------------------------------|----------------------|
| 2020 | \$ 8,720,299 |
| 2021 | 3,358,922 |
| 2022 | 2,962,383 |
| 2023 | 7,428,503 |
| Total | <u>\$ 22,470,107</u> |

G. Other Post-Employment Benefits (“OPEB”) - Retiree Life Reserve

Plan Description

The county voluntarily participates in a single-employer other postemployment benefit (OPEB) plan administered by Standard Insurance Company. The plan is a life insurance plan known as the Retiree Life Reserve (RLR). This benefit is a part of The Alternate Plan for Galveston County employees which includes a package of benefits in lieu of Social Security. The Alternate Plan is reviewed annually by Commissioners Court with the approved benefits and contribution rates becoming effective January 1st of each calendar year. Payments from this fund are life insurance benefits and are paid in a lump sum payment to the designated beneficiaries upon the receipt of an approved application for payment. The RLR includes coverage for retired members who have met the plan’s requirements. Because assets are set aside in a qualifying trust, the plan qualifies as an OPEB Trust in accordance with paragraph 3 of GASB Statement No. 74.

Plan Benefits

The RLR provides a paid up life insurance policy to county employees who retire under one of the following provisions:

- At any age, with thirty or more years of service;
- At age sixty or greater, with eight or more years of service or
- When the sum of one’s age and years of service equals 75 or greater

For those employees working 2,080 hours per year, the benefit is \$50,000 and for those employees working 1,040, but less than 2,080 hours per year the benefit is \$25,000.

The number of employees currently covered by the benefit terms is as follows:

| | |
|---|---------------------|
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | - |
| Inactive Plan Members Entitled to But Not Yet Receiving Benefits | - |
| Active Plan Members | <u>1,250</u> |
| Total Plan Members | <u><u>1,250</u></u> |

The employees contribute to the RLR at a rate greater than determined by an annual actuarial valuation. The actual contribution rates were 2.30% and 2.30% for 2019 and 2018, respectively. The actuarially determined contribution rates were 1.32% for 2019 and 1.01% for 2018, all of which was for retirees only portion for each year, as a percentage of annual covered payroll. The rate is equal to the normal cost as a function of covered payroll, rounded up to the next 0.25%. The funding policy for the RLR program is to prefund retiree life insurance during employees’ entire careers. The county’s contributions to the RLR for the years ended September 30, 2019 and 2018 were \$1,584,173 and \$1,508,239, respectively, representing contributions for both active and retiree coverage, which equaled the required contributions each year.

Net OPEB Liability / (Asset)

The county’s net OPEB asset of (\$550,451) was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The net OPEB asset in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

| | |
|-----------------------|---|
| Actuarial Cost Method | Individual Entry Age Normal |
| Discount Rate | 4%, as of December 31, 2018 |
| Inflation | 2.5% per annum |
| Salary Increases | 0.50% to 5.00%, not including wage inflation of 3.25% |

Salary increases were based on a service-related table. For healthy retirees, the gender-distinct RP-2014 Healthy Annuitant Mortality Tables are used with male rates multiplied by 130% and female rates multiplied by 110%. Those rates are projected on a fully generational basis based on 110% of the ultimate rates of Scale MP-2014. The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the four-year period ending December 31, 2017, as conducted for TCDRS.

Discount Rate

A single discount rate of 4.00% was used to measure the total OPEB liability as of December 31, 2018. This single discount rate was based on the expected rate of return on plan investments of 4.00% and a municipal bond rate of 3.71% (based on Fidelity Index's "20-Year Municipal GO AA Index" as of December 31, 2018). Based on the stated assumptions and the employer's funding policy, the plan's Fiduciary Net Position and the future contributions are sufficient to finance the future benefit payments. The long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Investments

Assets for the RLR plan are 100% invested in Standard Insurance Company's Guaranteed Long-Term Fund, an interest bearing account with the goal of principal conservation. Assets for the RLR plan are invested as part of Standard Insurance Company's general assets. All participants in the long term fund earn the same interest rate, which is a weighted average of the interest rates of all plan assets. Interest is accrued daily and compounded quarterly. The long-term expected future rate of return, including inflation, is 4.0% which is comprised of a real rate of return equal to 1.5% plus inflation of 2.5%.

Schedule of Changes in Total OPEB Liability / (Asset)

| | Total OPEB Liability / (Asset) | Plan Fiduciary Net Position | Net OPEB Liability / (Asset) |
|----------------------------------|---|--|---|
| Beginning balance, 12/31/2017 | \$ 9,919,668 | \$ 9,936,309 | \$ (16,641) |
| Service cost | 664,479 | - | 664,479 |
| Interest on total OPEB liability | 389,779 | - | 389,779 |
| Employer contributions | - | 1,374,395 | (1,374,395) |
| Net investment income | - | 314,048 | (314,048) |
| Benefit payments | (1,014,858) | (1,014,858) | - |
| Administrative expense | - | (100,375) | 100,375 |
| Net changes | 39,400 | 573,210 | (533,810) |
| Ending balance, 12/31/2018 | \$ 9,959,068 | \$ 10,509,519 | \$ (550,451) |

Discount Rate Sensitivity Analysis

The following schedule presents the RLR’s net OPEB asset, calculated using a single discount rate of 4%, as of December 31, 2018, as well as the impact on the RLR’s net OPEB asset if the discount rate was 1% less than and 1% greater than the discount rate used:

| | At Current Single Discount Rate Minus 1%: 3.00% | At Current Single Discount Rate: 4.00% | At Current Single Discount Rate Plus 1%: 5.00% |
|----------------|--|--|---|
| Net OPEB Asset | \$ (106,480) | \$ (550,451) | \$ (982,427) |

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2019, the county recognized OPEB expense of \$790,713. There were no changes of benefit terms that affected measurement of the net OPEB asset during the measurement period. The county reported deferred outflows of resources related to other post-employment benefits from the following sources:

| | <u>Deferred Outflows of Resources</u> |
|---|---|
| Difference between expected and actual experience, assets | \$ 133,866 |
| Contributions subsequent to measurement date | <u>1,127,515</u> |
| Total | <u><u>\$ 1,261,381</u></u> |

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date, in the amount of \$1,127,515 will be recognized as an addition of the net OPEB asset for the year ending September 30, 2020. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <u>Year Ending September 30</u> | <u>Net Deferred Outflows/(Inflows)</u> |
|-------------------------------------|--|
| 2020 | \$ 38,716 |
| 2021 | 38,716 |
| 2022 | 38,718 |
| 2023 | <u>17,716</u> |
| Total | <u><u>\$ 133,866</u></u> |

H. Other Post-Employment Benefits (“OPEB”) - Retiree Health Plan

Plan Description

The county offers retired employees health insurance benefits through a single-employer, defined-benefit OPEB plan, known as the Retiree Health Plan (RHP). The plan offers life, major medical, prescription drug, dental and vision insurance. The Commissioners Court has the authority to establish and amend the benefit terms and financing arrangements as stated in Texas Local Government Code §157.101. The county reviews the plan annually with the approved benefits and contribution rates

becoming effective January 1st of each calendar year. No assets are accumulated in a trust that meets the criteria in paragraph 4 of the GASB Statement No. 75.

Plan activity is recorded in the Employee Benefits Internal Service Fund. 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 such data about retiree benefits discretely from that presented for active employees.

Plan Benefits and Contributions

Employees may retire from the county when they meet any of the following eligibility criteria of the Texas County and District Retirement System (TCDRS):

- At any age, with thirty or more years of service;
- At age sixty or greater, with eight or more years of service or
- When the sum of one's age and years of service equals 75 or greater

Retirees not Medicare-eligible may participate in one of the three options for major medical coverage available to active employees: the Base Plan, the Buy-Up Plan or the High Deductible Health Plan. The premiums, whether for coverage for the retiree only or for the retiree and dependent(s), are the same as those for active employees. The county subsidizes part of the cost of this benefit.

When retirees become Medicare-eligible, the county converts their major medical coverage to Medicare-supplement coverage, with the county's insurance becoming secondary. This coverage is currently provided at no cost to the retirees, but effective January 1, 2020 premiums will apply; premiums apply for coverage of a retiree's dependent(s). The county subsidizes part of the costs of this benefit. Retirees are responsible for their portions of the premiums for Medicare Parts A and B. The premium for major medical coverage for the surviving spouse of a retiree is the same as the "retiree only" premium.

The number of employees currently covered by the benefit terms is as follows:

| | |
|---|---------------------|
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 491 |
| Inactive Plan Members Entitled to But Not Yet Receiving Benefits | - |
| Active Plan Members | <u>1,250</u> |
| Total Plan Members | <u><u>1,741</u></u> |

The county's contributions to the RHP for the years ended September 30, 2019 and 2018 were \$7,752,966 and \$7,462,215 , respectively.

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.

Significant methods and assumptions used for the RHP were as follows:

| | |
|-------------------------|---|
| Valuation Date | December 31, 2017 |
| Actuarial Cost Method | Individual Entry-Age Normal |
| Discount Rate | 3.71%, as of December 31, 2018 |
| Inflation | 2.50% |
| Salary Increases | 0.50% to 5.00%, not including wage inflation of 3.25% |
| Demographic Assumptions | Based on the experience study covering the four-year period ending December 31, 2016 as conducted for TCDRS |
| Mortality | For healthy retirees, the gender-distinct RP-2014 Healthy Annuitant Mortality Tables are used with male rates multiplied by 130% and female rates multiplied by 110%. Those rates are projected on a fully generational basis based on 110% of the ultimate rates of Scale MP-2014. |
| Health Care Trend Rates | Initial rate of 7.30% declining to an ultimate rate of 5.00% after 12 years. Ultimate trend rate includes a 0.75% adjustment for the excise tax. |
| Participation Rates | 75% for members who retire before age 65; 80% for members who retire after age 65 |
| Discount Rate Note | The discount rate changed from 3.31% as of December 31, 2017 to 3.71% as of December 31, 2018. |

Projections of health benefits are based on the plan as understood by the county and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the county and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

Discount Rate

For plans that do not have formal assets, the discount rate should equal the tax exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of was used to measure the total OPEB liability. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2018. The discount rate was 3.31% as of the prior measurement date.

Changes in the Total OPEB Liability

The county’s total OPEB liability of \$233,822,258 was measured as of December 31, 2018 and was determined by an actuarial valuation as of December 31, 2017. The schedule of changes in total OPEB liability for the fiscal year ended September 30, 2019 is reported below.

| | Total OPEB Liability |
|--|---------------------------------|
| Beginning balance, 12/31/2017 | <u>\$ 237,660,273</u> |
| Changes for the year: | |
| Service cost | \$ 9,943,859 |
| Interest on total OPEB liability | 7,957,446 |
| Difference between expected / actual experience of the total OPEB liability | (959,424) |
| Changes in assumptions and other inputs | (16,327,917) |
| Benefit payments/refunds of contributions | <u>(4,451,979)</u> |
| Net changes | <u>(3,838,015)</u> |
| Ending balance, 12/31/2018 | <u><u>\$ 233,822,258</u></u> |

Changes in assumptions and other inputs reflect a change in the discount rate from 3.31% to 3.71% as of December 31, 2018. In prior years, the OPEB liability has been typically liquidated by the General Fund.

Discount Rate Sensitivity Analysis

The following schedule presents the total OPEB liability, calculated using a single discount rate of 3.71%, as well as the impact on the total OPEB liability if the discount rate was 1% less than, and 1% greater than, the discount rate used:

| | At Current Discount Rate Minus 1%: 2.71% | At Current Discount Rate: 3.71% | At Current Discount Rate Plus 1%: 4.71% |
|----------------------|---|---------------------------------------|--|
| Total OPEB liability | <u>\$ 277,819,073</u> | <u>\$ 233,822,258</u> | <u>\$ 199,145,600</u> |

Healthcare Cost Trend Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB liability if the Healthcare Cost Trend Rate used was less 1% less than and 1% greater than what was used in measuring the total OPEB liability:

| | At Current Healthcare Cost Trend Rate Minus 1% | At Current Healthcare Cost Trend Rate | At Current Healthcare Cost Trend Rate Plus 1% |
|----------------------|---|---|--|
| Total OPEB liability | \$ 193,382,981 | \$ 233,822,258 | \$ 287,196,598 |

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2019, the county recognized OPEB expense of \$18,183,072. At September 20, 2019, the county reported deferred outflows of resources related to OPEB from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between expected and actual experience | \$ - | \$ 826,461 |
| Changes in assumptions | 13,965,363 | 14,065,085 |
| Contributions made subsequent to measurement date | <u>4,326,093</u> | <u>-</u> |
| Total | <u>\$ 18,291,456</u> | <u>\$ 14,891,546</u> |

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date, in the amount of \$4,326,093, are due to benefit payments the county paid with its own assets and will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2020. Other amounts of the reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <u>Year Ending September 30</u> | <u>Net Deferred Outflows/(Inflows)</u> |
|-------------------------------------|--|
| 2020 | \$ 281,767 |
| 2021 | 281,767 |
| 2022 | 281,767 |
| 2023 | 281,767 |
| 2024 | 281,767 |
| Thereafter | <u>(2,335,018)</u> |
| Total | <u>\$ (926,183)</u> |

I. Claims and Judgments

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 \$3,365,752 and Galveston County Road and Flood District in the amount of \$34,866. 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 and \$11,622, 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. The county and the district have timely paid the January 2018 and 2019 payments, as of the date of the preparation of this report, and intend to do the same for the January 2020 payment.

The county is also defending three civil rights cases. The first one involves the death of a Galveston County Jail inmate who allegedly suffered a medical condition while incarcerated and later died from complications. The liability aspect of the case is complicated by the fact the inmate had a previously undiagnosed illness that could have led to his death. This case is currently being litigated, with trial set for April 2020. Discovery is proceeding, but the county is unable to estimate potential damages at this time. The county disputes liability for damages and intends to vigorously defend the case. A finding of liability could possibly expose the county to a significant damages' award.

Another civil case the county is facing involves a jail inmate that has alleged she was unlawfully arrested and denied medical care. The damages are not substantial in this case, and even if the county is found liable, it is highly unlikely that the total damages would exceed \$100,000.

The third civil case the county is defending involves a class action suit in which the rights to due process and assistance of counsel were violated in the magistrate court held in the Galveston County Jail. Although the plaintiff only seeks an injunction, finding of liability could possibly expose the county to the possibility of a significant attorneys' fees award and mandate changes which would require significant spending to implement.

Galveston County is defending two suits involving automobile accidents between a county employee and civilian. There is a potential that the county's damage cap under the Tort Claims Act of \$100,000 could be reached in each case.

The county is also defending one employment case in which a former employee alleges unlawful termination and seeks more than \$100,000 in damages.

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Required Supplementary Information

The Required Supplementary Information subsection includes the budgetary comparison schedules for the County of Galveston's major funds, the General Fund, Road and Bridge Fund and Grant Fund. It also includes trend data, including the schedule of funding progress and the schedule of employer contributions related to the pension trust funds of the County of Galveston. The notes to the required supplementary information are also included in this subsection.

Galveston County, Texas
Notes to the Required Supplementary Information – Budgetary Schedules
For the Year Ended September 30, 2019

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.

(Continued)

