



# ANNUAL COMPREHENSIVE

FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2023  
HOUSTON, TX



# FINANCIAL REPORT

SERVING TODAY ■ PLANNING FOR TOMORROW



**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**  
of the  
**HOUSTON-GALVESTON AREA COUNCIL**  
Houston, Texas

For the year ended  
December 31, 2023

Christina Ordóñez-Campos, CPA  
Chief Financial Officer  
Member of the Government Finance Officers Association  
of the United States and Canada

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**HOUSTON-GALVESTON AREA COUNCIL  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
For the Year Ended December 31, 2023**

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# INTRODUCTORY SECTION



SERVING TODAY ■ PLANNING FOR TOMORROW







**May 17, 2024**  
**Houston City Councilmember and H-GAC Chairperson Sallie Alcorn**  
**& Members of the Board of Directors:**

The Annual Comprehensive Financial Report (ACFR) for the Houston-Galveston Area Council (H-GAC) for the fiscal year ended December 31, 2023, is hereby presented. This report reflects H-GAC’s continued commitment to advancing sustainable and resilient communities throughout our region with collaborative initiatives and strategic planning.

This report has been meticulously prepared by H-GAC’s Finance team, which assumes full responsibility for the accuracy, completeness, and fairness of the data. In addition, we are pleased to report that Whitley Penn, H-GAC’s public accountancy firm, has issued an unmodified opinion, also known as a “clean” opinion, on the H-GAC financial statements included herein.

H-GAC has prepared management’s discussion and analysis, which immediately follows the independent auditor’s report and provides an introduction, overview, and analysis of the basic financial statements. This analysis is intended to complement this letter of transmittal and should be read in conjunction with it.

**THE HOUSTON-GALVESTON AREA COUNCIL**

The Houston-Galveston Area Council is one of the largest regional planning commissions in the country. Our service area spans 13 counties and includes 177 cities and 84 independent school districts. The 300-member staff of professionals and 37-member board of directors understand that a strong economy and rapid growth brings both opportunities and challenges. We meet these challenges in three ways: providing a forum for jurisdictions of all sizes to come together to solve regional issues; identifying and prioritizing funding opportunities; and providing direct services.

Addressing these diverse regional challenges, including employment, pollution, transportation, and public services, H-GAC channels collective action to improve the physical, social, and economic landscape throughout the region.

**THE IMPACT OF H-GAC**

As we explore the financial landscape of H-GAC in the pages that follow, let us remain mindful of the stories they represent and the transformative power they possess. Each dollar spent is a commitment to progress, empowerment, and the well-being of communities that benefit from the tireless efforts of H-GAC, our dedicated staff, committed boards of directors, and passionate volunteers.

Each dollar creates opportunity, a better region, and a legacy for generations that follow. While our canvas is vast and our endeavors diverse, we are the custodians of the precious tax dollars entrusted to us.

These numbers, meticulously compiled, offer a window into the tangible impact of our collective efforts. Through transparency and diligence, we aim to provide a comprehensive overview that underscores our commitment to accountability and responsible stewardship.





## SERVICE REPORT SUMMARY

### Administrative, Finance, Communications, and Program Operations

With 93 key performance measures, the Administrative, Finance, Communications, and Program Operations program areas are responsible for overall direction, management, and implementation of Board policy. Costs associated with this program are allocated to other program areas following a cost allocation plan through the indirect cost pool or other allocated pools as indicated.

### Community & Environmental Planning

Community and Environmental Planning Department meets 47 key performance measures as it works to provide regional planning services, technical assistance, and information to assist local governments in managing orderly growth, promoting public safety, and assuring environmental quality.

### Public Services

Public Services provide local governments assistance in the development, coordination, planning, and improvement of cooperative purchasing, small business financing, and economic development. It accomplishes this through a nationwide Cooperative Purchasing program, the Local Development Corporation, and the Economic Development Administration providing 21 key performance measures.

### Human Services

The Human Services programs work to adhere to 14 key performance measures as they carry out their goals:

- Ensure an educated workforce.
- Attract more and better jobs to the region.
- Help area residents earn higher incomes.
- Provide an array of services to assist older individuals and their families to live independently in their communities.

The Workforce Solutions program receives its funding from state and federal government by way of the Texas Workforce Commission, with its largest component of funding intended for childcare. In fiscal year 2023, Workforce Solutions saw a marginal increase of 3.61 percent in funding compared to the previous year. However, in fiscal year 2022 the program saw a substantial 17.87 percent increase, signaling a trend towards stabilized funding levels post-pandemic, with smaller incremental year-over-year rises becoming more typical.

### Transportation/Metropolitan Planning Organization

Serving as the region’s Metropolitan Planning Organization (MPO), our Transportation team works to improve the movement of people and goods throughout the eight county MPO region using a comprehensive and coordinated planning process. Through 37 key performance measures, the department accomplishes this by:

- Promoting a safe, secure, accommodating, and flexible transportation system.
- Reducing travel congestion and vehicle emissions.
- Promoting balanced transportation/land use development/environmental sensitivity.

### Data Services

Through its 28 key performance measures, Data Services provides and manages all aspects of information technology support for the agency’s enterprise network infrastructures, telecommunication services, and enterprise data management, to include providing Wide Area Network services for 28 Workforce career offices.

Data Services also provides and maintains geospatial databases for the eight counties within the Gulf Coast Regional 9-1-1 Emergency Communications District, which supports 27 Public Safety Answering Points, ensuring system reliability and call-taking accuracy.



## FINANCIAL PLANNING AND POLICIES OVERVIEW

Each December, the board of directors approves a comprehensive financial plan encompassing both restricted and unrestricted revenue sources. With over 150 grants that flow through 18 state and federal revenue streams often extending beyond a single fiscal year, the H-GAC management team forecasts service expenditures and revenues for their respective programs. Recognizing the need for flexibility, the board approves amendments throughout the year to accommodate revenue changes and seizing new opportunities.

For the Fiscal Year beginning January 1, 2023, the budget went before the H-GAC Board of Directors for final approval in December 2022. The FY2023 budget was revised in June and submitted for the board’s review and approval at the July Board of Directors meeting. The revised FY2023 budget totaled \$493,274,892.

## 2023 PRIORITIES AND ACTIVITIES SUMMARY

In early 2023, the H-GAC Board of Directors came together at their annual board retreat to identify the agency’s direction for the foreseeable future. For a full day, the newly minted Board of Directors discussed and identified five priority areas for H-GAC to work on over the next three to five years. They include:

**Healthcare:** Become an active partner in addressing gaps in mental healthcare, Intensive Care Unit and bed capacity, telemedicine, and access in rural and underserved areas.

Through continued outreach and site visits in 2023 and working with the Texas Association of Counties and the Texas Association of Regional Councils, these issues are at the forefront of regional conversations.

**Water Resources:** Take a regional approach to prioritizing and funding drainage, drinking water, and wastewater infrastructure.

This year, conversations around the Regional Priority Projects List for Disaster Mitigation led to a regional gathering and strategy sessions slated for May 2024, following the announcement of nearly \$17 million for a water treatment facility in Colorado County to replace an existing facility in a hazardous area.

**Housing:** Develop strategies and partnerships to ensure cities and counties can provide safe and affordable housing to a growing population and economy.

H-GAC held a Missing Middle Housing workshop for regional stakeholders in 2023 and is working to embed this priority into the agency’s core programs to include Transportation, Economic Development, Workforce, and more.

**Broadband Access:** Lead the implementation of broadband infrastructure and availability across the region.

With the anticipated rollout of funding under the Broadband Equity Access and Deployment program in 2024, H-GAC will begin offering technical assistance to member governments.

**Customer Service & Outreach:** Provide exceptional service to local governments, communities, and individuals who depend on and benefit from H-GAC’s services.

Through the coordination of 16 in-person visits across our 13 counties, an upgraded telecommunications system, and a customer service campaign to promote and recognize extraordinary service H-GAC doubled down on service quality in 2023.



## LEADERSHIP TRANSITION

Fiscal Year 2023 served as a transitional year for the Finance Division. With Chief Financial Officer Christina Ordóñez-Campos joining the agency, she and her team assessed risks and opportunities and guided H-GAC in tracking its financial goals objectives, and budget for 2023.

Before joining H-GAC, Christina had dedicated her career to the support and financial oversight of public-sector organizations in higher education, such as Texas Southern University, the University of Houston, Lone Star College, and the Stafford Municipal School District. She is a veteran of the United States Air Force.

With bachelor's and master's degrees in accounting from Florida International University and a certified public accountant license in the State of Texas, H-GAC was proud to welcome Christina to the H-GAC leadership team.

## AWARDS AND ACKNOWLEDGEMENTS

H-GAC received the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2022. This prestigious recognition is awarded for publishing an ACFR meeting the highest standards of readability, organization, and compliance with accounting principles and legal requirements.

In closing, we invite you to engage with us further by exploring our updated website, following @HouGalvAreaCOG on social media, attending our public events, and sharing your insights and ideas. Your partnership is instrumental as we work together to build our region's sustainable and thriving future.



Chuck Wemple  
Executive Director



Christina Ordóñez-Campos, CPA  
Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Houston-Galveston Area Council  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO

# **HOUSTON-GALVESTON AREA COUNCIL**

## **PRINCIPAL OFFICIALS**

### **OFFICERS OF THE BOARD OF DIRECTORS 2023**

#### **CHAIR**

Councilmember Sally Branson  
City of Friendswood

#### **VICE CHAIR**

Mayor Joe Garcia  
City of Pattison

#### **CHAIR ELECT**

County Judge Jay Knight  
Liberty County

### **ADMINISTRATIVE STAFF**

Executive Director	Chuck Wemple
Chief Financial Officer	Christina Ordóñez-Campos, CPA
Chief Operations Officer	Onyinye Akujuo
Chief Outreach and Government Affairs Officer	Rick Guerrero
Director of Internal Audit	Charles Hill

## H-GAC MEMBER GOVERNMENTS

### Counties

Austin	Fort Bend	Matagorda	Wharton
Brazoria	Galveston	Montgomery	
Chambers	Harris	Walker	
Colorado	Liberty	Waller	

### Cities over 25,000 Population\*

Alvin	Houston	Pasadena
Baytown	Huntsville	Pearland
Conroe	La Porte	Rosenberg
Deer Park	Lake Jackson	Sugar Land
Friendswood	League City	Texas City
Galveston	Missouri City	

### Home Rule Cities\*

Angleton	Galena Park	Manvel	Stafford
Bay City	Hempstead	Mont Belvieu	Sweeny
Bellaire	Hitchcock	Nassau Bay	Tomball
Cleveland	Humble	Palacios	Webster
Clute	Iowa Colony	Prairie View	West University Place
Dayton	Jacinto City	Richmond	Wharton
Dickinson	Jersey Village	Richwood	Willis
El Campo	Katy	Santa Fe	
Freeport	La Marque	Seabrook	
Fulshear	Liberty	Sealy	

### General Law Cities\*

Ames	East Bernard	New Waverly	Splendora
Anahuac	El Lago	Oak Ridge North	Spring Valley Village
Arcola	Hedwig Village	Old River Winfree	Stagecoach
Bayou Vista	Hillcrest Village	Oyster Creek	Surfside Beach
Beach City	Town of Holiday Lakes	Panorama Village	Taylor Lake Village
Bellville	Hunters Creek Village	Pattison	Thompsons
Brazoria	Jamaica Beach	Piney Point Village	Tiki Island
Brookshire	Jones Creek	Pleak	Waller
Brookside Village	Kemah	Riverside	Wallis
Bunker Hill Village	Kendleton	Roman Forest	Weimar
Clear Lakes Shores	Magnolia	San Felipe	West Columbia
Columbus	Meadows Place	Shenandoah	Weston Lakes
Daisetta	Montgomery	Shoreacres	
Danbury	Morgan's Point	South Houston	
Eagle Lake	Needville	Southside Place	

### Independent School Districts\*

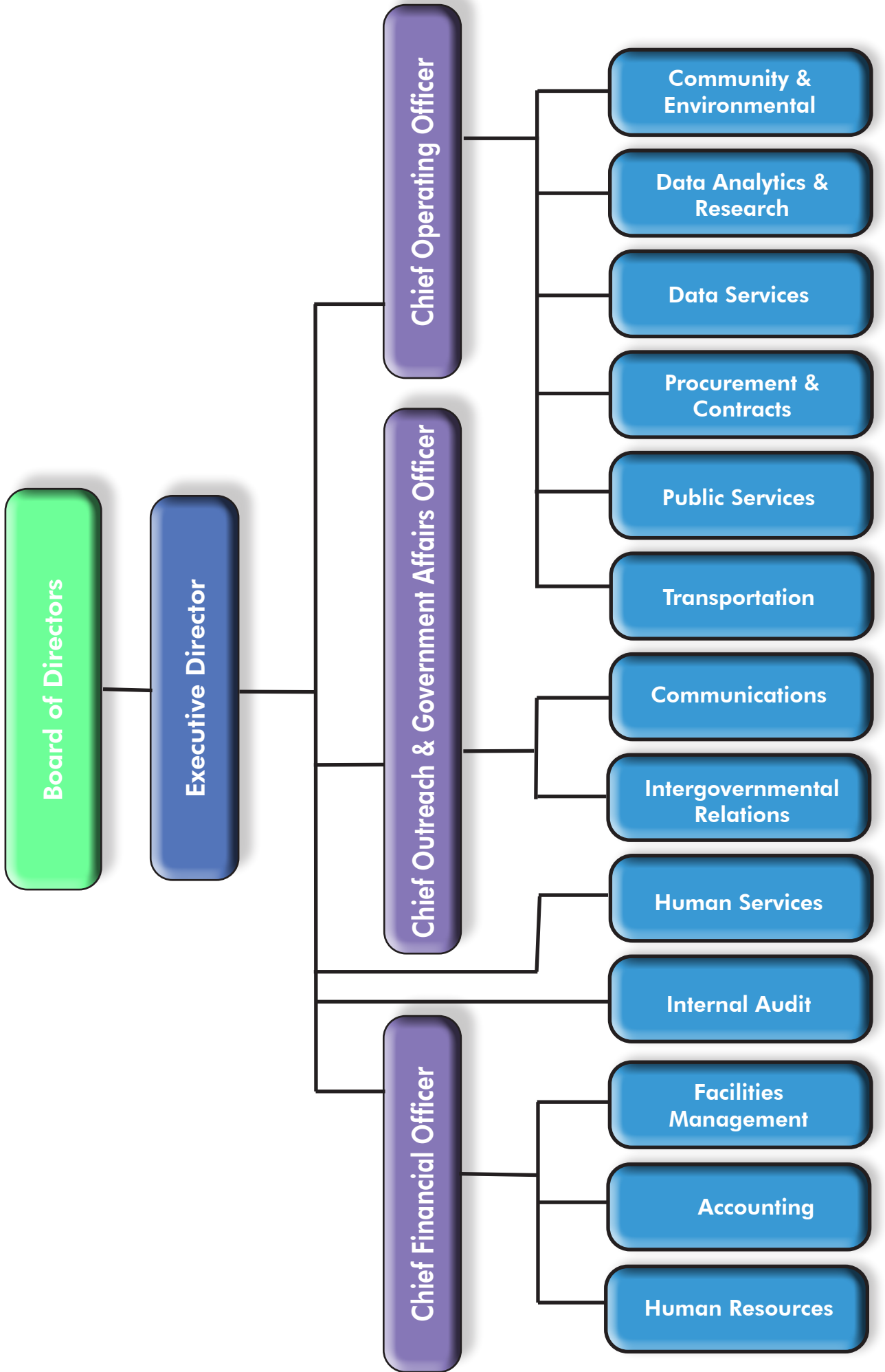
Alief ISD	Hempstead ISD	Needville ISD
Columbia-Brazoria ISD	Hitchcock ISD	Pearland ISD
Deer Park ISD	Huntsville	Waller ISD
Fort Bend ISD	Magnolia ISD	

\*based on 2020 Census

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# Houston-Galveston Area Council







# FINANCIAL SECTION



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Houston-Galveston Area Council  
Houston, Texas

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Houston-Galveston Area Council (the "Council"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Council, as of December 31, 2023, 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.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Board of Directors  
Houston-Galveston Area Council  
Houston, Texas

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

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

To the Board of Directors  
Houston-Galveston Area Council  
Houston, Texas

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The schedule of indirect costs and the schedule of H-GAC employee benefits are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Texas Grant Management Standards and are also not a required part of the basic financial statements.

The schedule of indirect costs, schedule of H-GAC employee benefits and schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relates 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 schedule of indirect costs, schedule of fringe benefits, and schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2024 on our consideration of the Council'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's 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 Council's internal control over financial reporting and compliance.



Houston, Texas  
May 14, 2024

# HOUSTON-GALVESTON AREA COUNCIL

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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The following is a narrative overview and analysis of the financial activities of the Houston-Galveston Area Council (“H-GAC” or “the Council”) for the year ended December 31, 2023. This analysis is prepared by the Finance department of the H-GAC and is intended to expand the reader’s understanding of the attached financial statements and the effect of certain events on those financial statements.

### 1. FINANCIAL HIGHLIGHTS

- The assets of H-GAC exceed its liabilities and deferred inflows of resources by \$43,468,636 of which \$30,364,734 is available to meet the Council’s ongoing obligations to local governments and creditors.
- H-GAC’s net position increased by \$3,455,460 during the year ended December 31, 2023.
- At the end of the year, the nonspendable fund balance and unassigned governmental fund balance are \$1,043,825 and \$11,574,111 respectively.

### 2. OVERVIEW OF THE FINANCIAL STATEMENTS

The H-GAC financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes additional supplementary information that is not a required part of the financial statements themselves.

**Government-wide financial statements.** Included in this report are the Statement of Net Position and the Statement of Activities. These statements present the results of operation on a comprehensive basis utilizing the full accrual accounting methodology. This methodology requires that changes in net position be reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).



Both government-wide financial statements distinguish functions of H-GAC that are principally supported by grants (governmental activities) from other functions that are supported by user fees (business-type activities). The governmental activities include the activities of the general government, general government overhead, and all grant related activities. The business-type activities include the Cooperative Purchasing program. The Energy Purchasing Corporation, Gulf Coast Economic Development Corporation and the Local Development Corporation are presented as separately presented component units to H-GAC. The H-GAC Energy Purchasing Corporation's purpose is to serve as a licensed aggregator of electricity for local governments in the state of Texas by negotiating and administering electricity service contracts. Local governments pay an administrative fee to participate in the contracts. The Houston-Galveston Area Local Development Corporation ("LDC") was established to further economic development and social welfare by promoting and assisting growth and development of business concerns in the region. The Corporation is a certified development company by the U.S. Government Small Business Administration and assists small businesses in securing loans for the purpose of construction, conversion, or expansion, including the acquisition of land, existing buildings, and leasehold improvements. The Corporation receives a residual fee for its services on all funded loans. The H-GAC Gulf Coast Economic Development Corporation ("EDC"), a 501(C)(3) Corporation, was established in 1988 to address the regional needs of distressed economic growth areas. The EDC originally received economic development grants from the Federal Economic Development Administration to promote coordination among local economic development efforts on a region wide basis. All component units of H-GAC's governing bodies consist of members of H-GAC's Board of Directors or are appointed by H-GAC's Board of Directors.

The statement of net position presents information on all H-GAC's assets, liabilities, and deferred inflows of resources, 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 H-GAC is improving or deteriorating. The statement of activities presents information showing how the government's net position changed during the most recent fiscal year.

**Fund financial statements.** A fund is a grouping of related accounts that have been segregated to maintain control over resources and achieve specific objectives. H-GAC uses fund accounting to identify resources that have specific compliance requirements, such as grant programs, and demonstrate adherence to finance-related legal

requirements. H-GAC maintains three fund types: 1) governmental funds, 2) proprietary funds, and 3) fiduciary funds.

Governmental Funds. Governmental funds account for the same functions reported as governmental activities in the government-wide financial statements, except that they are presented on the modified accrual basis of accounting which requires that revenues be recorded when measurable and available. Expenditures are recorded when the services or goods are received, and the liabilities incurred. Thus, the focus of these statements is on the near-term inflows and outflows of spendable resources and the balances of spendable resources available at the end of the year.

Comparison between the governmental activities in the government-wide financial statements and the information presented in the governmental funds statements allows the reader to 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.

H-GAC maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the grant fund, the Corporation for Regional Excellence, and the Gulf Coast 911 Regional District. Both the Corporation for Regional Excellence and the Gulf Coast 911 Regional District are blended component units presented as governmental funds.

H-GAC adopts an annual budget for its general fund and component units in December of each year. Grant fund budgets are reviewed and approved by the Board of Directors within the context of the annual budget. Throughout the year the budget is amended as grant funds become available or lapse. Although the budgets are reviewed and approved by H-GAC's Board, they are not considered legally adopted budgets or appropriations.

Proprietary Funds. H-GAC had only one type of proprietary fund during fiscal year 2023. The enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. Unlike governmental funds, enterprise funds are maintained on the full accrual basis of accounting as are the government-wide financial statements, therefore, no reconciliation between the statements is necessary. H-GAC records the activities of its Cooperative Purchasing program in the enterprise fund.

Fiduciary Funds. The fiduciary funds administered by H-GAC consist of the plan fund for H-GAC's employee retirement plan and a custodial fund for the Air Emission Reduction Credit Organization ("AERCO"). AERCO was created to promote the coexistence of air quality improvement and economic development within the region. H-GAC serves as the custodian of funds received due to air emission credits and uses those funds to offset new emission requirements for major industrial modifications, economic development, or to reduce emissions to meet federal reduction requirements. These funds, like the proprietary funds, are presented on the full accrual basis of accounting. Fiduciary funds are not presented in the government-wide financial statements as these funds are restricted and are not available to support the programs of H-GAC. The pension plan is audited separately, and a copy of this report is available by request from H-GAC, P.O. Box 22777, Houston, TX 77227-2777.

**Notes to the financial statements.** The notes to the financial statements are an integral part of understanding both the government-wide financial statements and the fund financial statements.

