

# HURRICANE HARVEY

**Buyout and  
Acquisition  
Program Application**  
*June 1, 2019*

Montgomery County Office of Homeland  
Security and Emergency Management



Outreach Efforts

Complaint Procedures

Technical Assistance

Public Hearing Provisions

Citizen Participation Requirements

Montgomery County  
Policy and Procedures

Montgomery County  
Discrimination Complaint Form

**Buyout and  
Acquisition  
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**REQUIREMENTS  
PLAN**



## **PLAN REQUIREMENTS**

The Plan Requirements include the following:

### **Outreach Efforts:**

Provide for reasonable public notice, appraisal, examination, and comment on the activities proposed for the use of CDBG Disaster Recovery funds. These efforts shall:

- 1) Provide for and encourage citizen participation, particularly by low- and moderate- income persons who reside in slum or blighted areas, and areas in which CDBG-DR funds are proposed to be used
- 2) Ensure that citizens will be given reasonable and timely access to local meetings, information, and records relating to an entity's proposed and actual use of CDBG-DR funds
- 3) Furnish citizens information, including, but not limited to:
  - a. The amount of CDBG-DR funds expected to be made available;
  - b. The range of activities that may be undertaken with the CDBG-DR funds;
  - c. The estimated amount of the CDBG-DR funds proposed to be used for activities that will meet the national objective of benefit to low- and moderate- income persons; and
  - d. If applicable, the proposed CDBG-DR activities likely to result in displacement and the entity's anti-displacement and relocation plan.
- 4) Provide citizens with reasonable advanced notice of, and opportunity to comment on, proposed activities in an application to the state and, for grants already made, activities which are proposed to be added, deleted, or substantially changed from the entity's application to the state. "Substantially changed" means changes made in terms of purpose, scope, location, or beneficiaries as defined by criteria established by the state.
- 5) These outreach efforts may be accomplished through one or more of the following methods:
  - a. Publication of notice in a local newspaper (a published newspaper article



may also be used, so long as it provides sufficient information regarding program activities and relevant dates);

- b. Notices prominently posted in public buildings and distributed to local public housing authorities and other interested community groups;
- c. Posting of notice on the local entity website (if available); o Public hearing; or
- d. Individual notice to eligible cities and other entities as applicable using one or more of the following methods:
  - Certified mail
  - Electronic mail or fax
  - First-Class (regular) Mail
  - Personal delivery (e.g., at a council of governments [COG] meeting)

Along with the application, the applicant must submit **any notices of public hearings** that the applicant may have that relate to the administration of 2016 Texas Flood CDBG-DR funds that are provided to the applicant.

### **Complaint Procedures**

The applicant/recipient must have written citizen complaint procedures that provide a timely written response (within 15 working days) to complaints and grievances. Citizens must be made aware of the location and the days and hours when the location is open for business so they may obtain a copy of these written procedures.

### **Technical Assistance**

When requested, the applicant/recipient shall provide technical assistance to groups representative of persons of low and moderate income in developing proposals for the use of CDBG-DR funds. The level and type of assistance shall be determined by the applicant/recipient based upon the specific needs of the community's residents.

### **Public Hearing Provisions**

For each public hearing scheduled and conducted by a CDBG-DR applicant or recipient, the following public hearing provisions shall be observed:

- 1) Furnish citizens information, including but not limited to:
  - a. The amount of CDBG-DR funds available per application for Hurricane



Harvey

- b. The range of activities that may be undertaken with the CDBG-DR Hurricane Harvey funds;
  - c. The estimated amount of the CDBG-DR funds proposed to be used for activities that will meet the national objective of benefit to low- and moderate- income persons; and
  - d. The proposed CDBG-DR activities likely to result in displacement and the unit of general local government's anti-displacement and relocation plans required under 24 CFR 570.488
- 2) Public notice of any hearings must be published at least seventy-two (72) hours prior to the scheduled hearing. The public notice must be published in a local newspaper. Each public notice MUST include the DATE, TIME, LOCATION, and TOPICS to be considered at the public hearing. A published newspaper article may also be used to meet this requirement so long as it meets all content and timing requirements. Notices should also be prominently posted in public buildings and distributed to local public housing authorities and other interested community groups.
- 3) Each public hearing shall be held at a time and location convenient to potential or actual beneficiaries, and will include accommodation for persons with disabilities. Persons with disabilities must be able to attend the hearings, and an applicant must make arrangements for individuals who require auxiliary aids or services if contacted at least two days prior to each hearing.
- 4) When a significant number of non-English speaking residents can be reasonably expected to participate in a public hearing, an interpreter will be present to accommodate the needs of the non-English speaking residents.
- 5) Applicants may conduct a public hearing via webinar if they also follow the provisions in the Outreach Efforts section above. If the webinar is used to conduct a public hearing, a physical location with associated reasonable accommodations must be made available for citizens to participate to ensure that those individuals



without necessary technology are able to participate.

### **Citizen Participation Requirement**

The applicant must also comply with the following citizen participation requirements in the event that the applicant receives funding from the CDBG-DR program:

- 1) The locality is highly encouraged to hold a public hearing concerning any substantial change (as determined by GLO-CDR) proposed to be made in the use of CDBG-DR funds from one eligible activity to another.
- 2) Upon completion of community development program activities, the locality is encouraged to hold a public hearing to review the recovery program's performance, including the actual use of CDBG-DR funds.
- 3) If applicable, the locality must retain documentation of the hearing notice(s), attendance lists, minutes of the hearing(s), and any other records concerning the actual use of funds for a period of three years after the state closeout of the grant with HUD, 24 CFR 570.490. Additionally, such records must be made available to the public in accordance with Government Code Title 5, Open Government; Ethics Subtitle A, Open Government Chapter 552 Public Information.

Such records must be made available to the public in accordance with Chapter 552, Government Code.

The applicant must submit all notices of any public hearings or requests for public comment that the applicant may have that relates to the administration of Hurricane Harvey CDBG-DR funds provided.

**The applicant certifies compliance with the Citizen Participation Plan requirements by completing and signing the required Application for Federal Assistance SF-424 described below.**





# Policy and Procedures

## **POLICY AND PROCEDURE**

It is Montgomery County's policy that no person shall, on the ground of race, color, sex, age, disability or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program, service, or activity, including those programs, services or activities receiving State or Federal financial assistance.

Montgomery County provides access to programs and employment opportunities to all persons regardless of human differences.

Agency officials, managers, supervisors, and other employees shall be held accountable for discrimination, retaliation, civil rights violations, or related misconduct. In accordance with this policy and with the governing State and Federal regulations regarding discipline and adverse actions, the Civil Rights Coordinator in conjunction with the County Attorney's Office will determine if disciplinary or other corrective action is warranted.

### **Prohibited practices include:**

- 1) The denial to any individual any services, opportunity, or other benefit for which a person is otherwise qualified;
- 2) Subjecting any individual to segregated or separate treatment in any manner related to that person's receipt of service;
- 3) Restriction of an individual in any way to the services, facilities or any other advantage, privilege or other benefit provided to others under the program.

## **SCOPE**

This policy applies to all facilities, programs, activities, and services operated by Montgomery County.



## **DEFINITIONS**

**Compliance:** The fulfillment of requirements of Title VI, other applicable laws, implementing regulations and instructions to the extent that no distinctions are made in the delivery of any service or benefit on the basis of race, color, or national origin.

**Complaints:** A written allegations of discrimination which indicates that any federally assisted program is operated in such a manner that it results in disparity of treatment to persons or groups of person because of race, color, or national origin.

**Discrimination:** To make any distinction between one person or groups of persons and others, either intentionally, by neglect, or by the effect of actions or lack of actions based on race, color, or national origin.

**Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d-4:** Federal law prohibiting discrimination based on race, color, or national origin. It covers all forms of federal aid except contracts of insurance and guaranty. It does not cover employment, except where employment practices result in discrimination against program beneficiaries or where the purpose of the federal assistance is to provide employment.

## **COMPLAINT PROCEDURES**

Any person who believes he or she has been subjected to discrimination on the basis of race, color, national origin, sex, religion, age or disability may file a grievance under this procedure. It is unlawful for Montgomery County to retaliate against anyone who files a grievance or cooperates in the investigation or a grievance.

Grievances must be submitted to the Civil Rights Coordinator within 30 days of the date the person filing the grievance becomes aware of the alleged discriminatory action.

A complaint must be in writing, containing the name and address of the person filing it ("the grievant"). The complaint must state the problem or action alleged to be discriminatory and the remedy or relief sought.

The Civil Rights Coordinator (or his designee) will conduct an investigation of the complaint to determine its validity. This investigation may be informal, but it must be thorough, affording all interested persons an opportunity to submit evidence relevant to the complaint. The Civil Rights Coordinator will maintain the files and records of Montgomery County relating to such grievances.

The Civil Rights Coordinator will issue a written decision on the grievance no later than 30 days after its filing.



The grievant may appeal the decision of the Civil Rights Coordinator by filing an appeal in writing to the Commissioner's Court within 15 days of receiving the Civil Rights Coordinator's decision.

The Commissioner's Court will issue a written decision in response to the appeal no later than 30 days after its filing.

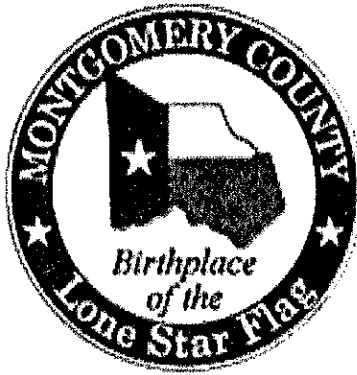
If the grievance is based on a disability, Montgomery County will make appropriate arrangements to assure that persons with disabilities can participate in or make use of this grievance process on the same basis as persons who do not have disabilities. Such arrangements may include, but not be limited to, the provisions of interpreters for the deaf, providing taped cassettes for the blind, or assuring a barrier-free location for the proceedings. The civil rights coordinator will be responsible for providing such arrangements.

Posting of the Title VI rights, obligations and where to get the complaint forms will be posted in the County's buildings, on the County's website and will be published yearly in the newspaper of general circulation in the county.

Any grievant who wishes to file a State or Federal complaint having to do with discrimination involving State or Federal funded services, activities or program should contact the Civil Rights Coordinator to ascertain the appropriate State or Federal funding source to which such complaints may be filed.

All issues or questions regarding the Civil Rights Act of 1964 should be directed to the Civil Rights Coordinator, Dodi Shaw at 936-539-7886.





**MONTGOMERY COUNTY TITLE VI DISCRIMINATION COMPLAIN FORM**

I, \_\_\_\_\_, hereby file an official complaint  
against \_\_\_\_\_ and state the following:  
Name of Person or Agency

1. Complaint's Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, and Zip Code \_\_\_\_\_

Telephone Number (home) \_\_\_\_\_ (work) \_\_\_\_\_

2. Person discriminated against (is someone other than the complainant)

Name \_\_\_\_\_

Address \_\_\_\_\_

City, State and Zip Code \_\_\_\_\_

Telephone Number (home) \_\_\_\_\_ (work) \_\_\_\_\_

3. What is the name and location of the agency that you believe discriminated against you?

Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, and Zip Code \_\_\_\_\_

Telephone Number \_\_\_\_\_



SF-424

Buyout and Acquisition Program Application

Priority Scoring Sheet For Harvey

Activities Furthering Fair Housing

1316 Properties

Most Eligible Residents- Prioritized

Substantially Damaged Homes

Maps

**Buyout and  
Acquisition  
Program Application**  
*June 1, 2019*

Montgomery County Office of Homeland  
Security and Emergency Management

**APPLICATION**



**Application for Federal Assistance SF-424**

<input type="checkbox"/> Preapplication		<input checked="" type="checkbox"/> New		* If Revision, select appropriate letter(s): <input type="text"/>
<input checked="" type="checkbox"/> Application		<input type="checkbox"/> Continuation		* Other (Specify): <input type="text"/>
<input type="checkbox"/> Changed/Corrected Application		<input type="checkbox"/> Revision		
* 3. Date Received: <input type="text"/>		4. Applicant Identifier: <input type="text"/>		
5a. Federal Entity Identifier: <input type="text"/>		5b. Federal Award Identifier: <input type="text"/>		
<b>State Use Only:</b>				
6. Date Received by State: <input type="text"/>		7. State Application Identifier: <input type="text"/>		
<b>8. APPLICANT INFORMATION:</b>				
* a. Legal Name: <input type="text" value="Montgomery County, Texas"/>				
* b. Employer/Taxpayer Identification Number (EIN/TIN): <input type="text" value="74-6000558"/>		* c. Organizational DUNS: <input type="text" value="0260512760000"/>		
<b>d. Address:</b>				
* Street1: <input type="text" value="501 N. Thompson St. Suite 200"/>				
Street2: <input type="text"/>				
* City: <input type="text" value="Conroe"/>				
County/Parish: <input type="text"/>				
* State: <input type="text" value="TX: Texas"/>				
Province: <input type="text"/>				
* Country: <input type="text" value="USA: UNITED STATES"/>				
* Zip / Postal Code: <input type="text" value="77301-2500"/>				
<b>e. Organizational Unit:</b>				
Department Name: <input type="text" value="MCOHSEM"/>		Division Name: <input type="text"/>		
<b>f. Name and contact information of person to be contacted on matters involving this application:</b>				
Prefix: <input type="text" value="Mr."/>	* First Name: <input type="text" value="Darren"/>			
Middle Name: <input type="text"/>				
* Last Name: <input type="text" value="Hess"/>				
Suffix: <input type="text"/>				
Title: <input type="text" value="Director MCOHSEM"/>				
Organizational Affiliation: <input type="text"/>				
* Telephone Number: <input type="text" value="936-523-3901"/>		Fax Number: <input type="text" value="936-523-3910"/>		
* Email: <input type="text" value="darren.hess@mctx.org"/>				

Application for Federal Assistance SF-424

\* 9. Type of Applicant 1: Select Applicant Type:

B: County Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

\* Other (specify):

\* 10. Name of Federal Agency:

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.228

CFDA Title:

Community Development Block Grants

\* 12. Funding Opportunity Number:

Number does not apply

\* Title:

Harvey Buyout/Acquisition

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

\* 15. Descriptive Title of Applicant's Project:

Buyout program in Montgomery County of homes located in the floodways and floodplains

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments



**Application for Federal Assistance SF-424****16. Congressional Districts Of:**

\* a. Applicant

8

\* b. Program/Project

8

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

**17. Proposed Project:**

\* a. Start Date:

08/01/2019

\* b. End Date:

08/30/2021

**18. Estimated Funding (\$):**

\* a. Federal

12,896,489.00

\* b. Applicant

\* c. State

\* d. Local

\* e. Other

\* f. Program Income

\* g. TOTAL

12,896,489.00

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.☒ c. Program is not covered by E.O. 12372.☐ Yes☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

**Authorized Representative:**

Prefix:

\* First Name:

Mark

Middle Name:

\* Last Name:

Keough

Suffix:

\* Title:

County Judge

\* Telephone Number:

936-539-7812

Fax Number:

\* Email:

mark.keough@mctx.org

\* Signature of Authorized Representative:

Mark Keough

\* Date Signed:

06/11/2019

# Hurricane Harvey: Local Buyout and Acquisition Program



Texas General Land Office, P.O. Box 12873, Austin, Texas 78711-2873  
1-844-893-8937 or 512-475-5000, [cdr@glo.texas.gov](mailto:cdr@glo.texas.gov)

**Texas General Land Office**  
Community Development and Revitalization

**This application is not to be filled out by individuals.**

**Montgomery County Office of Homeland Security and Emergency Management**

**APPLICANT NAME**

**Montgomery**

**H-GAC-E**

**COUNTY**

**COG/Regional Planning Commission**

**DR-4332 - 2017**

**Disaster Declaration Number and Year**



## APPLICATION FOR FEDERAL ASSISTANCE SF-424

Each applicant for Community Development Block Grant Disaster Recovery (CDBG-DR) funding must certify by signing Form SF-424 that local certifications included in the application guide governing this funding have been followed in the preparation of any CDBG-DR program application, and, if funded, will continue to be followed. (Note: False certification can result in legal action against the jurisdiction).

Further, by signing the SF-424 and submitting with the application, the signee authorizes the state or any of its duly authorized representatives to verify the information contained therein. Title 18, Section 1001 of the U.S. code states that a person is guilty of a FELONY for knowingly and willingly making false statements to any department of the United States Government.

All applications must be accompanied by a completed and signed Application for Federal Assistance SF-424, OMB Number: 4040-0004, Expiration Date: 10/31/2019. SF424\_2\_1-V2.1

This form is available on the GLO-CDR website with detailed instructions available in the CDR Application Guide.  
<http://recovery.texas.gov/files/resources/housing/s2-form424.pdf> or [www.recovery.texas.gov](http://www.recovery.texas.gov)

## INTRODUCTION AND INSTRUCTIONS

**INTRODUCTION:** This application is for the residential Local Buyout and Acquisition Program for Hurricane Harvey CDBG-DR funding. It is created to be used for the buyout or acquisition of residential housing activities affected by Hurricane Harvey.

CDBG-DR funds must be used for disaster-related expenses in the most impacted and distressed areas. An activity underway prior to a Presidential disaster declaration will not qualify unless the disaster impacted the project.

Applicants are required to provide sufficient detail about the buyout or acquisition of residential property, the National Objective, the geographic/target area that will receive benefit, the estimated costs and materials needed, the projected schedule to completion, any potential environmental impact, and other details specific to the buyout or acquisition activity involved. Please be thorough in completing this application to ensure prompt review.

Applicants are encouraged to develop these recovery activities in a manner that considers an integrated approach to housing, fair housing obligations, economic revitalization, and overall community recovery. The Applicant must document how the activity(s) will address long-term recovery and community resilience.

### INSTRUCTIONS:

1. Complete and sign the SF-424 as indicated above.
2. Complete this Local Buyout and Acquisition application.
3. AUDIT: If applicable, provide the most recent Single Audit in accordance with 2 CFR Part 200, Subchapter F. Texas General Land Office (GLO) - Community Development and Revitalization (CDR) Staff will review single audit requirements for applicable recipients, who have open contracts with GLO.
4. ANNUAL FINANCIAL STATEMENTS: Provide the most recent financial statement prepared in accordance with 2 CFR 200.510. Include a schedule of expenditures and schedule of findings and questioned costs.
5. KEY STAFF: Provide the names and contact information for staff that will provide local oversight of the application, the potential contract, and all applicable requirements.
6. Provide LOCAL PROCUREMENT POLICIES AND PROCEDURES along with other required documentation.

For detailed application instructions, see the Community Development and Revitalization (CDR) Hurricane Harvey Buyout and Acquisition Application Guide.

Select the Activity for this application:

Buyout Program



## CITIZEN PARTICIPATION DETERMINED THE NEEDS IN THIS PLAN BY:

Did the applicant carry out citizen participation procedures in accordance with the Citizen Participation Plan as ☒ Yes ☐ No required by the governing documentation? Refer to your governing Federal Register and Action Plan for specific information regarding Citizen Participation Plans. NOTE: The Citizen Participation Plan must be posted for a 30-day local comment period.

List all opportunities where citizens, especially low-to-moderate income citizens of the target area, were given to participate in the determination of these needs. **Click the + to add events, X to remove events.**

Opportunity: Other

Date:

Date of resolution authorizing application submission: Citizen participation procedures will be carried out in accordance

## COMMUNITY NEEDS ASSESSMENT

### DESCRIPTION OF THE NEED(S) ADDRESSED IN THIS APPLICATION

In this section, provide full and complete answers to each of the questions below. Descriptions should include the cause of the damage, current condition of the activity, and a detailed description of the project that coincides with the information contained in both Tables 1 and 2.

The Buyout or Acquisition activities must demonstrate impact by Hurricane Harvey. CDBG-DR funds must be used for disaster-related expenses in the most impacted and distressed areas.

The situation addressed in this application first occurred: 10/19/1994

1. Describe the specific flood and storm-related condition that caused direct damage (include date and duration), the areas (example: subdivisions, cities, etc.) receiving disaster-related damage, and the threat that was posed to public health and safety:

Montgomery County experienced catastrophic flooding in August of 2017 due to Hurricane Harvey. Rising water, not wind, caused direct damage to numerous homes throughout the entirety of the county, but most extensively in the east and southern portions of the county as well as housing located directly along rivers and creeks. Over 5000 homes in floodways and floodplains, as well as hundreds of homes which had managed to elude the multiple floods of 2016, were inundated with several inches to several feet of flowing, muddy water. Some homes even recording upwards of 18+ feet of water inside.

2. Describe the impacts on the community that resulted from the disaster-related damage:

Pervasive flooding damaged roads, bridges, schools, government buildings, support businesses, and vehicles along with houses. Existing drainage paths were overwhelmed, eroded, and blocked. Livability was negatively impacted in communities throughout the County, with some companies and retail operations unable to re-open, resulting in both a loss of services and a loss of jobs. Entire small towns, towns in the eastern portion of the county, were inundated by several feet of water, preventing nearly 100% of residents from returning to their home post-flood. Throughout the county, residents suffer from repetitive flooding events occurring since 2015. Damage can be categorized by feet of water in homes, not inches. Some homes even being swept away by the force of water, or shifted from their foundation. Critical infrastructure failed, existing drainage was inadequate to the volume of water, and protocols proved outdated in the face of such a catastrophic and widespread disaster.

3. List and attach materials submitted as documentation of the Hurricane Harvey-related condition.

Map showing addresses of flooded homes and high water areas superimposed on the floodplains.  
Map showing areas of flooding by severity, superimposed by areas of LMI and Minority, 65% and 51%.  
Spreadsheet showing list of potential buyout addresses. (names redacted)  
Map showing flooded LMI houses superimposed on floodway and floodplain.  
List of Substantially Damaged houses.  
1316 List for Montgomery County.

4. Describe how the proposed activities will address damage affected by Hurricane Harvey.

Buying out homes which have been repetitively damaged in flood events over the years that include May 2015, April and May floods of 2016 and during Harvey, will allow land to return to a green state and regain its ability to absorb and slow flood waters, thereby helping

to mitigate future flood damage to remaining structures in the subdivision. Buyouts have also shown to mitigate the expansion of slum & blight and other hazards often seen with these depressed/damaged areas.

5. Describe the proposed project.

Montgomery County proposes to use these funds to conduct buyouts of homes which have flooded repeatedly. At least 70% of the funds WILL be used to conduct buyouts of homes owned by low/mod income residents. Up to 30% of the funds MAY be used to conduct buyouts of homes owned by residents above the 80% of Area Median Income but less than 120% AMI. Due to the high numbers of flooded homes and buyout requests, the county has prioritized as follows: 1) low income houses in the floodway, 2) low income houses in the floodplain, 3) residents above 80% AMI in the floodway, 4) residents above 80% AMI in floodplain. The funds will be prioritized for flood victims without insurance, who were owner- occupants at the time of the flooding. While no specific neighborhood is targeted to the exclusion of residents who lived elsewhere, scoring takes into account those who live in specific "Priority Neighborhoods" by awarding points to those addresses. Identified Priority Neighborhoods are: River Oaks, River Plantation, Mosswood, Timber Lakes (west of Timber Lakes Drive), Timber Ridge, Patton Village, Woodloch, Whispering Oaks and Magnolia Bend. Due to the high number of owner-occupied units flooded, the county does not anticipate the need to purchase rented units.

With 357 homes previously identified as being LMI flooded homes that are within the floodways and floodplains of Montgomery County, those will be the homes primarily focused on.

PROCESS FOR IDENTIFYING POTENTIAL BENEFICIARIES

In 2017 Montgomery County Community Development began with a list of 4622 damage reports from FEMA Verified Loss Analysis for the 2016 April and May floods. This list was sorted by dollar assessment of loss, high to low, and the list was truncated at a low of \$15,000 in estimated loss, leaving 706 with higher verified loss estimates. This list was culled of 1316's, duplicates, former Ike recipients, renters, and persons on the Water Development Board Buyout List, which brought it to 391 potential buyout candidates. The list was then sorted by household size and income, with Extreme Low Income residents at the top of the list and truncating Over Income residents (to be accessed after all Low Income residents have been offered buyouts). This brought the list down to 357 LMI flood victims. 43% of this list are Extremely Low Income residents. 27% are Very Low Income residents. 30% are Low Income residents.

Next the addresses of the 357 LMI flood victims were plotted on a map showing floodways and floodplains throughout the county. 90 of the LMI owner-occupied houses lie in the floodway (37 ELI, 28 VLI, and 25 LMI). 194 of LMI owner-occupied houses lie in the floodplain. The remaining 73 LMI flooded homes lie outside the floodplain.

In addition to the above data, both the office of Community Development & the Office of Homeland Security and Emergency Management has well over 700 individuals who have voluntarily called in to be placed on a list for a potential buyout. Letters will be sent out to Group 1 notifying of the availability of funds for voluntary buyouts. Respondents will be processed for eligibility and then ranked. If there is funding remaining after this priority group has been tentatively approved for buyouts, the letters will be sent out to Group 2, until all funds have been committed.

Within each Group, applicants will be scored and ranked on the following parameters:

Group 1: LOW INCOME IN FLOODWAY

House in floodway	6 points
Repetitive Flooding	5 points
Home purchased before August 18, 2014*	4 points
No insurance (1316's disqualified)	3 points
Priority Neighborhood	2 points
Maximum Score	20 points

For ranking purposes, a tie is broken with the household having the lowest Per Capita Income having priority.

Group 2: LOW INCOME IN FLOODPLAIN

House in floodplain	1 points
Repetitive Flooding	5 points
Home purchased before August 18, 2014*	4 points
No insurance (1316's disqualified)	3 points
Priority Neighborhood	2 points

Maximum Score 15 points

For ranking purposes, a tie is broken with the household having the lowest Per Capita Income having priority.

Group 3: ABOVE INCOME IN FLOODWAY

House in floodway	6 points
Repetitive Flooding	5 points
Home purchased before August 18, 2014*	4 points
No insurance (1316's disqualified)	3 points
Priority Neighborhood	2 points

Maximum Score 20 points

For ranking purposes, a tie is broken with the household having the lowest Per Capita Income having priority.

Group 4: ABOVE INCOME IN FLOODPLAIN

House in floodplain	1 points
Repetitive Flooding	5 points
Home purchased before August 18, 2014*	4 points
No insurance (1316's disqualified)	3 points
Priority Neighborhood	2 points

Maximum Score 15 points

For ranking purposes, a tie is broken with the household having the lowest Per Capita Income having priority.

\* Floodway/Floodplain maps for Montgomery County were re-drawn and officially in place as of this date. Prior to that date, home buyers conducting due diligence may not have known the house was located in a flood-prone area. However, after that date there is some presumption of responsibility on the home buyer to check whether the house was located in a floodway or floodplain. The point advantage goes to those who owned the flooded home prior to documentation of risk.

Montgomery County has set a cap of \$200,000 on buyouts. Incentives of up to \$5,000 for temporary moving and relocation costs, \$35,000 for a lot or newly constructed home, \$10,000 for an existing home, and up to 100% of a required down payment amount may be available to homeowners who meet conditional requirements. Total costs for projects, including buyout, soft costs, project delivery, disposition of the purchased property, and incentives will not exceed \$233,000 per address (current HOME limit). Buyouts will be based on pre-storm appraised value of the unit. Appraisals will be conducted by and independent, contracted appraiser. Per the Stafford Act, disqualified prior assistance will be deducted from the final buyout offer.

A firm number of buyouts is impossible to predict, since there is no way of knowing in advance who will agree to an offer and what properties will be selected and therefore what the dollar amount of each property will be. Based on current budget numbers, a maximum of \$3,791,568 (30%) may be spent on households between 80% and 120% AMI. Assuming these higher-dollar homes will all meet the cap, a maximum of sixteen (16) buyouts could occur. A minimum of \$8,846,992 (70%) will be spent on households under 80% AMI, which translates to approximately 40 buyouts. It is likely that a higher number of buyouts will occur due to appraisal amounts in areas being well under the indicated cap.

The County, more specifically Montgomery County Office of Homeland Security and Emergency Management, will manage all housing activities of the buyout program for all jurisdictions within the geographic area, not just rural areas.

All properties will be returned to green space and maintained in perpetuity by the County.

6. Describe the impact of taking no action:

Taking no action by way of utilizing the buyout program there is a greater risk to the loss of life of residents and first responders who attempt to rescue citizens within Montgomery County during flooding disasters. As history has demonstrated, the lack of action will predispose communities to increased slum and blight, continued vulnerability to flooding, and potential predatory practices upon citizens who are compelled to make critical decision during emotional crises. It further places the overall community at risk for economic stabilization as people and businesses fear moving into the county.



## HOUSING NEEDS ASSESSMENT QUESTIONNAIRE:

1. Describe the jurisdiction's current supply of housing units available at affordable rents (Public Housing, Section 8 assisted, RHS assisted, HOME program assisted, TDHCA assisted, Local Housing Development Corp. assisted, etc.).

The County does not have any Public Housing. It has an HCV Section 8-only Housing Authority, holding 376 vouchers. There are currently 19 TDHCA-assisted tax credit multifamily complexes in the county, of which 13 are for general low income and 6 are for elderly/disabled.

Rural Development has four units-- two in Willis, TX and two in east Montgomery County.

There are five publicly funded multi-family units.

The local Housing Development Corp has not developed general affordable housing.

HOME has funded 24 units of transitional housing for victims of domestic violence, 14 units for seriously mentally ill, 13 owner-occupied single family homes for elderly and disabled households, 30 units of rental housing for intellectually impaired adults, and one group home for intellectually impaired adults.

2. Describe past efforts to increase the supply of affordable housing.

Community Development receives a small HOME Entitlement grant- They did receive an increase for 2018, however overall the funding is still significantly low. Multiyear contracts have enabled the construction of owner-occupied single family homes for elderly and disabled, rental housing for persons with serious mental illness, rental housing for persons with intellectual disabilities, rental housing for victims of domestic violence. Although the county has stopped funding for Tax Credit competitions, due to broadened allowable local sources for funds and reduced the required amount by the State, the county has supported and funded local match for both the 4% and 9% Tax Credit competitions in the past. This has successfully assisted builders to bring in one 80-unit complex for seniors, and 4 large multi-family projects for low income residents. Finally, Community Development funds Down Payment Assistance for first-time home buyers to assist with afford-ability of existing housing (approximately 100 to date), and manages a Rehab/Replacement program to preserve existing stock of owner-occupied low income housing.

3. Describe efforts planned that will increase the supply of affordable housing.

Going forward, the county plans to continue the down payment assistance and rehab programs, continue to fund CHDO's to develop affordable housing for low income locals, and continue negotiations with builders to help bring in affordable housing options. In addition, the county has a project underway to construct new transitional housing units for the homeless.

4. Describe any instances, within the last 5 years, where the applicant has applied for affordable housing funds and did not receive the funding.

Since the applicant is an Entitlement, this does not apply. However we have sponsored Tax Credit projects which did not win in our region.

5. Describe any instances, within the past 5 years, where the applicant has not accepted funds for affordable housing.

Community Development has never turned away funds for affordable housing. Montgomery County is committed to ensuring help is available to all residents, regardless of their status.

6. Describe any current and/or future planned compliance codes to mitigate hazard risks.

Montgomery County currently has flood plain management codes, which require development of structures at a minimum of 12" above BFE. It further restricts development of structures within the floodway. There are no plans to implement further codes that would restrict the development of property in a manner that is detrimental to any group of individuals.

7. Are there any persons/entities with a reportable interest to disclose? If so, submit all appropriate Financial Interest Forms with this application.

Yes No

☐ ☒

## AFFIRMATIVELY FURTHERING FAIR HOUSING

Any locality receiving CDBG-DR funds must certify that it will affirmatively further fair housing. Using the drop-down box below, identify the activities already achieved to affirmatively further fair housing, and those new activities to be undertaken if an award is made from CDBG-DR and when that activity will be complete. Localities should be aware that, in the event of funding, these fair housing efforts will be monitored. Other activities may be eligible, and the applicant should contact GLO-CDR to determine eligibility.

What methods and criteria were used to prioritize the projects in the application, including affirmatively furthering fair housing?

--

Activity(ies)

Establishing a local complaint and monitoring process

Date Achieved 08/24/2011

To Be Complete By

Adopting and distributing Fair Housing practices

Date Achieved 12/01/2018

To Be Complete By

Designating a Fair Housing Month

Date Achieved 08/24/2011

To Be Complete By

Develop an anti-NIMBYism action plan

Date Achieved

To Be Complete By

01/01/2021

Publishing the contact information – at the local, state and federal levels – for reporting a Fair Housing complaint

Date Achieved 08/24/2011

To Be Complete By

X

LIST OF UNMET NEEDS

Taking into consideration the disaster-related damage described, citizen participation responses, and the assessment of housing and affirmatively furthering fair housing, provide a list (in priority order) of all the disaster-related needs still unmet from Hurricane Harvey.

Use the + to add a line. Use X to delete a line as needed.

Permanent housing solution- damaged home uninhabitable due to permitting restrictions or other income related restrictions  
 Flood insurance assistance  
 Building materials and home repair  
 Furniture and appliances  
 Septic system replacement or repairs  
 HVAC (or window units)  
 Elevations  
 Back taxes



## LONG-TERM PLANNING

Applicants must develop their community recovery projects in a manner that considers an integrated approach to housing, fair housing obligations, infrastructure, economic revitalization, and overall community recovery. Consideration of long-term planning processes is also highly encouraged. Disaster recovery presents communities with unique opportunities to examine a wide range of issues including (1) housing quality and availability, (2) road and rail networks, (3) environmental issues, (4) the adequacy of existing infrastructure, (5) opportunities for the modernization of public facilities and the built environment, (6) the development of regional and integrated systems, and (7) the stimulation of the local economy impacted by the disaster.

Applicants must provide a brief description of how the project addressed in this application form part of an integrated approach to recovery.

Describe the applicant's overall recovery plan and how the project addressed in this application further that plan. Include information about how the project will specifically address the long-term recovery and restoration of housing in the most impacted and distressed areas. Include how the community will be more resilient against future disasters as a result of these projects.

Montgomery County has a long term, 5-year Consolidated Plan for housing as part of its regular Entitlement status. In addition, the County recently completed and submitted a regional 5-year Affirmatively Furthering Fair Housing Assessment and Plan, complete with goals and objectives, in concert with the Housing Authority which began in FY 2018

In both the Consolidated Plan and the AFFH Plan, the County set goals and objectives for: 1) demolishing derelict and abandoned housing to eliminate slum and blight, 2) developing affordable housing and 3) preserving existing affordable housing.

This application, which primarily covers Buy Outs of flood damaged properties and returning the land to green space, addresses goals set in both plans to demolish abandoned housing to eliminate spot slum and blight, and in many cases will provide a financial impetus to low income families to acquire affordable housing in neighborhoods of higher opportunity (or, at least, higher altitude... In Montgomery County, the traditionally identified minority neighborhoods did not flood.)

At least 70% of CDBG-DR funds will be spent addressing the flood damaged housing needs of low/moderate income residents of the county. Other programs working in concert with this successful award are the local Water Development Board program which has identified approximately 38 houses for buy out from the 2016 floods, our 2016 CDBG-DR program which will provided funding to buy out flood damaged homes. By carefully coordinating buyouts with rules of various funding streams a greater, more organized impact can be made.

Long term, expanding green space to allow flood waters to flow unobstructed and with a more natural movement; and moving flood prone residents to higher ground in more resilient neighborhoods, will assist the entire Montgomery County community with prevention, mitigation, recovery and future resiliency.

## PROCUREMENT INFORMATION

All applicants are required to follow the procurement process guidelines set forth in 2 CFR §200.318-§200.326 for grant administration, environmental, and engineering services if using CDBG-DR funds to pay third-party vendors for those services.

*Along with this application, applicants must provide a copy of local procurement policies and procedures.*

1. Has the applicant chosen to use a third-party administrator to administer the proposed project?

Yes No

☒ ☐

If Yes, will the vendor also provide environmental services?

Yes No

☒ ☐

If Yes to either question, and the vendor has been procured, provide the vendor's name, phone, and email.

If Yes, but the vendor has not been procured, adhere to 2 CFR §200.318-§200.326 regulations in the procurement process.

Company Name	<input type="text"/>		
Contact Name	<input type="text"/>	Phone	<input type="text"/>
Email	<input type="text"/>		

2. Has the applicant procured any other services?

Yes No

☐ ☒

If Yes, and the vendor has been procured, provide the vendor's name, phone, and email.

If Yes, but the vendor has not been procured, adhere to 2 CFR §200.318-§200.326 regulations in the procurement process.

Type of Service			
Company Name			
Contact Name		Phone	
Email			

### UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION ACT (URA)

1. Does the project require acquisition of property, purchase of easements, relocation or any other activity requiring compliance with the URA?

Yes No N/A

☒ ☐ ☐

2. Will the assistance requested cause the displacement of families, individuals, farms, or businesses?

Yes No N/A

☐ ☒ ☐

If yes, explain:

Should any proposed projects cause the displacement of people, the GLO will work with the Subrecipient to follow the requirements set forth under the Uniform Relocation Assistance and Real Property Acquisition Policies Act, and applicable waivers...



The Project Summary consists of three parts for each target area, Disaster Risk Reduction Area designation, and/or activity: (1) Summarize Problem(s), (2) Location and Acquisition Description, and (3) Detailed Actions to Address Problems.

1. Summarize the problem(s) to be addressed within the application by target area.

High water flooding inundated thousands of homes along floodways and in the 100-year floodplains throughout the County. Abandoned and unrepairable houses need to be bought out and demolished, to prevent slum and blight and repetitive flooding of certain houses, and to expand green space for the absorption of flood waters and rain.

2. Identify the Project Title and location of each activity and any acquisition. Provide a map identifying the project location.

NOTE: For the title, the spelling and capitalization of the project titles/locations identified in this application must be consistently used throughout to ensure clear identification of each project. For example, a project title of "Green Acres, Site 3" here should appear as "Green Acres, Site 3" at every other reference in this application. A reference to some other title such as "green acres subdivision" or "#3 Green Street" elsewhere in the application could cause delays in the eligibility review process.

Project Title: Countywide Buyout Program

Location: First priority for buyouts are owner-occupied low income homes located in floodways which flooded during Hurricane Harvey, throughout the county. Second priority is owner-occupied low income houses located in the 100 year

Is this activity Buyout or Acquisition? (Choose one only)

☒ Buyout

☐ Acquisition

Is this activity Voluntary or Involuntary? (Choose one only)

☒ Voluntary

☐ Involuntary

What is the end use of the property?

To return to green space for the absorption of flood waters and rain in an effort to mitigate future flooding.

Incentives or additional activities:

Up to \$5,000 for temporary moving and relocation costs; \$35,000 for a lot or newly constructed home; up to \$10,000

3. Identify the action(s) to resolve the problem(s) and their anticipated outcomes. Include specific materials and quantities.

Buyouts will be capped at \$233,000 per address all-in (current HOME limit) Funds to homeowners will be capped at \$200,000 based on pre-flood fair market value. Incentives up to \$5,000 for temporary moving and relocation costs; \$35,000 for a lot or newly constructed home; up to \$10,000 for an existing home; up to 100% of the required down payment amount may be available to homeowners who meet conditional requirements.

A maximum of 16 homes may be purchased from owners who are not low/mod income. At least 38 will be purchased from low/mod income homeowners.

