

**FLAMINGO ISLES MUNICIPAL
UTILITY DISTRICT**

GALVESTON COUNTY, TEXAS

FINANCIAL REPORT

March 31, 2009

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Independent Auditors' Report

Board of Directors
Flamingo Isles Municipal Utility District
Galveston County, Texas

We have audited the accompanying financial statements of the governmental activities and each major fund of Flamingo Isles Municipal Utility District, as of and for the year ended March 31, 2009, which collectively comprise the basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of Flamingo Isles Municipal Utility District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of Flamingo Isles Municipal Utility District, as of March 31, 2009, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and the Budgetary Comparison Schedule listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Texas Supplementary Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Null-Lairson, P.C.

Houston, Texas
August 20, 2009

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Management's Discussion and Analysis

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Flamingo Isles Municipal Utility District
Management's Discussion and Analysis
March 31, 2009

Using this Annual Report

Within this section of the financial report of Flamingo Isles Municipal Utility District (the "District"), the District's Board of Directors provides a narrative discussion and analysis of the financial activities of the District for the fiscal year ended March 31, 2009. This analysis should be read in conjunction with the independent auditors' report and the basic financial statements that follow this section.

In addition to this discussion and analysis, this annual report consists of:

- The District's basic financial statements;
- Notes to the basic financial statements, which provide additional information essential to a full understanding of the data provided in the financial statements;
- Supplementary information required by the Governmental Accounting Standards Board (GASB) concerning the District's budget; and
- Other Texas supplementary information required by the District's state oversight agency, the Texas Commission on Environmental Quality (TCEQ).

Overview of the Financial Statements

The District prepares its financial statements using a format specifically designed for a special purpose government engaged in a single governmental activity, such as the construction of water, wastewater and drainage facilities. The District prepares its financial statements using a format specifically designed for a special-purpose government. This format combines fund financial statements and government-wide statements onto one financial statement. The combined statements are the *Statement of Net Assets and Governmental Funds Balance Sheet* and the *Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances*. Each statement contains an adjustments column which quantifies the differences between the government-wide and fund level statements. Additional details of the adjustments are provided in Note 2 to the basic financial statements.

Government-Wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the District, both long-term and short-term. The District's government-wide financial statements consist of the *Statement of Net Assets* and the *Statement of Activities*, which are prepared using the accrual basis of accounting. The *Statement of Net Assets* includes all of the assets and liabilities of the District, with the difference reported as net assets. Over time, changes in net assets may provide a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. The *Statement of Activities* reports how the District's net assets have changed during the fiscal year. All revenues and expenses are included on this statement, regardless of whether cash has been received or paid.

Flamingo Isles Municipal Utility District
Management's Discussion and Analysis
March 31, 2009

Fund Financial Statements

The fund financial statements include the *Governmental Funds Balance Sheet* and the *Governmental Funds Revenues, Expenditures and Changes in Fund Balances*. The focus of fund financial statements is on specific activities of the District rather than the District as a whole, reported using modified accrual accounting. These statements report on the District's use of available financial resources and the balances of available financial resources at the end of the year. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties, governmental statutes or regulations.

For further discussion on the government-wide and fund financial statements, please refer to Note 1 in the financial statements.

Financial Analysis of the District as a Whole

In the government-wide statements, the difference between assets and liabilities is called net assets. The District's net assets at March 31, 2009, were negative \$4,611,219. This amount is negative because the District incurs debt to construct water, sewer and drainage facilities which it conveys to the City of Hitchcock.

Net assets are categorized based on their availability to provide financial resources for the District. Net assets that are "Invested in capital assets, net of related debt" represent the District's investments in capital assets, less any debt used to acquire those assets that is still outstanding. Resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. "Restricted" net assets represent amounts that are restricted for future debt service requirements. "Unrestricted" net assets represent amounts available to meet the District's future obligations.

A comparative summary of the District's overall financial position, as of March 31, 2009 and 2008, is as follows:

	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 1,547,921	\$ 1,430,989
Capital assets	17,579,081	18,006,695
Total assets	<u>19,127,002</u>	<u>19,437,684</u>
Current liabilities	71,039	23,083
Long-term liabilities	<u>23,667,182</u>	<u>23,662,193</u>
Total liabilities	<u>23,738,221</u>	<u>23,685,276</u>
Net assets:		
Invested in capital assets, net of related debt	(3,074,135)	(2,318,408)
Restricted	807,449	692,693
Unrestricted	<u>(2,344,533)</u>	<u>(2,621,877)</u>
Total net assets	<u><u>\$ (4,611,219)</u></u>	<u><u>\$ (4,247,592)</u></u>

Flamingo Isles Municipal Utility District
Management's Discussion and Analysis
March 31, 2009

Financial Analysis of the District as a Whole (continued)

The total net assets of the District decreased by \$363,627. A comparative summary of the District's *Statement of Activities* for the past two years is as follows:

	<u>2009</u>	<u>2008</u>
Revenues		
Property taxes, penalties and interest	\$ 443,552	\$ 426,651
Other revenues	<u>18,069</u>	<u>22,859</u>
Total Revenues	<u>461,621</u>	<u>449,510</u>
Expenses		
Current service operations	140,233	116,610
Interest and fiscal agent fees	246,618	542,903
Depreciation and amortization	<u>438,397</u>	<u>434,801</u>
Total Expenses	<u>825,248</u>	<u>1,094,314</u>
Change in net assets before other items	<u>(363,627)</u>	<u>(644,804)</u>
Other Items		
Transfers to other governments	<u> </u>	<u>(149)</u>
Change in net assets	(363,627)	(644,953)
Net assets, beginning of year	<u>(4,247,592)</u>	<u>(3,602,639)</u>
Net assets, end of year	<u>\$ (4,611,219)</u>	<u>\$ (4,247,592)</u>