### **3. GOVERNMENT-WIDE FINANCIAL ANALYSIS**

#### **Statement of Net Position**

H-GAC's assets exceed liabilities and deferred inflows of resources by \$43,468,636 at the close of the most recent year, 2023, which is an increase over 2022. Approximately 6.15% of H-GAC's net position is net investment in capital assets. These capital and lease assets within the office facilities of H-GAC to provide service and do not represent funds available for future spending. Increase to net position came from increased revenues over expenses in the governmental activities from the prior year. There was restricted net position of \$10,431,369 at the end of the year. The balance of unrestricted net position in 2023 of \$30,364,734 may be used to meet H-GAC's ongoing obligations.

**HOUSTON-GALVESTON AREA COUNCIL**  
**CONDENSED STATEMENT OF NET POSITION – PRIMARY GOVERNMENT**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Current and Other Assets	\$56,881,271	\$53,041,774	\$19,873,137	\$20,823,196	\$76,754,408	\$73,864,970
Capital & Lease Assets, Net	12,291,077	11,830,281	-	-	12,291,077	1,830,281
Total Assets	69,172,348	64,872,055	19,873,137	20,823,196	89,045,485	85,695,251
<b>Liabilities</b>						
Current and Other Liabilities	35,805,560	34,623,190	228,507	195,375	36,034,067	34,818,565
Long-Term Liabilities						
Lease Obligations	8,148,634	9,617,853			8,148,634	9,617,853
Other Long-Term Liabilities	483,031	185,559	-	-	483,031	185,559
Total Liabilities	44,437,225	44,426,602	228,507	195,375	44,665,732	44,621,977
<b>Deferred inflows of Resources</b>						
Lease	911,117	1,060,096	-	-	911,117	1060096
<b>Net Position</b>						
Net Investment in Capital Assets	2,672,533	576,388	-	-	2,672,533	576,388
<b>Restricted for:</b>						
EPA RLF Program	1,159,791	1,406,844	-	-	1,159,791	1,406,844
Corporation for Regional Excellence	1,006,757	791,606	-	-	1,006,757	791,606
Gulf Coast 911 Reg District	8,264,821	6,014,150	-	-	8,264,821	6,014,150
Unrestricted	10,720,104	10,596,369	19,644,630	20,627,819	30,364,734	31,224,188
Total Net Position	\$23,824,006	\$19,385,357	\$19,644,630	\$20,627,819	\$43,468,636	\$40,013,176

### Statement of Activities

H-GAC’s net position increased by \$3,455,460 for the year. This reflects an increase in net position for governmental activities of \$2,438,651 and an increase in net position in business-type activities of \$1,016,811, before transfers. The change in net position in governmental activities represents a 12.6% increase of net position for governmental activities and the change in net position in the business-type activities represents an 4.9% increase in net position for this activity. Overall, H-GAC increased net position by 8.6%. Key elements of the increase along with percentage analysis are as follows:

### HOUSTON-GALVESTON AREA COUNCIL STATEMENT OF ACTIVITIES – PRIMARY GOVERNMENT

	Governmental Activities		Business-Type Activities		Total		Percent	
	2023	2022	2023	2022	2023	2022	2023	2022
<b>Program Revenues</b>								
Charges for Services	\$4,236,867	\$3,045,977	\$5,570,332	\$4,675,601	\$9,807,199	\$7,721,578	2.15%	1.70%
Operating Grants and Contributions	442,187,163	446,336,145	-	-	442,187,163	446,336,145	97.11%	98.10%
<b>General Revenues</b>								
Interest Income	811,509	128,727	-	-	811,509	128,727	0.18%	0.03%
Lease Interest	11,095	11,481	-	-	11,095	11,481	0.00%	0.00%
Other Income	2,543,005	773,249	-	-	2,543,005	773,249	0.56%	0.17%
<b>Total Revenues</b>	<b>449,789,639</b>	<b>450,295,579</b>	<b>5,570,332</b>	<b>4,675,601</b>	<b>455,359,971</b>	<b>454,971,180</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Expenses</b>								
General Government	8,110,887	3,412,250	-	-	8,110,887	3,412,250	1.76%	0.75%
Workforce Programs	391,927,332	399,963,724	-	-	391,927,332	399,963,724	86.76%	88.16%
Transportation	25,956,230	25,540,331	-	-	25,956,230	25,540,331	5.75%	5.63%
Community and Environmental	3,536,884	3,250,683	-	-	3,536,884	3,250,683	0.78%	0.72%
Criminal Justice	1,620,178	2,547,413	-	-	1,620,178	2,547,413	0.36%	0.56%
Aging Services	13,727,943	11,685,445	-	-	13,727,943	11,685,445	3.04%	2.58%
Reg Excellence Corp	10,703	660	-	-	10,703	660	0.00%	0.00%
Gulf Coast 911 Reg Dist	2,460,830	2,961,955	-	-	2,460,830	2,961,955	0.54%	0.65%
Cooperative Purchasing	-	-	4,553,521	4,289,871	4,553,521	4,289,871	1.01%	0.95%
<b>Total Expenses</b>	<b>447,350,987</b>	<b>449,362,461</b>	<b>4,553,521</b>	<b>4,289,871</b>	<b>451,904,508</b>	<b>453,652,332</b>	<b>100.00%</b>	<b>100.00%</b>
Change in net position before transfers	2,438,651	933,118	1,016,811	385,730	3,455,460	1,318,848		
Transfers	2,000,000	375,000	-2,000,000	-375,000	-	-		
Change in net position	4,438,649	1,308,118	-983,189	10,730	3,455,460	1,318,848		
Net Position-Beginning of Yr	19,385,357	18,077,239	20,627,819	20,617,089	40,013,176	38,694,328		
Net Position-End of Yr	\$23,824,006	\$19,385,357	\$19,644,630	\$20,627,819	\$43,468,636	\$40,013,176		

H-GAC operates primarily from grant and contract revenues; therefore, increases in expenses closely parallel increases in grant and contract funding for services.

**Business-type activities**

The Cooperative Purchasing program was established in 1973 to assist local governments in their purchasing and procurement needs. Through aggregation of individual purchases into a single procurement, volume discounts can be achieved.

The program is influenced by market conditions. The Cooperative Purchasing program deals primarily in the acquisition of capital assets for participating governmental and non-profit entities. In 2023 and 2022, revenue in this program was \$5,570,332 and \$4,675,601, respectively. During the year, operating expenses for the program increased 6.15% and revenues increased 19.14%. The combined result was reflected as a decrease to net position of \$983,189 or 4.77% after \$2 million transfer out. By comparison, the increase in 2022 was \$10,730 or 0.97%.

<b>Business-Type Expenses</b>	<b>2023 Amount</b>	<b>2022 Amount</b>	<b>Increase (Decrease) from 2022</b>	<b>Increase (Decrease)</b>
Personnel and Benefits	\$3,713,331	\$3,597,356	\$115,975	3.22%
Consultant and Contract Svcs	153,207	124,823	28,384	22.74%
Equipment Rental and Leases	35,583	35,453	130	0.37%
Amortization - Lease	208,968	219,943	(10,975)	-4.99%
Travel	81,694	55,857	25,837	46.26%
Other	360,738	256,439	104,299	40.67%
<b>Total Expenses</b>	<b>\$4,553,521</b>	<b>\$4,289,871</b>	<b>\$263,650</b>	<b>6.15%</b>

**4. FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS**

As stated previously, H-GAC uses fund accounting to ensure and demonstrate compliance with legal requirements imposed by grantors. The following is a discussion of the funds used at H-GAC and key elements in each fund.

## **Governmental Funds**

Governmental funds are presented on the modified accrual basis of accounting. This measurement focus emphasizes the inflows, outflows, and available resources in the near term. This information is desirable in evaluating H-GAC's financing requirements. Specifically, the unassigned balance represents H-GAC's available resources at the end of the year.

H-GAC's general fund balance for year 2023 is \$12,617,936. Included in this fund balance is \$1,043,825 which has been identified for prepaid items and is nonspendable. The balance of \$11,574,111 is available for use at H-GAC's discretion.

The general fund balance of H-GAC increased by \$462,344. The increase is due to an increase of fund transfer in 2023 from the enterprise fund. The general fund is the primary operating fund for H-GAC. The grant fund, used to account for all grant programs and other revenues whose use is restricted for a specific purpose, had a decrease of fund balance from \$1,406,846 in 2022 to \$1,159,791 in 2023. This decrease was primarily due to the gradual planned use of the fund balance in the Clean Vehicle program.

Also included in the governmental funds is the Regional Excellence Corporation, a blended component unit of H-GAC established in 2004 to support programs and initiatives of the organization through private sector contributions. All board members of the Corporation serve in a dual capacity as both a board member of H-GAC and a board member of the Corporation. In 2023, the Corporation had cash and pledged contributions of \$225,853 to support activities associated with H-GAC's transportation program. The Corporation only had expenses of \$10,703 during the year. The corporation's bylaws restrict the use of these funds.

Additionally, in February 2016, H-GAC's Board of Directors established the Gulf Coast 911 Regional District, a blended component unit of H-GAC, to provide administrative support and coordination of emergency communications in Brazoria, Chambers, Colorado, Liberty, Matagorda, Walker, Waller, and Wharton counties including all cities therein. All board members of the District serve in a dual capacity as both a board member of H-GAC and a board member of the District. In 2023, the district had income of \$4,711,501 and expenditures of \$2,460,830. The district intends to use these excess funds to enhance the infrastructure and resiliency of the 9-1-1 services in the region through equipment, technology, and software improvements. The District's bylaws restrict the use of these funds.



### Proprietary Funds

The proprietary fund of H-GAC is composed of the Cooperative Purchasing enterprise fund. As mentioned previously, the measurement focus for the fund statements is identical to the government-wide statements. It is the policy of H-GAC to associate net position to the activities generating the net position. The remaining net position is available to meet future needs as directed by the Board of Directors.

#### 5. CAPITAL ASSET ADMINISTRATION

H-GAC’s capital assets for governmental activities amount to \$12,291,078 (net of depreciation) for fiscal years ended December 31, 2023. This investment in capital assets includes equipment, furniture, and fixtures, & Leases. Additional information on H-GAC’s capital assets can be found in footnote 6 of this report. H-GAC does not own any real property.

During 2023, H-GAC acquired a variety of assets. H-GAC has a capitalization threshold of \$5,000, in accordance with federal requirements. The following table identifies the additions and retirements of depreciable assets for governmental activities. Beginning balances are net of depreciation. The accumulated depreciation column below reflects the net effect of depreciation expense for the year and the recovery of depreciation upon retirement of assets.

#### HOUSTON-GALVESTON AREA COUNCIL CAPITAL ASSET ANALYSIS

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Net Accumulated Depreciation</u>	<u>Ending Balance</u>
Governmental Activities					
Equipment, furniture and fixtures, net	\$576,388	\$2,330,880	-	(\$234,735)	\$2,672,533
Leases, net	11,253,893	-	-	(1,635,349)	\$9,618,544
<b>Totals</b>	<b>11,830,281</b>	<b>2,330,880</b>	<b>-</b>	<b>(1,870,084)</b>	<b>12,291,077</b>

## **6. DEBT ADMINISTRATION**

Debt is considered a liability of governmental activities and consists of long-term lease obligations. Additional information on the long-term leases can be found in Note 8 of the footnotes.

Other long-term liabilities, including compensated absences increased by \$338,622 in 2023. The compensated absence balance at year end was \$1,897,832.

## **7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

H-GAC membership dues are based on the federal 10-year census and are calculated on population. For FY2024, the per-capita membership revenue is estimated at \$462,137. This budget is based on the most recent census and is consistent with the budgeted amount in FY2023.

H-GAC increased estimated revenues and corresponding expenses by \$57,644,263 for 2024. The budget reflects increases in Workforce programs for \$41,790,789; Transportation for \$6,162,157; Community & Environmental for \$6,411,020; Public Services for \$158,601; Aging for \$3,733,803; and Data Services for \$1,591,765. The increases are attributable to additional funding in different programs and the decrease in Capital Expenditure attributable to completion of major office renovation project to update the workspace and improve technology. These factors were considered in preparing the budget for the 2024 fiscal year.

## **8. REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of H-GAC's finances for those with an interest in the Council's finances. Questions or comments regarding this report should be directed to Christina Ordonez-Campos, Chief Financial Officer, Houston-Galveston Area Council, P.O. Box 22777, Houston, TX 77227-2777.

HOUSTON-GALVESTON AREA COUNCIL  
STATEMENT OF NET POSITION  
DECEMBER 31, 2023

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Energy Purchasing Corporation	Gulf Coast Economic Development Corporation	Local Development Corporation
<b>ASSETS</b>						
Cash and cash equivalents	\$ 33,827,862	\$ -	\$ 33,827,862	\$ 354,293	\$ 1,772,025	\$ 1,810,839
Investments	9,926,965	-	9,926,965	-	-	-
Receivables, net	27,947,233	2,052,699	29,999,932	-	147,063	-
Notes receivable	147,533	-	147,533	-	3,508,722	-
Lease receivable	933,694	-	933,694	-	-	-
Due from component units	874,597	-	874,597	-	-	-
Internal balances	(17,820,438)	17,820,438	-	-	-	-
Prepaid expenses	1,043,825	-	1,043,825	-	-	-
Capital assets, net	2,672,533	-	2,672,533	-	-	-
Lease asset, net	9,618,544	-	9,618,544	-	-	-
Total Assets	<u>69,172,348</u>	<u>19,873,137</u>	<u>89,045,485</u>	<u>354,293</u>	<u>5,427,810</u>	<u>1,810,839</u>
<b>LIABILITIES</b>						
Accounts payable and accrued expenses	5,042,342	113,791	5,156,133	-	-	33,971
Unearned revenues	2,042,544	114,716	2,157,260	-	-	-
Due to grantee agencies	25,835,963	-	25,835,963	-	-	-
Due to primary government	-	-	-	21,158	608,074	245,365
Long term liabilities						
Due within one year	1,414,801	-	1,414,801	-	-	-
Due more than one year	483,031	-	483,031	-	-	-
Lease Liability						
Due within one year	1,469,910	-	1,469,910	-	-	-
Due more than one year	8,148,634	-	8,148,634	-	-	-
Total Liabilities	<u>44,437,225</u>	<u>228,507</u>	<u>44,665,732</u>	<u>21,158</u>	<u>608,074</u>	<u>279,336</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Leases	911,117	-	911,117	-	-	-
Total Deferred Inflows of Resources	<u>911,117</u>	<u>-</u>	<u>911,117</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>						
Net investment in capital assets	2,672,533	-	2,672,533	-	-	-
Restricted for:						
EPA RLF Program	1,159,791	-	1,159,791	-	-	-
Corporation for Regional Excellence	1,006,757	-	1,006,757	-	-	-
Gulf Coast 911 Regional District	8,264,821	-	8,264,821	-	-	-
EDA RLF Program	-	-	-	-	4,819,736	-
Local Development Corporation	-	-	-	-	-	1,531,503
Unrestricted	10,720,104	19,644,630	30,364,734	333,135	-	-
Total Net Position	<u>\$ 23,824,006</u>	<u>\$ 19,644,630</u>	<u>\$ 43,468,636</u>	<u>\$ 333,135</u>	<u>\$ 4,819,736</u>	<u>\$ 1,531,503</u>

See accompanying notes to the financial statements

HOUSTON-GALVESTON AREA COUNCIL  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position			Component Unit		
			Charges for Services	Operating Grants and Contributions	Primary Government			Energy Purchasing Corporation	Economic Development Corporation	Local Development Corporation
					Governmental Activities	Business-type Activities	Total			
<b>Primary government:</b>										
Governmental activities:										
General government	\$ 11,218,729	\$ (3,107,842)	\$ 4,236,866	\$ -	\$ (3,874,022)	-	\$ (3,874,022)			
Workforce programs	390,849,953	1,077,379	-	\$ 393,059,800	1,132,468	-	1,132,468			
Transportation	24,985,416	970,814	-	25,673,581	(282,649)	-	(282,649)			
Community and environmental	3,315,767	221,117	-	3,531,487	(5,397)	-	(5,397)			
Criminal justice	1,514,649	105,529	-	1,572,423	(47,755)	-	(47,755)			
Aging services	13,375,823	352,120	-	13,412,518	(315,425)	-	(315,425)			
Corporation for Regional Excellence	10,703	-	-	225,853	215,150	-	215,150			
Gulf Coast 911 Regional District	2,460,830	-	-	4,711,501	2,250,671	-	2,250,671			
Total governmental activities	<u>447,731,870</u>	<u>(380,883)</u>	<u>4,236,866</u>	<u>442,187,163</u>	<u>(926,959)</u>	<u>-</u>	<u>(926,959)</u>			
Business-type activities-										
Cooperative purchasing	4,172,638	380,883	5,570,332	-	-	\$ 1,016,811	1,016,811			
Total business-type activities	<u>4,172,638</u>	<u>380,883</u>	<u>5,570,332</u>	<u>-</u>	<u>-</u>	<u>1,016,811</u>	<u>1,016,811</u>			
Total primary government	<u>\$ 451,904,508</u>	<u>\$ -</u>	<u>\$ 9,807,198</u>	<u>\$ 442,187,163</u>	<u>(926,959)</u>	<u>1,016,811</u>	<u>89,852</u>			
<b>Component units:</b>										
Energy Purchasing Corporation	53,687		137,642	-			\$ 83,955	-	-	
Gulf Coast Economic Development Corporation	1,221,814		-	2,750,054			-	\$ 1,528,240	-	
Local Development Corporation	583,517		351,970	-			-	0	\$ (231,547)	
Total component units	<u>\$ 1,859,018</u>		<u>\$ 489,612</u>	<u>\$ 2,750,054</u>			<u>\$ 83,955</u>	<u>\$ 1,528,240</u>	<u>\$ (231,547)</u>	
General revenues:										
Interest income					822,603	-	822,603	-	-	-
Miscellaneous income					2,543,005	-	2,543,005	-	-	-
Transfers					2,000,000	(2,000,000)	-	-	-	-
Total general revenues and transfers					<u>5,365,608</u>	<u>(2,000,000)</u>	<u>3,365,608</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position					4,438,649	(983,189)	3,455,460	83,954	1,528,240	(231,547)
Net position - beginning					19,385,357	20,627,819	40,013,176	249,181	3,291,496	1,763,050
Net position - ending					<u>\$ 23,824,006</u>	<u>\$ 19,644,630</u>	<u>\$ 43,468,636</u>	<u>\$ 333,135</u>	<u>\$ 4,819,736</u>	<u>\$ 1,531,503</u>

See accompanying notes to the financial statements

**HOUSTON-GALVESTON AREA COUNCIL  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

	<b>General</b>	<b>Grant Fund</b>	<b>Corporation for Regional Excellence</b>	<b>Gulf Coast 911 Regional District</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 22,963,530	\$ 1,262,517	\$ 1,006,757	\$ 8,595,058	\$ 33,827,862
Investments	9,926,965	-	-	-	9,926,965
Receivables	1,225,799	26,705,644	-	15,790	27,947,233
Long-term lease receivable	933,693	-	-	-	933,693
Due from other funds	3,377,201	5,014,606	-	-	8,391,807
Due from component unit	874,597	-	-	-	874,597
Notes receivable	-	147,533	-	-	147,533
Prepaid items	1,043,825	-	-	-	1,043,825
Total assets	<u>\$ 40,345,610</u>	<u>\$ 33,130,300</u>	<u>\$ 1,006,757</u>	<u>\$ 8,610,848</u>	<u>\$ 83,093,515</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	1,949,253	3,093,089	-	-	5,042,342
Unearned revenue	32,261	2,010,283	-	-	2,042,544
Due to grantee agencies	-	25,835,963	-	-	25,835,963
Due to other funds	24,835,043	1,031,174	-	346,027	26,212,244
Total liabilities	<u>26,816,557</u>	<u>31,970,509</u>	<u>-</u>	<u>346,027</u>	<u>59,133,093</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Lease	911,117	-	-	-	911,117
Total deferred inflow of resources	<u>911,117</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>911,117</u>
Fund balances					
Nonspendable	1,043,825	-	-	-	1,043,825
Restricted for:					
EPA RLF Program	-	1,159,791	-	-	1,159,791
Corporation for Regional Excellence	-	-	1,006,757	-	1,006,757
Gulf Coast 911 Regional District	-	-	-	8,264,821	8,264,821
Unassigned	11,574,111	-	-	-	11,574,111
Total fund balance	<u>12,617,936</u>	<u>1,159,791</u>	<u>1,006,757</u>	<u>8,264,821</u>	<u>23,049,305</u>
Total liabilities and fund balances	<u>\$ 40,345,610</u>	<u>\$ 33,130,300</u>	<u>\$ 1,006,757</u>	<u>\$ 8,610,848</u>	<u>83,093,515</u>
Amounts reported for governmental activities in the statement of net position are different because:					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds					2,672,533
Lease assets used in governmental activities are not financial resources and, therefore, are not reported in the funds					9,618,544
Long-term liabilities excluding compensated absences, are not due and payable in the current period and therefore, are not reported in the funds.					<u>(9,618,544)</u>
Compensated absences of governmental activities are not due and payable in the current period and, therefore, are not reported in the funds					<u>(1,897,832)</u>
Net position of governmental activities					<u>\$ 23,824,006</u>

See accompanying notes to the financial statements

**HOUSTON-GALVESTON AREA COUNCIL  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>General</u>	<u>Grant Fund</u>	<u>Corporation for Regional Excellence</u>	<u>Gulf Coast 911 Regional District</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>					
Interest income	\$ 822,604				\$ 822,604
Membership dues	462,337				462,337
Interlocal contracts	3,600,430				3,600,430
Data services and imaging	174,100				174,100
Miscellaneous income	2,543,005				2,543,005
Other local revenue				\$ 4,711,501	4,711,501
From grantor agencies		\$ 437,249,809	\$ 225,853		437,475,662
Total revenues	<u>7,602,476</u>	<u>437,249,809</u>	<u>225,853</u>	<u>4,711,501</u>	<u>449,789,639</u>
<b>Expenditures</b>					
Current:					
General government	7,758,917				7,758,917
Workforce programs		391,864,225			391,864,225
Transportation		25,892,610			25,892,610
Community and Environmental		3,515,286			3,515,286
Criminal Justice/Homeland Security		1,566,591			1,566,591
Aging services		13,708,485			13,708,485
Corporation for Regional Excellence			10,703		10,703
Gulf Coast 911 Emergency District				2,460,830	2,460,830
Capital outlay:					
General government	2,330,884				2,330,884
Debt service:					
Principal					-
Interest	-				-
Total expenditures	<u>10,089,801</u>	<u>436,547,197</u>	<u>10,703</u>	<u>2,460,830</u>	<u>449,108,531</u>
Excess (deficiency) of revenues over expenditures	<u>(2,487,325)</u>	<u>702,613</u> <u>702,616</u>	<u>215,151</u>	<u>2,250,672</u>	<u>681,109</u>
<b>Other Financing Sources</b>					
Transfers in	2,949,669	(949,669)			2,000,000
Total other financing sources	<u>2,949,669</u>	<u>(949,669)</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>
Change in fund balances	462,344	(247,056)	215,151	2,250,672	2,681,109
Fund balances - beginning	12,155,592	1,406,846	791,606	6,014,152	20,368,196
Fund balances - ending	<u>\$12,617,936</u>	<u>\$ 1,159,790</u>	<u>\$ 1,006,757</u>	<u>\$ 8,264,824</u>	<u>\$ 23,049,305</u>