4. If you are leveraging funds, provide the source of the funds, the funding amount, and a description of it's use.

### NATIONAL OBJECTIVES

National Objective being met:

☒ 1. Activities benefiting low- and moderate- income persons.

☒ LMHI Housing Incentive

☒ LMB Buyout

☐ LMH Housing Benefit

☐ LMH Down Payment Assistance

☒ 2. Prevention/Elimination of Slums or Blight. ☒ Area Basis ☐ Spot Basis

Has the proposed project area been officially designed as a slum or blighted area?

Yes No

☐ ☐

Describe the boundaries of the slum or blighted area. (Do not use this field to document the Census Tract / Block Group data.)

Enter the percentage of deteriorated buildings / properties in the area at the time it was designated a slum or blighted area (enter value as decimal).

If the activity qualifies for CDBG-DR assistance on the basis that public improvements throughout the area are in a general state of deterioration, enter a description of each type of improvement in the area and its condition at the time the area was designated as slum / blight.

Enter the year the area was designated as a slum / blighted area. If the period during which such designations are valid has lapsed, the applicant entity must re-evaluate and re-designate the area.

☒ **3. Urgent Need**

Do the existing conditions pose a serious and immediate threat to the health or welfare of the community?

Yes No

☒ ☐

Is the applicant able to finance the project on their own? Or are other sources of funding available?

Yes No

☐ ☒

Provide justification of the beneficiary identification method used to meet the National Objective:

There are homes that are located in the floodplain and floodway that will not meet the LMI objective but will need to be addressed due to repetitive flooding.



# TABLE 1 - CONTRACT BUDGET AND BENEFICIARY IDENTIFICATION

Complete a separate table for each activity or target area. Only one Table 1 is needed if the same target area, beneficiaries, and national objective apply. If any of these are different, add a new Table 1. Refer to the Application Guide for instructions.

Provide comprehensive budget information to include all Other Funds (FEMA, insurance, local, etc.) committed to the proposed projects.

Use the + button to add additional projects. Use the X button to remove a project.

Refer to the Application Guide for instructions.

## BUDGET AND BENEFICIARY TABLE:

Activity Description:	Total Units	LMI Units	LMI %	National Objective	Total CDBG-DR Request	Other Sources	Activity Total
Buyout Program	50	50	100.00%	LMHI	\$7,913,735.00 +	\$0.00	\$7,913,735.00
Buyout Program	10	0	0.00%	Urgent Need	\$2,330,000.00 +	\$0.00	\$2,330,000.00
Homebuyer Assistance Program				LMHI	\$1,750,000.00 +	\$0.00	\$1,750,000.00
Demolition Only				LMHI	\$902,754.00 +	\$0.00	\$902,754.00
SUMMARY TOTALS:	60	50	83.33%		\$12,896,489	\$0.00	\$12,896,489

TABLE 2 - GRANT PROGRAM BUDGET BREAKDOWN

Provide comprehensive budget information.

Project Title:

## Countywide Buyout Program

Activity Description	Description of Task	Funding Type	Explanation	Budget
Buyouts	General Administration	Administration	Admin Costs	\$257,930
Buyouts	Acquisition/Buyouts	Project	Buyout Costs	\$8,180,297
Buyouts	Acquisition/Buyouts	Project Delivery	Project Delivery for Acquisition Costs	\$141,861
Buyouts	Environmental Reviews	Project	Environmental Costs	\$902,754
Demolition with buyout or acquisition activity	Acquisition/Buyouts	Project	Demolition Costs	\$902,754
Buyouts	Procured Services	Project Delivery	Project Delivery for Inspections	\$257,930
Buyouts	Project Case Management	Project Delivery	Project Delivery for Case Manager	\$232,137
Buyouts	Acquisition/Buyouts	Project Delivery	Project Delivery for Contingency	\$141,861
Buyouts	Acquisition/Buyouts	Project	Appraisal Costs	\$128,965
Relocation Assistance with buyout or acquisition	Acquisition/Buyouts	Project Delivery	Relocation incentives and URA relocation	\$300,000
Down-payment Assistance with buyout or acquisition	Acquisition/Buyouts	Project Delivery	Down payment assistance	\$600,000
Housing incentives	Acquisition/Buyouts	Project Delivery	Housing Incentives	\$850,000
				\$12,896,489



## PROJECT SCHEDULE

Highlight the projected length in months for each phase by clicking on the desired months. If a phase is not applicable, leave it blank. Projects are expected to be completed within 24 months following execution of the contract between the applicant and the GLO. Provide any comments regarding the schedule that may be helpful.

Project Title:

### Countywide Buyout Program

	MONTHS:	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Professional Services Procurement		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>																							
Housing Guideline Development/ Outreach Plan, as applicable		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>																						
Broad Environmental Review			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>																						
Bid Advertisement/Contract Award																										
Buyout or Acquisition			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>									<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
Mitigation Activities																										
General Administration			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>									<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Audit and Closeout																									<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Note: If the proposed project requires a schedule longer than 24 months, justification must be provided.

Comments:

## LOCAL CERTIFICATIONS

Every Application must be signed by the authorized signatory. By signing this application, the signee authorizes the state or any of its duly authorized representatives to verify the information contained herein. It should be noted that 18 USC § 1001 states that any person who (1) knowingly or willfully falsifies, conceals, or covers up by any trick, scheme, or device of material fact; (2) makes any materially false, fictitious, or fraudulent statement or representation; or (3) makes or uses any false writing or document knowing the same to contain any materially false fact, fictitious, or fraudulent statement or is a federal offense and punishable under the law. Title 18, Section 1001 of the U.S. code states that a person is guilty of a FELONY for knowingly and willingly makes false statements to any department of the United States Government.

Each application for CDBG Disaster Recovery funding must also be accompanied by a completed and signed Application for Federal Assistance Standard Form 424 (SF-424).

Each applicant must comply with the provisions of the National Environmental Policy Act (NEPA), the Council on Environmental Quality (CEQ) regulations, the requirements set forth in title 24 of the Code of Federal Regulations (CFR) part 58, and applicable GLO-CDR policy directives. All applicable federal and state laws, including environmental, labor (Davis-Bacon), procurement procedures and contract requirements of 2 CFR 200.318 -200.326, and civil rights requirements apply to the use of these funds. Each applicant certifies, in compliance with the requirements presented in Volume 81, Number 224 of the Federal Register effective November 28, 2016, that:

- a. It has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG-DR program;.
- b. It is in compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by part 87;.
- c. It will comply with the acquisition and relocation requirements of the Uniform Act (URA), as amended, and implementing regulations at 49 CFR part 24, except where waivers or alternative requirements are provided for in the Federal Register notice.
- d. It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- e. It is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105 Public Participation Plan as it pertains to local government administration

of CDBG-DR funds, or 91.115 Public Participation Plan as it pertains to State administration of CDBG-DR funds., as applicable (except as provided for in notices providing

waivers and alternative requirements for this grant). Also, each Unit of General Local Government (UGLG) receiving assistance from a state grantee must follow a detailed

citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).

1) Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the

most impacted and distressed areas for which the President declared a major disaster in 2016 pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance

Act of 1974 (42 U.S.C. 5121 et seq.) related to the consequences of the 2016 flood events.

f. The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601 -3619)

and implementing regulations, and that it will affirmatively further fair housing.

g. It has adopted the following policies:

- 1) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
- 2) A policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

Date	Jun 3, 2019
Printed Name	Mark Keough
Title	County Judge
Email	mark.keough@mctx.org
Phone Number	+1 (936) 539-7812
Authorized Signature	



Group Number: \_\_\_\_\_

Date: \_\_\_\_\_

File Number: \_\_\_\_\_

## Priority Scoring Sheet for Harvey

DR-4332

Homeowner: \_\_\_\_\_

HH Size: \_\_\_\_\_

Income Level

Low 50-80%

Very Low 30-50%

Extremely Low 0-30%

Scoring Category

Points

Totals

Home in FloodWAY \_\_\_\_\_

6 points

\_\_\_\_\_

Home flooded repetitively \_\_\_\_\_

5 points

\_\_\_\_\_

Purchased home BEFORE August 18, 2014 \_\_\_\_\_

4 points

\_\_\_\_\_

Homeowner has NO Insurance \_\_\_\_\_

3 points

\_\_\_\_\_

Lives in \*targeted area \_\_\_\_\_

2 points

\_\_\_\_\_

Home in FloodPLAIN \_\_\_\_\_

1points

\_\_\_\_\_

\*targeted areas are most severely flooded areas as indicated on maps

Note: In the event of a tie, 100 points will be added to applicant with the lowest income per capita. (Current household income divided by number of household members). Final funding decisions are made by MCHOSEM.

Total Points \_\_\_\_\_



## **Montgomery County Fair Housing Plan**

### **Policy Statement**

It shall be the policy and commitment of Montgomery County, Texas to ensure that equal and fair housing opportunities are granted to all persons, in all housing opportunities and development activities funded by the County, regardless of race, color, religion, gender, sexual orientation, marital status, lawful source of income, national origin, age, familial status, ancestry or mental or physical disability. This shall be done through a program of education, an analysis of impediments, designation of a Fair Housing Officer and development of a procedure for complaints of discrimination. This plan will incorporate the directives of state and federal laws and executive orders, which include but are not limited to:

- a. Title VI of the Civil Rights Act of 1964
- b. The Fair Housing Act – Title VIII of the Civil Rights Action of 1968, as amended
- c. Executive Order 11063, as amended by Executive Order 12259
- d. Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended
- e. Section 109 of Title I of the Housing and Community Development Act of 1974, as amended
- f. Section 3 of the Housing and Community Development Act of 1968, as amended
- g. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended
- h. The Americans with Disabilities Act of 1990
- i. The Age Discrimination Act of 1975, as amended
- j. Executive Order 11246 (as amended by Executive Orders 12375 and 12086) Equal Opportunity Under HUD contracts and HUD-assisted Construction Contracts
- k. Executive Order 12892, Leadership and Coordination of Fair Housing
- l. Texas Fair Housing Act
- m. Texas Property Code, Chapter 301, Title 15-Fair Housing Practices

Montgomery County commits to providing and promoting racial and economic integration in any housing development supported with federal funding and will take affirmative steps to reach beneficiaries from all ethnic and racial groups as well as the mentally or physically handicapped and families with children and to reach a broad range of income eligible beneficiaries for appropriate and applicable housing opportunities.

### **Selection of Fair Housing Liaison**

In accordance with the Title VIII, Civil Rights Act of 1968, as amended, the Fair Housing Liaison below has been designated to handle fair housing complaints and activities in Montgomery County:



## **Implementation and Action Steps**

A Fair Housing Workgroup was created on August 24, 2011. Each person was hand selected by County Judge Alan Sadler with recommendations coming from Ann Carr and Montgomery County Community Development Director Dr. Joanne Ducharme. The workgroup is made up of a diverse and knowledgeable group of various community members. Members of the workgroup will volunteer their time to work together to create a longstanding plan for the citizens of Montgomery County. The workgroup membership is made up of not less than 5 and not more than 15 members. The group will be responsible for identifying fair housing impediments and proposing action steps for addressing them based on data the Community Development already has. The group is required to meet at least annually to review the Action Plan to monitor progress, report findings and make recommendations to the governing body and the GLO. The officers of the group should confer at least every six months.

Montgomery County will take specific actions steps and implementation activities over the next three year period following the guidelines provided by Fair Housing workgroup.

### **Additional Steps**

Montgomery County will adopt annually the Fair Housing Policy Statement and Resolution as an indication of its commitment to Fair Housing Month during the month of April each year.

Montgomery County shall periodically prepare, solicit and provide public service announcements for local radio and/or TV stations in order to provide knowledgeable and information about Fair Housing.

Montgomery County will display Fair Housing posters identifying the County's Fair Housing Liaison, title, address and phone number in prominent locations. In addition, fair housing information will be distributed outside of traditional municipal locations including local realtors offices and bank lobbies and in kiosks displaying Homes for Sale catalogs.

All advertising of residential real estate owned by Montgomery County for sale, rent or financing will contain the Fair Housing logo, equal opportunity slogan as a means of educating the home seeking public that the property is available to all persons regardless of color, religion, sex, race, physical or mental disability, familial status, sexual orientation, marital status, age, national origin, ancestry, or lawful source of income. The type of logo, statement or slogan will depend on the type of media being used (visual or auditory).

### **Analysis of Impediments**

Montgomery County will cooperate and assist the state with its periodic Analysis of Impediments and conduct a review of policies, practices and procedures that affect the location available and accessibility of housing. Montgomery County will update its local Analysis of

**I. Cover Sheet**

1. Submission date:
2. Submitter name: Dr. Joanne Ducharme, Director of Montgomery County Community Development
3. Type of submission (*e.g.*, single program participant, joint submission): Joint Program Submission
4. Type of program participant(s) (*e.g.*, consolidated plan participant, PHA): Consolidated Plan Participant and local PHA
5. For PHAs, Jurisdiction in which the program participant is located: Region 6
6. Submitter members (if applicable): Joanne Ducharme, Autumn Haley, Diane Pyles
7. Sole or lead submitter contact information:
  - a. Name: Dr. Joanne Ducharme, lead
  - b. Title: Director
  - c. Department: Montgomery County Community Development
  - d. Street address: 501 N. Thompson, Suite 200
  - e. City: Conroe
  - f. State: TX
  - g. Zip code: 77301
8. Period covered by this assessment: 2018-2022
9. Initial, amended, or renewal AFH: Initial Assessment
10. To the best of its knowledge and belief, the statements and information contained herein are true, accurate, and complete and the program participant has developed this AFH in compliance with the requirements of 24 C.F.R. §§ 5.150-5.180 or comparable replacement regulations of the Department of Housing and Urban Development;
11. The program participant will take meaningful actions to further the goals identified in its AFH conducted in accordance with the requirements in §§ 5.150 through 5.180 and 24 C.F.R. §§ 91.225(a)(1), 91.325(a)(1), 91.425(a)(1), 570.487(b)(1), 570.601, 903.7(o), and 903.15(d), as applicable.

All Joint and Regional Participants are bound by the certification, except that some of the analysis, goals or priorities included in the AFH may only apply to an individual program participant as expressly stated in the AFH.

\_\_\_\_\_(Signature) \_\_\_\_\_ (date)

12. HUD Departmental acceptance or non-acceptance:

\_\_\_\_\_(Signature) \_\_\_\_\_ (date)

Comments:

## **II. Executive Summary**

1. Summarize the fair housing issues, significant contributing factors, and goals. Also include an overview of the process and analysis used to reach the goals.

Montgomery County and the Housing Authority approached this analysis from a grassroots level. 3000 hard copy surveys were distributed via the Housing Authority, the City of Conroe, and multiple nonprofits whose mission is to work with low income and protected-class clientele. 721 surveys were returned. The data over-represented the percentage of poverty and minority residents in the county, as was expected and as was the goal. Data showed that 93% of minority residents living below the poverty line responded to the survey. This data was used to gain insight into *perceptions* and *experiences* of various issues, not incidence or rates.

This Plan used data provided by HUD and data from the 2010 Census and the 2015 American Communities Survey to ascertain incidence and rates for identifying issues.

In addition, the County consulted with representatives from multiple social service agencies via group discussion. These discussions were often lively and passionate, and generated helpful insights and a baseline for determining the accuracy of the statistical data.

Montgomery County is burdened by a severe lack of affordable housing countywide. The problem has been exacerbated by three major flooding events in the past eighteen months, which has seriously hampered rapid rehousing countywide. As affordable housing is lost to buy outs and demolition, the problem will continue to intensify. Traditionally identified minority neighborhoods, however, did not flood.

Because of the rural nature of the county, there is very limited public transit. Transportation thoroughfares adequately cover all portions of the county, but transportation costs are high.

There is a lack of resources for home modifications for disabled persons. African Americans have much higher unemployment rates than Caucasians. There is a need to protect low income – and particularly minority – residents from predatory lending practices such as “payday loans.”

## **III. Community Participation Process**

1. Describe outreach activities undertaken to encourage and broaden meaningful community participation in the AFH process, including the types of outreach activities and dates of public hearings or meetings. Identify media outlets used and include a description of efforts made to reach the public, including those representing populations that are typically underrepresented in the planning process such as persons who reside in areas identified as R/ECAPs, persons who are limited English proficient (LEP), and persons with disabilities. Briefly explain how these communications were designed to reach the broadest audience possible. For PHAs, identify your meetings with the Resident Advisory Board.

In order to receive meaningful community input into the AFH plan, the consortium designed and distributed a 25-question written survey throughout the county. With particular emphasis on low income and minority groups, surveys were distributed to non-profits and applicants for the Housing Authority Housing Choice Voucher program. 710 surveys were returned. The surveys over-represented the cities of Conroe, Willis, Montgomery and Magnolia, and under-represented the very rural eastern portion of the county. In addition, 14.58% of surveys returned were from outside



Community Youth Outreach  
Crisis Assistance Center \*  
Educational Outcomes  
Family Promise of Montgomery County  
First United Methodist Church of Conroe  
Interfaith of The Woodlands ~ Juanita Stanley \*  
Montgomery County Youth Services  
Montgomery ISD  
New Caney ISD  
The Salvation Army  
Tri-County Behavioral Healthcare  
Volunteers of America

**Members/Organizations of the Fair Housing Committee:**

New Danville  
Tri County  
Habitat for Humanity  
Coat of Many Colors Ministries \*  
NAACP of Conroe  
MC Housing Authority \*  
City of Conroe \*  
Walker-Montgomery Community Housing Agency

**Community Advocates:**

Marlen Tejada  
Datren Williams  
Vernard Williams  
Fred Thompson

**Member Organizations of MCCARES who were consulted:**

America Red Cross  
Family Endeavors  
FEMA  
First Methodist - Conroe  
Lonestar Community Clinic  
MC Commissioner 3 Office  
Montgomery County Women's Center  
Montgomery County Office of Emergency Management  
Patton Village Police

**Additional agencies who were consulted and who assisted in distributing surveys:**

Meals on Wheels \*  
Montgomery County Food Bank \*  
Mission NE \*  
Society of Samaritans \*  
St. Vincent de Paul Society \*

9. Through the Montgomery County Housing Authority (MCHA) and Easter Seals Home Of Your Own program, offer landlord trainings on housing discrimination. HVC applicants/participants are provided pamphlets on housing discrimination and encouraged to inform their Case Manager of any events they feel are discriminatory. Unsubsidized low- income tenants have limited, if any opportunities to learn about Fair Housing and how to file Fair Housing Complaints.
10. Through the MCHA, educate tenants and landlords on violence against women (VAWA 2016).

In addition, the following Fair Housing activities were accomplished by the Fair Housing Committee:

We require that applications for non-federally funded infrastructure projects are ADA compliant and address other legally discrimination issues.

We reviewed LMI areas and areas populated principally by members of protected classes, and prioritized infrastructure expenditures to help protect the impacted communities-including colonias.

We created a fair housing testing procedure which focused on areas including steering in rental as well as the denial of rentals based on race, national origin, familial status, and disability. The tests were a success and there were no reports of housing discrimination received.

We post fair housing enforcement contacts and procedures with the State suggested language and include the fair housing equal housing opportunity logo on appropriate documents related to housing and community development programs.

Contact information at the local, state and federal level for reporting a fair housing complaint is published on the community development website.

a. Discuss what progress has been made toward their achievement;

1. Montgomery County participates in regional transit and mobility planning, as described in more detail below.
2. Both the County and City of Conroe use Community Development Block Grant (CDBG) funds for rehabilitation/replacement programs.
3. The County has built affordable housing for elderly and disabled using CHDO's, non-profits, and tax-credit entities.
4. The County has made Match available for Tax Credit applicants
5. Housing has been developed for victims of domestic violence, and housing development is in progress for homeless youth and youth aging out of foster care.
6. Both the County and the City of Conroe are continuing to demolish slum/blight residential property to improve quality of life in low income neighborhoods
7. The Fair Housing Advisory Committee continues to meet up to two times annually and conducts testing once per year.
8. ALL complaint phone calls are documented and any patterns or consistency in discrimination are acknowledged and discussed during the semi- annual meetings.
9. Easter Seals provides training on housing discrimination to landlords and lending officials. The Housing Authority provides tenants with pamphlets on housing

in the past 18 months has exasperated the situation, as once affordable housing is bought out and returned to greenspace.

### **Homelessness**

As a result of the most recent Analysis of Impediments, Montgomery County devoted its entire Consolidated Plan to programs for the homeless, including funding shelters, service providers, and doing capital projects. In this current plan, the county is developing a group home for single mothers and rental duplex units of transitional housing for Angel Reach, an organization which serves youth aging out of foster care, and is expanding two shelter facilities for Montgomery County Youth Services, an organization which specializes in runaways and homeless youth. The county built an empowerment center, the E3 Center, in the heart of Conroe to provide central intake, case management, job skills training and other services to homeless adults. Mission Northeast, a nonprofit in east county which serves homeless and at-risk residents, received an expanded warehouse and refrigeration facility.

Homelessness in Montgomery County grows with the population. The City of Conroe experiences the most concentrated group of homeless persons, therefore most efforts to expand shelter, transitional, and permanent supportive housing have been located in Conroe.

### **Elderly and Disabled**

The prior County Consolidated Plan, informed by the prior County Analysis of Impediments, was dedicated to persons with disabilities. During that period, the county developed supportive housing for persons with serious mental illness, intellectual disabilities, and substance abuse recovery issues. The county also built a crisis intervention center for persons suffering from acute psychiatric episodes, funded the construction of a sheltered workshop facility for adults with intellectual disabilities, and purchased vans for transport of elderly and disabled adults. During that period, all single family owner-occupied houses constructed by the CHDO were exclusively for elderly and disabled families.

- c. Discuss any additional policies, actions, or steps that you could take to achieve past goals, or mitigate the problems you have experienced.

The City of Conroe needs to, and plans to expand transit.

The County is working on a policy which would require Developers asking for tax incentives to build some small percentage of affordable units interspersed in their upscale developments. If this program is implemented, it could not only increase the stock of affordable housing, but that housing would be in the Neighborhoods of Highest Opportunity.

Recently, the county authorized a 20% homestead exemption, which, over time, should greatly improve affordability for low/mod income residents. In addition, as a result of Hurricane Harvey, the County has implemented a re-appraisal of flood damaged properties, lowering the appraised values in order to give homeowners a tax break. This development will be monitored closely to determine if it is of benefit to low/mod income homeowners.

Originally, the County Consolidated Plan included a project to construct a residential treatment facility for substance abuse, and a detox unit. Substance abuse is frequently a contributing factor to homelessness. This project failed in Feasibility due to the inability of interested nonprofits to obtain operational funds. However, the State has indicated an interest in releasing funds for that purpose. The County will continue to try to implement this much-needed project.



The African American population of the county has remained fairly constant, from 2.61% in 1990 to 2.53% in 2000 to 3.66% in 2010 to 3.27% in 2017, keeping pace with population growth. Conroe has seen a slight decline in the African American population, from 11.1% to 10.1%, although this nonetheless represents an increase in the physical numbers of African Americans living in the city. The Hispanic population, however, has almost doubled in percentage every 10 years, and has roughly tripled in physical numbers every 10 years since 1990. Asian and Pacific Islanders have doubled, but their numbers are so small this is not enough to impact percentages of the overall county. One interesting event is the drop in numbers of Native Americans in the area, from a high of 3092 in 2010 to just 1500 currently. While Community Development has not been able to access data or other information regarding this drop, we do have a theory. There are no reservations in Montgomery County, however the Alabama-Coushatta reservation is quite near eastern and northern Montgomery County. Quite possibly, as the Hispanic population rises in the area, marriages have re-assigned the racial/ethnic identity of offspring, supporting the increase in Hispanic residents and the decrease in identified Native Americans.

Montgomery County's residents who are from other countries make up only 9% of the population, with the highest being 5.81% from Mexico. Three other Spanish-speaking nations are represented, but all others are below a single percentage point and less than 2500 (each) members of the county population. This is half the rate of the MSA.

Spanish is by far the highest percentage of LEP language represented, at 6.21%. All remaining LEP languages represented total less than one percentage point combined. The percentage of LEP Spanish in the county (6.21%) closely correlates with the percentage of residents born in Hispanic countries at 7.13%. The percentage of LEP issues among residents born in non-Hispanic countries does not correlate closely.

Among disabled residents, wheelchair-bound are the most prevalent group, at 5.34% of the population. Persons with intellectual challenges are second at 4%, those with independent living difficulties are the third most populace, with deaf residents comprising 2.84%. These rates are comparable to the overall MSA.

Montgomery County has a slightly lower rate of families with children and a slightly higher rate of residents who are 65+ than the MSA. This is because Lake Conroe is a large retirement draw.

2. Describe the location of homeowners and renters in the jurisdiction and region, and describe trends over time.

Montgomery County is a rural county, with one urbanized area in the south, nearest to City of Houston. The southern portion of the county is mostly built out. Growth of single family homes is spreading up three major corridors, I 59 moving to the northeast across the eastern portion of the county, I45 moving due north from south to north through the county, and Hwy 149 which moves northwest through the western portion of the county.

Median household income for both the city and county have risen since 2000. The County had a median household income in 2000 of \$50,864 and in 2017 of \$68,838. The City of Conroe had a 2000 median household income of \$34,123 and a 2017 median household income of \$47,680. In 2000, the State of Texas had a median household income of \$39,927, and in 2017 the State median is \$53,207. While the City of Conroe has consistently fallen below the State median, both in 2000 and again in 2017, the numbers demonstrate the high economic status of the county, which is consistently far above the State. This data serves to highlight the lack of affordable

Conroe. This coincides with the only three recognizable African American neighborhoods in the county, namely Duggan and Madeley Quarter in Conroe, and Tamina in south county.

Survey data revealed that African American residents were more likely to “guess” that 60% - 100% of their neighbors were the same race. When asked about choice of housing location, more African Americans stated they chose housing based on Access to Job Opportunities, Safety, and Because They Grew Up Here, whereas more white residents stated they chose housing due to Shopping, Accessibility and Affordability. 58.68% of African Americans said they would choose to stay where they currently live, whereas 66.23% of white respondents said they would stay. There was no difference between rates of satisfaction with housing, or in perception of costs changing.

63.93% of African American survey respondents said they had trouble finding good housing they could afford, whereas only 47.42% of the white respondents had trouble. 7.04% of AA respondents said race was a factor in their difficulty finding housing, compared to 2% of whites, and yet only 6.06% of AA respondents said they had ever been discriminated against, compared to 1.08% of whites (a difference of 20 people vs. 2 people). More AA respondents said their housing choice was influenced by Amount of Deposit, Credit history, Disability, Not Feeling Welcome, or Not Being Shown Desirable Housing, whereas more white respondents said their choice was based on What They Could Afford and if the Unit Was Large Enough.

- b. Explain how these segregation levels have changed over time (since 1990).

African Americans have shown an improved integration pattern, from a moderate segregation score of 50.35 in 1990 to a barely moderate score of 41.78 in 2000, and have had low scores in the 30's ever since. Caucasians and Hispanics have always shown a low segregation score. Asian and Pacific Islanders have a fluctuating pattern, from barely moderate in 1990, then low until a current barely moderate score. It is not surprising that these scores would fluctuate, since this group is only 2% of the population. Movement by only a handful of households can have a large impact on scoring.

All areas of the county and city which are identifiable African American neighborhoods have seen a reduction in the percentage of African American residents. Whether this is a result of AA residents moving elsewhere or other groups moving in is uncertain. Throughout the county, newly arriving Hispanic residents are tending to cluster in Spanish speaking neighborhoods, however not enough to impact overall statistical data. The rapid growth of the Hispanic population in the county has been sufficient to shift percentage data. In 2000, the county was 12.6% Hispanic. By 2017, that percentage has nearly doubled to 22.2%, doubling even as the total population has doubled. In the City of Conroe, the percentage of Hispanic residents has remained relatively constant, growing from 32.6% in 2000 to 38.5% in 2017, despite the City population doubling. While Hispanic and African American residents are not integrating, the sheer numbers of new Hispanic residents shifts overall demographics.

- c. Identify areas with relatively high segregation and integration by race/ethnicity, national origin, or LEP group, and indicate the predominant groups living in each area. Dot density maps show that Montgomery County is statistically fully integrated. There are no areas of the county which do not contain at least two, and generally three major racial/ethnic groups. This data is reinforced by Table 3 – Racial/Ethnic Dissimilarity Trends.

One neighborhood in the County and two in the City of Conroe warrant special comment.

The survey issued for this Plan indicates there is no significant difference in the location of owner and renter occupied housing in the county. As described previously, rental housing is clustered along major arteries, but in every case is surrounded by or adjacent to owner occupied housing.

- e. Discuss how patterns of segregation have changed over time (since 1990).

Demographics in the county have shifted to a heavier percentage of Hispanic residents. 20.8% of the population was Hispanic in 2015, and 19.5% of the population spoke Spanish as a primary language. While the county has not experienced a strong pattern of segregation among African Americans or other minority groups, the Hispanic population appears to be self-segregating based on language and legal status, and a cultural preference to live near other family members. The three neighborhoods historically identified as African American have now become about half Hispanic, and the other half divided somewhat equally between Caucasian and African American residents.

- f. Discuss whether there are any demographic trends, policies, or practices that could lead to higher segregation in the jurisdiction in the future.

Segregation is fading in Montgomery County and in Conroe. The recent flood events could impact the amount of segregation simply because the three major African American neighborhoods did not flood during the storm. As the shortage of affordable housing continues to tighten, white residents will move where housing is available, thus integrating traditionally African American and Hispanic neighborhoods more.

## **2. Additional Information**

- a. Beyond the HUD-provided data, provide additional relevant information, if any, about segregation in the jurisdiction and region affecting groups with other protected characteristics.

None known

- b. The program participant may also describe other information relevant to its assessment of segregation, including activities such as place-based investments and mobility options for protected class groups.

Transit is better in Duggan and Madeley Quarter than in any other part of the county because those areas are centrally located in Conroe and the initial launch of the public transportation system was targeted more to protected classes than to the general population. Based on survey results, residents of those areas perceive access to transportation as "Easy" and the service as "Excellent."

In addition, despite pervasive flooding throughout the county, the three identified predominantly African American neighborhoods, Tamina, Duggan and Madeley Quarter, did not flood.

## **3. Contributing Factors of Segregation**



- a. Beyond the HUD-provided data, provide additional relevant information, if any, about R/ECAPs in the jurisdiction and region affecting groups with other protected characteristics.
- b. The program participant may also describe other information relevant to its assessment of R/ECAPs, including activities such as place-based investments and mobility options for protected class groups.

### **3. Contributing Factors of R/ECAPs**

*Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of R/ECAPs.*

- Community Opposition
- Deteriorated and abandoned properties
- Displacement of residents due to economic pressures
- Lack of community revitalization strategies
- Lack of private investments in specific neighborhoods
- Lack of public investments in specific neighborhoods, including services or amenities
- Lack of regional cooperation
- Land use and zoning laws
- Location and type of affordable housing
- Occupancy codes and restrictions
- Private discrimination
- Other

### **iii. Disparities in Access to Opportunity**

#### **1. Analysis**

The Surveys conducted locally show that most are satisfied with schools and access to jobs. This pattern bore out across racial, income and location parameters. A pattern did emerge that persons with disabilities found it more difficult to access jobs.

#### **a. Educational Opportunities**

- i. Describe any disparities in access to proficient schools based on race/ethnicity, national origin, and family status.

There do not seem to be any disparities between proficient schools and African American or Caucasian residents. There does seem to be a lower performing school in an area which is predominantly Hispanic. This elementary school feeder area is located in the center of Conroe. And yet, immediately adjacent to that school is another elementary school which is high performing, also in a predominantly Hispanic area.

Throughout the county, low performing schools match to Hispanic, but not African American, populations. However there are also higher performing schools matching to Hispanic neighborhoods. The pattern matches when observed for National Origin. In terms of family status, the higher performing schools are in areas with more families.

this district are living below poverty. The performance ratings of these schools are above the minimum state level.

- ii. Describe the relationship between the residency patterns of racial/ethnic, national origin, and family status groups and their proximity to proficient schools.

The elementary schools across the county with the highest percentage of below average and below acceptable performance ratings are primarily enrolled with Hispanic students. Local reports show many of these schools cater to children whose primary language is Spanish and are in special classes to learn English at an early age. Maps show there are very small clusters of Hispanic people who not only live in high performing school zones but lower performing ones as well.

- iii. Describe how school-related policies, such as school enrollment policies, affect a student's ability to attend a proficient school. Which protected class groups are least successful in accessing proficient schools?

The six school districts in Montgomery County follow state law regarding prohibiting students from changing districts or school catchment zones. There are no restrictions on enrollment, and Spanish language and ESL classes are offered. Among the protected class groups, students with alternate National Origin are least successful at accessing proficient schools, but this is not a high correlational pattern.

#### **b. Employment Opportunities**

- i. Describe any disparities in access to jobs and labor markets by protected class groups.

The Labor Market Index scores Hispanic residents the lowest, but all races ranked within 10 percentage points of one another. African Americans scored higher than Caucasians on the Labor Market index.

Surveys indicated that, while there was no difference between races in perception of access to jobs and labor markets, there was a perception among those with a disability that jobs are more difficult to access. This is borne out by Census data.

- ii. How does a person's place of residence affect their ability to obtain a job?

As might be expected, access to jobs is highest along major thoroughfares and lowest in very rural areas, such as in the national forest. Except in the inner city of Conroe, and the Woodlands Express buses driving to downtown Houston from south county, there is no public transit connectivity from the outlying rural areas to the east and west into the central corridor.

The lack of public transportation plays a significant role in the ability of residents who live in the vast rural areas of the county to get to and from local cities where jobs are most prevalent. Montgomery County is the 24th fastest growing county in the United States and the amount of economic growth in the county reflects this statistic. Five state highways pass through the county along with two major interstates which are overflowing with major retailers, large chain restaurants, local car dealerships, public schools, 6 major hospitals, large corporate buildings and scattered with many mom and

Americans. The central corridor shows wide disparity between north and south, although it is the economic core of the county.

- iii. Which racial/ethnic, national origin, or family status groups are least successful in accessing employment?

Hispanic females have the highest unemployment rating across Montgomery County. This trend is common among the Hispanic population where the families are often large and the mother is the stay at home caretaker of the family. Hispanics tend to place significant importance on the role of family and are less likely to be comfortable leaving a child in day care or with strangers.

Consistently throughout the county, African American unemployment is at least double that of Caucasians. Hispanic unemployment is low except in east county.

#### **c. Transportation Opportunities**

- i. Describe any disparities in access to transportation based on place of residence, cost, or other transportation related factors.

The City of Conroe has a public transportation network. This system initially targeted neighborhoods containing members of protected classes. As a result, the only easy transportation access in the county is by low income persons. Surveys support this assessment.

Maps of Ease of Transit in the County indicate most of the county has easy access to a reliable network of roads. No pattern of residence emerges across race/ethnicity, national origin or family status in terms of ease or cost of transportation.

- ii. Which racial/ethnic, national origin or family status groups are most affected by the lack of a reliable, affordable transportation connection between their place of residence and opportunities?

Montgomery County is rural. EVERYONE is affected by the lack of reliable, affordable transportation connections between residences and opportunities. Specifically, residents of outlying communities in east and west Montgomery County are most impacted, as most medical and social service entities are located in the central corridor, making it difficult for any low income resident to access. However racial and ethnic minorities, including persons born in other countries and families, are predominantly living near major transportation thoroughfares.

- iii. Describe how the jurisdiction's and region's policies, such as public transportation routes or transportation systems designed for use personal vehicles, affect the ability of protected class groups to access transportation.

The City of Conroe has a public transportation network. This system initially targeted neighborhoods containing members of protected classes. As a result, the only easy transportation access in the county is by low income persons. Surveys support this assessment.



smaller homes, and build larger, newer housing. As a result, high end housing is now in the path of drainage issues created by development upstream, and flooded in the most recent disasters. Restriction created by the CDBG-DR programs allow Community Development to buy out the homes of low income residents, which will foster an even greater shortage of affordable units, but larger homes must now remain in newly identified floodplain.

**e. Environmentally Healthy Neighborhood Opportunities**

- i. Describe any disparities in access to environmentally healthy neighborhoods by protected class groups.

Most of Montgomery County is a flood plain. As the recent disasters have borne out, neighborhoods have not been established in the area in a way which protects some citizens over others. Wealthy neighborhoods flooded, but low income neighborhoods did not.

Generally, outlying rural areas scored very high on environmental health. More dense areas, and those closer to major freeways, tended to score slightly lower. This would be an indicator of air and noise pollution.

- ii. Which racial/ethnic, national origin or family status groups have the least access to environmentally healthy neighborhoods?

According to the Environmental Health index, there is virtually no difference in the status of neighborhoods across racial/ethnic divisions, neither among the total population nor among those living below the federal poverty line. The lowest group was Asians, at a score of 41.48 but only 2% of the population. The highest was Native Americans at 47.7%, but an even smaller proportion of the population. Caucasians, African Americans and Hispanics scored at 46.7%, 46.4% and 45.92% respectively. In the poverty group, Asians scored low at 39.57%, but this score represents literally a handful of people.

**f. Patterns in Disparities in Access to Opportunity**

- i. Identify and discuss any overarching patterns of access to opportunity and exposure to adverse community factors based on race/ethnicity, national origin or familial status. Identify areas that experience an aggregate of poor access to opportunity and high exposure to adverse factors. Include how these patterns compare to patterns of segregation and R/ECAPs.

Based on race/ethnicity, national origin and familial status, Montgomery County does not appear to experience an aggregate of poor access to opportunity or high exposure to adverse factors. Montgomery County does not have any R/ECAPs, or pockets which rise to the HUD definitions of segregation.

**2. Additional Information**

- a. Beyond the HUD-provided data, provide additional relevant information, if any, about disparities in access to opportunity in the jurisdiction and region affecting groups with other protected characteristics.

- a. Which groups (by race/ethnicity and family status) experience higher rates of housing cost burden, overcrowding, or substandard housing when compared to other groups? Which groups also experience higher rates of severe housing burdens when compared to other groups? The 89 Native Americans displayed the highest percentage of households with disproportionate need, at 60.96%, however the statistic is skewed by the small size of the population. Hispanic and African American residents showed similar and moderate disproportionate need in the 41% range. Caucasians reported the lowest percentage, but by far the highest number of residents with disproportionate need. Based on family size, those with 5+ people scored the highest, at 43%.

Among those with a severe housing burden, Hispanics scored the highest at 26.58% (4,644 households). 31 Native American households pushed that population's percentage to second, at 21.23%, and African American households ranked third at 18.47%, with 694 households. Caucasians again were the lowest percent – 12.26% – and the highest number of households with severe problems, 13,020.

While incomplete kitchen and plumbing facilities, and cost burden, are certainly housing problems, the inclusion in this category of “more than one person per room” greatly skews the data upward. As seen when looked at by household size, the larger the family, the more likely children share rooms. Bunkbeds and twin beds are common in households at all economic levels, as family size may be driven by many factors, including religion. A more accurate indicator would be “a child and an adult sharing a room,” but alas, this is not the current definition.

While the overall percentage of Catholics in the County has dropped to 12.8%, the number of Catholics has risen by 49% between 2000 and 2010. Mormons constitute 13.7%. Evangelical Protestantism is 26.2%. Many of the faithful in these religions, plus those in several other religions present in Montgomery County, have strict prohibitions against birth control which influence family – but not necessarily income – size.