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2019

| | Original Budget | Final Budget | Actual | Variance, Actual from Final Budget Positive (Negative) |
|--|--------------------|--------------------|--------------------|--|
| REVENUES | | | | |
| Taxes | \$ 119,571,935 | \$ 119,571,935 | \$ 117,326,714 | \$ (2,245,221) |
| Licenses and Permits | 233,400 | 233,400 | 278,962 | 45,562 |
| Intergovernmental | 4,616,820 | 4,616,820 | 7,751,306 | 3,134,486 |
| Charges for Services | 7,107,075 | 7,107,075 | 7,246,299 | 139,224 |
| Fines and Forfeitures | 1,402,600 | 1,402,600 | 1,293,966 | (108,634) |
| Investment Earnings | 635,820 | 635,820 | 2,258,773 | 1,622,953 |
| Miscellaneous | 10,006,206 | 10,137,595 | 10,930,350 | 792,755 |
| Total Revenues | <u>143,573,856</u> | <u>143,705,245</u> | <u>147,086,370</u> | <u>3,381,125</u> |
| EXPENDITURES | | | | |
| General Government | | | | |
| General Government | | | | |
| Personal Services | 6,558,281 | 6,660,790 | 6,645,008 | 15,782 |
| Supplies | 27,900 | 27,900 | 3,959 | 23,941 |
| Other Services and Charges | 4,699,685 | 4,736,985 | 4,217,058 | 519,927 |
| Total General Government | <u>11,285,866</u> | <u>11,425,675</u> | <u>10,866,025</u> | <u>559,650</u> |
| County Judge | | | | |
| Personal Services | 482,656 | 482,656 | 482,182 | 474 |
| Supplies | 4,600 | 4,600 | 4,324 | 276 |
| Other Services and Charges | 5,000 | 5,000 | 581 | 4,419 |
| Total County Judge | <u>492,256</u> | <u>492,256</u> | <u>487,087</u> | <u>5,169</u> |
| Commissioners Court | | | | |
| Personal Services | 872,884 | 872,884 | 797,953 | 74,931 |
| Supplies | 4,100 | 4,100 | 858 | 3,242 |
| Other Services and Charges | 2,400 | 2,400 | 972 | 1,428 |
| Total Commissioners Court | <u>879,384</u> | <u>879,384</u> | <u>799,783</u> | <u>79,601</u> |
| County Clerk | | | | |
| Personal Services | 3,150,731 | 3,150,731 | 2,850,609 | 300,122 |
| Supplies | 41,950 | 41,950 | 25,647 | 16,303 |
| Other Services and Charges | 835,070 | 835,070 | 620,410 | 214,660 |
| Total County Clerk | <u>4,027,751</u> | <u>4,027,751</u> | <u>3,496,666</u> | <u>531,085</u> |
| Veterans Services | | | | |
| Personal Services | 166,097 | 166,999 | 166,998 | 1 |
| Supplies | 2,400 | 2,400 | 1,657 | 743 |
| Other Services and Charges | 4,600 | 3,698 | 1,780 | 1,918 |
| Total Veterans Services | <u>173,097</u> | <u>173,097</u> | <u>170,435</u> | <u>2,662</u> |
| Mental Health Court Program | | | | |
| Other Services and Charges | - | 12,500 | - | 12,500 |
| Total Mental Health Court Program | <u>-</u> | <u>12,500</u> | <u>-</u> | <u>12,500</u> |
| Veterans Treatment Court Program | | | | |
| Supplies | 3,000 | 3,000 | 664 | 2,336 |
| Other Services and Charges | 27,000 | 29,982 | 21,240 | 8,742 |
| Total Veterans Treatment Court Program | <u>30,000</u> | <u>32,982</u> | <u>21,904</u> | <u>11,078</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, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance, Actual from Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|------------------|---|
| Economic Development Office | | | | |
| Personal Services | 235,752 | 203,515 | 161,060 | 42,455 |
| Supplies | 2,352 | 2,352 | 1,242 | 1,110 |
| Other Services and Charges | <u>127,078</u> | <u>159,315</u> | <u>57,732</u> | <u>101,583</u> |
| Total Economic Development Office | <u>365,182</u> | <u>365,182</u> | <u>220,034</u> | <u>145,148</u> |
| 10th District Court | | | | |
| Personal Services | 209,461 | 209,461 | 203,915 | 5,546 |
| Supplies | 1,500 | 1,500 | 938 | 562 |
| Other Services and Charges | <u>3,020</u> | <u>3,020</u> | <u>653</u> | <u>2,367</u> |
| Total 10th District Court | <u>213,981</u> | <u>213,981</u> | <u>205,506</u> | <u>8,475</u> |
| 56th District Court | | | | |
| Personal Services | 209,461 | 210,792 | 210,791 | 1 |
| Supplies | 1,500 | 1,500 | 680 | 820 |
| Other Services and Charges | <u>2,700</u> | <u>1,369</u> | <u>731</u> | <u>638</u> |
| Total 56th District Court | <u>213,661</u> | <u>213,661</u> | <u>212,202</u> | <u>1,459</u> |
| 122nd District Court | | | | |
| Personal Services | 208,231 | 215,566 | 207,445 | 8,121 |
| Supplies | 1,500 | 1,500 | 1,418 | 82 |
| Other Services and Charges | <u>2,850</u> | <u>2,850</u> | <u>270</u> | <u>2,580</u> |
| Total 122nd District Court | <u>212,581</u> | <u>219,916</u> | <u>209,133</u> | <u>10,783</u> |
| 212th District Court | | | | |
| Personal Services | 209,459 | 209,459 | 171,806 | 37,653 |
| Supplies | 1,500 | 1,500 | 1,305 | 195 |
| Other Services and Charges | <u>2,395</u> | <u>2,395</u> | <u>2,083</u> | <u>312</u> |
| Total 212th District Court | <u>213,354</u> | <u>213,354</u> | <u>175,194</u> | <u>38,160</u> |
| 306th District Court | | | | |
| Personal Services | 241,245 | 241,245 | 235,420 | 5,825 |
| Supplies | 1,500 | 1,500 | 1,408 | 92 |
| Other Services and Charges | <u>3,850</u> | <u>3,850</u> | <u>957</u> | <u>2,893</u> |
| Total 306th District Court | <u>246,595</u> | <u>246,595</u> | <u>237,785</u> | <u>8,810</u> |
| 405th District Court | | | | |
| Personal Services | 223,305 | 223,305 | 176,428 | 46,877 |
| Supplies | 1,500 | 2,100 | 1,907 | 193 |
| Other Services and Charges | <u>4,593</u> | <u>3,993</u> | <u>515</u> | <u>3,478</u> |
| Total 405th District Court | <u>229,398</u> | <u>229,398</u> | <u>178,850</u> | <u>50,548</u> |
| District Court Administration Office | | | | |
| Personal Services | 389,989 | 389,989 | 368,489 | 21,500 |
| Supplies | 15,000 | 12,749 | 12,508 | 241 |
| Other Services and Charges | <u>637,500</u> | <u>1,017,751</u> | <u>937,733</u> | <u>80,018</u> |
| Total District Court Administration Office | <u>1,042,489</u> | <u>1,420,489</u> | <u>1,318,730</u> | <u>101,759</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, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance, Actual from Final Budget Positive (Negative)</u> |
|-----------------------------------|----------------------------|-------------------------|----------------|---|
| County Court #1 | | | | |
| Personal Services | 428,467 | 434,663 | 434,661 | 2 |
| Supplies | 1,500 | 1,500 | 933 | 567 |
| Other Services and Charges | 4,600 | 4,509 | 540 | 3,969 |
| Total County Court #1 | <u>434,567</u> | <u>440,672</u> | <u>436,134</u> | <u>4,538</u> |
| County Court #2 | | | | |
| Personal Services | 414,623 | 414,623 | 413,628 | 995 |
| Supplies | 1,500 | 1,500 | 1,487 | 13 |
| Other Services and Charges | 4,900 | 4,900 | 1,006 | 3,894 |
| Total County Court #2 | <u>421,023</u> | <u>421,023</u> | <u>416,121</u> | <u>4,902</u> |
| County Court #3 | | | | |
| Personal Services | 420,728 | 420,728 | 418,831 | 1,897 |
| Supplies | 1,500 | 1,500 | 1,017 | 483 |
| Other Services and Charges | 4,900 | 4,900 | 886 | 4,014 |
| Total County Court #3 | <u>427,128</u> | <u>427,128</u> | <u>420,734</u> | <u>6,394</u> |
| Probate Court | | | | |
| Personal Services | 597,931 | 597,931 | 594,863 | 3,068 |
| Supplies | 3,600 | 3,600 | 3,581 | 19 |
| Other Services and Charges | 127,625 | 127,625 | 108,499 | 19,126 |
| Total Probate Court | <u>729,156</u> | <u>729,156</u> | <u>706,943</u> | <u>22,213</u> |
| County Court Administration | | | | |
| Personal Services | 169,643 | 169,643 | 165,502 | 4,141 |
| Supplies | 5,000 | 5,000 | 3,912 | 1,088 |
| Other Services and Charges | 235,800 | 235,800 | 194,912 | 40,888 |
| Total County Court Administration | <u>410,443</u> | <u>410,443</u> | <u>364,326</u> | <u>46,117</u> |
| Justice Court Precinct #1 | | | | |
| Personal Services | 424,657 | 424,657 | 420,508 | 4,149 |
| Supplies | 8,725 | 10,725 | 10,303 | 422 |
| Other Services and Charges | 5,700 | 3,700 | 2,976 | 724 |
| Total Justice Court Precinct #1 | <u>439,082</u> | <u>439,082</u> | <u>433,787</u> | <u>5,295</u> |
| Justice Court Precinct #2 | | | | |
| Personal Services | 432,246 | 441,659 | 416,951 | 24,708 |
| Supplies | 10,100 | 10,100 | 10,022 | 78 |
| Other Services and Charges | 7,200 | 7,200 | 3,796 | 3,404 |
| Total Justice Court Precinct #2 | <u>449,546</u> | <u>458,959</u> | <u>430,769</u> | <u>28,190</u> |
| Justice Court Precinct #3 | | | | |
| Personal Services | 500,177 | 508,349 | 508,349 | - |
| Supplies | 13,600 | 13,600 | 10,077 | 3,523 |
| Other Services and Charges | 10,008 | 10,008 | 3,819 | 6,189 |
| Total Justice Court Precinct #3 | <u>523,785</u> | <u>531,957</u> | <u>522,245</u> | <u>9,712</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, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance, Actual from Final Budget Positive (Negative)</u> |
|-------------------------------------|----------------------------|-------------------------|------------------|---|
| Justice Court Precinct #4 | | | | |
| Personal Services | 427,876 | 429,858 | 429,857 | 1 |
| Supplies | 8,805 | 8,805 | 6,774 | 2,031 |
| Other Services and Charges | 6,200 | 4,218 | 2,170 | 2,048 |
| Total Justice Court Precinct #4 | <u>442,881</u> | <u>442,881</u> | <u>438,801</u> | <u>4,080</u> |
| Indigent Defense | | | | |
| Other Services And Charges | 2,610,000 | 2,905,500 | 2,825,377 | 80,123 |
| Total Indigent Defense | <u>2,610,000</u> | <u>2,905,500</u> | <u>2,825,377</u> | <u>80,123</u> |
| District Clerk | | | | |
| Personal Services | 2,969,278 | 3,049,080 | 3,049,079 | 1 |
| Supplies | 95,499 | 95,560 | 65,891 | 29,669 |
| Other Services and Charges | 475,955 | 441,955 | 415,698 | 26,257 |
| Total District Clerk | <u>3,540,732</u> | <u>3,586,595</u> | <u>3,530,668</u> | <u>55,927</u> |
| District Attorney | | | | |
| Personal Services | 6,580,754 | 6,842,443 | 6,637,220 | 205,223 |
| Supplies | 109,808 | 109,808 | 68,955 | 40,853 |
| Other Services and Charges | 395,700 | 337,080 | 218,324 | 118,756 |
| Total District Attorney | <u>7,086,262</u> | <u>7,289,331</u> | <u>6,924,499</u> | <u>364,832</u> |
| Collections Office | | | | |
| Personal Services | 439,399 | 439,399 | 407,689 | 31,710 |
| Supplies | 6,500 | 6,500 | 3,581 | 2,919 |
| Other Services and Charges | 13,550 | 13,550 | 11,515 | 2,035 |
| Total Collections Office | <u>459,449</u> | <u>459,449</u> | <u>422,785</u> | <u>36,664</u> |
| Personal Bond Office | | | | |
| Personal Services | 560,694 | 630,037 | 453,928 | 176,109 |
| Supplies | 5,000 | 5,000 | 3,535 | 1,465 |
| Other Services and Charges | 23,800 | 23,800 | 3,275 | 20,525 |
| Total Personal Bond Office | <u>589,494</u> | <u>658,837</u> | <u>460,738</u> | <u>198,099</u> |
| County Auditor | | | | |
| Personal Services | 2,382,231 | 2,382,231 | 2,193,419 | 188,812 |
| Supplies | 11,900 | 11,900 | 3,545 | 8,355 |
| Other Services and Charges | 63,590 | 63,590 | 49,959 | 13,631 |
| Total County Auditor | <u>2,457,721</u> | <u>2,457,721</u> | <u>2,246,923</u> | <u>210,798</u> |
| Professional Services | | | | |
| Personal Services | 585,337 | 585,337 | 477,566 | 107,771 |
| Supplies | 6,800 | 6,800 | 2,339 | 4,461 |
| Other Services and Charges | 12,500 | 12,500 | 3,702 | 8,798 |
| Total Professional Services | <u>604,637</u> | <u>604,637</u> | <u>483,607</u> | <u>121,030</u> |
| County Tax Assessor-Collector | | | | |
| Personal Services | 2,640,744 | 2,710,375 | 2,707,308 | 3,067 |
| Supplies | 36,665 | 36,665 | 31,791 | 4,874 |
| Other Services and Charges | 62,200 | 63,112 | 49,923 | 13,189 |
| Total County Tax Assessor-Collector | <u>2,739,609</u> | <u>2,810,152</u> | <u>2,789,022</u> | <u>21,130</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, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance, Actual from Final Budget Positive (Negative)</u> |
|------------------------------|----------------------------|-------------------------|------------------|---|
| County Treasurer | | | | |
| Personal Services | 630,247 | 630,247 | 627,995 | 2,252 |
| Supplies | 17,000 | 14,500 | 11,131 | 3,369 |
| Other Services and Charges | 17,000 | 19,500 | 12,861 | 6,639 |
| Total County Treasurer | <u>664,247</u> | <u>664,247</u> | <u>651,987</u> | <u>12,260</u> |
| Purchasing Agent | | | | |
| Personal Services | 636,628 | 636,628 | 602,716 | 33,912 |
| Supplies | 4,000 | 6,200 | 6,005 | 195 |
| Other Services and Charges | 31,025 | 28,825 | 17,443 | 11,382 |
| Total Purchasing Agent | <u>671,653</u> | <u>671,653</u> | <u>626,164</u> | <u>45,489</u> |
| Grant Administration | | | | |
| Personal Services | - | 240,547 | 183,105 | 57,442 |
| Supplies | - | 3,000 | - | 3,000 |
| Other Services and Charges | - | 25,000 | 721 | 24,279 |
| Total Grant Administration | <u>-</u> | <u>268,547</u> | <u>183,826</u> | <u>84,721</u> |
| Legal Department | | | | |
| Personal Services | 1,038,631 | 1,038,631 | 678,716 | 359,915 |
| Supplies | 3,000 | 3,000 | 1,895 | 1,105 |
| Other Services and Charges | 537,500 | 1,587,500 | 1,327,358 | 260,142 |
| Total Legal Department | <u>1,579,131</u> | <u>2,629,131</u> | <u>2,007,969</u> | <u>621,162</u> |
| Human Resources | | | | |
| Personal Services | 456,040 | 456,040 | 452,067 | 3,973 |
| Supplies | 8,300 | 8,300 | 5,237 | 3,063 |
| Other Services and Charges | 145,944 | 145,944 | 67,814 | 78,130 |
| Total Human Resources | <u>610,284</u> | <u>610,284</u> | <u>525,118</u> | <u>85,166</u> |
| Information Technology | | | | |
| Personal Services | 3,410,359 | 3,424,789 | 3,424,788 | 1 |
| Supplies | 1,232,950 | 1,241,833 | 1,194,923 | 46,910 |
| Other Services and Charges | 4,056,425 | 4,238,937 | 3,628,390 | 610,547 |
| Total Information Technology | <u>8,699,734</u> | <u>8,905,559</u> | <u>8,248,101</u> | <u>657,458</u> |
| Facilities Services | | | | |
| Personal Services | 1,227,078 | 1,252,761 | 1,075,371 | 177,390 |
| Supplies | 23,500 | 28,096 | 13,271 | 14,825 |
| Other Services and Charges | 5,662,800 | 6,111,956 | 5,635,159 | 476,797 |
| Total Facilities Services | <u>6,913,378</u> | <u>7,392,813</u> | <u>6,723,801</u> | <u>669,012</u> |
| Fleet Management | | | | |
| Personal Services | 777,407 | 797,536 | 797,536 | - |
| Supplies | 676,858 | 657,548 | 302,590 | 354,958 |
| Other Services and Charges | 337,278 | 337,278 | 264,246 | 73,032 |
| Total Fleet Management | <u>1,791,543</u> | <u>1,792,362</u> | <u>1,364,372</u> | <u>427,990</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, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance, Actual from Final Budget Positive (Negative)</u> |
|-----------------------------|----------------------------|-------------------------|-------------------|---|
| County Engineer | | | | |
| Personal Services | 590,079 | 591,728 | 591,727 | 1 |
| Supplies | 6,900 | 6,900 | 3,632 | 3,268 |
| Other Services and Charges | 330,580 | 328,931 | 41,265 | 287,666 |
| Total County Engineer | <u>927,559</u> | <u>927,559</u> | <u>636,624</u> | <u>290,935</u> |
| Total General Government | <u>65,848,639</u> | <u>69,101,899</u> | <u>63,420,775</u> | <u>5,681,124</u> |
| Public Safety | | | | |
| Sheriff's Office | | | | |
| Personal Services | 38,392,013 | 39,426,251 | 38,234,505 | 1,191,746 |
| Supplies | 627,290 | 820,854 | 703,756 | 117,098 |
| Other Services and Charges | 5,878,375 | 7,618,082 | 7,268,511 | 349,571 |
| Total Sheriff's Office | <u>44,897,678</u> | <u>47,865,187</u> | <u>46,206,772</u> | <u>1,658,415</u> |
| Constable Precinct #3 | | | | |
| Personal Services | 812,906 | 812,906 | 744,464 | 68,442 |
| Supplies | 10,000 | 11,257 | 7,983 | 3,274 |
| Other Services and Charges | 6,500 | 5,243 | 1,848 | 3,395 |
| Total Constable Precinct #3 | <u>829,406</u> | <u>829,406</u> | <u>754,295</u> | <u>75,111</u> |
| Constable Precinct #2 | | | | |
| Personal Services | 595,168 | 644,191 | 617,662 | 26,529 |
| Supplies | 7,000 | 8,500 | 4,406 | 4,094 |
| Other Services and Charges | 3,550 | 3,550 | 150 | 3,400 |
| Total Constable Precinct #2 | <u>605,718</u> | <u>656,241</u> | <u>622,218</u> | <u>34,023</u> |
| Constable Precinct #1 | | | | |
| Personal Services | 623,196 | 668,440 | 623,955 | 44,485 |
| Supplies | 5,200 | 5,200 | 3,852 | 1,348 |
| Other Services and Charges | 1,800 | 1,800 | 1,651 | 149 |
| Total Constable Precinct #1 | <u>630,196</u> | <u>675,440</u> | <u>629,458</u> | <u>45,982</u> |
| Constable Precinct #4 | | | | |
| Personal Services | 649,109 | 649,109 | 640,996 | 8,113 |
| Supplies | 7,145 | 7,145 | 3,896 | 3,249 |
| Other Services and Charges | 1,775 | 1,775 | 1,576 | 199 |
| Total Constable Precinct #4 | <u>658,029</u> | <u>658,029</u> | <u>646,468</u> | <u>11,561</u> |
| Drug Court Program | | | | |
| Personal Services | - | 1,600 | 150 | 1,450 |
| Other Services and Charges | 36,400 | 58,300 | 52,931 | 5,369 |
| Total Drug Court Program | <u>36,400</u> | <u>59,900</u> | <u>53,081</u> | <u>6,819</u> |
| Juvenile Justice | | | | |
| Personal Services | 3,437,359 | 3,438,470 | 3,232,688 | 205,782 |
| Supplies | 83,100 | 83,100 | 41,067 | 42,033 |
| Other Services and Charges | 1,257,628 | 1,256,517 | 1,000,858 | 255,659 |
| Total Juvenile Justice | <u>4,778,087</u> | <u>4,778,087</u> | <u>4,274,613</u> | <u>503,474</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, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance, Actual from Final Budget Positive (Negative)</u> |
|--|----------------------------|-------------------------|-------------------|---|
| Emergency Management | | | | |
| Personal Services | 418,835 | 422,652 | 324,218 | 98,434 |
| Supplies | 18,100 | 18,100 | 11,832 | 6,268 |
| Other Services and Charges | 418,886 | 486,386 | 452,114 | 34,272 |
| Total Emergency Management | <u>855,821</u> | <u>927,138</u> | <u>788,164</u> | <u>138,974</u> |
| Nuisance Abatement | | | | |
| Personal Services | 202,032 | 202,032 | 191,902 | 10,130 |
| Supplies | 7,000 | 7,000 | 5,396 | 1,604 |
| Other Services and Charges | 221,750 | 221,750 | 118,845 | 102,905 |
| Total Nuisance Abatement | <u>430,782</u> | <u>430,782</u> | <u>316,143</u> | <u>114,639</u> |
| Total Public Safety | <u>53,722,117</u> | <u>56,880,210</u> | <u>54,291,212</u> | <u>2,588,998</u> |
| Health And Social Services | | | | |
| Health Administration & Sanitation | | | | |
| Other Services and Charges | 7,130,581 | 7,130,593 | 7,130,590 | 3 |
| Total Health Administration & Sanitation | <u>7,130,581</u> | <u>7,130,593</u> | <u>7,130,590</u> | <u>3</u> |
| Community Services | | | | |
| Personal Services | 220,652 | 220,652 | 106,748 | 113,904 |
| Supplies | 300 | 300 | - | 300 |
| Other Services and Charges | 6,168,883 | 6,168,883 | 5,499,795 | 669,088 |
| Total Community Services | <u>6,389,835</u> | <u>6,389,835</u> | <u>5,606,543</u> | <u>783,292</u> |
| Child Welfare | | | | |
| Personal Services | 48,814 | 49,074 | 49,073 | 1 |
| Supplies | 60,500 | 60,240 | 35,435 | 24,805 |
| Other Services and Charges | 155,789 | 155,789 | 141,198 | 14,591 |
| Total Child Welfare | <u>265,103</u> | <u>265,103</u> | <u>225,706</u> | <u>39,397</u> |
| Senior Citizens | | | | |
| Personal Services | 497,909 | 512,135 | 309,669 | 202,466 |
| Supplies | 32,350 | 32,350 | 28,197 | 4,153 |
| Other Services and Charges | 23,340 | 197,219 | 135,470 | 61,749 |
| Total Senior Citizens | <u>553,599</u> | <u>741,704</u> | <u>473,336</u> | <u>268,368</u> |
| Total Health And Social Services | <u>14,339,118</u> | <u>14,527,235</u> | <u>13,436,175</u> | <u>1,091,060</u> |
| Culture And Recreation | | | | |
| Galveston County Museum | | | | |
| Personal Services | 104,787 | 104,787 | 68,469 | 36,318 |
| Supplies | 27,300 | 23,650 | 18,189 | 5,461 |
| Other Services and Charges | 51,040 | 126,497 | 117,248 | 9,249 |
| Total Galveston County Museum | <u>183,127</u> | <u>254,934</u> | <u>203,906</u> | <u>51,028</u> |
| Beach And Parks Department | | | | |
| Personal Services | 1,809,760 | 1,891,799 | 1,833,006 | 58,793 |
| Supplies | 106,427 | 106,427 | 97,454 | 8,973 |
| Other Services and Charges | 304,371 | 304,371 | 248,620 | 55,751 |
| Total Beach And Parks Department | <u>2,220,558</u> | <u>2,302,597</u> | <u>2,179,080</u> | <u>123,517</u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance, Actual from Final Budget Positive (Negative)</u> |
|--|----------------------------|-------------------------|----------------------|---|
| Beach Maintenance-Road & Bridge | | | | |
| Personal Services | 131,685 | 131,685 | 86,757 | 44,928 |
| Supplies | 13,800 | 13,800 | 8,536 | 5,264 |
| Other Services and Charges | 256,910 | 256,910 | 206,342 | 50,568 |
| Total Beach Maintenance-Road & Bridge | <u>402,395</u> | <u>402,395</u> | <u>301,635</u> | <u>100,760</u> |
| Total Culture And Recreation | <u>2,806,080</u> | <u>2,959,926</u> | <u>2,684,621</u> | <u>275,305</u> |
| Conservation | | | | |
| Coastal Restoration | | | | |
| Other Services and Charges | 16,690 | 376,690 | 100,165 | 276,525 |
| Total Coastal Restoration | <u>16,690</u> | <u>376,690</u> | <u>100,165</u> | <u>276,525</u> |
| County Extension Service | | | | |
| Personal Services | 511,371 | 511,371 | 479,587 | 31,784 |
| Supplies | 48,775 | 45,725 | 30,099 | 15,626 |
| Other Services and Charges | 25,075 | 28,125 | 21,853 | 6,272 |
| Total County Extension Service | <u>585,221</u> | <u>585,221</u> | <u>531,539</u> | <u>53,682</u> |
| Total Conservation | <u>601,911</u> | <u>961,911</u> | <u>631,704</u> | <u>330,207</u> |
| Capital Outlay | | | | |
| Land | - | - | - | - |
| Buildings and Improvement | 295,000 | 848,708 | 486,710 | 361,998 |
| Improvements Other Than Buildings | 393,000 | 2,003,711 | 1,130,369 | 873,342 |
| Machinery and Equipment | 430,500 | 990,000 | 651,102 | 338,898 |
| Vehicles | 146,000 | 1,894,000 | 1,700,422 | 193,578 |
| Total Capital Outlay | <u>1,264,500</u> | <u>5,736,419</u> | <u>3,968,603</u> | <u>1,767,816</u> |
| Total Expenditures | <u>138,582,365</u> | <u>150,167,600</u> | <u>138,433,090</u> | <u>11,734,510</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>4,991,491</u> | <u>(6,462,355)</u> | <u>8,653,280</u> | <u>15,115,635</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | 59,000 | 109,381 | 50,381 |
| Transfers Out | (2,365,000) | (10,730,732) | (9,893,530) | 837,202 |
| Sale of Capital Assets | - | - | 92,159 | 92,159 |
| Budgeted Contingencies Used | (25,475,000) | (5,609,515) | - | 5,609,515 |
| Total Other Financing Sources (Uses) | <u>(27,840,000)</u> | <u>(16,281,247)</u> | <u>(9,691,990)</u> | <u>6,589,257</u> |
| Net Change in Fund Balance | <u>(22,848,509)</u> | <u>(22,743,602)</u> | <u>(1,038,710)</u> | <u>21,704,892</u> |
| Fund Balance-Beginning | <u>92,067,971</u> | <u>92,067,971</u> | <u>92,067,971</u> | <u>-</u> |
| Fund Balance-Ending | <u>\$ 69,219,462</u> | <u>\$ 69,324,369</u> | <u>\$ 91,029,261</u> | <u>\$ 21,704,892</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, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|----------------------------|-------------------------|-------------------|---|
| REVENUES | | | | |
| Taxes | \$ 3,008,523 | \$ 3,008,523 | \$ 2,943,416 | \$ (65,107) |
| Licenses and Permits | 2,800,000 | 2,800,000 | 2,874,890 | 74,890 |
| Intergovernmental | 448,000 | 448,000 | 417,478 | (30,522) |
| Investment Earnings | 4,500 | 4,500 | 18,331 | 13,831 |
| Miscellaneous | <u>4,000</u> | <u>4,000</u> | <u>36,571</u> | <u>32,571</u> |
| Total Revenues | <u>6,265,023</u> | <u>6,265,023</u> | <u>6,290,686</u> | <u>25,663</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | | | | |
| Supplies | 685,000 | 685,000 | 656,141 | 28,859 |
| Other Services and Charges | <u>300,000</u> | <u>300,000</u> | <u>255,407</u> | <u>44,593</u> |
| Total General Government | <u>985,000</u> | <u>985,000</u> | <u>911,548</u> | <u>73,452</u> |
| Roads, Bridges and Rights-Of-Way | | | | |
| Personal Services | 2,380,928 | 2,459,694 | 2,438,983 | 20,711 |
| Supplies | 2,179,260 | 2,100,494 | 2,015,993 | 84,501 |
| Other Services and Charges | <u>94,810</u> | <u>94,810</u> | <u>50,036</u> | <u>44,774</u> |
| Total Roads, Bridges and Rights-Of-Way | <u>4,654,998</u> | <u>4,654,998</u> | <u>4,505,012</u> | <u>149,986</u> |
| Capital Outlay | <u>633,500</u> | <u>1,031,956</u> | <u>644,378</u> | <u>387,578</u> |
| Total Expenditures | <u>6,273,498</u> | <u>6,671,954</u> | <u>6,060,938</u> | <u>611,016</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(8,475)</u> | <u>(406,931)</u> | <u>229,748</u> | <u>636,679</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers In | - | 398,456 | 398,456 | - |
| Sale of Capital Assets | <u>-</u> | <u>-</u> | <u>104,559</u> | <u>104,559</u> |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>398,456</u> | <u>503,015</u> | <u>104,559</u> |
| Net Change in Fund Balance | (8,475) | (8,475) | 732,763 | 741,238 |
| Fund Balance-Beginning | <u>185,836</u> | <u>185,836</u> | <u>185,836</u> | <u>-</u> |
| Fund Balance-Ending | <u>\$ 177,361</u> | <u>\$ 177,361</u> | <u>\$ 918,599</u> | <u>\$ 741,238</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, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|----------------------------|-------------------------|---------------------------|---|
| REVENUES | | | | |
| Intergovernmental | \$ 87,267,008 | \$ 87,267,008 | \$ 13,451,505 | \$ (73,815,503) |
| Charges for Services | 809,207 | 809,207 | 9,342 | (799,865) |
| Investment Earnings | - | - | 1,603 | 1,603 |
| Miscellaneous | 539,651 | 539,651 | 226,400 | (313,251) |
| Total Revenues | <u>88,615,866</u> | <u>88,615,866</u> | <u>13,688,850</u> | <u>(74,927,016)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | | | | |
| Personal Services | 1,745,603 | 1,745,603 | 489,229 | 1,256,374 |
| Supplies | 44,993 | 44,993 | 4,352 | 40,641 |
| Other Services and Charges | 5,914,089 | 5,914,089 | 2,557,866 | 3,356,223 |
| Total General Government | <u>7,704,685</u> | <u>7,704,685</u> | <u>3,051,447</u> | <u>4,653,238</u> |
| Public Safety | | | | |
| Personal Services | 3,788,710 | 3,788,710 | 1,582,332 | 2,206,378 |
| Supplies | 921,581 | 921,581 | 243,844 | 677,737 |
| Other Services and Charges | 37,121,325 | 37,121,325 | 6,117,330 | 31,003,995 |
| Total Public Safety | <u>41,831,616</u> | <u>41,831,616</u> | <u>7,943,506</u> | <u>33,888,110</u> |
| Health and Social Services | | | | |
| Personal Services | 354,106 | 354,106 | 292,293 | 61,813 |
| Supplies | 234,364 | 234,364 | 166,822 | 67,542 |
| Other Services and Charges | 2,548,285 | 2,548,285 | 785,210 | 1,763,075 |
| Total Health and Social Services | <u>3,136,755</u> | <u>3,136,755</u> | <u>1,244,325</u> | <u>1,892,430</u> |
| Culture and Recreation | | | | |
| Personal Services | 12,781 | 12,781 | 12,587 | 194 |
| Supplies | 28,481 | 28,481 | 15,550 | 12,931 |
| Other Services and Charges | 89,837 | 89,837 | 84,153 | 5,684 |
| Total Culture and Recreation | <u>131,099</u> | <u>131,099</u> | <u>112,290</u> | <u>18,809</u> |
| Roads, Bridges and Rights-of-Way | | | | |
| Personal Services | 111,792 | 111,792 | 98,197 | 13,595 |
| Other Services and Charges | 1,628,026 | 1,628,026 | 1,292,008 | 336,018 |
| Total Roads, Bridges and Rights-of-Way | <u>1,739,818</u> | <u>1,739,818</u> | <u>1,390,205</u> | <u>349,613</u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANT FUND
For the Year Ended September 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|----------------------------|----------------------------|----------------------------|---|
| Capital Outlay | 36,864,721 | 36,864,721 | 1,085,867 | 35,778,854 |
| Total Expenditures | <u>91,408,694</u> | <u>91,408,694</u> | <u>14,827,640</u> | <u>76,581,054</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(2,792,828)</u> | <u>(2,792,828)</u> | <u>(1,138,790)</u> | <u>1,654,038</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 5,172,885 | 5,172,885 | 323,998 | (4,848,887) |
| Transfers Out | (102,398) | (102,398) | (102,398) | - |
| Sale of Capital Assets | - | - | 25,729 | 25,729 |
| Total Other Financing Sources (Uses) | <u>5,070,487</u> | <u>5,070,487</u> | <u>247,329</u> | <u>(4,823,158)</u> |
| Net Change in Fund Balance | 2,277,659 | 2,277,659 | (891,461) | (3,169,120) |
| Fund Balance-Beginning | <u>3,014,710</u> | <u>3,014,710</u> | <u>3,014,710</u> | <u>-</u> |
| Fund Balance-Ending | <u>\$ 5,292,369</u> | <u>\$ 5,292,369</u> | <u>\$ 2,123,249</u> | <u>\$ (3,169,120)</u> |

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 Five Calendar Years*

| | Year Ended December 31, 2018 | Year Ended December 31, 2017 | Year Ended December 31, 2016 | Year Ended December 31, 2015 | Year Ended December 31, 2014 |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Total Pension Liability | | | | | |
| Service cost | \$ 8,550,427 | \$ 8,527,699 | \$ 8,514,565 | \$ 8,033,265 | \$ 7,971,478 |
| Interest on total pension liability | 32,131,066 | 30,746,745 | 29,143,719 | 28,029,902 | 26,719,008 |
| Effect of plan changes | - | - | - | (1,570,636) | - |
| Effect of assumption changes or inputs | - | 1,117,910 | - | 3,176,506 | - |
| Effect of economic/demographic (gains) or losses | (1,193,608) | (580,625) | (558,220) | (2,943,467) | (227,582) |
| Benefit payments/refunds of contributions | (23,336,178) | (22,174,593) | (21,170,801) | (19,704,571) | (18,511,860) |
| Net change in total pension liability | 16,151,707 | 17,637,136 | 15,929,263 | 15,020,999 | 15,951,044 |
| Total pension liability, beginning | <u>399,570,319</u> | <u>381,933,183</u> | <u>366,003,920</u> | <u>350,982,921</u> | <u>335,031,877</u> |
| Total pension liability, ending (a) | <u>\$ 415,722,026</u> | <u>\$ 399,570,319</u> | <u>\$ 381,933,183</u> | <u>\$ 366,003,920</u> | <u>\$ 350,982,921</u> |
| Fiduciary Net Position | | | | | |
| Employer contributions | \$ 7,778,148 | \$ 7,458,946 | \$ 6,879,586 | \$ 6,534,101 | \$ 6,419,135 |
| Member contributions | 4,586,948 | 4,556,075 | 4,295,905 | 4,072,510 | 3,997,855 |
| Investment income net of investment expenses | (7,353,290) | 50,641,917 | 24,668,039 | 414,224 | 22,444,380 |
| Benefit payments/refunds of contributions | (23,336,178) | (22,174,593) | (21,170,801) | (19,704,571) | (18,511,860) |
| Administrative expenses | (296,607) | (258,132) | (268,351) | (243,373) | (258,882) |
| Other | (249,684) | (138,588) | (770,360) | (34,899) | (117,593) |
| Net change in fiduciary net position | (18,870,663) | 40,085,625 | 13,634,018 | (8,962,008) | 13,973,035 |
| Fiduciary net position, beginning | <u>388,150,545</u> | <u>348,064,920</u> | <u>334,430,902</u> | <u>343,392,910</u> | <u>329,419,875</u> |
| Fiduciary net position, ending (b) | <u>\$ 369,279,882</u> | <u>\$ 388,150,545</u> | <u>\$ 348,064,920</u> | <u>\$ 334,430,902</u> | <u>\$ 343,392,910</u> |
| Net pension liability / (asset), ending = (a) - (b) | <u>\$ 46,442,144</u> | <u>\$ 11,419,774</u> | <u>\$ 33,868,263</u> | <u>\$ 31,573,018</u> | <u>\$ 7,590,011</u> |
| Fiduciary net position as a % of total pension liability | 88.83% | 97.14% | 91.13% | 91.37% | 97.84% |
| Pensionable covered payroll | \$ 65,527,823 | \$ 65,086,791 | \$ 61,370,078 | \$ 58,080,901 | \$ 57,112,219 |
| Net pension liability as a % of covered payroll | 70.87% | 17.55% | 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
Fiscal Year Ending September 30, 2019

| 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 | 11.04% |
| 2015 | 6,736,606 | 6,736,606 | - | 59,944,754 | 11.24% |
| 2016 | 6,788,319 | 6,788,319 | - | 60,509,533 | 11.22% |
| 2017 | 7,302,610 | 7,302,610 | - | 64,057,982 | 11.40% |
| 2018 | 7,705,135 | 7,705,135 | - | 65,462,420 | 11.77% |
| 2019 | 8,162,339 | 8,162,339 | - | 68,764,436 | 11.87% |

⁽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.

Galveston County, Texas
Notes to the Required Supplementary Information
General Employees' Retirement Plan for the Employees of Galveston County, Texas
For the Fiscal Year Ended September 30, 2019

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 | 12.9 years (based on contribution rate calculated in 12/31/2018 valuation) |
| Asset Valuation Method | 5-year smoothed market |
| Inflation | 2.75% |
| Salary Increases | Varies by age and service. 4.9% average over career including inflation. |
| Investment Rate of Return | 8.00%, net of administrative and investment expenses, including inflation |
| Retirement Age | Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61. |
| Mortality | 130% of the RP-2014 Health Annuitant Mortality Table for males and 110% of the RP-2014 Health Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014 |
| Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions* | 2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. |
| Changes in Plan Provisions Reflected in the Schedule* | 2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017 2018: No changes in plan provisions were reflected in the Schedule. |

**Only changes that affect the benefit amount and are effective 2015 and later are shown in the notes to schedule.*

Galveston County, Texas
Schedule of Changes in Net OPEB Liability/(Asset) and Related Ratios
Retiree Life Reserve for the Employees of Galveston County, Texas
For the Fiscal Year Ended September 30, 2019**

| | <u>Year Ended December 31, 2018</u> | <u>Year Ended December 31, 2017</u> |
|---|---|---|
| Total OPEB Liability | | |
| Service cost | \$ 664,479 | \$ 645,125 |
| Interest on total OPEB liability | 389,779 | 392,630 |
| Benefit payments | <u>(1,014,858)</u> | <u>(1,222,553)</u> |
| Net change in total OPEB liability | 39,400 | (184,798) |
| Total OPEB liability, beginning | <u>9,919,668</u> | <u>10,104,466</u> |
| Total OPEB liability, ending (a) | <u><u>\$ 9,959,068</u></u> | <u><u>\$ 9,919,668</u></u> |
| Plan Fiduciary Net Position | | |
| Employer contributions | \$ 1,374,395 | \$ 1,709,467 |
| OPEB plan net investment income | 314,048 | 273,902 |
| Benefit payments | (1,014,858) | (1,222,553) |
| OPEB plan administrative expense | <u>(100,375)</u> | <u>(106,794)</u> |
| Net change in plan fiduciary net position | 573,210 | 654,022 |
| Plan fiduciary net position - beginning | <u>9,936,309</u> | <u>9,282,287</u> |
| Plan fiduciary net position - ending (b) | <u><u>\$ 10,509,519</u></u> | <u><u>\$ 9,936,309</u></u> |
| Net OPEB liability/(asset)-ending (a) - (b) | <u><u>\$ (550,451)</u></u> | <u><u>\$ (16,641)</u></u> |
| Plan fiduciary net position as a percentage | | |
| of total OPEB liability | 105.53% | 100.17% |
| Covered-employee payroll | \$ 65,534,168 | \$ 65,091,251 |
| Net OPEB liability/(asset) as a percentage | | |
| of covered-employee payroll | (0.84)% | (0.03)% |

**Presented based on the Plan reporting year.*

***The schedule is intended to show information for 10 years. The county adopted GASB Statement 75 effective October 1, 2017. Additional years' information will be displayed as it becomes available.*

Galveston County, Texas
Schedule of OPEB Contributions
Retiree Life Reserve for the Employees of Galveston County, Texas
For the Fiscal Year Ended September 30, 2019*

| FY Ending September 30, | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered- Employee Payroll | Actual Contribution as a % of Covered- Employee Payroll |
|----------------------------|---|------------------------|--|---------------------------------|---|
| 2018 | \$ 926,719 | \$ 1,508,239 | \$ (581,520) | \$ 65,462,240 | 2.30% |
| 2019 | 983,013 | 1,584,173 | (601,160) | 68,764,436 | 2.30% |

**This schedule is intended to show information for 10 years. Information prior to 2018 is not available. Therefore, additional years will be reflected as they become available.*

| | |
|---------------------------|--|
| Valuation Date | January 1, 2018 |
| Actuarial Cost Method | Aggregate Cost Method |
| Amortization Method | Level Percentage of Payroll |
| Asset Valuation | Market Value |
| Investment Rate of Return | 4.00% |
| Salary Increases | 3.00% |
| Retirement Age | Age 60 with 8 years of credited service |
| Mortality | RP-2000 (sex distinct) table |
| Terminations | WP-70, as published in the Advanced Pension Tables |

Other Information: There were no benefit changes during the year.