Financial Analysis of the District's Funds

The District's combined fund balances, as of March 31, 2009, were \$1,170,424. The following is a summary of changes in fund balances for the prior two fiscal years:

	<u>2009</u>	Increase (Decrease)	<u>2008</u>	Increase	<u>2007</u>
General Fund	\$ 296,578	\$ (35,523)	\$ 332,101	\$ 59,255	\$ 272,846
Debt Service Fund	785,384	111,880	673,504	673,504	
Capital Projects Fund	<u>88,462</u>	<u>1,387</u>	<u>87,075</u>	<u>52,602</u>	<u>34,473</u>
	<u>\$ 1,170,424</u>	<u>\$ 77,744</u>	<u>\$ 1,092,680</u>	<u>\$ 785,361</u>	<u>\$ 307,319</u>

Fund balance in the General Fund decreased primarily as a result of expenditures exceeding ongoing revenues. Fund balance in the Debt Service Fund increased primarily due to increased property taxes.

Flamingo Isles Municipal Utility District
Management's Discussion and Analysis
March 31, 2009

General Fund Budgetary Highlights

The Board of Directors adopts an annual unappropriated budget for the General Fund prior to the beginning of each fiscal year. The Board did not amend the budget during the fiscal year. The District anticipated an increase in the fund balance of \$20,155, while the actual decrease was \$35,523.

The District's budget is primarily a planning tool. Accordingly, actual results varied from the budgeted amounts. Actual revenues were \$6,027 higher than budgeted, while actual expenditures were \$61,705 higher than budgeted. The *Budgetary Comparison Schedule* on page 28 of this report provides variance information per financial statement line item.

Capital Assets

Capital assets held by the District at the end of the current and previous fiscal year are summarized as follows:

	<u>2009</u>	<u>2008</u>
Capital assets being depreciated:		
Infrastructure	\$ 19,242,644	\$ 19,242,644
Less accumulated depreciation	<u>(1,663,563)</u>	<u>(1,235,949)</u>
	<u>17,579,081</u>	<u>18,006,695</u>
 Capital assets, net of accumulated depreciation	 <u>\$ 17,579,081</u>	 <u>\$ 18,006,695</u>

The District and the City of Hitchcock (the "City") have entered into an agreement which obligates the District to construct water, wastewater and storm drainage facilities to serve the District and, when completed, to convey title to the facilities to the City. There were no such capital assets completed during the current year.

As discussed in Note 6, the District has contractual commitments in the amount of \$3,455,000 for construction of water, sewer and drainage facilities. The District will owe its developer for these projects upon completion of construction.

Long-Term Debt

At March 31, 2009 and 2008, the District had total bonded debt outstanding as shown below:

<u>Series</u>	<u>2009</u>	<u>2008</u>
2007	\$ 4,490,000	\$ 4,490,000

At March 31, 2009, the District had \$52,070,000 unlimited tax bonds authorized, but unissued for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage systems within the District.

Flamingo Isles Municipal Utility District
Management's Discussion and Analysis
March 31, 2009

Economic Factors and Next Year's Budget

Budget

In establishing the budget for the next fiscal year, the Board considered various economic factors that may affect the District, most notably projected revenues from property taxes and the projected cost of operating the District. A comparison of next year's budget to current year actual amounts for the General Fund is as follows:

	<u>2009 Actual</u>	<u>2010 Budget</u>
Total revenues	\$ 93,527	\$ 87,500
Total expenses	<u>(129,050)</u>	<u>(73,723)</u>
Net change in fund balance	(35,523)	13,777
Beginning fund balance	<u>332,101</u>	<u>296,578</u>
Ending fund balance	<u><u>\$ 296,578</u></u>	<u><u>\$ 310,355</u></u>

Property Taxes

The District's property tax base increased approximately \$5,530,000 for the 2009 tax year from \$86,833,247 to \$92,367,136, based on preliminary values.

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Basic Financial Statements

Flamingo Isles Municipal Utility District
Statement of Net Assets and Governmental Funds Balance Sheet
March 31, 2009

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Assets
Assets						
Cash	\$ 7,066	\$ 65,040	\$ 10,236	\$ 82,342	\$	\$ 82,342
Investments	350,046	710,759	78,226	1,139,031		1,139,031
Taxes receivable	11,243	42,155		53,398		53,398
Internal balances	(9,777)	9,777				
Defferered bond issuance costs, net					273,150	273,150
Capital assets, net of depreciation					17,579,081	17,579,081
Total Assets	\$ 358,578	\$ 827,731	\$ 88,462	\$ 1,274,771	17,852,231	19,127,002
Liabilities						
Accounts payable	\$ 50,757	\$	\$	\$ 50,757		50,757
Other payables		192		192		192
Deferred revenues	11,243	42,155		53,398	(53,398)	
Accrued interest payable					20,090	20,090
Due to Developer					19,303,567	19,303,567
Long-term debt:						
Due after one year					4,363,615	4,363,615
Total Liabilities	62,000	42,347		104,347	23,633,874	23,738,221
Fund Balances/Net Assets						
Fund Balances:						
Reserved, reported in:						
Debt service funds		785,384		785,384	(785,384)	
Capital projects funds			88,462	88,462	(88,462)	
Unreserved	296,578			296,578	(296,578)	
Total Fund Balances	296,578	785,384	88,462	1,170,424	(1,170,424)	
Total Liabilities and Fund Balances	\$ 358,578	\$ 827,731	\$ 88,462	\$ 1,274,771		
Net Assets:						
Invested in capital assets, net of related debt					(3,074,135)	(3,074,135)
Restricted for debt service					807,449	807,449
Unrestricted					(2,344,533)	(2,344,533)
Total Net Assets					\$ (4,611,219)	\$ (4,611,219)

See notes to basic financial statements.