- b. Which areas in the jurisdiction and region experience the greatest housing burdens? Which of these areas align with segregated areas, integrated areas, or R/ECAPs and what are the predominant race/ethnicity or national origin groups in such areas?

Geographically, there does not seem to be a particular area experiencing greater housing burden than others. The minority and disabled populations of the county are distributed fairly evenly throughout the county in relation to the overall population.

- c. Compare the needs of families with children for housing units with two, and three or more bedrooms with the available existing housing stock in each category of publicly supported housing. There are 5 assisted multifamily apartments in Montgomery County that offer family two bedroom family units. Of those six, only 3 offer 3-bedroom apartments. There are an insufficient number of three-four assisted bedroom assisted apartments in Montgomery County compared to the population and need.

2. Describe the differences in rates of renter and owner occupied housing by race/ethnicity in the jurisdiction and region.

Among survey respondents, African Americans rent at essentially twice the rate of Caucasians and Hispanics.

Are certain racial/ethnic groups more likely to be residing in one category of publicly supported housing than other categories (public housing, project-based Section 8, Other HUD Multifamily Assisted developments, and Housing Choice Voucher (HCV))?

Project based in the Conroe area is utilized by a majority of black families while the project based in the Woodlands have a higher number of white participants. The same for families and Elderly /Disabled household's properties. The HVC Program has a higher number of black participants. This is most likely due to the screening process and the bedroom size units available. The HCV program does not screen for credit worthiness or rental history and offers assistance with larger size units that can accommodate the all family members.

- i. Compare the demographics, in terms of protected class, of residents of each category of publicly supported housing (public housing, project-based Section 8, Other HUD Multifamily Assisted developments, and HCV) to the population in general, and persons who meet the income eligibility requirements for the relevant category of publicly supported housing. Include in the comparison, a description of whether there is a higher or lower proportion of groups based on protected class.

There are 5 multifamily properties and 6 elderly\disabled properties that offer section 8/202 assistance in Montgomery County. There are 512 units for all family types, elderly, disabled and families and 1,421 units of elderly/ disabled units only. The target income eligibility is 30% of the medium income. The HVC Program can assist up to 376 families of which 70.23% are minority population and 54% are elderly disabled. As stated previously, multifamily units have a higher percentage of White Participants That is probably due to the population ratio and the screening process. It appears that there is a higher portion of protected class groups (elderly/disabled) being assisted in Montgomery County compared to the non protected class.

#### **b. Publicly Supported Housing Location and Occupancy**

- i. Describe patterns in the geographic location of publicly supported housing by program category (public housing, project-based Section 8, Other HUD Multifamily Assisted developments, HCV, and LIHTC) in relation to previously discussed segregated areas and R/ECAPs.

Conroe area has 3 assisted properties, Bellshire, Tall Timbers and Camelot Pines. The Woodland\spring area has 8 assisted properties in which 3 are multifamily and 5 elderly disabled Properties.

The HCV Program offers families the ability to live anywhere in Montgomery County. The majority of families choose to live in the 77301 and 77304 zip codes.

There are a total of 19 LIHTC Properties 4-in the Woodlands, 3 New Caney\Porter area, 9- in the Conroe Area, 1-in Montgomery, 1- Magnolia, and 1-Kingwood.

- ii. Describe patterns in the geographic location for publicly supported housing that primarily serves families with children, elderly persons, or persons with disabilities in relation to

- a. Beyond the HUD-provided data, provide additional relevant information, if any, about publicly supported housing in the jurisdiction and region, particularly information about groups with other protected characteristics and about housing not captured in the HUD-provided data.

- b.

There is a small CoC Program administered by the Crisis Assistance Center and a Homeless Voucher type Program administered by Volunteer of America Voucher in the Conroe area. Both target population are homeless and disabled.

The program participant may also describe other information relevant to its assessment of publicly supported housing. Information may include relevant programs, actions, or activities, such as tenant self-sufficiency, place-based investments, or mobility programs.

The Housing Choice Voucher Program administered by Montgomery County Housing Authority offers a Self-Sufficiency Program and Home Ownership Program utilizing the HCV Voucher. Currently, 34 Families participate in the FSS Program and 2 families have purchased a home with the Voucher. MCHA also partners with Habitat for Humanity allowing family to transition to affordable homeownership independent of the HVC. MCHA is in process of applying for VASH Vouchers for Homeless Veterans if eligible. Tangle Brush Villa Apartments

### **3. Contributing Factors of Publicly Supported Housing Location and Occupancy**

*Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of fair housing issues related to publicly supported housing, including Segregation, RECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs. For each contributing factor that is significant, note which fair housing issue(s) the selected contributing factor relates to.*

- Admissions and occupancy policies and procedures, including preferences in publicly supported housing. There is no evidence that that admission and occupancy policies and procedures in publicly supported housing contributes to increase severity of Fair Housing Issues.
- Land use and zoning laws
- Community opposition There has been community opposition in location to build new tax credit properties.
- Impediments to mobility. There is impediment to mobility due to location of current assisted housing apartments and limited public transportation.
- Lack of private investment in specific neighborhoods
- Lack of public investment in specific neighborhoods, including services and amenities
- Lack of regional cooperation
- Occupancy codes and restrictions
- \* Quality of affordable housing information programs Housing Choice Voucher participant/applicants at provided Fair Housing Training. Non-Section 8 Montgomery County residence have the most difficult time knowing who to contact and how to maneuver the system to find affordable unit and information about Fair Housing Training and what it means.



**3. Integration of Persons with Disabilities Living in Institutions and Other Segregated Settings**

- a. To what extent do persons with disabilities in or from the jurisdiction or region reside in segregated or integrated settings?

Montgomery County has no segregated settings of any kind.

- b. Describe the range of options for persons with disabilities to access affordable housing and supportive services.

Tri-County Mental Health provides supportive services and 14 units of permanent supportive housing to persons with serious mental illness in the western quadrant of the county, and provides scattered site supportive housing for persons with mental disabilities.

Crisis Assistance Center provides seven scattered site units of permanent supportive housing to persons with ambulatory disabilities countywide.

New Danville provides 30 units of permanent supportive housing to persons with intellectual disabilities in the northern quadrant of the county.

Bridgewood Farms provides supervised group home units to eight persons living with severe intellectual disabilities in the central portion of the county.

**4. Disparities in Access to Opportunity**

- a. To what extent are persons with disabilities able to access the following? Identify major barriers faced concerning:

i. Government services and facilities. All County facilities are wheelchair accessible. In addition, the county website has a feature by which public notices can be read aloud.

ii. Public infrastructure (e.g., sidewalks, pedestrian crossings, pedestrian signals). The Woodlands is the only portion of the county with an urban infrastructure. Pedestrian crossings have curb cuts, pedestrian signals and audible signals.

iii. Transportation. There is no public transportation in Montgomery County. Meals On Wheels provides van rides for elderly and disabled to medical appointments and other activities, and are fully wheelchair accessible. Based on local survey results, 42.95% of respondents with disabilities *who claimed to have been discriminated against* stated it was "Easy" to get around. 23.08% stated it was "Moderately Difficult" to get around, and 18.59% rated it "Difficult" to get around.

iv. Proficient schools and educational programs. Schools are in compliance with State law regarding 504 educational accommodation. Because disabled of all types are distributed throughout the county, there is no pattern of disability associated with proficient schools vs. failing schools.

v. Jobs

- Access to publicly supported housing for persons with disabilities. Limits are equivalent to all access to affordable housing.
  - Access to transportation for persons with disabilities. Limits are equivalent to all limited access to transit.
  - Inaccessible government facilities or services. None noted.
  - Inaccessible sidewalks, pedestrian crossings, or other infrastructure. None noted.
  - Lack of affordable in-home or community-based supportive services. Several agencies provide in-home and community-based services.
  - Lack of affordable, accessible housing in range of unit sizes. Limits are equivalent to all access to affordable housing.
  - Lack of affordable, integrated housing for individuals who need supportive services. Limited by all access to affordable housing.
  - Lack of assistance for housing accessibility modifications. None noted.
  - Lack of assistance for transitioning from institutional settings to integrated housing.
- Discharge Planning is a serious problem in the County and has been set as a Goal for this Plan. A Task Force will be set up to address this issue.
- Land use and zoning laws. None noted.
  - Lending Discrimination. None noted.
  - Location of accessible housing. Countywide. No pattern noted.
  - Occupancy codes and restrictions. None noted.
  - Regulatory barriers to providing housing and supportive services for persons with disabilities. None noted.
  - State or local laws, policies, or practices that discourage individuals with disabilities from being placed in or living in apartments, family homes, and other integrated settings. None noted.
  - Other

**E. Fair Housing Enforcement, Outreach Capacity, and Resources Analysis**

1. List and summarize any of the following that have not been resolved: a charge or letter of finding from HUD concerning a violation of a civil rights-related law, a cause determination from a substantially equivalent state or local fair housing agency concerning a violation of a state or local fair housing law, a letter of findings issued by or lawsuit filed or joined by the Department of Justice alleging a pattern or practice or systemic violation of a fair housing or civil rights law, or a claim under the False Claims Act related to fair housing, nondiscrimination, or civil rights generally, including an alleged failure to affirmatively further fair housing.

None of these have occurred in Montgomery County.

2. Describe any state or local fair housing laws. What characteristics are protected under each law?

Montgomery County recognizes the Federal Fair Housing Act which was enacted by Congress as Title VIII of the Civil Rights Act of 1968. Under the current law, it is illegal to discriminate, intimidate, threaten or interfere in any aspect relating to the sale, rental, advertising, or financing of dwellings based on seven protected classifications, specifically: Race, color, religion, national origin, sex, handicap or familial status. Montgomery County works with the Greater Houston Fair Housing Center to help local families who feel they have

*Housing Needs. For each significant contributing factor, note which fair housing issue(s) the selected contributing factor impacts.*

- Lack of local private fair housing outreach and enforcement  
Montgomery County Community Development requires all funded subrecipient non-profit and tax credit housing developers to produce and uphold fair housing policy, and to create a fair housing marketing plan.
- Lack of local public fair housing enforcement  
The public entities party to this Plan all enforce fair housing.
- Lack of resources for fair housing agencies and organizations
- Financial resources are not available. Fair Housing Activities are taken from already stressed Administrative budgets of the public entities.
- Lack of state or local fair housing laws  
Montgomery County has a Fair Housing Policy.
- Unresolved violations of fair housing or civil rights law  
None known.
- Other

#### **VI. Fair Housing Goals and Priorities**

1. For each fair housing issue, prioritize the identified contributing factors. Justify the prioritization of the contributing factors that will be addressed by the goals set below in Question 2. Give the highest priority to those factors that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance.

##### **Affordable Housing – Countywide**

1. Lack of affordable, accessible housing in a range of unit sizes.
2. Availability of affordable units in a range of sizes.
3. Location and type of affordable housing.
4. Lack of assistance for transitioning from institutional setting to integrated housing.
5. Lack of affordable, integrated housing for individuals who need supportive services.
6. Deteriorated and abandoned properties

##### **TRANSIT**

1. Availability and type of public transportation in rural areas
2. Impediments to mobility

##### **FAIR HOUSING**

1. Lack of discharge planning from hospitals
  2. Work on accessibility issues in housing
  3. Lack of education for renters about fair housing laws and tenant rights.
  4. Lack of a quality affordable housing information program
2. For each fair housing issue with significant contributing factors identified in Question 1, set one or more goals. Explain how each goal is designed to overcome the identified

	<b>demand from MOW</b>	<b>underserved</b>	<b>2023.</b>	
<b>FAIR HOUSING</b>	<b>Educate renters about fair housing laws and tenant rights vs. being bullied by their landlord</b>	<b>Minimize discrimination</b>	<b>Implement a training program for tenants in FY 2017.</b>	<b>Easter Seals MCHA</b>
	<b>Discharge planning from hospitals (now have it for prison) WE NEED A TASK FORCE</b>	<b>Homeless and disabled discharged onto the street</b>	<b>Set up a task force to design policy and engage shelters in FY 2017.</b>	<b>MCCD MCHC</b>
	<b>Set up a quality affordable housing information program</b>	<b>Coordinated access to available housing</b>	<b>Implement a countywide program for quality affordable housing availability by end of FY 2017.</b>	<b>MCHA</b>
	<b>Work on accessibility issues in housing</b>	<b>Lack of affordable, accessible housing.</b>	<b>Implement "visitability standards" per Texas Statute in all rehab/replacement units.</b>	<b>MCCD</b>
<b>FINANCIAL*</b>	<b>Access to Financial Services – Pay Day Loan program</b>	<b>Minorities and newcomers lack resources to adequately manage finances</b>	<b>Set up a Task Force to establish a low interest Pay Day loan program by end of 2023.</b>	<b>MCCD</b>
	<b>Support for emergency financial assistance</b>	<b>Low income and minorities have fewer resources to weather unforeseen crises.</b>	<b>Financially support agencies providing emergency assistance annually through 2023.</b>	<b>MCCD</b>
<b>Discussion:</b> <ul style="list-style-type: none"> <li>Under financial goals, payday loans and financial assistance are not part of the HUD definition, however they are a needed protection in our community, and therefore one of our goals.</li> </ul>				



fair housing issues and contributing factors and set priorities and goals to overcome them. However, certain HUD-provided data may have limitations, including limitations in how they apply to geographic areas with different characteristics (e.g., rural versus urban, majority minority areas). For this reason, program participants must supplement the HUD-provided data with local data and local knowledge outlined in 24 C.F.R. § 5.152 and discussed below.

HUD is only able to provide data for those protected class groups for which nationally uniform data are available. For this reason, some questions focus on specific protected classes based on the availability of such data. For those questions, local data and local knowledge may provide information to supplement the analysis for protected classes not covered by the HUD-provided data. Local data and local knowledge can be particularly helpful when program participants have local data that are more up-to-date or more accurate than the HUD-provided data or when the HUD-provided data do not cover all of the protected classes that would be relevant to program participants' analyses.

Although HUD will provide nationally available data to program participants, the regulations recognize the value of local data and knowledge. Local data is defined in the Final Rule at 24 C.F.R. § 5.152, and refers to metrics, statistics, and other quantified information, subject to a determination of statistical validity by HUD, that are relevant to program participants' geographic areas of analyses, can be found through a reasonable amount of searching, are readily available at little or no cost, and are necessary for the completion of the AFH using the Assessment Tool. Examples of local data include relevant demographic data or program-related data maintained by program participants, another public agency, or another entity that are readily available and easily accessible to program participants at little or no cost.

Local knowledge is defined in the Final Rule at 24 C.F.R. § 5.152, and means information to be provided by program participants that relates to program participants' geographic areas of analyses and that is relevant to program participants' AFH, is known or becomes known to program participants, and is necessary for the completion of the AFH using the Assessment Tool. Examples of local knowledge include laws and policies, common neighborhood names and borders, and information about the housing market and housing stock. HUD does not expect program participants to review every possible source to search out local knowledge. However, local knowledge includes information obtained through the community participation process. Program participants are required to consider the information received during the community participation process as they conduct an AFH using the Assessment Tool.

Program participants are required to comply with the Privacy Act of 1974 (5 U.S.C. § 552a), and applicable State laws in the collection, maintenance, use and dissemination of personally identifiable information.

Program participants must use reasonable judgment in deciding what supplemental information from among the numerous sources available would be most relevant to their analysis. HUD does not expect program participants to hire statisticians or other consultants to locate and analyze all possible sources of local data. Note that, subject to the community participation, consultation and coordination process outlined in the Final Rule at 24 C.F.R. § 5.158, program participants are required to consider information relevant to the jurisdiction or region submitted during the community participation process, including recommendations of other data sources for program participants to assess.

In conducting the analysis, program participant must identify significant contributing factors reach section of the analysis. When identifying contributing factors, each section of the analysis contains

Please note that for public housing agencies, community participation requirements are described in 24 C.F.R. §§ 903.13, 903.15, 903.17, and 903.19. For consolidated plan program participants, Citizen Participation requirements are described in 24 C.F.R. part 91. As required by applicable regulations, program participants must ensure meetings are held in physically accessible locations, provide appropriate auxiliary aids and services necessary to ensure effective communication with individuals with disabilities, and provide limited English proficient persons meaningful access to programs and services.

For question (1), provide a summary of the outreach activities undertaken. For PHAs, also include any meetings with the Resident Advisory Board.

For question (2), provide a list of any organizations consulted during the community participation process. For consolidated plan program participants, 24 C.F.R. § 5.158(a)(1), states that consolidated plan program participants must follow the policies and procedures described in 24 C.F.R. part 91 (see 24 C.F.R. §§ 91.100, 91.105, 91.110, 91.115, 91.235, and 91.401). For PHAs, 24 C.F.R. § 5.158(a)(2) states that PHAs must follow policies and procedures described in 24 C.F.R. part 903.

For question (3), describe how successful the community participation process was, and provide an explanation for any low participation rates.

In question (4), pursuant to 24 C.F.R. § 5.154(d)(6), program participants must include an explanation for why any comments or views submitted through the community participation process were not accepted – note that this includes information, such as supplemental data and reports.

#### **Part IV: Assessment of Past Goals, Actions, and Strategies**

For question (1)(a), provide an explanation of what past goals program participants selected and what progress has been made toward their achievement. Use the metrics and milestones identified in past Analyses of Impediments or past Assessments of Fair Housing in assessing progress. New program participants may still answer this question based on any other relevant planning documents and/or any past fair housing goals, actions, or strategies.

To answer question (1)(b), explain how the past goals selected influenced the selection of current goals.

For question (1)(c), program participants may provide any additional information about policies, actions, or steps that address fair housing issues in program participants' geographic areas of analyses.

#### **Part V: Fair Housing Analysis**

For all questions, program participants must use the HUD-provided data and supplement that information with local data and local knowledge when it meets the criteria under 24 C.F.R. § 5.152 (described above). HUD-provided maps are located in Appendix A and HUD-provided tables are located in Appendix B.

Where HUD has not provided data for a specific question in the Assessment Tool and program participants do not have local data or local knowledge that would assist in answering the question, program participants are expected to note this rather than leaving the question blank.

While dot density maps are useful in demonstrating residential patterns, they also have limitations. Dot placement does not represent actual addresses – rather individual dots are randomly located within a particular census block to match aggregate population totals for that block group. Note also that the data provided for national origin is based on census data for the 5 most populous “foreign born” populations by country of origin, however, some jurisdictions may have other significant populations not included in the HUD-provided data but reflected in local data or local knowledge. In addition, the “foreign born” population does not track exactly with the definition of national origin under the Fair Housing Act, which includes place of birth as well as place of ancestor’s birth. LEP data shows residential segregation by language for speakers of the five most populous limited English proficient groups in the jurisdiction and region. Again, some jurisdictions may have other significant populations not included in the HUD-provided data but reflected in local data or local knowledge.

For question (1)(c), refer to Maps 1, 2, 3 to identify areas on the map that reveal clusters of race/ethnicity, national origin, or LEP groups, and areas where the map indicates are particularly integrated. In identifying those areas, and all areas throughout the tool, use commonly used neighborhood or area names.

For question (1)(d), local data and local knowledge may be particularly useful in answering this question.

For question (1)(e) refer to Maps 1, 2, 3, and Tables 1 and 2. Map 2 depicts racial/ethnic dot density distribution for previous years (1990 and 2000). A comparison of the patterns shown in Map 2 to the patterns shown in Map 1 may reveal changes in patterns of segregation by race/ethnicity over time. For instance, the comparison may show that an area previously occupied predominantly by one racial/ethnic group is now more integrated. Consider these changes in conjunction with Tables 1 and 2 showing changes in overall demographics over time, as well as local knowledge about local policies, practices, trends, and investments to answer question 1(e). Consider also Maps 3 and 4, which depict dot density distribution of national origin and LEP populations.

For question (1)(f), local data and local knowledge may be particularly useful in answering this question.

Understanding the limitations of the HUD-provided data discussed in the introduction to these instructions, using local data and knowledge, complete question (2)(a). The Fair Housing Act protects individuals on the basis of race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability. HUD has provided data for this section only on race/ethnicity and national origin. Include any relevant information about other protected characteristics – but note that the analysis of disability is specifically considered in Section V(D). Program participants may include relevant information relating to persons with disabilities here, but still must address the questions in Section V(D).

For question (2)(b), program participants may include any additional relevant information related to their analysis of segregation in the jurisdiction and region, including the removal of barriers that prevent people from accessing housing in areas of opportunity, the development of affordable housing in such areas, housing mobility programs, housing preservation, and community revitalization efforts, where any such actions are designed to achieve fair housing outcomes such as increasing integration.

For question (3), consider the non-exhaustive list of factors provided, which are those most commonly associated with R/ECAPs, and identify those factors that significantly create, contribute to, perpetuate, or increase the severity of R/ECAPs. For additional instructions on selecting contributing factors, refer to the introduction of these instructions

### **Disparities in Access to Opportunity**

For question (1), refer to Table 12. Table 12 provides index scores or values for the following opportunity indicator indices: Low Poverty; School Proficiency; Labor Market Engagement; Jobs Proximity; Low Transportation Costs; Transit Trips Index; and Environmental Health by race/ethnicity and households below the poverty line. A higher score on each of the indices would indicate: lower neighborhood poverty rates; higher levels of school proficiency; higher levels of labor engagement; closer proximity to jobs; lower transportation costs; closer access to public transportation; and greater neighborhood environmental quality (i.e., lower exposure rates to harmful toxins). Using the indices provided, program participants will be able to compare access to key opportunity assets with relative ease by consulting a single table and a series of maps. These indices are based on nationally available data sources. Local data and local knowledge may be particularly helpful in connection with these analyses

For the questions in (1)(a), use the School Proficiency Index in Table 12 and refer to Map 9. The School Proficiency Index measures the proficiency of elementary schools in the attendance area (where this information is available) of individuals sharing a protected characteristic or the proficiency of elementary schools within 1.5 miles of individuals with a protected characteristic where attendance boundary data are not available. The values for the School Proficiency Index are determined by the performance of 4th grade students on state exams. Map 9 consists of three sub-maps, showing the spatial distribution of racial/ethnic and national origin groups and families with children overlaid by shading that shows school proficiency levels for the jurisdiction and the region. The maps also include R/ECAP outlines. To answer questions (1)(a)(i), examine the School Proficiency Index, by race/ethnicity, and Map 9, by race/ethnicity, national origin, and family status, to identify differences in access to proficient schools by protected characteristic. For question (1)(a)(ii), refer to Map 9 by race/ethnicity, national origin, and family status to assess how residency patterns relate to the location of proficient schools. Note that, to the extent the questions require consideration of middle and high schools, local policies and practices, local knowledge (as defined at 24 C.F.R. § 5.152) will be relevant. Question (1)(a)(iii), may be answered using local data or local knowledge. Program participants should consider whether local school policies provide for alternative means of access to schools that are not reflected in the HUD-provided data.

For the questions (1)(b), refer to the Jobs Proximity Index and Labor Market Engagement Index in Table 12, and to Maps 10 and 11. The Jobs Proximity Index measures the physical distances between place of residence and jobs by race/ethnicity. The Labor Market Engagement Index provides a measure of unemployment rate, labor-force participation rate, and percent of the population ages 25 and above with at least a bachelor's degree, by neighborhood. Map 10 shows residency patterns of racial/ethnic and national origin groups and families with children overlaid by shading that shows the jobs proximity measure for the jurisdiction and the region. The map also includes R/ECAP outlines. Map 11 shows residency patterns of racial/ethnic and national origin groups and families with children overlaid by shading that shows labor engagement for the jurisdiction and the region. The map also includes R/ECAP outlines. To answer questions (1)(b)(i)-(iii), examine the indices' values by race/ethnicity, and Maps 10 and 11, by race/ethnicity, national origin, and family status, to identify differences in proximity to jobs and labor market engagement by protected characteristic.



protects individuals on the basis of race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability. HUD has provided data for this section only on race/ethnicity, national origin, and family status. Include any relevant information about other protected characteristics, but note that the analysis of disability is specifically considered in Section V(D). Program participants may include relevant information relating to persons with disabilities here, but still must address the questions in Section V(D).

For question (2)(b), program participants may include any additional relevant information related to their analysis of disparities in access to opportunity in the jurisdiction and region, including the removal of barriers that prevent people from accessing housing in areas of opportunity, the development of affordable housing in such areas, housing mobility programs, housing preservation and community revitalization efforts, where any such actions are designed to achieve fair housing outcomes such as increasing access to opportunity.

For question (3), consider the non-exhaustive list of factors provided, which are those most commonly associated with disparities in access to opportunity, and identify those factors that significantly create, contribute to, perpetuate, or increase the severity of disparities in access to opportunity. For additional instructions on selecting contributing factors, refer to the introduction of these instructions.

### **Disproportionate Housing Needs**

For question (1)(a), refer to Tables 9 and 10. Table 9 shows the percentage of race/ethnicity groups and families with children experiencing two potential categories of housing need. The first category is households experiencing one of four housing problems: housing cost burden (defined as paying more than 30% of income for monthly housing costs including utilities), overcrowding, lacking a complete kitchen, or lacking plumbing. The second category is households experiencing "one of four severe housing problems" which are: severe housing cost burden (defined as paying more than half of one's income for monthly housing costs including utilities), overcrowding, and lacking a complete kitchen, or lacking plumbing. Table 10 shows the number of persons by race/ethnicity and family size experiencing severe housing cost burden.

For question (1)(b), refer to Maps 7 and 8. Map 7 shows the residential living patterns for persons by race/ethnicity, overlaid by shading indicating the percentage of households experiencing one or more housing problems. Darker shading indicates a higher prevalence of such problems. The map also includes R/ECAP outlines. Map 8 shows the same information overlaid on residential living patterns by national origin.

For question (1)(c), refer to Tables 9 and 11. Table 9 shows housing needs experienced by families with 5 or more persons (used to approximate the population of families with children). Table 11 shows the number of households occupying units of various sizes (0-1 bedrooms, 2 bedrooms, 3 or more bedrooms) in four publicly supported housing program categories (public housing, Project-based Section 8, Other HUD Multifamily, and HCV). Table 11 shows the number of households with children currently residing in each of those four program categories.

For question (1)(d), local data and local knowledge may be particularly useful in answering this question.

Understanding the limitations of the HUD-provided data discussed in the introduction to the instruction, using local data and knowledge, complete question (2). The Fair Housing Act protects individuals on the basis of race, color, religion, sex, familial status, national origin, or having a

as one AMP, the map showing the locations of the categories of publicly supported housing will only display this data at one location. Similarly, the table showing the census tract and occupancy of public housing will only show AMP groupings once, rather than for each site. In certain circumstances AMP groupings may affect the fair housing analysis. For example, AMP groupings will impede siting and occupancy analyses where AMP groupings have combined buildings that are in demographically different neighborhoods. For this reason, local data and local knowledge relating to the siting and occupancy of publicly supported housing may be particularly useful in answering the questions in this section.

For questions (1)(a)(i) and (ii), refer to Tables 6 and 7. Tables 6 and 7 present data by race/ethnicity for persons occupying four categories of publicly supported housing (public housing, project-based Section 8, Other HUD Multifamily, and HCV) in the jurisdiction. The tables also provide race/ethnicity data for the total population in the jurisdiction and for persons meeting the income eligibility requirements for a relevant category of publicly supported housing. Relevant information may also include housing converted through RAD, which may be analyzed as part of Housing Choice Vouchers.

For questions (1)(b)(i) and (ii) refer to Maps 5 and 6, which are race/ethnicity dot density maps with a publicly supported housing overlay, including outlines of R/ECAPS. In Map 5, symbols representing four categories of publicly supported housing indicate the location of a development of that category of housing. Note that some developments may represent multiple buildings or projects that are not necessarily located at the same address the symbol represents. In Map 6, the density of use of Section 8 vouchers is layered over a race/ethnicity dot density map. Darker shading represents a heavier concentration of vouchers. Map 5 does not distinguish between developments that serve families, elderly, or persons with disabilities; however, projects serving these populations are often affected differently by laws, policies and practices, resulting in significantly different siting patterns. Local knowledge may be particularly useful in answering this portion of the question.

For question (1)(b)(iii), use Table 7, which shows the percentage of occupants in four publicly supported housing program categories (public housing, project-based Section 8, Other HUD Multifamily, and HCV) in units located either within R/ECAPS or outside of R/ECAPS. The table also breaks out this information by race/ethnicity, elderly and disability status. To answer the question, compare the percentage of occupants sharing a protected characteristic living in units located in R/ECAPS to the percentage of occupants sharing the same protected characteristic living in units outside of R/ECAPS. Relevant information may also include housing converted through RAD, which may be analyzed as part of Housing Choice Vouchers.

For question (1)(b)(iv)(A), refer to both the HUD-provided data and local data and local knowledge. Table 8 shows the racial/ethnic composition and percentage of households with children occupying public housing. Local data and local knowledge may be informative for both properties converted under RAD and for LIHTC developments.

Compare the demographic occupancy data of developments to other developments of the same category. In analyzing Table 8, be aware that the demographic occupancy information is affected by the size of the development – smaller developments may appear to have greater variance, but

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AMP groupings are reported as one unit and tied together through the assignment of the same project number.

of barriers that prevent people from accessing housing in areas of opportunity, the development of affordable housing in such areas, housing mobility programs, housing preservation and community revitalization efforts, where any such actions are designed to achieve fair housing outcomes such as reducing disproportionate housing needs, transforming R/ECAPs by addressing the combined effects of segregation coupled with poverty, increasing integration, and increasing access to opportunity, such as high-performing schools, transportation, and jobs.

For question (3), consider the non-exhaustive list of factors provided, which are those most commonly associated with publicly supported housing, and identify those factors that significantly create, contribute to, perpetuate, or increase the severity of the fair housing issues of segregation, R/ECAPs, access to opportunity and disproportionate housing needs in relation to publicly supported housing. For additional instructions on selecting contributing factors, refer to the introduction of these instructions.

#### **D. Disability and Access Analysis**

There are limited sources of nationally uniform data on the extent to which individuals with disabilities are able to access housing and other community assets. Local data and local knowledge may be particularly useful in completing this section, including, but not limited to, information provided by the public, outside organizations and other government agencies in the community participation process.

For question (1)(a), refer to Map 16 and Table 13. Map 16 depicts a dot density distribution by disability type (hearing, vision, cognition, ambulatory, self-care, independent living) for the jurisdiction and the region. The map also includes R/ECAP outlines. Table 13 provides data on the percentage of the population with types of disabilities in the jurisdiction and the region.

For question (1)(b), refer to Maps 16 and 17 and Table 15. Map 17 depicts a dot density distribution of persons with disabilities by age (5-17, 18-64, and 65+) for the jurisdiction and the region. Table 14 provides data on the percentage of the population with disabilities by age for the jurisdiction and the region.

For questions (2)(a) HUD is unable to provide data at this time, as there is limited nationally available disability-related data at this time, including data relating to accessible housing; however, to assist with answering these questions, program participants may refer to the maps provided by HUD to identify R/ECAPs or other segregated areas identified in previous sections.

For questions (2)(b) HUD is unable to provide data at this time. Single-family housing is generally not accessible to persons with disabilities unless state or local law requires it to be accessible or the housing is part of a HUD-funded program or other program providing for accessibility features. The Fair Housing Act requires that most multifamily properties built after 1991 meet federal accessibility standards. As a result, multifamily housing built after this date, if built in compliance with federal law would meet this minimum level of accessibility, while buildings built before this date generally would not be accessible. The age of housing stock can be a useful measure in answering this question. In addition, affordable housing subject to Section 504 of the Rehabilitation Act must include a percentage of units accessible for individuals with mobility impairments and units accessible for individuals with hearing or vision impairments. Map 5, which shows the location of four types of publicly supported housing, may also be useful in answering this question.

data for this section only on certain types of disabilities and for the ages of persons with disabilities. Include any relevant information about other protected characteristics.

For question (6)(b), program participants may include any additional relevant information related to their analysis of disability and access in the jurisdiction and region, including the removal of barriers that prevent people from accessing housing in areas of opportunity, the development of affordable housing in such areas, housing mobility programs, housing preservation, and community revitalization efforts, where any such actions are designed to achieve fair housing outcomes such as reducing disproportionate housing needs, transforming R/ECAPs by addressing the combined effects of segregation coupled with poverty, increasing integration, and increasing access to opportunity, such as high-performing schools, transportation, and jobs.

For question (7), consider the list of factors provided, which are those most commonly associated with disability and access, and identify those factors that significantly create, contribute to, perpetuate, or increase the severity of the fair housing issues of segregation, R/ECAPs, access to opportunity and disproportionate housing needs in relation to disability and access. For additional instructions on selecting contributing factors, refer to the introduction of these instructions.

#### **E. Fair Housing Enforcement, Outreach Capacity, and Resources Analysis**

Complete question (1). A summary of cases would typically include the parties, claims, and current status.

Complete question (2).

For question (3), list the agencies and organizations that provide fair housing information in the jurisdiction and region. Include a description of their capacity and resources available to them.

For questions (4)(a) and (b), program participants may include any additional relevant information related to their analysis of fair housing enforcement, outreach capacity, and resources in the jurisdiction and region, including the removal of barriers that prevent people from accessing housing in areas of opportunity, where any such actions are designed to achieve fair housing outcomes such as reducing disproportionate housing needs, transforming R/ECAPs by addressing the combined effects of segregation coupled with poverty, increasing integration, and increasing access to opportunity, such as high-performing schools, transportation, and jobs.

For question (5), consider the list of factors provided, which are those most commonly associated with fair housing enforcement, outreach capacity, and resources, and identify those factors that significantly create, contribute to, perpetuate, or increase the severity of the fair housing issues of segregation, R/ECAPs, access to opportunity and disproportionate housing needs in relation to fair housing enforcement, outreach capacity, and resources. For additional instructions on selecting contributing factors, refer to the introduction of these instructions.

#### **Part VI: Fair Housing Goals and Priorities**

To answer question (1), use the contributing factors selected in prior sections and prioritize them. In prioritizing contributing factors, program participants shall give the highest priority to those factors that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance. Provide a justification for the prioritization of the factors. Also describe the prioritization method used. For example, if using a 1 through 5 ranking system, identify whether 1 or 5 reflects the highest priority.



## **APPENDIX A – HUD-Provided Maps**

**Map 1 Race/Ethnicity** – Current (2010) race/ethnicity dot density map for Jurisdiction and Region with R/ECAPs

**Map 2 Race/Ethnicity Trends** – Past (1990 and 2000) race/ethnicity dot density maps for Jurisdiction and Region with R/ECAPs

**Map 3 National Origin** – Current 5 most populous national origin groups dot density map for Jurisdiction and Region with R/ECAPs

**Map 4 LEP** – LEP persons by 5 most populous languages dot density map for Jurisdiction and Region with R/ECAPs

**Map 5 Publicly Supported Housing and Race/Ethnicity** – Public Housing, Project-Based Section 8, Other Multifamily, and LIHTC locations mapped with race/ethnicity dot density map with R/ECAPs, distinguishing categories of publicly supported housing by color, for the Jurisdiction and Region

**Map 6 Housing Choice Vouchers and Race/Ethnicity** – Housing Choice Vouchers with race/ethnicity dot density map and R/ECAPs, for the Jurisdiction and Region

**Map 7 Housing Burden and Race/Ethnicity** – Households experiencing one or more housing burdens in Jurisdiction and Region with race/ethnicity dot density map and R/ECAPs

**Map 8 Housing Burden and National Origin** – Households experiencing one or more housing burdens in Jurisdiction and Region with national origin dot density map and R/ECAPs

**Map 9 Demographics and School Proficiency** – School proficiency thematic map for Jurisdiction and Region with race/ethnicity, national origin, and family status maps and R/ECAPs

**Map 10 Demographics and Job Proximity** – Job proximity thematic map for Jurisdiction and Region with race/ethnicity, national origin, and family status maps and R/ECAPs

**Map 11 Demographics and Labor Market Engagement** – Labor engagement thematic map for Jurisdiction and Region with race/ethnicity, national origin, and family status maps and R/ECAPs

**Map 12 Demographics and Transit Trips** – Transit proximity thematic map for Jurisdiction and Region with race/ethnicity, national origin, and family status maps and R/ECAPs

## **APPENDIX B – HUD-Provided Tables**

**Table 1 Demographics** – Tabular demographic data for Jurisdiction and Region (including total population, the number and percentage of persons by race/ethnicity, national origin (10 most populous), LEP (10 most populous), disability (by disability type), sex, age range (under 18, 18-64, 65+), and households with children)

**Table 2 Demographic Trends** – Tabular demographic trend data for Jurisdiction and Region (including the number and percentage of persons by race/ethnicity, total national origin (foreign born), total LEP, sex, age range (under 18, 18-64, 65+), and households with children)

**Table 3 Racial/Ethnic Dissimilarity** – Tabular race/ethnicity dissimilarity index for Jurisdiction and Region

**Table 4 R/ECAP Demographics** – Tabular data for the percentage of racial/ethnic groups, families with children, and national origin groups (10 most populous) for the Jurisdiction and Region who reside in R/ECAPs

**Table 5 Publicly Supported Housing Units by Program Category** – Tabular data for total units by 4 categories of publicly supported housing in the Jurisdiction (Public Housing, Project-Based Section 8, Other Multifamily, Housing Choice Voucher (HCV) Program) for the Jurisdiction

**Table 6 Publicly Supported Housing Residents by Race/Ethnicity** – Tabular race/ethnicity data for 4 categories of publicly supported housing (Public Housing, Project-Based Section 8, Other Multifamily, HCV) in the Jurisdiction compared to the population as a whole, and to persons earning 30% AMI, in the Jurisdiction

**Table 7 R/ECAP and Non-R/ECAP Demographics by Publicly Supported Housing Program Category** – Tabular data on publicly supported housing units and R/ECAPs for the Jurisdiction

**Table 8 Demographics of Publicly Supported Housing Developments by Program Category** – Development level demographics by Public Housing, Project-Based Section 8, and Other Multifamily<sup>6</sup> for the Jurisdiction

**Table 9 Demographics of Households with Disproportionate Housing Needs** – Tabular data of total households in the Jurisdiction and Region and the total number and percentage of households experiencing one or more housing burdens by race/ethnicity and family size in the Jurisdiction and Region

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<sup>6</sup> Please note that, for the first year, census tract level demographic data in which publicly supported housing developments are located, also including LIHTC developments, are available through the AFFH Data and Mapping Tool which includes a data query function and ability to export tables.

## **APPENDIX C – Contributing Factors Descriptions**

### **Access to financial services**

The term “financial services” refers here to economic services provided by a range of quality organizations that manage money, including credit unions, banks, credit card companies, and insurance companies. These services would also include access to credit financing for mortgages, home equity, and home repair loans. Access to these services includes physical access - often dictated by the location of banks or other physical infrastructure - as well as the ability to obtain credit, insurance or other key financial services. Access may also include equitable treatment in receiving financial services, including equal provision of information and equal access to mortgage modifications. For purposes of this contributing factor, financial services do not include predatory lending including predatory foreclosure practices, storefront check cashing, payday loan services, and similar services. Gaps in banking services can make residents vulnerable to these types of predatory lending practices, and lack of access to quality banking and financial services may jeopardize an individual’s credit and the overall sustainability of homeownership and wealth accumulation.