See accompanying notes to the financial statements

**HOUSTON-GALVESTON AREA COUNCIL**  
**Reconciliation of the Statement of Revenues**  
**Expenditures, and Changes in Fund Balance of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended December 31, 2023**

**Net change in fund balances-total governmental funds** \$ 2,681,109

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital and lease assets is allocated over their estimated useful lives as depreciation and amortization expense. In the current period, these amounts are:

Capital outlay	2,330,893
Amortization expense	(1,635,349)
Depreciation expense	<u>(234,731)</u>
Excess of depreciation expense over capital outlay	<u>460,813</u>

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

This activity consists of -

Increase in compensated absences	(338,622)
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The repayment of the principal of long-term debt (i.e., capital leases) requires the use of current financial resources of governmental funds, however, are not reported as expenses in governmental activities. In the current period, these amounts include:

Principal paid on leases	<u>1,635,349</u>
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**Change in net position of governmental activities** \$ 4,438,649

See accompanying notes to the financial statements

**HOUSTON-GALVESTON AREA COUNCIL  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
DECEMBER 31, 2023**

	<b><u>Cooperative Purchasing</u></b>
<b>ASSETS</b>	
Current assets	
Accounts receivable	\$ 2,052,699
Due from general fund	<u>17,820,438</u>
Total assets - current	<u>19,873,137</u>
 <b>LIABILITIES</b>	
Current liabilities	
Accounts payable and accrued expenses	113,791
Unearned revenues	<u>114,716</u>
Total liabilities - current	<u>228,507</u>
 <b>NET POSITION</b>	
Unrestricted	<u>19,644,630</u>
Total net position	<u><u>\$ 19,644,630</u></u>

See accompanying notes to the financial statements



**HOUSTON-GALVESTON AREA COUNCIL  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUND  
YEAR ENDED DECEMBER 31, 2023**

	<u>Cooperative Purchasing</u>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 5,570,332
Total operating revenues	<u>5,570,332</u>
<b>OPERATING EXPENSES</b>	
Personnel and benefits	3,713,331
Consultant and contract services	153,207
Equipment rental and leases	35,583
Rent	208,968
Travel	81,694
Other	360,738
Total operating expenses	<u>4,553,521</u>
Operating Income	1,016,811
Transfers out	<u>(2,000,000)</u>
Change in net position	(983,189)
Net position - beginning	<u>20,627,819</u>
Net position - ending	<u>\$ 19,644,630</u>

See accompanying notes to the financial statements

**HOUSTON-GALVESTON AREA COUNCIL  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED DECEMBER 31, 2023**

	<u>Cooperative Purchasing</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 6,513,239
Cash payments to employees for services	(3,713,331)
Cash payments to suppliers for goods and services	(112,925)
Cash payments for operating expenses	(686,983)
Cash provided by operating activities	<u>2,000,000</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfer to General Fund	(2,000,000)
Net cash used by noncapital financing activities	<u>\$ (2,000,000)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	-
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	-
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>-</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating income	\$ 1,016,811
Increase in customer receivable	674,052
Decrease in interfund receivable	276,005
Increase in accounts payable and accrued expenses	40,282
Decrease in unearned revenue	(7,150)
Net cash provided by operating activities	<u>\$ 2,000,000</u>

See accompanying notes to the financial statements

**HOUSTON-GALVESTON AREA COUNCIL  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2023**

	<b>Pension Trust Fund - Retirement Plan</b>	<b>Custodial Fund - Area Emission Reduction Credit Organization</b>
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Cash	\$ -	\$ 1,164,487
Investments- at fair value:		
Mutual funds	44,428,069	-
Money market funds	<u>4,850,372</u>	<u>-</u>
Total investments, at fair value	<u>49,278,441</u>	<u>-</u>
Receivables:		
Notes receivables from participants	<u>718,548</u>	<u>-</u>
Total receivables	<u>718,548</u>	<u>-</u>
Total assets	<u>49,996,989</u>	<u>1,164,487</u>
<b>LIABILITIES</b>		
Due to other government	<u>-</u>	<u>515,858</u>
Total liabilities	<u>-</u>	<u>515,858</u>
<b>NET POSITION RESTRICTED FOR:</b>		
Individual, organizations and other governments	<u>\$ 49,996,989</u>	<u>\$ 648,629</u>

See accompanying notes to financial statements

**HOUSTON-GALVESTON AREA COUNCIL  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED DECEMBER 31, 2023**

	<b>Pension Trust Retirement Plan</b>	<b>Custodial Fund Area Emission Reduction Credit Organization</b>
	<u>Plan</u>	<u>Organization</u>
<b>Additions:</b>		
<b>Investment Income (Loss)</b>		
Net increase in fair value of investments	\$ 7,346,274	\$ -
Dividends	1,293,564	-
Interest	-	14,263
	<u>8,639,838</u>	<u>14,263</u>
Net Investment Income (Loss)	<u>8,639,838</u>	<u>14,263</u>
<b>Interest Income on Notes Receivable from Participants</b>	<u>-</u>	<u>-</u>
<b>Contributions</b>		
Employer	1,462,462	-
Participants	1,767,262	-
State SEP Fund	-	549,353
	<u>3,229,724</u>	<u>549,353</u>
Total contributions	<u>3,229,724</u>	<u>549,353</u>
Total Additions ( Reductions)	<u>11,869,562</u>	<u>563,616</u>
<b>Deductions:</b>		
Benefit paid to participants	5,340,164	-
Administrative expenses	2,363	-
State SEP Expenses	-	538,633
Federal SEP Expenses	-	3,697
Bank Fee	-	-
	<u>5,342,527</u>	<u>542,330</u>
Total deductions	<u>5,342,527</u>	<u>542,330</u>
<b>Change in net position</b>	6,527,035	21,286
<b>Net Position, Beginning of Year</b>	<u>43,469,954</u>	<u>627,343</u>
<b>Net Position, End of Year</b>	<u>\$ 49,996,989</u>	<u>\$ 648,629</u>

See accompanying notes to financial statements.

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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### 1. REPORTING ENTITY

The Houston-Galveston Area Council (“HGAC”) is a voluntary association of local governments that administers planning and action programs from various federal, state, and local agencies for the benefit of citizens in a 13-county region in southeast Texas. -H-GAC is governed by a 37-member Board of Directors (the “Board”) which has governance responsibilities over all activities of the organization. Members of the Board are selected to serve by elected officials from the various governmental entities belonging to HGAC. The Board has the authority to make decisions and appoint administrators and managers. -HGAC is not included in any other governmental “reporting entity” as defined by the Governmental Accounting Standards Board (“GASB”) Statement Nos. 14, 39, 61 and 80. H-GAC is a political subdivision of the State of Texas, created pursuant to state enabling legislation.

H-GAC’s financial statements include the accounts of all H-GAC functions and activities, including five component units: The H-GAC Energy Purchasing Corporation, the Houston-Galveston Local Development Corporation, the Gulf Coast Economic Development Corporation, the Corporation for Regional Excellence, and the Gulf Coast 9-1-1 Regional District.

The accompanying financial statements present H-GAC and its component units.

#### **Blended Component Units:**

The Corporation for Regional Excellence was established by H-GAC in 2004. The purpose of the organization is to receive contributions that support the programs and services of H-GAC from entities that will only contribute to 501(C)(3) organizations. All board members of the Corporation serve in a dual capacity as both a board member of H-GAC and a board member of the corporation. The Corporation is reported as a Special Revenue Fund.

On February 16, 2016, H-GAC’s Board of Directors established the Gulf Coast 9-1-1 Regional District as permitted under Chapter 772, Subchapter H, of the Texas Health and Safety Code. The District is governed by a Board of Managers consisting of at least one member from each county within the district, and each Board member serves conterminously as members of H-GAC’s Board of Directors. The District is a political subdivision of the State of Texas and carries out essential governmental functions by providing high quality 9-1-1 emergency communications services to the eight participating jurisdictions within the District. Those participating counties include Brazoria, Chambers, Colorado, Liberty, Matagorda, Walker, Waller, and Wharton counties and all cities therein, except for any city served by another emergency communications district. The District is supported by mandatory fees charged and remitted from communication companies in the jurisdictions such as telephone companies and voice over internet providers, and revenues are used exclusively to provide support for the regional 9-1-1 system in the participating counties. The

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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District is reported as a Special Revenue Fund. Neither of these component units issue separate financial statements.

### **Discretely Presented Component Units:**

The H-GAC Energy Purchasing Corporation's purpose is to serve as a licensed aggregator of electricity for local governments in the state of Texas by negotiating and administering electricity service contracts. Local governments pay an administrative fee to participate in the contracts. The Board of Directors is comprised of elected officials selected by H-GAC's Board of Directors who annually approve its budgets and obligations.

The Houston-Galveston Area Local Development Corporation ("LDC") was established to further economic development and social welfare by promoting and assisting growth and development of business concerns in the region. The Corporation is a certified development company by the U.S. Government Small Business Administration and assists small businesses in securing loans for the purpose of construction, conversion, or expansion, including the acquisition of land, existing buildings, and leasehold improvements. The corporation receives a residual fee for its services on all funded loans. The twenty-seven-member Board of Directors is comprised of representatives from local government, lending institutions and private business organizations selected by H-GAC's Board of Directors. The Corporation's bylaws further state that all assets of the Corporation revert to the Houston-Galveston Area Council upon dissolution.

The H-GAC Gulf Coast Economic Development Corporation ("EDC"), a 501(C)(3) Corporation, was established in 1988 to address the regional needs of distressed economic growth areas. The EDC originally received economic development grants from the Federal Economic Development Administration to promote coordination among local economic development efforts on a region wide basis. The 28-member board is comprised of county government and city government appointees as well as private sector appointees nominated by HGAC. Developing plans that include the key strategies of promoting economic growth, increasing employment opportunities, and developing a regional Comprehensive Economic Development Strategy is the primary mission of the organization. In 2010, the EDC received a revolving loan grant from the EDA to further the economic development of the distressed areas of the region. H-GAC has primary responsibility for the Corporation's assets including its cash assets and the use of those assets benefits the constituency that H-GAC serves. Additionally, the EDC has signed a management agreement with H-GAC that conveys management of the EDC financial records to H-GAC. Finally, the agreement also stipulates that any financial match requirements imposed by the federal grantor will be provided by H-GAC.

Since HGAC receives funding from local, state, and federal government sources, it must comply with the requirements of these funding sources. None of the component units issue separate financial statements.

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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**Fiduciary Component Unit:** HGAC includes its Retirement Plan for the Employees of Houston-Galveston Area Council defined contribution retirement plan as a fiduciary component unit because management believes it would be misleading to exclude the plan from its financial statements. Separate financial statements are not issued for the Plan.

### 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Presentation: Government-wide and Fund Financial Statements** - The government-wide financial statements consist of the statement of net position and the statement of activities. These statements exclude interfund activity, and report information on all the non-fiduciary activities of the primary government. Interfund services provided and used are not eliminated in the process of consolidation. In May 2020, the GASB issued Statement No.96, Subscription-Based Information Technology Arrangements (SBITA). This statement provides guidance on accounting and financial reporting for subscription-based information technology arrangements. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. HGAC examined the impact of its information technology arrangements for applicability of this statement and determine that the agreement met the definition of a short-term subscription-based information technology arrangement, few agreements are maintenance and support contracts and others are below the threshold limit of \$100,000. Therefore, no intangible asset or corresponding liability was recorded.

The statements segregate governmental activities from business-type activities. Governmental activities are normally supported by intergovernmental revenues and grants while business-type activities are supported by service fees or sales that are intended to recover all or a significant portion of their costs.

The statement of activities compares the direct expenses of a given function with the corresponding program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods services, or privileges provided by a function or segment and 2) contracts, grants and contributions that are restricted to meeting the operational requirement of a function or segment. Items not classified as program revenues are reported as general revenues.

Additional financial statements are presented for governmental, proprietary, and fiduciary funds, although fiduciary funds are not included in the government-wide financial statements. These statements are organized based on funds that function as a separate entity with their own self-balancing accounts that comprise their assets, deferred inflows of

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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resources, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Resources are accounted for in individual funds based upon the purposes for which they are to be spent and the restrictions, if any, on the spending activities.

H-GAC reports the following major governmental funds:

The *General Fund* is H-GAC's primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in another fund.

The *Grant Fund* is a special revenue fund used to account for grant proceeds provided by various grantor agencies and is restricted in use by the awarding entity.

The *Corporation for Regional Excellence* is a blended component unit established to support programs and initiatives of H-GAC. The Corporation's bylaws restrict the use of these funds.

The Gulf Coast 9-1-1 Regional District is a blended component unit established to support 9-1-1 emergency communications services to the seven participating jurisdictions within the District. The District's bylaws restrict the use of these funds.

H-GAC reports the following major enterprise fund:

The *Cooperative Purchasing Fund* is used to account for the administrative fees derived from the assistance provided to other governments in acquiring capital assets and supplies.

Included in this report but not as part of the government-wide financial statements are the fiduciary fund statements for the Retirement Plan for Employees of Houston-Galveston Area Council (discussed above) and the Air Emission Reduction Credit Organization ("AERCO") custodial fund. The retirement plan trust fund accounts for the retirement plan for H-GAC employees. The AERCO promotes the coexistence of air quality improvement and economic development within H-GAC's region.

***Basis of Accounting*** - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.



# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, H-GAC considers revenues to be available if they are collected within 90 days of the end of the fiscal period. Revenues susceptible to accrual are interest income, membership dues, interlocal contracts, and revenues from grantor agencies. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable. However, expenditures related to compensated absences are recorded only when payment is due.

***Net Position Flow Assumptions*** - Sometimes H-GAC will fund outlays for a particular purpose from both restricted and unrestricted resources. To calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are applied. It is H-GAC's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

***Fund Balance Flow Assumptions*** - When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, H-GAC considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, H-GAC considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

***Fund Balance Classification*** - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which H-GAC is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

**Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

**Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action that was employed when the funds were

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by H-GAC's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Directors.

Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

H-GAC's *major sources of revenues* are discussed below:

Federal and State Contracts - Revenues are recognized when program expenditures are incurred in accordance with program guidelines. Local matching may exceed budgeted amounts. Such excess would be used to further fund the applicable program but does not represent a budget deviation.

Member Government Dues - Member governments are required to pay dues to H-GAC. Dues are determined annually and are recognized as revenues when assessed because they are measurable and are collectible within the current period. Dues are reported in the general fund and transferred to the special revenue funds as needed to meet matching requirements of grantor contracts.

Locally Contributed In-kind Services - Local contributions, which include contributed services provided by individuals, private organizations, and local governments, are used to match federal funding on various programs. Contributed services are, therefore, reflected as both revenues and expenditures in accordance with legal requirements of the individual contracts. Such services are recorded in the accompanying financial statements at the amount expended by the contributor in providing the matching services, which approximates the fair value of the services at the date of contribution.

Pass-Through and Administrative Fees - The Cooperative Purchasing Program, the Energy Purchasing Corporation, and the Local Development Corporation record revenues in the form of pass-through and administrative fees. H-GAC assists other governments primarily in Texas by providing expertise in acquiring capital assets and supplies and by aggregating the needs of several governments into larger purchases, providing negotiating advantages as well as assisting small businesses with financing and improving economic development.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivery of goods in connection with the fund's principal operations. The principal operating revenues of the Cooperative Purchasing enterprise fund are charges to customers for sales and services.

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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Operating expenses include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

***Deferred Outflows/Inflows of Resources*** - In addition to assets, the statement of net position 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 assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position 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 assets that applies to future periods, and so will not be recognized as an inflow of resources (revenue) until that time.

***Capital and Lease Assets and Long-Term Liabilities*** - Capital assets, which include furniture, fixtures, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by H-GAC as assets with an initial, individual cost of \$5,000. Such assets are recorded at historical cost, net of accumulated depreciation. Depreciation is charged to operations over the estimated useful life using the straight-line method.

H-GAC has also entered into long-term leases for building space and has subleased a portion of that space to a grantor partner. These liabilities, consistent with GASB 87, are amortized over their lease lives using the effective interest method. H-GAC has no public domain assets.

***Compensated Absences*** – It is H-GAC’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since H-GAC does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay up to a maximum of 256 hours is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Due to the nature of the obligation for accrued vacation, annual requirements to amortize such obligations are not determinable and have not been presented.

Balance			Balance	Due Within	Due Beyond
<u>12/31/2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>12/31/2023</u>	<u>One Year</u>	<u>One Year</u>
\$ 1,559,223	\$ 1,753,410	\$ 1,414,801	\$ 1,897,832	\$ 1,414,801	\$ 483,031

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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**Interfund Transfers** - Interfund transfers arise from transactions between funds or the distribution of local (general fund) cash resources to grant projects requiring cash match in accordance with the terms and conditions of the grant contract. Matching funds are derived primarily from H-GAC dues paid by member governments and local in-kind contributions.

**Allocation of Employee Benefits and Indirect Costs** - H-GAC employee benefits and indirect costs are allocated based upon a plan reviewed and approved by H-GAC's federal cognizant agency. The plan requires H-GAC to charge a fixed rate for indirect and benefit costs to all grants in accordance with the Uniform Guidance (2 CFR 200). An annual reconciliation between allocated costs and fixed costs is completed and the variance is included in the indirect and benefit rates for the following year. Employee benefits are allocated to grant projects as a percentage of H-GAC's labor costs. Indirect costs necessary to sustain overall operations are allocated as a percentage of total direct labor costs and employee benefits charged to grant projects.

**Cash and Cash Equivalents** - For purposes of the statement of cash flows, cash equivalents include highly liquid investments with an original maturity of ninety days or less.

**Investments** - H-GAC categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All investments of H-GAC are Level 1 and reflect quoted prices at year end. Additionally, H-GAC follows GASB Statement No. 40, *Deposit, and Investment Risk Disclosures--an amendment of GASB Statement No. 3*. This Statement addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Such disclosures as required are reflected in Note 3 to the financial statements. HGAC participates in investment pools which are not subject to fair value measurements and also invests funds in certificates of deposit.

**Prepaid Items** - Prepaid items are accounted for under the consumption method.

### 3. DEPOSITS (CASH) AND INVESTMENTS

#### Authorization for Deposits and Investments

The Texas Public Funds Investment Act (PFIA), as prescribed in Chapter 2256 of the Texas Government Code, regulates deposits and investment transactions of the Council.

In accordance with applicable statutes, H-GAC has a depository contract with a local bank (depository) providing interest rates to be earned on deposited funds and fixed fees for banking services received. H-GAC may place funds with the depository in interest and non-interest-bearing accounts. Statutes and the depository contract require full security for all

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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funds in the depository institution through federal depository insurance or a combination of federal depository insurance and acceptable collateral securities and/or an acceptable surety bond. The depository must deliver the collateral securities to H-GAC or place them with an independent trustee institution. In accordance with Texas statutes, the safekeeping receipts are in the name of the depository with proper indication of pledge of the collateral securities by the depository to secure funds of H-GAC. H-GAC must approve all collateral securities pledged and must approve in writing any changes to the pledged collateral securities.

H-GAC has adopted a written investment policy regarding the investment of its funds as defined by the PFIA. The PFIA also requires H-GAC to have independent auditors perform test procedures related to investment practices as provided by the Act. H-GAC complies with the requirements of the Act and with local policies.

H-GAC's investment policy permits investment of H-GAC funds in only the following investment types, consistent with the strategies and maturities defined in the policy:

Obligations of the United States or its agencies and instrumentalities.

Direct obligations of the State of Texas or its agencies.

Other obligations, the principal of which are unconditionally guaranteed or insured by the State of Texas or the United States.

General obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.

Certificates of Deposit issued by State and National banks domiciled in the State of Texas the payment of which is insured in full by the Federal Deposit Insurance Corporation.

Fully collateralized direct Repurchase Agreements with a defined termination date purchased pursuant to a master contractual agreement which specified the rights and obligations of both parties, and which requires that securities involved in the transaction be held in a safekeeping account subject to the control and custody of H-GAC.

No Load Money Market Mutual Funds and No-Load Mutual Funds. To be an allowable investment, money market funds must adhere to a 90-day weighted average maturity. No-load mutual funds with a weighted average maturity of up to 2 years are allowable if they are registered with the Securities and Exchange Commission, invest exclusively in obligations authorized by the Public Funds Investment Act, adhere to the requirements set forth for investment pools and are continuously rated by at least one nationally recognized investment rating firm at not less than AAA or its equivalent. A government may invest no more than 15% of its operating funds (excluding bond proceeds, reserves, and debt service funds) in this type of mutual fund.

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

Time deposits in H-GAC's depositories.

Investment pools created to function as money market funds must mark-to-market daily and maintain a fair value ratio between .995 and 1.005. These pools must be continuously rated no lower than AAA, AAA-m, or an equivalent rating by at least one nationally recognized rating agency.

Banker's Acceptances 1) 270 days or fewer, 2) Liquidated in full at maturity, 3) Eligible Federal Reserve Bank collateral, 4) U.S. Bank rated not less than A-1 or P-1.

Any combination of the foregoing.

Retirement plan funds are invested among a selection of mutual funds at the discretion of each Plan participant.