Galveston County, Texas
Schedule of Investment Returns
Retiree Life Reserve for the Employees of Galveston County, Texas
For the Fiscal Year Ended September 30, 2019*

| | 2019 | 2018 |
|---|-------|-------|
| Annual money-weighted rate of return, net of investment expense | 3.27% | 3.10% |

**This schedule is required to show information for 10 years. Information prior to 2018 is not available. Therefore, additional years will be reflected as they become available.*

Galveston County, Texas
Schedule of Changes in Total OPEB Liability and Related Ratios
Retiree Health Care Plan for the Employees of Galveston County, Texas
For the Fiscal Year Ended September 30, 2019**

| | <u>Year Ended December 31, 2018</u> | <u>Year Ended December 31, 2017</u> |
|--|---|---|
| Total OPEB Liability | | |
| Service cost | \$ 9,943,859 | \$ 8,401,524 |
| Interest on total OPEB liability | 7,957,446 | 7,961,598 |
| Difference between expected / actual experience of the total OPEB liability | (959,424) | - |
| Changes of assumptions | (16,327,917) | 19,320,487 |
| Benefit payments/refunds of contributions | <u>(4,451,979)</u> | <u>(5,576,794)</u> |
| Net change in total OPEB liability | (3,838,015) | 30,106,815 |
| Total OPEB liability, beginning | <u>237,660,273</u> | <u>207,553,458</u> |
| Total OPEB liability, ending | <u>\$ 233,822,258</u> | <u>\$ 237,660,273</u> |
| Covered-employee payroll | \$ 65,534,168 | \$ 65,091,251 |
| Total OPEB liability as a percentage of covered-employee payroll | 356.79% | 365.12% |

**Presented based on the Plan reporting year.*

***The schedule is intended to show information for 10 years. The county adopted GASB Statement 75 effective October 1, 2017. Additional years' information will be displayed as it becomes available.*

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Other Supplementary Information

The Other Supplementary Information subsection includes the combining and individual fund statements and schedules for the following:

- Governmental Funds
- Internal Service Funds
- Fiduciary Funds

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|--|----------------------------|-------------------------|---------------------|--|
| REVENUES | | | | |
| Taxes | \$ 25,213,276 | \$ 25,213,276 | \$ 24,530,433 | \$ (682,843) |
| Intergovernmental | 5,487,443 | 5,487,443 | 6,135,379 | 647,936 |
| Investment Earnings | <u>200,000</u> | <u>200,000</u> | <u>609,652</u> | <u>409,652</u> |
| Total Revenues | <u>30,900,719</u> | <u>30,900,719</u> | <u>31,275,464</u> | <u>374,745</u> |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Principal Retirement | 18,040,490 | 18,040,490 | 18,040,488 | 2 |
| Interest and Fiscal Charges | 13,812,726 | 13,813,526 | 13,811,105 | 2,421 |
| Bond Issuance Cost | <u>-</u> | <u>369,782</u> | <u>361,109</u> | <u>8,673</u> |
| Total Expenditures | <u>31,853,216</u> | <u>32,223,798</u> | <u>32,212,702</u> | <u>11,096</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(952,497)</u> | <u>(1,323,079)</u> | <u>(937,238)</u> | <u>385,841</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out | - | (33,000,000) | (33,000,000) | - |
| Face Value - Long Term Debt Issued | - | 30,280,000 | 30,280,000 | - |
| Premium - Long Term Debt Issued | <u>-</u> | <u>3,098,455</u> | <u>3,089,781</u> | <u>(8,674)</u> |
| Total other financing sources (uses) | <u>-</u> | <u>378,455</u> | <u>369,781</u> | <u>(8,674)</u> |
| Net change in fund balances | (952,497) | (944,624) | (567,457) | 377,167 |
| Fund Balance-Beginning | <u>8,151,295</u> | <u>8,151,295</u> | <u>8,151,295</u> | <u>-</u> |
| Fund Balance-Ending | <u>\$ 7,198,798</u> | <u>\$ 7,206,671</u> | <u>\$ 7,583,838</u> | <u>\$ 377,167</u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
UNLIMITED TAX ROAD BONDS SERIES 2017
From Inception and for the Year Ended September 30, 2019

| | <u>Total Project Authorized</u> | <u>Reported in Prior Years</u> | <u>Current Year</u> | <u>Total</u> |
|--|---|--|-------------------------|----------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 1,457,893 | \$ - | \$ 1,457,893 | \$ 1,457,893 |
| Investment Earnings | <u>1,237,819</u> | <u>426,640</u> | <u>811,179</u> | <u>1,237,819</u> |
| Total Revenues | <u>2,695,712</u> | <u>426,640</u> | <u>2,269,072</u> | <u>2,695,712</u> |
| EXPENDITURES | | | | |
| Roads, Bridges and Rights-of-Way: | | | | |
| Road Construction Management | 103,281 | - | 103,281 | 103,281 |
| Bel Road-Kemah | 1,378,335 | - | 985,904 | 985,904 |
| Texas Ave-14th N to 6th N | 5,350,064 | - | 374,780 | 374,780 |
| Century Blvd-Sea Lion Tech to | 2,053,324 | - | 209,186 | 209,186 |
| Dror Avenue-CL Shores | 400,000 | - | 58,276 | 58,276 |
| Friendswood Lakes Blvd | 3,570,000 | - | 437,624 | 437,624 |
| League City Road Projects | 7,500,000 | - | - | - |
| SH96 & Walker Intersection | 1,300,000 | - | - | - |
| SH96 & SH3 Intersection | 1,000,000 | - | - | - |
| SH96 I45 Right Turn Lane | 680,000 | - | - | - |
| 23rd St Galveston | 2,160,000 | - | 89,416 | 89,416 |
| Ave S Galveston | 4,820,000 | - | 221,889 | 221,889 |
| Santa Fe Various Rds | 1,420,000 | - | - | - |
| Capital Outlay: | | | | |
| Road Construction Management | 81,155 | - | 81,155 | 81,155 |
| Birch Rd Bridge | <u>1,500,000</u> | <u>-</u> | <u>160,757</u> | <u>160,757</u> |
| Total Expenditures | <u>33,316,159</u> | <u>-</u> | <u>2,722,268</u> | <u>2,722,268</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(30,620,447)</u> | <u>426,640</u> | <u>(453,196)</u> | <u>(26,556)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | <u>32,000,000</u> | <u>32,000,000</u> | <u>-</u> | <u>32,000,000</u> |
| Net Change in Fund Balance | <u>\$ 1,379,553</u> | <u>\$ 32,426,640</u> | <u>(453,196)</u> | <u>\$ 31,973,444</u> |
| Fund Balance-Beginning | | | <u>32,426,640</u> | |
| Fund Balance-Ending | | | <u>\$ 31,973,444</u> | |

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2019**

| | Special Revenue | Capital Projects | Total Nonmajor Governmental Funds |
|---|----------------------------|-----------------------------|--|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 7,911,891 | \$ 20,332,032 | \$ 28,243,923 |
| Investments | 12,882,849 | 42,451,443 | 55,334,292 |
| Receivables (Net of Allowances for Uncollectibles): | | | |
| Taxes | 222,763 | - | 222,763 |
| Accounts and Other | 24,419 | - | 24,419 |
| Inventory at Cost | 604,051 | - | 604,051 |
| Total Assets | \$ 21,645,973 | \$ 62,783,475 | \$ 84,429,448 |
| LIABILITIES | | | |
| Accounts Payable | \$ 123,955 | \$ 2,197,402 | \$ 2,321,357 |
| Salaries Payable | 87,021 | - | 87,021 |
| Retainage Payable | 16,587 | - | 16,587 |
| Escrow Deposits | 2,408 | - | 2,408 |
| Due To Other Funds | 2,498 | - | 2,498 |
| Unearned Revenue | 911 | 50 | 961 |
| Total Liabilities | 233,380 | 2,197,452 | 2,430,832 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable Revenue - Property Taxes | 222,763 | - | 222,763 |
| Total Deferred Inflows of Resources | 222,763 | - | 222,763 |
| FUND BALANCES | | | |
| Non-Spendable | 604,051 | - | 604,051 |
| Restricted | 20,588,204 | 57,527,281 | 78,115,485 |
| Assigned | - | 3,058,742 | 3,058,742 |
| Unassigned | (2,425) | - | (2,425) |
| Total Fund Balances | 21,189,830 | 60,586,023 | 81,775,853 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 21,645,973 | \$ 62,783,475 | \$ 84,429,448 |

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2019

| | Special Revenue | Capital Projects | Total Nonmajor Governmental Funds |
|--|-----------------------------|-----------------------------|--|
| REVENUES | | | |
| Taxes | \$ 1,167,487 | \$ - | \$ 1,167,487 |
| Intergovernmental | 123,377 | 48,997 | 172,374 |
| Charges for Services | 3,648,359 | - | 3,648,359 |
| Fines and Forfeitures | 271,246 | - | 271,246 |
| Investment Earnings | 388,328 | 905,577 | 1,293,905 |
| Miscellaneous | 1,126,557 | 3,437 | 1,129,994 |
| Total Revenues | <u>6,725,354</u> | <u>958,011</u> | <u>7,683,365</u> |
| EXPENDITURES | | | |
| General Government | 1,293,276 | 1,033,369 | 2,326,645 |
| Public Safety | 2,444,446 | - | 2,444,446 |
| Health and Social Services | 1,210,436 | - | 1,210,436 |
| Culture and Recreation | 578,036 | - | 578,036 |
| Roads, Bridges and Rights-of-Way | 334,880 | 3,812,577 | 4,147,457 |
| Capital Outlay | 5,141,379 | 5,326,073 | 10,467,452 |
| Total Expenditures | <u>11,002,453</u> | <u>10,172,019</u> | <u>21,174,472</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(4,277,099)</u> | <u>(9,214,008)</u> | <u>(13,491,107)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 5,386,512 | 34,297,000 | 39,683,512 |
| Transfers Out | (12,436) | - | (12,436) |
| Sale of Capital Assets | 37,865 | 19,612 | 57,477 |
| Total Other Financing Sources (Uses) | <u>5,411,941</u> | <u>34,316,612</u> | <u>39,728,553</u> |
| Net Change in Fund Balances | 1,134,842 | 25,102,604 | 26,237,446 |
| Fund Balances - Beginning | <u>20,054,988</u> | <u>35,483,419</u> | <u>55,538,407</u> |
| Fund Balances - Ending | <u><u>\$ 21,189,830</u></u> | <u><u>\$ 60,586,023</u></u> | <u><u>\$ 81,775,853</u></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 FORFEITURES AFTER 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.

ALTERNATIVE DISPUTE RESOLUTION - The Alternative Dispute Resolution Fund, 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 - 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.

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.

CONSTABLE PRECINCT 3 FORFEITURES – Pursuant to the *Code of Criminal Procedure* Chapter 59.06 which was passed in October 1989, forfeitures collected by the Precinct 3 Constable are accounted for in this fund. These funds are used to defray expenses of the constable.

CONSTABLE PRECINCT 4 FORFEITURES – Pursuant to the *Code of Criminal Procedure* Chapter 59.06 which was passed in October 1989, forfeitures collected by the Precinct 4 Constable are accounted for in this fund. These funds are used to defray expenses of the constable.

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.

GALVESTON COUNTY 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.

GALVESTON COUNTY 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.

MUSEUM AND HISTORICAL COMMUNITY - 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.

(Continued)

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
ALL NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2019**

| | 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 | County And District Court Technology | Donations To Galveston County |
|---|--|--|----------------------------------|---|---|--------------------------------|--|--|-------------------------------------|
| ASSETS | | | | | | | | | |
| Cash and Cash Equivalents | \$ 161,944 | \$ 1,057,311 | \$ 318,008 | \$ 16,398 | \$ 82,947 | \$ - | \$ 25,700 | \$ 25,919 | \$ 8,853 |
| Investments | 366,685 | 2,394,044 | 720,059 | 37,130 | 187,816 | - | 58,192 | 58,688 | 20,047 |
| Receivables (Net of Allowances for Uncollectibles): | | | | | | | | | |
| Taxes | - | - | - | - | - | - | - | - | - |
| Accounts and Other | 451 | 1,018 | - | - | 250 | 2,616 | 1,651 | 21 | - |
| Inventory at Cost | - | - | - | - | - | - | - | - | - |
| Total Assets | <u>\$ 529,080</u> | <u>\$ 3,452,373</u> | <u>\$ 1,038,067</u> | <u>\$ 53,528</u> | <u>\$ 271,013</u> | <u>\$ 2,616</u> | <u>\$ 85,543</u> | <u>\$ 84,628</u> | <u>\$ 28,900</u> |
| LIABILITIES | | | | | | | | | |
| Accounts Payable | \$ - | \$ 8,198 | \$ 32,426 | \$ - | \$ - | \$ 2,119 | \$ 252 | \$ - | \$ 529 |
| Salaries Payable | 1,729 | 6,718 | - | - | - | 424 | - | - | - |
| Retainage Payable | - | - | - | - | - | - | - | - | - |
| Escrow Deposits | - | - | - | - | - | - | - | - | - |
| Due To Other Funds | - | - | - | - | - | 2,498 | - | - | - |
| Unearned Revenue | - | - | - | - | - | - | - | - | - |
| Total Liabilities | <u>1,729</u> | <u>14,916</u> | <u>32,426</u> | <u>-</u> | <u>-</u> | <u>5,041</u> | <u>252</u> | <u>-</u> | <u>529</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> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | | | | | |
| Non-Spendable | - | - | - | - | - | - | - | - | - |
| Restricted | 527,351 | 3,437,457 | 1,005,641 | 53,528 | 271,013 | - | 85,291 | 84,628 | 28,371 |
| Unassigned | - | - | - | - | - | (2,425) | - | - | - |
| Total Fund Balances | <u>527,351</u> | <u>3,437,457</u> | <u>1,005,641</u> | <u>53,528</u> | <u>271,013</u> | <u>(2,425)</u> | <u>85,291</u> | <u>84,628</u> | <u>28,371</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 529,080</u> | <u>\$ 3,452,373</u> | <u>\$ 1,038,067</u> | <u>\$ 53,528</u> | <u>\$ 271,013</u> | <u>\$ 2,616</u> | <u>\$ 85,543</u> | <u>\$ 84,628</u> | <u>\$ 28,900</u> |

(Continued)

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
ALL NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2019**

| | District | | | | | | | | | |
|---|--|---|-------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|--------------------------------|--------------------------------|
| | District Attorney Forfeitures After 10/89 | Attorney Check Collection Fees | Courthouse Security | Justice Court Building Security | | Appellate Judicial | Law Library | Alternative Dispute Resolution | Justice Court Technology | Probate Court Contributions |
| ASSETS | | | | | | | | | | |
| Cash and Cash Equivalents | \$ 37,080 | \$ 371 | \$ 13,785 | \$ 20,051 | \$ 55,525 | \$ 77,962 | \$ 305,091 | \$ 73,969 | \$ 112,349 | |
| Investments | 83,959 | 841 | 31,213 | 45,401 | 125,723 | 176,528 | 690,810 | 167,488 | 254,389 | |
| Receivables (Net of Allowances for Uncollectibles): | | | | | | | | | | |
| Taxes | - | - | - | - | - | - | - | - | - | |
| Accounts and Other | 1,692 | - | 460 | 9 | 300 | 1,337 | 825 | 38 | - | |
| Inventory at Cost | - | - | - | - | - | - | - | - | - | |
| Total Assets | <u>\$ 122,731</u> | <u>\$ 1,212</u> | <u>\$ 45,458</u> | <u>\$ 65,461</u> | <u>\$ 181,548</u> | <u>\$ 255,827</u> | <u>\$ 996,726</u> | <u>\$ 241,495</u> | <u>\$ 366,738</u> | |
| LIABILITIES | | | | | | | | | | |
| Accounts Payable | \$ 2,000 | \$ - | \$ - | \$ - | \$ - | \$ 14,908 | \$ 5,760 | \$ - | \$ - | |
| Salaries Payable | - | - | 7,611 | - | - | - | - | - | - | |
| Retainage Payable | - | - | - | - | - | - | - | - | - | |
| Escrow Deposits | - | - | - | - | - | - | - | - | - | |
| Due To Other Funds | - | - | - | - | - | - | - | - | - | |
| Unearned Revenue | - | - | - | - | - | - | - | - | - | |
| Total Liabilities | <u>2,000</u> | <u>-</u> | <u>7,611</u> | <u>-</u> | <u>-</u> | <u>14,908</u> | <u>5,760</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> | <u>-</u> | <u>-</u> | |
| FUND BALANCES | | | | | | | | | | |
| Non-Spendable | - | - | - | - | - | - | - | - | - | |
| Restricted | 120,731 | 1,212 | 37,847 | 65,461 | 181,548 | 240,919 | 990,966 | 241,495 | 366,738 | |
| Unassigned | - | - | - | - | - | - | - | - | - | |
| Total Fund Balances | <u>120,731</u> | <u>1,212</u> | <u>37,847</u> | <u>65,461</u> | <u>181,548</u> | <u>240,919</u> | <u>990,966</u> | <u>241,495</u> | <u>366,738</u> | |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 122,731</u> | <u>\$ 1,212</u> | <u>\$ 45,458</u> | <u>\$ 65,461</u> | <u>\$ 181,548</u> | <u>\$ 255,827</u> | <u>\$ 996,726</u> | <u>\$ 241,495</u> | <u>\$ 366,738</u> | |

(Continued)

GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
ALL NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2019

| | Supplemental | | | Law | | | | | |
|---|--|-------------------------------------|-------------------------------|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-----------------------------------|-------------------------|
| | Court-initiated Guardianship Fee | Pretrial Intervention Program | Court Reporter Services | Sheriff's Commissary | Sheriff Forfeitures Post-10/89 | Enforcement Continued Education | Constable Pct 3 Forfeitures | Constable Pct 4 Forfeitures | Emergency Management |
| ASSETS | | | | | | | | | |
| Cash and Cash Equivalents | \$ 41,052 | \$ 56,661 | \$ 127,275 | \$ 1,650,994 | \$ 290,952 | \$ 53,296 | \$ 3,877 | \$ 1,102 | \$ 247,759 |
| Investments | 92,953 | 128,295 | 288,185 | - | 449,957 | 120,678 | 8,778 | 2,496 | 560,996 |
| Receivables (Net of Allowances for Uncollectibles): | | | | | | | | | |
| Taxes | - | - | - | - | - | - | - | - | - |
| Accounts and Other | 460 | - | 750 | - | - | - | - | - | - |
| Inventory at Cost | - | - | - | - | - | - | - | - | - |
| Total Assets | \$ 134,465 | \$ 184,956 | \$ 416,210 | \$ 1,650,994 | \$ 740,909 | \$ 173,974 | \$ 12,655 | \$ 3,598 | \$ 808,755 |
| LIABILITIES | | | | | | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,040 | \$ - | \$ - | \$ - |
| Salaries Payable | - | - | - | - | - | - | - | - | - |
| Retainage Payable | - | - | - | - | - | - | - | - | - |
| Escrow Deposits | - | - | - | - | - | - | - | - | - |
| Due To Other Funds | - | - | - | - | - | - | - | - | - |
| Unearned Revenue | - | - | - | - | - | - | - | - | - |
| Total Liabilities | - | - | - | - | - | 3,040 | - | - | - |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | |
| Unavailable Revenue - Property Taxes | - | - | - | - | - | - | - | - | - |
| Total Deferred Inflows of Resources | - | - | - | - | - | - | - | - | - |
| FUND BALANCES | | | | | | | | | |
| Non-Spendable | - | - | - | - | - | - | - | - | - |
| Restricted | 134,465 | 184,956 | 416,210 | 1,650,994 | 740,909 | 170,934 | 12,655 | 3,598 | 808,755 |
| Unassigned | - | - | - | - | - | - | - | - | - |
| Total Fund Balances | 134,465 | 184,956 | 416,210 | 1,650,994 | 740,909 | 170,934 | 12,655 | 3,598 | 808,755 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 134,465 | \$ 184,956 | \$ 416,210 | \$ 1,650,994 | \$ 740,909 | \$ 173,974 | \$ 12,655 | \$ 3,598 | \$ 808,755 |

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
ALL NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2019**

| | Farm-to- Market Lateral Road | Galveston County Road District #1 | Flood Control Control | Mosquito Control District | Galveston County Beach And Parks | Museum And Historical Community | Total Nonmajor Special Revenue Funds |
|---|------------------------------------|---|-----------------------------|---------------------------------|--|--|--|
| ASSETS | | | | | | | |
| Cash and Cash Equivalents | \$ 432,122 | \$ 725,494 | \$ 98,048 | \$ 354,177 | \$ 1,433,838 | \$ 1,981 | \$ 7,911,891 |
| Investments | 978,445 | 1,642,266 | 216,554 | - | 2,969,748 | 4,485 | 12,882,849 |
| Receivables (Net of Allowances for Uncollectibles): | | | | | | | |
| Taxes | 3,141 | - | 132,424 | 87,198 | - | - | 222,763 |
| Accounts and Other | 4,125 | 5,586 | 2,720 | - | 110 | - | 24,419 |
| Inventory at Cost | - | - | 49,124 | 554,927 | - | - | 604,051 |
| Total Assets | <u>\$ 1,417,833</u> | <u>\$ 2,373,346</u> | <u>\$ 498,870</u> | <u>\$ 996,302</u> | <u>\$ 4,403,696</u> | <u>\$ 6,466</u> | <u>\$ 21,645,973</u> |
| LIABILITIES | | | | | | | |
| Accounts Payable | \$ - | \$ - | \$ 24,299 | \$ 7,999 | \$ 22,425 | \$ - | \$ 123,955 |
| Salaries Payable | 3,022 | 6,508 | 32,258 | 17,751 | 11,000 | - | 87,021 |
| Retainage Payable | - | - | - | - | 16,587 | - | 16,587 |
| Escrow Deposits | - | - | 2,408 | - | - | - | 2,408 |
| Due To Other Funds | - | - | - | - | - | - | 2,498 |
| Unearned Revenue | - | - | - | - | 911 | - | 911 |
| Total Liabilities | <u>3,022</u> | <u>6,508</u> | <u>58,965</u> | <u>25,750</u> | <u>50,923</u> | <u>-</u> | <u>233,380</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Unavailable Revenue - Property Taxes | 3,141 | - | 132,424 | 87,198 | - | - | 222,763 |
| Total Deferred Inflows of Resources | <u>3,141</u> | <u>-</u> | <u>132,424</u> | <u>87,198</u> | <u>-</u> | <u>-</u> | <u>222,763</u> |
| FUND BALANCES | | | | | | | |
| Non-Spendable | - | - | 49,124 | 554,927 | - | - | 604,051 |
| Restricted | 1,411,670 | 2,366,838 | 258,357 | 328,427 | 4,352,773 | 6,466 | 20,588,204 |
| Unassigned | - | - | - | - | - | - | (2,425) |
| Total Fund Balances | <u>1,411,670</u> | <u>2,366,838</u> | <u>307,481</u> | <u>883,354</u> | <u>4,352,773</u> | <u>6,466</u> | <u>21,189,830</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 1,417,833</u> | <u>\$ 2,373,346</u> | <u>\$ 498,870</u> | <u>\$ 996,302</u> | <u>\$ 4,403,696</u> | <u>\$ 6,466</u> | <u>\$ 21,645,973</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, 2019**

(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 | County And District Court Technology | Donations To Galveston County |
|--|--|--|----------------------------------|---|---|--------------------------------|--|--|-------------------------------------|
| REVENUES | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 9,368 | \$ - | \$ - |
| Intergovernmental | - | - | - | 2,350 | - | 21,144 | - | - | - |
| Charges for Services | 96,312 | 775,443 | 489,651 | - | 62,399 | - | - | 8,390 | - |
| Fines and Forfeitures | - | - | - | - | - | - | - | - | - |
| Investment Earnings | 9,228 | 58,801 | 28,744 | 951 | 5,107 | 65 | 19,174 | 1,462 | 584 |
| Miscellaneous | - | 22 | - | - | - | 45 | - | - | - |
| Total Revenues | <u>105,540</u> | <u>834,266</u> | <u>518,395</u> | <u>3,301</u> | <u>67,506</u> | <u>21,254</u> | <u>28,542</u> | <u>9,852</u> | <u>584</u> |
| EXPENDITURES | | | | | | | | | |
| General Government | 55,688 | 398,207 | 114,101 | - | 53,664 | 23,680 | 37,581 | - | - |
| Public Safety | - | - | - | - | - | - | - | - | - |
| Health and Social Services | - | - | - | - | - | - | - | - | 6,853 |
| Culture and Recreation | - | - | - | - | - | - | - | - | - |
| Roads, Bridges and Rights-of-Way | - | - | - | - | - | - | - | - | - |
| Capital Outlay | - | 47,433 | 3,114,181 | - | - | - | - | - | - |
| Total Expenditures | <u>55,688</u> | <u>445,640</u> | <u>3,228,282</u> | <u>-</u> | <u>53,664</u> | <u>23,680</u> | <u>37,581</u> | <u>-</u> | <u>6,853</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>49,852</u> | <u>388,626</u> | <u>(2,709,887)</u> | <u>3,301</u> | <u>13,842</u> | <u>(2,426)</u> | <u>(9,039)</u> | <u>9,852</u> | <u>(6,269)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | |
| Transfers In | - | - | 3,189,306 | - | - | - | - | - | - |
| Transfers Out | - | - | - | - | - | - | - | - | - |
| Sale of Capital Assets | - | - | - | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>3,189,306</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | 49,852 | 388,626 | 479,419 | 3,301 | 13,842 | (2,426) | (9,039) | 9,852 | (6,269) |
| Fund Balances - Beginning | <u>477,499</u> | <u>3,048,831</u> | <u>526,222</u> | <u>50,227</u> | <u>257,171</u> | <u>1</u> | <u>94,330</u> | <u>74,776</u> | <u>34,640</u> |
| Fund Balances - Ending | <u>\$ 527,351</u> | <u>\$ 3,437,457</u> | <u>\$ 1,005,641</u> | <u>\$ 53,528</u> | <u>\$ 271,013</u> | <u>\$ (2,425)</u> | <u>\$ 85,291</u> | <u>\$ 84,628</u> | <u>\$ 28,371</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, 2019

(Continued)

| | District | | | | | | | | |
|--|--|---|---|---------------------------------------|-----------------------|-------------------|--------------------------------------|--------------------------------|-----------------------------------|
| | District Attorney Forfeitures After 10/89 | District Attorney Check Collection Fees | Justice Court Courthouse Security | Justice Court Building Security | Appellate Judicial | Law Library | Alternative Dispute Resolution | Justice Court Technology | Probate Court Contributions |
| REVENUES | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - | - | - | - | 40,000 |
| Charges for Services | - | - | 146,264 | 6,139 | - | 255,714 | 136,613 | 24,678 | - |
| Fines and Forfeitures | 39,005 | - | - | - | 40,496 | - | - | - | - |
| Investment Earnings | 2,419 | 35 | 931 | 1,129 | 2,900 | 280 | 18,384 | 4,144 | 6,791 |
| Miscellaneous | 2,404 | - | - | - | - | 3,705 | 125 | - | - |
| Total Revenues | <u>43,828</u> | <u>35</u> | <u>147,195</u> | <u>7,268</u> | <u>43,396</u> | <u>259,699</u> | <u>155,122</u> | <u>28,822</u> | <u>46,791</u> |
| EXPENDITURES | | | | | | | | | |
| General Government | 67,094 | 6,080 | - | - | - | 190,598 | 159,610 | - | 39,253 |
| Public Safety | - | - | 268,932 | - | - | - | - | - | - |
| Health and Social Services | - | - | - | - | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - | - | - | - | - |
| Roads, Bridges and Rights-of-Way | - | - | - | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - | - | - | - | - |
| Total Expenditures | <u>67,094</u> | <u>6,080</u> | <u>268,932</u> | <u>-</u> | <u>-</u> | <u>190,598</u> | <u>159,610</u> | <u>-</u> | <u>39,253</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(23,266)</u> | <u>(6,045)</u> | <u>(121,737)</u> | <u>7,268</u> | <u>43,396</u> | <u>69,101</u> | <u>(4,488)</u> | <u>28,822</u> | <u>7,538</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | |
| Transfers In | - | - | 100,000 | - | - | - | - | - | - |
| Transfers Out | - | - | - | - | - | - | - | - | - |
| Sale of Capital Assets | - | - | - | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>100,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | <u>(23,266)</u> | <u>(6,045)</u> | <u>(21,737)</u> | <u>7,268</u> | <u>43,396</u> | <u>69,101</u> | <u>(4,488)</u> | <u>28,822</u> | <u>7,538</u> |
| Fund Balances - Beginning | <u>143,997</u> | <u>7,257</u> | <u>59,584</u> | <u>58,193</u> | <u>138,152</u> | <u>171,818</u> | <u>995,454</u> | <u>212,673</u> | <u>359,200</u> |
| Fund Balances - Ending | <u>\$ 120,731</u> | <u>\$ 1,212</u> | <u>\$ 37,847</u> | <u>\$ 65,461</u> | <u>\$ 181,548</u> | <u>\$ 240,919</u> | <u>\$ 990,966</u> | <u>\$ 241,495</u> | <u>\$ 366,738</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, 2019

(Continued)

| | Supplemental | | | Law | | | | | |
|--|--|-------------------------------------|-------------------------------|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-----------------------------------|-------------------------|
| | Court-initiated Guardianship Fee | Pretrial Intervention Program | Court Reporter Services | Sheriff's Commissary | Sheriff Forfeitures Post-10/89 | Enforcement Continued Education | Constable Pct 3 Forfeitures | Constable Pct 4 Forfeitures | Emergency Management |
| REVENUES | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - | 34,841 | - | - | - |
| Charges for Services | 21,516 | 46,304 | 120,242 | - | - | - | - | - | - |
| Fines and Forfeitures | - | - | - | - | 191,745 | - | - | - | - |
| Investment Earnings | 2,378 | 2,974 | 6,518 | 19,507 | 11,005 | 3,164 | 219 | 74 | 14,703 |
| Miscellaneous | - | - | - | 695,572 | 4,944 | 650 | - | - | 500 |
| Total Revenues | <u>23,894</u> | <u>49,278</u> | <u>126,760</u> | <u>715,079</u> | <u>207,694</u> | <u>38,655</u> | <u>219</u> | <u>74</u> | <u>15,203</u> |
| EXPENDITURES | | | | | | | | | |
| General Government | 28,874 | - | 11,101 | - | - | - | - | - | - |
| Public Safety | - | - | - | 481,699 | 24,431 | 26,845 | - | - | - |
| Health and Social Services | - | - | - | - | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - | - | - | - | - |
| Roads, Bridges and Rights-of-Way | - | - | - | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | 20,870 | - | - | - | - |
| Total Expenditures | <u>28,874</u> | <u>-</u> | <u>11,101</u> | <u>481,699</u> | <u>45,301</u> | <u>26,845</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(4,980)</u> | <u>49,278</u> | <u>115,659</u> | <u>233,380</u> | <u>162,393</u> | <u>11,810</u> | <u>219</u> | <u>74</u> | <u>15,203</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | |
| Transfers In | - | - | - | - | - | - | 12,436 | - | - |
| Transfers Out | - | - | - | - | - | - | - | (12,436) | - |
| Sale of Capital Assets | - | - | - | - | 2,786 | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,786</u> | <u>-</u> | <u>12,436</u> | <u>(12,436)</u> | <u>-</u> |
| Net Change in Fund Balances | <u>(4,980)</u> | <u>49,278</u> | <u>115,659</u> | <u>233,380</u> | <u>165,179</u> | <u>11,810</u> | <u>12,655</u> | <u>(12,362)</u> | <u>15,203</u> |
| Fund Balances - Beginning | <u>139,445</u> | <u>135,678</u> | <u>300,551</u> | <u>1,417,614</u> | <u>575,730</u> | <u>159,124</u> | <u>-</u> | <u>15,960</u> | <u>793,552</u> |
| Fund Balances - Ending | <u>\$ 134,465</u> | <u>\$ 184,956</u> | <u>\$ 416,210</u> | <u>\$ 1,650,994</u> | <u>\$ 740,909</u> | <u>\$ 170,934</u> | <u>\$ 12,655</u> | <u>\$ 3,598</u> | <u>\$ 808,755</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, 2019

| | Farm-to- Lateral Road | Galveston County Road District #1 | Flood Control | Mosquito Control District | Galveston County Beach And Parks | Museum And Historical Community | Total Nonmajor Special Revenue Funds |
|--|-----------------------------|---|--------------------|---------------------------------|---|--|--|
| REVENUES | | | | | | | |
| Taxes | \$ 122 | \$ - | \$ 591,844 | \$ 566,153 | \$ - | \$ - | \$ 1,167,487 |
| Intergovernmental | 25,042 | - | - | - | - | - | 123,377 |
| Charges for Services | - | 540,694 | 108,224 | - | 809,776 | - | 3,648,359 |
| Fines and Forfeitures | - | - | - | - | - | - | 271,246 |
| Investment Earnings | 25,852 | 39,717 | 19,847 | 145 | 80,999 | 97 | 388,328 |
| Miscellaneous | 73,393 | - | 300,009 | 45,144 | 20 | 24 | 1,126,557 |
| Total Revenues | <u>124,409</u> | <u>580,411</u> | <u>1,019,924</u> | <u>611,442</u> | <u>890,795</u> | <u>121</u> | <u>6,725,354</u> |
| EXPENDITURES | | | | | | | |
| General Government | - | - | 107,745 | - | - | - | 1,293,276 |
| Public Safety | - | - | 1,642,539 | - | - | - | 2,444,446 |
| Health and Social Services | - | - | - | 1,203,583 | - | - | 1,210,436 |
| Culture and Recreation | - | - | - | - | 578,036 | - | 578,036 |
| Roads, Bridges and Rights-of-Way | 106,059 | 228,821 | - | - | - | - | 334,880 |
| Capital Outlay | 12,392 | - | 1,094,092 | 146,901 | 705,510 | - | 5,141,379 |
| Total Expenditures | <u>118,451</u> | <u>228,821</u> | <u>2,844,376</u> | <u>1,350,484</u> | <u>1,283,546</u> | <u>-</u> | <u>11,002,453</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>5,958</u> | <u>351,590</u> | <u>(1,824,452)</u> | <u>(739,042)</u> | <u>(392,751)</u> | <u>121</u> | <u>(4,277,099)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers In | - | - | 275,000 | 1,050,000 | 759,770 | - | 5,386,512 |
| Transfers Out | - | - | - | - | - | - | (12,436) |
| Sale of Capital Assets | - | - | 23,487 | 5,844 | 5,748 | - | 37,865 |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>298,487</u> | <u>1,055,844</u> | <u>765,518</u> | <u>-</u> | <u>5,411,941</u> |
| Net Change in Fund Balances | 5,958 | 351,590 | (1,525,965) | 316,802 | 372,767 | 121 | 1,134,842 |
| Fund Balances - Beginning | <u>1,405,712</u> | <u>2,015,248</u> | <u>1,833,446</u> | <u>566,552</u> | <u>3,980,006</u> | <u>6,345</u> | <u>20,054,988</u> |
| Fund Balances - Ending | <u>\$ 1,411,670</u> | <u>\$ 2,366,838</u> | <u>\$ 307,481</u> | <u>\$ 883,354</u> | <u>\$ 4,352,773</u> | <u>\$ 6,466</u> | <u>\$ 21,189,830</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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 97,000 | \$ 96,312 | \$ (688) |
| Investment Earnings | 2,050 | 9,228 | 7,178 |
| Miscellaneous | <u>1,400</u> | <u>-</u> | <u>(1,400)</u> |
| Total Revenues | <u>100,450</u> | <u>105,540</u> | <u>5,090</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Personal Services | 56,081 | 55,688 | 393 |
| Supplies | <u>2,000</u> | <u>-</u> | <u>2,000</u> |
| Total General Government | <u>58,081</u> | <u>55,688</u> | <u>2,393</u> |
| Total Expenditures | <u>58,081</u> | <u>55,688</u> | <u>2,393</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>42,369</u> | <u>49,852</u> | <u>7,483</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Budgeted Contingencies Used | <u>(200,000)</u> | <u>-</u> | <u>200,000</u> |
| Net Change in Fund Balance | (157,631) | 49,852 | 207,483 |
| Fund Balance - Beginning | <u>477,499</u> | <u>477,499</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 319,868</u> | <u>\$ 527,351</u> | <u>\$ 207,483</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, 2019

| | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|--|-------------------------|---------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 797,000 | \$ 775,443 | \$ (21,557) |
| Investment Earnings | 8,100 | 58,801 | 50,701 |
| Miscellaneous | 8,100 | 22 | (8,078) |
| Total Revenues | 813,200 | 834,266 | 21,066 |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Personal Services | 231,573 | 231,576 | (3) |
| Supplies | 54,450 | 31,015 | 23,435 |
| Other Services and Charges | 267,817 | 135,616 | 132,201 |
| Total General Government | 553,840 | 398,207 | 155,633 |
| Capital Outlay | 440,550 | 47,433 | 393,117 |
| Total Expenditures | 994,390 | 445,640 | 548,750 |
| Excess (Deficiency) of Revenues over (under) Expenditures | (181,190) | 388,626 | 569,816 |
| OTHER FINANCING SOURCES (USES) | | | |
| Budgeted Contingencies Used | (250,000) | - | 250,000 |
| Net Change in Fund Balance | (431,190) | 388,626 | 819,816 |
| Fund Balance - Beginning | 3,048,831 | 3,048,831 | - |
| Fund Balance - Ending | \$ 2,617,641 | \$ 3,437,457 | \$ 819,816 |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
ELECTION SERVICES CONTRACT SPECIAL REVENUE FUND
For the Year Ended September 30, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|--------------------------|----------------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 195,000 | \$ 489,651 | \$ 294,651 |
| Investment Earnings | <u>3,900</u> | <u>28,744</u> | <u>24,844</u> |
| Total Revenues | <u>198,900</u> | <u>518,395</u> | <u>319,495</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Personal Services | 136,705 | 107,830 | 28,875 |
| Supplies | 30,500 | 6,027 | 24,473 |
| Other Services and Charges | <u>46,500</u> | <u>244</u> | <u>46,256</u> |
| Total General Government | 213,705 | 114,101 | 99,604 |
| Capital Outlay | <u>3,189,306</u> | <u>3,114,181</u> | <u>75,125</u> |
| Total Expenditures | <u>3,403,011</u> | <u>3,228,282</u> | <u>174,729</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(3,204,111)</u> | <u>(2,709,887)</u> | <u>494,224</u> |
| Other Financing Sources (Uses) | | | |
| Transfers In | 3,189,306 | 3,189,306 | - |
| Transfers Out | <u>(200,000)</u> | <u>-</u> | <u>200,000</u> |
| Total Other Financing Sources (Uses) | <u>2,989,306</u> | <u>3,189,306</u> | <u>200,000</u> |
| Net Change in Fund Balances | (214,805) | 479,419 | 694,224 |
| Fund Balance - Beginning | <u>526,222</u> | <u>526,222</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 311,417</u></u> | <u><u>\$ 1,005,641</u></u> | <u><u>\$ 694,224</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, 2019**

