



Texas Comptroller

DEBT OBLIGATIONS

SUMMARY

Use of this form is optional, though all the information captured by this form is required for receipt of a Debt Obligations Transparency Star.

ENTITY NAME: Galveston County, Texas

TYPE OF ENTITY: County



Most recently completed fiscal year for which data is available (MM/DD/YYYY-MM/DD/YYYY):
10/01/2022 - 09/30/2023

Total outstanding debt obligations for the most recently completed fiscal year:
\$188,804,730

Total tax-supported debt obligations for the most recently completed fiscal year:
\$188,804,730

Total tax-supported debt obligations expressed as per capita or per student amount for the most recently completed fiscal year:
\$529

Source and year for population or enrollment figures used in per capita or per student calculations (e.g., 2022 American Community Survey, 1-Year Estimates):

U.S. Census Bureau as of April 2022

Total revenue-supported debt obligations for the most recently completed fiscal year:
 \$0

Total lease-purchase or lease-revenue obligations for the most recently completed fiscal year:
 \$0

Historical bond election information that includes date of election, purpose, amount(s) for the most recently completed fiscal year:

Election Date	Proposition Number	Purpose	Amount	Status (Enter "Approved" or "Defeated")
11/7/2000	2	Justice Center and Public Safety Building Bonds Series 2001 (2)	\$ 62,085,000	Approved
11/7/2000	1 and 3	Unlimited Tax Road Bonds Series 2001 (2)	46,645,000	Approved
11/4/2008	3	Limited Tax County Building Bonds Series 2009B	45,000,000	Approved
(1)	(1)	Unlimited Tax Refunding Bonds Series 2011B (issued to refund a portion of the outstanding maturities of the Unlimited Tax Road Bonds Series 2003B)	4,145,000	(1)
(1)	(1)	Pass-Through Toll Revenue and Limited Tax Refunding Bonds Series 2012 (issued to refund a portion of the maturities of the Pass-Through Toll Revenue and Limited Tax Bonds Series 2007)	40,910,000	(1)
(1)	(1)	LTD Tax Refunding Bond Series 2017	62,835,000	(1)
11/7/2017	A	Unlimited Tax Road and Refunding Bonds Series 2017 (a portion of proceeds refunded the outstanding maturities of the Unlimited Tax Road Bonds Series 2009A)	78,805,000	Approved
11/7/2017	B	Limited Tax Flood Control and Refunding Bonds Series 2017 (a portion of proceeds refunded the outstanding maturities of the Unlimited Tax Road Bonds Series 2009C-2)	14,465,000	Approved
11/7/2017	C	Limited Tax County Building Bonds Series 2017A	8,835,000	Approved
11/7/2017	A	Limited Tax County Building Bonds, Series 2019	8,200,000	Approved
11/7/2017	C	Unlimited Tax Road Bonds, Series 2019	22,080,000	Approved

Data is presented only for bond issues with maturities outstanding at September 30, 2023.

(1) N/A (Per Texas Government Code §1207, elections are not required to issue refunding bonds if certain conditions are met).

(2) "Amount" for the two 2001 series of debt includes total accretion

Narrative: Summarize in the space provided your entity's recent efforts to increase transparency in the area of Debt Obligations. Be sure to:

- 1) provide explanations for any terminology that appears in the summary,
- 2) describe any benchmarks, standards or best practices your entity uses to gauge its progress in this area, and
- 3) detail any historical analysis used to track efforts to improve transparency in this area.

Many costs of county government are paid from monetary inflows collected during the approximate time period in which those monetary outflows occur. For example, property taxes, a major source of county inflows, are collected throughout the year, and they are therefore also available throughout the year to pay for routine operating needs such as employee salaries, supplies, office furnishings, etc.

However, from time to time the county must undertake high-dollar, multi-year projects for which it is impractical to pay from current financial resources. In such instances, the county may choose to issue long-term debt(1), a financing mechanism whereby investors loan the county money in return for the county's promise to repay them their principal(2), plus interest(3), over an agreed-upon span of years. While some types of long-term debt can be issued at the discretion of the county's Commissioners Court, other types require advance voter approval at a general election.

Common examples of projects that might be funded with long-term debt include:

- a) The construction or major renovation of county facilities;
- b) The building of, or major improvements made to, county roadways; and
- c) The implementation or maintenance of flood control measures.

In addition to issuing debt to fund long-term projects, the county from time to time also issues debt to retire existing debt when doing so decreases its future interest expense. The county works with an investment advisor to determine when such market opportunities exist.

It is important that taxpayers have a knowledge of the county's long-term debt position and requirements because a portion of their property taxes is dedicated specifically to pay long-term debt principal and interest. Additionally, a single issuance of long-term debt can obligate the county to make payments over as many as twenty, or even thirty, years, so the county's decisions to issue debt can have financial implications for its citizens for decades.

Galveston County publishes detailed information about its long-term debt yearly in its Annual Comprehensive Financial Report, but it is proud to participate in the State Comptroller's Debt Obligations Financial Transparency Star program, because it believes this enhances citizens' understanding of this important component of county finance that directly impacts their own monetary outflows.

(1) A "debt" is something owed by one person or organization to another – in this sense, a legal, contractual obligation to pay or return money.

(2) "Principal" is the amount of a debt, exclusive of interest (see 3), below. For example, the county typically issues long-term bonds of \$5,000.00 in principal – the "face value" amount it will repay to the investor who loans it money.

(3) "Interest" is the cost of money – in this sense, an amount paid in return for a loan, in return for being allowed the use of another person's or organization's money. Interest is generally calculated as a percentage of the related principal loaned.

1 details