### Deposit and Investment Amounts

The following schedule presents H-GAC's cash and investments subject to deposit and investment risk disclosures.

	Cash	FDIC Discount Note / Money Market	Certificate of Deposits	Mutual Funds	Totals
Governmental Funds:					
General	\$ 22,963,530	\$ 8,828,032	\$ 1,098,933	\$ -	\$ 32,890,495
Grant Fund	1,262,517	-	-	-	1,262,517
Corporation for Regional Excellence	506,757	-	500,000	-	1,006,757
Gulf Coast 9-1-1 Regional District	3,543,058	-	5,052,000	-	8,595,058
Total Governmental Funds	<u>28,275,862</u>	<u>8,828,032</u>	<u>6,650,933</u>	<u>-</u>	<u>43,754,827</u>
Fiduciary Funds					
Pension Trust	-	4,850,372	-	44,428,069	49,278,441
Custodial Fund	1,164,487	-	-	-	1,164,487
Total Fiduciary Funds	<u>1,164,487</u>	<u>4,850,372</u>	<u>-</u>	<u>44,428,069</u>	<u>50,442,928</u>
Discretely Presented Component Units:					
Energy Purchasing Corporation	354,293	-	-	-	354,293
Gulf Coast Economic Dev Corp	1,772,025	-	-	-	1,772,025
Local Development Corporation	1,485,402	-	325,437	-	1,810,839
Total Component Units	<u>3,611,720</u>	<u>-</u>	<u>325,437</u>	<u>-</u>	<u>3,937,157</u>
Total Reporting Entity	33,052,069	13,678,404	6,976,370	44,428,069	98,134,912

### Credit and Interest Rate Risk

At year-end, the Council had the following investments subject to credit and interest rate risk disclosure, under U.S. generally accepted accounting principles, by fund:

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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	<u>Amount</u>	<u>Weighted Average Maturity</u>	<u>Credit Rating</u>
General Fund	9,926,965	10	AAA
Fiduciary Fund - Pension Trust	49,996,989	39	AAA
Regional Excellence Corporation	500,000	93	AAA
Gulf Coast 911 District	5,052,000	93	AAA
Local Development Corporation	325,437	93	AAA

### Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, H-GAC's deposits may not be returned to it. As of December 31, 2023, H-GAC's deposit balance of \$33,052,069 was fully collateralized with securities held by the pledging financial institution in H-GAC's name or by FDIC insurance.

### 4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Many interfund transactions take place within the finance department of H-GAC, resulting in monies flowing back and forth between funds. For example, H-GAC matching shares for contracts or grants are paid from the General Fund to Special Revenue Funds, while Special Revenue Funds pay indirect charges to the General Fund.

The following is a summary of interfund receivables and payables as of December 31, 2023:

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

	<u>Due from other fund</u>	<u>Due to other fund</u>
General Fund	\$ 3,377,201	\$ 24,835,043
Grant Fund	5,014,606	1,031,174
Gulf Coast 911 Regional District	-	346,027
Cooperative Purchasing Fund	17,820,438	-
<b>Total</b>	<b>\$ 26,212,244</b>	<b>\$ 26,212,244</b>

The following is a summary of interfund transfers in and out during the year ended December 31, 2023:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 2,000,000	\$ 949,669
Grant Fund	949,669	-
Cooperative Purchasing Fund	-	2,000,000
	<b>\$ 2,949,669</b>	<b>\$ 2,949,669</b>



# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

The grant fund transfer reflects the net transfer between the general fund and the special revenue fund for H-GAC match requirements and adjustments due to depreciation of assets which is not reflected on the government wide financial statements.

Each year H-GAC's Board of Directors makes a discretionary transfer from proprietary fund to general fund during our budget process for agency operational needs.

### 5. RECEIVABLES

Receivables as of the year end for the government's individual major funds and component units, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Grant Fund</u>	<u>Corporation for Regional Excellence</u>	<u>Gulf Coast Regional 911 District</u>	<u>Cooperative Purchasing Fund</u>	<u>Economic Development Corporation</u>
Due from member governm	\$ 305,614	\$ -	\$ -	\$ -	\$ -	\$ -
Data imagery	25,750	-	-	-	-	-
Federal grants receivable	-	235,136	-	-	-	-
State grants receivable	-	25,175,336	-	15,790	-	-
Notes receivable	-	-	-	-	-	3,508,722
Lease receivable	933,693	-	-	-	-	-
Due from customers	-	-	-	-	2,052,699	-
Due from component units	874,597	-	-	-	-	-
Other receivable	894,435	1,295,172	-	-	-	147,063
Gross Receivables	3,034,089	26,705,644	-	15,790	2,052,699	3,655,785
Less: Allowance for uncollected accounts	-	-	-	-	-	-
Receivables, Net	<u>\$ 3,034,089</u>	<u>\$ 26,705,644</u>	<u>\$ -</u>	<u>\$ 15,790</u>	<u>\$2,052,699</u>	<u>\$ 3,655,785</u>

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

### 6. CAPITAL ASSETS

Capital assets are reported at historical cost, except for donated capital assets, which are recorded at their estimated acquisition value at the time of acquisition.

The Houston-Galveston Area Council implemented GASB 87 – *Leases*, effective January 1, 2022. Lease assets are initially recorded at the initial measurement of the lease liability plus lease payments made at or before the commencement of the lease term. Lease assets are amortized on a straight-line basis over the lease term.

A summary of changes in capital assets and lease assets, which consist of office furniture and equipment and lease assets are as follows:

	<u>Balance</u> <u>1-Jan-23</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>31-Dec-23</u>
Governmental activities:				
Furniture, fixtures, and equipment	\$5,926,508	\$2,330,880	(\$3,553,141)	\$4,704,247
Less accumulated depreciation	(5,350,120)	(234,735)	3,553,141	(2,031,714)
	<u>576,388</u>	<u>2,096,145</u>	<u>-</u>	<u>2,672,533</u>
	-	-	-	-
Governmental activities:				
Lease assets - buildings	12,970,842	-	-	12,970,842
Less accumulated amortization	(1,716,949)	(1,635,349)	-	(3,352,298)
	<u>11253893</u>	<u>(1,635,349)</u>	<u>-</u>	<u>9,618,544</u>
	-	-	-	-
Business-type activities:				
Furniture, fixtures, and equipment	194,196	-	(194,196)	-
Less accumulated depreciation	(194,196)	-	194,196	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental Activities –

General government	\$	13,361
Workforce programs		63,107
Transportation		63,620
Community and environmental		21,588
Criminal justice & homeland security		53,597
Aging services		<u>19,462</u>
Total	\$	<u>234,735</u>

Governmental Activities –

General government	\$	296,295
Workforce programs		620,353
Transportation		374,720
Community and environmental		89,680
Criminal justice & homeland security		43,248
Aging services		<u>211,053</u>
Total	\$	<u>1,635,349</u>

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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### 7. UNEARNED REVENUE

As of December 31, 2023, unearned revenue was comprised of the following:

General Fund:	<u>\$ 32,261</u>
Grant Fund:	
Solid Waste	\$ 140,922
C&E/Local Contracts	162,312
Transportation/Local Contracts	632,246
Homeland Security/Criminal Justice Program	233,532
Human Services Local Program	<u>841,271</u>
Total Grant Funds	<u>\$ 2,010,283</u>
Enterprise Fund:	
Cooperative Purchasing	<u>\$ 114,716</u>

The General Fund had unearned revenue of \$32,261 in 2023. The unearned revenue includes the remaining 9-1-1 equipment grant matching funds of \$32,261 that will be used to match the equipment grant in 2024.

During 2023, the Cooperative Purchasing enterprise fund received remittance from participants in advance of performing services. These remittances, totaling \$114,716, were classified as unearned revenue in the Cooperative Purchasing enterprise fund.

H-GAC receives an advance of grant funds from the Texas Commission on Environmental Quality to develop and coordinate a solid waste plan for the region. Funds received in excess of expenditures are accounted for as unearned revenue and totaled \$140,922 for this program. In addition, H-GAC received local matching funds to aid in Community and Environmental programs. At year end, the matching funds totaled \$162,312.

H-GAC received revenues in excess of expenditures of \$233,532 in both homeland security planning and criminal justice planning. This access fund is to aid in developing the required Homeland Security and criminal justice plan for Harris County and the other surrounding jurisdictions.

H-GAC receives matching participating funds from various local agencies to aid in Transportation planning and Workforce programs. At year end, the matching funds totaled \$632,246 and \$841,271, respectively.

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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### 8. LEASES

On March 29, 2022, H-GAC, as lessee, amended its long-term lease for approximately 78,000 square feet of office space at its primary office location. The terms of the lease include a square footage cost and an escalation clause of approximately 2% per year beginning on February 1, 2022, and expiring on January 31, 2030. The lease also included an option to terminate leasing approximately 12,000 square feet located on the third floor of the office space by April 1, 2024. H-GAC's intention was to exercise this option once renovation of the office space was underway.

H-GAC also had a provision to sublease, as lessor, approximately 5,500 square feet of office space to the Texas Workforce Commission and the sublease would run coterminous with the H-GAC lease. The sublease terms provide that lease remittance would be paid at the beginning of each month and escalate at 2% per year until January 31, 2030.

H-GAC, as lessee, also had two leases for satellite office space associated with the Aging program. One of the leases will expire in April 2023 and the other lease will expire in February 2025.

Lease Liabilities:

Lease liability activity for the year ended December 31, 2023, was:

	<b>Balance</b>		<b>Balance</b>	
	<b><u>01/01/2023</u></b>	<b><u>Reductions</u></b>	<b><u>12/31/2023</u></b>	<b><u>Due Within</u></b>
				<b><u>One Year</u></b>
Main Office	\$ 11,228,933	\$(1,620,121)	\$9,608,812	\$1,461,575
Satellite Office1	\$6,984	\$(6,984)	\$0	\$0
Satellite Office2	<u>\$17,976</u>	<u>\$(8,244)</u>	<u>\$9,732</u>	<u>\$8,335</u>
Total	\$11,253,893	\$(1,635,349)	\$9,618,544	\$1,469,910

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

### YEAR ENDED DECEMBER 31, 2023

The following is a schedule by year of payments under the lease as of December 31, 2023:

<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2024	\$ 1,469,910	\$ 98,355	\$ 1,568,265
2025	1,508,760	82,047	1,590,807
2026	1,553,655	65,234	1,618,889
2027	1,600,460	47,908	1,648,368
2028	1,647,782	30,065	1,677,847
2029 and Beyond	1,837,977	11,829	1,849,806
	<u>\$9,618,544</u>	<u>\$335,438</u>	<u>\$9,953,982</u>

Lease Receivable:

H-GAC's lessor agreement expires January 31, 2030. H-GAC uses the effective interest rate to amortize the lease receivable over the lease term.

Revenue recognized under the lease agreement during the year ended December 31, 2023, was \$146,190, which includes both lease revenue and interest.

Lease receivable activity for the year ended December 31, 2023, was:

	<u>1/01/2023</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/2023</u>
Lease receivable	\$ 1,071,578	\$ -	\$ 137,884	\$ 933,694

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

The following is a schedule by year of payments under the lease as of December 31, 2023:

<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2024	\$ 142,212	\$ 9,556	\$ 151,768
2025	146,587	7,970	154,557
2026	151,011	6,335	157,346
2027	155,484	4,652	160,136
2028	160,005	2,918	162,924
2029 and Beyond	178,394	1,148	179,542
	<u>\$933,694</u>	<u>\$32,579</u>	<u>\$966,273</u>

### 9. RETIREMENT PLAN

The Retirement Plan for the Employees of Houston-Galveston Area Council, (“the Plan”), is a single employer, defined-contribution retirement plan for all employees 21 years of age or older, immediately implemented upon hire. Membership in the Plan as of December 31, 2023, was 310 participants. The Plan is administered by Fidelity Management Trust Company. Retirement benefits depend solely on amounts contributed to the plan and any investment earnings thereon. The Plan requires participants to contribute an amount at least equal to 3% of gross salary. H-GAC matches the participant contribution with a 7% contribution. H-GAC has no further liability to the plan after making such contributions. Participants begin partial vesting in the employer’s contributions and earnings thereon after 1 year of service and become fully vested after 5 years. A vesting schedule tied to completed years of service is included in the plan documents. Forfeitures of H-GAC’s unvested contributions occur when an employee terminates his employment prior to reaching six years of employment. These forfeitures are used to offset H-GAC’s required matching contribution during the year. Forfeitures used to offset employer contributions during the plan year ended December 31, 2023, totaled \$130,459. H-GAC’s Board of Directors is responsible and has authority to amend the Plan provisions and contributions requirements.

H-GAC’s total payroll in 2023 was \$22,087,516. Retirement plan contributions were calculated using the gross salary amount for covered employees. H-GAC and its employees made contributions in 2023 of \$1,462,462 and \$1,767,262, respectively. Investments in the

# HOUSTON-GALVESTON AREA COUNCIL

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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retirement plan are stated at fair value, based upon quoted market prices of the various mutual funds in which the funds are invested. H-GAC had no liability to the plan as of December 31, 2023.

A stand-alone retirement plan report may be obtained by request, by writing the Chief Financial Officer of H-GAC at P. O. Box 22777, Houston, Texas 77227-2777.

### 10. COMMITMENTS AND CONTINGENCIES

**Required Matching Funds** – H-GAC’s management is of the opinion that local (general fund) cash on hand and funds to be received in 2023 from membership dues and other locally generated revenues will be adequate to meet commitments for matching funds required by federal and state grants.

**Federal and State Grants** – Use of federal, state and locally administered federal and other grant funds is subject to review and audit by fund provider agencies. Such audits could lead to requests from the grantor agency for reimbursement of expenditures disallowed under terms of the contract or grant. To the extent that such disallowances involve expenditures under subcontracted arrangements, H-GAC generally has the right of recovery from such third parties. A significant portion of the federal and state grant funds received by H-GAC are passed through to delegate agencies which administer certain parts of the grants on behalf of H-GAC. Management believes that H-GAC will not incur significant losses on possible grant disallowances.

**Insurance** – H-GAC purchases commercial insurance to minimize potential losses in the areas of general liability and directors’ and officers’ liability, workers’ compensation, and automobile liability.

H-GAC did not experience any significant reductions in insurance coverage during fiscal year 2023 and did not have any instances in which settlements exceeded insurance coverage in any of the past three fiscal years.

**Legal Contingencies** – H-GAC is involved in lawsuits and other claims in the ordinary course of operations. The outcome of these lawsuits and other claims are not presently determinable, and the resolution of these matters is not expected to have a material effect on the financial condition of H-GAC.

### 11. SIGNIFICANT ECONOMIC EVENTS

H-GAC’s primary source of revenue is through grant and contractual agreements with federal and state partners. Consequently, economic, political, or environmental factors that would affect the local or national grant funding such as natural disasters, inflation, unemployment, or geo-political unrest could impact the flow of resources to H-GAC.



**HOUSTON-GALVESTON AREA COUNCIL  
SUPPLEMENTARY SCHEDULE OF INDIRECT COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Actual</u>	<u>Budget</u>	<u>Percentage</u>
<b>PERSONNEL</b>			
Indirect salaries	\$ 2,117,475	\$ 1,989,349	63.55 %
Employee benefits	984,838	925,246	29.56
	<u>3,102,313</u>	<u>2,914,595</u>	<u>93.11</u>
<b>CONSULTANT AND CONTRACT SERVICES</b>			
Consultant	16,655	74,797	0.50
Accounting and auditing	70,970	64,000	2.13
Other contract services	30,178	32,000	0.91
Legal Services	-	5,000	0.00
	<u>117,803</u>	<u>175,797</u>	<u>3.54</u>
<b>EQUIPMENT</b>			
Purchase, lease, rental or maintenance office furniture, fixtures and equipment	37,215	24,500	1.12
Depreciation	123,740	200,000	3.71
	<u>160,955</u>	<u>224,500</u>	<u>4.83</u>
LEASE OF OFFICE SPACE	<u>135,589</u>	<u>114,288</u>	<u>4.07</u>
TRAVEL	<u>74,541</u>	<u>82,000</u>	<u>2.24</u>
<b>OTHER</b>			
Consumable supplies	1,896	10,010	0.06
Software and Database	64,564	70,500	1.94
Communications	5,073	2,050	0.15
Postage	2,243	5,000	0.07
Subscriptions & memberships	110,017	134,500	3.30
Miscellaneous	72,841	80,850	2.19
	<u>256,634</u>	<u>302,910</u>	<u>7.70</u>
Indirect Carryforward	(516,090)	-	-15.49
<b>TOTAL INDIRECT COSTS (A)</b>	<u>\$ 3,331,745</u>	<u>\$ 3,814,090</u>	<u>100.0 %</u>
<b>BASIS FOR ALLOCATION OF INDIRECT COSTS</b>			
Chargeable salaries	\$ 22,247,782	\$ 24,705,772	
Employee benefits	9,821,347	11,490,655	
	<u>32,069,129</u>	<u>36,196,427</u>	
Less indirect salaries and Employee benefits	<u>(3,102,313)</u>	<u>(2,914,595)</u>	
<b>TOTAL DIRECT SALARIES AND RELATED EMPLOYEE BENEFITS (B)</b>	<u>\$ 28,966,816</u>	<u>\$ 33,281,832</u>	
<b>ACTUAL INDIRECT COST RATE (A/B)</b>	<u>11.50%</u>	<u>11.46%</u>	

**HOUSTON-GALVESTON AREA COUNCIL  
 SUPPLEMENTARY SCHEDULE OF H-GAC EMPLOYEE BENEFITS  
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Amount</u>	<u>Percentage</u>
<b>RELEASED TIME TAKEN AND ACCRUED:</b>		
Vacation	\$ 1,414,801	14.41 %
Holidays	1,181,719	12.03
Sick leave	658,197	6.70
Other	36,695	0.37
	<u>3,291,412</u>	<u>33.51</u>
<b>BENEFIT PROGRAMS:</b>		
Payroll taxes	1,870,986	19.05
Retirement plan	1,550,861	15.79
Insurance	2,787,022	28.38
Other benefits	80,580	0.82
	<u>6,289,449</u>	<u>64.04</u>
Benefit carryforward	<u>240,486</u>	<u>2.45</u>
<b>TOTAL EMPLOYEE BENEFITS (A)</b>	<u><u>\$ 9,821,347</u></u>	<u><u>100.00 %</u></u>
<b>BASIS FOR ALLOCATION OF EMPLOYEE BENEFITS:</b>		
Gross Salaries	\$ 25,539,194	
Less released time	<u>(3,291,412)</u>	
<b>CHARGEABLE SALARIES (B)</b>	<u>\$ 22,247,782</u>	
<b>EMPLOYEE BENEFIT RATE (A/B)</b>	<u><u>44.15 %</u></u>	



# STATISTICAL SECTION



SERVING TODAY ■ PLANNING FOR TOMORROW



**Houston-Galveston Area Council**  
**Net Position by Component,**  
**Last Ten Years \***  
(accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental activities										
Net Investment in Capital Assets	\$ 1,772,876	\$ 1,876,144	\$ 1,487,231	\$ 1,101,084	\$ 778,299	\$ 516,661	\$ 642,591	\$ 640,176	\$ 576,388	\$ 2,672,533
Restricted	7,714,688	8,032,742	7,907,727	8,482,762	8,323,514	5,673,848	5,886,299	7,391,721	8,212,600	10,431,369
Unrestricted	8,078,247	8,354,323	8,780,986	9,002,170	9,453,392	10,235,011	10,025,656	10,045,342	10,596,369	10,720,104
Total governmental activities net position	\$ 17,565,811	\$ 18,263,209	18,175,944	18,586,016	18,555,205	16,425,520	16,554,546	18,077,239	19,385,357	23,824,006
Business-type activities										
Net Investment in Capital Assets	\$ 39,699	\$ 860	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	9,791,095	12,104,373	12,834,141	15,045,379	16,233,015	17,943,565	19,508,075	20,617,089	20,627,819	19,644,630
Total business-type activities net assets	\$ 9,830,794	\$ 12,105,233	\$ 12,834,141	\$ 15,045,379	\$ 16,233,015	\$ 17,943,565	\$ 19,508,075	\$ 20,617,089	\$ 20,627,819	\$ 19,644,630
Primary government										
Net Investment in Capital Assets	\$ 1,812,575	\$ 1,877,004	\$ 1,487,231	\$ 1,101,084	\$ 778,299	\$ 516,661	\$ 642,591	\$ 640,176	\$ 576,388	\$ 2,672,533
Restricted	7,714,688	8,032,742	7,907,727	8,482,762	8,323,514	5,673,848	5,886,299	7,391,721	8,212,600	10,431,369
Unrestricted	17,869,342	20,458,696	21,615,127	24,047,549	25,686,407	28,178,577	29,533,732	30,662,432	31,224,189	30,364,734
Total primary government net assets	\$ 27,396,605	\$ 30,368,442	\$ 31,010,085	\$ 33,631,395	\$ 34,788,220	\$ 34,369,086	\$ 36,062,622	\$ 38,694,329	\$ 40,013,176	\$ 43,468,636