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|-------------------------|-------------------------|---|
| REVENUES | | | |
| Intergovernmental | \$ 2,800 | \$ 2,350 | \$ (450) |
| Investment Earnings | <u>400</u> | <u>951</u> | <u>551</u> |
| Total Revenues | <u>3,200</u> | <u>3,301</u> | <u>101</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Personal Services | <u>48,203</u> | <u>-</u> | <u>48,203</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | (45,003) | 3,301 | 48,304 |
| Fund Balance - Beginning | <u>50,227</u> | <u>50,227</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 5,224</u></u> | <u><u>\$ 53,528</u></u> | <u><u>\$ 48,304</u></u> |

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, 2019

| | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|--|-------------------------|-------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 58,500 | \$ 62,399 | \$ 3,899 |
| Investment Earnings | 850 | 5,107 | 4,257 |
| Total Revenues | 59,350 | 67,506 | 8,156 |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Other Services and Charges | 54,000 | 53,664 | 336 |
| Excess (Deficiency) of Revenues over (under) Expenditures | 5,350 | 13,842 | 8,492 |
| OTHER FINANCING SOURCES (USES) | | | |
| Budgeted Contingencies Used | (46,000) | - | 46,000 |
| Net Change in Fund Balance | (40,650) | 13,842 | 54,492 |
| Fund Balance - Beginning | 257,171 | 257,171 | - |
| Fund Balance - Ending | \$ 216,521 | \$ 271,013 | \$ 54,492 |

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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Intergovernmental | \$ 90,700 | \$ 21,144 | \$ (69,556) |
| Investment Earnings | 2,100 | 65 | (2,035) |
| Miscellaneous | <u>-</u> | <u>45</u> | <u>45</u> |
| Total Revenues | <u>92,800</u> | <u>21,254</u> | <u>(71,546)</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Personal Services | 79,714 | 14,230 | 65,484 |
| Supplies | 10,500 | 4,727 | 5,773 |
| Other Services and Charges | <u>5,800</u> | <u>4,723</u> | <u>1,077</u> |
| Total General Government | <u>96,014</u> | <u>23,680</u> | <u>72,334</u> |
| Total Expenditures | <u>96,014</u> | <u>23,680</u> | <u>72,334</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | (3,214) | (2,426) | 788 |
| Fund Balance - Beginning | <u>1</u> | <u>1</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ (3,213)</u> | <u>\$ (2,425)</u> | <u>\$ 788</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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|-------------------------|---|
| REVENUES | | | |
| Taxes | \$ 55,000 | \$ 9,368 | \$ (45,632) |
| Investment Earnings | <u>8,300</u> | <u>19,174</u> | <u>10,874</u> |
| Total Revenues | <u>63,300</u> | <u>28,542</u> | <u>(34,758)</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Personal Services | 15,924 | 15,923 | 1 |
| Supplies | 25,100 | 12,717 | 12,383 |
| Other Services and Charges | <u>13,126</u> | <u>8,941</u> | <u>4,185</u> |
| Total General Government | <u>54,150</u> | <u>37,581</u> | <u>16,569</u> |
| Total Expenditures | <u>54,150</u> | <u>37,581</u> | <u>16,569</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 9,150 | (9,039) | (18,189) |
| Fund Balance - Beginning | <u>94,330</u> | <u>94,330</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 103,480</u></u> | <u><u>\$ 85,291</u></u> | <u><u>\$ (18,189)</u></u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY AND DISTRICT COURT TECHNOLOGY SPECIAL REVENUE FUND
For the Year Ended September 30, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 10,200 | \$ 8,390 | \$ (1,810) |
| Investment Earnings | <u>450</u> | <u>1,462</u> | <u>1,012</u> |
| Total Revenues | <u>10,650</u> | <u>9,852</u> | <u>(798)</u> |
| EXPENDITURES | | | |
| | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 10,650 | 9,852 | (798) |
| Fund Balance - Beginning | <u>74,776</u> | <u>74,776</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 85,426</u> | <u>\$ 84,628</u> | <u>\$ (798)</u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DONATIONS TO GALVESTON COUNTY SPECIAL REVENUE FUND
For the Year Ended September 30, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|------------------|---|
| REVENUES | | | |
| Investment Earnings | \$ 400 | \$ 584 | \$ 184 |
| EXPENDITURES | | | |
| Health and Social Services: | | | |
| Current: | | | |
| Other Services and Charges | 20,000 | 6,853 | 13,147 |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(19,600)</u> | <u>(6,269)</u> | <u>13,331</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Budgeted Contingencies Used | (20,000) | - | 20,000 |
| Net Change in Fund Balances | (39,600) | (6,269) | 33,331 |
| Fund Balance - Beginning | <u>34,640</u> | <u>34,640</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ (4,960)</u> | <u>\$ 28,371</u> | <u>\$ 33,331</u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
DISTRICT ATTORNEY FORFEITURES AFTER 10/89 SPECIAL REVENUE FUND
For the Year Ended September 30, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|-------------------|---|
| REVENUES | | | |
| Fines and Forfeitures | \$ 35,000 | \$ 39,005 | \$ 4,005 |
| Investment Earnings | 600 | 2,419 | 1,819 |
| Miscellaneous | <u>-</u> | <u>2,404</u> | <u>2,404</u> |
| Total Revenues | <u>35,600</u> | <u>43,828</u> | <u>8,228</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Supplies | 33,000 | - | 33,000 |
| Other Services and Charges | <u>111,125</u> | <u>67,094</u> | <u>44,031</u> |
| Total General Government | <u>144,125</u> | <u>67,094</u> | <u>77,031</u> |
| Total Expenditures | <u>144,125</u> | <u>67,094</u> | <u>77,031</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | (108,525) | (23,266) | 85,259 |
| Fund Balance - Beginning | <u>143,997</u> | <u>143,997</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 35,472</u> | <u>\$ 120,731</u> | <u>\$ 85,259</u> |

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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|-----------------|---|
| REVENUES | | | |
| Investment Earnings | \$ - | \$ 35 | \$ 35 |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Personal Services | 1,150 | - | 1,150 |
| Other Services and Charges | <u>6,106</u> | <u>6,080</u> | <u>26</u> |
| Total General Government: | <u>7,256</u> | <u>6,080</u> | <u>1,176</u> |
| Total Expenditures | <u>7,256</u> | <u>6,080</u> | <u>1,176</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | (7,256) | (6,045) | 1,211 |
| Fund Balance - Beginning | <u>7,257</u> | <u>7,257</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 1</u> | <u>\$ 1,212</u> | <u>\$ 1,211</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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|-------------------------|-------------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 150,500 | \$ 146,264 | \$ (4,236) |
| Investment Earnings | <u>85</u> | <u>931</u> | <u>846</u> |
| Total Revenues | <u>150,585</u> | <u>147,195</u> | <u>(3,390)</u> |
| EXPENDITURES | | | |
| Public Safety: | | | |
| Current: | | | |
| Personal Services | <u>268,932</u> | <u>268,932</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(118,347)</u> | <u>(121,737)</u> | <u>(3,390)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 100,000 | 100,000 | - |
| Budgeted Contingencies Used | <u>(10,335)</u> | <u>-</u> | <u>10,335</u> |
| Total Other Financing Sources (Uses) | <u>89,665</u> | <u>100,000</u> | <u>10,335</u> |
| Net Change in Fund Balance | (28,682) | (21,737) | 6,945 |
| Fund Balance - Beginning | <u>59,584</u> | <u>59,584</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 30,902</u></u> | <u><u>\$ 37,847</u></u> | <u><u>\$ 6,945</u></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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|-------------------------|-------------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 8,400 | \$ 6,139 | \$ (2,261) |
| Investment Earnings | <u>300</u> | <u>1,129</u> | <u>829</u> |
| Total Revenues | <u>8,700</u> | <u>7,268</u> | <u>(1,432)</u> |
| EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 8,700 | 7,268 | (1,432) |
| Fund Balance - Beginning | <u>58,193</u> | <u>58,193</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 66,893</u></u> | <u><u>\$ 65,461</u></u> | <u><u>\$ (1,432)</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, 2019**

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Fines and Forfeitures | \$ 35,000 | \$ 40,496 | \$ 5,496 |
| Investment Earnings | <u>600</u> | <u>2,900</u> | <u>2,300</u> |
| Total Revenues | <u>35,600</u> | <u>43,396</u> | <u>7,796</u> |
| EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 35,600 | 43,396 | 7,796 |
| Fund Balance - Beginning | <u>138,152</u> | <u>138,152</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 173,752</u></u> | <u><u>\$ 181,548</u></u> | <u><u>\$ 7,796</u></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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 206,300 | \$ 255,714 | \$ 49,414 |
| Investment Earnings | 400 | 280 | (120) |
| Miscellaneous | <u>200</u> | <u>3,705</u> | <u>3,505</u> |
| Total Revenues | <u>206,900</u> | <u>259,699</u> | <u>52,799</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Supplies | 191,000 | 190,598 | 402 |
| Other Services and Charges | <u>2,000</u> | <u>-</u> | <u>2,000</u> |
| Total General Government | 193,000 | 190,598 | 2,402 |
| Total Expenditures | <u>193,000</u> | <u>190,598</u> | <u>2,402</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>13,900</u> | <u>69,101</u> | <u>55,201</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Budgeted Contingencies Used | <u>(60,000)</u> | <u>-</u> | <u>60,000</u> |
| Net Change in Fund Balance | (46,100) | 69,101 | 115,201 |
| Fund Balance - Beginning | <u>171,818</u> | <u>171,818</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 125,718</u> | <u>\$ 240,919</u> | <u>\$ 115,201</u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ALTERNATIVE DISPUTE RESOLUTION SPECIAL REVENUE FUND
For the Year Ended September 30, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 116,200 | \$ 136,613 | \$ 20,413 |
| Fines and Forfeitures | 800 | - | (800) |
| Investment Earnings | 3,600 | 18,384 | 14,784 |
| Miscellaneous | - | 125 | 125 |
| Total Revenues | <u>120,600</u> | <u>155,122</u> | <u>34,522</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Other Services and Charges | <u>178,000</u> | <u>159,610</u> | <u>18,390</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(57,400)</u> | <u>(4,488)</u> | <u>52,912</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Budgeted Contingencies Used | <u>(440,000)</u> | <u>-</u> | <u>440,000</u> |
| Net Change in Fund Balance | (497,400) | (4,488) | 492,912 |
| Fund Balance - Beginning | <u>995,454</u> | <u>995,454</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 498,054</u></u> | <u><u>\$ 990,966</u></u> | <u><u>\$ 492,912</u></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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 81,400 | \$ 24,678 | \$ (56,722) |
| Investment Earnings | 1,000 | 4,144 | 3,144 |
| Total Revenues | <u>82,400</u> | <u>28,822</u> | <u>(53,578)</u> |
| EXPENDITURES | | | |
| | - | - | - |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>82,400</u> | <u>28,822</u> | <u>(53,578)</u> |
| Other Financing Sources (Uses) | | | |
| Transfers Out | <u>(50,000)</u> | - | <u>50,000</u> |
| Net Change in Fund Balances | 32,400 | 28,822 | (3,578) |
| Fund Balance - Beginning | <u>212,673</u> | <u>212,673</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 245,073</u></u> | <u><u>\$ 241,495</u></u> | <u><u>\$ (3,578)</u></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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Intergovernmental | \$ 40,000 | \$ 40,000 | \$ - |
| Investment Earnings | <u>1,400</u> | <u>6,791</u> | <u>5,391</u> |
| Total Revenues | <u>41,400</u> | <u>46,791</u> | <u>5,391</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Supplies | 4,000 | 3,311 | 689 |
| Other Services and Charges | <u>37,500</u> | <u>35,942</u> | <u>1,558</u> |
| Total General Government | <u>41,500</u> | <u>39,253</u> | <u>2,247</u> |
| Total Expenditures | <u>41,500</u> | <u>39,253</u> | <u>2,247</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(100)</u> | <u>7,538</u> | <u>7,638</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Budgeted Contingencies Used | <u>(200,000)</u> | <u>-</u> | <u>200,000</u> |
| Net Change in Fund Balance | <u>(200,100)</u> | <u>7,538</u> | <u>207,638</u> |
| Fund Balance - Beginning | <u>359,200</u> | <u>359,200</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 159,100</u></u> | <u><u>\$ 366,738</u></u> | <u><u>\$ 207,638</u></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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 22,000 | \$ 21,516 | \$ (484) |
| Investment Earnings | <u>550</u> | <u>2,378</u> | <u>1,828</u> |
| Total Revenues | <u>22,550</u> | <u>23,894</u> | <u>1,344</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Other Services and Charges | <u>30,000</u> | <u>28,874</u> | <u>1,126</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | (7,450) | (4,980) | 2,470 |
| Fund Balance - Beginning | <u>139,445</u> | <u>139,445</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 131,995</u></u> | <u><u>\$ 134,465</u></u> | <u><u>\$ 2,470</u></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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 44,000 | \$ 46,304 | \$ 2,304 |
| Investment Earnings | <u>500</u> | <u>2,974</u> | <u>2,474</u> |
| Total Revenues | <u>44,500</u> | <u>49,278</u> | <u>4,778</u> |
| EXPENDITURES | | | |
| | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 44,500 | 49,278 | 4,778 |
| Fund Balance - Beginning | <u>135,678</u> | <u>135,678</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 180,178</u></u> | <u><u>\$ 184,956</u></u> | <u><u>\$ 4,778</u></u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COURT REPORTER SERVICES SPECIAL REVENUE FUND
For the Year Ended September 30, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 100,000 | \$ 120,242 | \$ 20,242 |
| Investment Earnings | <u>1,000</u> | <u>6,518</u> | <u>5,518</u> |
| Total Revenues | <u>101,000</u> | <u>126,760</u> | <u>25,760</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Other Services and Charges | <u>16,500</u> | <u>11,101</u> | <u>5,399</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>84,500</u> | <u>115,659</u> | <u>31,159</u> |
| Other Financing Sources (Uses) | | | |
| Budgeted Contingencies Used | <u>(75,000)</u> | <u>-</u> | <u>75,000</u> |
| Net Change in Fund Balances | 9,500 | 115,659 | 106,159 |
| Fund Balance - Beginning | <u>300,551</u> | <u>300,551</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 310,051</u> | <u>\$ 416,210</u> | <u>\$ 106,159</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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|----------------------------|----------------------------|---|
| REVENUES | | | |
| Investment Earnings | \$ 10,800 | \$ 19,507 | \$ 8,707 |
| Miscellaneous | <u>883,000</u> | <u>695,572</u> | <u>(187,428)</u> |
| Total Revenues | <u>893,800</u> | <u>715,079</u> | <u>(178,721)</u> |
| EXPENDITURES | | | |
| Public Safety: | | | |
| Current: | | | |
| Other Services and Charges | <u>483,000</u> | <u>481,699</u> | <u>1,301</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 410,800 | 233,380 | (177,420) |
| Fund Balance - Beginning | <u>1,417,614</u> | <u>1,417,614</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 1,828,414</u></u> | <u><u>\$ 1,650,994</u></u> | <u><u>\$ (177,420)</u></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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|-------------------|---|
| REVENUES | | | |
| Fines and Forfeitures | \$ 70,671 | \$ 191,745 | \$ 121,074 |
| Investment Earnings | 2,450 | 11,005 | 8,555 |
| Miscellaneous | <u>2,000</u> | <u>4,944</u> | <u>2,944</u> |
| Total Revenues | <u>75,121</u> | <u>207,694</u> | <u>132,573</u> |
| EXPENDITURES | | | |
| Public Safety: | | | |
| Current: | | | |
| Supplies | 50,000 | 17,031 | 32,969 |
| Other Services and Charges | <u>50,000</u> | <u>7,400</u> | <u>42,600</u> |
| Total Public Safety | 100,000 | 24,431 | 75,569 |
| Capital Outlay | <u>60,000</u> | <u>20,870</u> | <u>39,130</u> |
| Total Expenditures | <u>160,000</u> | <u>45,301</u> | <u>114,699</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(84,879)</u> | <u>162,393</u> | <u>247,272</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Sale of Capital Assets | <u>-</u> | <u>2,786</u> | <u>2,786</u> |
| Net Change in Fund Balance | (84,879) | 165,179 | 250,058 |
| Fund Balance - Beginning | <u>575,730</u> | <u>575,730</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 490,851</u> | <u>\$ 740,909</u> | <u>\$ 250,058</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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|--------------------------|---|
| REVENUES | | | |
| Intergovernmental | \$ 35,405 | \$ 34,841 | \$ (564) |
| Investment Earnings | - | 3,164 | 3,164 |
| Miscellaneous | - | 650 | 650 |
| Total Revenues | <u>35,405</u> | <u>38,655</u> | <u>3,250</u> |
| EXPENDITURES | | | |
| Public Safety: | | | |
| Current: | | | |
| Other Services and Charges | <u>164,476</u> | <u>26,845</u> | <u>137,631</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | (129,071) | 11,810 | 140,881 |
| Fund Balance - Beginning | <u>159,124</u> | <u>159,124</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 30,053</u></u> | <u><u>\$ 170,934</u></u> | <u><u>\$ 140,881</u></u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
CONSTABLE PCT 3 FORFEITURES SPECIAL REVENUE FUND
For the Year Ended September 30, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|------------------|---|
| REVENUES | | | |
| Investment Earnings | \$ - | \$ 219 | \$ 219 |
| EXPENDITURES | | | |
| | - | - | - |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>-</u> | <u>219</u> | <u>219</u> |
| Other Financing Sources (Uses) | | | |
| Transfers In | <u>12,436</u> | <u>12,436</u> | <u>-</u> |
| Net Change in Fund Balances | 12,436 | 12,655 | 219 |
| Fund Balance - Beginning | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 12,436</u> | <u>\$ 12,655</u> | <u>\$ 219</u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
CONSTABLE PCT 4 FORFEITURES SPECIAL REVENUE FUND
For the Year Ended September 30, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|-----------------|---|
| REVENUES | | | |
| Investment Earnings | \$ 12 | \$ 74 | \$ 62 |
| EXPENDITURES | | | |
| | - | - | - |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>12</u> | <u>74</u> | <u>62</u> |
| Other Financing Sources (Uses) | | | |
| Transfers Out | <u>(12,436)</u> | <u>(12,436)</u> | <u>-</u> |
| Net Change in Fund Balances | <u>(12,424)</u> | <u>(12,362)</u> | <u>62</u> |
| Fund Balance - Beginning | <u>15,960</u> | <u>15,960</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 3,536</u> | <u>\$ 3,598</u> | <u>\$ 62</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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Investment Earnings | \$ 3,250 | \$ 14,703 | \$ 11,453 |
| Miscellaneous | <u>-</u> | <u>500</u> | <u>500</u> |
| Total Revenues | <u>3,250</u> | <u>15,203</u> | <u>11,953</u> |
| EXPENDITURES | | | |
| Public Safety: | | | |
| Current: | | | |
| Supplies | <u>10,010</u> | <u>-</u> | <u>10,010</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(6,760)</u> | <u>15,203</u> | <u>21,963</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Budgeted Contingencies Used | <u>(600,000)</u> | <u>-</u> | <u>600,000</u> |
| Net Change in Fund Balance | (606,760) | 15,203 | 621,963 |
| Fund Balance - Beginning | <u>793,552</u> | <u>793,552</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 186,792</u></u> | <u><u>\$ 808,755</u></u> | <u><u>\$ 621,963</u></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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|--------------------------|----------------------------|---|
| REVENUES | | | |
| Taxes | \$ 250 | \$ 122 | \$ (128) |
| Intergovernmental | 45,000 | 25,042 | (19,958) |
| Investment Earnings | 4,800 | 25,852 | 21,052 |
| Miscellaneous | <u>84,800</u> | <u>73,393</u> | <u>(11,407)</u> |
| Total Revenues | <u>134,850</u> | <u>124,409</u> | <u>(10,441)</u> |
| EXPENDITURES | | | |
| Roads, Bridges and Rights-of-Way: | | | |
| Current: | | | |
| Personal Services | 102,905 | 102,905 | - |
| Supplies | 3,000 | 1,044 | 1,956 |
| Other Services and Charges | <u>32,843</u> | <u>2,110</u> | <u>30,733</u> |
| Total Roads, Bridges and Rights-of-Way | 138,748 | 106,059 | 32,689 |
| Capital Outlay | <u>40,000</u> | <u>12,392</u> | <u>27,608</u> |
| Total Expenditures | <u>178,748</u> | <u>118,451</u> | <u>60,297</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(43,898)</u> | <u>5,958</u> | <u>49,856</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Budgeted Contingencies Used | <u>(750,000)</u> | <u>-</u> | <u>750,000</u> |
| Net Change in Fund Balance | (793,898) | 5,958 | 799,856 |
| Fund Balance - Beginning | <u>1,405,712</u> | <u>1,405,712</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>\$ 611,814</u></u> | <u><u>\$ 1,411,670</u></u> | <u><u>\$ 799,856</u></u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GALVESTON COUNTY ROAD DISTRICT #1 SPECIAL REVENUE FUND
For the Year Ended September 30, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|---------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 530,000 | \$ 540,694 | \$ 10,694 |
| Investment Earnings | <u>8,200</u> | <u>39,717</u> | <u>31,517</u> |
| Total Revenues | <u>538,200</u> | <u>580,411</u> | <u>42,211</u> |
| EXPENDITURES | | | |
| Roads, Bridges and Rights-of-Way: | | | |
| Current: | | | |
| Personal Services | 229,235 | 228,041 | 1,194 |
| Supplies | 2,000 | 780 | 1,220 |
| Other Services and Charges | <u>4,000</u> | <u>-</u> | <u>4,000</u> |
| Total Roads, Bridges and Rights-of-Way | <u>235,235</u> | <u>228,821</u> | <u>6,414</u> |
| Total Expenditures | <u>235,235</u> | <u>228,821</u> | <u>6,414</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>302,965</u> | <u>351,590</u> | <u>48,625</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Budgeted Contingencies Used | <u>(350,000)</u> | <u>-</u> | <u>350,000</u> |
| Net Change in Fund Balance | (47,035) | 351,590 | 398,625 |
| Fund Balance - Beginning | <u>2,015,248</u> | <u>2,015,248</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 1,968,213</u> | <u>\$ 2,366,838</u> | <u>\$ 398,625</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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|--------------------|---|
| REVENUES | | | |
| Taxes | \$ 582,545 | \$ 591,844 | \$ 9,299 |
| Charges for Services | 210,000 | 108,224 | (101,776) |
| Investment Earnings | 7,400 | 19,847 | 12,447 |
| Miscellaneous | <u>436,609</u> | <u>300,009</u> | <u>(136,600)</u> |
| Total Revenues | <u>1,236,554</u> | <u>1,019,924</u> | <u>(216,630)</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Current: | | | |
| Other Services and Charges | <u>384,100</u> | <u>107,745</u> | <u>276,355</u> |
| Total General Government | <u>384,100</u> | <u>107,745</u> | <u>276,355</u> |
| Public Safety: | | | |
| Current: | | | |
| Personal Services | 1,321,241 | 1,181,315 | 139,926 |
| Supplies | 231,900 | 211,302 | 20,598 |
| Other Services and Charges | <u>419,202</u> | <u>249,922</u> | <u>169,280</u> |
| Total Public Safety | 1,972,343 | 1,642,539 | 329,804 |
| Capital Outlay | 1,589,535 | 1,094,092 | 495,443 |
| Total Expenditures | <u>3,945,978</u> | <u>2,844,376</u> | <u>1,101,602</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(2,709,424)</u> | <u>(1,824,452)</u> | <u>884,972</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 275,000 | 275,000 | - |
| Sale of Capital Assets | - | 23,487 | 23,487 |
| Budgeted Contingencies Used | <u>(165)</u> | <u>-</u> | <u>165</u> |
| Total Other Financing Sources (Uses) | <u>274,835</u> | <u>298,487</u> | <u>23,652</u> |
| Net Change in Fund Balance | (2,434,589) | (1,525,965) | 908,624 |
| Fund Balance - Beginning | <u>1,833,446</u> | <u>1,833,446</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ (601,143)</u> | <u>\$ 307,481</u> | <u>\$ 908,624</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, 2019

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Taxes | \$ 586,323 | \$ 566,153 | \$ (20,170) |
| Investment Earnings | 1,500 | 145 | (1,355) |
| Miscellaneous | <u>1,000</u> | <u>45,144</u> | <u>44,144</u> |
| Total Revenues | <u>588,823</u> | <u>611,442</u> | <u>22,619</u> |
| EXPENDITURES | | | |
| Health and Social Services: | | | |
| Current: | | | |
| Personal Services | 655,414 | 628,832 | 26,582 |
| Supplies | 530,411 | 483,648 | 46,763 |
| Other Services and Charges | <u>135,722</u> | <u>91,103</u> | <u>44,619</u> |
| Total Health and Social Services | 1,321,547 | 1,203,583 | 117,964 |
| Capital Outlay | <u>218,750</u> | <u>146,901</u> | <u>71,849</u> |
| Total Expenditures | <u>1,540,297</u> | <u>1,350,484</u> | <u>189,813</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(951,474)</u> | <u>(739,042)</u> | <u>212,432</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 1,050,000 | 1,050,000 | - |
| Sale of Capital Assets | - | 5,844 | 5,844 |
| Budgeted Contingencies Used | <u>(181,150)</u> | <u>-</u> | <u>181,150</u> |
| Total Other Financing Sources (Uses) | <u>868,850</u> | <u>1,055,844</u> | <u>186,994</u> |
| Net Change in Fund Balance | (82,624) | 316,802 | 399,426 |
| Fund Balance - Beginning | <u>566,552</u> | <u>566,552</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 483,928</u> | <u>\$ 883,354</u> | <u>\$ 399,426</u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GALVESTON COUNTY BEACH AND PARKS SPECIAL REVENUE FUND
For the Year Ended September 30, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|---------------------|---|
| REVENUES | | | |
| Charges for Services | \$ 925,000 | \$ 809,776 | \$ (115,224) |
| Investment Earnings | 12,500 | 80,999 | 68,499 |
| Miscellaneous | <u>1,000</u> | <u>20</u> | <u>(980)</u> |
| Total Revenues | <u>938,500</u> | <u>890,795</u> | <u>(47,705)</u> |
| EXPENDITURES | | | |
| Culture and Recreation: | | | |
| Current: | | | |
| Personal Services | 457,081 | 380,249 | 76,832 |
| Supplies | 39,500 | 24,829 | 14,671 |
| Other Services and Charges | <u>245,800</u> | <u>172,958</u> | <u>72,842</u> |
| Total Culture and Recreation | 742,381 | 578,036 | 164,345 |
| Capital Outlay | <u>2,475,270</u> | <u>705,510</u> | <u>1,769,760</u> |
| Total Expenditures | <u>3,217,651</u> | <u>1,283,546</u> | <u>1,934,105</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(2,279,151)</u> | <u>(392,751)</u> | <u>1,886,400</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 759,770 | 759,770 | - |
| Sale of Capital Assets | <u>-</u> | <u>5,748</u> | <u>5,748</u> |
| Total Other Financing Sources (Uses) | <u>759,770</u> | <u>765,518</u> | <u>5,748</u> |
| Net Change in Fund Balance | (1,519,381) | 372,767 | 1,892,148 |
| Fund Balance - Beginning | <u>3,980,006</u> | <u>3,980,006</u> | <u>-</u> |
| Fund Balance - Ending | <u>\$ 2,460,625</u> | <u>\$ 4,352,773</u> | <u>\$ 1,892,148</u> |

GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MUSEUM AND HISTORICAL COMMUNITY SPECIAL REVENUE FUND
For the Year Ended September 30, 2019

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|---------------------------|------------------------|---|
| Investment Earnings | \$ - | \$ 97 | \$ 97 |
| Miscellaneous | - | 24 | 24 |
| Total Revenues | <u>-</u> | <u>121</u> | <u>121</u> |
| EXPENDITURES | | | |
| Culture and Recreation: | | | |
| Current: | | | |
| Supplies | <u>17,000</u> | - | <u>17,000</u> |
| Total Expenditures | <u>17,000</u> | - | <u>17,000</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | (17,000) | 121 | 17,121 |
| Fund Balance - Beginning | <u>6,345</u> | <u>6,345</u> | - |
| Fund Balance - Ending | <u><u>\$ (10,655)</u></u> | <u><u>\$ 6,466</u></u> | <u><u>\$ 17,121</u></u> |

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NONMAJOR
CAPITAL PROJECT FUNDS

LIMITED TAX FLOOD CONTROL BONDS SERIES 2017 – This fund was created to account for proceeds of \$6,000,000 from a December 28, 2017 bond issuance to be used to establish, construct, extend, maintain or improve a seawall, breakwater, levee, floodway and/or drainway within the county.