Flamingo Isles Municipal Utility District

**Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance
For the Year Ended March 31, 2009**

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
Revenues:						
Property taxes	\$ 87,695	\$ 345,266	\$	\$ 432,961	\$ 1,205	\$ 434,166
Penalties and interest		8,577		8,577	809	9,386
Investment earnings	5,832	10,850	1,387	18,069		18,069
Total Revenues	93,527	364,693	1,387	459,607	2,014	461,621
Expenditures/Expenses:						
Current service operations						
Professional fees	57,528			57,528		57,528
Contracted services	6,819	10,011		16,830		16,830
Repairs and maintenance	43,672			43,672		43,672
Administrative	16,078	1,079		17,157		17,157
Other	4,953	93		5,046		5,046
Capital outlay						
Debt service:						
Interest and fiscal fees		241,630		241,630	4,988	246,618
Depreciation and amortization					438,397	438,397
Total Expenditures/Expenses	129,050	252,813		381,863	443,385	825,248
Excess (deficiency) of revenues over expenditures	(35,523)	111,880	1,387	77,744	(77,744)	
Change in net assets					(363,627)	(363,627)
Fund Balance/Net Assets:						
Beginning of the year	332,101	673,504	87,075	1,092,680	(5,340,272)	(4,247,592)
End of the year	\$ 296,578	\$ 785,384	\$ 88,462	\$ 1,170,424	\$ (5,781,643)	\$ (4,611,219)

See notes to basic financial statements.

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Flamingo Isles Municipal Utility District
Notes to Basic Financial Statements
March 31, 2009

Note 1 – Summary of Significant Accounting Policies

The accounting policies of Flamingo Isles Municipal Utility District (the “District”) conform with accounting principles generally accepted in the United States of America. The following is a summary of the most significant policies:

Creation

The District was organized, created and established pursuant to a statute enacted by the Texas Legislature, effective June 17, 1965, and operates in accordance with its enabling legislation and the Texas Water Code, Chapters 49 and 51. The District became dormant for a number of years. On January 21, 2003, the Texas Commission on Environmental Quality (the “TCEQ”) appointed five directors to the District and the District was reactivated. The Board of Directors held its first meeting on February 13, 2003 and the first bonds were sold on June 26, 2007.

The District’s primary activities include construction and financing of bulkhead and dredging and the maintenance of bulkhead facilities. The District has also financed the construction of water and sewer facilities for land within the District. The District has contracted with various consultants to provide services to operate and administer the affairs of the District. The District has no employees, related payroll or pension costs.

Reporting Entity

The District is a political subdivision of the State of Texas governed by an elected five-member board. The Governmental Accounting Standards Board has established the criteria for determining whether or not an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statements as component units.

Government-Wide and Fund Financial Statements

Government-wide financial statements display information about the District as a whole. These statements focus on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Interfund activity, if any, has been removed from these statements. These aggregated statements consist of the *Statement of Net Assets* and the *Statement of Activities*.

Fund financial statements display information at the individual fund level. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for a specific purpose. Each fund is considered to be a separate accounting entity. The District has three governmental funds types, which are all reported as major funds.

Flamingo Isles Municipal Utility District
Notes to Basic Financial Statements
March 31, 2009

Note 1 – Summary of Significant Accounting Policies (continued)

As a special-purpose government engaged in a single governmental program, the District has opted to combine its government-wide and fund financial statements in a columnar format showing an adjustments column for reconciling items between the two.

The following is a description of the various funds used by the District:

- The General Fund is used to account for the operations of the District and all other financial transactions not properly includable in other funds. The principal source of revenue is property taxes. Expenditures include costs associated with the daily operations of the District.
- The Debt Service Fund is used to account for the payment of interest and principal on the District's general long-term debt. The primary source of revenue for debt service is property taxes. Expenditures include costs incurred in assessing and collecting these taxes.
- The Capital Projects Fund is used to account for the expenditures of bond proceeds for the construction of the District's water, sewer and drainage facilities.

Measurement Focus and Basis of Accounting

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied.

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized in the accounting period in which it becomes both available and measurable to finance expenditures of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Revenues susceptible to accrual include property taxes and interest earned on investments. Property taxes receivable at the end of the fiscal year are treated as deferred revenues because they are not considered available to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due.

Note 2 further details the adjustments from the governmental fund presentation to the government-wide presentation.

Flamingo Isles Municipal Utility District
Notes to Basic Financial Statements
March 31, 2009

Note 1 – Summary of Significant Accounting Policies (continued)

Capital Assets

Capital assets, which consist of bulkheads, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at the estimated fair market value at the date of donation. The District has not capitalized interest incurred during the construction of its capital assets.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets are depreciated over their remaining useful lives using the straight-line method as follows:

<u>Assets</u>	<u>Useful Life</u>
Infrastructure	20-45 years

Fund Equity/ Restricted Assets

In the fund financial statements, reserved or designated equity balances represent those portions of fund balance not appropriable for expenditures or legally segregated for a specific future use. Undesignated fund balances represent available balances for the District's future use.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. At March 31, 2009, an allowance for uncollectible accounts was not considered necessary.