**Houston-Galveston Area Council**  
**Changes in Net Position, Last Ten Years\***  
*(accrual basis of accounting)*

	<u>2014</u>	<u>2015</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Expenses</b>							
Governmental activities:							
General government	\$ 3,017,955	\$ 1,121,364	\$ 4,025,538	\$ 6,168,140	\$ 4,308,285	\$ 6,374,865	\$ 10,582,420
Workforce programs	183,974,199	205,095,889	290,533,452	343,589,322	315,983,569	399,963,724	391,927,332
Transportation	28,705,403	31,200,061	28,754,072	22,158,714	26,465,214	25,540,331	25,956,230
Community and environmental	22,778,574	23,021,245	10,243,469	3,085,645	3,601,922	3,250,683	3,536,884
Criminal justice	947,483	943,741	1,300,069	1,262,965	2,262,353	2,547,413	1,620,178
Emergency communications	4,881,827	4,632,362	-	-	-	-	-
Aging services	8,975,078	9,886,838	9,939,800	9,801,337	9,250,935	11,685,445	13,727,943
Total governmental activities expenses	<u>253,280,519</u>	<u>275,901,500</u>	<u>344,796,400</u>	<u>386,066,123</u>	<u>361,872,278</u>	<u>449,362,461</u>	<u>447,350,987</u>
Business-type activities:							
Cooperative purchasing	3,032,813	3,492,923	4,091,859	4,207,362	4,232,106	4,289,871	4,553,521
Total business-type activities expenses	<u>3,032,813</u>	<u>3,492,923</u>	<u>4,091,859</u>	<u>4,207,362</u>	<u>4,232,106</u>	<u>4,289,871</u>	<u>4,553,521</u>
Total primary government expenses	<u>\$ 256,313,332</u>	<u>\$ 279,394,423</u>	<u>\$ 348,888,259</u>	<u>\$ 390,273,485</u>	<u>\$ 366,104,384</u>	<u>\$ 453,652,332</u>	<u>\$ 451,904,508</u>
<b>Program Revenues</b>							
Governmental activities:							
Charges for services:							
Membership dues	402,918	388,039	392,963	390,791	395,539	469,619	462,337
Interlocal contracts	1,616,261	767,454	739,106	1,823,110	976,397	1,433,158	3,600,430
Data services and imaging	670,050	211,625	319,242	784,700	219,886	1,143,201	174,100
Operating grants and contributions	249,980,261	274,844,685	340,689,957	382,754,536	361,409,325	446,336,145	442,187,163
Total governmental activities program revenues	<u>252,669,490</u>	<u>276,211,803</u>	<u>342,141,268</u>	<u>385,753,137</u>	<u>363,001,147</u>	<u>449,382,123</u>	<u>446,424,030</u>
Business-type activities:							
Charges for services:							
Cooperative purchasing	4,843,865	5,767,362	6,002,409	5,871,872	5,541,120	4,675,601	5,570,332
Total business-type activities program revenues	<u>4,843,865</u>	<u>5,767,362</u>	<u>6,002,409</u>	<u>5,871,872</u>	<u>5,541,120</u>	<u>4,675,601</u>	<u>5,570,332</u>
Total primary government program revenues	<u>\$ 257,513,355</u>	<u>\$ 281,979,165</u>	<u>\$ 348,143,677</u>	<u>\$ 391,625,009</u>	<u>\$ 368,542,267</u>	<u>\$ 454,057,724</u>	<u>\$ 451,994,362</u>
<b>Net (Expense)/Revenue</b>							
Governmental activities	(611,030)	310,302	(2,655,134)	(312,988)	1,128,867	19,660	(926,959)
Business-type activities	1,811,052	2,274,439	1,910,550	1,664,510	1,309,014	385,730	1,016,811
Total primary government net expense	<u>\$ 1,200,022</u>	<u>\$ 2,584,741</u>	<u>\$ (744,582)</u>	<u>\$ 1,351,524</u>	<u>\$ 2,437,883</u>	<u>\$ 405,392</u>	<u>\$ 89,852</u>
<b>General Revenues and Other Changes in Net Position</b>							
Governmental activities:							
Interest income	15,741	22,290	380,613	44,289	3,803	140,208	822,603
Miscellaneous	1,606,138	364,809	(55,164)	297,724	190,021	773,249	2,543,005
Transfers in	500,000	-	200,000	100,000	200,000	375,000	2,000,000
Total governmental activities	<u>\$ 2,121,879</u>	<u>\$ 387,099</u>	<u>\$ 525,449</u>	<u>\$ 442,013</u>	<u>\$ 393,824</u>	<u>\$ 1,288,457</u>	<u>\$ 5,365,608</u>
Business-type activities:							
Transfers out	\$ (500,000)		\$ (200,000)	\$ (100,000)	\$ (200,000)	\$ (375,000)	\$ (2,000,000)
Total Business-type activities	<u>\$ (500,000)</u>	<u>\$ -</u>	<u>\$ (200,000)</u>	<u>\$ (100,000)</u>	<u>\$ (200,000)</u>	<u>\$ (375,000)</u>	<u>\$ (2,000,000)</u>
<b>Change in Net Position</b>							
Governmental activities	\$ 1,510,849	\$ 697,398	\$ (2,129,685)	\$ 129,025	\$ 1,522,691	\$ 1,308,118	\$ 4,438,649
Business-type activities	1,311,052	2,274,439	1,710,550	1,564,510	1,109,014	10,730	(983,189)
Total primary government	<u>\$ 2,821,901</u>	<u>\$ 2,971,837</u>	<u>\$ (419,135)</u>	<u>\$ 1,693,536</u>	<u>\$ 2,631,706</u>	<u>\$ 1,318,848</u>	<u>\$ 3,455,460</u>

**Houston-Galveston Area Council**  
**Fund Balances, Governmental Funds,**  
**Last Ten Years \***  
(modified accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund										
Nonspendable	\$ 116,304	\$ 48,145	\$ 206,721	\$ 184,145	\$ 210,135	\$ 386,567	\$ 757,570	\$ 1,212,034	\$ 906,649	\$ 1,043,825
Unassigned	8,817,921	9,152,946	9,165,337	9,744,138	10,227,449	10,854,033	10,653,005	10,291,741	11,248,943	11,574,111
Total general fund	<u>\$ 8,934,225</u>	<u>\$ 9,201,091</u>	<u>\$ 9,372,058</u>	<u>\$ 9,928,283</u>	<u>\$ 10,437,584</u>	<u>\$ 11,240,600</u>	<u>\$ 11,410,575</u>	<u>\$ 11,503,775</u>	<u>\$ 12,155,592</u>	<u>\$ 12,617,936</u>
All Other Governmental Funds										
Restricted for:										
EPA RLF Program	\$ 7,599,714	\$ 7,833,463	\$ 7,486,709	\$ 7,121,000	\$ 6,393,395	\$ 2,810,842	\$ 1,846,304	\$ 1,656,629	\$ 1,406,844	\$ 1,159,791
Regional Excellence Corporation	\$ 114,974	\$ 199,279	\$ 421,018	\$ 354,000	\$ 280,011	\$ 317,388	\$ 507,478	\$ 698,439	\$ 791,606	\$ 1,006,757
Gulf Coast 911 Regional District	\$ -	\$ -	\$ 300,418	\$ 1,007,662	\$ 1,650,108	\$ 2,545,618	\$ 3,532,517	\$ 5,036,653	\$ 6,014,150	\$ 8,264,821
Total all other governmental funds	<u>\$ 7,714,688</u>	<u>\$ 8,032,742</u>	<u>\$ 8,208,145</u>	<u>\$ 8,482,662</u>	<u>\$ 8,323,514</u>	<u>\$ 5,673,848</u>	<u>\$ 5,886,299</u>	<u>\$ 7,391,721</u>	<u>\$ 8,212,600</u>	<u>\$ 10,431,369</u>

**Houston-Galveston Area Council**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Years \***  
(modified accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Revenues</b>										
Interest income	\$ 15,741	\$ 22,290	\$ 14,189	\$ 58,491	\$ 331,766	\$ 380,613	\$ 44,289	\$ 3,803	\$ 140,208	\$ 822,604
Membership dues	402,917	388,039	394,258	395,539	299,061	392,963	390,791	395,539	469,619	462,337
Interlocal contracts	1,616,261	767,454	785,108	1,272,045	729,253	739,106	1,823,110	976,397	1,433,158	3,600,430
Data services and imaging	670,050	211,625	651,490	411,575	1,528,519	319,242	784,700	219,886	1,143,201	174,100
Miscellaneous income	1,606,138	364,809	165,314	751,567	395,808	(55,164)	297,724	190,021	773,249	2,543,005
Operating grants and contributions	249,980,261	274,844,685	275,703,821	288,363,857	326,678,493	340,689,957	382,754,536	361,409,325	446,336,145	442,187,163
<b>Total revenues</b>	<b>\$ 254,291,369</b>	<b>\$ 276,598,902</b>	<b>\$ 277,714,180</b>	<b>\$ 291,253,074</b>	<b>\$ 329,962,900</b>	<b>\$ 342,466,717</b>	<b>\$ 386,095,150</b>	<b>\$ 363,194,971</b>	<b>\$ 450,295,580</b>	<b>\$ 449,789,639</b>
<b>Expenditures</b>										
General government	2,955,078	1,063,628	1,838,703	2,537,247	2,851,528	1,313,448	2,962,868	1,513,063	3,300,092	7,758,917
Workforce programs	183,838,987	204,963,753	208,854,509	231,869,701	272,976,282	290,426,917	343,536,794	315,951,055	399,916,748	391,864,225
Transportation	28,568,435	31,030,647	40,491,639	28,064,068	22,335,672	28,590,540	22,084,110	26,419,759	25,477,201	25,892,610
Community and environmental	22,704,646	22,958,676	10,680,269	13,253,886	16,173,588	10,196,684	3,063,491	3,586,298	3,234,724	3,515,286
Criminal justice	957,655	909,063	815,491	1,319,500	1,187,393	1,391,343	1,195,598	2,202,056	2,490,964	1,566,591
Emergency communications	4,868,627	4,613,624	928,918	-	-	-	-	-	-	-
Aging services	8,937,602	9,839,561	11,069,901	10,477,138	11,088,653	9,896,468	9,780,103	9,237,891	11,666,486	13,708,485
Regional excellence corporation	86,941	49,271	62,842	122,317	145,893	13,311	56,711	1,552	660	10,703
Gulf Coast 911 Emergency District	-	-	2,503,579	2,841,896	2,932,655	2,639,589	2,803,990	2,659,637	2,961,955	2,460,830
Debt service:										
Principal	13,206	15,880	26,286	34,993	40,119	23,252	31,420	31,447	31,447	-
Interest	1,125	2,727	2,079	1,486	859	213	-	-	-	-
Capital outlay	1,339,506	612,320	93,594	41,746	55,206	21,602	400,125	216,889	117,619	2,330,884
<b>Total expenditures</b>	<b>254,271,808</b>	<b>276,059,150</b>	<b>277,367,810</b>	<b>290,563,978</b>	<b>329,787,848</b>	<b>344,513,367</b>	<b>385,915,210</b>	<b>361,819,647</b>	<b>449,197,896</b>	<b>449,108,531</b>
Excess of revenues over (under) expenditures	19,561	539,752	346,371	689,097	175,052	(2,046,650)	179,940	1,375,324	1,097,684	681,109
<b>Other Financing Sources (Uses)</b>										
Capital leases	55,642	45,169	-	41,746	-	-	-	23,298	-	-
Transfers in	500,000	-	-	100,000	175,000	200,000	100,000	200,000	375,013	2,000,000
<b>Total other financing sources (uses)</b>	<b>555,642</b>	<b>45,169</b>	<b>-</b>	<b>141,746</b>	<b>175,000</b>	<b>200,000</b>	<b>100,000</b>	<b>223,298</b>	<b>375,013</b>	<b>2,000,000</b>
<b>Net change in fund balances</b>	<b>\$ 575,203</b>	<b>\$ 584,921</b>	<b>\$ 346,371</b>	<b>\$ 830,843</b>	<b>\$ 350,052</b>	<b>\$ (1,846,650)</b>	<b>\$ 279,940</b>	<b>\$ 1,598,622</b>	<b>\$ 1,472,697</b>	<b>\$ 2,681,109</b>
Debt service as a percentage of noncapital expenditures	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%



**Houston-Galveston Area Council**  
**Schedule of Outstanding Debt**  
**Last Ten Years \***

(modified accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Compensated absences	\$ 855,978	\$ 846,768	\$ 891,488	\$ 926,113	\$ 984,192	\$ 1,005,588	\$ 1,333,676	\$ 1,458,434	\$ 1,559,223	\$ 1,897,832
Capital lease obligation	59,415	88,706	62,420	69,169	29,050	5,798	76,866	68,717	-	-
Lease Asset Liability	-	-	-	-	-	-	-	-	11,253,893	9,618,544
Total Debt	\$ 915,393	\$ 935,474	\$ 953,908	\$ 995,282	\$ 1,013,242	\$ 1,011,386	\$ 1,410,542	\$ 1,527,151	\$ 12,813,116	\$ 11,516,376

**Houston-Galveston Area Council**  
**Full-time Equivalent Employees by Function/Program**  
**Last Ten Years**

(modified accrual basis of accounting )

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Executive</b>										
Executive Director	4	4	4	4	4	5	7	7	9	5
Internal Audit	4	4	4	4	4	4	5	5	5	6
Communications						6	6	8	10	*
Operations						5	7	7	10	**
Outreach & Government Affairs										17
<b>Finance Administration</b>										
Finance & Accounting	13	13	15	14	14	16	16	17	18	19
Human Resources					2	4	4	4	5	8
Facilities Management	7	8	7	8	5	5	5	5	5	4
<b>Program Services</b>										
Chief Operating Officer	2	3	3	8	6			0	1	0***
Community and Environmental Planning	41	36	38.5	30	33	34	31	31	26	27
Data Services	20.5	20	23.5	23	22	20	22	23	22	22
Data Analytics & Research									25	26
Human Services	49	53.5	68.5	63	63	73	76	81	98	110
Public Services	31	28	30	29	37	38	42	42	41	34
Transportation	56.5	57	59	51	62	63	60	59	47	39
Procurement & Contracts										9
<b>Total</b>	<b>228</b>	<b>226.5</b>	<b>252.5</b>	<b>234</b>	<b>252</b>	<b>273</b>	<b>281</b>	<b>289</b>	<b>322</b>	<b>326</b>

Source: H-GAC

\*As of 2023, Communications added to Outreach & Government Affairs

\*\*As of 2023, Operations has transitioned to Procurement & Contracts

\*\*\*COO should not be considered a program service. All COO reports are included in the departments they operate

**Ten Largest Non-Governmental Houston Area Employers**

Rank	2013		2014		2015		2016		2017	
	Company	Employee - 2013	Company	Employee - 2014	Company	Employee - 2015	Company	Employee - 2016	Company	Employee - 2017
1	Memorial Herman	21,000	Walmart	30,000	Walmart	32,000	Walmart	37,000	Walmart	33,500
2	The University of Texas MD Anderson Cancer Center	19,486	Memorial Hermann	20,000	H-E-B	21,471	Memorial Hermann Health System	24,108	Memorial Hermann Health System	26,062
3	H-E-B	18,887	The University of Texas MD Anderson Cancer Center	18,700	The University of Texas MD Anderson Cancer Center	20,357	H-E-B	23,732	H-E-B	24,437
4	United Airlines	16,315	H-E-B	17,600	Memorial Hermann	20,055	The University of Texas MD Anderson Cancer Center	21,086	Houston Methodist	21,195
5	McDonald's Corp.	16,300	United Airlines	16,700	The Methodist Hospital System	16,961	McDonald's Corp	20,918	The University of Texas MD Anderson Cancer Center	20,778
6	Kroger Co.	14,866	McDonald's Corp.	14,900	Kroger Co.	15,216	Houston Methodist	20,000	Kroger	16,643
7	The Methodist Hospital System	14,826	Kroger Co.	14,800	United Airlines	15,108	Kroger	16,000	McDonald's	16,545
8	Exxon Mobil Corp.	13,700	Exxon Mobil Corp.	14,400	Exxon Mobil Corp.	12,814	United Airlines	14,941	United Airlines	14,200
9	National Oilwell Varco	12,036	The Methodist Hospital System	14,300	Schlumberger	12,207	Schlumberger	12,069	ExxonMobil Corp.	14,000
10	Shell Oil Co.	11,389	Schlumberger	10,800	National Oilwell Varco	11,563	Shell Oil Co.	11,507	Texas Children's Hospital	12,545

Sources: Houston Chronicle, 2022

<https://www.houstonchronicle.com/projects/2022/chronicle-100-top-employers/>

Note: Latest data is from 2022

**Ten Largest Non-Governmental Houston Area Employers**

2018		2019		2020		2021		2022	
Company	Employee - 2018	Company	Employee - 2019	Company	Employee - 2020	Company	Employee - 2021	Company	Employee - 2022
Walmart	34,000	Walmart	31,000	H-E-B	31,780	H-E-B	38,554	Walmart	34,000
H-E-B	26,956	Memorial Hermann Health System	27,211	Walmart	31,000	Walmart	32,000	H-E-B	32,653
Memorial Hermann Health System	26,011	H-E-B	26,956	Memorial Hermann Health System	28,770	Memorial Hermann Health System	27,717	Memorial Hermann Health System	29,130
Houston Methodist	22,247	Houston Methodist	23,669	Houston Methodist	25,844	Houston Methodist	26,540	Houston Methodist	28,304
The University of Texas MD Anderson Cancer Center	20,189	The University of Texas MD Anderson Cancer Center	21,001	The University of Texas MD Anderson Cancer Center	22,499	The University of Texas MD Anderson Cancer Center	21,946	The University of Texas MD Anderson Cancer Center	22,088
Kroger	17,188	McDonald's	16,100	HCA Houston Healthcare	16,427	Amazon	16,000	Amazon	20,000
McDonald's	16,100	Kroger	15,902	Kroger Co.	16,000	Kroger Co.	15,750	Kroger	15,000
United Airlines	14,084	ExxonMobil Corp.	15,000	ExxonMobil	15,818	HCA Houston Healthcare	15,065	Texas Children's Hospital	14,378
Texas Children's Hospital	13,445	Texas Children's Hospital	15,000	McDonald's	14,940	ExxonMobil	14,834	HCA Houston Healthcare	12,614
ExxonMobil Corp.	13,000	United Airlines	13,904	Texas Children's Hospital	13,415	Texas Children's Hospital	13,081	United Airlines	11,834

## COUNTY PROFILES

<u><b>Austin County</b></u>		<u><b>Brazoria County</b></u>	
<b>Land Area (sq. miles)</b>	653	<b>Land Area (sq. miles)</b>	1,386
<b>Persons per Square Mile</b>	48	<b>Persons per Square Mile</b>	280
<b>County Seat</b>	Bellville	<b>County Seat</b>	Angleton
<b>Population (2022)</b>	31,097	<b>Population (2022)</b>	388,181
<b>Race</b>		<b>Race</b>	
<i>White</i>	18,645	<i>White</i>	163,397
<i>Black</i>	2,658	<i>Black</i>	62,016
<i>Asian</i>	268	<i>Asian</i>	28,368
<i>Hispanic</i>	8,992	<i>Hispanic</i>	126,154
<i>Two or More Races and Other</i>	534	<i>Two or More Races and Other</i>	8,246
<b>Households and Families (2022)</b>		<b>Households and Families (2022)</b>	
Total households	11,913	Total households	127,264
Average Household Size	2.53	Average Household Size	3
Average family size	3.25	Average family size	3.80
<b>Vital Statistics</b>		<b>Vital Statistics</b>	
Marriages (2019)	113	Marriages (2019)	1,786
Divorces (2017)	99	Divorces (2017)	1,211
Births (2020)	338	Births (2020)	4,495
Male	181	Male	2,292
Female	157	Female	2,203
Deaths (2020)	323	Deaths (2020)	2,868
<b>Unemployment Rate (01/2024)</b>	3.8	<b>Unemployment Rate (01/2024)</b>	4.5

<u><b>Chambers County</b></u>		<u><b>Colorado County</b></u>	
<b>Land Area (sq. miles)</b>	599	<b>Land Area (sq. miles)</b>	963
<b>Persons per Square Mile</b>	86	<b>Persons per Square Mile</b>	22
<b>County Seat</b>	Anahuac	<b>County Seat</b>	Columbus
<b>Population (2022)</b>	51,288	<b>Population (2022)</b>	20,754
<b>Race</b>		<b>Race</b>	
<i>White</i>	31,618	<i>White</i>	11,238
<i>Black</i>	4,083	<i>Black</i>	2,266
<i>Asian</i>	670	<i>Asian</i>	125
<i>Hispanic</i>	14,051	<i>Hispanic</i>	6,725
<i>Two or More Races and Other</i>	866	<i>Two or More Races and Other</i>	400
<b>Households and Families (2022)</b>		<b>Households and Families (2022)</b>	
Total households	15,744	Total households	7,376
Average Household Size	2.97	Average Household Size	2.74
Average family size	4.23	Average family size	3.12
<b>Vital Statistics</b>		<b>Vital Statistics</b>	
Marriages (2019)	220	Marriages (2019)	86
Divorces (2017)	135	Divorces (2017)	53
Births (2020)	552	Births (2020)	221

Male	298	Male	109
Female	254	Female	112
Deaths (2020)	385	Deaths (2020)	305
<b>Unemployment Rate (01/2024)</b>	<b>5.5</b>	<b>Unemployment Rate (01/2024)</b>	<b>3.6</b>

<b><u>Fort Bend County</u></b>		<b><u>Galveston County</u></b>	
<b>Land Area (sq. miles)</b>	875	<b>Land Area (sq. miles)</b>	398
<b>Persons per Square Mile</b>	1,016	<b>Persons per Square Mile</b>	897
<b>County Seat</b>	Richmond	<b>County Seat</b>	Galveston
<b>Population (2022)</b>	889,146	<b>Population (2022)</b>	357,117
<b>Race</b>		<b>Race</b>	
<i>White</i>	260,262	<i>White</i>	196,483
<i>Black</i>	188,055	<i>Black</i>	44,820
<i>Asian</i>	194,241	<i>Asian</i>	12,494
<i>Hispanic</i>	227,010	<i>Hispanic</i>	95,847
<i>Two or More Races and Other</i>	19,578	<i>Two or More Races and Other</i>	7,473
<b>Households and Families (2022)</b>		<b>Households and Families (2022)</b>	
Total households	270,136	Total households	135,275
Average Household Size	3.06	Average Household Size	2.55
Average family size	4.36	Average family size	3.66
<b>Vital Statistics</b>		<b>Vital Statistics</b>	
Marriages (2019)	2,880	Marriages (2019)	1,128
Divorces (2017)	1,883	Divorces (2017)	1,180
Births (2020)	8,816	Births (2020)	3,888
Male	4,574	Male	1,895
Female	4,242	Female	1,993
Deaths (2020)	4,545	Deaths (2020)	3,338
<b>Unemployment Rate (01/2024)</b>	<b>4.1</b>	<b>Unemployment Rate (01/2024)</b>	<b>4.4</b>