### **Access to proficient schools for persons with disabilities**

Individuals with disabilities may face unique barriers to accessing proficient schools. In some jurisdictions, some school facilities may not be accessible or may only be partially accessible to individuals with different types of disabilities (often these are schools built before the enactment of the ADA or the Rehabilitation Act of 1973). In general, a fully accessible building is a building that complies with all of the ADA's requirements and has no barriers to entry for persons with mobility impairments. It enables students and parents with physical or sensory disabilities to access and use all areas of the building and facilities to the same extent as students and parents without disabilities, enabling students with disabilities to attend classes and interact with students without disabilities to the fullest extent. In contrast, a partially accessible building allows for persons with mobility impairments to enter and exit the building, access all relevant programs, and have use of at least one restroom, but the entire building is not accessible and students or parents with disabilities may not access areas of the facility to the same extent as students and parents without disabilities. In addition, in some instances school policies steer individuals with certain types of disabilities to certain facilities or certain programs or certain programs do not accommodate the disability-related needs of certain students.

### **Access to publicly supported housing for persons with disabilities**

The lack of a sufficient number of accessible units or lack of access to key programs and services poses barriers to individuals with disabilities seeking to live in publicly supported housing. For purposes of this assessment, publicly supported housing refers to housing units that are subsidized by federal, state, or local entities. “Accessible housing” refers to housing that accords individuals with disabilities equal opportunity to use and enjoy a dwelling. The concept of “access” here includes physical access for individuals with different types of disabilities (for example, ramps and other accessibility features for individuals with mobility impairments, visual alarms and signals for individuals who are deaf or hard of hearing, and audio signals, accessible signage, and other accessibility features for individuals who are blind or have low vision), as well as the provision of auxiliary aids and services to provide effective communication for individuals who are deaf or hard of hearing, are blind or have low vision, or individuals who have speech impairments. The concept of “access” here also includes programmatic access, which implicates such policies as application procedures, waitlist procedures, transfer procedures and reasonable accommodation procedures.

### **Access to transportation for persons with disabilities**

Individuals with disabilities may face unique barriers to accessing transportation, including both public and private transportation, such as buses, rail services, taxis, and para-transit. The term “access” in this context includes physical accessibility, policies, physical proximity, cost, safety, reliability, etc. It includes the lack of accessible bus stops, the failure to make audio announcements for persons who are blind or have low vision, and the denial of access to persons with service animals. The absence of or clustering of accessible transportation and other transportation barriers may limit the housing choice of individuals with disabilities.

### **Admissions and occupancy policies and procedures, including preferences in publicly supported housing**

The term “admissions and occupancy policies and procedures” refers here to the policies and procedures used by publicly supported housing providers that affect who lives in the housing, including policies and procedures related to marketing, advertising vacancies, applications, tenant selection, assignment, and maintained or terminated occupancy. Procedures that may relate to fair housing include, but are not limited to:

- Admissions preferences (e.g. residency preference, preferences for local workforce, etc.)
- Application, admissions, and waitlist policies (e.g. in-person application requirements, rules regarding applicant acceptance or rejection of units, waitlist time limitations, first come first serve, waitlist maintenance, etc.).
- Income thresholds for new admissions or for continued eligibility.
- Designations of housing developments (or portions of developments) for the elderly and/or persons with disabilities.
- Occupancy limits.
- Housing providers’ policies for processing reasonable accommodations and modifications requests.
- Credit or criminal record policies.
- Eviction policies and procedures.

### **The availability of affordable units in a range of sizes**

The provision of affordable housing is often important to individuals with certain protected characteristics because groups are disproportionately represented among those who would benefit from low-cost housing. What is “affordable” varies by circumstance, but an often used rule of thumb is that a low- or moderate-income family can afford to rent or buy a decent-quality dwelling without spending more than 30 percent of its income. This contributing factor refers to the availability of units that a low- or moderate-income family could rent or buy, including one bedroom units and multi-bedroom units for larger families. When considering availability, consider transportation costs, school quality, and other important factors in housing choice. Whether affordable units are available with a greater number of bedrooms and in a range of different geographic locations may be a particular barrier facing families with children.

### **The availability, type, frequency, and reliability of public transportation**

Public transportation is shared passenger transport service available for use by the general public, including buses, light rail, and rapid transit. Public transportation includes paratransit services for persons with disabilities. The availability, type, frequency, and reliability of public transportation affect which households are connected to community assets and economic opportunities. Transportation policies that are premised upon the use of a personal vehicle may impact public transportation. “Availability” as used here includes geographic proximity, cost, safety and accessibility, as well as whether the transportation connects individuals to places they need to go



- options including, assistance for families for “second moves” after they have accessed stable housing, and ongoing post-move support for families.
- Lack of appropriate payment standards, including exception payment standards to the standard fair market rent (FMR). Because FMRs are generally set at the 40th percentile of the metropolitan-wide rent distribution, some of the most desirable neighborhoods do not have a significant number of units available in the FMR range. Exception payment standards are separate payment standard amounts within the basic range for a designated part of an FMR area. Small areas FMRs, which vary by zip code, may be used in the determination of potential exception payment standard levels to support a greater range of payment standards.
  - Jurisdictional fragmentation among multiple providers of publicly supported housing that serve single metropolitan areas and lack of regional cooperation mechanisms, including PHA jurisdictional limitations.
  - HCV portability issues that prevent a household from using a housing assistance voucher issued in one jurisdiction when moving to another jurisdiction where the program is administered by a different local PHA.
  - Lack of a consolidated waitlist for all assisted housing available in the metropolitan area.
  - Discrimination based on source of income, including SSDI, Housing Choice Vouchers, or other tenant-based rental assistance.

#### **Inaccessible buildings, sidewalks, pedestrian crossings, or other infrastructure**

Many public buildings, sidewalks, pedestrian crossings, or other infrastructure components are inaccessible to individuals with disabilities including persons with mobility impairments, individuals who are deaf or hard of hearing, and persons who are blind or have low vision. These accessibility issues can limit realistic housing choice for individuals with disabilities. Inaccessibility is often manifest by the lack of curb cuts, lack of ramps, and the lack of audible pedestrian signals. While the Americans with Disabilities Act and related civil rights laws establish accessibility requirements for infrastructure, these laws do not apply everywhere and/or may be inadequately enforced.

#### **Inaccessible government facilities or services**

Inaccessible government facilities and services may pose a barrier to fair housing choice for individuals with disabilities by limiting access to important community assets such as public meetings, social services, libraries, and recreational facilities. Note that the concept of accessibility includes both physical access (including to websites and other forms of communication) as well as policies and procedures. While the Americans with Disabilities Act and related civil rights laws require that newly constructed and altered government facilities, as well as programs and services, be accessible to individuals with disabilities, these laws may not apply in all circumstances and/or may be inadequately enforced.

#### **Lack of affordable, accessible housing in a range of unit sizes**

What is “affordable” varies by circumstance, but an often used rule of thumb is that a low- or moderate-income family can afford to rent or buy a decent-quality dwelling without spending more than 30 percent of its income. For purposes of this assessment, “accessible housing” refers to housing that accords individuals with disabilities equal opportunity to use and enjoy a dwelling. Characteristics that affect accessibility may include physical accessibility of units and public and common use areas of housing, as well as application procedures, such as first come first serve waitlists, inaccessible websites or other technology, denial of access to individuals with assistance animals, or lack of information about affordable accessible housing. The clustering of affordable, accessible housing with a range of unit sizes may also limit fair housing choice for individuals with disabilities.

the structural modification as a reasonable accommodation for an individual with disabilities). However, the cost of these modifications can be prohibitively expensive. Jurisdictions may consider establishing a modification fund to assist individuals with disabilities in paying for modifications or providing assistance to individuals applying for grants to pay for modifications.

#### **Lack of assistance for transitioning from institutional settings to integrated housing**

The integration mandate of the ADA and *Olmstead v. L.C.*, 527 U.S. 581 (1999) (*Olmstead*) compels states to offer community-based health care services and long-term services and supports for individuals with disabilities who can live successfully in housing with access to those services and supports. In practical terms, this means that states must find housing that enables them to assist individuals with disabilities to transition out of institutions and other segregated settings and into the most integrated setting appropriate to the needs of each individual with a disability. A critical consideration in each state is the range of housing options available in the community for individuals with disabilities and whether those options are largely limited to living with other individuals with disabilities, or whether those options include substantial opportunities for individuals with disabilities to live and interact with individuals without disabilities. For further information on the obligation to provide integrated housing opportunities, please refer to HUD's Statement on the Role of Housing in Accomplishing the Goals of *Olmstead*, the U.S. Department of Justice's Statement on *Olmstead* Enforcement, as well as the U.S. Department of Health and Human Services' Centers for Medicare and Medicaid Services final rule and regulations regarding Home and Community-Based Setting requirements. Policies that perpetuate segregation may include: inadequate community-based services; reimbursement and other policies that make needed services unavailable to support individuals with disabilities in mainstream housing; conditioning access to housing on willingness to receive supportive services; incentivizing the development or rehabilitation of segregated settings. Policies or practices that promote community integration may include: the administration of long-term State or locally-funded tenant-based rental assistance programs; applying for funds under the Section 811 Project Rental Assistance Demonstration; implementing special population preferences in the HCV and other programs; incentivizing the development of integrated supportive housing through the LIHTC program; ordinances banning housing discrimination on the basis of source of income; coordination between housing and disability services agencies; increasing the availability of accessible public transportation.

#### **Lack of community revitalization strategies**

The term "community revitalization strategies" refers here to realistic planned activities to improve the quality of life in areas that lack public and private investment, services and amenities, have significant deteriorated and abandoned properties, or other indicators of community distress. Revitalization can include a range of activities such as improving housing, attracting private investment, creating jobs, and expanding educational opportunities or providing links to other community assets. Strategies may include such actions as rehabilitating housing; offering economic incentives for housing developers/sponsors, businesses (for commercial and employment opportunities), bankers, and other interested entities that assist in the revitalization effort; and securing financial resources (public, for-profit, and nonprofit) from sources inside and outside the jurisdiction to fund housing improvements, community facilities and services, and business opportunities in neighborhoods in need of revitalization. When a community is being revitalized, the preservation of affordable housing units can be a strategy to promote integration.

#### **Lack of local private fair housing outreach and enforcement**

The term "local private fair housing outreach and enforcement" refers to outreach and enforcement actions by private individuals and organizations, including such actions as fair housing education, conducting testing, bring lawsuits, arranging and implementing settlement agreements. A lack of private enforcement is often the result of a lack of resources or a lack of awareness about rights

### **Lack of resources for fair housing agencies and organizations**

A lack of resources refers to insufficient resources for public or private organizations to conduct fair housing activities including testing, enforcement, coordination, advocacy, and awareness-raising. Fair housing testing has been particularly effective in advancing fair housing, but is rarely used today because of costs. Testing refers to the use of individuals who, without any bona fide intent to rent or purchase a home, apartment, or other dwelling, pose as prospective buyers or renters of real estate for the purpose of gathering information which may indicate whether a housing provider is complying with fair housing laws. "Resources" as used in this factor can be either public or private funding or other resources. Consider also coordination mechanisms between different enforcement actors.

### **Lack of state or local fair housing laws**

State and local fair housing laws are important to fair housing outcomes. Consider laws that are comparable or "substantially equivalent" to the Fair Housing Act or other relevant federal laws affecting fair housing laws, as well as those that include additional protections. Examples of state and local laws affecting fair housing include legislation banning source of income discrimination, protections for individuals based on sexual orientation, age, survivors of domestic violence, or other characteristics, mandates to construct affordable housing, and site selection policies. Also consider changes to existing State or local fair housing laws, including the proposed repeal or dilution of such legislation.

### **Land use and zoning laws**

The term "land use and zoning laws" generally refers to regulation by State or local government of the use of land and buildings, including regulation of the types of activities that may be conducted, the density at which those activities may be performed, and the size, shape and location of buildings and other structures or amenities. Zoning and land use laws affect housing choice by determining where housing is built, what type of housing is built, who can live in that housing, and the cost and accessibility of the housing. Examples of such laws and policies include, but are not limited to:

- Limits on multi-unit developments, which may include outright bans on multi-unit developments or indirect limits such as height limits and minimum parking requirements.
- Minimum lot sizes, which require residences to be located on a certain minimum sized area of land.
- Occupancy restrictions, which regulate how many persons may occupy a property and, sometimes, the relationship between those persons (refer also to occupancy codes and restrictions for further information).
- Inclusionary zoning practices that mandate or incentivize the creation of affordable units.
- Requirements for special use permits for all multifamily properties or multifamily properties serving individuals with disabilities.
- Growth management ordinances.

### **Lending Discrimination**

The term "lending discrimination" refers here to unequal treatment based on protected class in the receipt of financial services and in residential real estate related transactions. These services and transactions encompass a broad range of transactions, including but not limited to: the making or purchasing of loans or other financial assistance for purchasing, constructing, improving, repairing, or maintaining a dwelling, as well as the selling, brokering, or appraising or residential real estate property. Discrimination in these transaction includes, but is not limited to: refusal to make a mortgage loan or refinance a mortgage loan; refusal to provide information regarding loans or providing unequal information; imposing different terms or conditions on a loan, such as different

### **Location and type of affordable housing**

Affordable housing includes, but is not limited to publicly supported housing; however each category of publicly supported housing often serves different income-eligible populations at different levels of affordability. What is "affordable" varies by circumstance, but an often used rule of thumb is that a low- or moderate-income family can afford to rent or buy a decent-quality dwelling without spending more than 30 percent of its income. The location of housing encompasses the current location as well as past siting decisions. The location of affordable housing can limit fair housing choice, especially if the housing is located in segregated areas, R/ECAPs, or areas that lack access to opportunity. The type of housing (whether the housing primarily serves families with children, elderly persons, or persons with disabilities) can also limit housing choice, especially if certain types of affordable housing are located in segregated areas, R/ECAPs, or areas that lack access to opportunity, while other types of affordable housing are not. The provision of affordable housing is often important to individuals with protected characteristics because they are disproportionately represented among those that would benefit from low-cost housing.

### **Occupancy codes and restrictions**

The term "occupancy codes and restrictions" refers here to State and local laws, ordinances, and regulations that regulate who may occupy a property and, sometimes, the relationship between those persons. Standards for occupancy of dwellings and the implication of those standards for persons with certain protected characteristics may affect fair housing choice. Occupancy codes and restrictions include, but are not limited to:

- Occupancy codes with "persons per square foot" standards.
- Occupancy codes with "bedrooms per persons" standards.
- Restrictions on number of unrelated individuals in a definition of "family."
- Restrictions on occupancy to one family in single family housing along with a restricted definition of "family."
- Restrictions that directly or indirectly affect occupancy based on national origin, religion, or any other protected characteristic.
- Restrictions on where voucher holders can live.

### **Private Discrimination**

The term "private discrimination" refers here to discrimination in the private housing market that is illegal under the Fair Housing Act or related civil rights statutes. This may include, but is not limited to, discrimination by landlords, property managers, home sellers, real estate agents, lenders, homeowners' associations, and condominium boards. Some examples of private discrimination include:

- Refusal of housing providers to rent to individuals because of a protected characteristic.
- The provision of disparate terms, conditions, or information related to the sale or rental of a dwelling to individuals with protected characteristics.
- Steering of individuals with protected characteristics by a real estate agent to a particular neighborhood or area at the exclusion of other areas.
- Failure to grant a reasonable accommodation or modification to persons with disabilities.
- Prohibitions, restrictions, or limitations on the presence or activities of children within or around a dwelling.

**Source of income discrimination**

The term “source of income discrimination” refers here to the refusal by a housing provider to accept tenants based on type of income. This type of discrimination often occurs against individuals receiving assistance payments such as Supplemental Security Income (SSI) or other disability income, social security or other retirement income, or tenant-based rental assistance, including Housing Choice Vouchers. Source of income discrimination may significantly limit fair housing choice for individuals with certain protected characteristics. The elimination of source of income discrimination and the acceptance of payment for housing, regardless of source or type of income, increases fair housing choice and access to opportunity.

**State or local laws, policies, or practices that discourage individuals with disabilities from being placed in or living in apartments, family homes, and other integrated settings**

State and local laws, policies, or practices may discourage individuals with disabilities from moving to or being placed in integrated settings. Such laws, policies, or practices may include medical assistance or social service programs that require individuals to reside in institutional or other segregated settings in order to receive services, a lack of supportive services or affordable, accessible housing, or a lack of access to transportation, education, or jobs that would enable persons with disabilities to live in integrated, community-based settings.

**Unresolved violations of fair housing or civil rights law**

Unresolved violations of fair housing and civil rights laws include determinations or adjudications of a violation or relevant laws that have not been settled or remedied. This includes determinations of housing discrimination by an agency, court, or Administrative Law Judge; findings of noncompliance by HUD or state or local agencies; and noncompliance with fair housing settlement agreements.





## April is Fair Housing Month

Limited English Proficiency ("LEP") refers to a person's limitations on their ability to read, write, speak, or understand English. Housing decisions that are based on LEP generally relate to race or national origin, protected classes under the Fair Housing Act. The Fair Housing Act prohibits housing providers from using LEP selectively based on a protected class or as a pretext for discrimination because of a protected class.

Housing providers are therefore prohibited from using limited English proficiency selectively or as an excuse for intentional housing discrimination. The law also prohibits landlords from using limited English proficiency in a way that causes an unjustified discriminatory effect. Discriminatory practices, for example, could include applying a language-related requirement to people of certain races or nationalities; posting advertisements that contain blanket statements, such as "all tenants must speak English;" or immediately turning away applicants who are not fluent in English. Targeting racial or national origin groups for scams related to housing also constitutes intentional discrimination.

In addition to the new LEP guidance, which is limited to the Fair Housing Act, HUD published a "Notice of Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons" in 2007.

The Texas Workforce Commission ("TWC") is responsible for enforcing the state and federal Fair Housing Acts in the State of Texas. For more information, or to file a discrimination complaint, please contact the Fair Housing Liaison, Autumn Haley at 936-442-7759.



**YOU'RE  
INVITED...**

# **Coffee Talk**



Montgomery County joins the nation in celebrating National Fair Housing Month. The month of April is designated time to celebrate the advancements of equal access to housing regardless of race, color, religion, gender, nationality, familial status, or disability. Enacted by Congress in 1968, the Fair Housing Act applies to housing and housing-related activities.

Join us for coffee as we local concerns residents may have about local fair housing issues in the community.

**FRIDAY, APRIL 13, 2018 FROM 8-10 a.m.**



In accordance with the Title VIII, Civil Rights Act of 1968, as amended, the Fair Housing Liaison below has been designated to handle fair housing complaints and activities in Montgomery County:

Autumn Haley  
Fair Housing Liaison  
Montgomery County Community Development  
501 N. Thompson Suite 200  
Conroe, TX 77301  
Office: 936-538-8060  
Fax: 936-538-8061

# **Affirmatively Furthering Fair Housing**

It shall be the policy and commitment of Montgomery County, Texas to ensure that equal and fair housing opportunities are granted to all persons, in all housing opportunities and development activities funded by the County, regardless of race, color, religion, gender, sexual orientation, marital status, lawful source of income, national origin, age, familial status, ancestry or mental or physical disability. This shall be done through a program of education, an analysis of impediments, designation of a Fair Housing Officer and development of a procedure for complaints of discrimination.

Montgomery County commits to providing and promoting racial and economic integration in any housing development supported with federal funding and will take affirmative steps to reach beneficiaries from all ethnic and racial groups as well as the mentally or physically handicapped and families with children and to reach a broad range of income eligible beneficiaries for appropriate and applicable housing opportunities.

If you think your rights have been violated, you may contact:

Fort Worth Regional Office of FHEO  
U.S. Department of Housing and Urban Development  
801 Cherry Street, Unit #45  
Suite 2500  
Fort Worth, Texas 76102  
(817) 978-5900  
1-800-669-9777  
TTY (817) 978-5595



**1316 List****Montgomery County, Texas**

**Properties Submitted to FEMA for Denial of Flood Insurance Under Section 1316 of the National Flood Insurance Act of 1968.**

<b>Street #</b>	<b>Street</b>	<b>Subdivision</b>	<b>Section</b>	<b>Lot</b>	<b>Block</b>	<b>Tract</b>
302	Brook Hollow Drive	Riverbrook-Forest Hills Square		2		
401	Brook Hollow Drive	Riverbrook - Forest Hills		1		
405	Brook Hollow Drive	Riverbrook-Forest Hills		3		
477	Brandon Road	River Plantation	4	65		
478	Brandon Road	River Plantation	4	63		
507	Brandon Road	River Plantation	4	79		
523	Brandon Road	River Plantation	4	87		
527	Brandon Road	River Plantation	4	89		
530	Raleigh Drive	River Plantation	3	75		
531	Bull Run Court	River Plantation	3	76		
532	Fort Sumter Street	River Plantation	3	95		
534	Robert E. Lee Drive	River Plantation	3	100		
537	Roanoke Drive	River Plantation	4	53		
538	Robert E. Lee Drive	River Plantation	3	102		
539	Fort Sumter Street	River Plantation	3	89		
540	Fort Sumter Street	River Plantation	3	91		
540	Robert E. Lee Drive	River Plantation	3	103		
543	Roanoke Drive	River Plantation	4	155		
544	Brandon Road	River Plantation	4	111		
545	Roanoke Drive	River Plantation	4	156		
550	Brandon Road	River Plantation	4	108		
556	Roanoke Drive	River Plantation	4	55		
580	Brandon Road	River Plantation	4	16		
602	Jeb Stuart Lane	River Plantation	5	130		
637	Mosswood Drive	Mosswood	2	198		
703	Ravensworth Drive	River Plantation	3	99		



**1316 List**
**Montgomery County, Texas**

**Properties Submitted to FEMA for Denial of Flood Insurance Under Section 1316 of the National Flood Insurance Act of 1968.**

<b>Street #</b>	<b>Street</b>	<b>Subdivision</b>	<b>Section</b>	<b>Lot</b>	<b>Block</b>	<b>Tract</b>
718	River Plantation Drive	River Plantation	5	8		
730	Stonewall Jackson Drive	River Plantation	5	194		
742	Stonewall Jackson Drive	River Plantation	5	199-201		
752	Stonewall Jackson Drive	River Plantation	5	205		
754	Stonewall Jackson Drive	River Plantation	5	206		
755	Ehlers Road	Krohn Ranchettes		193		
802	Glen Hollow Drive	Riverbrook-Forest Hills Green		25		
805	Carter's Grove	River Plantation	4	137		
805	Glen Hollow Drive	Riverbrook-Forest Hills Green		48		
807	Glen Hollow Drive	Riverbrook-Forest Hills Green		49		
810	Stone Mountain Drive	River Plantation	5	113		
812	Glen Hollow Drive	Riverbrook-Forest Hills Green		21		
815	Glen Hollow Court	Riverbrook-Forest Hills Green		53		
817	Glen Hollow Court	Riverbrook-Forest Hills Green		54		
906	Brook Forest Court	Riverbrook-Forest Hills Green		43A		
906	Brook Forest Drive	Riverbrook-Forest Hills Green		43B & 44		
916	Brook Forest Drive	Riverbrook-Forest Hills Green		39		
918	Brook Forest Drive	Riverbrook-Forest Hills Green		38		
1625	Whiddon Road	H.B. Littlfield Survey A-311				
2540	River Ridge	Hickory Ridge		21	1	
2554	River Ridge	Hickory Ridge		28	1	
3119	Wilderness Way	The Wilderness				53
3510	Hickory Hollow Road	Timber Lakes	2	236		
3615	Willie Way	Timber Ridge	3	317		
3630	Valerie Lane	Timber Ridge	3	380		
3646	Magnolia Bend	Magnolia Bend	9	14	2	

**1316 List**

**Montgomery County, Texas**

**Properties Submitted to FEMA for Denial of Flood Insurance Under Section 1316 of the National Flood Insurance Act of 1968.**

<b>Street #</b>	<b>Street</b>	<b>Subdivision</b>	<b>Section</b>	<b>Lot</b>	<b>Block</b>	<b>Tract</b>
3703	Dawnwood Drive	Timber Ridge	3	425		
7603	Circle Drive	The Wilderness				83A
10028	Magnolia Bend	Magnolia Bend	6	6	3	
10157	Woodhollow Drive	Whispering Oaks	2	9	4	
10234	Ehlers Road	Krohn Ranchettes				
10320	Woodhollow Drive	Whispering Oaks	2	1	2	
10432	Ehlers Road	Krohn Ranchettes				13
10459	Ehlers Road	Krohn Ranchettes		270		
10615	Redbud Drive	Magnolia Bend	2	14	6	
10877	River Oaks Drive	Oak Forest 597		30	2	
10883	River Oaks Drive	Oak Forest 597		31	2	
10889	River Oaks Drive	Oak Forest 597		32	2	
10922	River Oaks Drive	Oak Forest 597		90	6	
10925	River Oaks Drive	Oak Forest 597		38	3	
10930	River Oaks Drive	Oak Forest 597		89	6	
10935	River Drive	Tall Timbers	3	31 & 32	3	
10940	River Oaks Drive	Oak Forest 597		84	6	
10942	River Oaks Drive	Oak Forest 597		83	6	
10943	River Oaks Drive	Oak Forest 597		40	3	
10949	River Oaks Drive	Oak Forest 597		42	3	
10954	River Oaks Drive	Oak Forest 597		78	6	
10955	River Oaks Drive	Oak Forest 597		43	3	
10967	River Oaks Drive	Oak Forest 597		45	3	
10970	River Oaks Drive	Oak Forest 597		72	6	
10993	River Oaks Drive	Oak Forest 597		46 & 47	3	
11075	Sandalwood Street	Lake Rollingwood	2	4	14	



# 1316 List

## Montgomery County, Texas

Properties Submitted to FEMA for Denial of Flood Insurance Under Section 1316 of the National Flood Insurance Act of 1968.

Street #	Street	Subdivision	Section	Lot	Block	Tract
11242	E. Parkway Drive	Magnolia Bend	8	7, 8, & 9	1	
11322	Long Drive	Magnolia Bend	11	45	1	
11885	Tamarack Drive	River Ridge		3	3	
11926	N. Lakewood Drive	Freeway Forest	4	236		
12372	Lake Park Drive	Freeway Forest	3	141, 142		
13066	McGregor Road	Bennette Estates		559		
13146	Creekwood Lane	Lake Wildwood		469	9	
13249	Lyric Road	Bennette Estates		119 W/2		
13267	Lyric Road	Bennette Estates		119 E/2		
13656	Walker Road	Bennette Estates		91		
13869	Walker Road	Bennette Estates		77		
13936	Lyric Road	Bennette Estates		63		
15249	River Bend Drive	Magnolia Bend	7	78	1	
15370	Lakeview Drive	Magnolia Bend	2	22	3	
15381	Ponderosa Circle	Magnolia Bend	10	1, 2-B	4	
15452	San Jacinto Drive	Magnolia Bend	2	1	8	
15625	Palmetto Drive	Magnolia Bend	6	16	2	
17250	F.M. 2090 Road	Clark Beach Survey A-79				2A & 2A-1
17264	F.M. 2090 Road	Clark Beach Survey A-79				2A & 2A-1
17765	Lilac Lane	Tanglewood Manor		18 & 19		
17950	Lilac Lane	Tanglewood Manor		22		
17950	Brown Road	Clark Beach Survey A-79				45
17963	Magnolia Lane	Tanglewood Manor		474 & 475		
17995	Magnolia Lane	Tanglewood Manor		476 & 477		
18025	Cherry Laurel Lane	Tanglewood Manor		521-523		
18830	East River Road	Bennette Estates	572			

**1316 List****Montgomery County, Texas**

**Properties Submitted to FEMA for Denial of Flood Insurance Under Section 1316 of the National Flood Insurance Act of 1968.**

<b>Street #</b>	<b>Street</b>	<b>Subdivision</b>	<b>Section</b>	<b>Lot</b>	<b>Block</b>	<b>Tract</b>
18880	East River Road	Bennette Estates	574			
20216	River Ridge	River Ridge	4	11		
21507	White Oak Lane	Tanglewood Manor		484		
21740	Carol Road	A0509 M.H. Short, Tract 4A				
24319	Pine Canyon	Timber Lakes	3A & 3B	127		
24414	Cottonwood Cove Lane	Timber Lakes	3A & 3B	142		
24418	Cottonwood Cove Lane	Timber Lakes	3A & 3B	143		
24815	Pecan Drive	Caney Lake Park	1	2-A, 3		
25534	Timber Lakes Drive	Timber Lakes	1	134		
25694	Pine Drive	Peach Creek Pines		49-53		
25819	Timber Lakes Drive	Timber Lakes	2	217		
26915	Springwood Drive	Springwood Estates	2	19		
27015	Springwood Drive	Springwood Estates	2	24		
27203	Springwood Drive	Springwood Estates	1	9		
27753	F.M. 1486 S.	Magnolia East		61		
28611	Foxwood Drive	Foxwood		55		
28614	Foxwood Drive	Foxwood		37 & 37		
28615	Foxwood Drive	Foxwood		56 & 57		
28619	Red Fox	Foxwood		19		
29602	E. Hawthorne Drive	Spring Hills	5	132 & 133		
29702	Elm Lane	Long Lake Estates		1		
29990	Oak Lane	James Brown Survey A-78				29
31803	Cates St.	Leisure Wood		1		
33118	Walnut Creek	G. Bringham Survey A-86				9 PT
Route 1	Box 1744 (Glenwood)	Idle Glen		1 & 2 PT	3	
Route 7	Baptist Encampment Road	M.H. Short Survey A-509				13

DR	HH	DD Street		Zip Code	FEMA Verified	Housing
	Members	Gross Income	Address DD City		Loss Amount	Assistance Award
4272	1	\$12,000.00	Artesian Fo Conroe	77304	\$18,904.38	\$17,170.54
4269	1	\$12,000.00	Artesian Fo Conroe	77304	\$15,685.70	\$15,137.51
4272	2		Douglas Fir Magnolia	77354	\$18,116.36	\$1,546.00
4272	3	\$13,000.00	Ehlers Rd Conroe	77302	\$19,181.48	\$1,896.00
4272	6	\$45,000.00	Walnut Dr Conroe	77302	\$23,710.21	\$3,151.04
4269	1	\$22,000.00	Sandy Ln Willis	77318	\$17,800.13	\$18,951.13
4272	2	\$19,020.00	Redbud Dr Conroe	77302	\$16,388.33	\$1,854.41
4269	2	\$0.00	Post Oak D Conroe	77385	\$15,321.00	\$1,546.00
4269	1	\$3,400.00	Lake Forest Conroe	77384	\$16,186.13	\$1,546.00
4272	6	\$16,000.00	River Oaks Conroe	77385	\$18,623.34	\$16,522.39
4272	4	\$31,200.00	River Oaks Conroe	77385	\$29,575.71	\$27,062.71
4272	6	\$31,200.00	River Oaks Conroe	77385	\$23,947.91	\$23,926.41
4272	7	\$27,000.00	River Dr Conroe	77385	\$35,570.80	\$30,718.01
4272	5	\$25,000.00	River Oaks Conroe	77385	\$29,828.90	\$25,672.17
4272	6	\$15,000.00	River Oaks Conroe	77385	\$30,708.05	\$22,556.85
4272	4	\$32,000.00	River Oaks Conroe	77385	\$29,169.17	\$23,107.86
4272	4	\$13,000.00	River Oaks Conroe	77385	\$24,069.33	\$19,933.31
4272	4	\$18,000.00	River Oaks Conroe	77385	\$24,322.66	\$17,620.13
4272	3	\$5,200.00	River Oaks Conroe	77385	\$19,754.66	\$1,896.00
4272	5	\$29,094.00	River Oaks Conroe	77385	\$19,538.73	\$16,048.99
4272	6	\$7,800.00	River Oaks Conroe	77385	\$27,276.18	\$3,300.00
4272	5	\$19,200.00	River Oaks Conroe	77385	\$21,279.25	\$14,141.49
4272	4	\$27,300.00	River Oaks Conroe	77385	\$19,803.59	\$18,210.28
4272	4	\$18,000.00	River Oaks Conroe	77385	\$27,325.09	\$20,363.64
4272	5	\$25,000.00	River Oaks Conroe	77385	\$23,195.45	\$2,582.00
4272	4	\$16,900.00	River Oaks Conroe	77385	\$18,428.32	\$13,939.54
4272	4	\$31,200.00	River Oaks Conroe	77385	\$15,672.55	\$2,582.00
4272	2	\$22,000.00	River Oaks Conroe	77385	\$22,007.98	\$18,508.11
4272	2	\$38,400.00	Texarkana Magnolia	77354	\$15,117.39	\$13,306.87
4272	7	\$46,452.00	Park Mnr Conroe	77301	\$19,509.99	\$15,665.19
4272	5	\$60,000.00	Port Au Prii Montgome	77316	\$22,825.56	\$23,063.85
4269	1	\$24,000.00	Ike White F Conroe	77303	\$24,801.05	\$1,135.75
4269	6	\$50,000.00	N. Lakewoc Splendora	77372	\$20,326.13	\$3,553.11
4272	5	\$31,392.00	Olds Dr Porter	77365	\$39,569.93	\$9,353.85
4269	6	\$50,000.00	Cochran Rc Willis	77378	\$35,385.25	\$33,000.00
4272	6	\$40,000.00	Tamarack I Porter	77365	\$48,861.84	\$2,890.41
4272	3	\$38,000.00	Tamarack I Porter	77365	\$32,152.96	\$2,785.01
4272	1		White Sanc Kingwood	77339	\$35,692.99	\$33,000.00
4269	2	\$18,000.00	Holly Ln Pinehurst	77362	\$24,721.20	\$20,303.45
4272	1	\$10,000.00	White San Kingwood	77339	\$19,639.76	\$0.00
4272	6	\$22,800.00	Buckinghar Conroe	77306	\$35,631.94	\$28,461.65
4272	2	\$4,800.00	White Oak New Caney	77357	\$18,228.20	\$12,913.27
4269	2	\$40,000.00	White Oak New Caney	77357	\$20,089.41	\$16,619.08



4272	9	\$26,000.00	Lyric Rd	Conroe	77302	\$30,130.18	\$0.00
4269	1	\$35,000.00	Spring Pine	Spring	77386	\$24,059.49	\$1,546.00
4272	3	\$50,400.00	Walker Rd	Conroe	77302	\$16,935.47	\$2,832.75
4272	4	\$12,000.00	Walker Rd	Conroe	77302	\$24,225.99	\$2,582.00
4272	4	\$40,000.00	Walker Rd	Conroe	77302	\$15,018.40	\$15,018.40
4272	1	\$8,796.00	Walker Rd	Conroe	77302	\$17,863.71	\$17,303.43
4269	6		N Plum Cre	Spring	77386	\$16,016.49	\$3,300.00
4269	3	\$49,518.00	Beech Dr	Conroe	77385	\$20,402.56	\$18,054.26
4269	1	\$15,000.00	E Ravine R	Willis	77318	\$36,548.27	\$33,000.00
4272	1	\$25,380.00	Wildwood	Magnolia	77354	\$40,559.56	\$33,000.00
4269	3	\$11,000.00	Jim Stowe	Conroe	77302	\$15,461.04	\$17,698.11
4272	5	\$37,000.00	Plum Creek	Spring	77386	\$25,588.85	\$7,643.85
4269	4	\$50,000.00	Sweetgum	Conroe	77385	\$18,149.49	\$2,727.35
4272	4	\$30,924.00	Fir Ct	Conroe	77302	\$23,141.46	\$2,772.24
4272	2	\$15,000.00	Lakeview	Conroe	77302	\$16,721.14	\$1,546.00
4272	2	\$41,000.00	Virgie Com	Magnolia	77354	\$34,404.29	\$15,595.15
4269	3	\$34,104.00	Cardinal Tr	Conroe	77302	\$16,579.30	\$13,575.55
4272	6	\$18,828.00	N. Ravensw	Magnolia	77354	\$18,752.52	\$16,840.23
4272	4	\$27,000.00	N Ravensw	Magnolia	77354	\$20,605.13	\$17,176.08
4269	4	\$20,800.00	N Ravensw	Magnolia	77354	\$18,492.59	\$19,780.51
4272	1	\$24,032.00	Hartman R	Magnolia	77355	\$221,887.58	\$13,925.21
4272	5	\$23,400.00	Gilmore St	Conroe	77301	\$15,439.41	\$57.66
4272	2	\$42,000.00	N Plumb Cr	Spring	77386	\$21,448.76	\$2,068.94
4272	3	\$14,000.00	Hartman R	Magnolia	77355	\$30,574.15	
4269	2	\$13,000.00	Hartman R	Magnolia	77355	\$25,086.48	\$485.89
4269	1	\$9,600.00	FM 2090 R	Conroe	77306	\$19,661.69	\$16,357.06
4272	2	\$26,000.00	Lake Cir	Conroe	77302	\$20,659.60	\$19,444.09
4269	4	\$36,400.00	Southern C	Conroe	77301	\$19,789.61	\$11,581.50
4269	3	\$38,000.00	Red Oak C	Conroe	77301	\$17,467.94	\$1,896.00
4269	3	\$35,000.00	Southern C	Conroe	77301	\$27,663.54	\$1,896.00
4272	2		Gold Panni	Magnolia	77355	\$18,945.47	\$1,546.00
4269	4	\$22,000.00	Spring Cree	Spring	77386	\$45,125.06	\$32,400.00
4272	4	\$22,000.00	Spring Cree	Spring	77386	\$38,071.41	\$32,400.00
4272	5	\$34,000.00	S. Lakeview	Splendora	77372	\$20,399.96	\$2,582.00
4269	1	\$24,600.00	Pioneer Trl	Conroe	77302	\$15,879.26	\$16,588.89
4272	3	\$23,760.00	S. Lakeview	Splendora	77372	\$26,975.61	\$24,251.03
4269	3	\$23,760.00	S. Lakeview	Splendora	77372	\$21,060.65	\$19,093.62
4269	1	\$24,000.00	Southridge	Porter	77365	\$16,703.68	\$12,802.75
4272	6	\$4,560.00	Magnolia L	New Caney	77357	\$33,987.39	\$27,779.87
4272	4	\$45,000.00	Magnolia L	New Caney	77357	\$22,179.28	\$15,717.97
4269	8	\$45,136.00	Emerald Fo	New Caney	77357	\$22,351.75	\$22,806.46
4269	1	\$22,000.00	Post Oak C	Conroe	77301	\$17,343.52	\$16,854.08
4269	7	\$18,200.00	Live Oak Dr	Conroe	77301	\$24,421.39	\$8,717.00
4269	2	\$36,000.00	Possum Trc	Conroe	77302	\$19,556.76	\$18,181.04
4269	3	\$40,000.00	Wisp Willo	Porter	77365	\$20,686.82	\$20,760.90
4272	2	\$28,000.00	Spur Trl	Magnolia	77355	\$37,804.43	\$2,204.41
4272	4	\$45,000.00	Mink Lake	Magnolia	77355	\$36,346.03	\$2,582.00