Interfund Activity

During the course of operations, transactions occur between individual funds. This can include internal transfers, payables and receivables. This activity is combined as internal balances and is eliminated in both the government-wide and fund financial statement presentation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Flamingo Isles Municipal Utility District
Notes to Basic Financial Statements
March 31, 2009

Note 2 – Adjustment From Governmental to Government-wide Basis

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Assets

Total fund balance, governmental funds		\$ 1,170,424
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.</p>		
Historical cost	\$ 19,242,644	
Less accumulated depreciation	<u>(1,663,563)</u>	
Change due to capital assets		17,579,081
<p>Bond issuance costs are recorded as expenditures in the funds, but are deferred and amortized in the government wide statements.</p>		
Historical cost	291,120	
Less accumulated amortization	<u>(17,970)</u>	
Change due to bond issue costs		273,150
<p>Property taxes receivable and related penalties and interest have been levied and are due, but are not available soon enough to pay current period expenditures and, therefore, are deferred in the funds.</p>		
Property taxes receivable	47,967	
Penalty and interest receivable	<u>5,431</u>	
Change due to property taxes		53,398
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds, the difference consists of:</p>		
Bonds payable, net	(4,363,615)	
Interest payable on bonds	<u>(20,090)</u>	
Change due to long-term debt		(4,383,705)
<p>Amounts due to the District's developer for prefunded construction are recorded as a liability in the <i>Statement of Net Assets</i> .</p>		
		(19,303,567)
Total net assets - governmental activities		<u><u>\$ (4,611,219)</u></u>

Flamingo Isles Municipal Utility District
Notes to Basic Financial Statements
March 31, 2009

Note 2 – Adjustment From Governmental to Government-wide Basis (continued)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Funds to the Statement of Activities

Net change in fund balances - total governmental funds	\$	77,744
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Governmental funds do not report revenues that are not available to pay current obligations. In contrast, such revenues are reported in the <i>Statement of Activities</i> when earned. The difference is for property taxes and related penalties and interest.	2,014
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In the <i>Statement of Activities</i> , the cost of assets retained by the District are allocated over their estimated lives as depreciation expense.	(427,614)
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Governmental funds report issuance costs, premiums and discounts when the related debt is first issued, whereas these amounts are deferred and amortized in the *Statement of Activities*.

Amortization expense	\$ (10,783)	
Interest expense	(4,988)	
	(15,771)	

Change in net assets of governmental activities	\$ (363,627)
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Note 3 – Deposits and Investments

Deposit Custodial Credit Risk

Custodial credit risk as it applies to deposits (i.e. cash) is the risk that, in the event of the failure of the depository institution, a government will not be able to recover its deposits or will not be able to recover collateral securities. The *Public Funds Collateral Act* (Chapter 2257, Texas Government Code) requires that all of the District's deposits with financial institutions be covered by federal depository insurance and, if necessary, pledged collateral held by a third party custodian. The act further specifies the types of securities that can be used as collateral. The District's written investment policy establishes additional requirements for collateralization of deposits.

Flamingo Isles Municipal Utility District
Notes to Basic Financial Statements
March 31, 2009

Note 3 – Deposits and Investments (continued)

Investments

The District is authorized by the *Public Funds Investment Act* (Chapter 2256, Texas Government Code) to invest in the following: (1) obligations of the United States or its agencies and instrumentalities, (2) direct obligations of the State of Texas or its agencies and instrumentalities, (3) certain collateralized mortgage obligations, (4) other obligations, which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies or instrumentalities, (5) certain A rated or higher obligations of states and political subdivisions of any state, (6) bonds issued, assumed or guaranteed by the State of Israel, (7) insured or collateralized certificates of deposit, (8) certain fully collateralized repurchase agreements, (9) bankers' acceptances with limitations, (10) commercial paper rated A-1 or P-1 or higher and a maturity of 270 days or less, (11) no-load money market mutual funds and no-load mutual funds, with limitations, (12) certain guaranteed investment contracts, (13) certain qualified governmental investment pools and (14) a qualified securities lending program.

The District has adopted a written investment policy to establish the principles by which the District's investment program should be managed. This policy further restricts the types of investments in which the District may invest.

As of March 31, 2009, the District's investments consist of the following:

<u>Fund</u>	<u>Investment</u>	<u>Carrying Value</u>	<u>Rating</u>	<u>Weighted Average Maturity</u>
General	TexPool	\$ 350,046	AAA	76 days
Debt Service	TexPool	710,759	AAA	76 days
Capital Projects	TexPool	78,226	AAA	76 days
Total		<u>\$ 1,139,031</u>		

TexPool

The District participates in TexPool, the Texas Local Government Investment Pool. The State Comptroller of Public Accounts exercises oversight responsibility of TexPool, which includes (1) the ability to significantly influence operations, (2) designation of management and (3) accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. Although TexPool is not registered with the SEC as an investment company, it operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. As permitted by GAAP, TexPool uses amortized cost (which excludes unrealized gains and losses) rather than market value to compute share price. Accordingly, the fair value of the District's position in TexPool is the same as the value of TexPool shares.

Flamingo Isles Municipal Utility District
Notes to Basic Financial Statements
March 31, 2009

Note 3 – Deposits and Investments (continued)

Investment Credit and Interest Rate Risk

Investment credit risk is the risk that the investor may not recover the value of an investment from the issuer, while interest rate risk is the risk that the value of an investment will be adversely affected by changes in interest rates. The District’s investment policies do not address investment credit and interest rate risk beyond the rating and maturity restrictions established by state statutes.

Note 4 – Amounts Due to/From Other Funds

Amounts due to/from other funds at March 31, 2009, include the following:

	Interfund	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$	\$ 9,777
Debt Service Fund	9,777	
	<u>\$ 9,777</u>	<u>\$ 9,777</u>

Amounts reported as due to/from between funds are considered temporary loans needed for normal operations and will be repaid during the following fiscal year.