LIMITED TAX COUNTY BUILDING BONDS SERIES 2017A – This fund was created to account for proceeds of \$9,000,000 from a December 28, 2017 bond issuance to be used to purchase, construct, reconstruct, improve and/or equip county buildings or rooms for the housing of offices, courts, records or equipment, or for the conducting of other public business.

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 COUNTY BUILDING BONDS SERIES 2019 - This fund was created in fiscal year 2019 to account for proceeds of \$9,000,000 from a March 19, 2019 bond issuance to be used to purchase, construct, reconstruct, improve and/or equip buildings or rooms for the housing of offices, courts, records or equipment, or for the conducting of other public business.

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 | 314,000 |
| | <hr/> |
| | \$4,614,875 |
| | <hr/> |

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.

UNLIMITED TAX ROAD BONDS SERIES 2019 - This fund was created to account for proceeds of \$24,000,000 from a March 19, 2019 bond issuance to be used to construct, purchase, maintain and/or operate macadamized, graveled and paved roads and turnpikes.

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.

(Continued)

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2019**

| | Limited Tax Flood Control Series 2017 | Limited Tax Building Bonds Series 2017A | County Capital Projects Fund | Capital Replenishment Fund | Limited Tax County Building Bonds Series 2009B | Combination Tax and Revenue Certificates of Obligation Series 2003C | Limited Tax County Building Bonds 2019 | Limited Tax Criminal Justice Center Bonds Series 2003A | Parks Department Capital Projects Fund | Road Bonds Series 1987 |
|--|--|--|---------------------------------------|----------------------------------|--|--|--|--|--|------------------------------|
| ASSETS | | | | | | | | | | |
| Cash and Cash Equivalents | \$ - | \$ 5 | \$ 148,292 | \$ 716,020 | \$ 164,202 | \$ 39,249 | \$ 1,694,555 | \$ 12,983 | \$ 175,505 | \$ 10,848 |
| Investments | 6,093,235 | 9,026,317 | 335,774 | 1,621,267 | 228,479 | 88,871 | 3,836,942 | 29,396 | 397,393 | 24,562 |
| Total Assets | \$ 6,093,235 | \$ 9,026,322 | \$ 484,066 | \$ 2,337,287 | \$ 392,681 | \$ 128,120 | \$ 5,531,497 | \$ 42,379 | \$ 572,898 | \$ 35,410 |
| LIABILITIES | | | | | | | | | | |
| Accounts Payable | \$ 13,913 | \$ 38,394 | \$ 22,456 | \$ - | \$ - | \$ - | \$ - | \$ 1,054 | \$ - | \$ - |
| Unearned Revenue | - | 50 | - | - | - | - | - | - | - | - |
| Total Liabilities | 13,913 | 38,444 | 22,456 | - | - | - | - | 1,054 | - | - |
| FUND BALANCES | | | | | | | | | | |
| Restricted | 6,079,322 | 8,987,878 | - | - | 392,681 | 128,120 | 5,531,497 | 41,325 | 572,898 | 35,410 |
| Assigned | - | - | 461,610 | 2,337,287 | - | - | - | - | - | - |
| Total Fund Balances | 6,079,322 | 8,987,878 | 461,610 | 2,337,287 | 392,681 | 128,120 | 5,531,497 | 41,325 | 572,898 | 35,410 |
| Total Liabilities and Fund Balances | \$ 6,093,235 | \$ 9,026,322 | \$ 484,066 | \$ 2,337,287 | \$ 392,681 | \$ 128,120 | \$ 5,531,497 | \$ 42,379 | \$ 572,898 | \$ 35,410 |

**GALVESTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2019**

| | Pass-through Toll | | | | | | | Total Nonmajor Capital Projects Funds | |
|--|--|---|--|--|---|---------------------------------------|---|---|-----------------------------|
| | Unlimited Tax Road Bonds Series 2003B | Unlimited Tax Road Bonds Series 2001 | Revenue and Limited Tax Bonds Series 2007 | Unlimited Tax Road Bonds Series 2009A | Unlimited Tax Road Bonds Series 2019 | County Road and Bridge Projects | Limited Tax Flood Control Series 2009C | Certificates of Obligation Series 2008 | |
| ASSETS | | | | | | | | | |
| Cash and Cash Equivalents | \$ 1,937,997 | \$ 525,760 | \$ 3,789,227 | \$ 2,783,271 | \$ 7,400,317 | \$ 79,603 | \$ 536,600 | \$ 317,598 | \$ 20,332,032 |
| Investments | 10,547 | 874,380 | 32,463 | 2,911,927 | 16,756,362 | 180,242 | 77 | 3,209 | 42,451,443 |
| Total Assets | <u>\$ 1,948,544</u> | <u>\$ 1,400,140</u> | <u>\$ 3,821,690</u> | <u>\$ 5,695,198</u> | <u>\$ 24,156,679</u> | <u>\$ 259,845</u> | <u>\$ 536,677</u> | <u>\$ 320,807</u> | <u>\$ 62,783,475</u> |
| LIABILITIES | | | | | | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ 170,000 | \$ 1,951,585 | \$ - | \$ - | \$ - | \$ 2,197,402 |
| Unearned Revenue | - | - | - | - | - | - | - | - | 50 |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>170,000</u> | <u>1,951,585</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,197,452</u> |
| FUND BALANCES | | | | | | | | | |
| Restricted | 1,948,544 | 1,400,140 | 3,821,690 | 5,525,198 | 22,205,094 | - | 536,677 | 320,807 | 57,527,281 |
| Assigned | - | - | - | - | - | 259,845 | - | - | 3,058,742 |
| Total Fund Balances | <u>1,948,544</u> | <u>1,400,140</u> | <u>3,821,690</u> | <u>5,525,198</u> | <u>22,205,094</u> | <u>259,845</u> | <u>536,677</u> | <u>320,807</u> | <u>60,586,023</u> |
| Total Liabilities and Fund Balances | <u>\$ 1,948,544</u> | <u>\$ 1,400,140</u> | <u>\$ 3,821,690</u> | <u>\$ 5,695,198</u> | <u>\$ 24,156,679</u> | <u>\$ 259,845</u> | <u>\$ 536,677</u> | <u>\$ 320,807</u> | <u>\$ 62,783,475</u> |

(Continued)

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2019

| | Limited Tax Flood Control Series 2017 | Limited Tax Building Bonds Series 2017A | County Capital Projects Fund | Capital Replenishment Fund | Limited Tax County Building Bonds Series 2009B | Combination Tax and Revenue Certificates of Obligation Series 2003C | Limited Tax County Building Bonds 2019 | Limited Tax Criminal Justice Center Bonds Series 2003A | Parks Department Capital Projects Fund | Road Bonds Series 1987 |
|--|--|--|---------------------------------------|----------------------------------|--|--|--|--|--|------------------------------|
| REVENUES | | | | | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Investment Earnings | 152,520 | 224,987 | 22,684 | 39,406 | 6,830 | 2,326 | 48,947 | 528 | 10,444 | 644 |
| Miscellaneous | - | - | 3,437 | - | - | - | - | - | - | - |
| Total Revenues | <u>152,520</u> | <u>224,987</u> | <u>26,121</u> | <u>39,406</u> | <u>6,830</u> | <u>2,326</u> | <u>48,947</u> | <u>528</u> | <u>10,444</u> | <u>644</u> |
| EXPENDITURES | | | | | | | | | | |
| General Government | - | - | 1,033,369 | - | - | - | - | - | - | - |
| Roads, Bridges and Rights-of-Way | - | - | - | - | - | - | - | - | - | - |
| Capital Outlay | 173,986 | 336,309 | 1,294,935 | - | - | - | 3,517,450 | - | 3,393 | - |
| Total Expenditures | <u>173,986</u> | <u>336,309</u> | <u>2,328,304</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,517,450</u> | <u>-</u> | <u>3,393</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(21,466)</u> | <u>(111,322)</u> | <u>(2,302,183)</u> | <u>39,406</u> | <u>6,830</u> | <u>2,326</u> | <u>(3,468,503)</u> | <u>528</u> | <u>7,051</u> | <u>644</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Transfers In | - | - | 982,000 | 315,000 | - | - | 9,000,000 | - | - | - |
| Sale of Capital Asset | - | - | - | - | - | 142 | - | 19,470 | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>982,000</u> | <u>315,000</u> | <u>-</u> | <u>142</u> | <u>9,000,000</u> | <u>19,470</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | <u>(21,466)</u> | <u>(111,322)</u> | <u>(1,320,183)</u> | <u>354,406</u> | <u>6,830</u> | <u>2,468</u> | <u>5,531,497</u> | <u>19,998</u> | <u>7,051</u> | <u>644</u> |
| Fund Balances-Beginning | <u>6,100,788</u> | <u>9,099,200</u> | <u>1,781,793</u> | <u>1,982,881</u> | <u>385,851</u> | <u>125,652</u> | <u>-</u> | <u>21,327</u> | <u>565,847</u> | <u>34,766</u> |
| Fund Balances-Ending | <u>\$ 6,079,322</u> | <u>\$ 8,987,878</u> | <u>\$ 461,610</u> | <u>\$ 2,337,287</u> | <u>\$ 392,681</u> | <u>\$ 128,120</u> | <u>\$ 5,531,497</u> | <u>\$ 41,325</u> | <u>\$ 572,898</u> | <u>\$ 35,410</u> |

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2019

| | Unlimited Tax Road Bonds Series 2003B | Unlimited Tax Road Bonds Series 2001 | Pass-through Toll Revenue and Limited Tax Bonds Series 2007 | Unlimited Tax Road Bonds Series 2009A | Unlimited Tax Road Bonds Series 2019 | County Road and Bridge Projects | Limited Tax Flood Control Series 2009C | Certificates of Obligation Series 2008 | Total Nonmajor Capital Projects Funds |
|--|--|---|--|--|---|---------------------------------------|---|--|---|
| REVENUES | | | | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ 48,997 | \$ - | \$ - | \$ - | \$ - | \$ 48,997 |
| Investment Earnings | 26,329 | 24,775 | 51,720 | 120,459 | 156,679 | 4,721 | 7,233 | 4,345 | 905,577 |
| Miscellaneous | - | - | - | - | - | - | - | - | 3,437 |
| Total Revenues | <u>26,329</u> | <u>24,775</u> | <u>51,720</u> | <u>169,456</u> | <u>156,679</u> | <u>4,721</u> | <u>7,233</u> | <u>4,345</u> | <u>958,011</u> |
| EXPENDITURES | | | | | | | | | |
| General Government | - | - | - | - | - | - | - | - | 1,033,369 |
| Roads, Bridges and Rights-of-Way | - | - | - | 1,860,992 | 1,951,585 | - | - | - | 3,812,577 |
| Capital Outlay | - | - | - | - | - | - | - | - | 5,326,073 |
| Total Expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,860,992</u> | <u>1,951,585</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>10,172,019</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>26,329</u> | <u>24,775</u> | <u>51,720</u> | <u>(1,691,536)</u> | <u>(1,794,906)</u> | <u>4,721</u> | <u>7,233</u> | <u>4,345</u> | <u>(9,214,008)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | |
| Transfers In | - | - | - | - | 24,000,000 | - | - | - | 34,297,000 |
| Sale of Capital Asset | - | - | - | - | - | - | - | - | 19,612 |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>24,000,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>34,316,612</u> |
| Net Change in Fund Balances | 26,329 | 24,775 | 51,720 | (1,691,536) | 22,205,094 | 4,721 | 7,233 | 4,345 | 25,102,604 |
| Fund Balances-Beginning | <u>1,922,215</u> | <u>1,375,365</u> | <u>3,769,970</u> | <u>7,216,734</u> | <u>-</u> | <u>255,124</u> | <u>529,444</u> | <u>316,462</u> | <u>35,483,419</u> |
| Fund Balances-Ending | <u>\$ 1,948,544</u> | <u>\$ 1,400,140</u> | <u>\$ 3,821,690</u> | <u>\$ 5,525,198</u> | <u>\$ 22,205,094</u> | <u>\$ 259,845</u> | <u>\$ 536,677</u> | <u>\$ 320,807</u> | <u>\$ 60,586,023</u> |

**GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
LIMITED TAX FLOOD CONTROL BONDS SERIES 2017**

| | <u>Total Project Authorized</u> | <u>Reported in Prior Years</u> | <u>Current Year</u> | <u>Total</u> |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Investment Earnings | \$ 253,308 | \$ 100,788 | \$ 152,520 | \$ 253,308 |
| EXPENDITURES | | | | |
| Capital Outlay: | | | | |
| Highland Bayou Slope Stability | 1,500,000 | - | 59,850 | 59,850 |
| Highland Bayou Jay Rd Ditch | <u>1,500,000</u> | <u>-</u> | <u>114,136</u> | <u>114,136</u> |
| Total Expenditures | <u>3,000,000</u> | <u>-</u> | <u>173,986</u> | <u>173,986</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(2,746,692)</u> | <u>100,788</u> | <u>(21,466)</u> | <u>79,322</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | <u>6,000,000</u> | <u>6,000,000</u> | <u>-</u> | <u>6,000,000</u> |
| Net Change in Fund Balance | <u>\$ 3,253,308</u> | <u>\$ 6,100,788</u> | (21,466) | <u>\$ 6,079,322</u> |
| Fund Balance-Beginning | | | <u>6,100,788</u> | |
| Fund Balance-Ending | | | <u>\$ 6,079,322</u> | |

**GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
LIMITED TAX BUILDING BONDS SERIES 2017A**

| | <u>Total Project Authorized</u> | <u>Reported in Prior Years</u> | <u>Current Year</u> | <u>Total</u> |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Investment Earnings | \$ 324,187 | \$ 99,200 | \$ 224,987 | \$ 324,187 |
| EXPENDITURES | | | | |
| Capital Outlay: | | | | |
| Bacliff Annex | 280,350 | - | 11,235 | 11,235 |
| Road and Bridge Facility | <u>1,258,500</u> | <u>-</u> | <u>325,074</u> | <u>325,074</u> |
| Total Expenditures | <u>1,538,850</u> | <u>-</u> | <u>336,309</u> | <u>336,309</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(1,214,663)</u> | <u>99,200</u> | <u>(111,322)</u> | <u>(12,122)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | <u>9,000,000</u> | <u>9,000,000</u> | <u>-</u> | <u>9,000,000</u> |
| Net Change in Fund Balance | <u>\$ 7,785,337</u> | <u>\$ 9,099,200</u> | <u>(111,322)</u> | <u>\$ 8,987,878</u> |
| Fund Balance-Beginning | | | <u>9,099,200</u> | |
| Fund Balance-Ending | | | <u>\$ 8,987,878</u> | |

**GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
COUNTY CAPITAL PROJECTS FUND**

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 3,424,731 | \$ 3,424,731 | \$ - | \$ 3,424,731 |
| Investment Earnings | 67,329 | 44,645 | 22,684 | 67,329 |
| Miscellaneous | 219,687 | 216,250 | 3,437 | 219,687 |
| Total Revenues | 3,711,747 | 3,685,626 | 26,121 | 3,711,747 |
| EXPENDITURES | | | | |
| General Government: | | | | |
| Administration Costs | 3,865,704 | 2,401,038 | 1,033,369 | 3,434,407 |
| Capital Outlay: | | | | |
| IT Capital Projects | 7,872,122 | 7,307,797 | 1,294,935 | 8,602,732 |
| Law Enforcement Infrastructure | 1,737,798 | 1,384,881 | - | 1,384,881 |
| Jury Wheel | 160,000 | 105,361 | - | 105,361 |
| JB Park Arena | 30,000 | 27,569 | - | 27,569 |
| Galveston Fire/EMS Station | 3,382,283 | 3,382,283 | - | 3,382,283 |
| Total Expenditures | 17,047,907 | 14,608,929 | 2,328,304 | 16,937,233 |
| Excess (Deficiency) of Revenues over (under) Expenditures | (13,336,160) | (10,923,303) | (2,302,183) | (13,225,486) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 16,813,555 | 15,831,555 | 982,000 | 16,813,555 |
| Transfers Out | (3,975,674) | (3,975,674) | - | (3,975,674) |
| Sale of Capital Assets | 849,215 | 849,215 | - | 849,215 |
| Total Other Financing Sources (Uses) | 13,687,096 | 12,705,096 | 982,000 | 13,687,096 |
| Net Change in Fund Balance | \$ 350,936 | \$ 1,781,793 | (1,320,183) | \$ 461,610 |
| Fund Balance-Beginning | | | 1,781,793 | |
| Fund Balance-Ending | | | \$ 461,610 | |

**GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
CAPITAL REPLENISHMENT CAPITAL PROJECTS FUND**

| | <u>Total Project Authorized</u> | <u>Reported in Prior Years</u> | <u>Current Year</u> | <u>Total</u> |
|--|---|--|----------------------------|----------------------------|
| REVENUES | | | | |
| Investment Earnings | \$ 62,386 | \$ 22,980 | \$ 39,406 | \$ 62,386 |
| EXPENDITURES | | | | |
| Culture and Recreation: | | | | |
| Administration Costs | 14,100 | 14,100 | - | 14,100 |
| Capital Outlay: | | | | |
| Parks Capital Projects | 105,900 | 100,022 | - | 100,022 |
| Facilities Capital Projects | 142,624 | 140,977 | - | 140,977 |
| Total Expenditures | <u>262,624</u> | <u>255,099</u> | <u>-</u> | <u>255,099</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(200,238)</u> | <u>(232,119)</u> | <u>39,406</u> | <u>(192,713)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | <u>2,215,000</u> | <u>2,215,000</u> | <u>315,000</u> | <u>2,530,000</u> |
| Net Change in Fund Balance | <u><u>\$ 2,014,762</u></u> | <u><u>\$ 1,982,881</u></u> | 354,406 | <u><u>\$ 2,337,287</u></u> |
| Fund Balance-Beginning | | | <u>1,982,881</u> | |
| Fund Balance-Ending | | | <u><u>\$ 2,337,287</u></u> | |

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

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Investment Earnings | \$ 276,274 | \$ 269,444 | \$ 6,830 | \$ 276,274 |
| Miscellaneous | <u>177,270</u> | <u>177,270</u> | <u>-</u> | <u>177,270</u> |
| Total Revenues | <u>453,544</u> | <u>446,714</u> | <u>6,830</u> | <u>453,544</u> |
| EXPENDITURES | | | | |
| General Government: | | | | |
| Administration Costs | 1,076,490 | 1,085,641 | - | 1,085,641 |
| Capital Outlay: | | | | |
| Administration Costs | 700,000 | 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 |
| Llewellyn Bldg | 180,000 | 180,000 | - | 180,000 |
| 823 Grand Bacliff | 324,913 | 309,328 | - | 309,328 |
| Bond Issuance Costs | <u>679,393</u> | <u>679,393</u> | <u>-</u> | <u>679,393</u> |
| Total Expenditures | <u>45,549,016</u> | <u>43,516,802</u> | <u>-</u> | <u>43,516,802</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(45,095,472)</u> | <u>(43,070,088)</u> | <u>6,830</u> | <u>(43,063,258)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 500,000 | 500,000 | - | 500,000 |
| Face Value - Long Term Debt Issued | <u>42,955,939</u> | <u>42,955,939</u> | <u>-</u> | <u>42,955,939</u> |
| Total Other Financing Sources (Uses) | <u>43,455,939</u> | <u>43,455,939</u> | <u>-</u> | <u>43,455,939</u> |
| Net Change in Fund Balance | <u>\$ (1,639,533)</u> | <u>\$ 385,851</u> | 6,830 | <u>\$ 392,681</u> |
| Fund Balance-Beginning | | | <u>385,851</u> | |
| Fund Balance-Ending | | | <u>\$ 392,681</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

| | <u>Total Project Authorized</u> | <u>Reported in Prior Years</u> | <u>Current Year</u> | <u>Total</u> |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Investment Earnings | \$ 3,330,585 | \$ 3,328,259 | \$ 2,326 | \$ 3,330,585 |
| Miscellaneous | 25,629 | 25,629 | - | 25,629 |
| Total Revenues | <u>3,356,214</u> | <u>3,353,888</u> | <u>2,326</u> | <u>3,356,214</u> |
| EXPENDITURES | | | | |
| General Government: | | | | |
| Administration Costs | 882,533 | 882,553 | - | 882,553 |
| Capital Outlay: | | | | |
| Information Tech | 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 Capital Projects | 710,018 | 710,018 | - | 710,018 |
| Parks Capital 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> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(45,479,380)</u> | <u>(45,299,233)</u> | <u>2,326</u> | <u>(45,296,907)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 4,675,110 | 4,675,110 | - | 4,675,110 |
| Sale of Capital Asset | 142 | - | 142 | 142 |
| 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>45,425,027</u> | <u>45,424,885</u> | <u>142</u> | <u>45,425,027</u> |
| Net Change in Fund Balance | <u>\$ (54,353)</u> | <u>\$ 125,652</u> | <u>2,468</u> | <u>\$ 128,120</u> |
| Fund Balance-Beginning | | | <u>125,652</u> | |
| Fund Balance-Ending | | | <u>\$ 128,120</u> | |

**GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
LIMITED TAX COUNTY BUILDING BONDS 2019**

| | <u>Total Project Authorized</u> | <u>Reported in Prior Years</u> | <u>Current Year</u> | <u>Total</u> |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Investment Earnings | \$ 48,947 | \$ - | \$ 48,947 | \$ 48,947 |
| EXPENDITURES | | | | |
| Capital Outlay: | | | | |
| Justice Center Expansion | 3,525,000 | - | 3,517,450 | 3,517,450 |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(3,476,053)</u> | <u>-</u> | <u>(3,468,503)</u> | <u>(3,468,503)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 9,000,000 | - | 9,000,000 | 9,000,000 |
| Net Change in Fund Balance | <u>\$ 5,523,947</u> | <u>\$ -</u> | 5,531,497 | <u>\$ 5,531,497</u> |
| Fund Balance-Beginning | | | - | |
| Fund Balance-Ending | | | <u>\$ 5,531,497</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

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 668,187 | \$ 468,179 | \$ - | \$ 468,179 |
| Investment Earnings | <u>2,706,481</u> | <u>2,706,027</u> | <u>528</u> | <u>2,706,555</u> |
| Total Revenues | <u>3,374,668</u> | <u>3,174,206</u> | <u>528</u> | <u>3,174,734</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> |
| Total Expenditures | <u>64,058,944</u> | <u>64,056,844</u> | <u>-</u> | <u>64,056,844</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(60,684,276)</u> | <u>(60,882,638)</u> | <u>528</u> | <u>(60,882,110)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out | (75,195) | (75,195) | - | (75,195) |
| Sale of Capital Asset | 2,905,632 | 2,899,024 | 19,470 | 2,918,494 |
| 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> |
| Total Other Financing Sources (Uses) | <u>60,910,573</u> | <u>60,903,965</u> | <u>19,470</u> | <u>60,923,435</u> |
| Net Change in Fund Balance | <u>\$ 226,297</u> | <u>\$ 21,327</u> | 19,998 | <u>\$ 41,325</u> |
| Fund Balance-Beginning | | | <u>21,327</u> | |
| Fund Balance-Ending | | | <u>\$ 41,325</u> | |

**GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
PARKS DEPARTMENT CAPITAL PROJECTS FUND**

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|--------------------|
| REVENUES | | | | |
| Investment Earnings | \$ 31,885 | \$ 21,441 | \$ 10,444 | \$ 31,885 |
| EXPENDITURES | | | | |
| Capital Outlay: | | | | |
| Bayside Regional Park | 4,219,608 | 4,080,582 | 3,393 | 4,083,975 |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(4,187,723)</u> | <u>(4,059,141)</u> | <u>7,051</u> | <u>(4,052,090)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 4,747,808 | 4,747,808 | - | 4,747,808 |
| Transfers Out | <u>(122,820)</u> | <u>(122,820)</u> | <u>-</u> | <u>(122,820)</u> |
| Total Other Financing Sources (Uses) | <u>4,624,988</u> | <u>4,624,988</u> | <u>-</u> | <u>4,624,988</u> |
| Net Change in Fund Balance | <u>\$ 437,265</u> | <u>\$ 565,847</u> | 7,051 | <u>\$ 572,898</u> |
| Fund Balance-Beginning | | | <u>565,847</u> | |
| Fund Balance-Ending | | | <u>\$ 572,898</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**

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 1,360,155 | \$ 1,360,155 | \$ - | \$ 1,360,155 |
| Investment Earnings | 4,046,752 | 4,046,108 | 644 | 4,046,752 |
| Miscellaneous | <u>5,511</u> | <u>5,511</u> | <u>-</u> | <u>5,511</u> |
| Total Revenues | <u>5,412,418</u> | <u>5,411,774</u> | <u>644</u> | <u>5,412,418</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 | <u>1,967,983</u> | <u>1,920,783</u> | <u>-</u> | <u>1,920,783</u> |
| Total Expenditures | <u>20,833,545</u> | <u>20,802,517</u> | <u>-</u> | <u>20,802,517</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(15,421,127)</u> | <u>(15,390,743)</u> | <u>644</u> | <u>(15,390,099)</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 | <u>13,000,000</u> | <u>13,000,000</u> | <u>-</u> | <u>13,000,000</u> |
| Total Other Financing Sources (Uses) | <u>15,425,509</u> | <u>15,425,509</u> | <u>-</u> | <u>15,425,509</u> |
| Net Change in Fund Balance | <u>\$ 4,382</u> | <u>\$ 34,766</u> | 644 | <u>\$ 35,410</u> |
| Fund Balance-Beginning | | | <u>34,766</u> | |
| Fund Balance-Ending | | | <u>\$ 35,410</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

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 3,414,614 | \$ 3,414,614 | \$ - | \$ 3,414,614 |
| Investment Earnings | <u>2,152,540</u> | <u>2,126,211</u> | <u>26,329</u> | <u>2,152,540</u> |
| Total Revenues | <u>5,567,154</u> | <u>5,540,825</u> | <u>26,329</u> | <u>5,567,154</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 Road | 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 Road | 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 | <u>154,363</u> | <u>154,363</u> | <u>-</u> | <u>154,363</u> |
| Total Expenditures | <u>12,023,176</u> | <u>10,224,625</u> | <u>-</u> | <u>10,224,625</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(6,456,022)</u> | <u>(4,683,800)</u> | <u>26,329</u> | <u>(4,657,471)</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 | <u>(76,663)</u> | <u>(76,663)</u> | <u>-</u> | <u>(76,663)</u> |
| Total Other Financing Sources (Uses) | <u>6,606,015</u> | <u>6,606,015</u> | <u>-</u> | <u>6,606,015</u> |
| Net Change in Fund Balance | <u>\$ 149,993</u> | <u>\$ 1,922,215</u> | 26,329 | <u>\$ 1,948,544</u> |
| Fund Balance-Beginning | | | <u>1,922,215</u> | |
| Fund Balance-Ending | | | <u>\$ 1,948,544</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

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Investment Earnings | \$ 3,482,781 | \$ 3,458,006 | \$ 24,775 | \$ 3,482,781 |
| Miscellaneous | <u>825,323</u> | <u>825,323</u> | <u>-</u> | <u>825,323</u> |
| Total Revenues | <u>4,308,104</u> | <u>4,283,329</u> | <u>24,775</u> | <u>4,308,104</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 Road | 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 | <u>202,421</u> | <u>202,421</u> | <u>-</u> | <u>202,421</u> |
| Total Expenditures | <u>30,705,612</u> | <u>29,411,659</u> | <u>-</u> | <u>29,411,659</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(26,397,508)</u> | <u>(25,128,330)</u> | <u>24,775</u> | <u>(25,103,555)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Long Term Debt Issued | <u>26,503,695</u> | <u>26,503,695</u> | <u>-</u> | <u>26,503,695</u> |
| Net Change in Fund Balances | <u>\$ 106,187</u> | <u>\$ 1,375,365</u> | 24,775 | <u>\$ 1,400,140</u> |
| Fund Balances-Beginning | | | <u>1,375,365</u> | |
| Fund Balances-Ending | | | <u>\$ 1,400,140</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**