4272	3	\$20,000.00	Whipporwi Conroe	77303	\$15,616.13	\$14,434.16
4272	6	\$42,504.00	FM 1488 R Magnolia	77355	\$28,251.95	\$26,162.45
4269	1	\$16,260.00	Old Coffin I Conroe	77302	\$15,433.02	\$14,215.39
4269	4		Loafers Ln Magnolia	77355	\$17,897.29	\$15,214.74
4269	2		Laurette Dr Porter	77365	\$18,184.74	\$17,451.83
4269	3	\$44,228.00	Laurette D Porter	77365	\$18,527.86	\$20,158.78
4272	4	\$25,000.00	Russell Dr Porter	77365	\$32,439.12	\$26,732.52
4269	2	\$43,139.00	Southwooc New Caney	77357	\$17,457.42	\$1,896.00
4272	3	\$30,000.00	Russell Dr Porter	77365	\$20,189.70	\$20,388.37
4272	1	\$20,340.00	Teal Dr Spring	77386	\$16,569.89	\$12,609.27
4269	4	\$24,000.00	Youpon Ln Porter	77365	\$15,582.22	\$15,123.84
4269	5		Scott Gard New Caney	77357	\$16,834.53	\$2,640.21
4272	2	\$30,888.00	Sherbrook Conroe	77385	\$18,485.96	\$1,546.00
4272	2		Sherbrook Conroe	77385	\$23,455.48	\$1,546.00
4269	5	\$40,000.00	Lakeside D Porter	77365	\$22,919.66	\$21,954.81
4269	2	\$32,000.00	S Sabine D New Caney	77357	\$17,239.60	\$14,634.19
4269	5	\$50,000.00	W Grove Porter	77365	\$26,685.67	\$23,228.44
4272	3		Arendale L Spring	77386	\$15,110.73	\$0.00
4269	5		Caney Dr New Caney	77357	\$40,527.76	\$33,000.00
4272	2	\$36,000.00	Garden W Conroe	77304	\$24,548.23	\$1,546.00
4272	1	\$34,000.00	Commanci Montgome	77316	\$15,298.84	\$1,796.75
4269	1	\$14,808.00	Walker Dr Conroe	77306	\$15,623.27	\$2,178.61
4272	5	\$30,000.00	E Forest W Conroe	77304	\$23,494.08	\$3,300.00
4269	3	\$36,000.00	Chariot Ln New Caney	77357	\$17,694.81	\$1,896.00
4269	1	\$20,000.00	Soft Pines C Porter	77365	\$16,118.49	\$2,602.44
4269	3	\$10,000.00	Schneider Hockley	77447	\$39,786.59	\$24,628.63
4272	3	\$12,000.00	Schneider Hockley	77447	\$21,520.82	\$4,322.15
4272	2	\$40,000.00	Arendale L Spring	77386	\$19,164.07	\$1,546.00
4272	2	\$42,000.00	Chariot Ln New Caney	77357	\$22,364.99	\$1,546.00
4269	4	\$39,600.00	Chariot Ln New Caney	77357	\$17,195.18	\$2,688.22
4272	1	\$27,096.00	Hickory Hc Spring	77386	\$18,905.46	\$13,898.35
4269	4	\$14,000.00	FM 1485 R New Caney	77357	\$20,867.11	\$2,582.00
4269	11	\$0.00	FM 1485 New Caney	77357	\$22,682.56	\$16,157.50
4272	1	\$15,720.00	Glen Loch Spring	77380	\$26,619.68	\$1,546.00
4272	1	\$10,000.00	Glen Loch Spring	77380	\$17,470.41	\$1,546.00
4272	2	\$46,000.00	Glen Loch Spring	77380	\$19,169.58	\$1,546.00
4269	2	\$30,840.00	Creekwoo Splendora	77372	\$16,967.89	\$14,081.52
4272	3		Clark Rd Montgome	77316	\$33,708.82	\$0.00
4272	3		Clark Rd Montgome	77316	\$33,155.14	\$28,441.27
4272	4	\$21,600.00	Pine Canyc Spring	77380	\$36,416.76	\$29,585.83
4272	4	\$21,600.00	Pine Canyc Spring	77380	\$32,004.32	\$0.00
4272	3	\$35,000.00	Glen Loch Spring	77380	\$16,490.25	\$2,582.00
4269	6	\$36,000.00	FM 2090 R Splendora	77372	\$24,707.61	\$22,303.21
4269	3	\$50,000.00	FM 2090 R Splendora	77372	\$20,368.44	\$18,348.91
4272	2	\$38,200.00	Pine Canyc Spring	77380	\$39,434.33	\$7,696.00
4272	1	\$22,044.00	Cottonwo Spring	77380	\$42,916.57	\$1,546.00
4272	2	\$18,000.00	Cottonwoo Spring	77380	\$35,082.70	\$0.00

4272	5	\$22,000.00	Glen Loch Spring	77380	\$18,409.86	\$19,312.55
4272	4	\$17,290.00	Pine Cany Spring	77380	\$40,095.23	\$31,629.32
4272	3	\$28,200.00	Pine Cany Spring	77380	\$30,080.93	\$21,924.04
4269	2	\$36,000.00	Pine Cany Spring	77380	\$24,575.60	\$19,181.84
4269	3	\$35,300.00	Creekwoor Splendora	77372	\$18,908.28	\$17,013.38
4272	1	\$37,836.00	Glen Loch Spring	77380	\$15,036.81	\$14,742.84
4269	2	\$43,000.00	Wildernes Spring	77380	\$20,245.79	\$1,546.00
4269	5	\$18,000.00	Pecan Dr New Caney	77357	\$19,184.95	\$14,513.43
4272	5	\$16,000.00	Pecan Dr New Caney	77357	\$31,494.29	\$2,582.00
4269	4	\$55,000.00	Pecan Dr New Caney	77357	\$25,227.71	\$2,582.00
4272	2	\$18,720.00	Pecan Dr New Caney	77357	\$18,929.45	\$15,147.31
4269	2	\$32,000.00	Holly Dr New Caney	77357	\$16,765.70	\$1,896.00
4272	5	\$20,000.00	Pecan Dr New Caney	77357	\$23,992.28	\$15,367.79
4269	1	\$20,000.00	Vale Ln Porter	77365	\$16,044.22	\$16,403.81
4272	5	\$20,800.00	Timber Lak Spring	77380	\$42,482.94	\$3,300.00
4269	4	\$18,200.00	Timber Lak Spring	77380	\$16,222.04	\$3,300.00
4272	3	\$15,600.00	Holly Oaks Magnolia	77355	\$37,630.48	\$31,411.28
4269	2	\$30,940.00	LakeShore Splendora	77372	\$15,706.38	\$10,902.44
4269	8	\$60,000.00	Timber Lak Spring	77380	\$33,575.34	\$3,300.00
4272	8	\$57,841.00	Timber Lak Spring	77380	\$15,484.76	\$0.00
4269	2	\$18,864.00	Timber Lak Spring	77380	\$29,305.24	\$1,896.00
4269	4	\$15,600.00	Marella Dr New Caney	77357	\$16,814.30	\$1,896.00
4269	3	\$28,000.00	Magnolia I Splendora	77372	\$18,291.54	\$17,360.07
4269	1	\$9,048.00	Peach Dr New Caney	77357	\$16,028.49	\$11,701.24
4269	2		Glen Loch Spring	77380	\$46,251.84	\$1,896.00
4269	2	\$13,200.00	Green Hav Spring	77380	\$38,971.55	\$1,896.00
4269	1		Green Hav Spring	77380	\$15,065.54	\$0.00
4272	1	\$31,000.00	Timber Lak Spring	77380	\$25,562.49	\$1,546.00
4269	8	\$10,800.00	Hunters Tr New Caney	77357	\$24,398.04	\$22,071.34
4269	4	\$33,600.00	Twin Oaks Splendora	77372	\$27,118.39	\$27,799.93
4269	5	\$30,828.00	Roping Per Splendora	77372	\$21,490.13	\$15,615.02
4269	2	\$24,936.00	Dobbin Hu Magnolia	77354	\$24,181.47	\$19,923.74
4269	1	\$8,640.00	Dobbin Hu Magnolia	77354	\$29,347.56	\$27,250.01
4272	3	\$25,250.00	FM 2978 R Magnolia	77354	\$27,052.61	\$27,062.66
4269	3	\$43,200.00	Hillside Dr Spring	77386	\$19,150.45	\$16,233.95
4272	3		Dobbin Hu Magnolia	77354	\$26,577.64	\$21,415.11
4272	1	\$3,000.00	Lori Ln Porter	77365	\$16,850.22	\$15,101.47
4272	7	\$50,000.00	Riverview Porter	77365	\$18,011.90	\$14,873.16
4272	4	\$31,200.00	Flower Mc Magnolia	77354	\$20,203.72	\$15,899.92
4272	3	\$27,000.00	Lori Ln Porter	77365	\$34,610.57	\$26,344.42
4272	4	\$20,000.00	FM 2978 R Magnolia	77354	\$23,932.59	\$0.00
4272	4	\$17,760.00	FM 2978 R Magnolia	77354	\$23,532.26	\$2,524.78
4272	2	\$30,000.00	Riverview Porter	77365	\$31,799.03	\$1,546.00
4272	4	\$35,640.00	Lori Ln Porter	77365	\$29,579.14	\$3,600.00
4269	1	\$33,300.00	Sleepy Hol Magnolia	77355	\$16,906.93	\$1,546.00
4272	2	\$37,000.00	Dobbin Hu Magnolia	77354	\$26,811.81	\$879.98
4269	4	\$44,320.00	Westwooc Spring	77386	\$15,622.00	\$2,582.00

4272	2	\$24,000.00	Apache Trl Magnolia	77354	\$24,011.77	\$20,683.30
4272	1	\$15,000.00	Riverview Porter	77365	\$20,723.51	\$18,931.34
4272	1		Springwoo Magnolia	77354	\$32,687.52	\$27,667.38
4272	3	\$20,000.00	Springwoo Magnolia	77354	\$39,615.71	\$33,000.00
4272	4	\$10,000.00	Springwoo Magnolia	77354	\$31,660.04	\$25,956.63
4269	3	\$20,000.00	Springwoo Magnolia	77354	\$22,916.52	\$17,362.28
4269	3	\$10,000.00	Springwoo Magnolia	77354	\$17,722.23	\$14,329.62
4272	5	\$24,000.00	Springwoo Magnolia	77354	\$26,185.12	\$19,680.27
4272	3	\$38,000.00	Springwoo Magnolia	77354	\$28,198.84	\$19,745.61
4272	1	\$7,884.00	Springwoo Magnolia	77354	\$22,866.76	\$19,429.72
4272	4	\$21,240.00	Hardin Sto Magnolia	77354	\$27,823.64	\$15,067.30
4269	2	\$21,000.00	Cherokee I Magnolia	77354	\$15,050.28	\$13,441.99
4272	3	\$2,400.00	Springwoo Magnolia	77354	\$15,854.39	\$3,033.50
4272	2	\$29,500.00	Springwoo Magnolia	77354	\$17,330.04	\$2,117.57
4272	2	\$35,000.00	Timber Cir Magnolia	77354	\$31,370.31	\$230.60
4272	3	\$16,000.00	Bent Oak L Magnolia	77354	\$21,065.77	\$18,678.57
4272	6		Bent Oak L Magnolia	77354	\$29,601.88	\$3,472.94
4272	2	\$22,000.00	Piney Woc Magnolia	77354	\$23,306.34	\$18,167.54
4272	3	\$20,000.00	Piney Woc Magnolia	77354	\$29,669.31	\$2,373.61
4272	1	\$35,000.00	Piney Woc Magnolia	77354	\$15,978.38	\$16,354.08
4272	2	\$42,000.00	Bent Oak L Magnolia	77354	\$40,979.44	\$308.41
4272	3	\$50,000.00	Bent Horn Magnolia	77355	\$23,451.50	\$21,108.22
4272	4		Post Oak R Magnolia	77355	\$22,917.50	\$25,301.29
4272	5	\$24,878.00	Bent Oak L Magnolia	77354	\$16,570.26	\$308.41
4272	2	\$40,000.00	Bent Oak L Magnolia	77354	\$31,944.68	\$29,638.51
4272	7	\$68,400.00	Red Fox Ln Pinehurst	77362	\$27,390.21	\$0.00
4272	4	\$10,660.00	Vallie St Pinehurst	77362	\$16,575.32	\$12,686.87
4272	6	\$25,000.00	Foxwood L Pinehurst	77362	\$27,810.31	\$22,115.31
4272	2	\$23,000.00	Red Fox Ln Pinehurst	77362	\$16,852.57	\$1,896.00
4272	3	\$20,000.00	Red Fox Ln Pinehurst	77362	\$21,775.58	\$2,582.00
4272	4	\$27,000.00	Red Fox Ln Pinehurst	77362	\$16,495.47	\$11,175.82
4272	4	\$17,520.00	Foxwood D Pinehurst	77362	\$23,914.84	\$22,363.80
4272	4	\$28,496.00	Red Fox Ln Pinehurst	77362	\$21,318.01	\$16,482.94
4272	4	\$17,784.00	Vallie St Pinehurst	77362	\$19,612.63	\$12,059.04
4272	4	\$40,000.00	Red Fox Ln Pinehurst	77362	\$15,449.04	\$10,880.14
4272	3	\$8,520.00	Foxwood L Pinehurst	77362	\$19,502.60	\$14,315.85
4272	3	\$38,000.00	Foxwood L Pinehurst	77362	\$26,627.68	\$20,027.28
4269	3	\$35,000.00	Foxwood L Pinehurst	77362	\$38,631.33	\$0.00
4272	5	\$24,000.00	Red Fox Ln Pinehurst	77362	\$28,789.64	\$25,411.67
4269	3	\$22,521.00	Red Fox Ln Pinehurst	77362	\$18,288.56	\$18,587.19
4272	6	\$24,960.00	Red Fox Ln Pinehurst	77362	\$38,279.48	\$27,325.09
4272	4	\$33,000.00	Foxwood L Pinehurst	77362	\$19,244.07	\$19,415.57
4269	4	\$33,000.00	Foxwood L Pinehurst	77362	\$16,209.38	\$14,842.85
4272	4		Foxwood L Pinehurst	77362	\$51,970.26	\$0.00
4269	4	\$7,200.00	Foxwood L Pinehurst	77362	\$34,912.85	\$2,835.11
4269	6	\$49,038.00	Foxwood L Pinehurst	77362	\$41,133.02	\$2,582.00
4269	3	\$24,000.00	Red Fox Ln Pinehurst	77362	\$24,561.38	\$17,752.46

4272	4	\$35,000.00	W Tallowb Spring	77381	\$41,051.94	\$33,000.00
4272	1	\$24,000.00	S Plum Cre Spring	77386	\$22,054.93	\$0.00
4272	1	\$16,488.00	Richard Ka Pinehurst	77362	\$24,907.63	\$20,901.10
4272	1	\$16,488.00	Richard Ka Pinehurst	77362	\$24,541.55	\$0.00
4272	2		Wildfern T Spring	77386	\$20,657.60	\$1,796.75
4272	2	\$19,259.00	Timber Træ Spring	77386	\$17,365.01	\$1,896.00
4272	3	\$44,200.00	Timber Træ Spring	77386	\$15,353.11	\$1,896.00
4272	3	\$30,000.00	Timber Træ Spring	77386	\$23,982.06	\$20,498.21
4272	5	\$49,872.00	Spring Forç Spring	77386	\$30,774.51	\$3,300.00
4272	3	\$23,000.00	Spring Forç Spring	77386	\$18,067.86	\$2,823.10
4272	1		Shady Broç Magnolia	77355	\$19,324.23	\$1,796.75
4272	2	\$23,000.00	Shady Broç Magnolia	77355	\$20,491.16	\$18,288.64
4272	1	\$20,400.00	s Belfair Pl Spring	77382	\$15,699.77	\$4,590.78
4272	3	\$4,781.00	Elm Ln Magnolia	77354	\$20,299.92	\$308.41
4269	1	\$12,000.00	Klein Dr Lo Magnolia	77355	\$22,615.86	\$20,235.76
4269	1	\$21,045.00	Old Hockle Magnolia	77355	\$19,777.40	\$20,604.33
4272	3	\$42,000.00	Shawnee L Montgome	77316	\$15,666.24	\$0.00
4272	2	\$26,000.00	Misty Meaç Magnolia	77355	\$19,695.24	\$20,500.56
4269	2	\$19,980.00	Walnut Cre Magnolia	77355	\$27,373.99	\$25,836.14
4269	6	\$23,000.00	Paddock St Willis	77378	\$35,531.05	\$0.00
4272	5	\$52,000.00	Klein Dr Magnolia	77355	\$15,880.65	\$3,550.75
4269	3	\$8,160.00	Pelican St Magnolia	77355	\$17,289.46	\$2,582.00
4272	3	\$48,000.00	Cheryl St a Pinehurst	77362	\$25,120.10	\$1,986.00
4269	1	\$20,000.00	Maury Ln Magnolia	77354	\$16,862.06	\$2,031.89
4272	1	\$24,000.00	Honeysuck Magnolia	77354	\$21,787.08	\$250.75
4269	6	\$53,000.00	Blue Jay Lr Pinehurst	77362	\$54,595.41	\$33,000.00
4272	6	\$27,300.00	Blue Jay Lr Pinehurst	77362	\$43,737.14	\$32,400.00
4272	5	\$22,360.00	Blue Jay Lr Pinehurst	77362	\$45,691.82	\$32,400.00
4269	5	\$22,360.00	Blue Jay Lr Pinehurst	77362	\$25,366.15	\$18,622.27
4269	3	\$23,400.00	Fawn Ln Pinehurst	77362	\$27,366.50	\$20,504.98
4269	4	\$30,000.00	Blue Jay Lr Pinehurst	77362	\$42,813.48	\$22,294.71
4272	8	\$20,800.00	Blue Jay Lr Pinehurst	77362	\$41,893.45	\$1,291.00
4269	8	\$41,600.00	Blue Jay Lr Pinehurst	77362	\$43,285.36	\$31,232.28
4269	10	\$21,200.00	Red Bird Lr Pinehurst	77362	\$27,307.48	\$20,294.65
4269	5	\$12,000.00	Blue Jay Lr Pinehurst	77362	\$52,100.26	\$33,000.00
4272	5	\$35,000.00	Blue Jay Lr Pinehurst	77362	\$47,078.36	\$32,400.00
4269	6	\$24,960.00	Deer Ln Pinehurst	77362	\$28,713.58	\$21,098.37
4272	6	\$26,000.00	Deer Ln Pinehurst	77362	\$20,025.14	\$15,486.61
4269	5	\$19,760.00	Deer Ln Pinehurst	77362	\$43,435.66	\$22,314.37
4269	2	\$10,872.00	Deer Ln Pinehurst	77362	\$19,249.32	\$1,896.00
4272	4	\$44,200.00	Deer Ln Pinehurst	77362	\$42,933.42	\$31,349.55
4272	4	\$21,600.00	Deer Ln Pinehurst	77362	\$17,707.20	\$6,112.20
4269	4	\$20,800.00	Deer Ln Pinehurst	77362	\$15,197.28	\$13,141.04
4272	4	\$5,000.00	Vallie St Pinehurst	77362	\$25,293.93	\$19,066.41
4272	1	\$26,000.00	Deer Ln Pinehurst	77362	\$18,792.23	\$17,995.45
4272	2	\$31,082.00	Cates St Pinehurst	77362	\$25,006.41	\$19,691.61
4272	1	\$12,174.00	Cates St Pinehurst	77362	\$22,721.48	\$16,909.05



4272	2	\$37,200.00	Sheppard ! Pinehurst	77362	\$18,875.13	\$22,130.71
4272	2	\$15,600.00	Sheppard ! Pinehurst	77362	\$20,825.22	\$0.00
4272	1	\$14,364.00	Sheppard ! Pinehurst	77362	\$38,033.62	\$32,400.00
4272	1	\$13,128.00	Cates St Pinehurst	77362	\$26,365.24	\$0.00
4272	6	\$45,000.00	Debbi Ln Magnolia	77355	\$19,982.86	\$23,002.36
4272	5	\$20,800.00	Sheppard ! Pinehurst	77362	\$30,538.76	\$0.00
4272	5	\$4,440.00	Winter Ln Pinehurst	77362	\$28,062.90	\$18,568.98
4272	1	\$9,381.00	Sheppard ! Pinehurst	77362	\$15,792.95	\$0.00
4272	3	\$21,600.00	Spring Ln Pinehurst	77362	\$16,227.46	\$14,326.21
4272	2	\$40,000.00	Cates St Pinehurst	77362	\$23,683.49	\$18,662.50
4272	6	\$27,600.00	Sheppard ! Pinehurst	77362	\$58,643.20	\$3,794.00
4272	1	\$13,500.00	Commamch Montgome	77316	\$16,558.35	\$13,638.43
4272	1	\$24,000.00	Vallie Rd Pinehurst	77362	\$23,896.03	\$20,750.42
4272	1	\$10,860.00	Louis Ln Pinehurst	77362	\$28,978.16	\$1,718.94
4272	1	\$10,860.00	Louis Ln Pinehurst	77362	\$27,374.17	\$0.00
4272	4	\$50,000.00	S Wiggins ! Magnolia	77355	\$24,077.08	\$2,582.00
4272	1	\$30,000.00	S Wiggins ! Magnolia	77355	\$15,815.73	\$12,768.31
4272	1		S Wiggins ! Magnolia	77355	\$17,070.20	\$14,700.05
4272	3	\$45,000.00	S Wiggins ! Magnolia	77355	\$17,631.86	\$3,237.20
4272	2	\$24,000.00	Chaparral ' Spring	77380	\$24,694.84	\$1,546.00
4272	1	\$31,200.00	Old Lanter Spring	77380	\$15,313.21	\$1,546.00
4269	6	\$35,000.00	Valerie Ln Spring	77380	\$29,802.85	\$23,492.49
4272	5	\$32,000.00	Valerie Ln Spring	77380	\$21,973.46	\$16,882.23
4272	1	\$13,476.00	Gary Ln Spring	77380	\$27,452.06	\$22,647.03
4269	1	\$27,359.00	Gary Ln Spring	77380	\$24,617.28	\$21,424.83
4269	4	\$27,920.00	Valerie Ln Spring	77380	\$23,461.68	\$2,582.00
4269	2	\$9,000.00	Willie Way Spring	77380	\$23,901.61	\$1,896.00
4272	1	\$24,000.00	Commamcl Montgome	77316	\$15,369.07	\$1,546.00
4269	6	\$31,080.00	Shadowcre Spring	77380	\$18,563.99	\$3,300.00
4269	1	\$20,000.00	Dawnwoo Spring	77380	\$16,793.35	\$1,546.00
4272	2	\$12,500.00	Olde Lante Spring	77380	\$21,499.13	\$2,718.95
4272	4	\$30,000.00	Chaparral ' Spring	77380	\$18,159.73	\$2,582.00
4272	5	\$58,000.00	Chaparral ' Spring	77380	\$26,164.29	\$2,582.00
4272	4		Riverwood Magnolia	77354	\$16,101.04	\$1,896.00
4272	5		Riverwood Magnolia	77354	\$27,108.27	\$3,550.75
4272	4	\$15,000.00	Riverwood Magnolia	77354	\$19,255.57	\$2,582.00
4272	2		Willie Way Spring	77380	\$15,313.68	\$1,896.00
4272	2	\$21,264.00	Walnut Cre Magnolia	77355	\$34,156.23	\$3,621.44
4272	3	\$45,000.00	Artesia Conroe	77304	\$19,831.62	\$1,896.00
4272	3	\$41,000.00	Roaming V Spring	77380	\$19,985.80	\$1,896.00
4269	2		Hickory Ho Spring	77380	\$25,505.95	\$22,832.10
4272	3		Wood Holl Conroe	77304	\$15,952.14	\$14,977.94
4272	2	\$9,600.00	Valerie Ln Spring	77380	\$25,235.34	\$1,546.00
4272	5		Valerie Ln Spring	77380	\$24,966.33	\$8,575.00
4269	4	\$28,600.00	Kentwood Spring	77380	\$27,229.84	\$2,582.00
4269	6	\$41,600.00	Willie Way Spring	77380	\$29,867.05	\$15,784.00
4272	2	\$33,960.00	Kentwood Spring	77380	\$29,065.95	\$24,659.93

4269	2	\$4,000.00	Kentwood Spring	77380	\$18,177.80	\$14,301.06
4269	7	\$40,000.00	Willie Way Spring	77380	\$23,305.36	\$2,582.00
4272	6	\$72,000.00	Meadow C Magnolia	77355	\$18,381.64	\$0.00
4272	2		Parkway O Magnolia	77355	\$23,893.90	\$22,524.70
4269	4		W Twinbei The Woodl	77381	\$15,683.93	\$16,946.72
4272	3	\$44,200.00	Morris Rd Magnolia	77354	\$24,249.58	\$20,796.11
4272	5	\$18,500.00	Holly Ln W Montgome	77316	\$16,587.91	\$10,861.77
4272	1	\$18,000.00	Brandon R Conroe	77302	\$49,407.22	\$32,400.00
4272	5	\$30,000.00	W Wavy O Spring	77381	\$24,581.11	\$1,896.00
4272	2	\$28,520.00	Robert E L Conroe	77302	\$20,414.20	\$19,315.24
4272	2	\$11,280.00	Fort Sump Conroe	77302	\$15,094.05	\$13,595.47
4272	6		Robert E Le Conroe	77302	\$25,243.09	\$22,860.08
4272	2		Roanoke D Conroe	77302	\$59,301.85	\$33,000.00
4272	5	\$49,920.00	Roanoke D Conroe	77302	\$17,953.11	\$3,300.00
4272	2		Brandon R Conroe	77302	\$22,136.78	\$0.00
4272	1	\$7,200.00	Roanoke D Conroe	77302	\$23,645.33	\$0.00
4272	3	\$36,966.00	Roanoke D Conroe	77302	\$25,139.88	\$21,094.74
4272	3	\$49,000.00	Brandon R Conroe	77302	\$32,093.08	\$1,896.00
4272	3	\$26,400.00	Brandon R Conroe	77302	\$23,277.32	\$0.00
4272	3	\$38,000.00	Brandon R Conroe	77302	\$23,801.56	\$0.00
4272	4	\$47,000.00	River Plant Conroe	77302	\$39,668.91	\$33,000.00
4272	2	\$38,000.00	River Plant Conroe	77302	\$25,202.29	\$1,896.00
4272	4	\$20,500.00	River Plant Conroe	77302	\$26,692.04	\$23,944.92
4272	1	\$11,000.00	Jeb Stuart Conroe	77302	\$16,902.04	\$12,101.37
4272	2	\$30,000.00	Monroe Ct Conroe	77302	\$16,461.14	\$1,896.00
4272	4	\$45,000.00	Jeb Stuart Conroe	77302	\$16,299.79	\$15,181.22
4272	1	\$18,000.00	Edgar St Conroe	77301	\$19,440.78	\$19,253.20
4272	1	\$9,000.00	Crystal Riv Montgome	77316	\$16,278.19	\$15,265.82
4272	3	\$50,000.00	River Plant Conroe	77302	\$17,141.82	\$2,582.00
4272	2	\$32,196.00	Ruby Ln Magnolia	77354	\$22,548.58	\$22,251.60
4272	6	\$49,000.00	Skylight Ln Magnolia	77354	\$27,063.47	\$23,188.19
4272	2	\$35,000.00	Skylight Ln Magnolia	77354	\$27,012.82	\$2,204.41
4272	1	\$14,400.00	Woodland Magnolia	77354	\$15,256.53	\$15,703.31
4272	5	\$24,144.00	Skylight Ln Magnolia	77354	\$41,308.15	\$1,393.18
4272	1	\$11,436.00	Skylight Ln Magnolia	77354	\$20,906.47	\$19,106.11
4272	1	\$7,200.00	Allen Dr Conroe	77304	\$20,676.80	\$6,252.35
4272	1	\$9,000.00	Standard F Magnolia	77354	\$18,059.00	\$17,079.68
4269	2		Holly Sprin Conroe	77302	\$16,643.93	\$1,546.00
4269	4		Chateau W Conroe	77385	\$19,461.40	\$2,582.00
4272	2	\$21,468.00	Stonewall Conroe	77302	\$38,730.61	\$7,922.00
4269	1	\$21,600.00	S Fork Dr Conroe	77303	\$17,029.21	\$15,481.04
4272	1	\$16,380.00	Spring Lake Magnolia	77354	\$20,028.53	\$1,864.29
4272	2	\$10,175.00	Spring Lake Magnolia	77354	\$27,609.72	\$0.00
4272	1	\$15,600.00	Standard R Magnolia	77354	\$21,678.56	\$21,764.24
4272	3	\$28,000.00	Stonewall Conroe	77302	\$24,309.39	\$17,540.31
4272	1	\$39,000.00	Stonewall Conroe	77302	\$20,475.71	\$0.00
4272	4	\$32,000.00	Stonewall Conroe	77302	\$25,780.42	\$1,896.00

4272	5	\$14,400.00	Boars Head Montgome	77316	\$28,079.92	\$230.60
4272	6	\$60,000.00	Carters Grv Conroe	77302	\$31,746.48	\$3,794.00
4272	6	\$48,000.00	Glen Hollo Conroe	77385	\$22,390.21	\$1,500.60
4272	2	\$45,000.00	Sentinel O Pinehurst	77362	\$21,445.15	\$0.00
4272	1	\$29,000.00	Glen Hollo Conroe	77385	\$19,244.43	\$16,133.79
4272	1		Glen Hollo Conroe	77385	\$20,882.30	\$16,440.50
4272	5	\$40,000.00	Brook Holl Conroe	77385	\$41,681.90	\$32,400.00
4272	5	\$44,400.00	Glen Hollo Conroe	77385	\$27,320.25	\$3,300.00
4272	2	\$13,764.00	Glen Hollo Conroe	77385	\$34,215.02	\$1,896.00
4272	3	\$51,500.00	Douglas Fir Magnolia	77354	\$21,601.37	\$1,896.00
4272	5	\$30,000.00	White Oak New Caney	77357	\$15,254.10	\$0.00
4269	5	\$47,000.00	White Oak New Caney	77357	\$29,523.17	\$23,347.49
4272	3	\$21,960.00	Rosie Ln Magnolia	77354	\$40,542.05	\$0.00
4269	4	\$20,000.00	Rosie Ln Magnolia	77354	\$23,133.49	\$3,300.00
4272	2	\$21,000.00	E Woodmæ Conroe	77304	\$15,206.08	\$16,752.08
4272	3	\$28,000.00	Palmetto F Magnolia	77354	\$27,234.13	\$0.00
4272	6	\$9,324.00	Bimms Dr Conroe	77385	\$22,489.05	\$21,233.83

Other Needs Assistance Award	Unmet Needs	Flood Insurance Program	Date of Loss	SBA Status	SBA Loan Amount	FW/FP
\$3,029.85	\$0.00	\$0.00	5/26/2016	HAPP	\$0.00	
\$1,784.19	\$0.00	\$0.00	5/26/2016	HAPP	\$0.00	
\$0.00	\$17,695.34	\$0.00	4/18/2016	DECFN	\$0.00	
\$4,077.45	\$11,026.57	\$0.00	4/19/2016	DECS	\$0.00	FW
\$0.00	\$18,209.54	\$0.00	5/26/2016	DECFA	\$0.00	FW
\$270.00	\$0.00	\$0.00	5/26/2016	DECFA	\$0.00	
\$0.00	\$9,175.07	\$600.00	5/26/2016	DECS	\$0.00	FW
\$0.00	\$14,064.01	\$0.00	5/26/2016	HAPP	\$0.00	
\$0.00	\$16,061.13	\$600.00	5/26/2016	DECS	\$0.00	
\$3,222.99	\$0.00	\$0.00	4/17/2016	HAPP	\$0.00	FP
\$5,094.99	\$0.00	\$600.00	5/26/2016	FIT	\$0.00	FP
\$0.00	\$0.00	\$600.00	4/17/2016	FIT	\$0.00	FP
\$1,681.99	\$0.00	\$600.00	5/27/2016	FIT	\$0.00	FW
\$6,614.75	\$0.00	\$0.00	4/17/2016	FIT	\$0.00	FP
\$6,121.98	\$0.00	\$0.00	4/17/2016	FIT	\$0.00	FP
\$0.00	\$0.00	\$600.00	5/26/2016	DECS	\$0.00	FP
\$6,218.03	\$0.00	\$0.00	5/26/2016	FIT	\$0.00	FP
\$8,098.55	\$0.00	\$0.00	4/17/2016	FIT	\$0.00	FP
\$3,192.73	\$13,244.20	\$0.00	5/28/2016	FIT	\$0.00	FP
\$6,071.73	\$0.00	\$0.00	5/27/2016	FIT	\$0.00	FP
\$0.00	\$21,393.82	\$600.00	5/28/2016	FIT	\$0.00	FP
\$8,191.79	\$0.00	\$0.00	5/26/2016	FIT	\$0.00	FW
\$4,175.30	\$0.00	\$0.00	4/17/2016	DECS	\$0.00	FP
\$8,793.48	\$0.00	\$0.00	5/26/2016	DECFA	\$0.00	FP
\$0.00	\$18,972.87	\$0.00	5/26/2016	HAPP	\$0.00	FW
\$7,366.79	\$0.00	\$0.00	5/26/2016	HAPP	\$0.00	FW
\$3,947.77	\$7,527.01	\$0.00	5/26/2016	FIT	\$0.00	FW
\$5,045.87	\$0.00	\$0.00	4/17/2016	HAPP	\$0.00	FW
\$0.00	\$0.00	\$0.00	5/26/2016	FIT	\$0.00	
\$3,094.82	\$0.00	\$0.00	4/17/2016	DECS	\$0.00	
\$0.00	\$0.00	\$0.00	5/26/2016	HAPP	\$0.00	
\$0.00	\$21,166.43	\$0.00	5/27/2016	HAPP	\$0.00	
\$0.00	\$16,996.94	\$600.00	5/26/2019	FIT	\$0.00	FW
\$9,631.39	\$19,765.72	\$0.00	5/26/2016	HAPP	\$0.00	FW
\$0.00	\$3,000.67	\$0.00	4/17/2016	HAPP	\$0.00	
\$0.00	\$43,907.83	\$0.00	5/26/2016	FIT	\$0.00	FW
\$0.00	\$27,249.99	\$0.00	4/17/2016	decfa	\$0.00	FW
\$0.00	\$624.54	\$600.00	5/26/2016	FIT	\$0.00	FP
\$5,443.76	\$0.00	\$600.00	5/27/2016	FIT	\$0.00	FW
\$0.00	\$17,707.20	\$600.00	5/28/2016	DECS	\$0.00	
\$3,938.35	\$0.00	\$0.00	5/26/2016	DECFW	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016	FIT	\$0.00	FP
\$0.00	\$0.00	\$0.00	4/17/2016	FIT	\$0.00	FP

\$1,300.00	\$16,252.37	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$22,197.54	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$14,164.92	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$17,294.83	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	FP
\$2,106.28	\$0.00	\$0.00	4/27/2016 FIT	\$0.00	FP
\$0.00	\$13,284.28	\$0.00	4/24/2016 HAPP	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	
\$0.00	\$2,954.97	\$0.00	4/18/2016 DECFA	\$0.00	
\$0.00	\$3,808.98	\$0.00	5/26/2016 FIT	\$0.00	FW
\$662.93	\$0.00	\$0.00	5/27/2016 HAPP	\$0.00	
\$0.00	\$23,103.96	\$0.00	5/26/2016 DECFN	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	
\$0.00	\$20,398.38	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$9,807.88	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$0.00	\$32,154.10	\$0.00	4/17/2016 CANCEL	\$0.00	FW
\$0.00	\$0.00	\$0.00	5/26/2016 DECFA	\$0.00	
\$6,262.10	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$2,676.64	\$0.00	\$600.00	5/26/2016 FIT	\$0.00	FP
\$3,898.50	\$0.00	\$0.00	5/26/2016 DECFA	\$0.00	FP
\$2,157.08	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$3,035.21	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	
\$49.05	\$19,553.99	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$27,897.04	\$0.00	5/26/2016 CANCEL	\$0.00	FW
\$0.00	\$21,598.71	\$0.00	5/26/2016 DISB	\$32,587.53	FW
\$4,369.63	\$0.00	\$0.00	5/27/2016 HAPP	\$0.00	
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	
\$0.00	\$17,070.72	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$15,792.82	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$0.00	\$22,327.59	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$18,075.53	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$6,273.64	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$8,971.41	\$0.00	5/28/2016 DECS	\$0.00	FW
\$0.00	\$15,621.43	\$600.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$0.00	\$0.00	4/17/2016 DECFA	\$0.00	
\$1,240.16	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$4,114.02	\$0.00	\$0.00	4/17/2016 DECS	\$0.00	FP
\$3,900.93	\$0.00	\$0.00	5/26/2016 DISB	\$12,900.00	
\$4,620.13	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$7,857.33	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FW
\$4,233.46	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FW
\$2,035.44	\$0.00	\$0.00	4/17/2016 HAPP	\$0.00	
\$0.00	\$19,562.70	\$600.00	4/17/2016 FIT	\$0.00	FP
\$1,056.32	\$0.00	\$0.00	4/19/2016 FIT	\$0.00	
\$6,607.75	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	
\$0.00	\$34,600.11	\$0.00	5/26/2016 DECFW	\$0.00	FP
\$0.00	\$33,600.11	\$0.00	5/26/2016 FIT	\$0.00	FW



\$1,181.98	\$0.00	\$600.00	5/27/2016 FIT	\$0.00	FP
\$5,357.48	\$0.00	\$0.00	4/17/2016 FIT	\$0.00	FW
\$2,763.63	\$0.00	\$0.00	5/26/2016 DECFA	\$0.00	FP
\$5,264.54	\$0.00	\$600.00	5/26/2016 DECS	\$0.00	FW
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	
\$0.00	\$0.00	\$0.00	5/27/2016 DECS	\$0.00	
\$5,667.48	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$259.99	\$15,167.07	\$0.00	5/26/2016 DECFA	\$0.00	FP
\$0.00	\$0.00	\$0.00	4/17/2016 HAPP	\$0.00	FP
\$3,960.62	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$2,044.38	\$0.00	\$600.00	5/26/2016 FIT	\$0.00	
\$0.00	\$13,552.29	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$0.00	\$16,655.01	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$19,282.56	\$0.00	4/18/2016 FIT	\$0.00	FP
\$4,264.84	\$0.00	\$0.00	4/17/2016 FIT	\$0.00	
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	
\$0.00	\$0.00	\$0.00	5/26/2016 DECFA	\$0.00	
\$0.00	\$12,566.51	\$0.00	4/17/2016 FIT	\$0.00	FP
\$0.00	\$1,483.28	\$0.00	5/26/2016 FIT	\$0.00	FW
\$5,041.56	\$14,810.34	\$0.00	5/26/2016 DECFA	\$0.00	FW
\$0.00	\$12,853.15	\$0.00	4/17/2016 FIT	\$0.00	FW
\$3,354.44	\$8,118.40	\$600.00	4/18/2016 FIT	\$0.00	FP
\$199.99	\$21,540.07	\$0.00	5/26/2016 DISB	\$25,000.00	FW
\$0.00	\$14,590.60	\$0.00	5/26/2016 DISB	\$25,000.00	FW
\$139.99	\$13,758.60	\$0.00	5/26/2016 DECS	\$0.00	
\$7,771.37	\$621.29	\$0.00	5/26/2016 DECFA	\$0.00	FP
\$4,808.19	\$7,196.32	\$600.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$17,923.07	\$0.00	5/26/2016 DECFN	\$0.00	FP
\$0.00	\$21,354.78	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$15,598.23	\$0.00	4/17/2016 HAPP	\$0.00	FW
\$6,066.53	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$259.99	\$16,185.20	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$0.00	\$24,717.74	\$0.00	5/26/2016 FIT	\$0.00	FP
\$199.99	\$14,998.53	\$0.00	5/26/2016 DECFA	\$0.00	FW
\$0.00	\$19,169.58	\$0.00	5/26/2016 DECFA	\$0.00	FP
\$2,715.37	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	FP
\$0.00	\$25,551.96	\$0.00	5/26/2016 DISB	\$15,000.00	FP
\$3,958.73	\$0.00	\$0.00	5/27/2016 HAPP	\$0.00	FP
\$2,814.17	\$0.00	\$0.00	4/17/2016 HAPP	\$0.00	FP
\$0.00	\$23,489.01	\$0.00	4/18/2016 FIT	\$0.00	FP
\$0.00	\$15,139.30	\$0.00	5/26/2016 FIT	\$0.00	FP
\$5,269.38	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$4,060.53	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$33,567.90	\$0.00	4/17/2016 HAPP	\$0.00	FP
\$0.00	\$34,982.57	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$9,415.84	\$15,501.05	\$0.00	5/27/2016 DECS	\$0.00	FP