Note 5 – Capital Assets

A summary of changes in capital assets, for the year ended March 31, 2009, follows:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Ending Balances</u>
Capital assets being depreciated:			
Infrastructure	\$ 19,242,644	\$	\$ 19,242,644
Less accumulated depreciation	(1,235,949)	(427,614)	(1,663,563)
	<u>18,006,695</u>	<u>(427,614)</u>	<u>17,579,081</u>
Capital assets, net	<u>\$ 18,006,695</u>	<u>\$ (427,614)</u>	<u>\$ 17,579,081</u>

Depreciation expense for the current year was \$427,614.

Note 6 – Due to Developer

The District has entered into financing agreements with its developer for the financing of the construction of water, sewer and drainage facilities. Under the agreements, the developer will advance funds for the construction of facilities to serve the District. The developer will be reimbursed from proceeds of future bond issues or other lawfully available funds, subject to approval by TCEQ. The District does not record the capital asset and related liability on the *Statement of Net Assets* until construction of the facilities is complete.

Flamingo Isles Municipal Utility District
Notes to Basic Financial Statements
March 31, 2009

Note 6 – Due to Developer (continued)

There were no changes in amounts due to developer during the year:

In addition, the District will owe the developer approximately \$3,455,000 , which is included in the following schedule of contractual commitments. The exact amount is not known until approved by the TCEQ and audited by the District’s auditor. As previously noted, these projects will be reported in the government-wide financial statements upon completion of construction.

	<u>Contract Amount</u>	<u>Amounts Paid</u>	<u>Remaining Commitment</u>
Harborwalk Sec. 6 water, sewer and drainage	\$ 321,000	\$ 289,000	\$ 32,000
Harborwalk Sec. 6 bulkheading and dredging	2,848,000	367,000	2,481,000
Offsite water tower/line	286,000	28,000	258,000
	<u>\$ 3,455,000</u>	<u>\$ 684,000</u>	<u>\$ 2,771,000</u>

Note 7 - Long-Term Debt

Long-term debt is comprised of the following:

Bonds payable	\$ 4,490,000
Unamortized discounts	(126,385)
Bonds payable, net	<u>\$ 4,363,615</u>
Due within one year	<u>\$</u>

The District’s bonds payable at March 31, 2009, consists of unlimited tax bonds as follows:

<u>Series</u>	<u>Amounts Outstanding</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Maturity Date, Serially, Beginning/ Ending</u>	<u>Interest Payment Dates</u>	<u>Call Dates</u>
2007	\$ 4,490,000	\$ 4,490,000	5.2% to 5.5%	March 1, 2015 to March 1, 2035	September 1 & March 1	March 1, 2015

Payments of principal and interest on all series of bonds are to be provided from taxes levied on all properties within the District. Investment income realized by the Debt Service Fund from investment of idle funds will be used to pay outstanding bond principal and interest. The District is in compliance with the terms of its bond resolutions.

Flamingo Isles Municipal Utility District
Notes to Basic Financial Statements
March 31, 2009

Note 7 - Long-Term Debt (continued)

At March 31, 2009, the District had authorized but unissued bonds in the amount of \$52,070,000 for water, sewer and drainage facilities.

As of March 31, 2009, annual debt service requirements on bonds outstanding are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2010	\$	\$ 241,080	\$ 241,080
2011		241,080	241,080
2012		241,080	241,080
2013		241,080	241,080
2014		241,080	241,080
2015	500,000	241,080	741,080
2016	120,000	214,830	334,830
2017	125,000	208,590	333,590
2018	130,000	202,090	332,090
2019	140,000	195,330	335,330
2020	150,000	188,050	338,050
2021	155,000	180,250	335,250
2022	165,000	172,190	337,190
2023	175,000	163,610	338,610
2024	185,000	154,510	339,510
2025	195,000	144,890	339,890
2026	205,000	134,750	339,750
2027	215,000	123,475	338,475
2028	230,000	111,650	341,650
2029	240,000	99,000	339,000
2030	255,000	85,800	340,800
2031	265,000	71,775	336,775
2032	260,000	57,200	317,200
2033	260,000	42,900	302,900
2034	260,000	28,600	288,600
2035	260,000	14,300	274,300
	<u>\$ 4,490,000</u>	<u>\$ 4,040,270</u>	<u>\$ 8,530,270</u>

Flamingo Isles Municipal Utility District
Notes to Basic Financial Statements
March 31, 2009

Note 8 – Property Taxes

On November 2, 2004, the voters of the District authorized the District’s Board of Directors to levy taxes annually for use in financing general operations limited to \$2.00 per \$100 of assessed value. The District’s bond resolutions require that property taxes be levied for use in paying interest and principal on long-term debt and for use in paying the cost of assessing and collecting taxes. Taxes levied to finance debt service requirements on long-term debt are without limitation as to rate or amount.

All property values and exempt status, if any, are determined by the Galveston County Appraisal District. Taxes are levied after receipt of the certified tax roll, are due upon receipt and are delinquent the following February 1, at which time a tax lien attaches to the related property. Penalty and interest attach thereafter.

Property taxes are collected based on rates adopted in the year of the levy. The District’s 2009 fiscal year was financed through the 2008 tax levy. The District levied property taxes of \$0.50 per \$100 of assessed value, of which \$0.10 was allocated to maintenance and operations and \$0.40 was allocated to debt service. The resulting tax levy was \$434,166 on the adjusted taxable value of \$86,833,247.