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 1,085,386 | \$ 1,085,386 | \$ - | \$ 1,085,386 |
| Investment Earnings | <u>3,255,466</u> | <u>3,203,746</u> | <u>51,720</u> | <u>3,255,466</u> |
| Total Revenues | <u>4,340,852</u> | <u>4,289,132</u> | <u>51,720</u> | <u>4,340,852</u> |
| EXPENDITURES | | | | |
| Roads, Bridges and Rights-of-Way: | | | | |
| FM 646 Pass Thru Toll Road | 44,058,697 | 40,494,061 | - | 40,494,061 |
| Capital Outlay: | | | | |
| FM 646 Pass Thru Toll Road | 25,100 | 25,101 | - | 25,101 |
| Bond Issuance Costs | <u>672,492</u> | <u>672,492</u> | <u>-</u> | <u>672,492</u> |
| Total Expenditures | <u>44,756,289</u> | <u>41,191,654</u> | <u>-</u> | <u>41,191,654</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(40,415,437)</u> | <u>(36,902,522)</u> | <u>51,720</u> | <u>(36,850,802)</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> |
| Total Other Financing Sources (Uses) | <u>40,672,492</u> | <u>40,672,492</u> | <u>-</u> | <u>40,672,492</u> |
| Net Change in Fund Balance | <u>\$ 257,055</u> | <u>\$ 3,769,970</u> | 51,720 | <u>\$ 3,821,690</u> |
| Fund Balance-Beginning | | | <u>3,769,970</u> | |
| Fund Balance-Ending | | | <u>\$ 3,821,690</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

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 1,763,602 | \$ 1,714,605 | \$ 48,997 | \$ 1,763,602 |
| Investment Earnings | 808,586 | 688,127 | 120,459 | 808,586 |
| Miscellaneous | <u>66,366</u> | <u>66,366</u> | <u>-</u> | <u>66,366</u> |
| Total Revenues | <u>2,638,554</u> | <u>2,469,098</u> | <u>169,456</u> | <u>2,638,554</u> |
| EXPENDITURES | | | | |
| Roads, Bridges and Rights-of-Way: | | | | |
| Non-County-Owned Roads | 55,425,485 | 52,974,879 | 1,860,992 | 54,835,871 |
| 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 | <u>1,129,895</u> | <u>1,129,895</u> | <u>-</u> | <u>1,129,895</u> |
| Total Expenditures | <u>69,944,634</u> | <u>67,511,546</u> | <u>1,860,992</u> | <u>69,372,538</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(67,306,080)</u> | <u>(65,042,448)</u> | <u>(1,691,536)</u> | <u>(66,733,984)</u> |
| | | | - | |
| OTHER FINANCING SOURCES (USES) | | | | |
| Face Value - Long Term Debt Issued | 71,593,226 | 71,593,226 | - | 71,593,226 |
| Sale of Capital Asset | <u>665,956</u> | <u>665,956</u> | <u>-</u> | <u>665,956</u> |
| Total Other Financing Sources (Uses) | <u>72,259,182</u> | <u>72,259,182</u> | <u>-</u> | <u>72,259,182</u> |
| Net Change in Fund Balance | <u>\$ 4,953,102</u> | <u>\$ 7,216,734</u> | (1,691,536) | <u>\$ 5,525,198</u> |
| Fund Balance-Beginning | | | <u>7,216,734</u> | |
| Fund Balance-Ending | | | <u>\$ 5,525,198</u> | |

**GALVESTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
BUDGET (PROJECT-LENGTH) AND ACTUAL
UNLIMITED TAX ROAD BONDS SERIES 2019 CAPITAL PROJECTS FUND**

| | <u>Total Project Authorized</u> | <u>Reported in Prior Years</u> | <u>Current Year</u> | <u>Total</u> |
|--|---|--|-------------------------|------------------------|
| REVENUES | | | | |
| Investment Earnings | \$ 156,679 | \$ - | \$ 156,679 | \$ 156,679 |
| Total Revenues | <u>156,679</u> | <u>-</u> | <u>156,679</u> | <u>156,679</u> |
| EXPENDITURES | | | | |
| Roads, Bridges and Rights-of-Way: League City Road Projects | <u>10,480,000</u> | <u>10,480,000</u> | <u>1,951,585</u> | <u>12,431,585</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(10,323,321)</u> | <u>(10,480,000)</u> | <u>(1,794,906)</u> | <u>(12,274,906)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | <u>24,000,000</u> | <u>-</u> | <u>24,000,000</u> | <u>24,000,000</u> |
| Net Change in Fund Balance | <u>\$ (10,323,321)</u> | <u>\$ (10,480,000)</u> | 22,205,094 | <u>\$ (12,274,906)</u> |
| Fund Balance-Beginning | | | <u>-</u> | |
| Fund Balance-Ending | | | <u>\$ 22,205,094</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**

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|-------------------|
| REVENUES | | | | |
| Charges for Services | \$ 315,808 | \$ 315,808 | \$ - | \$ 315,808 |
| Investment Earnings | <u>37,239</u> | <u>32,518</u> | <u>4,721</u> | <u>37,239</u> |
| Total Revenues | <u>353,047</u> | <u>348,326</u> | <u>4,721</u> | <u>353,047</u> |
| EXPENDITURES | | | | |
| Roads, Bridges and Rights-of-Way: | | | | |
| Administration Costs | 33,206 | 33,206 | - | 33,206 |
| Capital Outlay: | | | | |
| Grand Cay | 151,008 | 59,996 | - | 59,996 |
| FM 646 Pass Thru Toll Road | <u>8,200</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Expenditures | <u>192,414</u> | <u>93,202</u> | <u>-</u> | <u>93,202</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | \$ 160,633 | \$ 255,124 | 4,721 | \$ 259,845 |
| Net Change in Fund Balance | <u>\$ 160,633</u> | <u>\$ 255,124</u> | 4,721 | <u>\$ 259,845</u> |
| Fund Balance-Beginning | | | <u>255,124</u> | |
| Fund Balance-Ending | | | <u>\$ 259,845</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

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|---------------------|
| REVENUES | | | | |
| Investment Earnings | \$ 386,141 | \$ 378,908 | \$ 7,233 | \$ 386,141 |
| Miscellaneous | <u>272</u> | <u>271</u> | <u>-</u> | <u>271</u> |
| Total Revenues | <u>386,413</u> | <u>379,179</u> | <u>7,233</u> | <u>386,412</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 |
| 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> |
| Total Expenditures | <u>14,428,571</u> | <u>14,243,897</u> | <u>-</u> | <u>14,243,897</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(14,042,158)</u> | <u>(13,864,718)</u> | <u>7,233</u> | <u>(13,857,485)</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> |
| Total Other Financing Sources (Uses) | <u>14,394,162</u> | <u>14,394,162</u> | <u>-</u> | <u>14,394,162</u> |
| Net Change in Fund Balance | <u>\$ 352,004</u> | <u>\$ 529,444</u> | 7,233 | <u>\$ 536,677</u> |
| Fund Balance-Beginning | | | <u>529,444</u> | |
| Fund Balance-Ending | | | <u>\$ 536,677</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**

| | Total Project Authorized | Reported in Prior Years | Current Year | Total |
|--|---|--|-------------------------|--------------------|
| REVENUES | | | | |
| Investment Earnings | \$ 265,621 | \$ 261,276 | \$ 4,345 | \$ 265,621 |
| 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 | 5,280,557 | 5,244,614 | - | 5,244,614 |
| Excess (Deficiency) of Revenues over (under) Expenditures | (5,014,936) | (4,983,338) | 4,345 | (4,978,993) |
| 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 | (1,913,557) | (1,913,557) | - | (1,913,557) |
| Total Other Financing Sources (Uses) | 5,299,800 | 5,299,800 | - | 5,299,800 |
| Net Change in Fund Balance | \$ 284,864 | \$ 316,462 | 4,345 | \$ 320,807 |
| Fund Balance-Beginning | | | 316,462 | |
| Fund Balance-Ending | | | \$ 320,807 | |

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, 2019

| | Employee Benefits | Workers' Compensation | Unemployment | Self- Insurance Reserve | Total |
|--|------------------------------|----------------------------------|----------------------------|--|-----------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 944,871 | \$ 752,114 | \$ 335,157 | \$ 3,108,408 | \$ 5,140,550 |
| Investments | 1,902,207 | 1,702,982 | 758,887 | 7,038,295 | 11,402,371 |
| Receivables (Net of Allowances for Uncollectibles): | | | | | |
| Accounts and Other | 33,349 | - | - | 1,593 | 34,942 |
| Prepaid Items | 5,625 | - | - | - | 5,625 |
| Total Assets | <u>2,886,052</u> | <u>2,455,096</u> | <u>1,094,044</u> | <u>10,148,296</u> | <u>16,583,488</u> |
| LIABILITIES | | | | | |
| Accounts Payable | 1,298,233 | 116,632 | - | - | 1,414,865 |
| Salaries Payable | - | - | 4,279 | - | 4,279 |
| Estimated Liability - Claims | 883,745 | 446,900 | - | - | 1,330,645 |
| Total Liabilities | <u>2,181,978</u> | <u>563,532</u> | <u>4,279</u> | <u>-</u> | <u>2,749,789</u> |
| NET POSITION | | | | | |
| Unrestricted | <u>704,074</u> | <u>1,891,564</u> | <u>1,089,765</u> | <u>10,148,296</u> | <u>13,833,699</u> |
| Total Net Position | <u>\$ 704,074</u> | <u>\$ 1,891,564</u> | <u>\$ 1,089,765</u> | <u>\$ 10,148,296</u> | <u>\$ 13,833,699</u> |

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2019

| | <u>Employee Benefits</u> | <u>Workers' Compensation</u> | <u>Unemployment</u> | <u>Self- Insurance Reserve</u> | <u>Total</u> |
|---------------------------------------|------------------------------|----------------------------------|---------------------|--|----------------------|
| OPERATING REVENUES | | | | | |
| Charges for Services | \$ 13,771,405 | \$ 853,062 | \$ 234,897 | \$ 3,266,613 | \$ 18,125,977 |
| Insurance Recovery - County | - | - | - | 39,828 | 39,828 |
| Reimbursements | 1,631,917 | 307 | 81,849 | - | 1,714,073 |
| Total Operating Revenues | <u>15,403,322</u> | <u>853,369</u> | <u>316,746</u> | <u>3,306,441</u> | <u>19,879,878</u> |
| OPERATING EXPENSES | | | | | |
| Contract Services | \$ 2,088,356 | \$ 48,791 | \$ - | \$ - | \$ 2,137,147 |
| Insurance | 1,078,407 | 21,329 | 151,127 | 1,574,959 | 2,825,822 |
| Claims Paid | 15,490,456 | 331,890 | - | - | 15,822,346 |
| Supplies | 31,855 | - | - | - | 31,855 |
| Total Operating Expenses | <u>18,689,074</u> | <u>402,010</u> | <u>151,127</u> | <u>1,574,959</u> | <u>20,817,170</u> |
| Operating Income (Loss) | (3,285,752) | 451,359 | 165,619 | 1,731,482 | (937,292) |
| NON-OPERATING REVENUES | | | | | |
| Investment Earnings | 42,982 | 39,346 | 17,853 | 154,122 | 254,303 |
| Income (loss) before transfers | (3,242,770) | 490,705 | 183,472 | 1,885,604 | (682,989) |
| TRANSFERS | | | | | |
| Transfer from Other Funds | 2,500,000 | - | - | 52,017 | 2,552,017 |
| Repayment to Other Funds | - | - | - | (59,000) | (59,000) |
| Total Transfers | <u>2,500,000</u> | <u>-</u> | <u>-</u> | <u>(6,983)</u> | <u>2,493,017</u> |
| Change in Net Position | (742,770) | 490,705 | 183,472 | 1,878,621 | 1,810,028 |
| Total Net Position - Beginning | <u>1,446,844</u> | <u>1,400,859</u> | <u>906,293</u> | <u>8,269,675</u> | <u>12,023,671</u> |
| Total Net Position - Ending | <u>\$ 704,074</u> | <u>\$ 1,891,564</u> | <u>\$ 1,089,765</u> | <u>\$ 10,148,296</u> | <u>\$ 13,833,699</u> |

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2019

| | <u>Employee Benefits</u> | <u>Workers' Compensation</u> | <u>Unemployment</u> | <u>Self- Insurance Reserve</u> | <u>Total</u> |
|--|------------------------------|----------------------------------|--------------------------|--|----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Receipts from Outside Sources | \$ 13,892,733 | \$ 850,000 | \$ 234,897 | \$ 3,304,849 | \$ 18,282,479 |
| Payments to Suppliers | (3,439,506) | 34,744 | - | (1,574,959) | (4,979,721) |
| Payments to Employees | - | (22,278) | (44) | - | (22,322) |
| Payments for Claims | (15,490,456) | (331,890) | (151,127) | - | (15,973,473) |
| Other Operating Revenues | <u>1,631,917</u> | <u>3,062</u> | <u>81,849</u> | <u>-</u> | <u>1,716,828</u> |
| Net Cash Provided by (Used for) Operating Activities | (3,405,312) | 533,638 | 165,575 | 1,729,890 | (976,209) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | | |
| Transfer from Other Funds | 2,500,000 | - | - | 52,017 | 2,552,017 |
| Repayment to Other Funds | <u>-</u> | <u>-</u> | <u>-</u> | <u>(59,000)</u> | <u>(59,000)</u> |
| Net Cash Provided by (Used for) Noncapital Financing Activities | 2,500,000 | - | - | (6,983) | 2,493,017 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Purchase of Investments | (1,902,207) | (1,702,982) | (758,887) | (7,038,295) | (11,402,371) |
| Matured Investments | 3,206,775 | 1,627,081 | 787,227 | 7,149,128 | 12,770,211 |
| Investment Earnings | <u>42,982</u> | <u>39,346</u> | <u>17,853</u> | <u>154,122</u> | <u>254,303</u> |
| Net Cash Provided by (Used for) Investing Activities | 1,347,550 | (36,555) | 46,193 | 264,955 | 1,622,143 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 442,238 | 497,083 | 211,768 | 1,987,862 | 3,138,951 |
| Cash and Cash Equivalents October 1, 2018 | 502,633 | 255,031 | 123,389 | 1,120,546 | 2,001,599 |
| Cash and Cash Equivalents September 30, 2019 | <u>\$ 944,871</u> | <u>\$ 752,114</u> | <u>\$ 335,157</u> | <u>\$ 3,108,408</u> | <u>\$ 5,140,550</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities: | | | | | |
| Operating Income (Loss) | <u>\$ (3,285,752)</u> | <u>\$ 451,359</u> | <u>\$ 165,619</u> | <u>\$ 1,731,482</u> | <u>\$ (937,292)</u> |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities: | | | | | |
| (Increase) Decrease in Accounts Receivable | 121,328 | - | - | (1,592) | 119,736 |
| (Increase) Decrease in Prepaid Services | (5,625) | - | - | - | (5,625) |
| Increase (Decrease) in Accounts Payable | (235,263) | 83,535 | - | - | (151,728) |
| Increase (Decrease) in Salaries Payable | <u>-</u> | <u>(1,256)</u> | <u>(44)</u> | <u>-</u> | <u>(1,300)</u> |
| Total Adjustments | (119,560) | 82,279 | (44) | (1,592) | (38,917) |
| Net Cash Provided by (Used for) Operating Activities | <u>\$ (3,405,312)</u> | <u>\$ 533,638</u> | <u>\$ 165,575</u> | <u>\$ 1,729,890</u> | <u>\$ (976,209)</u> |

Fiduciary Funds

FIDUCIARY FUNDS

Fiduciary Funds consist of:

Trust Funds

Trust Funds report funds that are in an irrevocable trust and therefore cannot be modified, amended or terminated without the permission of the government's beneficiaries. The government, having transferred assets into the trust, effectively removes all of their rights of ownership to the assets and the trust.

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, 2019

| | DA Seized Funds | Sheriff Seized Funds | Criminal Investigative Division Seizures Post-10/89 | Task-force Seizures Pre-10/89 | Unclaimed Property | Payroll | Escrow | Bond Escrow | Tax Assessor- Collector Undistributed Collections |
|--|-------------------------|-------------------------|---|-------------------------------------|--------------------------|----------------------------|--------------------------|------------------------|--|
| ASSETS | | | | | | | | | |
| Cash and Cash Equivalents | \$ 49,599 | \$ 78,806 | \$ 6,032 | \$ 14,633 | \$ 203,114 | \$ 1,045,374 | \$ 942,615 | \$ 5,311 | \$ 6,721,835 |
| Investments | - | - | - | - | - | - | - | - | - |
| Receivables (Net of Allowances for Uncollectibles): | | | | | | | | | |
| Accounts and Other | - | - | - | - | - | 6,159 | 12,481 | - | - |
| Total Assets | <u>\$ 49,599</u> | <u>\$ 78,806</u> | <u>\$ 6,032</u> | <u>\$ 14,633</u> | <u>\$ 203,114</u> | <u>\$ 1,051,533</u> | <u>\$ 955,096</u> | <u>\$ 5,311</u> | <u>\$ 6,721,835</u> |
| LIABILITIES | | | | | | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,048,975 | \$ 8,435 | \$ - | \$ - |
| Due to Others | 49,599 | 78,806 | 6,032 | 14,633 | 158,732 | - | 9,616 | 5,311 | - |
| Due to Other Entities | - | - | - | - | 44,382 | 2,558 | - | - | 6,721,835 |
| Deposits Held | - | - | - | - | - | - | 937,045 | - | - |
| Total Liabilities | <u>\$ 49,599</u> | <u>\$ 78,806</u> | <u>\$ 6,032</u> | <u>\$ 14,633</u> | <u>\$ 203,114</u> | <u>\$ 1,051,533</u> | <u>\$ 955,096</u> | <u>\$ 5,311</u> | <u>\$ 6,721,835</u> |

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
September 30, 2019

| | <u>County Clerk Trust</u> | <u>District Clerk Trust</u> | <u>Inmate Deposits</u> | <u>Children's Protective Services - Escrow</u> | <u>Dickinson Bayou Steering Committee</u> | <u>TOTALS 2019</u> |
|--|-----------------------------------|-------------------------------------|----------------------------|--|---|-----------------------------|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 7,673,206 | \$ 2,201,148 | \$ 169,753 | \$ 10,223 | \$ 59,601 | \$ 19,181,250 |
| Investments | 1,474,801 | 1,366,685 | - | - | - | 2,841,486 |
| Receivables (Net of Allowances for Uncollectibles): | | | | | | |
| Accounts and Other | - | - | - | - | - | 18,640 |
| Total Assets | <u>\$ 9,148,007</u> | <u>\$ 3,567,833</u> | <u>\$ 169,753</u> | <u>\$ 10,223</u> | <u>\$ 59,601</u> | <u>\$ 22,041,376</u> |
| LIABILITIES | | | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,057,410 |
| Due to Others | 9,148,007 | 3,567,833 | 169,753 | - | - | 13,208,322 |
| Due to Other Entities | - | - | - | - | 59,601 | 6,828,376 |
| Deposits Held | - | - | - | 10,223 | - | 947,268 |
| Total Liabilities | <u>\$ 9,148,007</u> | <u>\$ 3,567,833</u> | <u>\$ 169,753</u> | <u>\$ 10,223</u> | <u>\$ 59,601</u> | <u>\$ 22,041,376</u> |

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2019

| | <u>Balance</u> <u>10/1/2018</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance</u> <u>9/30/2019</u> |
|---|------------------------------------|-------------------|-------------------|------------------------------------|
| <u>DA SEIZED FUNDS</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 120,166 | \$ 50,954 | \$ 121,521 | \$ 49,599 |
| Total Assets | \$ 120,166 | \$ 50,954 | \$ 121,521 | \$ 49,599 |
| LIABILITIES | | | | |
| Due to Others | \$ 120,166 | \$ 169,146 | \$ 239,713 | \$ 49,599 |
| Total Liabilities | \$ 120,166 | \$ 169,146 | \$ 239,713 | \$ 49,599 |
| <u>SHERIFF SEIZED FUNDS</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 220,429 | \$ 62,024 | \$ 203,647 | \$ 78,806 |
| Total Assets | \$ 220,429 | \$ 62,024 | \$ 203,647 | \$ 78,806 |
| LIABILITIES | | | | |
| Due to Others | \$ 220,429 | \$ 107,927 | \$ 249,550 | \$ 78,806 |
| Total Liabilities | \$ 220,429 | \$ 107,927 | \$ 249,550 | \$ 78,806 |
| <u>CRIMINAL INVESTIGATIVE DIVISION SEIZURES POST-10/89</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 6,000 | \$ 32 | \$ - | \$ 6,032 |
| Total Assets | \$ 6,000 | \$ 32 | \$ - | \$ 6,032 |
| LIABILITIES | | | | |
| Due to Others | \$ 6,000 | \$ 32 | \$ - | \$ 6,032 |
| Total Liabilities | \$ 6,000 | \$ 32 | \$ - | \$ 6,032 |
| <u>TASK-FORCE SEIZURES PRE-10/89</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 14,554 | \$ 79 | \$ - | \$ 14,633 |
| Total Assets | \$ 14,554 | \$ 79 | \$ - | \$ 14,633 |
| LIABILITIES | | | | |
| Due to Others | \$ 14,554 | \$ 79 | \$ - | \$ 14,633 |
| Total Liabilities | \$ 14,554 | \$ 79 | \$ - | \$ 14,633 |
| <u>UNCLAIMED PROPERTY</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 237,333 | \$ 110,213 | \$ 144,432 | \$ 203,114 |
| Total Assets | \$ 237,333 | \$ 110,213 | \$ 144,432 | \$ 203,114 |
| LIABILITIES | | | | |
| Due to Others | \$ 224,453 | \$ 5,914 | \$ 71,635 | \$ 158,732 |
| Due to Other Entities | 12,880 | 31,822 | 320 | 44,382 |
| Total Liabilities | \$ 237,333 | \$ 37,736 | \$ 71,955 | \$ 203,114 |

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2019

| | <u>Balance</u> <u>10/1/2018</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance</u> <u>9/30/2019</u> |
|--|------------------------------------|------------------------------|------------------------------|------------------------------------|
| <u>PAYROLL</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 999,908 | \$ 191,349,255 | \$ 191,303,789 | \$ 1,045,374 |
| Receivables (Net of Allowances for Uncollectibles): | | | | |
| Accounts and Other | 3,570 | 2,589 | - | 6,159 |
| Total Assets | <u>\$ 1,003,478</u> | <u>\$ 191,351,844</u> | <u>\$ 191,303,789</u> | <u>\$ 1,051,533</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ 1,002,389 | \$ 25,787,985 | \$ 25,741,399 | \$ 1,048,975 |
| Due to Other Entities | 1,089 | 33,317,925 | 33,316,456 | 2,558 |
| Total Liabilities | <u>\$ 1,003,478</u> | <u>\$ 59,105,910</u> | <u>\$ 59,057,855</u> | <u>\$ 1,051,533</u> |
| <u>ESCROW</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 920,222 | \$ 5,393,409 | \$ 5,371,016 | \$ 942,615 |
| Receivables (Net of Allowances for Uncollectibles): | | | | |
| Accounts and Other | 11,316 | 12,101 | 10,936 | 12,481 |
| Total Assets | <u>\$ 931,538</u> | <u>\$ 5,405,510</u> | <u>\$ 5,381,952</u> | <u>\$ 955,096</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ 7,007 | \$ 106,706 | \$ 105,278 | \$ 8,435 |
| Due to Others | 13,369 | 1,399,701 | 1,403,454 | 9,616 |
| Deposits Held | 911,162 | 3,899,102 | 3,873,219 | 937,045 |
| Total Liabilities | <u>\$ 931,538</u> | <u>\$ 5,405,509</u> | <u>\$ 5,381,951</u> | <u>\$ 955,096</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 | \$ 6,650,350 | \$ 670,466,719 | \$ 670,395,234 | \$ 6,721,835 |
| Total Assets | <u>\$ 6,650,350</u> | <u>\$ 670,466,719</u> | <u>\$ 670,395,234</u> | <u>\$ 6,721,835</u> |
| LIABILITIES | | | | |
| Due to Other Entities | \$ 6,650,350 | \$ 670,466,719 | \$ 670,395,234 | \$ 6,721,835 |
| Total Liabilities | <u>\$ 6,650,350</u> | <u>\$ 670,466,719</u> | <u>\$ 670,395,234</u> | <u>\$ 6,721,835</u> |

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2019

| | <u>Balance</u> <u>10/1/2018</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance</u> <u>9/30/2019</u> |
|---|------------------------------------|-----------------------------|-----------------------------|------------------------------------|
| <u>COUNTY CLERK TRUST</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 10,915,302 | \$ 22,825,690 | \$ 26,067,786 | \$ 7,673,206 |
| Investments | 1,907,981 | 583,011 | 1,016,191 | 1,474,801 |
| Total Assets | <u>\$ 12,823,283</u> | <u>\$ 23,408,701</u> | <u>\$ 27,083,977</u> | <u>\$ 9,148,007</u> |
| LIABILITIES | | | | |
| Due to Others | \$ 12,823,283 | \$ 23,408,701 | \$ 27,083,977 | \$ 9,148,007 |
| Total Liabilities | <u>\$ 12,823,283</u> | <u>\$ 23,408,701</u> | <u>\$ 27,083,977</u> | <u>\$ 9,148,007</u> |
| <u>DISTRICT CLERK TRUST</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 2,820,560 | \$ 2,024,572 | \$ 2,643,984 | \$ 2,201,148 |
| Investments | 1,599,338 | 164,821 | 397,474 | 1,366,685 |
| Total Assets | <u>\$ 4,419,898</u> | <u>\$ 2,189,393</u> | <u>\$ 3,041,458</u> | <u>\$ 3,567,833</u> |
| LIABILITIES | | | | |
| Due to Others | \$ 4,419,898 | \$ 2,189,394 | \$ 3,041,459 | \$ 3,567,833 |
| Total Liabilities | <u>\$ 4,419,898</u> | <u>\$ 2,189,394</u> | <u>\$ 3,041,459</u> | <u>\$ 3,567,833</u> |
| <u>INMATE DEPOSITS</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 207,692 | \$ 4,489,268 | \$ 4,527,207 | \$ 169,753 |
| Total Assets | <u>\$ 207,692</u> | <u>\$ 4,489,268</u> | <u>\$ 4,527,207</u> | <u>\$ 169,753</u> |
| LIABILITIES | | | | |
| Due to Others | \$ 207,692 | \$ 4,489,268 | \$ 4,527,207 | \$ 169,753 |
| Total Liabilities | <u>\$ 207,692</u> | <u>\$ 4,489,268</u> | <u>\$ 4,527,207</u> | <u>\$ 169,753</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> |
| <u>DICKINSON BAYOU STEERING COMMITTEE</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 53,049 | \$ 6,552 | \$ - | \$ 59,601 |
| Total Assets | <u>\$ 53,049</u> | <u>\$ 6,552</u> | <u>\$ -</u> | <u>\$ 59,601</u> |
| LIABILITIES | | | | |
| Due to Other Entities | \$ 53,049 | \$ 6,552 | \$ - | \$ 59,601 |
| Total Liabilities | <u>\$ 53,049</u> | <u>\$ 6,552</u> | <u>\$ -</u> | <u>\$ 59,601</u> |

GALVESTON COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2019

| | <u>Balance</u> <u>10/1/2018</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance</u> <u>9/30/2019</u> |
|--|------------------------------------|------------------------------|------------------------------|------------------------------------|
| <u>TOTALS - ALL AGENCY FUNDS</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 23,181,099 | \$ 896,778,767 | \$ 900,778,616 | \$ 19,181,250 |
| Investments | 3,507,319 | 747,832 | 1,413,665 | 2,841,486 |
| Receivables (Net of Allowances for Uncollectibles): | | | | |
| Accounts and Other | <u>14,886</u> | <u>14,690</u> | <u>10,936</u> | <u>18,640</u> |
| Total Assets | <u>\$ 26,703,304</u> | <u>\$ 897,541,289</u> | <u>\$ 902,203,217</u> | <u>\$ 22,041,376</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ 1,009,396 | \$ 25,894,691 | \$ 25,846,677 | \$ 1,057,410 |
| Due to Others | 18,055,155 | 31,770,162 | 36,616,995 | 13,208,322 |
| Due to Other Entities | 6,717,368 | 703,823,018 | 703,712,010 | 6,828,376 |
| Deposits Held | <u>921,385</u> | <u>3,899,102</u> | <u>3,873,219</u> | <u>947,268</u> |
| Total Liabilities | <u>\$ 26,703,304</u> | <u>\$ 765,386,973</u> | <u>\$ 770,048,901</u> | <u>\$ 22,041,376</u> |

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Statistical Section

The Statistical Section provides financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, including the accompanying notes, and required supplementary information to understand and assess the county's economic condition. Information is presented in the following five categories:

1. Financial trends information
2. Revenue capacity information
3. Debt capacity information
4. Demographic and economic information
5. Operating information

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> | |
| Table 1.1 - Net Position by Component | |
| Table 1.2 - Changes in Net Position | |
| Table 1.3 - Fund Balances, Governmental Funds | |
| Table 1.4 - Changes in Fund Balances, Governmental Funds | |
| <u>Revenue Capacity</u> | 2 |
| <i>Revenue capacity information is intended to assist readers in understanding and assessing the factors affecting the county's ability to generate its own source revenues.</i> | |
| Table 2.1 - Estimated Market Value and Assessed Taxable Value of Property | |
| Table 2.2 - Property Tax Rates – Direct and All Overlapping Governments | |
| Table 2.3 - Principal Taxpayers and Chart | |
| Table 2.4 - Property Tax Levies and Collections | |
| Table 2.5 - Governmental Activities Tax Revenue by Source | |
| <u>Debt Capacity</u> | 3 |
| <i>Debt capacity information is intended to assist readers in understanding and assessing the county's debt burden and its ability to issue additional debt in the future.</i> | |
| Table 3.1 - Ratios of Outstanding Debt by Type | |
| Table 3.2 - Ratio of General Bonded Debt Outstanding | |
| Table 3.3 - Computation of Direct and Overlapping Bonded Debt | |
| Table 3.4 - Legal Debt Margin Information | |
| <u>Demographic and Economic Information</u> | 4 |
| <i>Demographic and economic information is intended to assist readers in understanding the socioeconomic environment within which the county operates and to provide information to facilitate comparisons of financial statement information.</i> | |
| Table 4.1 - Demographic and Economic Statistics | |
| Table 4.2 - Principal Employers and Chart | |
| <u>Operating Information</u> | 5 |
| <i>Operating information is intended to provide statistical information about the county's operations and resources to assist readers in using financial statement information.</i> | |
| Table 5.1 - County Employees by Function | |
| Table 5.2 - Operating Indicators by Function | |
| Table 5.3 - Capital Asset Statistics by Function | |