\$2,272.32	\$0.00	\$0.00	5/27/2016 HAPP	\$0.00	FP
\$770.68	\$0.00	\$0.00	4/18/2016 DECFA	\$0.00	FP
\$7,618.89	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$332.88	\$0.00	5/26/2016 DECFA	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$0.00	\$0.00	4/23/2016 HAPP	\$0.00	
\$0.00	\$17,665.60	\$0.00	4/20/2016 FIT	\$0.00	FP
\$7,003.52	\$0.00	\$0.00	4/18/2016 FIT	\$0.00	FW
\$3,062.08	\$18,324.58	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$0.00	\$20,689.30	\$0.00	4/17/2016 HAPP	\$0.00	FW
\$3,440.16	\$0.00	\$0.00	5/26/2016 DECFA	\$0.00	FW
\$0.00	\$15,493.12	\$0.00	4/17/2016 HAPP	\$0.00	FP
\$8,624.49	\$0.00	\$600.00	4/17/2016 FIT	\$0.00	FP
\$594.43	\$0.00	\$0.00	5/27/2016 DECS	\$0.00	
\$9,000.00	\$36,966.46	\$0.00	5/27/2016 FIT	\$0.00	FP
\$0.00	\$13,396.13	\$0.00	4/17/2016 FIT	\$0.00	FP
\$988.72	\$0.00	\$600.00	4/18/2016 FIT	\$0.00	FP
\$0.00	\$0.00	\$600.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$27,383.60	\$0.00	5/26/2016 DECFA	\$0.00	FW
\$0.00	\$15,484.76	\$0.00	5/27/2016 HAPP	\$0.00	FW
\$0.00	\$25,961.37	\$0.00	5/26/2016 FIT	\$0.00	FW
\$4,469.39	\$7,875.51	\$0.00	4/17/2016 HAPP	\$0.00	FW
\$2,827.46	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$5,623.26	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	FP
\$0.00	\$41,628.86	\$0.00	4/17/2016 HAPP	\$0.00	
\$0.00	\$31,997.74	\$0.00	5/27/2016 DISB	\$8,000.00	FW
\$0.00	\$10,378.00	\$600.00	5/28/2016 FIT	\$0.00	FW
\$0.00	\$22,036.61	\$0.00	5/26/2016 DECFW	\$0.00	FP
\$6,176.81	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$5,550.10	\$0.00	\$600.00	5/27/2016 FIT	\$0.00	FP
\$0.00	\$0.00	\$0.00	4/18/2016 FIT	\$0.00	FW
\$3,165.55	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$3,939.77	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	
\$0.00	\$0.00	\$0.00	5/26/2016 DISB	\$25,000.00	FP
\$0.00	\$0.00	\$0.00	5/27/2016 FIT	\$0.00	FP
\$3,350.93	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$5,268.60	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FW
\$4,142.99	\$0.00	\$0.00	5/26/2016 CANCEL	\$0.00	FW
\$6,055.58	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	FW
\$0.00	\$20,512.66	\$0.00	4/17/2016 FIT	\$0.00	FP
\$0.00	\$19,899.04	\$0.00	5/26/2016 DECFW	\$0.00	FP
\$0.00	\$27,429.63	\$0.00	5/27/2016 HAPP	\$0.00	FW
\$0.00	\$24,952.68	\$0.00	5/26/2016 FIT	\$0.00	FW
\$5,476.05	\$5,954.83	\$0.00	4/17/2016 HAPP	\$0.00	FW
\$0.00	\$24,550.88	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$14,667.00	\$0.00	5/26/2016 FIT	\$0.00	FW

\$0.00	\$10.50	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$0.00	\$0.00	4/18/2016 FIT	\$0.00	FW
\$0.00	\$0.00	\$0.00	4/18/2016 DECS	\$0.00	FP
\$0.00	\$1,243.10	\$0.00	5/27/2016 DECFA	\$0.00	FP
\$0.00	\$0.00	\$0.00	4/17/2016 HAPP	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$4,728.62	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$8,400.85	\$0.00	\$600.00	5/27/2016 FIT	\$0.00	FP
\$8,203.24	\$0.00	\$0.00	4/17/2016 HAPP	\$0.00	FP
\$4,733.05	\$0.00	\$0.00	4/17/2016 DECS	\$0.00	FP
\$0.00	\$27,401.89	\$0.00	5/26/2016 DISB	\$34,400.00	FP
\$1,187.30	\$0.00	\$0.00	5/27/2016 FIT	\$0.00	
\$0.00	\$13,603.92	\$0.00	5/26/2016 DISB	\$24,400.00	FP
\$0.00	\$12,829.32	\$0.00	5/28/2016 HAPP	\$0.00	FP
\$0.00	\$29,104.78	\$0.00	4/17/2016 FIT	\$0.00	FP
\$4,283.20	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	FP
\$0.00	\$25,453.72	\$0.00	5/26/2016 DECFA	\$0.00	FP
\$6,434.81	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$25,985.51	\$0.00	5/27/2016 CANCEL	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$39,165.08	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$0.00	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$916.21	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$15,361.88	\$600.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 DECFW	\$0.00	FP
\$0.00	\$22,409.49	\$600.00	5/26/2016 FIT	\$0.00	FP
\$6,470.44	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
#####	\$0.00	\$0.00	4/17/2016 DECS	\$0.00	FP
\$0.00	\$10,551.58	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$17,478.47	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$7,215.65	\$0.00	\$600.00	5/26/2016 FIT	\$0.00	FP
\$4,601.05	\$0.00	\$600.00	5/26/2016 FIT	\$0.00	FP
\$7,417.07	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$7,303.60	\$0.00	\$0.00	4/18/2016 FIT	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$7,420.49	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	FP
\$0.00	\$0.00	\$0.00	4/17/2016 FIT	\$0.00	FP
\$0.00	\$35,912.13	\$0.00	5/26/2016 FIT	\$0.00	FP
\$4,495.78	\$0.00	\$600.00	5/26/2016 DECFA	\$0.00	FP
\$1,597.37	\$0.00	\$0.00	4/17/2016 DECS	\$0.00	FP
\$5,074.91	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$2,386.48	\$0.00	\$0.00	5/27/2016 HAPP	\$0.00	FP
\$1,366.54	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$40,183.01	\$0.00	4/17/2016 DECFA	\$0.00	FP
\$0.00	\$25,462.82	\$0.00	5/29/2016 FIT	\$0.00	FP
\$0.00	\$29,283.15	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP

\$0.00	\$728.75	\$600.00	5/27/2016 REVIEW	\$0.00	FP
\$0.00	\$21,239.96	\$0.00	4/17/2016 HAPP	\$0.00	FP
\$4,796.58	\$0.00	\$0.00	5/27/2016 FIT	\$0.00	FP
\$0.00	\$18,989.02	\$0.00	4/18/2016 DISB	\$18,200.00	FP
\$0.00	\$16,157.69	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$14,557.60	\$0.00	4/17/2016 HAPP	\$0.00	FP
\$0.00	\$12,943.91	\$600.00	5/26/2016 DECS	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$199.99	\$26,522.34	\$0.00	4/18/2016 HAPP	\$0.00	FP
\$0.00	\$15,993.32	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$14,245.96	\$600.00	5/27/2016 FIT	\$0.00	FW
\$3,958.57	\$0.00	\$0.00	5/26/2016 DISB	\$25,000.00	FW
\$4,000.00	\$10,877.78	\$0.00	5/26/2016 HAPP	\$0.00	
\$0.00	\$16,070.62	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$3,926.10	\$0.00	\$600.00	5/26/2016 FIT	\$0.00	FW
\$719.07	\$0.00	\$0.00	4/17/2016 HAPP	\$0.00	
\$0.00	\$15,403.63	\$0.00	4/17/2016 FIT	\$0.00	
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	
\$839.93	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	
\$0.00	\$33,350.03	\$0.00	4/17/2016 FIT	\$0.00	
\$0.00	\$14,031.63	\$0.00	5/29/2016 FIT	\$0.00	FP
\$4,770.55	\$7,748.36	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$20,049.96	\$0.00	4/17/2016 DECFA	\$0.00	FP
\$5,276.06	\$5,574.06	\$0.00	5/26/2016 DECS	\$0.00	FW
\$0.00	\$20,707.75	\$0.00	5/26/2016 DECS	\$0.00	FW
\$0.00	\$13,637.50	\$0.00	5/27/2016 FIT	\$0.00	FW
\$0.00	\$639.08	\$0.00	4/17/2016 HAPP	\$0.00	FW
\$0.00	\$3,737.36	\$0.00	5/26/2016 FIT	\$0.00	FW
\$8,139.90	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$8,227.54	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	FP
#####	\$2,140.22	\$0.00	4/18/2016 FIT	\$0.00	FW
\$0.00	\$29,854.04	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$1,167.72	\$0.00	\$600.00	5/27/2016 FIT	\$0.00	FW
\$8,783.80	\$0.00	\$0.00	4/17/2016 FIT	\$0.00	FW
\$0.00	\$11,512.66	\$0.00	5/28/2016 FIT	\$0.00	FW
\$0.00	\$6,455.31	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$9,947.22	\$0.00	\$0.00	5/28/2016 HAPP	\$0.00	FW
\$1,633.13	\$0.00	\$0.00	4/17/2016 DISB	\$46,600.00	FW
#####	\$3,532.03	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$1,375.47	\$16,498.39	\$0.00	5/27/2016 FIT	\$0.00	FW
\$1,050.45	\$3,221.08	\$0.00	4/17/2016 HAPP	\$0.00	FW
\$0.00	\$11,595.00	\$0.00	5/26/2016 DECS	\$0.00	FW
\$2,852.25	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FW
\$7,923.53	\$0.00	\$0.00	5/26/2016 FECFW	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/30/2016 HAPP	\$0.00	FW
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$5,672.48	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	FP

\$199.99	\$0.00	\$0.00	4/17/2016 FIT	\$0.00	FP
\$0.00	\$16,202.68	\$0.00	4/24/2016 DISB	\$25,000.00	FP
\$0.00	\$1,234.08	\$0.00	4/17/2016 FIT	\$0.00	FP
\$0.00	\$24,580.29	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$0.00	\$600.00	5/26/2016 FIT	\$0.00	
\$0.00	\$27,364.57	\$0.00	5/26/2016 FIT	\$0.00	FP
\$8,129.99	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$10,988.13	\$0.00	4/17/2016 FIT	\$0.00	FP
\$4,483.24	\$0.00	\$600.00	4/17/2016 FIT	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/27/2016 HAPP	\$0.00	FP
\$0.00	\$47,888.60	\$0.00	4/17/2016 HAPP	\$0.00	FP
\$3,534.97	\$0.00	\$0.00	4/18/2016 FIT	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	FW
\$0.00	\$23,016.64	\$0.00	4/17/2016 DECFDA	\$0.00	FP
\$0.00	\$22,854.59	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$20,566.60	\$0.00	5/27/2016 FIT	\$0.00	FP
\$4,569.40	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$2,370.15	\$0.00	\$600.00	5/28/2016 FIT	\$0.00	
\$0.00	\$16,250.91	\$0.00	5/28/2016 DECFA	\$0.00	
\$0.00	\$20,702.70	\$0.00	4/17/2016 DECS	\$0.00	FP
\$0.00	\$13,761.26	\$0.00	5/26/2016 FIT	\$0.00	FP
\$8,822.13	\$0.00	\$0.00	4/17/2016 FIT	\$0.00	
\$0.00	\$0.00	\$600.00	4/17/2016 FIT	\$0.00	
\$4,555.04	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$0.00	\$0.00	4/18/2016 DECFA	\$0.00	FP
\$0.00	\$19,027.57	\$0.00	5/26/2016 HAPP	\$0.00	
\$0.00	\$22,075.66	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$14,268.12	\$0.00	4/18/2016 HAPP	\$0.00	FP
\$0.00	\$13,909.52	\$0.00	4/17/2016 DECS	\$0.00	
\$0.00	\$15,521.41	\$0.00	5/26/2016 FIT	\$0.00	
\$0.00	\$17,897.73	\$0.00	4/17/2016 FIT	\$0.00	FP
\$0.00	\$15,637.53	\$0.00	5/25/16 HAPP	\$0.00	FP
\$8,067.99	\$9,408.32	\$0.00	4/18/2016 DECS	\$0.00	FP
\$0.00	\$12,702.80	\$0.00	4/17/2016 HAPP	\$0.00	
\$0.00	\$22,304.39	\$0.00	4/17/2016 DISB	\$25,000.00	
\$2,040.80	\$15,173.96	\$0.00	5/26/2016 HAPP	\$0.00	
\$0.00	\$12,181.79	\$0.00	5/26/2016 DECS	\$0.00	
\$0.00	\$27,853.12	\$0.00	4/19/2016 FIT	\$0.00	FW
\$0.00	\$18,446.72	\$0.00	4/17/2016 DISB	\$22,544.62	
\$0.00	\$18,124.87	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$0.00	\$0.00	4/17/2016 DECS	\$0.00	FW
\$164.99	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	
\$4,991.05	\$14,863.30	\$0.00	4/18/2016 FIT	\$0.00	FP
\$0.00	\$21,579.10	\$0.00	5/27/2016 FIT	\$0.00	FP
\$0.00	\$21,155.69	\$0.00	5/26/2016 DECFA	\$0.00	FW
\$0.00	\$26,480.31	\$0.00	4/17/2016 HAPP	\$0.00	FW
\$0.00	\$0.00	\$0.00	4/18/2016 FIT	\$0.00	FW



\$3,566.74	\$0.00	\$0.00	4/17/2016 FIT	\$0.00	FW
\$0.00	\$19,616.32	\$0.00	4/17/2016 HAPP	\$0.00	FW
\$0.00	\$18,381.64	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$0.00	\$0.00	4/18/2016 DECFA	\$0.00	FW
\$0.00	\$0.00	\$0.00	4/17/2016 HAPP	\$0.00	
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$5,720.04	\$0.00	\$0.00	4/18/2016 DISB	\$25,000.00	
\$0.00	\$11,248.44	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$22,130.88	\$0.00	5/26/2016 FIT	\$0.00	FP
\$3,918.84	\$0.00	\$0.00	5/28/2016 FIT	\$0.00	FP
\$3,044.58	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 DECS	\$0.00	FP
\$0.00	\$18,358.32	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$2,447.14	\$13,058.83	\$0.00	5/26/2016 DECS	\$0.00	FP
\$0.00	\$15,993.97	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$19,924.41	\$0.00	5/26/2016 DECFDA	\$0.00	FP
\$5,599.15	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$27,530.94	\$600.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$18,652.12	\$0.00	4/17/2016 FIT	\$0.00	FP
\$0.00	\$21,042.33	\$0.00	4/17/2016 FIT	\$0.00	FP
\$0.00	\$2,388.65	\$0.00	4/17/2016 FIT	\$0.00	FW
\$0.00	\$22,220.14	\$0.00	4/17/2016 FIT	\$0.00	FP
\$5,329.12	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$4,629.86	\$0.00	\$0.00	4/18/2016 FIT	\$0.00	FP
\$0.00	\$14,909.19	\$0.00	4/17/2016 FIT	\$0.00	FP
\$199.99	\$0.00	\$0.00	4/17/2016 HAPP	\$0.00	FP
\$1,608.58	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	
\$656.75	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	
\$0.00	\$14,659.86	\$0.00	5/27/2016 HAPP	\$0.00	FW
\$199.99	\$0.00	\$0.00	4/19/2016 HAPP	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FP
\$5,607.79	\$15,148.89	\$0.00	5/26/2016 DECFA	\$0.00	FW
\$0.00	\$0.00	\$0.00	4/17/2016 FIT	\$0.00	
\$0.00	\$39,233.98	\$0.00	5/31/2016 DECFW	\$0.00	FP
\$3,346.36	\$0.00	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$14,535.98	\$0.00	4/17/2016 FIT	\$0.00	FW
\$2,525.32	\$0.00	\$0.00	4/17/2016 DECFW	\$0.00	FP
\$259.99	\$14,713.96	\$0.00	5/26/2016 FIT	\$0.00	FP
\$0.00	\$18,001.13	\$0.00	5/26/2016 HAPP	\$0.00	
\$6,393.54	\$25,063.30	\$0.00	4/17/2016 FIT	\$0.00	FP
\$2,254.28	\$0.00	\$0.00	4/17/2016 DECFA	\$0.00	
\$0.00	\$15,950.54	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$24,508.82	\$0.00	4/18/2016 FIT	\$0.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$5,739.10	\$0.00	\$0.00	4/17/2016 FIT	\$0.00	FP
\$0.00	\$17,079.76	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$5,445.03	\$14,890.36	\$0.00	5/26/2016 FIT	\$0.00	FP

\$0.00	\$24,628.53	\$0.00	4/17/2016 FIT	\$0.00	FW
\$7,412.47	\$16,123.53	\$0.00	5/26/2016 HAPP	\$0.00	FW
\$0.00	\$0.00	\$0.00	6/4/2016 HAPP	\$0.00	FP
\$0.00	\$21,195.15	\$0.00	4/17/2016 DISB	\$162,700.00	FP
\$0.00	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$5,313.81	\$0.00	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$1,563.95	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$21,827.86	\$0.00	5/26/2016 HAPP	\$0.00	FP
\$0.00	\$27,148.77	\$0.00	5/27/2016 FIT	\$0.00	FP
\$0.00	\$20,700.42	\$0.00	5/29/2016 HAPP	\$0.00	
\$0.00	\$8,305.27	\$0.00	4/17/2016 FIT	\$0.00	FW
\$0.00	\$0.00	\$0.00	5/26/2016 DECFW	\$0.00	FP
\$0.00	\$37,430.13	\$0.00	5/22/2016 HAPP	\$0.00	FW
\$0.00	\$21,536.55	\$0.00	5/26/2016 FIT	\$0.00	FW
\$0.00	\$0.00	\$0.00	4/19/2016 DECFN	\$0.00	
\$3,806.62	\$18,810.91	\$0.00	4/17/2016 DISB	\$25,000.00	FW
\$3,712.22	\$0.00	\$0.00	5/26/2016 DISB	\$25,000.00	

## Subdivision/Area

## Artesian Oaks

## Artesian Oaks

Westwood

## Magnolia Bend

## Magnolia Bend

## Hulon Lakes

## Magnolia Bend

## Kenbrook Valley

Walden

## River Oaks

## River Oaks

## River Oaks

## River Oaks

## River Oaks

## River Oaks

## River Oaks

## River Oaks

## River Oaks

## River Oaks

## River Oaks

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## River Oaks

## River Oaks

## River Oaks

## Windmill Estates

Woodsway

## Ridgelake Shores

## Spring Lakes Estates

## Freeway Forest

## River Club Estates

## Oak Woods

## River Ridge

## River Ridge

## Cripple Creek Farms

## Crown Estates

Woodbranch

Woodbranch

Oak Ridge North

Spring Hills

LakeChateau Woods

Shadow Bay

Wildwood Estates

Circle Oaks

Spring Hills

Lake Chateau Woods

Magnolia Bend

Magnolia Bend

Whispering Pines

Pine Vista

Pine Vista

Pine Vista

Spring Hills

Allendale

Southern Oaks

Southern Oaks

Southern Oaks

Indigo Ranch

Timber Lakes

Timber Lakes

Patton Village

Pioneer Trails

Patton Village

Patton Village

Lakewood Colony

Tanglewood Manor

Tanglewood Manor

Emerald Forest

Southern Oaks

Southern Oaks

Summer Hills

Country Place Acres

Mink Branch Valley

Forest Trail  
Woodland Lakes  
Shadowland Retreat  
Shadowland Retreat  
River Club Estates  
Woodway Forest  
River Club Estates  
Spring Hills  
Golden Trails

Riverbrook  
Riverbrook  
Golden Trails  
River Hollow  
Lakewood Colony  
Spring Forest  
Caney Lake Park

Lake Conroe Forest  
Twin Lakes  
Country Club Forest  
Roman Forest  
Cumberland  
Glenwood Estates  
Glenwood Estates  
Spring Forest  
Roman Forest  
Roman Forest  
Spring Forest

Spring Acres  
Spring Acres  
Spring Acres  
Tall Timbers  
Brookwood  
Brookwood  
Timberwood  
Timberwood  
Timber Lakes

Timberwood  
Timber Lakes  
Timber Lakes



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Timberwood

Timber Lakes  
Timber Lakes  
Caney Lake  
Caney Lake  
Caney Lake  
Caney Lake  
Caney Lake  
Caney Lake

Timber Ridge  
Timber Ridge  
Estates of Clear Creek

Timber Ridge  
Timber Ridge  
Timber Ridge  
Peach Creek Oaks  
Peach Creek Estates  
Peach Creek Pines  
Timber Lakes  
Timber Lakes  
Timber Lakes  
Timber Lakes  
Peach Creek Forest  
Twin Oaks  
Patton Lake

Oak Ridge North

River Club Estates  
River Club Estates

River Club Estates

River Club Estates  
River Club Estates  
Woodland Lakes

Oak Ridge North

Spring Creek Forest  
River Club Estates  
Springwood Estates  
Springwood Estates  
Springwood Estates  
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Springwood Estates  
Springwood Estates  
Springwood Estates  
The Reserve at Autumnwood  
Spring Creek Forest  
Springwood Estates  
Springwood Estates  
Skylight Timbers  
Skylight Timbers  
Skylight Timbers  
Skylight Timbers  
Skylight Timbers  
Skylight Timbers  
Skylight Timbers  
Indigo Farms  
High Meadow Ranch  
Skylight Timbers  
Skylight Timbers  
Foxwood

Foxwood  
Foxwood  
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Foxwood

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Panther Creek  
Spring Hills

Spring Hills  
Spring Forest  
Spring Forest  
Spring Forest  
Spring Forest  
Spring Forest  
Shady Brook Acres  
Shady Brook Acres  
Alden Bridge  
Long Lake Estates

Lake Conroe Forest  
Hazy Hollow Estates

Clear Creek Forest  
Black Jack Acres

Hazy Hollow Estates  
Foxwood  
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Walnut Springs  
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Autumn Woods  
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Autumn Woods  
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Leisure Wood  
Lake Conroe Forest  
Hickory Wood  
Hickory Wood  
Hickory Wood  
Meadowood  
Meadowood  
Meadowood  
Meadowood  
Timber Lakes  
Timber Lakes  
Timber Ridge  
Timber Ridge  
Timber Ridge  
Timber Ridge  
Timber Ridge  
Timber Ridge  
Lake Conroe Forest  
Timber Lakes  
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Westwood  
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Timber Ridge

Artesian Oaks  
Timber Ridge  
Timber Lakes

Timber Ridge  
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Timber Ridge  
Timber Ridge

Timber Ridge  
Timber Ridge  
High Meadow Ranch  
High Meadow Ranch  
Cochrans Crossing

Holly Estates  
River Plantation  
Panther Creek  
River Plantation  
River Plantation  
River Plantation  
River Plantation  
River Plantation  
River Plantation  
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River Plantation

Lake Conroe Forest  
River Plantation  
Pine Ridge  
Skylight Timbers  
Skylight Timbers  
Woodland Oaks  
Skylight Timbers  
Skylight Timbers  
Shepards Landing

River Plantation  
Lake Chateau Woods  
River Plantation  
Groceville Estates  
Springwood Estates  
Springwood Estates

River Plantation  
River Plantation  
River Plantation



River Plantation  
River Brook-Forest Hills

River Brook-Forest Hills  
River Brook-Forest Hills  
River Brook-Forest Hills  
River Brook-Forest Hills  
River Brook-Forest Hills  
Westwood  
Woodbranch  
Woodbranch

Woodmark  
Lake Creek Ranchettes

Street	City	Zip	Damage	Market Value	Flood Zone
Allen Drive	Conroe	77304	\$200,000	\$85,740.00	FW
Azalea Lane	New Caney	77357	\$66,446	\$53,390.00	AE
Azalea Lane	New Caney	77357	\$76,227	\$108.00	AE
Brandon Road	Conroe	77302	\$115,080	\$131,670.00	AE
Brandon Road	Conroe	77302	\$148,816	\$170,270.00	AE
Brandon Road	Conroe	77302	\$70,303	\$86,050.00	FW
Brandon Road	Conroe	77302	\$83,616	\$105,310.00	FW
Brandon Road	Conroe	77302	\$81,687	\$103,010.00	FW
Brandon Road	Conroe	77302	\$89,076	\$127,070	FW
Brandon Road	Conroe	77302	\$75,217	\$103,320.00	FW
Brandon Road	Conroe	77302	\$125,978	\$144,140.00	AE
Brandon Road	Conroe	77302	\$84,806	\$101,080.00	AE
Brandon Road	Conroe	77302	\$82,210	\$103,540.00	AE
Brandon Road	Conroe	77302	\$81,465	\$129,310.00	AE
Brandon Road	Conroe	77302	\$82,290	\$103,640.00	AE
Brandon Road	Conroe	77302	\$68,178	\$103,300.00	AE
Brandon Road	Conroe	77302	\$81,917	\$140,510.00	AE
Brandon Road	Conroe	77302	\$82,730	\$90,940.00	AE
Brandon Road	Conroe	77302	\$64,595	\$88,730.00	AE
Brandon Road	Conroe	77302	\$74,482	\$92,640.00	AE
Brandon Road	Conroe	77302	\$66,808	\$99,760.00	AE
Brandon Road	Conroe	77302	\$61,301	\$78,130.00	AE
Brandon Road	Conroe	77302	\$74,253	\$104,550.00	AE
Brandon Road	Conroe	77302	\$72,588	\$108,390.00	AE
Brandon Road	Conroe	77302	\$121,920	\$97,220.00	AE
Brandon Road	Conroe	77302	\$76,547	\$118,390.00	AE
Brandon Road	Conroe	77302	\$67,962	\$113,270.00	AE
Brook Forest Drive	Conroe	77385	\$107,609	\$140,850.00	AE
Brook Forest Drive	Conroe	77385	\$65,943	\$84,760.00	FW
Brook Hollow Drive	Conroe	77385	\$63,435	\$100,690.00	AE
Brook Hollow Drive	Conroe	77385	\$68,189	\$105,230.00	AE
Brook Hollow Drive	Conroe	77385	\$57,023	\$68,210.00	AE
Brook Hollow Drive	Conroe	77385	\$60,483	\$74,030.00	AE
Brook Hollow Drive	Conroe	77385	\$86,045	\$143,170.00	AE
Brook Hollow Drive	Conroe	77385	\$69,339	\$84,870.00	AE
Brook Hollow Drive	Conroe	77385	\$96,170	\$126,640.00	AE
Brook Hollow Drive	Conroe	77385	\$70,981	\$86,880.00	AE
Buckingham Place	Conroe	77303	\$43,132	\$46,730.00	AE
Calhoun Street	Conroe	77302	\$36,530	\$43,540.00	AE
Caney Drive	New Caney	77357	\$144,310	\$13,860.00	FW
Cardinal Drive	Hockley	77447	\$87,247	\$148,284.00	AE
Cardinal Drive	Hockley	77447	\$45,818	\$21,120.00	AE
Carters Grove	Conroe	77302	\$86,340	\$108,740.00	FW

Cates Street	Pinehurst	77362	\$15,331	\$82,280.00	AE
Cates Street	Pinehurst	77362	\$21,138	\$15,000.00	AE
Cates Street	Pinehurst	77362	\$24,762	\$14,560.00	AE
Cates Street	Pinehurst	77362	\$25,230	\$25,230.00	AE
Cates Street	Pinehurst	77362	\$7,400	\$7,400.00	AE
Cates Street	Pinehurst	77362	\$6,230	\$6,230.00	AE
Cates Street	Pinehurst	77362	\$22,797	\$31,840.00	AE
Cates Street	Pinehurst	77362	\$21,331	\$13,070.00	AE
Chaparral Way	Spring	77380	\$53,170	\$65,080.00	AE
Chaparral Way	Spring	77380	\$53,664	\$82,150.00	AE
Chaparral Way	Spring	77380	\$69,567	\$85,150.00	AE
Chaparral Way	Spring	77380	\$76,675	\$93,850.00	AE
Chinquapin Lane	New Caney	77357	\$37,131	\$8,430.00	AE
Dark Lane	Conroe	77385	\$24,143	\$35,820.00	AE
Country Place Road	Magnolia	77355	\$43,354	\$35,860.00	AE/FW
County Road 353	Cleveland	77327	\$73,332	\$34,310.00	AE
Creekwood Drive	Splendor	77372	\$142,119	\$131,240.00	AE
Denise Street	Pinehurst	77362	\$157,773	\$181,860.00	AE
E. Essex Drive	Conroe	77302	\$20,556	\$23,600.00	FW
E. Essex Drive	Conroe	77302	\$44,950	\$85,540.00	FW
E. Hawthorne Drive	Spring	77386	\$87,856	\$136,380.00	AE
E. Holly Lane	Splendor	77372	\$59,468	\$53,080.00	FW
E. Parkway Drive	Conroe	77302	\$19,142	\$6,620.00	FW
E. Parkway Drive	Conroe	77302	\$23,937	\$13,000.00	FW
E. Parkway Drive	Conroe	77302	\$65,010	\$15,360.00	FW
E. Parkway Drive	Conroe	77302	\$64,650	\$59,390.00	FW
Ehlers Road	Conroe	77302	\$142,399	\$115,050.00	AE
Ehlers Road	Conroe	77302	\$68,012	\$93,040.00	FW
Ehlers Road	Conroe	77302	\$66,563	\$26,300.00	FW
Ehlers Road	Conroe	77302	\$76,690	\$78,100.00	AE
Fir Court	Conroe	77302	\$34,646	\$145,420.00	FW
Flower Mound Lane	Magnolia	77354	\$17,533	\$9,200.00	AE
FM 1485	Conroe	77306	\$60,932	\$70,540.00	AE
FM 1485	Newcane	77357	\$22,421	\$12,390.00	AE

Fort Sumter Street	Conroe	77302	\$85,795	\$117,850.00	AE
Fort Sumter Street	Conroe	77302	\$70,191	\$120,490.00	AE
Gary Lane	Spring	77380	\$34,500	\$34,500.00	FW
Gary Lane	Spring	77380	\$35,400	\$35,400.00	AE
Gary Lane	Spring	77380	\$35,440	\$35,440.00	FW
Gettysburg Court	Conroe	77302	\$77,079	\$123,780.00	AE
Glen Hollow Drive	Conroe	77385	\$95,053	\$166,540.00	AE
Glen Hollow Drive	Conroe	77385	\$92,438	\$165,440.00	AE
Glen Hollow Drive	Conroe	77385	\$83,652	\$128,020.00	AE
Glen Hollow Drive	Conroe	77385	\$149,349	\$169,130.00	AE
Green Haven Drive	Spring	77380	\$82,815	\$98,390.00	FW
Green Haven Drive	Spring	77380	\$83,701	\$53,010.00	FW
Hartman Road	Magnolia	77355	\$85,659	\$124,270.00	FW
Helen Drive	Spring	77386	\$75,057	\$111,550.00	AE
Helen Drive	Spring	77386	\$95,137	\$170,080.00	AE
Hickory Hollow Road	Spring	77380	\$66,036	\$91,080.00	AE
Holly Drive	New	77357	\$57,098	\$39,330.00	FW
	Caney				
Holly Drive	New	77357	\$48,154	\$58,940.00	AE
	Caney				
Holly Drive	New	77357	\$39,559	\$60,580.00	AE
	Caney				
Holly Lane	New	77357	\$66,203	\$42,770.00	FW
	Caney				
Hufsmith Conroe Road	Magnolia	77354	\$130,103	\$74,750.00	AE
Jeb Stuart Lane	Conroe	77302	\$79,238	\$95,010.00	AE
Jeb Stuart Lane	Conroe	77302	\$78,641	\$99,420.00	AE
Jeb Stuart Lane	Conroe	77302	\$77,463	\$115,670.00	AE
Jeb Stuart Lane	Conroe	77302	\$65,147	\$82,360.00	AE
Jeb Stuart Lane	Conroe	77302	\$81,754	\$123,870.00	AE
Jeb Stuart Lane	Conroe	77302	\$59,497	\$94,440.00	AE
Jeb Stuart Lane	Conroe	77302	\$107,006	\$61,350.00	AE
Jeb Stuart Lane	Conroe	77302	\$60,000	\$100,000.00	AE
Jeb Stuart Lane	Conroe	77302	\$78,472	\$150,320	AE
Kentwood Drive	Spring	77380	\$85,090	\$85,090.00	AE
Kentwood Drive	Spring	77380	\$61,483	\$121,800.00	FW
Kentwood Drive	Spring	77380	\$90,097	\$48,520.00	FW
Kentwood Drive	Spring	77380	\$88,416	\$89,490.00	FW
Kentwood Drive	Spring	77380	\$85,391	\$88,730.00	FW
Kentwood Drive	Spring	77380	\$81,428	\$84,120.00	FW
Kentwood Drive	Spring	77380	\$72,953	\$104,910.00	FW
Kentwood Drive	Spring	77380	\$69,040	\$110,950.00	FW
Lake Park Drive	Cleveland	77346	\$10,840	\$10,840.00	FW
Lakeview Drive	Conroe	77302	\$51,850	\$77,020.00	FW

Lakeview Drive	Conroe	77302	\$44,200	\$71,870.00	FW
Lakeview Drive	Conroe	77302	\$38,530	\$17,700.00	FW
Usa l ane	Porter	77365	\$75,53 2	\$107,690.00	AE
Lori lane	Porter	77365	\$102,564	\$116,500.00	AE
Lori Lane	Porter	77365	\$ 89,019	\$48,200.00	FW
Lori Lane	Porter	77365	\$141,425	\$70,140.00	FW
Lori Lane	Porter	77365	\$28,4 18	\$17,180.00	FW
Lori Lane	Porter	77365	\$95,061	\$55,010.00	FW
Lori Lane	Porter	77365	\$12,1 621	\$58,840.00	FW
Lori Lane	Porter	77365	\$171,149	\$70,720.00	FW
Lori Lane	Porter	77365	\$96,0 17	\$127,080.00	FW
LouisLane	Pinehurst	77362	\$21,582	\$7,300.00	AE
Lytic Road	Conroe	77302	\$18,563	\$29,050.00	AE
Lytic Road	Conroe	77302	\$5 6,799	\$96,010.00	AE
Lytic Road	Conroe	77302	\$103,014	\$12,050.00	AE
lyric Road	Conroe	77302	\$11,388	\$15,280.00	AE
MacDonnell Road	Conroe	77302	\$69,838	\$77,170.00	FW
Magnolia Bend	Conroe	77302	\$59,552	\$41,870.00	FW
Magnolia Drive	Splendor	77372	\$29,966	\$33,860.00	FW
Magnolia Drive	Splendor	77372	\$24,871	\$7,240.00	AE
Magnolia Lane	New Caney	77357	\$158,361	\$120,020.00	AE& FW
McGregor Road	Conroe	77302	\$40,180	\$40, 180	AE
McGregor Road	Conroe	77302	\$23,620	\$23,6 20	AE
McGregor Road	Conroe	77302	\$14,410	\$9,730.00	AE
McGregor Road	Conroe	77302	\$49,237	\$70,030.00	AE
McGregor Road	Conroe	77302	\$12,520	\$12,520.00	AE
McGregor Road	Conroe	77302	\$52,840	\$80,060.00	AE
McGregor Road	Conroe	77302	\$29,144	\$16,930.00	AE
McGregor Road	Conroe	77302	\$45,473	\$61,450.00	AE
Mobile Court	Conroe	77302	\$59,421	\$94,320.00	AE
Mustang Road	Splendor	77372	\$144,479	\$61,700.00	AE
N. Essex Drive	Conroe	77302	\$54,489	\$62,560.00	FW
N. Plum Creek Drive	Spring	77386	\$68,765	\$103,250.00	AE
N. Plum Creek Drive	Spring	77386	\$101,337	\$188,840.00	AE
N. Plum Creek Drive	Spring	77386	\$91,073	\$117,060.00	AE
Nott ingham St ree t	New Caney	77357	\$23, 505	\$10,130.00	AE

Olde Lantern Way	Spring	77380	\$61,667	\$75,480.00	AE
Olds Drive	Porter	77365	\$97, 240	\$97, 240	FW
Olds Drive	Porter	77365	\$75,762	\$104,960.00	AE
Olds Drive	Porter	77365	\$72,549	\$93,770.00	AE
Olds Drive	Porter	77365	\$60,956	\$74,610.00	AE
Paradise Lane	Conroe	77302	\$11,811	\$8,250.00	FW
Paradise Lane	Conroe	77302	\$49,398	\$14,090.00	FW
Pecan Drive	New	77357	\$38,472	\$47,090.00	FW
Pecan Drive	Caney				
Pecan Drive	New	77357	\$56,750	\$25,900.00	FW
Pecan Drive	Caney				
Pecan Drive	New	77357	\$66,960	\$46,150.00	FW
Pecan Drive	Caney				
Pecan Drive	New	77357	\$57,081	\$65,310.00	FW
Pecan Drive	Caney				
Pecan Drive	New	77357	\$32,445	\$37,250.00	AE
Pecan Drive	Caney				
Pecan Drive	New	77357	\$55,473	\$79,090.00	AE
Pecan Drive	Caney				
Pecan Drive	New	77357	\$41,399	\$47,530	AE
Pecan Drive	Caney				
Petty Drive	Conroe	77306	\$17,884	\$1,780.00	AE
Pin Oak Drive	Conroe	77302	\$48,654	\$82,830.00	FW
Pine Canyon Drive	Spring	77380	\$60, 369	\$95,370.00	AE
Pine Canyon Drive	Spring	77380	\$73,272	\$116,970.00	AE
Pine Canyon Drive	Spring	77380	\$67,042	\$88, 330	AE
Pine Canyon Drive	Spring	77380	\$61,673	\$84,770.00	AE
Pine Canyon Drive	Spring	77380	\$51,355	\$88,850.00	AE
Pine Canyon Drive	Spring	77380	\$41,566	\$66,490.00	AE
Pine Canyon Drive	Spring	77380	\$82,618	\$96,170.00	AE
Pine Canyon Drive	Spring	77380	\$79,416	\$92,130.00	AE
Pine Canyon Drive	Spring	77380	\$54,142	\$64,820.00	AE
Pine Canyon Drive	Spring	77380	\$56,770	\$80,940.00	AE
Plum Creek Drive	Spring	77386	\$80,272	\$109,640.00	AE
Ponderosa Circle	Conroe	77302	\$106,46	\$19,330.00	FW
			4		
Ponderosa Circle	Conroe	77302	\$54,920	\$11,500.00	FW
Ponderosa Circle	Conroe	77302	\$32,265	\$40,790.00	FW
Ravensworth Drive	Conroe	77302	\$91,780	\$125,420.00	AE
Red Fox Lane	Pinehurst	77362	\$22, 798	\$35, 790	AE
Red Fox Lane	Pinehurst	77362	\$17,521	\$18,260.00	AE
Red Fox Lane	Pinehurst	77362	\$28,167	\$18,310.00	AE