Net property taxes receivable, at March 31, 2009, consisted of the following:

Current year taxes receivable	\$ 40,749
Prior years taxes receivable	7,218
	<u>47,967</u>
Penalty and interest receivable	5,431
Net property taxes receivable	<u>\$ 53,398</u>

Note 9 – Agreement with the City of Hitchcock

On February 1, 2005, the District entered into an agreement with the City of Hitchcock (the “City”) for the term of ninety-nine years. Pursuant to the agreement, the District’s developer will finance the construction of water and sewer system facilities to serve an area known as Harborwalk. Portions of the costs of constructing these facilities will be reimbursed to the developer by Reinvestment Zone One, City of Hitchcock, Texas (the “Zone”) and by the District. The District has agreed to reimburse the developer from the proceeds of bonds to be issued for certain eligible project costs associated with the construction of the facilities. The Zone will reimburse the developer from tax proceeds arising from taxation within the Zone. The facilities will be conveyed to the City at no cost to the City. Upon the City’s acceptance of each segment of the expansion of the facilities, the water and sewer facilities will be owned and operated by the City as part of the City’s water and sewer system. The City will charge its customary water and sewer rates to users within the District who will be customers of the City.

Flamingo Isles Municipal Utility District
Notes to Basic Financial Statements
March 31, 2009

Note 9 – Agreement with the City of Hitchcock (continued)

The developer is advancing funds on behalf of the Zone and the District to dredge channels and build bulkheads on the channels. The District has agreed to accept each segment of bulkheading as it is completed and to maintain the bulkheading that is completed by the developer. The District plans to levy a tax to pay debt service on its bonds and to pay maintenance and operating expenses, including bulkhead maintenance.

To the extent that the City has the legal authority to do so, the City consents to the organization and operation of the District as it is currently constituted and agrees that it will not take any action to dissolve the District during the term of the agreement.

Note 10 – Risk Management

The District is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and personal injuries. The risk of loss is covered by commercial insurance. There have been no significant reductions in insurance coverage from the prior year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

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Required Supplementary Information

Flamingo Isles Municipal Utility District
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Year Ended March 31, 2009

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Property taxes	\$ 80,000	\$ 87,695	\$ 7,695
Investment earnings	7,500	5,832	(1,668)
Total Revenues	<u>87,500</u>	<u>93,527</u>	<u>6,027</u>
Expenditures:			
Current service operations:			
Professional fees	44,000	57,528	(13,528)
Contracted services	10,000	6,819	3,181
Repairs and maintenance		43,672	(43,672)
Administrative	8,345	16,078	(7,733)
Other	5,000	4,953	47
Total Expenditures	<u>67,345</u>	<u>129,050</u>	<u>(61,705)</u>
Net change in fund balance	20,155	(35,523)	(55,678)
Fund Balance:			
Beginning of the year	332,101	332,101	
End of the year	<u>\$ 352,256</u>	<u>\$ 296,578</u>	<u>\$ (55,678)</u>

Flamingo Isles Municipal Utility District
Notes to Required Supplementary Information
March 31, 2009

Budgets and Budgetary Accounting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. There were no amendments to the budget.

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Texas Supplementary Information

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Flamingo Isles Municipal Utility District
TSI-1. Services and Rates
March 31, 2009

1. Services provided by the District During the Fiscal Year:

- | | | |
|---|---|-------------------------------------|
| <input type="checkbox"/> Retail Water | <input type="checkbox"/> Wholesale Water | <input type="checkbox"/> Drainage |
| <input type="checkbox"/> Retail Wastewater | <input type="checkbox"/> Wholesale Wastewater | <input type="checkbox"/> Irrigation |
| <input type="checkbox"/> Parks / Recreation | <input type="checkbox"/> Fire Protection | <input type="checkbox"/> Security |
| <input type="checkbox"/> Solid Waste / Garbage | <input type="checkbox"/> Flood Control | <input type="checkbox"/> Roads |
| <input type="checkbox"/> Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect) | | |
| <input checked="" type="checkbox"/> Other (Specify) <u>Navigation, dredging, bulkheading - water and sewer services provided by the City of Hitchcock</u> | | |

2. Retail Service Providers N/A
 (You may omit this information if your district does not provide retail services)

a. Retail Rates for a 5/8" meter (or equivalent):

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate</u>	<u>1,000 Gallons Over Minimum Usage</u>	<u>Usage Levels</u>
Water:	<u>\$15.50</u>	<u>3,000</u>	<u>N</u>	<u>\$4.00</u>	<u>3,001 to no limit</u>
Wastewater:	<u>\$15.50</u>	<u>1,000</u>	<u>N</u>	<u>\$1.80</u>	<u>1,001 to no limit</u>
Surcharge:	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> to </u>

District employs winter averaging for wastewater usage? Yes No
 Total charges per 10,000 gallons usage: Water \$43.50 Wastewater \$31.70

b. Water and Wastewater Retail Connections:

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFC'S</u>
Unmetered	<u> </u>	<u> </u>	x 1.0	<u> </u>
less than 3/4"	<u> </u>	<u> </u>	x 1.0	<u> </u>
1"	<u> </u>	<u> </u>	x 2.5	<u> </u>
1.5"	<u> </u>	<u> </u>	x 5.0	<u> </u>
2"	<u> </u>	<u> </u>	x 8.0	<u> </u>
3"	<u> </u>	<u> </u>	x 15.0	<u> </u>
4"	<u> </u>	<u> </u>	x 25.0	<u> </u>
6"	<u> </u>	<u> </u>	x 50.0	<u> </u>
8"	<u> </u>	<u> </u>	x 80.0	<u> </u>
10"	<u> </u>	<u> </u>	x 115.0	<u> </u>
Total Water	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Wastewater	<u> </u>	<u> </u>	x 1.0	<u> </u>

See accompanying auditor's report.

Flamingo Isles Municipal Utility District
TSI-2 General Fund Expenditures
For the Year Ended March 31, 2009

Professional fees

Legal	\$	35,293
Audit		9,100
Engineering		13,135
		<u>57,528</u>

Contracted services

Bookkeeping		6,469
Financial Advisor		350
		<u>6,819</u>

Repairs and maintenance

43,672

Administrative expenditures

Directors fees		4,800
Insurance		1,903
Other administrative		9,375
		<u>16,078</u>

Other expenditures

4,953

Total expenditures

\$ 129,050

See accompanying auditors' report.