<b><u>Harris County</u></b>		<b><u>Liberty County</u></b>	
<b>Land Area (sq. miles)</b>	1,729	<b>Land Area (sq. miles)</b>	1,160
<b>Persons per Square Mile</b>	2,765	<b>Persons per Square Mile</b>	88
<b>County Seat</b>	Houston	<b>County Seat</b>	Liberty
<b>Population (2022)</b>	4,780,913	<b>Population (2022)</b>	101,992
<b>Race</b>		<b>Race</b>	
<i>White</i>	1,296,432	<i>White</i>	53,425
<i>Black</i>	923,357	<i>Black</i>	8,360
<i>Asian</i>	348,011	<i>Asian</i>	643
<i>Hispanic</i>	2,131,839	<i>Hispanic</i>	37,867
<i>Two or More Races and Other</i>	81,274	<i>Two or More Races and Other</i>	1,697
<b>Households and Families (2022)</b>		<b>Households and Families (2022)</b>	
Total households	1,692,896	Total households	28,921
Average Household Size	2.77	Average Household Size	3.02
Average family size	3.82	Average family size	4.14

<b>Vital Statistics</b>		<b>Vital Statistics</b>	
Marriages (2019)	19,587	Marriages (2019)	437
Divorces (2017)	10,247	Divorces (2017)	300
Births (2020)	63,815	Births (2020)	1,259
Male	32,680	Male	592
Female	31,135	Female	667
Deaths (2020)	32,812	Deaths (2020)	885
<b>Unemployment Rate (01/2024)</b>	4.4	<b>Unemployment Rate (01/2024)</b>	5.8

<b><u>Matagorda County</u></b>		<b><u>Montgomery County</u></b>	
<b>Land Area (sq. miles)</b>	1,114	<b>Land Area (sq. miles)</b>	1,044
<b>Persons per Square Mile</b>	32	<b>Persons per Square Mile</b>	650
<b>County Seat</b>	Bay City	<b>County Seat</b>	Conroe
<b>Population (2022)</b>	36,125	<b>Population (2022)</b>	678,490
<b>Race</b>		<b>Race</b>	
<i>White</i>	14,969	<i>White</i>	411,869
<i>Black</i>	3,541	<i>Black</i>	44,834
<i>Asian</i>	615	<i>Asian</i>	23,574
<i>Hispanic</i>	16,425	<i>Hispanic</i>	183,736
<i>Two or More Races and Other</i>	575	<i>Two or More Races and Other</i>	14,477
<b>Households and Families (2022)</b>		<b>Households and Families (2022)</b>	
Total households	14,073	Total households	224,474
Average Household Size	2.55	Average Household Size	2.79
Average family size	3.42	Average family size	4.17
<b>Vital Statistics</b>		<b>Vital Statistics</b>	
Marriages (2019)	178	Marriages (2019)	2,825
Divorces (2017)	66	Divorces (2017)	2,041
Births (2020)	495	Births (2020)	7,433
Male	255	Male	3,807
Female	240	Female	3,626
Deaths (2020)	467	Deaths (2020)	4,672
<b>Unemployment Rate (01/2024)</b>	5.4	<b>Unemployment Rate (01/2024)</b>	4.1

<b><u>Walker County</u></b>		<b><u>Waller County</u></b>	
<b>Land Area (sq. miles)</b>	787	<b>Land Area (sq. miles)</b>	514
<b>Persons per Square Mile</b>	100	<b>Persons per Square Mile</b>	120
<b>County Seat</b>	Huntsville	<b>County Seat</b>	Hempstead
<b>Population (2022)</b>	78,870	<b>Population (2022)</b>	61,894
<b>Race</b>		<b>Race</b>	
<i>White</i>	43,990	<i>White</i>	24,542
<i>Black</i>	17,938	<i>Black</i>	15,153
<i>Asian</i>	851	<i>Asian</i>	1,277
<i>Hispanic</i>	14,775	<i>Hispanic</i>	19,787
<i>Two or More Races and Other</i>	1,316	<i>Two or More Races and Other</i>	1,135

<b>Households and Families (2022)</b>		<b>Households and Families (2022)</b>	
Total households	24,592	Total households	17,780
Average Household Size	2.47	Average Household Size	2.96
Average family size	3.68	Average family size	4.56
<b>Vital Statistics</b>		<b>Vital Statistics</b>	
Marriages (2019)	455	Marriages (2019)	288
Divorces (2017)	210	Divorces (2017)	68
Births (2020)	640	Births (2020)	689
Male	339	Male	353
Female	301	Female	336
Deaths (2020)	672	Deaths (2020)	457
<b>Unemployment Rate (01/2024)</b>	4.7	<b>Unemployment Rate (01/2024)</b>	4.9

<b><u>Wharton County</u></b>	
<b>Land Area (sq. miles)</b>	1,090
<b>Persons per Square Mile</b>	38
<b>County Seat</b>	Wharton
<b>Population (2022)</b>	41,824
<b>Race</b>	
<i>White</i>	17,705
<i>Black</i>	5,037
<i>Asian</i>	243
<i>Hispanic</i>	18,452
<i>Two or More Races and Other</i>	387
<b>Households and Families (2022)</b>	
Total households	15,148
Average Household Size	2.70
Average family size	3.50
<b>Vital Statistics</b>	
Marriages (2019)	198
Divorces (2017)	86
Births (2020)	543
Male	274
Female	269
Deaths (2020)	537
<b>Unemployment Rate (01/2024)</b>	4

Source: US Census Bureau, 2022  
Texas Department of Health, 2020  
US Bureau of Labor Statistics, 2024  
H-GAC, 2022

Note: Marriage data is from 2019  
Divorce data is from 2017



<b>Total Population 1980-2022</b>																
<b>Geography</b>	<b>1980</b>	<b>1990</b>	<b>2000</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Austin County	17,726	19,832	23,590	28,417	28,612	28,572	28,690	28,975	29,477	29,650	29,729	30,000	30,107	30,167	30,380	31,097
Brazoria County	169,587	191,707	241,767	313,166	319,214	324,295	329,961	337,632	345,295	353,361	362,261	369,470	374,699	372,031	379,689	388,181
Chambers County	18,538	20,088	26,031	35,096	35,693	36,497	37,359	38,287	39,025	40,160	41,249	42,128	43,726	46,571	48,865	51,288
Colorado County	18,823	18,383	20,390	20,874	20,803	20,724	20,717	20,695	20,946	21,091	21,301	21,317	21,467	20,557	20,630	20,754
Fort Bend County	130,962	225,421	354,452	585,375	605,979	624,737	651,770	683,977	715,260	744,489	768,258	789,269	812,737	822,779	858,527	889,146
Galveston County	195,738	217,396	250,158	291,309	295,632	301,099	306,652	313,451	321,074	329,038	334,691	337,639	341,541	350,682	355,062	357,117
Harris County	2,409,547	2,818,101	3,400,578	4,092,459	4,179,279	4,262,549	4,352,419	4,454,951	4,556,559	4,622,836	4,655,798	4,676,913	4,709,243	4,731,145	4,728,030	4,780,913
Liberty County	47,088	52,726	70,154	75,643	76,005	76,378	76,847	78,047	79,537	81,381	83,648	85,834	88,453	91,628	97,621	101,992
Matagorda County	37,828	36,928	37,957	36,702	36,675	36,534	36,483	36,463	36,747	37,143	36,848	36,583	36,655	36,255	36,344	36,125
Montgomery County	127,222	182,201	293,768	455,746	471,456	484,627	498,488	517,262	535,913	555,338	571,542	590,127	607,583	620,443	648,886	678,490
Walker County	41,789	50,917	61,758	67,861	68,405	68,602	69,402	70,064	70,825	71,811	72,764	73,037	71,700	76,400	77,977	78,870
Waller County	19,798	23,374	32,663	43,205	44,138	44,365	45,436	46,793	48,663	50,062	51,736	53,568	55,311	56,794	59,781	61,894
Wharton County	40,242	39,955	41,188	41,280	41,286	41,130	41,115	41,082	41,369	41,619	41,869	41,515	41,671	41,570	41,721	41,824
H-GAC 13 County Area	3,274,888	3,897,029	4,854,454	6,087,133	6,223,177	6,350,109	6,495,339	6,667,679	6,840,690	6,977,979	7,071,694	7,147,400	7,234,893	7,297,022	7,383,513	7,517,691
Texas	14,225,513	16,986,335	20,851,820	25,145,561	25,645,504	26,084,120	26,479,646	26,963,092	27,468,531	27,914,064	28,291,024	28,624,564	28,986,794	29,145,505	29,527,941	30,503,301

Data source: Census Bureau Population and Housing Units Estimates, 2022

Texas 2020 State Expenditures by County

Rank	County	Total	Inter-Governmental Payments	Labor Costs	Public Assistance	Highway Construction	Operating Expenses	Capital Outlays	Miscellaneous
1	TRAVIS	\$ 17,774,769,989	\$ 1,090,348,700	\$ 7,275,906,893	\$ 7,056,544,812	\$ 602,746,993	\$ 403,136,271	\$ 171,854,029	\$ 1,174,232,291
2	HARRIS	\$ 17,626,244,283	\$ 4,918,617,183	\$ 1,893,370,419	\$ 8,369,855,667	\$ 1,401,752,027	\$ 288,796,085	\$ 339,910,977	\$ 413,941,925
3	BEXAR	\$ 13,712,517,441	\$ 2,203,489,682	\$ 928,950,643	\$ 4,634,464,258	\$ 491,430,170	\$ 96,129,437	\$ 104,956,197	\$ 5,253,097,054
4	DALLAS	\$ 12,311,777,134	\$ 3,180,822,841	\$ 2,475,602,630	\$ 3,905,250,075	\$ 1,040,360,142	\$ 478,316,610	\$ 131,046,497	\$ 1,100,378,339
5	TARRANT	\$ 5,237,885,664	\$ 2,043,530,573	\$ 559,544,470	\$ 2,159,444,410	\$ 209,034,878	\$ 108,693,141	\$ 19,753,858	\$ 137,884,334
6	HIDALGO	\$ 4,347,939,691	\$ 2,966,762,478	\$ 424,318,591	\$ 763,064,717	\$ 134,248,161	\$ 25,636,663	\$ 4,338,618	\$ 29,570,463
7	FORT BEND	\$ 3,822,063,458	\$ 981,089,925	\$ 305,688,602	\$ 2,396,343,609	\$ 78,573,473	\$ 10,867,863	\$ 10,086,920	\$ 39,413,066
8	EL PASO	\$ 3,042,339,726	\$ 1,573,151,198	\$ 388,322,670	\$ 824,253,888	\$ 142,528,067	\$ 24,579,637	\$ 2,341,548	\$ 87,162,718
9	NUECES	\$ 2,234,531,254	\$ 426,895,829	\$ 206,235,858	\$ 1,392,994,515	\$ 164,140,733	\$ 22,171,113	\$ 1,148,665	\$ 20,944,541
10	WILLIAMSON	\$ 2,014,466,792	\$ 361,343,843	\$ 1,133,707,367	\$ 266,085,684	\$ 75,332,525	\$ 80,303,904	\$ 16,058,473	\$ 81,634,996
11	MONTGOMERY	\$ 1,714,361,549	\$ 601,305,168	\$ 231,214,432	\$ 125,876,315	\$ 705,171,459	\$ 24,557,767	\$ 262,252	\$ 25,974,156
15	GALVESTON	\$ 1,450,050,774	\$ 452,702,366	\$ 467,140,424	\$ 181,761,176	\$ 22,530,369	\$ 28,357,669	\$ (283,360)	\$ 297,842,130
22	BRAZORIA	\$ 811,755,741	\$ 518,740,610	\$ 136,179,293	\$ 116,663,616	\$ 14,877,452	\$ 9,886,379	\$ (172,774)	\$ 15,581,165
30	WALKER	\$ 446,976,292	\$ 90,147,843	\$ 256,484,592	\$ 17,634,222	\$ 18,123,077	\$ 25,406,408	\$ 133,753	\$ 39,046,397
48	LIBERTY	\$ 215,446,102	\$ 156,968,827	\$ 32,129,143	\$ 14,673,942	\$ 9,197,837	\$ 1,253,691		\$ 1,222,662
82	WALLER	\$ 109,379,844	\$ 32,587,563	\$ 52,568,142	\$ 21,274,166	\$ 314,420	\$ 935,565		\$ 1,699,988
84	WHARTON	\$ 104,210,546	\$ 68,158,054	\$ 16,286,497	\$ 8,222,334	\$ (752,500)	\$ 8,385,386	\$ 149,000	\$ 3,761,775
95	CHAMBERS	\$ 87,582,587	\$ 63,477,041	\$ 8,389,945	\$ 9,480,951	\$ 203,884	\$ 79,364		\$ 5,951,402
99	MATAGORDA	\$ 76,442,610	\$ 51,072,353	\$ 7,901,574	\$ 12,942,134	\$ 542,636	\$ 620,399	\$ 645,764	\$ 2,717,750
114	AUSTIN	\$ 54,898,231	\$ 37,168,273	\$ 12,804,826	\$ 3,031,345	\$ 9,458	\$ 236,493	\$ 37,950	\$ 1,609,886
132	COLORADO	\$ 43,949,895	\$ 20,701,540	\$ 8,656,087	\$ 11,559,324	\$ 77,938	\$ 974,891		\$ 1,980,115
	<b>Total Texas Counties</b>	\$ 118,435,237,190	\$ 36,388,616,377	\$ 24,409,767,291	\$ 37,157,865,977	\$ 7,456,124,240	\$ 2,280,510,965	\$ 997,858,211	\$ 9,744,494,129
	<b>Total H-GAC Counties</b>	\$ 26,563,361,908	\$ 7,992,736,746	\$ 3,428,813,975	\$ 11,289,318,800	\$ 2,250,621,530	\$ 400,357,959	\$ 350,770,482	\$ 850,742,417
	% of Expenditures in the region	22.4%	22.0%	14.0%	30.4%	30.2%	17.6%	35.2%	8.7%

Data source: Texas Comptroller of Public Accounts, 2021

Note: Latest data is from 2021

Texas 2020 State Expenditures by Council of Governments

Rank	Council of Governments	Total	Inter-Governmental Payments	Labor Costs	Public Assistance	Highway Construction	Operating Expenses	Capital Outlays	Miscellaneous
1	Houston-Galveston Area	\$ 26,563,361,909	\$ 7,992,736,746	\$ 3,428,813,975	\$ 11,289,318,800	\$ 2,250,621,530	\$ 400,357,959	\$ 350,770,482	\$ 850,742,417
2	North Central Texas	\$ 22,849,577,777	\$ 7,937,108,561	\$ 3,961,375,205	\$ 6,855,379,000	\$ 1,781,213,130	\$ 677,890,615	\$ 169,549,886	\$ 1,467,061,380
3	Capital Area	\$ 21,547,968,471	\$ 1,921,289,600	\$ 9,179,478,641	\$ 7,427,728,379	\$ 965,082,926	\$ 515,285,882	\$ 200,549,631	\$ 1,338,553,412
4	Alamo Area	\$ 15,241,226,577	\$ 2,828,934,015	\$ 1,243,855,553	\$ 4,840,257,670	\$ 676,440,535	\$ 161,211,621	\$ 156,794,022	\$ 5,333,733,161
5	Lower Rio Grande Valley	\$ 5,905,470,579	\$ 4,001,776,873	\$ 628,851,077	\$ 1,040,647,210	\$ 154,319,080	\$ 35,086,559	\$ 6,076,466	\$ 38,713,314
6	Rio Grande	\$ 3,124,566,269	\$ 1,610,694,663	\$ 421,523,860	\$ 829,439,600	\$ 142,784,431	\$ 28,657,597	\$ 2,341,548	\$ 89,124,570
7	Coastal Bend	\$ 2,958,516,334	\$ 826,329,831	\$ 387,383,945	\$ 1,505,358,958	\$ 173,733,460	\$ 29,882,444	\$ 1,528,757	\$ 34,298,939
8	East Texas	\$ 2,429,800,559	\$ 1,217,586,875	\$ 542,311,381	\$ 417,267,196	\$ 142,906,989	\$ 51,610,516	\$ 1,890,535	\$ 56,227,067
9	Brazos Valley	\$ 1,946,113,983	\$ 318,460,073	\$ 1,007,771,236	\$ 187,976,023	\$ 172,335,790	\$ 77,133,625	\$ 28,409,299	\$ 154,027,937
10	South Plains	\$ 1,891,599,361	\$ 629,056,494	\$ 680,142,006	\$ 385,277,352	\$ 96,895,654	\$ 41,781,128	\$ 12,312,417	\$ 46,134,310
11	Central Texas	\$ 1,725,944,271	\$ 831,617,166	\$ 331,775,431	\$ 422,732,450	\$ 12,115,474	\$ 7,322,799	\$ 6,103,465	\$ 114,277,486
12	Heart of Texas	\$ 1,291,205,407	\$ 657,554,630	\$ 265,458,134	\$ 153,938,182	\$ 120,180,058	\$ 53,116,430	\$ 5,536,603	\$ 35,421,370
13	Panhandle	\$ 1,284,477,012	\$ 668,776,001	\$ 288,948,266	\$ 170,470,762	\$ 100,726,913	\$ 27,195,013	\$ 3,445,835	\$ 24,914,222
14	Deep East Texas	\$ 1,263,216,657	\$ 613,242,798	\$ 339,050,337	\$ 193,188,615	\$ 56,487,761	\$ 29,327,901	\$ 10,955,073	\$ 20,964,172
15	Permian Texas	\$ 1,213,482,959	\$ 558,066,466	\$ 195,255,349	\$ 296,635,830	\$ 127,575,851	\$ 13,240,106	\$ 3,787,200	\$ 18,922,157
16	South Texas	\$ 1,190,554,662	\$ 815,314,701	\$ 132,071,802	\$ 213,091,636	\$ 7,404,777	\$ 3,898,598	\$ 409,818	\$ 18,363,330
17	West Central Texas	\$ 1,129,988,881	\$ 500,399,870	\$ 333,822,357	\$ 177,263,192	\$ 55,163,025	\$ 18,838,801	\$ 14,166,102	\$ 30,335,534
18	Ark-Tex	\$ 1,086,816,835	\$ 527,251,325	\$ 131,433,236	\$ 132,759,820	\$ 233,734,910	\$ 50,172,676	\$ 482,283	\$ 10,982,585
19	South East Texas	\$ 1,023,137,652	\$ 502,548,043	\$ 307,532,634	\$ 164,031,408	\$ 8,401,480	\$ 19,322,090	\$ 5,242,126	\$ 16,059,871
20	Nortex	\$ 713,862,068	\$ 309,932,121	\$ 233,241,544	\$ 114,846,896	\$ 22,791,608	\$ 13,608,552	\$ 6,151,040	\$ 13,290,307
21	Concho Valley	\$ 564,760,972	\$ 232,568,959	\$ 151,215,542	\$ 89,245,779	\$ 65,148,849	\$ 9,455,648	\$ 3,826,461	\$ 13,299,734
22	Golden Crescent	\$ 518,222,239	\$ 243,273,325	\$ 87,629,090	\$ 93,856,428	\$ 73,440,663	\$ 9,604,501	\$ 504,165	\$ 9,914,067
23	Middle Rio Grande	\$ 495,758,920	\$ 340,210,123	\$ 62,775,323	\$ 79,326,439	\$ 6,615,953	\$ 3,030,779	\$ 201,112	\$ 3,599,191
24	Texoma	\$ 475,606,835	\$ 303,887,116	\$ 68,051,367	\$ 77,828,355	\$ 10,003,393	\$ 3,479,125	\$ 6,823,885	\$ 5,533,594
	<b>Total for Council of Governments</b>	\$ 118,435,237,190	\$ 36,388,616,377	\$ 24,409,767,291	\$ 37,157,865,977	\$ 7,456,124,240	\$ 2,280,510,965	\$ 997,858,211	\$ 9,744,494,129

Data source: Texas Comptroller of Public Accounts, 2021

Note: Latest data is from 2021

**Voter Registration  
2006 - 2024 Primary Elections**

	Number of Precincts	Total Registered Voters																		
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Austin</b>	16	17,034	16,841	17,252	17,145	17,546	17,151	17,534	17,732	18,178	18,058	18,601	18,897	19,112	19,223	19,618	19,949	20,478	20,508	21,377
<b>Brazoria</b>	81	157,705	154,246	159,948	163,934	168,097	163,917	168,795	181,609	178,808	178,804	186,517	200,248	200,830	210,087	212,602	221,732	228,253	232,082	240,631
<b>Chambers</b>	20	20,450	21,164	21,053	21,930	22,707	22,862	23,316	23,729	24,338	24,481	25,479	26,688	27,299	28,589	29,015	30,778	31,957	33,684	35,387
<b>Colorado</b>	12	13,008	13,175	13,116	13,052	13,249	12,865	13,021	12,953	13,233	13,085	13,391	13,552	13,714	13,673	13,900	14,126	14,127	14,166	14,424
<b>Fort Bend</b>	176	256,461	256,537	267,583	290,019	300,777	302,223	315,207	332,199	347,188	359,046	379,254	412,810	413,446	428,679	452,662	481,602	503,748	514,163	527,397
<b>Galveston</b>	96	182,743	176,504	180,288	177,697	179,928	172,603	177,334	179,943	184,818	194,770	195,988	203,348	207,560	210,663	217,501	222,838	229,469	229,869	237,517
<b>Harris</b>	1,173	1,871,929	1,782,013	1,804,641	1,859,043	1,889,378	1,847,952	1,884,489	1,930,759	1,998,264	1,998,988	2,084,462	2,189,228	2,248,921	2,357,199	2,370,968	2,503,936	2,507,991	2,586,475	2,604,124
<b>Liberty</b>	22	44,359	43,354	43,253	42,505	42,863	41,111	41,949	41,025	41,263	40,251	41,130	43,619	43,109	44,285	44,698	45,925	48,277	49,187	51,889
<b>Matagorda</b>	19	20,890	20,284	20,761	20,540	20,893	20,131	20,625	20,201	20,577	20,265	20,826	20,941	21,338	21,745	21,442	21,042	21,453	21,049	21,804
<b>Montgomery</b>	114	215,878	214,406	224,321	235,052	243,027	238,707	246,768	257,799	268,147	273,352	290,259	306,564	318,611	327,629	345,404	367,467	391,078	415,397	428,859
<b>Walker</b>	17	28,190	27,658	28,343	29,119	29,507	28,356	29,169	28,983	29,578	29,044	30,179	31,334	31,835	32,572	33,658	34,134	34,934	35,379	36,857
<b>Waller</b>	21	24,709	25,861	27,045	28,787	29,792	27,037	27,706	27,751	28,288	28,344	29,237	30,351	30,984	31,952	33,201	34,393	35,774	37,295	40,205
<b>Wharton</b>	13	24,583	23,493	23,992	24,082	24,471	23,675	24,090	23,907	24,275	23,743	24,387	24,612	24,795	25,207	25,064	25,117	25,696	25,972	25,913
<b>H-GAC Region</b>	<b>1,780</b>	<b>2,877,939</b>	<b>2,775,536</b>	<b>2,831,596</b>	<b>2,922,905</b>	<b>2,982,235</b>	<b>2,918,590</b>	<b>2,990,003</b>	<b>3,078,590</b>	<b>3,176,955</b>	<b>3,202,231</b>	<b>3,339,710</b>	<b>3,522,192</b>	<b>3,601,554</b>	<b>3,751,503</b>	<b>3,819,733</b>	<b>4,023,039</b>	<b>4,093,235</b>	<b>4,215,226</b>	<b>4,286,384</b>