Red Fox Lane	Pinehurst	77362	\$38,375	\$25,200.00	AE
Red Fox Lane	Pinehurst	77362	\$20,703	\$1,420.00	AE
Red Fox Lane	Pinehurst	77362	\$16,132	\$9,050.00	AE
Red Fox Lane	Pinehurst	77362	\$17,596	\$13,520.00	AE
Red Fox Lane	Pinehurst	77362	\$13,140	\$4,330.00	AE
Redbud Drive	New Caney	77357	\$82,717	\$125,130.00	AE
Riley Fuzzell Road	Spring	77386	\$38,055	\$46,580.00	AE
River Drive	Conroe	77385	\$12,129	\$13,190.00	AE
River Oaks Drive	Conroe	77385	\$21,133	\$10,680.00	AE
River Oaks Drive	Conroe	77385	\$41,649	\$12,760.00	AE
River Oaks Drive	Conroe	77385	\$25,438	\$7,870.00	AE
River Oaks Drive	Conroe	77385	\$25,474	\$12,040.00	AE
River Oaks Drive	Conroe	77385	\$8,190	\$8,190.00	AE
River Oaks Drive	Conroe	77385	\$25,549	\$3,390	AE
River Oaks Drive	Conroe	77385	\$10,440	\$10,440.00	AE
River Oaks Drive	Conroe	77385	\$24,013	\$6,330	AE
River Oaks Drive	Conroe	77385	\$8,330	\$8,330.00	AE
River Oaks Drive	Conroe	77385	\$5,930	\$5,930.00	AE
River Oaks Drive	Conroe	77385	\$24,013	\$4,300.00	AE
River Oaks Drive	Conroe	77385	\$29,900	\$5,320.00	AE
River Oaks Drive	Conroe	77385	\$15,329	\$590.00	AE
River Oaks Drive	Conroe	77385	\$2,650	\$2,650.00	AE
River Oaks Drive	Conroe	77385	\$9,940	\$9,940.00	AE
River Oaks Drive	Conroe	77385	\$20,000	\$4,360.00	AE
River Oaks Drive	Conroe	77385	\$3,880	\$3,880.00	AE
River Oaks Drive	Conroe	77385	\$7,450	\$7,450.00	AE
River Oaks Drive	Conroe	77385	\$4,610	\$4,610.00	AE
River Oaks Drive	Conroe	77385	\$6,060	\$6,060.00	AE
River Plantation Drive	Conroe	77302	> 250000	\$206,660.00	AE
River Plantation Drive	Conroe	77302	57901	\$73,200.00	AE
River Plantation Drive	Conroe	77302	98380	\$98,380.00	AE
River Plantation Drive	Conroe	77302	83379	\$105,410.00	AE
River Plantation Drive	Conroe	77302	81287	\$121,380.00	AE
River Plantation Drive	Conroe	77302	79583	\$100,610.00	FW
River Plantation Drive	Conroe	77302	71194	\$110,110.00	AE
River Plantation Drive	Conroe	77302	80974	\$90,880.00	AE
River Plantation Drive	Conroe	77302	102098	\$125,680.00	AE
River Plantation Drive	Conroe	77302	77542	\$116,170.00	AE
River Plantation Drive	Conroe	77302	71017	\$113,380.00	AE
River Ridge	Conroe	77385	99627	\$94,340.00	AE

River Ridge	Conroe	77385	70000	\$107,390.00	AE
River Ridge	Conroe	77385	65330	\$94,020.00	AE
River Ridge Drive	Porter	77365	21802	\$38,500.00	FW
River Ridge Drive	Porter	77365	21060	\$21,060.00	AE
River Ridge Drive	Porter	77365	55339	\$71,130.00	AE
River Ridge Drive	Porter	77365	67648	\$82,800.00	AE
River Ridge Drive	Porter	77365	98129	\$35,820.00	AE
Riverview Drive	Porter	77365	108558	\$69,880.00	FW
Riverview Drive	Porter	77365	94044	\$42,830.00	FW
Riverview Drive	Porter	77365	18707	\$8,320.00	FW
Roanoke Drive	Conroe	77302	69602	\$73,420.00	FW
Roanoke Drive	Conroe	77302	52851	\$83,890.00	AE
Roanoke Drive	Conroe	77302	57726	\$96,250.00	AE
Roanoke Drive	Conroe	77302	81690	\$61,790.00	AE
Roanoke Drive	Conroe	77302	76673	\$114,490.00	AE
Roanoke Drive	Conroe	77302	60900	\$76,700.00	AE
Roanoke Drive	Conroe	77302	76210	\$113,800.00	AE
Roanoke Drive	Conroe	77302	75058	\$94,890.00	AE
Roanoke Drive	Conroe	77302	85228	\$127,970.00	AE
Roanoke Drive	Conroe	77302	72941	\$89,280.00	AE
Roanoke Drive	Conroe	77302	197922	\$297,180.00	AE
Robert E. Lee Drive	Conroe	77302	106378	\$129,100.00	AE
Robert E. Lee Drive	Conroe	77302	90716	\$137,920.00	AE
Robert E. Lee Drive	Conroe	77302	102817	\$159,020.00	AE
Robert E. Lee Drive	Conroe	77302	265000	\$78,920.00	AE
Robert E. Lee Drive	Conroe	77302	98765	\$106,560.00	AE
Robert E. Lee Drive	Conroe	77302	94295	\$118,760.00	AE
Robert E. Lee Drive	Conroe	77302	106655	\$159,260.00	AE
Robert E. Lee Drive	Conroe	77302	133240	\$218,220.00	AE
Robert E. Lee Drive	Conroe	77302	100923	\$156,090.00	AE
Robert E. Lee Drive	Conroe	77302	99590	\$163,140.00	AE
Rosie Lane	Magnolia	77355	63404	\$35,240.00	FW
Russell Drive	Porter	77365	80976	\$73,470.00	AE
Russell Drive	Porter	77365	110613	\$77,890.00	AE
Russell Drive	Porter	77365	49361	\$74,790.00	AE
Russell Drive	Porter	77365	97632	\$32,090.00	AE
Rustling Pines Street	Spring	77380	71257	\$98,720.00	FW
Rustling Pines Street	Spring	77380	86429	\$86,850.00	FW
S. Plum Creek Drive	Spring	77380	101313	\$144,320.00	AE
San Jacinto Drive	Conroe	77302	51020	\$51,020.00	FW
San Jacinto Drive	Conroe	77302	34380	\$21,360.00	FW
Scarlet Oak Trail	Conroe	77385	147573	\$271,900.00	AE
Scott Gardner Road	New Caney	77357	56910	\$56,910.00	AE
Sequoia Lane	Cleveland	77328	20000	\$5,760.00	FW
Sheppard Street	Pinehurst	77362	12655	\$6,920.00	AE
Sheppard Street	Pinehurst	77362	18928	\$27,040.00	AE
Sheppard Street	Pinehurst	77362	25230	\$25,230.00	AE

Sheppard Street	Pinehurst	77362	31429	\$8,250.00	AE
Sheppard Street	Pinehurst	77362	30959	\$47,070.00	AE
Sheppard Street	Pinehurst	77362	24735	\$20,260.00	AE
Sheppard Street	Pinehurst	77362	22790	\$22,790.00	AE
Shetland Lane	Conroe	77302	40970	\$14,520.00	AE
Skylight Lane	Magnolia	77354	18514	\$16,750.00	FW

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R15976 1		1979
R169238	5	1967
R169249	6	1968
R146511	12	1971
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R145123	10	1970
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R67053	7.5	196 4
R70792		1966
RI01210		1976
R3465 1		1961
RI 465 73	11	1969

R119209	4	1983
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R119196	5	1995
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R169140	10	1972
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R90955	4	1983
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R44 872	12	1972
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R12106	8	1970
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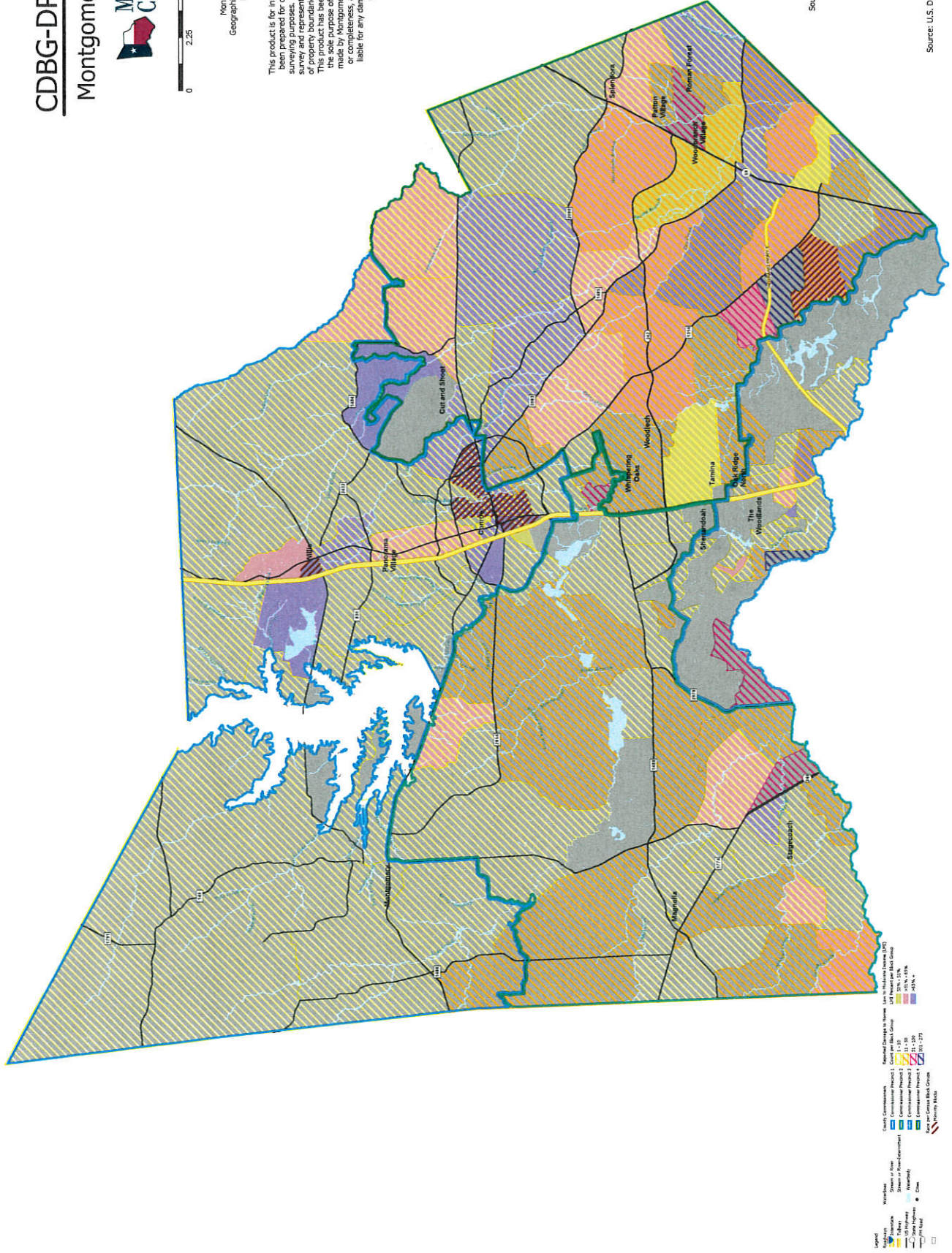
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R119218	5	1980
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R160459	3	1995

CDBG-DR Project Map  
Montgomery County, Texas



Montgomery County, Texas  
Geographic Information Systems (GIS)  
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Map Created: March 25, 2019

Layer: FEMA Water Areas  
Source: Federal Emergency Management Agency (FEMA)  
Dated: March 2016,

Layer: Race per Census Block Groups  
Source: United States Census Bureau  
Dated: August 2015

Layer: Reported Damage to Homes  
Source: Montgomery County, Texas  
Dated: July 2016

Layer: Low to Moderate Income Areas  
Source: U.S. Department of Housing and Urban Development (HUD)  
Dated: October 2016

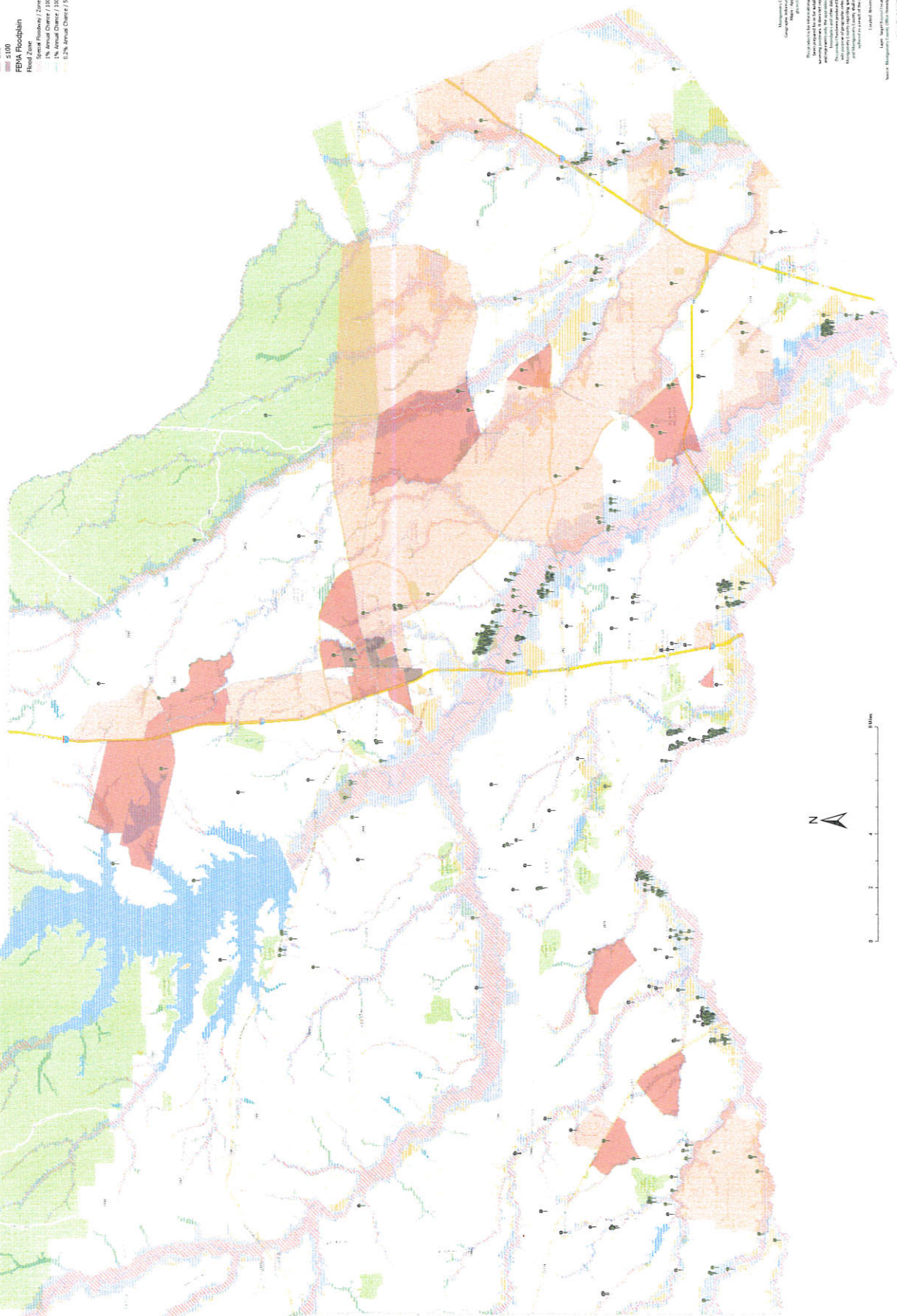
\input{DATA/Project/111/1110610/11106100608 Map/11106100608 Map.aprx}



# Target Buyout Locations per Low-to-Moderate Income



- Legend**
- County Boundary
  - U.S. Census
  - Percent of Low and Moderate Income Persons
  - ≤50
  - 51-60
  - 61-70
  - 71-80
  - 81-90
  - 91-100
  - FEMA Floodplain
  - Flood Zone
  - Special Flood Hazard / Zone AE
  - 1% Annual Chance Flood / Zone A
  - 1% Annual Chance Flood / Zone A
  - 0.2% Annual Chance Flood / Zone X



Montgomery County, Texas  
 Planning Department  
 1000 North Loop West, Suite 1000  
 Houston, Texas 77003  
 (713) 261-1000  
 www.montgomerycountytexas.gov

This map was prepared for the purpose of identifying potential target buyout locations for low-to-moderate income households. It is not intended to be used for any other purpose. The map is based on the best available data and is subject to change without notice. The map is not a warranty, representation, or endorsement of any product or service. The map is provided as a reference only. The map is not to be used for any other purpose. The map is not a warranty, representation, or endorsement of any product or service. The map is provided as a reference only.

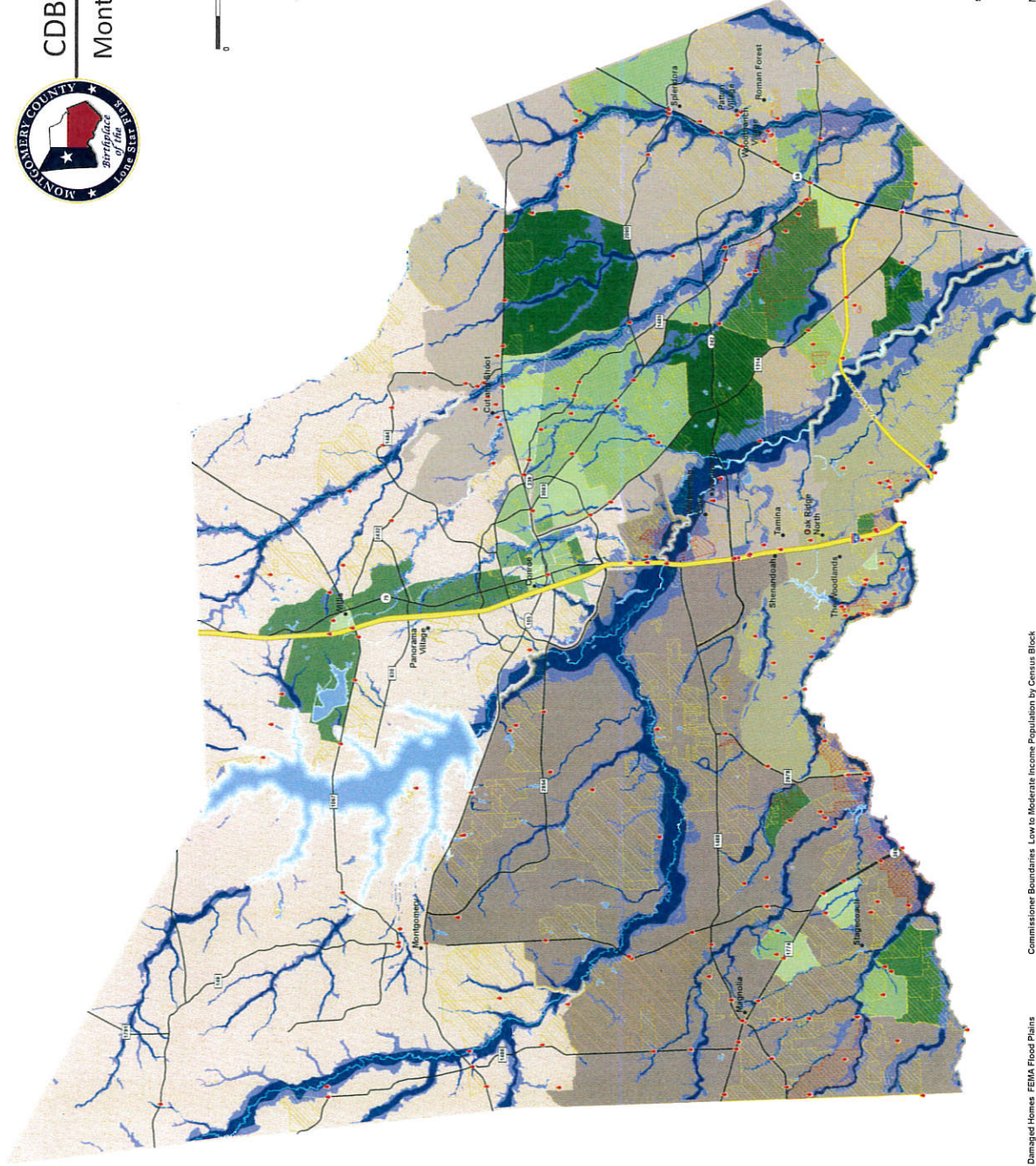
Montgomery County, Texas  
 Planning Department  
 1000 North Loop West, Suite 1000  
 Houston, Texas 77003  
 (713) 261-1000  
 www.montgomerycountytexas.gov





# CDBG-DR Project Map

## Montgomery County, Texas



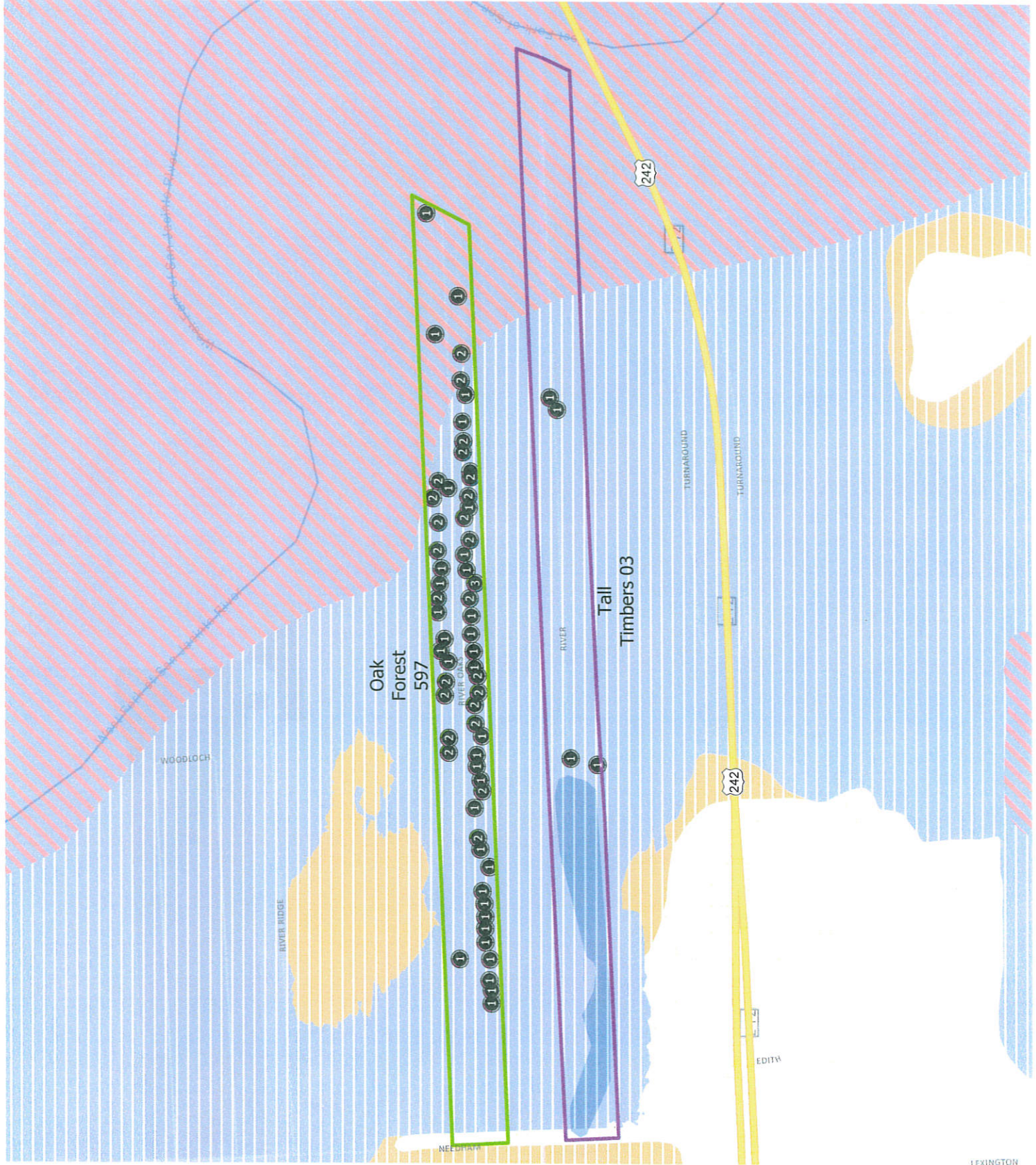
Montgomery County, Texas  
Geographic Information Systems (GIS)  
Maps | Apps | Data  
gis.mctx.org

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Created: April 26, 2017  
Data Sources: Montgomery County, Texas  
Federal Emergency Management Agency (FEMA)  
U.S. Department of Housing and Urban Development (HUD)



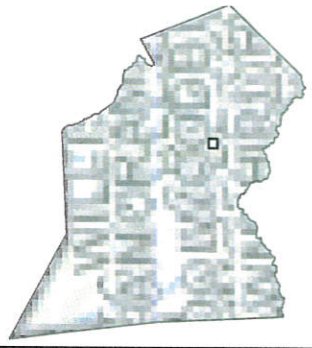
# Oak Forest/Tall Timbers



## Legend

- Oak Forest 597
- Tall Timbers 03
- All Locations Flooded
- August 2017
- May 2016
- October 1994
- State Highway
- Residential
- Special Floodway
- 100 year / Zone AE
- 500 year / Zone X Shaded

## Location Diagram



Montgomery County, Texas  
Geographic Information Systems (GIS)  
Maps | Apps | Data  
gis.montco.org

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Created Date: 3/22/2019

Data Sources:  
Montgomery County GIS  
Roadways Updated February 2019  
Montgomery County Appraisal District  
Subdivision Layer updated March 2019  
Montgomery County Emergency Management  
Flooded Locations Updated August 2017  
Montgomery County Floodplain





# Legend

- Patton Village
- All Locations Flooded
- August 2017
- May 2016
- April 2016
- October 1994
- US Highway
- State Highway
- FM Road
- Residential
- Special Floodway
- 100 year / Zone AE
- 100 year / Zone A
- 500 year / Zone X Shaded

## Location Diagram

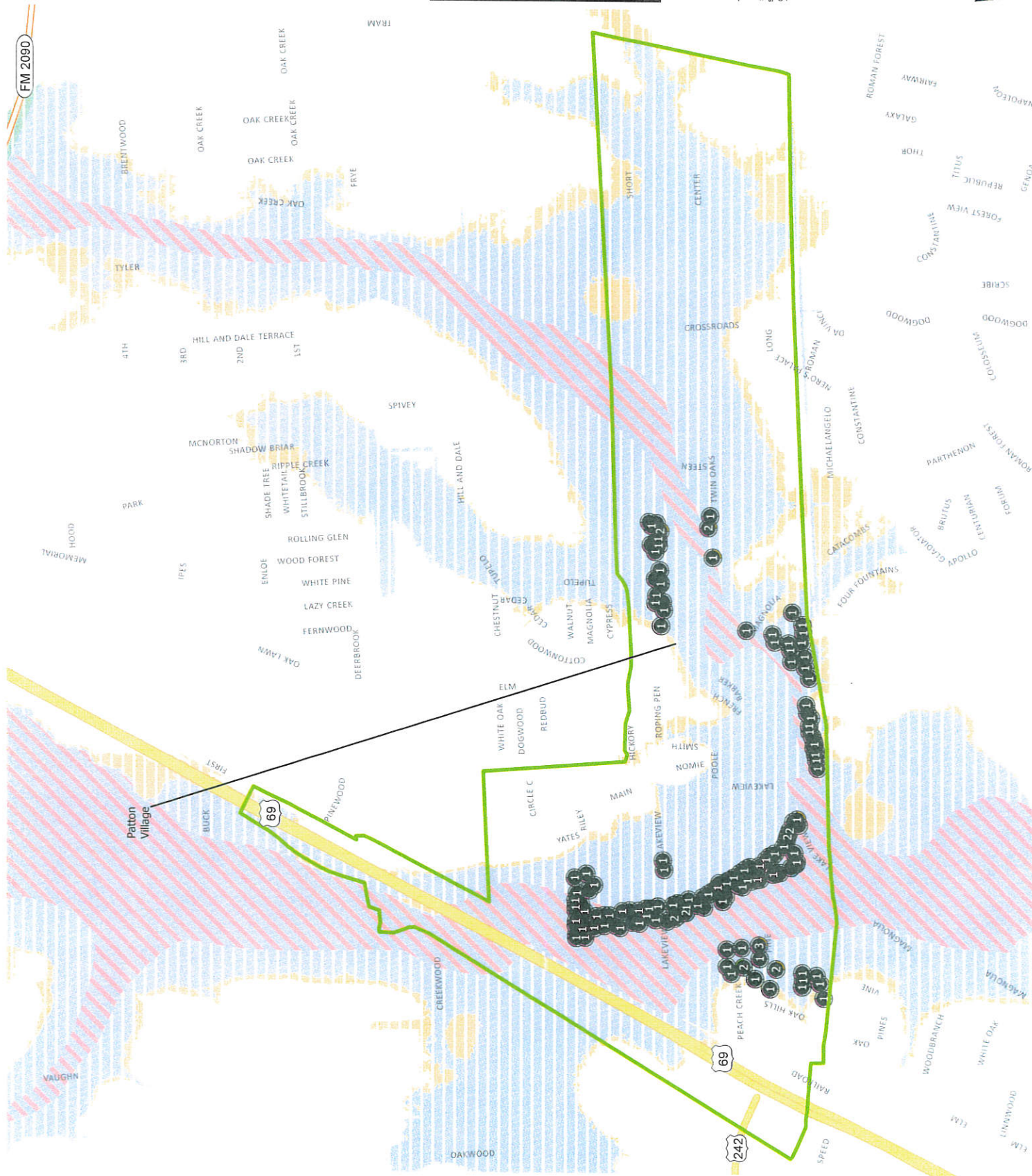


Montgomery County, Texas  
Geographic Information Systems (GIS)  
Maps / Apps / Data  
gis.mctc.org

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Created Date: 3/22/2019


Data Sources:  
Montgomery County GIS  
Roadways Updated February 2019  
Montgomery County Appraisal District  
Subdivision Layer updated March 2019  
Montgomery County Emergency Management  
Flooded Locations Updated August 2017  
Montgomery County Floodplain



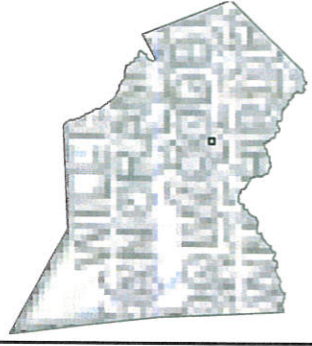


# Woodloch

## Legend

-  Woodloch
-  All Locations Flooded
-  August 2017
-  May 2016
-  April 2016
-  October 1994
-  Residential
- FLD\_ZONE, FLOODWAY**
-  Special Floodway
-  100 year / Zone AE
-  100 year / Zone A
-  500 year / Zone X Shadec

## Location Diagram

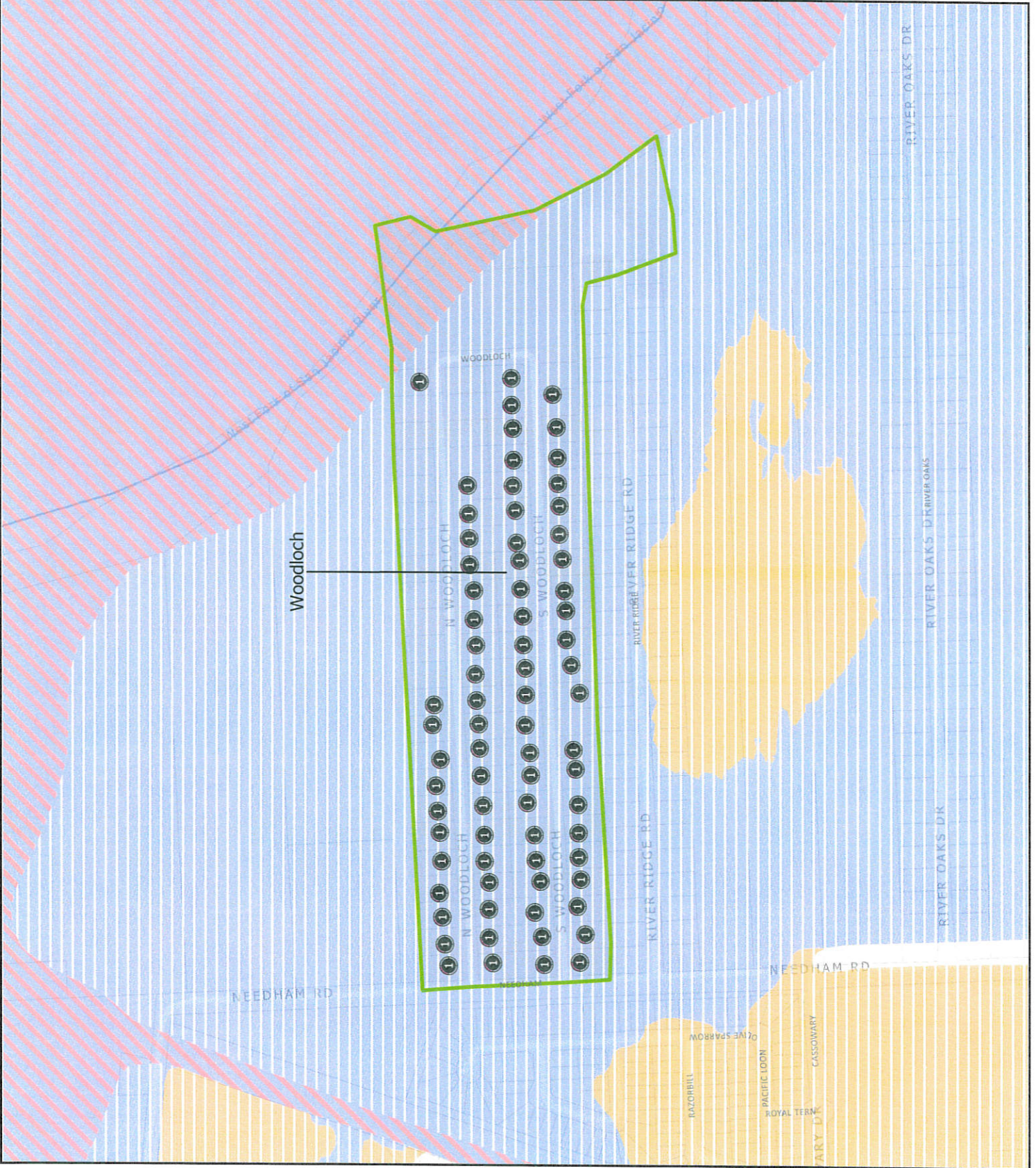


Montgomery County, Texas  
Geographic Information Systems (GIS)  
Maps | Apps | Data  
gis.mctc.org

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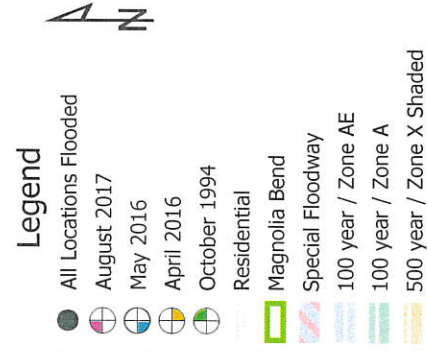
Created Date: 3/22/2019

Data Sources:  
Montgomery County GIS  
Roadways Updated February 2019  
Montgomery County Appraisal District  
Subdivision Layer updated March 2019  
Montgomery County Emergency Management  
Flooded Locations Updated August 2017  
Montgomery County Floodplain

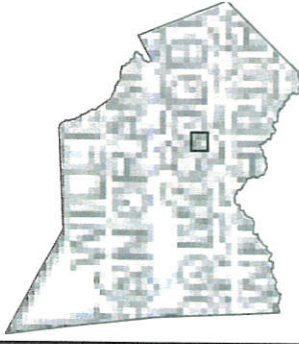




# Magnolia Bend



## Location Diagram

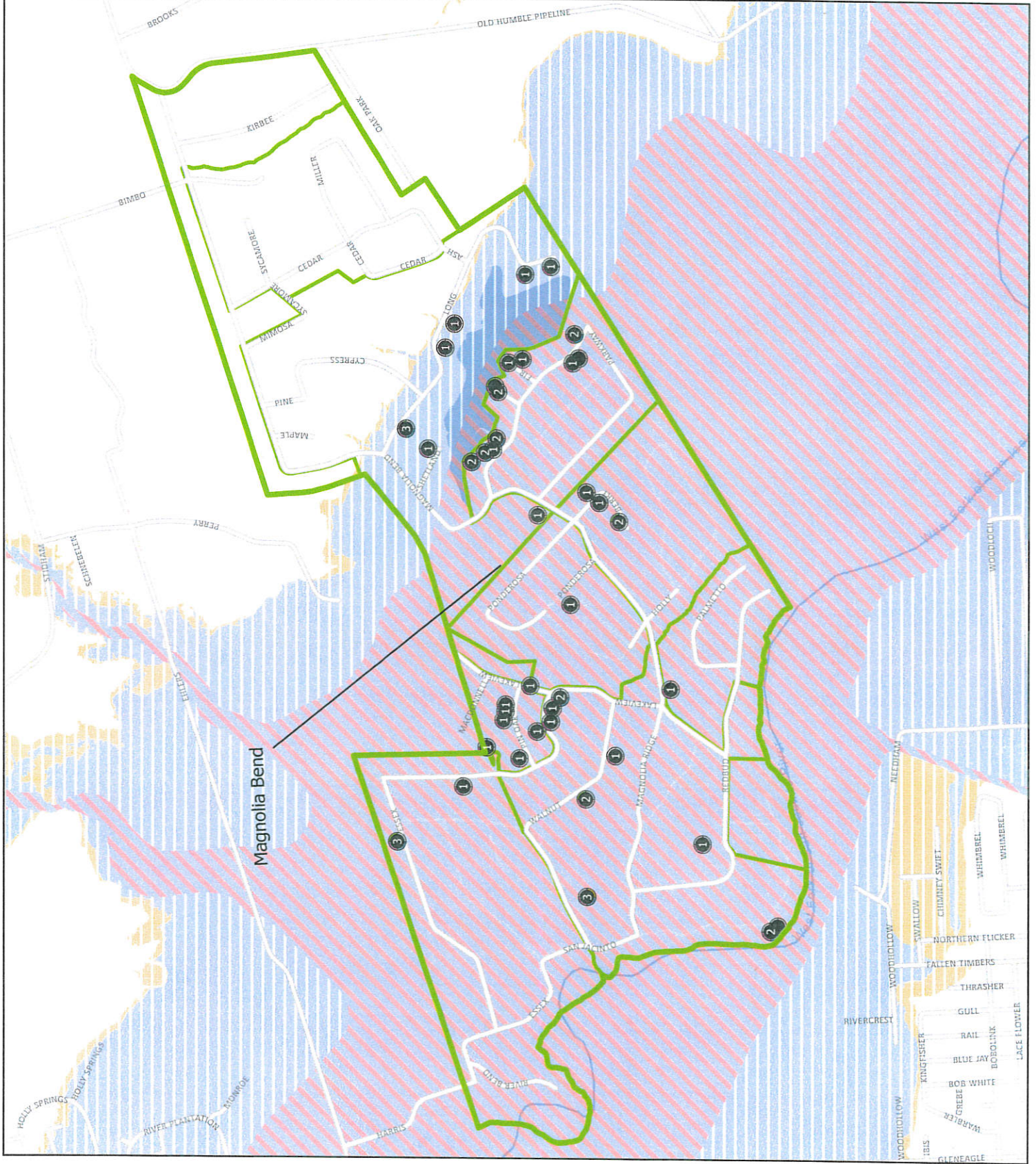


Montgomery County, Texas  
Geographic Information Systems (GIS)  
Maps | Apps | Data  
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Created Date: 3/22/2019