Flamingo Isles Municipal Utility District
TSI-3. Investments
March 31, 2009

<u>Funds</u>	<u>Identification or Certificate Number</u>	<u>Interest Rate</u>	<u>Balance at End of Year</u>
<u>General Operating Fund</u>			
TexPool	7897200001	Variable	\$ 350,046
<u>Debt Service Fund</u>			
TexPool	7897200003	Variable	710,759
<u>Capital Projects Fund</u>			
TexPool	7897200002	Variable	<u>78,226</u>
Total - All Funds			<u><u>\$ 1,139,031</u></u>

See accompanying auditors' report.

Flamingo Isles Municipal Utility District
TSI-4. Taxes Levied and Receivable
March 31, 2009

	Maintenance	Debt Service	Total	
Taxes Receivable, Beginning of Year	\$ 12,105	\$ 34,657	\$ 46,762	
Adjustments				
Adjusted Receivable	<u>12,105</u>	<u>34,657</u>	<u>46,762</u>	
2008 Original Tax Levy	86,833	347,333	434,166	
Adjustments				
Adjusted Tax Levy	<u>86,833</u>	<u>347,333</u>	<u>434,166</u>	
Total to be accounted for	<u>98,938</u>	<u>381,990</u>	<u>480,928</u>	
Tax collections:				
Current year	78,683	314,734	393,417	
Prior years	<u>9,012</u>	<u>30,533</u>	<u>39,544</u>	
Total Collections	<u>87,695</u>	<u>345,266</u>	<u>432,961</u>	
Taxes Receivable, End of Year	<u>\$ 11,243</u>	<u>\$ 36,724</u>	<u>\$ 47,967</u>	
Taxes Receivable, By Years				
2008	\$ 8,150	\$ 32,599	\$ 40,749	
2007	1,032	4,125	5,157	
2006	<u>2,061</u>	<u>2,061</u>	<u>2,061</u>	
Taxes Receivable, End of Year	<u>\$ 11,243</u>	<u>\$ 36,724</u>	<u>\$ 47,967</u>	
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Property Valuations:				
Land	\$ 59,708,010	\$ 59,734,770	\$ 43,056,160	\$ 15,969,760
Improvements	27,259,910	22,992,360	12,646,600	1,461,230
Personal Property	81,476	32,310		
Exemptions	<u>(216,149)</u>	<u>(190,438)</u>	<u>(216,080)</u>	<u>(80,050)</u>
Total Property Valuations	<u>\$ 86,833,247</u>	<u>\$ 82,569,002</u>	<u>\$ 55,486,680</u>	<u>\$ 17,350,940</u>
Tax Rates per \$100 Valuation:				
Debt service tax rates	\$ 0.40	\$ 0.40	\$ 0.50	\$ 0.50
Maintenance tax rates	<u>0.10</u>	<u>0.10</u>	<u>0.50</u>	<u>0.50</u>
	<u>\$ 0.50</u>	<u>\$ 0.50</u>	<u>\$ 0.50</u>	<u>\$ 0.50</u>
Adjusted Tax Levy:	<u>\$ 434,166</u>	<u>\$ 412,845</u>	<u>\$ 277,434</u>	<u>\$ 86,755</u>
Percentage of Taxes Collected to Taxes Levied **	<u>90.6%</u>	<u>98.8%</u>	<u>99.3%</u>	<u>100.0%</u>

* Maximum Maintenance Tax Rate Approved by Voters: \$2.00 on November 2, 2004

** Calculated as taxes collected for a tax year divided by taxes levied for that tax year

See accompanying auditors' report.

Flamingo Isles Municipal Utility District
TSI-5. Long-Term Debt Service Requirements
Series 2007--by Years
March 31, 2009

Due During Fiscal Years Ending	Principal Due March 1,	Interest Due September 1, March 1,	Total
2010	\$	\$ 241,080	\$ 241,080
2011		241,080	241,080
2012		241,080	241,080
2013		241,080	241,080
2014		241,080	241,080
2015	500,000	241,080	741,080
2016	120,000	214,830	334,830
2017	125,000	208,590	333,590
2018	130,000	202,090	332,090
2019	140,000	195,330	335,330
2020	150,000	188,050	338,050
2021	155,000	180,250	335,250
2022	165,000	172,190	337,190
2023	175,000	163,610	338,610
2024	185,000	154,510	339,510
2025	195,000	144,890	339,890
2026	205,000	134,750	339,750
2027	215,000	123,475	338,475
2028	230,000	111,650	341,650
2029	240,000	99,000	339,000
2030	255,000	85,800	340,800
2031	265,000	71,775	336,775
2032	260,000	57,200	317,200
2033	260,000	42,900	302,900
2034	260,000	28,600	288,600
2035	260,000	14,300	274,300
	<u>\$ 4,490,000</u>	<u>\$ 4,040,270</u>	<u>\$ 8,530,270</u>

See accompanying auditors' report.