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>2019</u> | <u>2018</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> |
|--|--------------------|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Net Position - Governmental Activities | | | | | | | | | | |
| Net Investment In Capital Assets | \$ 144,736 | \$ 154,623 | \$ 137,224 | \$ 130,815 | \$ 125,612 | \$ 127,529 | \$ 131,464 | \$ 107,571 | \$ 102,410 | \$ 97,415 |
| Restricted for: | | | | | | | | | | |
| Grants | 2,123 | 3,015 | 5,601 | 5,069 | 6,284 | 7,291 | 8,472 | 2,557 | 787 | 329 |
| Debt Service | 6,239 | 6,801 | 5,810 | 10,198 | 11,614 | 10,958 | 9,625 | 9,473 | 9,921 | 7,864 |
| Other Projects | 4,806 | 3,349 | 793 | 3,327 | - | 1 | 7,194 | 162 | 260 | - |
| Statute - Regulation | 17,455 | 16,442 | 17,157 | 13,311 | - | - | - | - | - | - |
| Capital Projects | 76,011 | 44,583 | 14,596 | 16,388 | - | - | - | 2,020 | 2,915 | 1,709 |
| Unrestricted | <u>(298,036)</u> | <u>(266,009)</u> | <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> |
| Total Net Position-Governmental Activities (1) | <u>\$ (46,667)</u> | <u>\$ (37,194)</u> | <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> |

(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)

| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General Government | \$ 80,602 | \$ 74,555 | \$ 74,200 | \$ 73,577 | \$ 95,141 | \$ 104,795 | \$ 63,158 | \$ 96,351 | \$ 100,079 | \$ 63,394 |
| Public Safety | 83,274 | 76,056 | 77,594 | 68,332 | 69,979 | 68,035 | 59,173 | 66,696 | 106,660 | 122,790 |
| Health and Social Services | 17,238 | 17,038 | 17,025 | 15,875 | 15,418 | 17,368 | 20,173 | 19,154 | 17,038 | 18,757 |
| Culture and Recreation | 7,019 | 6,813 | 6,306 | 5,344 | 5,072 | 5,719 | 5,861 | 6,674 | 6,181 | 6,522 |
| Conservation | 802 | 719 | 732 | 429 | 585 | 604 | 614 | 535 | 492 | 546 |
| Roads, Bridges and Rights-of-Way | 15,545 | 9,318 | 8,014 | 15,645 | 8,223 | 9,309 | 25,108 | 47,984 | 87,814 | 40,488 |
| Interest on Long-term Debt | 13,654 | 8,947 | 13,482 | 15,060 | 14,311 | 14,978 | 16,047 | 16,238 | 17,997 | 18,345 |
| Total Governmental Activities Expenses (2) | 218,134 | 193,447 | 197,353 | 194,261 | 208,728 | 220,806 | 190,135 | 253,631 | 336,261 | 270,842 |
| Program Revenues | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| General Government | 14,888 | 14,819 | 12,946 | 14,393 | 14,400 | 14,001 | 13,793 | 14,808 | 14,121 | 16,864 |
| Public Safety | 8,454 | 9,229 | 3,701 | 2,174 | 2,244 | 1,943 | 1,854 | 2,002 | 1,884 | 1,636 |
| Health and Social Services | 4 | 1 | 32 | 7 | 11 | - | - | - | - | 0 |
| Culture and Recreation | 981 | 1,053 | 920 | 841 | 651 | 563 | 617 | 484 | 476 | 419 |
| Roads, Bridges and Rights-of-Way | 626 | 637 | 604 | 594 | 585 | 551 | 556 | 591 | 553 | 587 |
| Operating Grants and Contributions | 30,190 | 29,892 | 42,412 | 57,227 | 69,968 | 75,184 | 35,776 | 95,036 | 171,373 | 100,735 |
| Capital Grants and Contributions | - | - | - | - | - | - | - | - | 203 | 73 |
| Total Governmental Activities Program Revenues (2) | 55,142 | 55,631 | 60,615 | 75,236 | 87,859 | 92,242 | 52,596 | 112,921 | 188,610 | 120,314 |
| Net (Expense) Revenue-Governmental Activities | (162,992) | (137,815) | (136,738) | (119,025) | (120,869) | (128,565) | (137,539) | (140,710) | (147,651) | (150,528) |
| Total Primary Government Net Expense | \$ (162,992) | \$ (137,815) | \$ (136,738) | \$ (119,025) | \$ (120,869) | \$ (128,565) | \$ (137,539) | \$ (140,710) | \$ (147,651) | \$ (150,528) |

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

| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|-------------------|------------------|-----------------|------------------|-----------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Property Taxes | 146,335 | 148,073 | 141,341 | 133,944 | 128,533 | 123,794 | 123,648 | 121,549 | 119,397 | 116,653 |
| Payments in Lieu of Taxes | 1,540 | 1,101 | 846 | 744 | 939 | 2,163 | 2,076 | 1,994 | 2,101 | 1,764 |
| Unrestricted Grants and Contributions | - | - | - | - | - | - | - | 86 | - | - |
| Unrestricted Investment Earnings | 5,251 | 2,290 | 842 | 796 | 967 | 1,085 | 1,088 | 1,022 | 2,009 | 2,426 |
| Gain on Sale of Capital Assets | 186 | 100 | 109 | 6 | 59 | 6 | 90 | 486 | - | - |
| Miscellaneous | 208 | 338 | 775 | 366 | 154 | 103 | 284 | 332 | 424 | 62 |
| Extraordinary Item - TWIA Case Settlement (1) | - | - | - | - | - | - | - | 2,369 | - | - |
| Total Governmental Activities (2) | <u>153,520</u> | <u>151,902</u> | <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> |
| Change in Net Position-Governmental Activities (2) | <u>\$ (9,472)</u> | <u>\$ 14,087</u> | <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> |

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

(2) Columns may not foot due to rounding.

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GALVESTON COUNTY, TEXAS
TABLE 1.3 - FUND BALANCES OF GOVERNMENTAL FUNDS (1)
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

| | <u>2019</u> | <u>2018</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> |
|---|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| <i>General Fund</i> | | | | | | | | | | |
| Non-spendable | | | | | | | | | | |
| Prepaid Items | \$ 7 | \$ 6 | \$ 8 | \$ 88 | \$ - | \$1 | \$ - | \$ - | \$ 267 | \$ - |
| Restricted | | | | | | | | | | |
| Assigned | | | | | | | | | | |
| Beach and Parks | 12 | 12 | 12 | 12 | 12 | - | - | - | - | - |
| Self-insurance | 1,500 | 1,500 | 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 | 1,000 | 1,000 | - |
| Disaster Protection | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | - |
| Indigent Defense | - | - | - | - | - | - | - | - | 951 | - |
| Adopted Budget Utilization of Fund | | | | | | | | | | |
| Balance | - | 25,475 | 24,750 | 24,835 | 29,149 | 19,986 | 17,667 | - | - | - |
| Unassigned | 86,011 | 61,575 | 51,622 | 38,733 | 25,583 | 16,599 | 23,169 | 38,191 | 26,645 | - |
| Reserved | - | - | - | - | - | - | - | - | - | 289 |
| Unreserved | - | - | - | - | - | - | - | - | - | 30,092 |
| Total General Fund (2) | \$ 91,029 | \$ 92,068 | \$ 81,392 | \$ 68,668 | \$ 59,744 | \$ 41,586 | \$ 45,836 | \$ 43,191 | \$ 32,863 | \$ 30,381 |
| <i>All Other Governmental Funds</i> | | | | | | | | | | |
| Non-spendable | | | | | | | | | | |
| Inventory | \$ 867 | \$ 916 | \$ 843 | \$ 673 | \$ 885 | \$ 740 | \$ 802 | \$ 587 | \$ 791 | \$ - |
| Prepaid Items | - | - | - | - | - | - | 6 | - | 4 | - |
| Restricted | | | | | | | | | | |
| General Government | 16,684 | 7,892 | 6,739 | 7,450 | 9,112 | 32,192 | 5,195 | 4,467 | 4,325 | - |
| Public Safety | 8,396 | 6,269 | 7,774 | 6,721 | 5,934 | 17,717 | 12,069 | 9,911 | 10,382 | - |
| Health and Social Services | 191 | 297 | 291 | 443 | 301 | 5,314 | 8,442 | 8,736 | 11,668 | - |
| Culture and Recreation | 5,078 | 4,000 | 4,048 | 3,480 | 2,369 | 919 | 1,826 | 1,425 | 1,089 | - |
| Roads, Bridges and Rights-of-Way | 67,565 | 35,972 | 20,787 | 3,234 | 3,372 | 2,009 | 4,741 | 4,269 | 4,822 | - |
| Debt Service | 7,584 | 8,151 | 7,178 | 11,574 | 11,827 | 12,222 | 10,626 | 10,342 | 11,042 | - |
| County Building Projects | 14,953 | 31,889 | 831 | 19,778 | 28,000 | 4,095 | 35,177 | 49,233 | 86,822 | - |
| Assigned | | | | | | | | | | |
| Other Construction Projects | 3,059 | 4,020 | 5,957 | 5,764 | 5,287 | 2,468 | 1,970 | 7,737 | 3,175 | - |
| Unassigned | (2) | (89) | - | - | - | - | - | (354) | - | - |
| Reserved | - | - | - | - | - | - | - | - | - | 48,020 |
| Unreserved, reported in: | | | | | | | | | | |
| Special Revenue Funds | - | - | - | - | - | - | - | - | - | 37,979 |
| Capital Projects Funds | - | - | - | - | - | - | - | - | - | 99,688 |
| Total All Other Governmental Funds (2) | \$ 124,375 | \$ 99,317 | \$ 54,448 | \$ 59,117 | \$ 67,088 | \$ 77,676 | \$ 80,854 | \$ 96,353 | \$ 134,120 | \$ 185,687 |

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

(2) Columns may not foot due to rounding.

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

| REVENUES | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------------------|------------------|-----------------|----------------|-----------------|
| Taxes | \$ 145,968 | \$ 147,646 | \$ 141,092 | \$ 133,954 | \$ 128,927 |
| Licenses and Permits | 3,154 | 3,052 | 2,741 | 2,869 | 2,659 |
| Intergovernmental (1) | 29,386 | 28,904 | 40,687 | 54,616 | 68,491 |
| Charges for Services | 10,904 | 10,951 | 10,797 | 11,378 | 11,142 |
| Fines and Forfeitures | 1,565 | 1,626 | 1,997 | 2,152 | 2,433 |
| Investment Earnings | 4,993 | 2,202 | 813 | 797 | 973 |
| Miscellaneous | 12,323 | 10,246 | 4,837 | 4,784 | 3,944 |
| Total Revenues (3) | <u>208,294</u> | <u>204,629</u> | <u>202,962</u> | <u>210,550</u> | <u>218,569</u> |
| EXPENDITURES | | | | | |
| General Government | 69,710 | 67,719 | 60,385 | 68,720 | 90,906 |
| Public Safety | 64,679 | 60,616 | 61,972 | 59,802 | 55,547 |
| Sanitation | - | - | - | - | - |
| Health and Social Services | 15,891 | 15,759 | 15,724 | 14,916 | 14,408 |
| Culture and Recreation | 3,375 | 3,315 | 3,142 | 2,901 | 2,656 |
| Conservation | 632 | 556 | 530 | 486 | 470 |
| Roads, Bridges and Rights-of-Way | 12,523 | 6,692 | 5,148 | 13,086 | 5,857 |
| Debt Service: | | | | | |
| Principal | 18,040 | 17,532 | 17,767 | 20,960 | 20,075 |
| Interest and Fiscal Charges | 13,811 | 12,529 | 14,088 | 10,806 | 11,667 |
| Bond Issuance Costs | 361 | 944 | 524 | - | - |
| Capital Outlay | 16,408 | 10,665 | 15,667 | 17,881 | 9,596 |
| Total Expenditures (3) | <u>215,431</u> | <u>196,327</u> | <u>194,947</u> | <u>209,559</u> | <u>211,182</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures (3) | <u>(7,137)</u> | <u>8,302</u> | <u>8,015</u> | <u>991</u> | <u>7,387</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 40,515 | 51,066 | 3,770 | 2,560 | 7,171 |
| Transfers Out | (43,008) | (51,920) | (4,709) | (2,714) | (7,171) |
| Sale of Capital Assets | 280 | 132 | 266 | 117 | 183 |
| Insurance Recovery Proceeds (2) | - | - | - | - | - |
| Face Value - Long Term Debt Issued | 30,280 | 102,105 | 62,835 | - | - |
| Premium - Long Term Debt Issued | 3,090 | 10,594 | 9,812 | - | - |
| Discount - Long Term Debt Issued | - | - | - | - | - |
| Refunded Bonds - Escrow Agent Payments | - | (64,743) | (72,020) | - | - |
| Total Other Financing Sources (Uses) (3) | <u>31,157</u> | <u>47,234</u> | <u>(47)</u> | <u>(38)</u> | <u>183</u> |
| Extraordinary Item - Texas Windstorm Case Settlement | - | - | - | - | - |
| Net Change in Fund Balances (3) | <u>\$ 24,019</u> | <u>\$ 55,535</u> | <u>\$ 7,968</u> | <u>\$ 953</u> | <u>\$ 7,569</u> |
| Debt Service as a Percentage of Noncapital Expenditures | 16.0% | 16.2% | 17.8% | 16.6% | 15.7% |

(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 1.4 - CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

| 2014 | 2013 | 2012 | 2011 | 2010 |
|-------------|-------------|-------------|-------------|-------------|
| \$ 123,944 | \$ 124,352 | \$ 121,711 | \$ 119,442 | \$ 118,121 |
| 2,740 | 2,606 | 2,575 | 2,372 | 2,426 |
| 73,863 | 34,666 | 93,437 | 168,880 | 99,644 |
| 10,033 | 9,820 | 10,504 | 9,756 | 10,231 |
| 3,024 | 2,893 | 2,911 | 3,034 | 3,327 |
| 1,131 | 1,218 | 1,118 | 2,136 | 2,526 |
| 5,559 | 6,316 | 4,883 | 6,067 | 6,995 |
| 220,292 | 181,871 | 237,139 | 311,687 | 243,270 |
| 98,709 | 53,170 | 91,382 | 96,145 | 60,315 |
| 53,964 | 48,776 | 48,731 | 95,316 | 108,755 |
| - | - | - | 2 | 98 |
| 16,257 | 18,852 | 17,823 | 16,004 | 17,341 |
| 2,811 | 2,759 | 2,381 | 2,940 | 3,174 |
| 455 | 472 | 432 | 450 | 454 |
| 6,146 | 22,311 | 51,635 | 84,543 | 37,972 |
| 24,300 | 20,830 | 16,960 | 15,620 | 10,410 |
| 13,086 | 13,258 | 14,496 | 14,820 | 14,202 |
| - | - | 669 | - | - |
| 12,234 | 11,744 | 22,807 | 34,196 | 17,438 |
| 227,962 | 192,172 | 267,316 | 360,036 | 270,159 |
| (7,670) | (10,301) | (30,177) | (48,349) | (26,889) |
| 11,312 | 19,744 | 6,655 | 21,698 | 21,912 |
| (11,312) | (23,104) | (9,876) | (24,447) | (25,129) |
| 85 | 218 | 3,555 | 125 | 146 |
| - | - | - | - | - |
| - | - | 52,650 | - | - |
| - | - | - | - | - |
| - | - | 6,495 | - | - |
| - | - | (58,451) | - | - |
| 85 | (3,142) | 1,028 | (2,624) | (3,071) |
| - | - | 2,369 | 696 | - |
| \$ (7,585) | \$ (13,443) | \$ (26,780) | \$ (50,277) | \$ (29,960) |
| 17.3% | 18.9% | 12.9% | 9.3% | 9.7% |

Revenue Capacity

GALVESTON COUNTY, TEXAS
TABLE 2.1 - ESTIMATED MARKET VALUE AND ASSESSED TAXABLE VALUE OF 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 | | | | |
| 2019 | \$ 26,266,154 | \$ 4,926,685 | \$ 466,744 | \$ 2,226,765 | \$ 743,801 | \$ 34,630,149 | \$ 0.5319 |
| 2018 | 26,031,016 | 4,702,538 | 484,333 | 2,045,337 | 754,142 | 34,017,366 | 0.5519 |
| 2017 | 23,397,810 | 4,873,131 | 464,472 | 1,973,315 | 691,739 | 31,400,467 | 0.5520 |
| 2016 | 21,478,627 | 4,953,958 | 487,918 | 2,333,462 | 645,749 | 29,899,714 | 0.5670 |
| 2015 | 18,686,405 | 5,038,663 | 333,560 | 2,641,770 | 597,311 | 27,297,709 | 0.5848 |
| 2014 | 17,776,170 | 5,041,174 | 310,272 | 2,712,504 | 559,233 | 26,399,353 | 0.5898 |
| 2013 | 17,329,409 | 5,419,783 | 317,224 | 2,508,533 | 528,636 | 26,103,585 | 0.6088 |
| 2012 | 16,713,893 | 5,329,897 | 324,910 | 2,361,728 | 514,614 | 25,245,042 | 0.6218 |
| 2011 | 16,376,920 | 5,173,385 | 325,967 | 2,277,406 | 484,879 | 24,638,557 | 0.6288 |
| 2010 | 15,372,187 | 5,706,544 | 337,362 | 1,957,107 | 485,787 | 23,858,987 | 0.6300 |

(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

(Continued)

| Taxing Jurisdiction | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <u>Galveston County Direct Rates</u> | | | | | | | | | | |
| Maintenance & Operations | \$ 0.441888 | \$ 0.459075 | \$ 0.464209 | \$ 0.464731 | \$ 0.469178 | \$ 0.466788 | \$ 0.479419 | \$ 0.480819 | \$ 0.479336 | \$ 0.532964 |
| Debt Service | 0.061696 | 0.061023 | 0.057963 | 0.068392 | 0.077775 | 0.084678 | 0.085536 | 0.092421 | 0.099218 | 0.069576 |
| Special Road Levy | 0.026247 | 0.026049 | 0.024076 | 0.028124 | 0.031891 | 0.032234 | 0.034960 | 0.039705 | 0.041196 | 0.016060 |
| Farm to Market Lateral Road/Flood | <u>0.002067</u> | <u>0.005753</u> | <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> |
| Total Direct Rate | \$ 0.531898 | \$ 0.551900 | \$ 0.552000 | \$ 0.567004 | \$ 0.584800 | \$ 0.589800 | \$ 0.608770 | \$ 0.621800 | \$ 0.628750 | \$ 0.630000 |
| <u>Cities</u> | | | | | | | | | | |
| Galveston | 0.561000 | 0.561000 | 0.526000 | 0.529000 | 0.533890 | 0.554000 | 0.554001 | 0.554001 | 0.554000 | 0.554000 |
| Friendswood | 0.532391 | 0.527349 | 0.546000 | 0.568700 | 0.519400 | 0.519400 | 0.597000 | 0.590200 | 0.585100 | 0.579700 |
| Hitchcock | 0.500000 | 0.500000 | 0.413202 | 0.413202 | 0.413202 | 0.413202 | 0.396105 | 0.396491 | 0.472295 | 0.473230 |
| Jamaica Beach | 0.197135 | 0.193754 | 0.198590 | 0.225678 | 0.266334 | 0.264380 | 0.281307 | 0.287100 | 0.289500 | 0.322800 |
| La Marque | 0.490764 | 0.490764 | 0.490764 | 0.490764 | 0.490764 | 0.514360 | 0.514360 | 0.514360 | 0.514360 | 0.514360 |
| League City | 0.563800 | 0.565000 | 0.570000 | 0.573500 | 0.597000 | 0.597000 | 0.597000 | 0.610000 | 0.616000 | 0.630000 |
| Texas City | 0.550000 | 0.577179 | 0.497183 | 0.449210 | 0.438000 | 0.453000 | 0.425000 | 0.425000 | 0.425000 | 0.425000 |
| Tiki Island | 0.319150 | 0.319150 | 0.333170 | 0.282210 | 0.295986 | 0.293966 | 0.278301 | 0.238174 | 0.213783 | 0.204667 |
| Bayou Vista | 0.385000 | 0.385000 | 0.385000 | 0.355000 | 0.355000 | 0.366683 | 0.374455 | 0.376833 | 0.379495 | 0.417222 |
| Clear Lake Shores | - | - | - | - | - | - | - | - | - | - |
| Dickinson | 0.455000 | 0.408610 | 0.408610 | 0.408610 | 0.408610 | 0.408610 | 0.408600 | 0.408610 | 0.408600 | 0.408600 |
| Kemah | 0.202838 | 0.193000 | 0.219214 | 0.254011 | 0.265545 | 0.246488 | 0.249999 | 0.250000 | 0.250000 | 0.280293 |
| Santa Fe | 0.326200 | 0.326200 | 0.326200 | 0.345000 | 0.358900 | 0.370200 | 0.314700 | 0.311400 | 0.311400 | 0.311400 |
| <u>School and Junior College Districts</u> | | | | | | | | | | |
| Galveston | 1.155000 | 1.155000 | 1.155000 | 1.155000 | 1.155000 | 1.116500 | 1.165000 | 1.165000 | 1.165000 | 1.165000 |
| Friendswood | 1.367000 | 1.367000 | 1.387000 | 1.367000 | 1.367000 | 1.367000 | 1.367000 | 1.367000 | 1.367000 | 1.367000 |
| Hitchcock | 1.520000 | 1.520000 | 1.540000 | 1.540000 | 1.540000 | 1.540000 | 1.540000 | 1.540000 | 1.500000 | 1.440050 |
| La Marque (3) | - | - | - | 1.220000 | 1.220000 | 1.220000 | 1.220000 | 1.240000 | 1.240000 | 1.240000 |
| Texas City | 1.514900 | 1.434900 | 1.440500 | 1.429800 | 1.262600 | 1.290900 | 1.269200 | 1.295300 | 1.288600 | 1.216000 |
| Clear Creek | 1.400000 | 1.400000 | 1.400000 | 1.400000 | 1.400000 | 1.400000 | 1.360000 | 1.360000 | 1.360000 | 1.360000 |
| Dickinson | 1.520000 | 1.520000 | 1.540000 | 1.540000 | 1.540000 | 1.540000 | 1.540000 | 1.540000 | 1.540000 | 1.504000 |
| High Island | 1.320000 | 1.270000 | 1.320000 | 1.270000 | 1.320000 | 1.370000 | 1.420000 | 1.470000 | 1.490000 | 1.600000 |
| Santa Fe | 1.402300 | 1.402300 | 1.402300 | 1.416700 | 1.435800 | 1.449000 | 1.453900 | 1.495000 | 1.419200 | 1.330200 |
| College of the Mainland | 0.212755 | 0.216791 | 0.208376 | 0.202307 | 0.205085 | 0.221210 | 0.225970 | 0.232020 | 0.233890 | 0.221640 |
| Galveston College | 0.175190 | 0.166188 | 0.170250 | 0.178750 | 0.187000 | 0.187000 | 0.189420 | 0.189450 | 0.189475 | 0.190000 |

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

(Continued)

| Taxing Jurisdiction | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|
| <u>Special Districts</u> | | | | | | | | | | |
| Bacliff MUD | 0.331174 | 0.331174 | 0.376890 | 0.401964 | 0.433583 | 0.305545 | 0.292358 | 0.290974 | 0.291058 | 0.318548 |
| Bayview MUD | 0.150000 | 0.150000 | 0.150000 | 0.234700 | 0.230600 | 0.227600 | 0.232600 | 0.233400 | 0.238100 | 0.238100 |
| South Shore MUD #2 | Dissolved | 0.170000 | 0.220000 |
| South Shore MUD #3 | Dissolved | - | 0.160000 |
| South Shore MUD #6 | Dissolved | Dissolved | Dissolved | Dissolved | 0.120000 | 0.215000 | 0.290000 | 0.290000 | 0.290000 | 0.290000 |
| South Shore Harbour MUD#7 | 0.390000 | 0.390000 | 0.450000 | 0.490000 | 0.530000 | 0.530000 | 0.550000 | 0.600000 | 0.650000 | 0.700000 |
| Tara Glen MUD | 0.490000 | 0.550000 | 0.560000 | 0.570000 | 0.630000 | 0.660000 | 0.660000 | 0.670000 | 0.670000 | 0.670000 |
| Flamingo Isles MUD | 0.570000 | 0.570000 | 0.580000 | 0.580000 | 0.600000 | 0.587500 | 0.587500 | 0.587500 | 0.587500 | 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 | 0.215354 | 0.215791 | 0.222002 | 0.235237 | 0.252000 | 0.231680 | 0.225000 | 0.228742 | 0.236324 | 0.225403 |
| Galveston County Consolidated Drainage Dist. | 0.108000 | 0.108000 | 0.112000 | 0.115000 | 0.135000 | 0.140000 | 0.140000 | 0.140000 | 0.142500 | 0.142500 |
| Galveston County EMS District #1 | 0.085000 | 0.082000 | 0.084000 | 0.850000 | 0.857000 | 0.857000 | 0.857000 | 0.863000 | 0.863000 | 0.863000 |
| Galveston County EMS District #2 | 0.083741 | 0.084000 | 0.078877 | 0.085000 | 0.095000 | 0.063021 | - | - | - | - |
| Galveston County Management District #1 | 0.950000 | 0.900000 | Pending | 0.800000 | Pending | 0.800000 | 0.800000 | 0.800000 | 0.800000 | 0.800000 |
| Galveston County MUD #2 | Dissolved | Dissolved | Dissolved | Dissolved | Dissolved | 0.300000 | 0.270000 | 0.260000 | 0.240000 | 0.240000 |
| Galveston County MUD #3 | Dissolved | Dissolved | Dissolved | Dissolved | 0.030000 | 0.120000 | 0.120000 | 0.120000 | 0.120000 | 0.120000 |
| Galveston County MUD #6 | 0.250000 | 0.420000 | 0.460000 | 0.460000 | 0.470000 | 0.439000 | 0.439000 | 0.422000 | 0.400000 | 0.400000 |
| Galveston County MUD #12 | 0.239511 | 0.239511 | 0.246319 | 0.244265 | 0.283626 | 0.283626 | 0.270643 | 0.260488 | 0.243826 | 0.259575 |
| Galveston County MUD #13 | Dissolved | Dissolved | 0.295000 | 0.360000 | 0.460000 | 0.500000 | 0.540000 | 0.540000 | 0.550000 | 0.560000 |
| Galveston County MUD #14 | 0.680000 | 0.690000 | 0.690000 | 0.710000 | 0.740000 | 0.740000 | 0.780000 | 0.860000 | 0.860000 | 0.870000 |
| Galveston County MUD #15 | 0.510000 | 0.570000 | 0.580000 | 0.660000 | 0.720000 | 0.760000 | 0.780000 | 0.790000 | 0.790000 | 0.790000 |
| Galveston County MUD #29 | Dissolved | Dissolved | Dissolved | Dissolved | Dissolved | Dissolved | - | 0.180000 | 0.188500 | 0.188500 |
| Galveston County MUD #30 | 0.250000 | 0.250000 | 0.270000 | 0.330000 | 0.350000 | 0.350000 | 0.350000 | 0.350000 | 0.350000 | 0.350000 |
| Galveston County MUD #31 | 0.900000 | 0.920000 | 0.920000 | 0.940000 | 0.990000 | 1.000000 | 1.040000 | 1.090000 | 1.090000 | 1.090000 |
| Galveston County MUD #32 | 0.750000 | 0.750000 | 0.750000 | 0.750000 | 0.750000 | Pending | 0.750000 | 0.750000 | 0.750000 | 0.750000 |
| Galveston County MUD #39 | 0.610000 | 0.620000 | 0.680000 | 0.800000 | 0.880000 | 0.880000 | 0.880000 | 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 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Special Districts (Continued) | | | | | | | | | | |
| Galveston County MUD #43 | 0.730000 | 0.770000 | 0.960000 | 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 | 0.930000 | 0.950000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 |
| Galveston County MUD #46 | 0.870000 | 0.930000 | 0.970000 | 0.980000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 |
| Galveston County MUD #52 | 1.500000 | 1.500000 | 1.500000 | 1.500000 | Pending | 1.500000 | - | - | - | - |
| Galveston County MUD #54 | 0.540000 | 0.540000 | 0.540000 | 0.540000 | 0.540000 | 0.540000 | 0.540000 | 1.000000 | 1.000000 | - |
| Galveston County MUD #56 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | Pending | - | - | - | - | - |
| Galveston County MUD #66 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | - |
| Galveston County MUD #68 | 0.915000 | 0.915000 | 0.915000 | 0.950000 | 0.950000 | 0.950000 | 0.950000 | 0.900000 | 0.900000 | 0.850000 |
| Galveston County Navigation District #1 | 0.042922 | 0.040474 | 0.041673 | 0.452920 | 0.466180 | 0.466180 | 0.046618 | 0.046618 | 0.048809 | 0.047970 |
| West Ranch Management District #1 | 0.450000 | 0.500000 | 0.550000 | 0.650000 | 0.650000 | 0.650000 | 0.650000 | 0.650000 | 0.650000 | 0.650000 |
| Westwood Management District | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | - | - | - | - | - |
| Water Control Improvement Dist. #1 | 0.128011 | 0.124608 | 0.168300 | 0.200500 | 0.201673 | 0.205402 | 0.206977 | 0.210377 | 0.213687 | 0.218190 |
| Water Control Improvement Dist. #8 | 0.291300 | 0.270000 | 0.248500 | 0.263800 | 0.280000 | 0.293700 | 0.295200 | 0.295600 | 0.300000 | 0.250700 |
| Water Control Improvement Dist. #12 | 0.260000 | 0.260000 | 0.260000 | 0.280000 | 0.300000 | 0.300000 | 0.300000 | 0.300000 | 0.300000 | 0.300000 |
| Water Control Improvement Dist. #19 | 0.480000 | 0.479576 | 0.489378 | 0.489378 | 0.489378 | 0.483978 | 0.483978 | 0.483978 | 0.456468 | 0.461816 |
| 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 | 0.087000 | 0.089000 | 0.100000 | 0.110000 | 0.115000 | 0.120000 | 0.120000 | 0.115000 | 0.115000 | 0.124933 |
| Drainage District #2 | 0.056400 | 0.056400 | 0.063021 | 0.063021 | 0.063021 | 0.063021 | 0.063021 | 0.063021 | 0.063021 | 0.063021 |

(1) Source: Galveston Central Appraisal District

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

(3) Effective July 1, 2016, La Marque ISD was consolidated under Texas City ISD.