Source: Office of the Texas Secretary of State 2024

**2022 General Elections - Governor**

<b>County</b>	<b>Republican</b>	<b>Democratic</b>	<b>Libertarian</b>	<b>Other</b>	<b>Total Votes</b>	<b>Total Voters</b>	<b>Turnout</b>
AUSTIN	9,209	1,873	100	23	11,205	20,848	54%
BRAZORIA	64,938	43,364	1,236	398	109,936	234,988	47%
CHAMBERS	12,964	2,559	183	30	15,736	33,155	47%
COLORADO	6,084	1,395	50	17	7,546	14,378	52%
FORT BEND	117,249	129,116	2,518	1,183	250,066	521,611	48%
GALVESTON	68,822	40,229	1,315	368	110,734	235,262	47%
HARRIS	490,261	595,653	11,812	4,692	1,102,418	2,568,463	43%
LIBERTY	16,080	3,488	167	56	19,791	49,826	40%
MATAGORDA	7,350	2,273	69	29	9,721	21,681	45%
MONTGOMERY	152,694	52,654	2,206	501	208,055	409,759	51%
WALKER	12,309	4,861	166	54	17,390	36,058	48%
WALLER	11,381	5,100	170	53	16,704	37,595	44%
WHARTON	9,354	2,697	72	31	12,154	25,890	47%

Source: Office of the Secretary of State 2022

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# SINGLE AUDIT SECTION



SERVING TODAY ■ PLANNING FOR TOMORROW





**FEDERAL AND STATE AWARDS SECTION**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Houston-Galveston Area Council  
Houston, Texas

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Houston-Galveston Area Council (the "Council"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated May 14, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Council's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To the Board of Directors  
Houston-Galveston Area Council

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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Houston, Texas  
May 14, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND  
THE TEXAS GRANT MANAGEMENT STANDARDS**

To the Board of Directors  
Houston-Galveston Area Council  
Houston, Texas

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited Houston-Galveston Area Council's (the "Council") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Council's major federal and state programs for the year ended December 31, 2023. The Council's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Council's complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2023.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Texas Grant Management Standards. Our responsibilities under those standards, the Uniform Guidance, and the Texas Grant Management Standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Council's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Council's federal and state programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Council's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the Texas Grant Management Standards will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Council's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the Texas Grant Management Standards, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Council's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Council's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, and the Texas Grant Management Standards, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

To the Board of Directors  
Houston-Galveston Area Council

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the Texas Grant Management Standards. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive style with a large, stylized initial "W".

Houston, Texas  
May 14, 2024

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Houston-Galveston Area Council  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended December 31, 2023

Grantor's ID Number	Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Total Expenditures and Indirect Costs	Pass Through to Subrecipients
FEDERAL PROGRAMS				
PRIMARY GOVERNMENT:				
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through the Texas Workforce Commission SNAP Cluster				
2822SNE001	SNAP E&T - 2023	10.561	\$ (424,200)	\$ (381,780)
2823SNE001	SNAP E&T - 2023	10.561	\$ 1,465,950	\$ 1,355,291
2824SNE001	SNAP E&T - 2024	10.561	\$ 269,945	\$ 257,551
Subtotal - SNAP Cluster			<u>\$ 1,311,695</u>	<u>\$ 1,231,062</u>
Total - Texas Workforce Commission			<u>\$ 1,311,695</u>	<u>\$ 1,231,062</u>
TOTAL U. S. DEPARTMENT OF AGRICULTURE			<u>\$ 1,311,695</u>	<u>\$ 1,231,062</u>
U.S. DEPARTMENT OF EDUCATION				
Passed Through the Texas Workforce Commission				
2818ALAD00	Adult Education and Literacy 2023	84.002A	\$ 2,256,665	\$ 2,180,830
2818ALAE00	Adult Education and Literacy 2023	84.002A	\$ 7,139,910	\$ 6,443,679
2818ALAF00	Adult Education and Literacy 2023	84.002A	\$ 10,111,852	\$ 9,941,848
Subtotal - 84.002A			<u>\$ 19,508,427</u>	<u>\$ 18,566,357</u>
Total - Texas Workforce Commission			<u>\$ 19,508,427</u>	<u>\$ 18,566,357</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>\$ 19,508,427</u>	<u>\$ 18,566,357</u>
U.S. DEPARTMENT OF ENERGY				
Direct Programs:				
DE-EE0009568	Clean Cities Outreach Education and Performance Tracking -2023	81.086	\$ 68,342	\$ -
Subtotal - 81.086			<u>\$ 68,342</u>	<u>\$ -</u>
TOTAL U.S. DEPARTMENT OF ENERGY			<u>\$ 68,342</u>	<u>\$ -</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed Through the Texas Health and Human Services Commission				
HHS000874100015	Aging Title VII EAP - 2023	93.041	\$ 22,808	\$ -
HHS000874100015	Aging Title VII EAP - 2024	93.041	\$ 3,230	\$ -
Subtotal - 93.041			<u>\$ 26,038</u>	<u>\$ -</u>
HHS000874100015	Aging Title VII OM - 2023	93.042	\$ 93,308	\$ -
HHS000874100015	Aging Title VII OM - 2024	93.042	\$ 11,597	\$ -
HHS000874100015	Aging Title American Rescue Plan Title VII-OM COVID-19	93.042	\$ 24,972	\$ -
HHS000874100015	Aging Title American Rescue Plan Title VII-OM Staff (Elder Justice Act OMB) COVID-19	93.042	\$ 32,750	\$ -
Subtotal - 93.042			<u>\$ 162,627</u>	<u>\$ -</u>
HHS000874100015	Aging Title III, Part D - 2023	93.043	\$ 157,261	\$ 46,939
HHS000874100015	Aging Title III Part-D -2023 American Rescue Plan COVID-19	93.043	\$ 82,890	\$ 15,990
HHS000874100015	Aging Title III, Part D - 2024	93.043	\$ 43,864	\$ 700
HHS000874100015	Aging Title III Part-D -2024 American Rescue Plan COVID-19	93.043	\$ 22,223	\$ -
Subtotal - 93.043			<u>\$ 306,238</u>	<u>\$ 63,629</u>
Aging Cluster				
HHS000874100015	Aging Title III, Part B - 2023	93.044	\$ 2,026,274	\$ 1,017,584
HHS000874100015	Aging Title III, Part B - 2024	93.044	\$ 480,446	\$ 480,446
HHS000874100015	Aging Title III-B - 2023 - American Rescue Plan COVID-19	93.044	\$ (1,565)	\$ (1,565)
HHS000874100015	Aging Title III-B - 2024 - American Rescue Plan COVID-19	93.044	\$ 472,746	\$ 472,746
HHS000874100015	Aging Title III, Part B - 2023 CDC Vaccination	93.044	\$ 220,456	\$ -
HHS000874100015	Aging Title III, Part B - 2023 Expanding the Public Health Workforce	93.044	\$ 49,088	\$ -
HHS000874100015	Aging Title III, Part B - 2024 Expanding the Public Health Workforce	93.044	\$ 10,539	\$ -
Subtotal - 93.044			<u>\$ 3,257,984</u>	<u>\$ 1,969,211</u>
HHS000874100015	Aging Title III, Part C - 2022	93.045	\$ (3,945)	\$ (3,945)
HHS000874100015	Aging Title III, Part C - 2023	93.045	\$ 2,806,921	\$ 2,061,732
HHS000874100015	Aging Title III, Part C - 2024	93.045	\$ 344,754	\$ 328,583
HHS000874100015	Aging Title III-C 2023 American Rescue Plan COVID-19	93.045	\$ 111,492	\$ 111,492
HHS000874100015	Aging Title III-C 2024 American Rescue Plan COVID-19	93.045	\$ 943,606	\$ 630,415

Houston-Galveston Area Council  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended December 31, 2023

Grantor's ID Number	Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Total Expenditures and Indirect Costs	Pass Through to Subrecipients
HHS000874100015	Aging Title III-C 2022 Consolidated Appropriations	93.045	\$ 123,676	\$ 123,676
	Subtotal - 93.045		<u>\$ 4,326,504</u>	<u>\$ 3,251,953</u>
HHS000874100015	Aging NSIP - 2023	93.053	\$ 385,694	\$ 385,694
	Subtotal - 93.053		<u>\$ 385,694</u>	<u>\$ 385,694</u>
	Total - Aging Cluster		<u>\$ 7,970,182</u>	<u>\$ 5,606,858</u>
HHS000270200021	ADRC COVID-19 NWD - 2023	93.048	\$ 15,076	\$ -
	Subtotal - 93.048		<u>\$ 15,076</u>	<u>\$ -</u>
HHS000874100015	Aging Title III, Part E - 2023	93.052	\$ 777,540	\$ 503,525
HHS000874100015	Aging Title III, Part E - 2024	93.052	\$ 245,146	\$ 123,580
HHS000874100015	Aging Title III-E 2023 American Rescue Plan COVID-19	93.052	\$ 152,762	\$ 113,758
HHS000874100015	Aging Title III-E 2024 American Rescue Plan COVID-19	93.052	\$ 87,025	\$ 87,025
	Subtotal 93.052		<u>\$ 1,262,473</u>	<u>\$ 827,888</u>
HHS000270200021	ADRC MIPPA FY23	93.071	\$ 8,233	\$ -
HHS000270200021	ADRC MIPPA FY24	93.071	\$ 9,909	\$ -
HHS000874100015	Aging MIPPA FY23	93.071	\$ 33,474	\$ -
HHS000874100015	Aging MIPPA FY24	93.071	\$ 27,671	\$ -
	Subtotal 93.071		<u>\$ 79,287</u>	<u>\$ -</u>
HHS000874100015	Aging HICAP (04/01/2022-03/31/2023)	93.324	\$ (16,076)	\$ -
HHS000874100015	Aging HICAP (04/01/2023-03/31/2024)	93.324	\$ 146,036	\$ -
	Subtotal - 93.324		<u>\$ 129,960</u>	<u>\$ -</u>
HHS000270200021	ADRC Housing Navigator FY23	93.791	\$ 27,070	\$ -
HHS000270200021	ADRC Housing Navigator FY24	93.791	\$ 13,515	\$ -
HHS000270200021	ADRC Local Contact Agency FY23	93.791	\$ 21,936	\$ -
HHS000270200021	ADRC Local Contact Agency FY24	93.791	\$ 10,960	\$ -
	Subtotal - 93.791		<u>\$ 73,481</u>	<u>\$ -</u>
	Total - Texas Health and Human Services Commission		<u>\$ 10,025,362</u>	<u>\$ 6,498,375</u>
	Passed Through the Texas Workforce Commission			
2823TAF001	TANF Choices - 2023	93.558	\$ 9,412,474	\$ 8,012,452
2824TAF002	TANF Choices - 2024	93.558	\$ 2,028,930	\$ 1,785,447
2823NCP001	TANF E&T - Noncustodial Parent Empl - 2023	93.558	\$ 422,191	\$ 362,846
2818ALAE00	Adult Education and Literacy	93.558	\$ 634,212	\$ 634,212
2818ALAF00	Adult Education and Literacy	93.558	\$ 146,582	\$ 146,582
2822WCI003	Workforce Commission Initiative	93.558	\$ 1,245	\$ -
2823WCI001	Workforce Commission Initiative	93.558	\$ 20,142	\$ -
2824WCI001	Workforce Commission Initiative	93.558	\$ 27,477	\$ 13,778
2823WPA001	Employment Services - 2023	93.558	\$ 137,168	\$ 137,168
2824WPA001	Employment Services - 2024	93.558	\$ 506	\$ 56
	Subtotal - 93.558		<u>\$ 12,830,927</u>	<u>\$ 11,092,541</u>

Houston-Galveston Area Council  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended December 31, 2023

Grantor's ID Number	Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Total Expenditures and Indirect Costs	Pass Through to Subrecipients
CCDF Cluster				
2822CCQ001	Child Care Quality - 2023	93.575	\$ 603,613	\$ 603,613
2822CCQ001	COVID-19 Child Care Quality - 2023	93.575	\$ 204,535	\$ 204,535
2823CCQ001	Child Care Quality - 2023	93.575	\$ 10,508,548	\$ 10,014,608
2823CCQ001	COVID-19 Child Care Quality - 2023	93.575	\$ 312,663	\$ 312,663
2824CCQ001	Child Care Quality - 2024	93.575	\$ 515,226	\$ 359,282
2824CCQ001	COVID-19 Child Care Quality - 2024	93.575	\$ 1,036,339	\$ 1,036,339
2822CCX001	Child Care Service Industry Recovery -2023	93.575	\$ 2,867,559	\$ 2,867,559
2823CCF001	Child Care - 2023	93.575	\$ 56,365,164	\$ 53,710,160
2823CCF001	COVID-19 Child Care 2023	93.575	\$ 62,334,504	\$ 62,334,504
2824CCF001	Child Care - 2024	93.575	\$ 879,715	\$ 879,715
2824CCF001	COVID-19 Child Care 2024	93.575	\$ 8,212,763	\$ 7,008,381
	Subtotal - 93.575		<u>\$ 143,840,629</u>	<u>\$ 139,331,359</u>
2823CCF001	Child Care - 2023	93.596	\$ 61,231,308	\$ 61,231,308
2824CCF001	Child Care - 2024	93.596	\$ 2,676,047	\$ 2,676,047
2823CCM001	Child Care Local Initiatives - 2023	93.596	\$ 20,392,182	\$ 20,392,182
	Subtotal - 93.596		<u>\$ 84,299,537</u>	<u>\$ 84,299,537</u>
	Total - CCDF Cluster		<u>\$ 228,140,166</u>	<u>\$ 223,630,896</u>
2823CCF001	Child Care -2023	93.667	\$ 474,584	\$ 474,584
2824CCF001	Child Care - 2024	93.667	\$ 40,883	\$ 40,883
	Subtotal - 93.667		<u>\$ 515,467</u>	<u>\$ 515,467</u>
	Total - Texas Workforce Commission		<u>\$ 241,486,560</u>	<u>\$ 235,238,904</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>\$ 251,511,922</u>	<u>\$ 241,737,279</u>
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed Through the Office of the Governor				
2992708	Homeland Security Grant Program - SHSP - 2023	97.067	\$ 145,828	\$ -
2992709	Homeland Security Grant Program - SHSP - 2024	97.067	\$ 61,411	\$ -
	Subtotal - 97.067		<u>\$ 207,239</u>	<u>\$ -</u>
	Total - Office of the Governor		<u>\$ 207,239</u>	<u>\$ -</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>\$ 207,239</u>	<u>\$ -</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed Through the General Land Office				
CEDAF21-18	Community Development Block Grant - Technical Assistance 2023	14.228	\$ 13,332	\$ -
22-130-017-D819	Hazard Mitigation - Austin County	14.228	\$ 27,770	\$ -
22-130-016-D811	Hazard Mitigation - City of Angleton	14.228	\$ 27,835	\$ -
22-130-013-D786	Hazard Mitigation - Liberty County	14.228	\$ 28,261	\$ -
22-130-015-D808	Hazard Mitigation - Walker County	14.228	\$ 27,065	\$ -
18-497-009-B238	Community Development Block Grant - Disaster Recovery 2023	14.228	\$ 7,074	\$ -
	Subtotal - 14.228		<u>\$ 131,337</u>	<u>\$ -</u>
	Total - General Land Office		<u>\$ 131,337</u>	<u>\$ -</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>\$ 131,337</u>	<u>\$ -</u>
U.S DEPARTMENT OF JUSTICE				
Passed Through the Office of the Governor				
2606711	CJD Juvenile Mental Health Project 2023	16.540	\$ 111,056	\$ -
2606712	CJD Juvenile Mental Health Project 2024	16.540	\$ 9,299	\$ -
	Subtotal - 16.540		<u>\$ 120,355</u>	<u>\$ -</u>
3386605	Elder and Vulnerable Adult Justice Program FY23	16.575	\$ 218,828	\$ -
3386606	Elder and Vulnerable Adult Justice Program FY24	16.575	\$ 107,663	\$ -
	Subtotal - 16.575		<u>\$ 326,491</u>	<u>\$ -</u>

Houston-Galveston Area Council  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended December 31, 2023

Grantor's ID Number	Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Total Expenditures and Indirect Costs	Pass Through to Subrecipients
4082003	Violence Against Women Act FY23 Subtotal - 16.588	16.588	\$ 138,112 <u>\$ 138,112</u>	\$ - <u>\$ -</u>
4351101	Coronavirus Reimbursement Program Subtotal - 16.034	16.034	\$ 52,078 <u>\$ 52,078</u>	\$ - <u>\$ -</u>
	Total - Office of the Governor		<u>\$ 637,036</u>	<u>\$ -</u>
TOTAL U.S DEPARTMENT OF JUSTICE			<u>\$ 637,036</u>	<u>\$ -</u>
U.S. DEPARTMENT OF LABOR				
Employment Services Cluster				
Passed Through the Texas Workforce Commission				
2823TVC001	Disabled Veterans' Outreach Program	17.801	\$ 419,618	\$ 396,942
2824TVC001	Disabled Veterans' Outreach Program Subtotal - 17.801	17.801	\$ 65,238 <u>\$ 484,856</u>	\$ 53,502 <u>\$ 450,444</u>
2823RAG001	Resource Admin Grant - 2023	17.207	\$ 1,120	\$ -
2824RAG001	Resource Admin Grant - 2024	17.207	\$ 6,037	\$ -
2822WCI003	Workforce Commission Initiative	17.207	\$ 287	\$ -
2823WCI001	Workforce Commission Initiative	17.207	\$ 14,711	\$ 9,536
2824WCI001	Workforce Commission Initiative	17.207	\$ 4,799	\$ 2,406
2823WPA001	Employment Services - 2023	17.207	\$ 1,695,672	\$ 1,406,196
2824WPA001	Employment Services - 2024	17.207	\$ 1,783	\$ -
2822WPB006	Training and Employment Navigator -2023 Subtotal - 17.207	17.207	\$ 72,392 <u>\$ 1,796,801</u>	\$ 71,626 <u>\$ 1,489,764</u>
Total-Texas Workforce Commission			<u>\$ 1,796,801</u>	<u>\$ 1,489,764</u>
Total - Employment Services Cluster			<u>\$ 2,281,657</u>	<u>\$ 1,940,208</u>
Passed Through the Texas Workforce Commission				
WIOA Cluster				
2821WOA001	WIA Adult Program - 2023	17.258	\$ 9,550	\$ -
2822WOA001	WIA Adult Program - 2023	17.258	\$ 11,832,409	\$ 10,536,651
2823WOA001	WIA Adult Program - 2023	17.258	\$ 5,579,488	\$ 4,949,472
2822WCI003	Workforce Commission Initiative	17.258	\$ 154	\$ -
2822HJT001	High Demand Job Training - Alvin ISD Subtotal - 17.258	17.258	\$ 91,521 <u>\$ 17,513,122</u>	\$ 91,521 <u>\$ 15,577,644</u>
2822WOY001	WIA Youth - 2023	17.259	\$ 11,440,998	\$ 10,387,675
2823WOY001	WIA Youth - 2023 Subtotal - 17.259	17.259	\$ 7,493,754 <u>\$ 18,934,752</u>	\$ 6,706,871 <u>\$ 17,094,546</u>
2822WOR001	Rapid Response	17.278	\$ 32,822	\$ 15,896
2823WOR001	Rapid Response	17.278	\$ 30,242	\$ 9,397
2822WOD001	WIA Dislocated Worker - 2023	17.278	\$ 14,246,306	\$ 12,805,237
2823WOD001	WIA Dislocated Worker - 2023 Subtotal - 17.278	17.278	\$ 2,993,810 <u>\$ 17,303,180</u>	\$ 2,769,911 <u>\$ 15,600,441</u>
Total WIOA Cluster			<u>\$ 53,751,054</u>	<u>\$ 48,272,631</u>
2823RAG001	Resource Admin Grant - 2023	17.225	\$ 3,997	\$ -
2823REA001	Re-employment Services - 2023	17.225	\$ 2,750,324	\$ 2,490,486
2824REA001	Re-employment Services - 2024 Subtotal - 17.225	17.225	\$ 179,179 <u>\$ 2,933,500</u>	\$ 101,908 <u>\$ 2,592,394</u>
2823TRA001	Trade Act Services for Dislocated Workers - 2023 Subtotal - 17.245	17.245	\$ 44,827 <u>\$ 44,827</u>	\$ 44,827 <u>\$ 44,827</u>
2823RAG001	Resource Admin Grant - 2023	17.273	\$ 11,991	\$ -
2824RAG001	Resource Admin Grant - 2024 Subtotal - 17.273	17.273	\$ 1,535 <u>\$ 13,526</u>	\$ - <u>\$ -</u>
2820NDW001	NDW COVID-19 Disaster Relief Employment	17.277	\$ (1,935)	\$ (1,935)