Flamingo Isles Municipal Utility District
TSI-6. Change in Long-Term Bonded Debt
March 31, 2009

	<u>Bond Issue</u> <u>Series</u> <u>2007</u>
Interest rate	5.200% - 5.500%
Dates interest payable	9/1 & 3/1
Maturity dates	3/1/15 to 3/1/35
Beginning bonds outstanding	\$ 4,490,000
Bonds issued during the year	
Principal retirement during the year	<u> </u>
Ending bonds outstanding	<u>\$ 4,490,000</u>
Interest paid during fiscal year	<u>\$ 241,080</u>

Paying agent's name and city

Series 2007 Wells Fargo Bank, N.A. Houston, Texas

Bond Authority:	<u>Tax Bonds*</u>
Amount Authorized by Voters	\$ 56,560,000
Amount Issued	<u>(4,490,000)</u>
Remaining To Be Issued	<u>\$ 52,070,000</u>

* Includes all bonds secured with tax revenues. Bonds in this category may also be secured with other revenues in combination with taxes.

Debt Service Fund cash and temporary investments balances as of March 31, 2009: \$ 775,799

Average annual debt service payment (principal and interest) for remaining term of all debt: \$ 328,087

See accompanying auditors' report.

Flamingo Isles Municipal Utility District
TSI-7a. Comparative Schedule of Revenues and Expenditures - General Fund
For the Last Five Fiscal Years

	Amounts				
	2009	2008	2007	2006	2005*
Revenues:					
Property taxes	\$ 87,695	\$ 108,014	\$ 243,637	\$ 83,574	\$ 18,958
Penalties and interest			949	457	65
Miscellaneous			10	388	
Investment earnings	5,832	7,712	362	64	
Total Revenues	93,527	115,726	244,958	84,483	19,023
Expenditures:					
Current service operations					
Professional fees	57,528	43,040	23,750	21,727	45,623
Contracted services	6,819	8,340	10,361	7,819	7,231
Repairs and maintenance	43,672				
Administrative	16,078	8,788	8,498	13,171	5,403
Other	4,953	101	640	1,249	4,127
Total Expenditures	129,050	60,269	43,249	43,966	62,384
Excess Revenues Over (Under)					
Expenditures	\$ (35,523)	\$ 55,457	\$ 201,709	\$ 40,517	\$ (43,361)

* Unaudited

See accompanying auditors' report.

Percent of Fund Total Revenues

2009	2008	2007	2006	2005*
93.8%	93.3%	99.5%	98.9%	99.7%
		0.3%	0.5%	0.3%
		0.1%	0.5%	
6.2%	6.7%	0.1%	0.1%	
100.0%	100.0%	100.0%	100.0%	100.0%
61.5%	37.2%	9.7%	25.7%	239.8%
7.3%	7.2%	4.2%	9.3%	38.0%
46.7%				
17.2%	7.6%	3.5%	15.6%	28.4%
5.3%	0.1%	0.3%	1.5%	21.7%
138.0%	52.1%	17.7%	52.1%	327.9%
-38.0%	47.9%	82.3%	47.9%	-227.9%

Flamingo Isles Municipal Utility District
TSI-7b. Comparative Schedule of Revenues and Expenditures - Debt Service Fund
For the Last Two Fiscal Years

	<u>Amounts</u>		<u>Percent of Fund Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenues:				
Property taxes	\$ 345,266	\$ 295,619	94.7%	88.3%
Penalty and interest	8,577	9,279	2.4%	2.8%
Accrued interest at date of bond sale		16,742		5.0%
Investment earnings	10,850	13,128	3.0%	3.9%
Total Revenues	<u>364,693</u>	<u>334,768</u>	<u>100.0%</u>	<u>100.0%</u>
Expenditures:				
Current service operations				
Tax collection services	11,090	8,186	3.0%	2.4%
Other expenditures	93	1,578		0.5%
Debt service				
Interest	241,630	160,720	66.3%	48.0%
Total Expenditures	<u>252,813</u>	<u>170,484</u>	<u>69.3%</u>	<u>50.9%</u>
Excess Revenues Over Expenditures	<u>\$ 111,880</u>	<u>\$ 164,284</u>	<u>30.7%</u>	<u>49.1%</u>

See accompanying auditors' report.

Flamingo Isles Municipal Utility District
TSI-8. Board Members, Key Personnel and Consultants
March 31, 2009

Complete District Mailing Address: 1301 McKinney Street, Suite 5100, Houston, Texas 77010-3093
 District Business Telephone Number: (713) 651-3601
 Submission Date of the most recent District Registration Form
 (TWC Sections 36.054 and 49.054): January 26, 2009
 Limit on Fees of Office that a Director may receive during a fiscal year: \$ 7,200
 (Set by Board Resolution -- TWC Section 49.0600)

<u>Names:</u>	<u>Term of Office (Elected or Appointed) or Date Hired</u>	<u>Fees of Office Paid *</u>	<u>Expense Reimburse- ments</u>	<u>Title at Year End</u>
Board Members:				
Larry M. Corona	02/06 - 05/08	\$ 1,050	\$ 1,257	President
Sidney J. Worthy	05/06 - 05/10	1,050	1,084	Vice President
John Towner	05/06 - 05/10	750	1,257	Secretary
Edward F. Hartman III	02/06 - 05/08	900	1,464	Treasurer
Rick Atchison	05/06 - 05/10	1,050	594	Assistant Secretary
Consultants:				
		<u>Amounts Paid</u>		
Fullbright & Jaworski, LLP	03/03	\$ 35,293		Attorney
Municipal Business Services, Inc.	03/03	6,469		Bookkeeper
Assessments of the Southwest, Inc.	02/03	7,049		Tax Collector
Galveston Central Appraisal District	Legislation	2,962		Property Valuation
Perdue, Brandon, Fielder, Collins, & Mott, LLP	04/05	4,953		Delinquent Tax Attorney
Shelmark Engineering, LLC.	08/08	13,135		Engineer
Null-Lairson, P.C.	Annual	9,100		Auditor
The GMS Group, Inc.	03/03	350		Financial Advisor

* *Fees of Office* are the amounts actually paid to a director during the district's fiscal year.
 See accompanying auditors' report.