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

| Taxpayer | 2019 | | | 2010 | | |
|---------------------------------|------------------------|------|-----------------------------------|------------------------|------|-----------------------------------|
| | Taxable Assessed Value | Rank | % of Total Taxable Assessed Value | Taxable Assessed Value | Rank | % of Total Taxable Assessed Value |
| Blanchard Refining Company, LLC | \$ 1,070,011 | 1 | 3.09% | | | |
| Valero Refining-Texas LP | 479,383 | 2 | 1.38% | 737,214 | 2 | 3.09% |
| Texas-New Mexico Power Company | 188,259 | 3 | 0.54% | 85,034 | 9 | 0.36% |
| Union Carbide Corporation | 186,533 | 4 | 0.54% | 258,272 | 3 | 1.08% |
| Praxair Inc | 185,253 | 5 | 0.53% | 179,607 | 4 | 0.75% |
| BP Amoco Chemical Company | 134,971 | 6 | 0.39% | 117,178 | 7 | 0.49% |
| Marathon Petroleum Company LP | 126,953 | 7 | 0.37% | 134,120 | 5 | 0.56% |
| Centerpoint Energy, Inc | 109,235 | 8 | 0.32% | 89,391 | 8 | 0.37% |
| Galveston Outlets LLC | 80,419 | 9 | 0.23% | | | |
| South Houston Green Power, LP | 66,510 | 10 | 0.19% | 130,000 | 6 | 0.54% |
| BP Products (NA) Inc. | | | | 1,618,991 | 1 | 6.79% |
| BASF Corporation | | | | 57,266 | 10 | 0.24% |
| Totals | <u>\$ 2,627,527</u> | | <u>7.59%</u> | <u>\$ 3,407,073</u> | | <u>14.28%</u> |

(1) Source: Galveston Central Appraisal District Top Taxpayer Report

Report shows only top ten (10) taxpayers for tax year 2018. Total assessed value = \$34,630,149

GALVESTON COUNTY, TEXAS
TABLE 2.4 - PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

| Fiscal Year | 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 |
| 2019 | \$ 147,933 | \$ 145,750 | 98.52% | \$ - | \$ 145,750 | 98.52% |
| 2018 | 148,757 | 146,867 | 98.73% | 842 | 147,709 | 99.30% |
| 2017 | 140,377 | 138,501 | 98.66% | 1,233 | 139,734 | 99.54% |
| 2016 | 135,758 | 134,108 | 98.78% | 1,190 | 135,298 | 99.66% |
| 2015 | 131,043 | 129,171 | 98.57% | 1,489 | 130,660 | 99.71% |
| 2014 | 125,520 | 123,805 | 98.63% | 1,446 | 125,251 | 99.79% |
| 2013 | 126,363 | 124,528 | 98.55% | 1,593 | 126,121 | 99.81% |
| 2012 | 122,950 | 121,996 | 99.22% | 723 | 122,719 | 99.81% |
| 2011 | 122,105 | 119,744 | 98.07% | 2,109 | 121,853 | 99.79% |
| 2010 | 120,985 | 118,563 | 98.00% | 2,179 | 120,742 | 99.80% |

(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.

GALVESTON COUNTY, TEXAS
TABLE 2.5 - 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 |
|------------------------|--|--|--------------|
| 2019 | \$ 121,727 | \$ 24,608 | \$ 146,335 |
| 2018 | 124,326 | 23,747 | 148,073 |
| 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 |

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 | | | |
| 2019 | \$ 297,022 | \$ - | \$ 297,022 | 25.95% | 879 |
| 2018 | 283,313 | - | 283,313 | 25.82% | 846 |
| 2017 | 254,353 | - | 254,353 | 24.45% | 772 |
| 2016 | 270,900 | - | 270,900 | 27.09% | 841 |
| 2015 | 287,665 | - | 287,665 | 29.60% | 916 |
| 2014 | 307,441 | - | 307,441 | 34.14% | 997 |
| 2013 | 317,319 | 5,000 | 322,319 | 34.82% | 1,073 |
| 2012 | 319,793 | 5,000 | 324,793 | 36.69% | 1,098 |
| 2011 | 338,288 | 5,000 | 343,288 | 40.06% | 1,173 |
| 2010 | 353,908 | 5,000 | 358,908 | 44.37% | 1,232 |

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
(amounts expressed in thousands, except per capita amount)

| Fiscal Year | Population (1) | Assessed Value | Gross Original-Issue Bonded Debt (2) | Gross Refunding Bonded Debt (2) | Total Gross Bonded Debt | Accumulated Accretion | Net Issuance Premiums/ (Discounts) | Less: Net Position Restricted for Debt Service | Net Bonded Debt | Ratio of Net Bonded Debt to Assessed Value | Net Bonded Debt Per Capita |
|--------------------|-----------------------|-----------------------|---|--|--------------------------------|------------------------------|---|---|------------------------|---|-----------------------------------|
| 2019 | 337,890 | \$ 34,630,149 | \$ 114,597 | \$ 133,317 | \$ 247,914 | \$ 26,698 | \$ 22,411 | \$ 6,239 | \$ 241,675 | 0.70 | 715 |
| 2018 | 335,036 | 34,017,366 | 96,284 | 139,390 | 235,674 | 28,567 | 19,072 | 6,801 | 228,873 | 0.67 | 683 |
| 2017 | 329,431 | 31,400,467 | 118,821 | 92,855 | 211,676 | 29,993 | 12,684 | 5,810 | 205,866 | 0.66 | 625 |
| 2016 | 322,225 | 29,899,714 | 126,307 | 112,321 | 238,628 | 30,981 | 1,291 | 10,198 | 228,430 | 0.76 | 709 |
| 2015 | 314,198 | 27,297,709 | 132,199 | 127,389 | 259,588 | 28,077 | 1,773 | 11,614 | 247,974 | 0.91 | 789 |
| 2014 | 308,448 | 26,399,353 | 138,311 | 141,352 | 279,663 | 25,328 | 2,450 | 10,958 | 268,705 | 1.02 | 871 |
| 2013 | 300,484 | 26,103,585 | 145,318 | 153,645 | 298,963 | 22,725 | 3,154 | 9,625 | 289,338 | 1.11 | 963 |
| 2012 | 295,747 | 25,245,042 | - | - | 319,793 | 20,262 | 3,859 | 9,473 | 310,320 | 1.23 | 1,049 |
| 2011 | 292,607 | 24,638,557 | - | - | 338,288 | 18,604 | (2,661) | 9,921 | 328,367 | 1.33 | 1,122 |
| 2010 | 291,309 | 23,858,987 | - | - | 353,908 | 16,272 | (2,584) | 7,864 | 346,044 | 1.45 | 1,188 |

(1) Source: U.S. Census Bureau

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

GALVESTON COUNTY, TEXAS
TABLE 3.3 - COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT (1)(2)
GENERAL OBLIGATION BONDS
September 30, 2019
(amounts expressed in thousands)

(Continued)

| <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> | \$ 297,022 | 100% | \$ 297,022 |
| Total Direct Debt | <u>297,022</u> | | <u>297,022</u> |
| <u>Cities</u> | | | |
| Dickinson | 7,381 | 100% | 7,381 |
| Bayou Vista | 72 | 100% | 72 |
| Friendswood | 33,229 | 81.82% | 27,188 |
| Galveston | 29,180 | 100% | 29,180 |
| La Marque | 14,177 | 100% | 14,177 |
| League City | 95,981 | 97.95% | 94,013 |
| Texas City | 29,232 | 100% | 29,232 |
| Tiki Island | 1,920 | 100% | 1,920 |
| Santa Fe | 2,870 | 100% | 2,870 |
| Total Cities | <u>214,042</u> | | <u>206,033</u> |
| <u>School Districts</u> | | | |
| Dickinson | 299,291 | 100% | 299,291 |
| Friendswood | 88,410 | 99.94% | 88,357 |
| Galveston | 64,698 | 100% | 64,698 |
| High Island | 490 | 100% | 490 |
| Hitchcock | 30,261 | 100% | 30,261 |
| Santa Fe | 80,538 | 100% | 80,538 |
| Texas City | 163,954 | 100% | 163,954 |
| Total School Districts | <u>727,642</u> | | <u>727,589</u> |
| <u>County-Line School Districts</u> | | | |
| Clear Creek | <u>910,060</u> | 31.33% | <u>285,122</u> |
| <u>Other</u> | | | |
| Bacliff MUD | 12,356 | 100% | 12,356 |
| Bay Colony West MUD | 15,675 | 100% | 15,675 |
| Bayview MUD | 2,499 | 100% | 2,499 |
| Flamingo Isle MUD | 3,513 | 100% | 3,513 |
| Galveston County FWSD #6 | 5,779 | 100% | 5,779 |
| Galveston Co Management | 3,298 | 100% | 3,298 |
| Galveston County MUD #6 | 10,175 | 100% | 10,175 |
| Galveston County MUD #12 | 185 | 100% | 185 |
| Galveston County MUD #14 | 7,789 | 100% | 7,789 |
| Galveston County MUD #15 | 4,980 | 100% | 4,980 |
| Galveston County MUD #30 | 4,268 | 100% | 4,268 |
| Galveston County MUD #31 | 4,720 | 100% | 4,720 |
| Galveston County MUD #32 | 6,739 | 100% | 6,739 |
| Galveston County MUD #39 | 21,457 | 100% | 21,457 |
| Galveston County MUD #43 | 28,701 | 100% | 28,701 |
| Galveston County MUD #44 | 15,817 | 100% | 15,817 |
| Galveston County MUD #45 | 26,734 | 100% | 26,734 |
| Galveston County MUD #46 | 38,325 | 100% | 38,325 |

GALVESTON COUNTY, TEXAS
TABLE 3.3 - COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT (1)(2)
GENERAL OBLIGATION BONDS
September 30, 2019
(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> |
|--|---|--|--|
| Galveston County MUD #52 | 4,330 | 100% | 4,330 |
| Galveston County MUD #54 | 19,188 | 100% | 19,188 |
| Galveston County MUD #66 | 5,947 | 100% | 5,947 |
| Galveston County MUD #68 | 3,290 | 100% | 3,290 |
| College of the Mainland | 14,500 | 100% | 14,500 |
| San Leon MUD | 10,358 | 100% | 10,358 |
| Galveston WCID #1 | 426 | 100% | 426 |
| Galveston WCID #8 | 5,992 | 100% | 5,992 |
| Galveston WCID #12 | 15,393 | 100% | 15,393 |
| South Shore Harbor MUD #7 | 14,720 | 100% | 14,720 |
| Tara Glen MUD | 790 | 100% | 790 |
| West Ranch Management Dist | <u>22,835</u> | 100% | <u>22,835</u> |
| Total Others | <u>330,779</u> | | <u>330,779</u> |
| Total Overlapping Debt | <u>\$ 2,182,523</u> | | <u>\$ 1,549,523</u> |
| Total Direct and Overlapping Debt | <u>\$ 2,479,545</u> | | <u>\$ 1,846,545</u> |
| Ratio of Direct and Overlapping Debt to 2019 Gross Taxable Assessed Valuation | | | 5.33% |
| Per Capita Direct and Overlapping Debt (2018 estimated population = 337,890) (3) | | | 5,511 |
| Gross Taxable Assessed Valuation | | | \$ 34,630,149 |

(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 19, 2019; 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) 2019 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)

(Continued)

Bonds Issued Under Texas General Laws

| | |
|---|---------------------|
| Assessed value of all taxable property (excluding exemptions) | \$ 34,630,149 |
| Debt limit rate (5% of assessed value) | x 5% |
| Dollar amount of debt limit | <u>1,731,507</u> |
| Amount of debt applicable to constitutional debt limit: | |
| Total general bonded debt, including cumulative accretion | \$274,612 |
| Less: Debt Service fund balance | <u>(7,584)</u> |
| Total debt applicable to limitation | <u>267,028</u> |
| Legal debt margin | <u>\$ 1,464,479</u> |

| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| Debt limit | \$ 1,731,507 | \$ 1,700,868 | \$ 1,570,023 | \$ 1,494,986 | \$ 1,364,885 | \$ 1,319,968 | \$ 1,305,179 | \$ 1,262,252 | \$ 1,231,928 | \$ 1,192,949 |
| Total net debt applicable to limit | <u>267,028</u> | <u>256,090</u> | <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> |
| Legal debt margin | <u>\$ 1,464,479</u> | <u>\$ 1,444,778</u> | <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> |
| Total net debt applicable to the limit as a percentage of debt limit | 15.42% | 15.06% | 14.94% | 17.26% | 20.21% | 22.25% | 23.85% | 26.12% | 28.07% | 30.24% |

Constitutional Tax Limitations:

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

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

GALVESTON COUNTY, TEXAS
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) | \$ 31,659,583 |
| Debt limit rate | <u>X 25%</u> |
| Amount of Debt Limit | 7,914,896 |
| Total Road Bonds Outstanding, including cumulative accretion | <u>(115,413)</u> |
| Legal debt margin | <u>\$ 7,799,483</u> |

| | <u>2019</u> | <u>2018</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> |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Debt limit | \$7,914,896 | \$ 7,804,472 | \$ 7,183,853 | \$ 6,730,126 | \$ 6,014,657 | \$ 5,781,904 | \$ 5,766,604 | \$ 5,592,175 | \$ 5,469,068 | \$ 5,354,023 |
| Less: Road bonds outstanding | <u>(115,413)</u> | <u>(98,680)</u> | <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> |
| Legal debt margin | <u>\$ 7,799,483</u> | <u>\$ 7,705,792</u> | <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> |

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) |
|--------------------|-----------------------|----------------------------|---------------------------------------|-----------------------|------------------------------|------------------------------|
| 2019 | 337,890 | \$ 11,444,334 | \$ 33,870 | 37.6 | 86,408 | 3.80% |
| 2018 | 335,036 | 10,974,439 | 32,756 | 37.6 | 86,408 | 4.10% |
| 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% |

- (1) Source: U.S. Census Bureau as of October 2018
- (2) Source: 2013-2017 American Community Survey
- (3) Source: Bureau of Labor Statistics as of November 2018

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

| Employer | 2019 | | | 2010 | | |
|---|---------------------|------|-----------------------------------|---------------------|------|-----------------------------------|
| | Number of Employees | Rank | % of Principal-Employer Employees | Number of Employees | Rank | % of Principal-Employer Employees |
| University of Texas Medical Branch | 9,227 | 1 | 34.0% | 11,591 | 1 | 47.2% |
| Clear Creek Independent School District (4) | 5,150 | 2 | 19.0% | 3,200 | 2 | 13.0% |
| Landry's Seafood Inc./Fertitta Hospitality, LLC | 3,034 | 3 | 11.2% | | | |
| Marathon Petroleum Corp. | 1,960 | 4 | 7.2% | | | |
| American National Insurance Company | 1,550 | 5 | 5.7% | 850 | 9 | 3.5% |
| Dickinson Independent School District (4) | 1,520 | 6 | 5.6% | | | |
| Galveston County (3) | 1,407 | 7 | 5.2% | 1,334 | 5 | 5.4% |
| Texas City Independent School District (2)(4) | 1,239 | 8 | 4.6% | 879 | 8 | 3.6% |
| Moody Gardens | 1,034 | 9 | 3.8% | 783 | 10 | 3.2% |
| Galveston Independent School District | 1,018 | 10 | 3.8% | 1,044 | 7 | 4.2% |
| BP-Amoco Oil Company Texas City | | | | 2,300 | 3 | 9.4% |
| Walmart | | | | 1,450 | 4 | 5.9% |
| Ineos Nova LLC | | | | 1,150 | 6 | 4.7% |
| Total | <u>27,139</u> | | <u>100.0%</u> | <u>24,581</u> | | <u>100.0%</u> |

(1) Source: Unless otherwise stated below: *Largest Public and Private Employers in the County*, The Daily News, 13 Apr 2019.

(2) Effective July 1, 2016, Texas City ISD annexed La Marque ISD.

(3) Human Resources budgeted positions for 2019

(4) Source: 2018-2019 Texas Education Agency Staff Salaries and FTE Counts

Operating Information

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

| Function | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Government | 511 | 516 | 506 | 492 | 484 | 486 | 479 | 476 | 483 | 491 |
| Public Safety | 735 | 722 | 705 | 695 | 688 | 687 | 687 | 644 | 666 | 665 |
| Road and Bridges, and Rights-of-Way | 51 | 51 | 51 | 51 | 74 | 51 | 61 | 57 | 49 | 55 |
| Health and Social Services | 35 | 36 | 37 | 38 | 27 | 30 | 52 | 52 | 59 | 60 |
| Culture and Recreation | 63 | 60 | 58 | 49 | 51 | 47 | 52 | 40 | 50 | 53 |
| Conservation | <u>12</u> | <u>12</u> | <u>12</u> | <u>12</u> | <u>9</u> | <u>9</u> | <u>9</u> | <u>11</u> | <u>11</u> | <u>10</u> |
| Total | <u>1,407</u> | <u>1,397</u> | <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> |

(1) Source: Galveston County Human Resources Department

GALVESTON COUNTY, TEXAS
TABLE 5.2 - OPERATING INDICATORS BY FUNCTION (1)
LAST TEN FISCAL YEARS

(Continued)

| Function / Program | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General Government | | | | | | | | | | |
| <i>Tax Assessor- Collector</i> | | | | | | | | | | |
| Ad-Valorem Accounts | 194,230 | 198,000 | 195,085 | 193,692 | 192,387 | 190,815 | 192,450 | 190,051 | 189,495 | 189,114 |
| Vehicle Registration/Licenses | 330,482 | 346,345 | 365,770 | 293,964 | 290,458 | 279,003 | 277,521 | 261,515 | 262,687 | 258,471 |
| Entities for which we collect | 36 | 36 | 39 | 39 | 40 | 40 | 37 | 37 | 36 | 36 |
| Number of Registered Voters | 217,032 | 210,700 | 206,947 | 207,701 | 188,134 | 193,054 | 182,503 | 185,379 | 177,347 | 182,813 |
| Beer and Wine Permits | 722 | 831 | 728 | 854 | 1,537 | 612 | 670 | 883 | 748 | 705 |
| Special Inventory Tax Accounts | 190 | 184 | 205 | 182 | 178 | 166 | 152 | 133 | 129 | 129 |
| Coin Operated Machines | 3,338 | 2,040 | 3,647 | 2,034 | 2,526 | 3,134 | 3,048 | 3,634 | 3,980 | 1,591 |
| TX Parks & Wildlife Boat Reg. & Titles | 2,203 | 2,582 | - | - | - | - | - | - | - | - |
| <i>County Clerk</i> | | | | | | | | | | |
| Record Property/Govt | 70,617 | 81,367 | 76,418 | 76,388 | 77,212 | 73,112 | 63,272 | 71,149 | 66,039 | 64,677 |
| Marriage License | 2,258 | 2,300 | 2,574 | 2,419 | 2,093 | 2,111 | 2,223 | 2,174 | 2,048 | 2,077 |
| Assumed Names (Business Names) | 3,006 | 2,730 | 3,049 | 2,882 | 2,655 | 2,618 | 2,783 | 2,763 | 2,839 | 3,065 |
| Number of Criminal Cases Filed | 7,487 | 5,681 | 7,362 | 8,586 | 9,166 | 10,372 | 9,931 | 11,135 | 11,042 | 15,493 |
| Number of Civil Suits Filed | 3,288 | 2,318 | 2,793 | 2,127 | 2,359 | 2,071 | 2,485 | 2,427 | 2,310 | 2,211 |
| Number of Probate Cases Filed | 1,048 | 892 | 1,055 | 1,003 | 1,021 | 954 | 873 | 969 | 866 | 839 |
| Probate Mental Health Cases filed | 175 | 110 | 231 | 227 | 228 | 189 | 140 | 237 | 353 | 398 |
| Elections Held | 18 | 30 | 3 | 7 | 9 | 7 | 14 | 22 | 16 | 23 |
| <i>District Clerk</i> | | | | | | | | | | |
| Civil Cases | 7,289 | 3,929 | 6,049 | 1,528 | 1,386 | 1,412 | 2,370 | 3,072 | 5,726 | 4,375 |
| Criminal Cases | 4,844 | 4,740 | 3,250 | 2,688 | 4,619 | 4,760 | 4,471 | 3,944 | 7,898 | 4,016 |
| Tax Cases Processed | 644 | 922 | 639 | 556 | 1,066 | 711 | 990 | 1,016 | 3,095 | 1,072 |
| CPS Cases Processed | 168 | 223 | 143 | 111 | 141 | 135 | 86 | 84 | 206 | 117 |
| Juvenile Cases | 752 | 609 | 381 | 419 | 826 | 690 | 521 | 659 | 857 | 380 |
| Jurors Summoned | 23,499 | 42,076 | 65,000 | 56,953 | 56,000 | 53,266 | 54,419 | 56,800 | 49,600 | 59,050 |

GALVESTON COUNTY, TEXAS
TABLE 5.2 - OPERATING INDICATORS BY FUNCTION (1)
LAST TEN FISCAL YEARS

(Continued)

| <u>Function / Program</u> | <u>2019</u> | <u>2018</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> |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General Government | | | | | | | | | | |
| <i>Human Resources</i> | | | | | | | | | | |
| Applications Accepted | 4,573 | 3,869 | 4,210 | 6,116 | 5,348 | 6,254 | 2,993 | 2,340 | 1,905 | 1,745 |
| Positions Filled | 225 | 221 | 210 | 219 | 234 | 228 | 264 | 253 | 270 | 219 |
| <i>Justice of the Peace (2)(3)</i> | | | | | | | | | | |
| <i>Precinct #1</i> | | | | | | | | | | |
| Civil Cases Filed | 2,003 | 1,568 | 1,468 | 1,511 | 382 | 2,108 | 5,515 | 3,801 | 1,637 | 1,669 |
| Civil Cases Disposed | 1,846 | 1,553 | 1,460 | 1,483 | 393 | 2,087 | 1,894 | 2,017 | 1,795 | 1,738 |
| Civil Cases Appealed | 14 | 11 | 4 | 2 | - | 3 | 2 | 2 | 2 | 1 |
| Criminal Cases Filed | 2,338 | 3,681 | 4,273 | 3,422 | 1,793 | 9,468 | 7,895 | 5,814 | 7,394 | 7,899 |
| Criminal Cases Disposed | 2,456 | 2,775 | 2,003 | 4,121 | 1,443 | 6,942 | 7,227 | 6,302 | 6,195 | 8,130 |
| Criminal Cases Appealed | - | - | - | 23 | 5 | 35 | 47 | 13 | 37 | 21 |
| <i>Precinct #2</i> | | | | | | | | | | |
| Civil Cases Filed | 1,676 | 1,573 | 1,380 | 1,404 | 2,109 | 1,160 | 2,719 | 1,979 | 906 | 1,133 |
| Civil Cases Disposed | 1,607 | 1,604 | 1,388 | 1,654 | 2,056 | 1,223 | 871 | 967 | 891 | 1,177 |
| Civil Cases Appealed | 27 | 15 | 19 | 18 | 26 | 19 | 31 | 6 | 22 | 14 |
| Criminal Cases Filed | 4,032 | 5,725 | 5,884 | 5,771 | 8,256 | 5,293 | 5,728 | 4,205 | 6,108 | 5,701 |
| Criminal Cases Disposed | 2,966 | 4,013 | 3,834 | 9,840 | 8,655 | 9,704 | 4,843 | 5,496 | 5,832 | 6,977 |
| Criminal Cases Appealed | 12 | 19 | 27 | 45 | 97 | 41 | 82 | 68 | 61 | 70 |

GALVESTON COUNTY, TEXAS
TABLE 5.2 - OPERATING INDICATORS BY FUNCTION (1)
LAST TEN FISCAL YEARS

(Continued)

| Function /Program | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General Government | | | | | | | | | | |
| <i>Precinct #3</i> | | | | | | | | | | |
| Civil Cases Filed | 1,225 | 967 | 929 | 987 | 2,112 | 1,009 | 3,640 | 4,920 | 623 | 783 |
| Civil Cases Disposed | 1,244 | 1,092 | 945 | 967 | 2,006 | 1,512 | 884 | 703 | 709 | 828 |
| Civil Cases Appealed | 18 | 16 | 21 | 12 | 26 | 22 | 23 | 14 | 13 | 13 |
| Criminal Cases Filed | 2,303 | 2,094 | 2,484 | 2,187 | 6,545 | 3,908 | 4,148 | 4,028 | 6,098 | 7,202 |
| Criminal Cases Disposed | 1,598 | 1,974 | 1,815 | 13,044 | 18,751 | 4,595 | 4,451 | 5,772 | 7,479 | 8,616 |
| Criminal Cases Appealed | 11 | 29 | 6 | 9 | 55 | 34 | 30 | 65 | 84 | 88 |
| <i>Precinct #4</i> | | | | | | | | | | |
| Civil Cases Filed | 1,255 | 1,107 | 1,142 | 943 | 249 | 999 | 872 | 969 | 818 | 940 |
| Civil Cases Disposed | 1,042 | 1,324 | 1,080 | 804 | 267 | 1,030 | 805 | 847 | 780 | 937 |
| Civil Cases Appealed | 16 | 12 | 14 | 15 | 5 | 17 | 23 | 18 | 14 | 13 |
| Criminal Cases Filed | 1,690 | 1,963 | 3,233 | 4,039 | 1,046 | 5,984 | 6,545 | 4,782 | 4,116 | 5,515 |
| Criminal Cases Disposed | 2,149 | 2,351 | 3,062 | 4,583 | 1,056 | 4,701 | 5,088 | 5,209 | 4,393 | 5,951 |
| Criminal Cases Appealed | 21 | 24 | 43 | 83 | 8 | 57 | 50 | 55 | 56 | 46 |
| Public Safety | | | | | | | | | | |
| <i>Sheriff</i> | | | | | | | | | | |
| Daily average in County Jail | 1,063 | 1,129 | 1,126 | 1,015 | 923 | 878 | 878 | 903 | 939 | 980 |
| Number of persons booked | 16,503 | 16,377 | 17,359 | 17,032 | 17,188 | 19,621 | 19,621 | 18,514 | 18,226 | 19,098 |
| Number of Civil Processes | 6,145 | 8,820 | 4,029 | 3,727 | 5,193 | 4,461 | 4,461 | 4,345 | 7,085 | 6,926 |

GALVESTON COUNTY, TEXAS
TABLE 5.2 - OPERATING INDICATORS BY FUNCTION (1)
LAST TEN FISCAL YEARS

| Function /Program | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Road, Bridges & Right-of-Way | | | | | | | | | | |
| <i>County Maintained Roads</i> | | | | | | | | | | |
| Precinct #1 | 211.9 mi | 212.7 mi | 208.9 mi | 209 mi | 211.3 mi | 211.7 mi | 211.7 mi | 211.8 mi | 203.3 mi | 208.0 mi |
| Precinct #2 | 111.3 mi | 113.4 mi | 107.8 mi | 108 mi | 104.1 mi | 104.8 mi | 104.8 mi | 104.8 mi | 104.8 mi | 105.0 mi |
| Precinct #3 | 12.5 mi | 12.4 mi | 11.1 mi | 13.5 mi | 14.5 mi | 14.5 mi | 15.3 mi | 15.3 mi | 21.3 mi | 20.0 mi |
| Precinct #4 | 4.8 mi | 4.8 mi | 2.7 mi | 2.7 mi | 3.8 mi | 3.8 mi | 3.8 mi | 3.8 mi | 7.3 mi | 5.0 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 | 3 | 3 | 2 | 2 | 2 | 2 |
| Culture and Recreation | | | | | | | | | | |
| <i>County Parks Department</i> | | | | | | | | | | |
| Park Permits Approved | 530 | 552 | 549 | 1,045 | 966 | 800 | 411 | 539 | 850 | 904 |
| Festival & Special Events Hosted | 99 | 92 | 57 | 46 | 31 | 22 | 21 | 17 | 12 | 12 |
| Vehicle Permits Sold | 77,789 | 81,584 | 75,176 | 59,614 | 44,581 | 40,581 | 40,487 | 32,005 | 30,895 | 24,859 |
| Golf Cart Permits Sold | 10,039 | 9,511 | 8,163 | 7,847 | 5,151 | 4,825 | 4,972 | 2,045 | 1,981 | 1,409 |

(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.

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

(Continued)

| Function | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General Government | | | | | | | | | | |
| Number of buildings | 20 | 19 | 18 | 18 | 18 | 18 | 18 | 17 | 18 | 18 |
| Number of courtrooms | 20 | 20 | 20 | 20 | 20 | 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 | 4 | 4 | 3 | 3 | 3 | 3 | 3 |
| Sheriff's Department vehicles | 186 | 184 | 174 | 173 | 155 | 121 | 113 | 141 | 132 | 130 |
| Boats / seacrafts | 6 | 6 | 6 | 8 | 7 | 7 | 7 | 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 | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Flood Control buildings | 4 | 4 | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 |
| Roads, Bridges, & R.O.W. | | | | | | | | | | |
| Miles of county roads | 340 | 343 | 331 | 333 | 334 | 335 | 336 | 336 | 337 | 338 |
| Bridges | 19 | 19 | 18 | 22 | 22 | 22 | 22 | 22 | 22 | 22 |
| Motor Vehicles | 16 | 18 | 18 | 27 | 34 | 37 | 37 | 39 | 40 | 43 |
| Heavy and General Equipment | 63 | 64 | 66 | 58 | 65 | 71 | 71 | 77 | 74 | 77 |
| Health and Social Services | | | | | | | | | | |
| Clinics | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 3 | 4 | 4 |
| Animal Shelter | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Mosquito Control vehicles | 21 | 19 | 22 | 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 | 13 | 13 | 8 | 8 | 8 | 13 | 13 | 13 |
| Senior Citizens centers | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 6 | 6 |
| Senior Citizens vehicles | 11 | 12 | 13 | 15 | 15 | 10 | 9 | 10 | 9 | 9 |

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

| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Culture and Recreation | | | | | | | | | | |
| Museum | 1 | 1 | - | - | - | - | - | 1 | 1 | 1 |
| Parks | 24 | 24 | 24 | 23 | 23 | 23 | 23 | 23 | 26 | 26 |
| Park acreage | 1,395 | 1,395 | 1,395 | 1,385 | 1,385 | 1,385 | 1,385 | 1,385 | 1,321 | 1,321 |
| Park buildings | 13 | 12 | 12 | 11 | 11 | 20 | 20 | 19 | 32 | 31 |
| Community centers | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 6 | 6 |
| Athletic fields & courts | 48 | 48 | 48 | 47 | 47 | 47 | 52 | 52 | 41 | 41 |
| Boat launches | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 11 | 11 | 11 |
| Campground sites | - | - | 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 | 30 | 30 | 25 | 26 | 27 | 27 | 25 | 29 | 30 | 25 |
| Parks heavy & general equipment | 81 | 75 | 66 | 68 | 62 | 54 | 55 | 50 | 52 | 47 |
| Beach maintenance equipment | 8 | 9 | 11 | 12 | 20 | 22 | 20 | 17 | 9 | 8 |
| Conservation | | | | | | | | | | |
| Extension service vehicles | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 7 | 7 |

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

(2) Source: Texas Commission on Jail Standards website

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