**Houston-Galveston Area Council**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended December 31, 2023**

Grantor's ID Number	Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Total Expenditures and Indirect Costs	Pass Through to Subrecipients
2821NDW001	NDW Winter Storm	17.277	\$ 141,090	\$ 141,090
	Subtotal - 17.277		<u>\$ 139,155</u>	<u>\$ 139,155</u>
2822ATG003	All Sector Partnership Grant	17.285	\$ 663,818	\$ 558,809
2823ATG002	Apprenticeship Expansion Grant - Medical Waste Manufacturing	17.285	\$ 110,000	\$ 110,000
	Subtotal - 17.285		<u>\$ 773,818</u>	<u>\$ 668,809</u>
	Total - Texas Workforce Commission		<u>\$ 57,655,880</u>	<u>\$ 51,717,816</u>
TOTAL U.S. DEPARTMENT OF LABOR			<u>\$ 59,937,537</u>	<u>\$ 53,658,024</u>
U.S. DEPARTMENT OF TRANSPORTATION				
Passed Through the Texas Department of Transportation				
Highway Planning and Construction Cluster				
0912-00-552 Task 1	Clean Vehicles - Implementation & Oversight	20.205	\$ 71,538	\$ -
0912-00-552 Task 2	Clean Vehicles - Vehicle Replacement /Deployment	20.205	\$ 2,821,012	\$ 2,821,012
0912-00-464	Commute Solutions Transit Pilot Project	20.205	\$ 97,260	\$ 97,260
0912-00-549	Travel Demand MGMT, Marketing, Outreach & Public ED	20.205	\$ 563,135	\$ -
0912-00-584 Task 1	Teens in the Drivers Seat	20.205	\$ 58,434	\$ -
0912-00-584 Task 2	Youth Traffic Safety Education and Outreach	20.205	\$ 73,614	\$ -
0912-00-584 Task 3	Regional Safety Campaign	20.205	\$ 182,688	\$ -
0912-00-584 Task 4	Bicycle Safety Education	20.205	\$ 3,712	\$ -
50-23XF0015	Administration - 2023	20.205	\$ 2,488,607	\$ -
50-23XF0015	Data Development & Maintenance - 2023	20.205	\$ 2,792,031	\$ -
50-23XF0015	Short Range Planning - 2023	20.205	\$ 516,483	\$ -
50-23XF0015	Long Range Plan - 2023	20.205	\$ 2,274,894	\$ -
50-23XF0015	Special Studies - 2023	20.205	\$ 97,450	\$ -
0912-00-476 Task 1	Commuter and Transit Pilot	20.205	\$ 380,554	\$ 380,554
0912-00-476 Task2	Commuter and Transit Pilot Implementation & Oversight	20.205	\$ 4,852	\$ -
0912-00-556 Task 2	Regional Freeway Management - Quick Clearance Towing	20.205	\$ 706,662	\$ 706,662
0912-00-556 Task 3	Regional Freeway Management - Program Admin	20.205	\$ 52,871	\$ -
0912-00-558 Task 1	Regional Freeway Management - Quick Clearance Towing	20.205	\$ 1,192,489	\$ 1,192,489
0912-00-558 Task 3	Regional Freeway Management - Program Implementation & Oversight	20.205	\$ 44,704	\$ -
0912-00-559 Task 1	Regional Freeway Management - Quick Clearance Towing	20.205	\$ 2,660,517	\$ 2,660,517
0912-00-559 Task 3	Regional Freeway Management - Program Implementation & Oversight	20.205	\$ 49,376	\$ -
0912-00-539 Task 1	Regional Freeway Management - Quick Clearance Towing	20.205	\$ 1,862,773	\$ 1,862,773
0912-00-539 Task 2	Regional Freeway Management - Program Outreach & Training	20.205	\$ 1,684	\$ -
0912-00-539 Task 3	Regional Freeway Management - Program Management	20.205	\$ 2,760	\$ -
0912-00-599 Task 1	Southeast Harris County Sub-Regional Study	20.205	\$ 115	\$ -
0912-00-599 Task 2	Regional Goods Movement Plan Update	20.205	\$ 265,379	\$ -
0912-00-599 Task 3	Safety Intersection Audits	20.205	\$ 181,697	\$ -
0912-00-599 Task 4	Regional Travel Surveys	20.205	\$ 593,800	\$ -
0912-00-614 Task 1	Liberty County Mobility Plans	20.205	\$ 2,275	\$ -
0912-00-614 Task 2	Montgomery County Precinct 2 Mobility Plan	20.205	\$ (6,055)	\$ -
0912-00-632 Task 1	South Regional Plng Studies - FM518 Corridor Study	20.205	\$ 49,181	\$ -
0912-00-632 Task 2	South Regional Plng Studies - Pearland Mobility Study	20.205	\$ 13,266	\$ -
0912-00-668 Task 3	South Regional Plng Studies - Chambers County	20.205	\$ 148,276	\$ -
0912-00-667	Central Regional Plng Studies - Washington Avenue	20.205	\$ 86,383	\$ -
0912-00-643	Clean Vehicles Implementation and Oversight	20.205	\$ 2,053	\$ -
0912-00-624	Livable Centers Planning Studies	20.205	\$ 619,026	\$ -
50-24XF0015	Administration - 2023	20.205	\$ 872,279	\$ -
50-24XF0015	Data Development & Maintenance - 2023	20.205	\$ 922,403	\$ -
50-24XF0015	Short Range Planning - 2023	20.205	\$ 284,605	\$ -
50-24XF0015	Long Range Plan - 2023	20.205	\$ 512,819	\$ -
50-24XF0015	Special Studies - 2023	20.205	\$ 229,991	\$ -
	Subtotal - Highway Planning and Construction Cluster		<u>\$ 23,777,593</u>	<u>\$ 9,721,267</u>
TX-2021-039	Regional Public Transportation Coordination Plan - Support Grant	20.505	\$ 623	\$ -
TX-2021-039	Regional Public Transportation Coordination Plan - Continuation Grant	20.505	\$ 27,039	\$ -
TX-2021-039	Short Range Transit Planning	20.505	\$ 1,795	\$ -

Houston-Galveston Area Council  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended December 31, 2023

Grantor's ID Number	Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Total Expenditures and Indirect Costs	Pass Through to Subrecipients
	Subtotal - 20.505		\$ 29,457	\$ -
	Total - Texas Department of Transportation		\$ 23,807,050	\$ 9,721,267
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>\$ 23,807,050</u>	<u>\$ 9,721,267</u>
U.S. DEPARTMENT OF TREASURY				
	Passed Through the Community Development Financial Institutions Program			
211TA058156	CDFI - Technical Assistance Grant	21.020	\$ 57,532	\$ -
221TA060510	CDFI - Technical Assistance Grant	21.020	\$ 31,841	\$ -
	Subtotal - 21.020		\$ 89,373	\$ -
	Passed Through Commission on State Emergency Communications			
020-1892	CS- Coronavirus State Fiscal Recover Fund 911 Migration Grant -2023	21.027	\$ 49,811	\$ -
	Subtotal - 21.027		\$ 49,811	\$ -
TOTAL U.S. DEPARTMENT OF TREASURY			<u>\$ 139,184</u>	<u>\$ -</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY				
	Direct Programs:			
DE-01F56501	Clean Freights Houston	66.039	\$ 1,367	\$ -
DE-01F68501	Houston Freight Distribution Electrification	66.039	\$ 266	\$ -
5D-02F39301	Climate Pollution Reduction Grant	66.039	\$ 2,321	\$ 2,321.00
	Subtotal - 66.039		\$ 3,954	\$ 2,321.00
	Total - Direct Programs		\$ 3,954	\$ 2,321.00
	Passed Through the Texas Commission on Environmental Quality			
582-24-50116	TMDL BIG FY24	66.419	\$ 36,496	\$ -
582-24-50116 WO#2	TMDL Tarkington and Luce Bayou FY24	66.419	\$ 8,642	\$ -
582-24-50116	TMDL I-Plans FY24	66.419	\$ 24,815	\$ -
582-24-50116 WO#4	TMDL San Jacinto-Brazos Coastal Basin FY24	66.419	\$ 13,728	\$ -
582-20-13156 WO#10	TMDL Cotton Bayou/Big Creek/San Jacinto FY23	66.419	\$ 44,157	\$ -
582-20-13156 WO#11	TMDL San Jacinto-Brazos Coastal Basin FY23	66.419	\$ 64,890	\$ -
	Subtotal - 66.419		\$ 192,728	\$ -
582-24-50311	Water Quality Management Planning - 2024	66.424	\$ 1,396	\$ -
	Subtotal - 66.424		\$ 1,396	\$ -
582-23-40182	Water Quality Management Planning - 2023	66.454	\$ 170,530	\$ -
	Subtotal - 66.424		\$ 170,530	\$ -
582-20-10367	Targeted Bacteria Monitoring	66.456	\$ 23,812	\$ -
582-22-30136	Lower Galveston Bay Watershed	66.456	\$ 25,955	\$ -
582-23-40239	Water Quality - Rural Population	66.456	\$ 14,391	\$ -
	Subtotal - 66.456		\$ 64,158	\$ -
582-21-10101	Clear Creek WPP FY23	66.460	\$ 8,343	\$ -
582-22-30143	East Fork WPP FY23	66.460	\$ 44,560	\$ -
582-23-40223	West Lake Houston WPP FY23	66.460	\$ 40,863	\$ -
	Subtotal - 66.460		\$ 93,766	\$ -
	Total - Texas Commission on Environmental Quality		\$ 522,578	\$ -
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			<u>\$ 526,532</u>	<u>\$ 2,321</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS - PRIMARY GOVERNMENT			<u>\$ 357,786,301</u>	<u>\$ 324,916,310</u>
DISCRETELY PRESENTED COMPONENT UNIT:				
U.S. DEPARTMENT OF COMMERCE				
	Direct Programs:			
ED21AUS3020016	Economic Development - Support for Planning Organizations	11.302	\$ 43,700	\$ -

Houston-Galveston Area Council  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended December 31, 2023

Grantor's ID Number	Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Total Expenditures and Indirect Costs	Pass Through to Subrecipients
	Subtotal - 11.302		\$ 43,700	\$ -
	Economic Development Cluster			
08-79-05418	COVID-19 Economic Development - Cares Act Revolving Loan Fund	11.307	\$ 1,683,081	\$ -
08-79-05571	COVID-19 Economic Development - Cares Act Revolving Loan Fund - 2	11.307	\$ 938,755	\$ 837,500.00
08-69-05592	Regional Broadband Market Study And Action Plan	11.307	\$ 189,205	\$ -
	Subtotal - Economic Development Cluster		\$ 2,811,041	\$ 837,500.00
TOTAL U.S. DEPARTMENT OF COMMERCE			\$ 2,854,741	\$ 837,500.00
TOTAL EXPENDITURES OF FEDERAL AWARDS - DISCRETELY PRESENTED COMPONENT UNIT			\$ 2,854,741	\$ 837,500.00
TOTAL EXPENDITURES OF FEDERAL AWARDS - REPORTING ENTITY			\$ 360,641,042	\$ 325,753,810
STATE PROGRAMS				
PRIMARY GOVERNMENT:				
OFFICE OF THE GOVERNOR-CRIMINAL JUSTICE DIVISION				
Direct Programs:				
1471917	Law Enforcement Training - 2022-2023		\$ 347,710	\$ -
1471918	Law Enforcement Training - 2024-2025		\$ 44,660	\$ -
	Subtotal - Law Enforcement Training		\$ 392,370	\$ -
TOTAL OFFICE OF THE GOVERNOR-CRIMINAL JUSTICE DIVISION			\$ 392,370	\$ -
OFFICE OF THE GOVERNOR- HOMELAND SECURITY GRANTS DIVISION				
4558001	Brazoria County - Four Corners Tower Project		\$ 85	\$ -
	Subtotal - Four Corners Tower Project		\$ 85	\$ -
TOTAL OFFICE OF THE GOVERNOR-HOMELAND SECURITY GRANTS DIVISION			\$ 85	\$ -
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY				
Direct Programs:				
582-22-30118	Solid Waste - 2022 - 2023		\$ 900,950	\$ 469,849
582-24-50089	Solid Waste - 2024 - 2025		\$ 146,941	\$ -
	Subtotal - Solid Waste		\$ 1,047,891	\$ 469,849
582-22-30102	Texas Clean Rivers - 2022-2023		\$ 963,606	\$ 180,098
582-24-50280	Texas Clean Rivers - 2024-2025		\$ 233,531	\$ 39,551
	Subtotal - Clean Rivers		\$ 1,197,137	\$ 219,649
582-20-13156 WO# 12	TMDL Big FY23		\$ 86,150	\$ 19,800
582-20-13156 WO# 13	TMDL I-Plans FY23		\$ 100,048	\$ -
	Subtotal - TMDL		\$ 186,198	\$ 19,800
582-23-40240	Trash Bash-GBEP FY23		\$ 4,824	\$ -
582-23-40241	GBEP - Clear Creek Match		\$ 23,012	\$ -
	Subtotal - GBEP		\$ 27,836	\$ -
	Total - Direct Programs		\$ 2,459,062	\$ 709,298
TOTAL TEXAS COMMISSION ON ENVIRONMENTAL QUALITY			\$ 2,459,062	\$ 709,298
TEXAS EDUCATION AGENCY				
230386047110014	Tri-Agency Grant For Regional Conveners		\$ 56,503	\$ -
	Subtotal - TEA Regional Conveners		\$ 56,503	\$ -
TOTAL TEXAS EDUCATION AGENCY			\$ 56,503	\$ -
TEXAS HEALTH AND HUMAN SERVICES COMMISSION				
Direct Programs:				
HHS000874100015	State General Revenue - 2023 IIIIE Match		\$ 68,500	\$ -

Houston-Galveston Area Council  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended December 31, 2023

Grantor's ID Number	Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Total Expenditures and Indirect Costs	Pass Through to Subrecipients
HHS000874100015	State General Revenue - 2023		\$ 85,249	\$ -
HHS000874100015	State General Revenue - 2023 ARP COVID-19		\$ 11,669	\$ -
HHS000874100015	State General Revenue - 2023 HDM Rate Increase		\$ 10,064	\$ -
HHS000874100015	OMB ALF Services - 2023		\$ 194,362	\$ -
HHS000874100015	OMB ALF Services - 2024		\$ 15,978	\$ -
HHS000270200021	ADRC SGR Respite - 2022		\$ (1,995)	\$ (1,995)
HHS000270200021	ADRC SGR - 2023		\$ 142,559	\$ -
HHS000270200021	ADRC Promoting Independence - 2023		\$ 11,923	\$ -
HHS000270200021	ADRC SGR Respite - 2023		\$ 24,647	\$ 15,876
HHS000270200021	ADRC SGR - 2024		\$ 73,639	\$ -
HHS000270200021	ADRC Promoting Independence - 2024		\$ 2,119	\$ -
HHS000270200021	ADRC SGR Respite - 2024		\$ 5,899	\$ 475
TOTAL TEXAS HEALTH AND HUMAN SERVICES COMMISSION			<u>\$ 644,613</u>	<u>\$ 14,356</u>
TEXAS WORKFORCE COMMISSION				
Direct Programs:				
2823SNE001	SNAP E&T - 2023		\$ 156,777	\$ 156,777
2824SNE001	SNAP E&T - 2024		\$ 4,641	\$ 4,641
2823SNE002	SNAP E&T - 2023		\$ 596,740	\$ 596,740
2824SNE002	SNAP E&T - 2024		\$ 376,284	\$ 274,731
Subtotal - SNAP E&T			<u>\$ 1,134,442</u>	<u>\$ 1,032,889</u>
Direct Programs:				
2822DON001	Pre-Apprenticeship Pilot- 2022		\$ (7,022)	\$ -
Subtotal - Pre-Apprenticeship Pilot			<u>\$ (7,022)</u>	<u>\$ -</u>
2823RAG001	Resource Admin Grant - 2023		\$ 2,878	\$ -
2824RAG001	Resource Admin Grant - 2024		\$ 2,660	\$ -
Subtotal - Resource Administration Grant			<u>\$ 5,538</u>	<u>\$ -</u>
2823TAF001	TANF Choices - 2023		\$ 1,752,468	\$ 1,752,468
2823NCP001	TANF E&T - Noncustodial Parent Empl - 2023		\$ 187,562	\$ 187,562
2824NCP001	TANF E&T - Noncustodial Parent Empl - 2024		\$ 238,102	\$ 222,266
Subtotal -TANF Choices			<u>\$ 2,178,132</u>	<u>\$ 2,162,296</u>
2823CCP001	Child Care DFPS - 2023		\$ 8,070,248	\$ 8,070,248
2824CCP001	Child Care DFPS - 2024		\$ 2,547,346	\$ 2,547,346
Subtotal - Child Care DFPS			<u>\$ 10,617,594</u>	<u>\$ 10,617,594</u>
2818ALAE00	Adult Education and Literacy		\$ 1,039,733	\$ 1,039,733
2818ALAF00	Adult Education and Literacy		\$ 164,938	\$ 164,938
Subtotal - AEL			<u>\$ 1,204,671</u>	<u>\$ 1,204,671</u>
2823CCF001	CCDF Child Care - 2023		\$ 31,402,422	\$ 31,402,422
2824CCF001	CCDF Child Care - 2024		\$ 17,615,478	\$ 17,615,478
2823CCM001	Child Care Local Match - 2023		\$ 200,000	\$ 200,000
Subtotal - Child Care			<u>\$ 49,217,900</u>	<u>\$ 49,217,900</u>
TOTAL TEXAS WORKFORCE COMMISSION			<u>\$ 64,351,255</u>	<u>\$ 64,235,350</u>
TOTAL EXPENDITURES OF STATE AWARDS - PRIMARY GOVERNMENT			<u>\$ 67,903,888</u>	<u>\$ 64,959,004</u>
TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS - REPORTING ENTITY			<u>\$ 428,544,930</u>	<u>\$ 390,712,814</u>



**HOUSTON-GALVESTON AREA COUNCIL**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2023**

**1 BASIS OF ACCOUNTING**

Expenditures reported on this schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards (Uniform Guidance) and the State of Texas Uniform Grant Management Standards (UGMS). Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior year. H-GAC has elected to use the negotiated indirect cost rate and not the 10% de minimus rate as allowed under the Uniform Guidance.

**2 REPORTING ENTITY**

H-GAC for purposes of the schedule of expenditures of federal and state awards includes all funds of the primary government. Also included is the Gulf Coast Economic Development Corporation, a discretely presented component unit of H-GAC.

**3 RECONCILIATION**

Adjustments necessary to reconcile expenditures reported on the supplementary schedule of expenditures of federal and state awards to the basic financial statements at year end were as follows:

Total Grant Fund Expenditures	\$ 437,640,663
Add: Depreciation charged to grant programs	150,717
Add: Gulf Coast Economic Development Corporation federal expenditures	2,944,115
Add: Gulf Coast 911 Emergency District CSEC grant	49,811
Less: In-Kind Expenditures	(4,019,669)
Less: Cash Match	(314,402)
Less: Expenditures funded by local grant revenues	(7,906,305)
Total Federal and State Schedule	<u>\$ 428,544,930</u>

**4**

**CALCULATION OF FEDERAL AWARDS EXPENDED FOR EDA REVOLVING LOAN FUND**

Expenditure of the EDA Revolving Loan Fund were calculated as follows:

Balance of RLF loans outstanding at 12/31/2023	\$ 1,588,365
Cash and investment balance at 12/31/2023	874,378
Administrative costs during the fiscal year	159,093
Unpaid principal of loans written off during the fiscal year	-
Total EDA Revolving Loan Fund Expenditures	<u>2,621,836</u>
Federal Participation Rate	100%
Total Federal Share of EDA Revolving Loan Fund Expenditures	<u>\$ 2,621,836</u>

**HOUSTON-GALVESTON AREA COUNCIL**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
*For the Year Ended December 31, 2023*

**I. Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	None

Identification of major programs:

<b>Name of Federal Program or Cluster</b>	<b>Assistance Listing Number (ALN)</b>
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**U.S. Department of Labor:**

Workforce Innovation and Opportunity Act (WIOA) Cluster	17.258/17.259/17.278
Resource Admin Grant – 2023, Re-employment Services – 2023, Re-employment Services - 2024	17.225

**U.S. Department of Agriculture:**

SNAP Cluster	10.561
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**U.S. Department of Health and Human Services:**

Child Care and Development Fund (CCDF) Cluster	93.575/93.596
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- |   |             |
|---|-------------|
| 1. Dollar Threshold Considered Between Type A and Type B Federal Programs | \$3,000,000 |
| 2. Federal Single Audit - Auditee qualified as low-risk auditee?          | Yes         |

**HOUSTON-GALVESTON AREA COUNCIL**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)**  
**For the Year Ended December 31, 2023**

**I. Summary of Auditors' Results (continued)**

**State Awards:**

Internal control over major programs:

Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major state programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Texas Grant Management Standards?	None

Identification of major programs:

<b>Name of State Programs</b>	<b>Grant / Contract Number</b>
<b>Texas Workforce Commission:</b>	

SNAP E&T - 2023	2823SNE001
SNAP E&T - 2024	2824SNE001
SNAP E&T - 2023	2823SNE002
SNAP E&T - 2024	2824SNE002
CCDF Child Care – 2023	2823CCF001
CCDF Child Care – 2024	2824CCF001
Child Care Local Match - 2023	2823CCM001

- |   |             |
|---|-------------|
| 1. Dollar Threshold Considered Between Type A and Type B Programs | \$2,037,117 |
| 2. State Single Audit - Auditee qualified as low-risk auditee?    | Yes         |

**II. Financial Statement Findings**

There were no current year findings.

**III. Federal and State Award Findings and Questioned Costs**

There were no current year findings or questioned costs.

**HOUSTON-GALVESTON AREA COUNCIL**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
***For the Year Ended December 31, 2023***

Federal regulations, Title 2 U.S. Code of Federal Regulations Section 200.511 states, "The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings." The summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit's schedule of findings and questioned costs and
- All audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected.

**I. Prior Audit Findings**

None noted

**HOUSTON-GALVESTON AREA COUNCIL**

***CORRECTIVE ACTION PLAN***

***For the Year Ended December 31, 2023***

Federal regulations, Title 2 U.S. Code of Federal Regulations §200.511 states, "At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan to address each audit finding included in the current year auditor's reports."

**I. Corrective Action Plan**

None noted



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