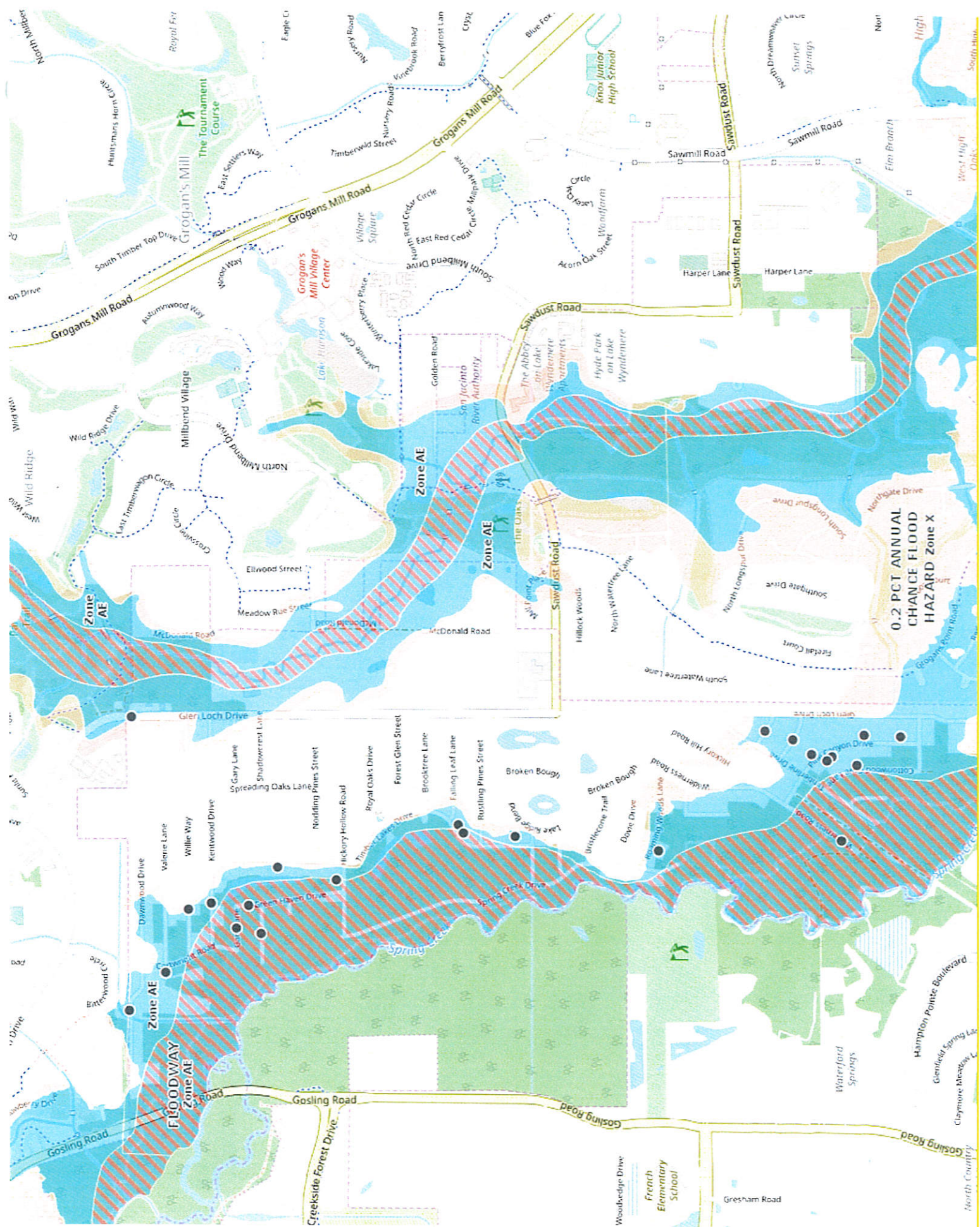
Data Sources:  
Montgomery County GIS  
Roadways Updated February 2019  
Montgomery County Appraisal District  
Subdivision Layer updated March 2019  
Montgomery County Emergency Management  
Flooded Locations Updated August 2017  
Montgomery County Floodplain





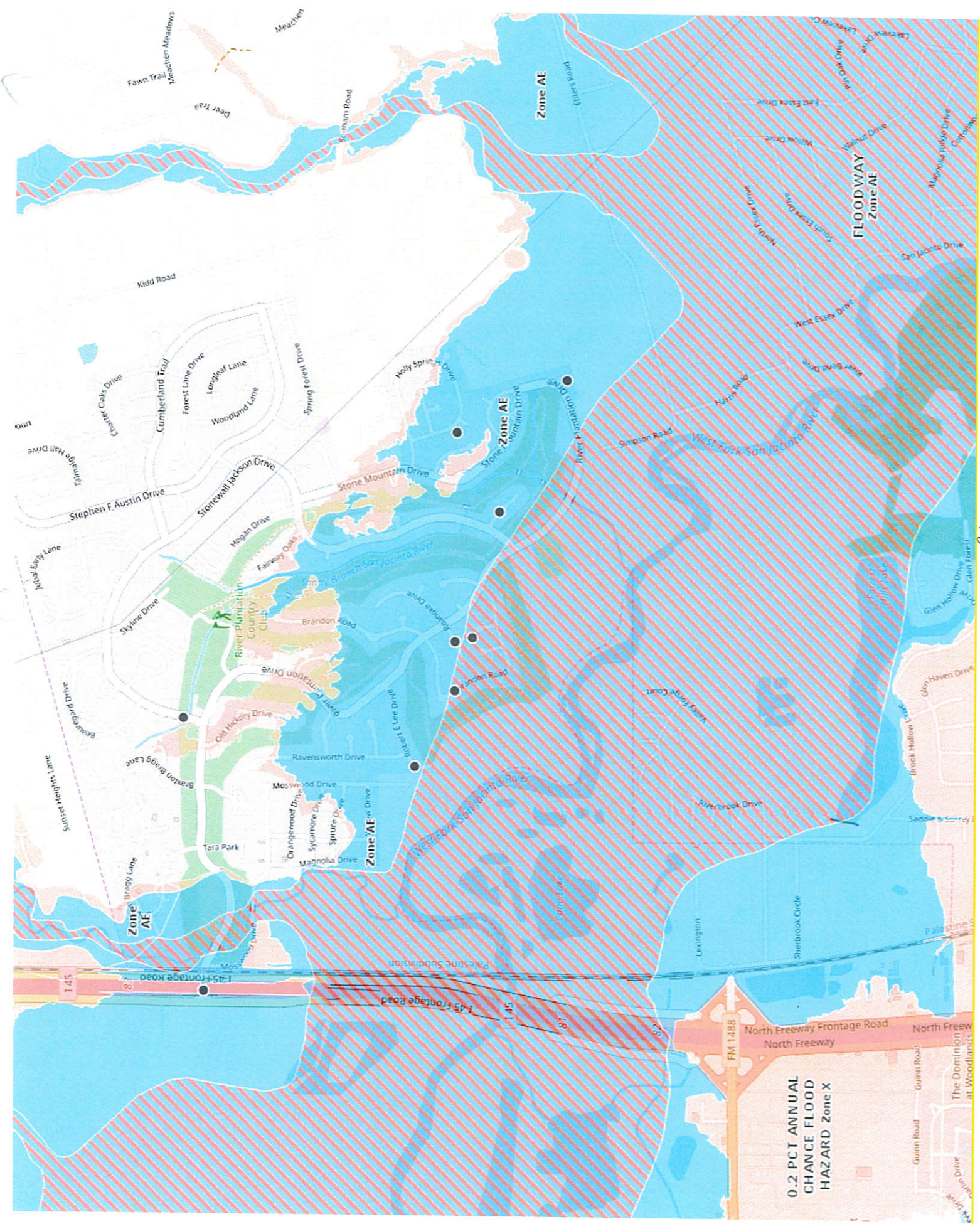






Timber lakes WI





• River plantation LMI



**Buyout and  
Acquisition  
Program Application**  
*June 1, 2019*

Montgomery County Office of Homeland  
Security and Emergency Management

**KEY STAFF**





## **Montgomery County**

### **Office of Homeland Security and Emergency Management**

#### **Key Staff**

Local Oversight:

Darren Hess- Director Homeland Security and Emergency Management

Email: [Darren.hess@mctx.org](mailto:Darren.hess@mctx.org)

Phone: 936.523.3901

Morgan Lumbley- Recovery Manager Homeland Security and Emergency Management

Email: [morgan.lumbley@mctx.org](mailto:morgan.lumbley@mctx.org)

Phone: 936.523.3915 (office)

936.522.7141 (cell)

Potential Contract:

Contracts are currently in the procurement process

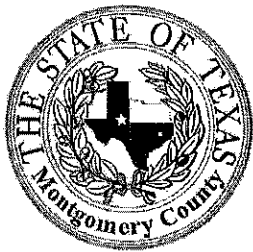


Comprehensive Annual Financial Report  
Fiscal Year 2018

**AUDIT AND  
FINANCIAL  
STATEMENTS**

**Buyout and  
Acquisition  
Program Application**  
*June 1, 2019*

Montgomery County Office of Homeland  
Security and Emergency Management



**Montgomery County, Texas**  
**Office of the County Auditor**  
501 North Thompson, Suite 205, Conroe, Texas 77301  
P. O. Box 539, Conroe, Texas 77305

Rakesh Pandey, CPA  
County Auditor

Angela H. Blocker  
1<sup>st</sup> Assistant County Auditor

March 19, 2019

TO: Commissioners Court

FROM: Rakesh Pandey *RP*  
County Auditor

RE: Comprehensive Annual Financial Report (CAFR)

Consider and accept the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2018.

# Montgomery County, Texas Comprehensive Annual Financial Report



For the Fiscal Year Ended September 30, 2018

501 N. THOMPSON SUITE 205 CONROE, TEXAS 77301

**MONTGOMERY COUNTY, TEXAS**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2018**

**Prepared by**  
**THE MONTGOMERY COUNTY AUDITOR'S OFFICE**  
**Rakesh Pandey**  
**County Auditor**



**MONTGOMERY COUNTY, TEXAS**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**Year Ended September 30, 2018**

	<b><u>PAGE</u></b>
<b><u>INTRODUCTORY SECTION</u></b>	
County Auditor's Letter of Transmittal . . . . .	1
GFOA Certificate of Achievement. . . . .	5
Organization Chart . . . . .	7
Directory of Elected and Appointed Officials . . . . .	9
<b><u>FINANCIAL SECTION</u></b>	
Independent Auditors' Report . . . . .	11
Management's Discussion and Analysis (Required Supplementary Information)	13
<b>Basic Financial Statements:</b>	<b><u>EXHIBIT</u></b>
Government-wide Financial Statements:	
Statement of Net Position. . . . .	I 32
Statement of Activities. . . . .	II 33
Fund Financial Statements:	
Balance Sheet – Governmental Funds . . . . .	III 34
Reconciliation of the Balance Sheet of the Governmental	
Funds to the Statement of Net Position. . . . .	37
Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Governmental Funds. . . . .	IV 38
Reconciliation of the Statement of Revenues, Expenditures,	
and Changes in Fund Balances of the Governmental	
Funds to the Statement of Activities . . . . .	41
Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Budget (GAAP Basis) and Actual – General Fund	
And Major Special Revenue Funds . . . . .	V 42
Statement of Net Position – Proprietary Funds . . . . .	VI 45
Statement of Revenues, Expenses and Changes in	
Fund Net Position – Proprietary Funds . . . . .	VII 46
Statement of Cash Flows – Proprietary Funds . . . . .	VIII 47
Statement of Assets and Liabilities – Fiduciary Funds. . . . .	IX 48
Notes to the Financial Statements . . . . .	49
<b>Required Supplementary Information:</b>	
Schedule of Changes in the County's Net Pension Liability . . . . .	84
Schedule of County Contributions . . . . .	85
Schedule of Changes in the County's Total OPEB Liability . . . . .	86
<b>Supplementary Information:</b>	
Balance Sheet – General Fund . . . . .	A-1 89
Schedule of Revenues and Other Financing Sources	
Budget (GAAP Basis) and Actual – General Fund . . . . .	A-2 90
Schedule of Expenditures and Other Financing Uses	
Budget (GAAP Basis) and Actual – General Fund . . . . .	A-3 92

**MONTGOMERY COUNTY, TEXAS**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**Year Ended September 30, 2018**

	<b><u>SCHEDULE</u></b>	<b><u>PAGE</u></b>
<b>Combining and Individual Fund Statements and Schedules:</b>		
Combining Balance Sheet – Nonmajor Governmental Funds . . . . .	B-1	104
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds. . . . .	B-2	105
Combining Balance Sheet – Nonmajor Special Revenue Funds . . . .	C-1	110
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds . . . . .	C-2	118
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Attorney Administration Fund . . . . .	C-3	126
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Forfeitures Fund .	C-4	127
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – FEMA Disaster Grants Fund. . . . .	C-5	128
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Jury Fund. . . . .	C-6	129
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Sheriff Commissary Fund . . . . .	C-7	130
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Memorial Library Fund . . . . .	C-8	131
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Community Development Fund. . . . .	C-9	132
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Law Library Fund . . . . .	C-10	133
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Juvenile Probation Fund. . . . .	C-11	134
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Records Management and Preservation Fund . . . . .	C-12	135
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Pre-Trial Diversion Fund . . . . .	C-13	136
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Airport Grants Fund . . . . .	C-14	137
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Mental Health Facility Fund . . . . .	C-15	138

**MONTGOMERY COUNTY, TEXAS**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**Year Ended September 30, 2018**

	<b><u>SCHEDULE</u></b>	<b><u>PAGE</u></b>
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Records Management County Fund . . . . .	C-16	139
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Records Management District Clerk Fund . . . . .	C-17	140
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Digital Preservation County and District Fund . . . . .	C-18	141
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – District Clerk Record Preservation Fund . . . . .	C-19	142
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Court Guardianship Fund . . . . .	C-20	143
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Court Reporter Fund . . . . .	C-21	144
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Courthouse Security Fund . . . . .	C-22	145
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Court Technology County and District Fund . . . . .	C-23	146
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Justice Court Building Security Fund . . . . .	C-24	147
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Justice Court Technology Fund . . . . .	C-25	148
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Juvenile Case Manager Fund . . . . .	C-26	149
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Bond Supervision Fund . . . . .	C-27	150
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Basic Supervision Fund. . . . .	C-28	151
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Community Corrections Fund. . . . .	C-29	152
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Mental Impairments Fund. . . . .	C-30	153

**MONTGOMERY COUNTY, TEXAS**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**Year Ended September 30, 2018**

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Contract Election Service Fund . . . . .	C-31	154
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Montgomery County Grant Fund . . . . .	C-32	155
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – HAVA Grant Fund . . . . .	C-33	156
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Federal ARRA Grant Fund . . . . .	C-34	157
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Vital Records Preservation Fund. . . . .	C-35	158
	<b><u>SCHEDULE</u></b>	<b><u>PAGE</u></b>
Combining Balance Sheet – Nonmajor Capital Project Funds . . . . .	D-1	160
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Project Funds . . . . .	D-2	162
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances – Debt Service Fund. . . . .	E-1	167
Combining Statement of Net Position – Internal Service Funds . . . . .	F-1	170
Combining Statement of Revenues, Expenditures, and Changes in Fund Net Position – Internal Service Funds . . . . .	F-2	171
Combining Statement of Cash Flows – Internal Service Funds . . . . .	F-3	172
Combining Statement of Assets and Liabilities – Agency Funds . . . . .	G-1	174
Combining Statement of Changes in Assets and Liabilities – Agency Funds . . . . .	G-2	175
<b>Capital Assets Used in the Operation of Governmental Funds:</b>		
Schedule by Source . . . . .	H-1	179
Schedule by Function and Activity . . . . .	H-2	180
Schedule of Changes by Function and Activity . . . . .	H-3	182

**STATISTICAL SECTION**

	<b><u>TABLE</u></b>	<b><u>PAGE</u></b>
<b>Financial Trends:</b>		
Net Position by Component . . . . .	I	186
Changes in Net Position . . . . .	II	188
Governmental Fund Balances – Last Ten Fiscal Years. . . . .	III	190
Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years . . . . .	IV	192



**MONTGOMERY COUNTY, TEXAS**  
**Comprehensive Annual Financial Report**  
**Table of Contents**  
**Year Ended September 30, 2018**

**Revenue Capacity:**

Taxable Assessed Value and Actual Value of Property – Last Ten Fiscal Years. . . . .	V	195
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years. . . . .	VI	196
Principal Taxpayers – Current Year and Nine Years Ago . . . . .	VII	204
Property Tax Levies and Collections – Last Ten Fiscal Years. . . . .	VIII	205

**Debt Capacity:**

Ratios of Outstanding Debt by Type – Last Ten Fiscal Years. . . . .	IX	206
Ratios of Net General Bonded Debt Outstanding – Last Ten Fiscal Years . . . . .	X	207
Legal Debt Margin – Last Ten Fiscal Years. . . . .	XI	208

Direct and Overlapping Debt. . . . .	XII	213
Pledged-Revenue Coverage – Last Ten Fiscal Years. . . . .	XIII	214

**Economic and Demographic Indicators:**

Demographic and Economic Statistics – Last Ten Fiscal Years. . . . .	XIV	216
Principal Employers – Current Year and Nine Years Ago . . . . .	XV	217

**Operating Information:**

County Employees by Function – Last Ten Fiscal Years. . . . .	XVI	219
Operating Indicators by Function – Last Ten Fiscal Years . . . . .	XVII	220
Capital Asset and Infrastructure Statistics by Function Last Ten Fiscal Years . . . . .	XVIII	222



## INTRODUCTORY SECTION



**Montgomery County, Texas**  
**Office of the County Auditor**  
501 North Thompson, Suite 205, Conroe, Texas 77301  
P. O. Box 539, Conroe, Texas 77305

**Rakesh Pandey CPA**  
County Auditor

**Angela H. Blocker**  
1<sup>st</sup> Assistant County Auditor

March 19, 2019

The Board of District Judges  
The Commissioners' Court  
Montgomery County, Texas

Honorable Judges and Commissioners:

The Comprehensive Annual Financial Report (CAFR) of Montgomery County, Texas, for the year ended September 30, 2018, is submitted herewith. This report was prepared by the County Auditor in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board, and is in compliance with Chapter 114.025 and Chapter 115.045 of the Local Government Code.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To provide a reasonable basis for making this representation, Montgomery County management has established a comprehensive internal control framework designed both to protect governmental assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Montgomery County's comprehensive framework, because the cost of internal controls should not outweigh their benefits, has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of Montgomery County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial activity have been included.

Montgomery County's financial statements have been audited by Weaver and Tidwell, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2018 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the financial statements of Montgomery County for the year ended September 30, 2018 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Montgomery County was a part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements. Specific emphasis was placed on internal controls and compliance with laws and regulations involving the administration of federal and state awards. This Single Audit Report is available as a separate report from Montgomery County.



GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment MD&A and should be read in conjunction with it. Montgomery County's MD&A can be found immediately following the report of the independent auditors.

## **Profile of Montgomery County**

Montgomery County was created on December 14, 1837 by an act of the Congress of the Republic of Texas. It is bisected by Interstate 45, and located approximately forty miles north of downtown Houston. Montgomery County is officially the birthplace of the Texas flag. The actual design of the Lone Star Flag remained a mystery until the Texas House of Representative passed House Resolution 1123 in 1997 commemorating Montgomery County as the flag's official birthplace. Dr. Charles B. Stewart is credited with creating the inspirational banner of the State of Texas. The County provides a full range of services, including police protection, legal and judicial services, construction and maintenance of roads and bridges, public health service, and facilities for recreational and cultural use. The County operates a full service airport as a reliever to nearby Bush Intercontinental Airport. Three major rail lines intersect in the county seat of Conroe. The Lone Star College System offers both 2- and 4-year degree plans in partnership with several universities throughout the state. Scenic Lake Conroe sits among some 1,090 square miles of rolling hills and grassy meadows to create an atmosphere of rural America nestled securely beside its urban neighbors.

The County operates as specified under the Constitution of the State of Texas, and in accordance with the provisions of the State Statutes of Texas, which provide for a Commissioners' Court consisting of the County Judge, elected at-large to a four-year term and four Commissioners, each of whom is elected from four geographical precincts to four-year staggered terms. The Commissioners' Court serves as the governing body of the County.

The U.S. Census Bureau reported the 1990 population for Montgomery County to be 180,394 and the year 2000 population to be 293,768. The most recent census reported the population of Montgomery County to be 455,746. At each census, the County has experienced growth in excess of 50%, with no sign of slowing down. At September 30, 2018 the estimated population was 570,934. Despite the turbulent economic times, the County's population has continued to grow during the past year and is evident in the increased demand for service at the county level. The main impetus for growth in the past two decades has come from the expansion of nearby metropolitan Houston. Many Montgomery County residents now work in Houston, and the spread of the city's suburbs into the County has led to a rapid rise in population. The governing body's active involvement in infrastructure improvements has been instrumental in this explosive growth in population. In recent years Montgomery County has become a recreation destination for many Houston residents. The area, with its abundant lakes and the Sam Houston National Forest, offers numerous opportunities for hunting, boating, fishing, and hiking.

Montgomery County maintains strict budgetary controls to ensure compliance with legal provisions in the annual appropriated budget approved by the governing body. Activities of the General Funds, the Special Revenue Funds, and the Debt Service Funds are included in the annual appropriated budget. Budget to actual comparisons are provided in this report for all funds for which an annual appropriated budget is adopted. According to the budget laws of the State of Texas, expenditures may not exceed the amount appropriated for each fund. The County's budget is prepared and adopted annually as a balanced budget pursuant to Texas law and adhering to a calendar established by the statutes of the State of Texas. In keeping with those statutes, the ad valorem tax levy cannot be established until the budget is adopted. In Montgomery County, the budget is adopted by September 30<sup>th</sup> of each year. Once adopted, the budget is enforced by the County Auditor, as provided by statute.

## **Factors Affecting Financial Condition**

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

**Local economy** – Historically, the County’s economy has been based on mineral production (oil, gas, sand, and gravel), agriculture (horses, cattle, and greenhouse nurseries), and lumbering (timber products). Today, the economy has shifted towards an urban-rural mix. In recent years, the largest industries have been energy, education, health and social services, with retail trade and manufacturing following. Investments made in Texas highways recently have assisted in attracting new and diverse businesses to the County. A favorable taxing environment continues to draw many companies to relocate corporate headquarters to Montgomery County. The Woodlands, a planned community in south Montgomery County, is home to energy, biomedical, and technology businesses. This is causing ever-continued growth in the southern part of the County. As Houston and Harris County, directly to the south, run out of developable land, business and residential growth in Montgomery County is expected to continue.

Recent developments that have contributed to the continued upturn in the local economy in Montgomery County include the construction of a nascent medical compound, centered around the busy intersection of Interstate 45 and State Highway 242, anchored by Texas Children’s Hospital, St. Luke’s and Methodist Hospital. The relocation of ExxonMobil’s corporate headquarters to northern Harris County has further driven growth to the southern part of Montgomery County. The former Boy Scout camp at Camp Strake was sold to Johnson Development Corporation with the intent of creating a new master planned community, Grand Central Park, on 2,046 acres. Construction began in 2016; the 336 Marketplace located in the community continues to welcome a wide array of tenants.

Just before the end of the fiscal year 2017, Hurricane Harvey made landfall on the Texas Gulf Coast and meandered east back into the Gulf of Mexico before making a final landfall in Cameron, Louisiana on August 30, 2017. The enormous category 4 storm’s slow movement over the greater Houston area led to catastrophic flooding. The County continues to work diligently with the State of Texas and the Federal Emergency Management Agency (FEMA) to make critical repairs to infrastructure and buildings.

**Long-term financial planning** – The Commissioners’ Court continues to be very active in infrastructure development, specifically road improvements, to help ensure economic growth. In the second half of calendar year 2005, the County executed an agreement with the Texas Department of Transportation that is facilitating the improvement of five separate state-owned roads. This Pass-Through Toll Agreement provides for the County to pledge local funds to improve these roads, with a partial reimbursement from highway funds at a later date. The County pledged \$100 million of the Series 2006 \$160 million voter-approved road bonds, as well as an additional \$88 million of future bonds to leverage the federal funds for the projects in the hopes of gaining an estimated \$232 million in improvements for the citizens of Montgomery County. In the same spirit of infrastructure development, voters in the County approved a ballot measure in November 2015 for a series of bond offerings that will raise \$280 million for a multitude of road projects throughout Montgomery County. The final bond offerings were issued in May and December 2018 to fund the remaining projects.

As part of this future planning, the Commissioners’ Court created the Montgomery County Toll Road Authority (MCTRA) in August 2006. The MCTRA is charged with the task of collecting tolls from vehicles traveling on the portion of State Highway 242 which connects with Interstate 45 in southern Montgomery County. SH 242 opened to the public in July 2015. Revenues generated by the authority are anticipated to be used to either retire a portion of the debt related to the construction and/or to fund future improvements, as the need arises. Revenue bonds for MCTRA were issued in June 2018 to fund construction along State Highway 249 in Montgomery County.

**New developments** – As part of the continuing effort in the County to alleviate traffic congestion in the southern part of the County, the Commissioners’ Court awarded a contract to construct an interchange facility and direct connectors from State Highway 242 to Interstate 45. This project, approved by the governing body in February 2013, opened in July of 2015 and has improved the flow of traffic in the heavily congested south county area. The County is continuing in its endeavors to face transportation issues by exploring the expansion of the MCTRA to the western part of the County and specifically the Tomball Parkway. Working in conjunction with the Harris County Toll Road Authority (HCTRA), MCTRA has begun work on widening and improving Tomball Parkway.

**Financial Transparency** – In a continuing effort to embrace technological advances, the County embarked on replacing its enterprise resource planning (ERP) financial software system. Aided by various staff members throughout multiple user departments, a project kickoff was held in October 2018 and implementation of a new system began in earnest.

### **Awards and Acknowledgments**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Montgomery County for its comprehensive annual financial report for the fiscal year ended September 30, 2017. This was the thirtieth consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program’s requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of all County departments. I want to express my appreciation to the entire staff of the Office of County Auditor for their continued efforts. I also wish to commend the members of the Commissioners’ Court for conducting the financial operations of Montgomery County in a responsible and professional manner, while meeting the increasing demands for public service.

Respectfully submitted,

Rakesh Pandey, CPA  
Montgomery County Auditor

RP/kgd



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Montgomery County  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2017**

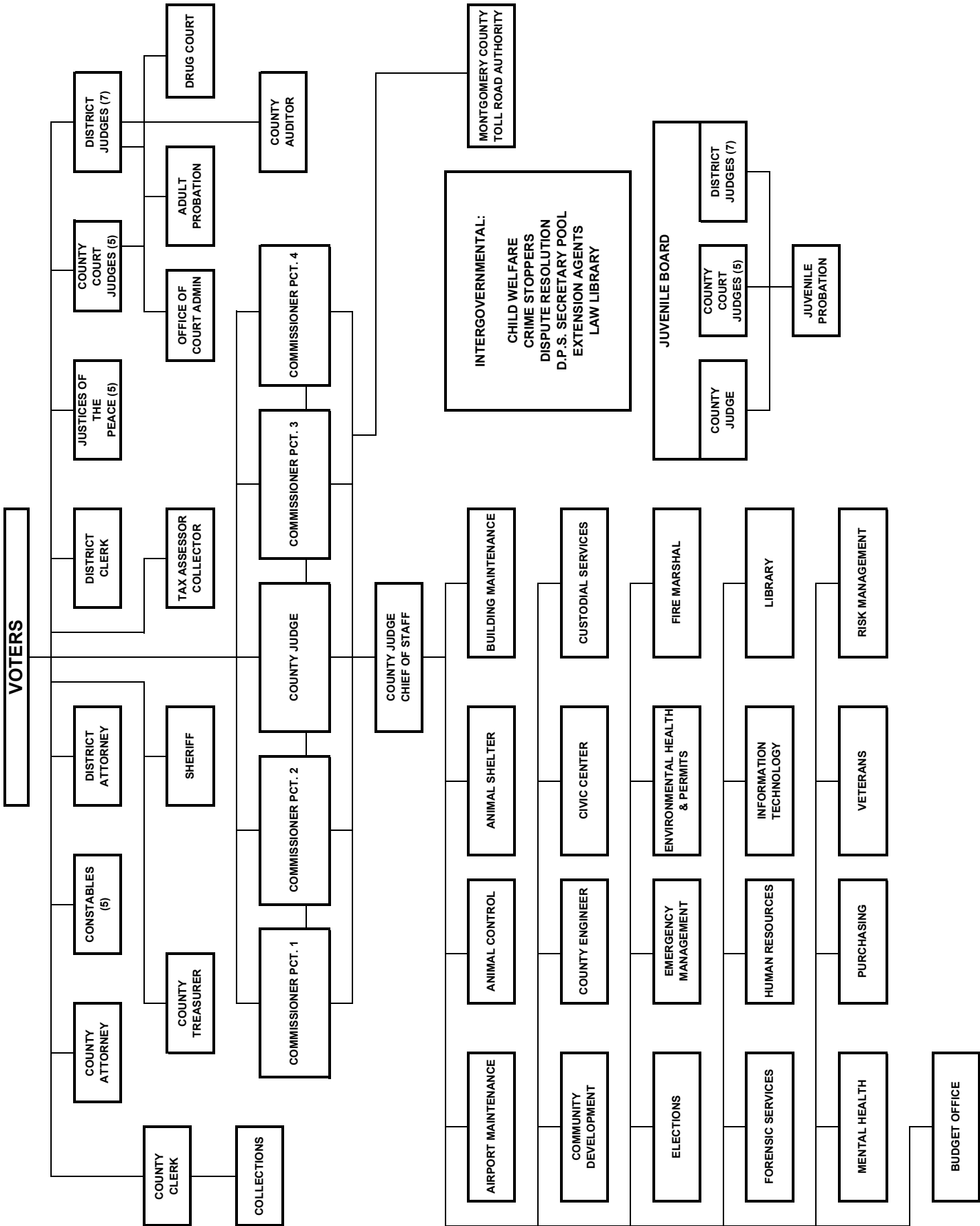
*Christopher P. Morill*

Executive Director/CEO





MONTGOMERY COUNTY, TEXAS ORGANIZATION CHART







MONTGOMERY COUNTY, TEXAS  
DIRECTORY OF OFFICIALS  
SEPTEMBER 30, 2018

COMMISSIONERS' COURT:

Craig Doyal , term ended 12/31/18  
Mark Keough, elected 1/1/19  
Mike Meador  
Charlie Riley  
James L. Noack, Jr.  
Jim Clark, term ended 12/31/18  
James Metts, elected 1/1/19

County Judge  
County Judge  
Commissioner, Precinct #1  
Commissioner, Precinct #2  
Commissioner, Precinct #3  
Commissioner, Precinct #4  
Commissioner, Precinct #4

DISTRICT COURTS:

Phil Grant  
Lisa Michalk  
Cara Wood, retired 12/31/18  
Kristin Bays, elected 1/1/19  
Kathleen Hamilton  
Jennifer Robin  
Tracy Gilbert  
Patty Maginnis  
Brett Ligon  
Barbara G. Adamick, retired 12/31/18  
Melisa Miller, elected 1/1/19

Judge, 9<sup>th</sup> Judicial District  
Judge, 221<sup>st</sup> Judicial District  
Judge, 284<sup>th</sup> Judicial District  
Judge, 284<sup>th</sup> Judicial District  
Judge, 359<sup>th</sup> Judicial District  
Judge, 410<sup>th</sup> Judicial District  
Judge, 418<sup>th</sup> Judicial District  
Judge, 435<sup>th</sup> Judicial District  
District Attorney  
District Clerk  
District Clerk

COUNTY COURTS AT LAW:

Dennis Watson  
Claudia Laird  
Patrice McDonald  
Mary Ann Turner  
Keith Stewart  
JD Lambright  
Mark Turnbull

Judge, County Court at Law #1  
Judge, County Court at Law #2  
Judge, County Court at Law #3  
Judge, County Court at Law #4  
Judge, County Court at Law #5  
County Attorney  
County Clerk

JUSTICE COURTS:

Wayne L. Mack  
Grady Trey Spikes  
Mary E. Connelly, retired 12/31/18  
Matt Beasley, elected 1/1/19  
James Metts, elected Commissioner 1/1/19  
Jason Dunn, elected 1/1/19  
Matthew Masden

Justice of Peace, Precinct #1  
Justice of Peace, Precinct #2  
Justice of Peace, Precinct #3  
Justice of Peace, Precinct #3  
Justice of Peace, Precinct #4  
Justice of Peace, Precinct #4  
Justice of Peace, Precinct #5

LAW ENFORCEMENT:

Rand Henderson  
Phillip Cash  
Gene DeForest  
Ryan Gable  
Kenneth "Rowdy" Hayden  
David H. Hill, retired 9/30/18  
Chris Jones, appointed 10/1/18

Sheriff  
Constable, Precinct #1  
Constable, Precinct #2  
Constable, Precinct #3  
Constable, Precinct #4  
Constable, Precinct #5  
Constable, Precinct #5

FINANCIAL ADMINISTRATION:

Tammy McRae  
Stephanne Davenport, term ended 12/31/18  
Melanie Bush, elected 1/1/19  
Phyllis L. Martin, term ended 12/31/18  
Rakesh Pandey, CPA, appointed 1/1/19  
Gilbert Jalomo  
Amanda Carter

Tax Assessor-Collector  
County Treasurer  
County Treasurer  
County Auditor<sup>1</sup>  
County Auditor<sup>1</sup>  
Purchasing Agent<sup>1</sup>  
Budget Officer<sup>1</sup>

<sup>1</sup> Designates appointed official. All others are elected.



## FINANCIAL SECTION



## **Independent Auditor's Report**

To The Honorable County Judge  
and County Commissioners and Management of  
Montgomery County, Texas  
P.O. Box 539  
Conroe, Texas 77305-0539

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Montgomery County, Texas (the County), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Montgomery County, Texas, as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed Note I.B. to the basic financial statements, during the fiscal year ended September 30, 2018, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Beginning net position has been restated as a result of the implementation of this statement. Our opinions are not modified with respect to this matter.

To The Honorable County Judge  
and County Commissioners and Management of  
Montgomery County, Texas

***Other Matters***

***Required Supplementary Information***

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

***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Montgomery County, Texas's basic financial statements. The Introductory Section, Supplementary Information, Combining and Individual Fund Statements and Schedules, Capital Assets used in the Operation of Governmental Funds, and Statistical Section as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The Introductory Section, Capital Assets used in the Operation of Governmental Fund, and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2019 on our consideration of Montgomery County, Texas'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 County'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 Montgomery County, Texas's internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Conroe, Texas  
March 12, 2019

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

This discussion and analysis provides readers of the financial statements of Montgomery County, Texas (the County) with a narrative overview and analysis of the County's financial activities for the fiscal year ended September 30, 2018. The intent of this discussion and analysis is to evaluate the current activities, resulting changes, and currently known facts of the County as a whole. Readers of this discussion and analysis should consider the information presented here in conjunction with additional information that is furnished in the accompanying letter of transmittal, which can be found on pages 1-4 of this report. This discussion should also be read in conjunction with the basic financial statements and the notes to those financial statements (which immediately follow this discussion). The discussion and analysis includes comparative data from the prior year.

### **FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$545,321,409 (net position). Of this amount, \$72,875,709 is restricted for specific purposes. With the presentation of the net investment in capital assets, unrestricted net position becomes (\$132,476,922).
- The County's total net position increased by \$14,997,824. This is due to the rapid growth experienced throughout the County.
- At September 30, 2018, the County's governmental funds reported combined ending fund balances of \$334,020,897, a decrease of \$1,352,708 from operations in comparison with the prior year. From the ending fund balances, \$618,735 is non-spendable, \$151,415,453 is restricted, \$49,933,447 is committed and \$87,202,261 is assigned. Approximately 13.4% of the ending balances, \$44,851,001 is unassigned and available for spending at the government's discretion. Details on these balances can be found in the chart included in Note 11.
- At September 30, 2018, unassigned fund balance for the General Fund was \$44,851,001, or 19.1% of total General Fund expenditures.
- The County's total bonded debt increased by \$14,435,000 (3.3%) during the current fiscal year. This increase was primarily due to the defeasance of certain obligations as well as the issuance of road bonds during the current fiscal year.
- As of fiscal year 2018, the County reported a net pension liability of \$22,169,282.
- As of fiscal year 2018, the County reported other post-employment benefit obligations (OPEB) of \$187,705,823.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Montgomery County's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional supplementary information to the financial statements themselves.

### ***Government-Wide Financial Statements***

The Statement of Net Position and the Statement of Activities, the two government-wide financial statements, are designed to provide readers with a broad overview of Montgomery County's finances, similar to the financial statements of a private-sector business. Both of these statements are presented using the full accrual basis of accounting; therefore, revenues are reported when they are earned and expenses are reported when the goods and services are received, regardless of the timing of cash being received or disbursed. These statements include capital assets of the County (including infrastructure added since implementing GASB Statement No. 34 in fiscal year 2003 and the portion of GASB Statement No. 34 as it pertains to retroactive infrastructure reporting) as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regards to interfund activity, payables and receivables.

The Statement of Net Position presents information on all of Montgomery County's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two groups being reported as net position. This statement is similar to that of the balance sheet of a private-sector business (with primary sections in a business balance sheet being assets, liabilities, and equity). The GASB believes that, over time, increases or decreases in the net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents the County's revenues and expenses for the year, with the difference between the two resulting in the change in net position for the fiscal year ended September 30, 2018. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Because the statement of activities separates program revenue (revenue generated by specific programs through fees, fines, forfeitures, charges for services, or grants received) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each function has to rely on general revenues for funding. The governmental functions of the County include general administration, judicial, legal services, elections, financial administration, public facilities, public safety, health and welfare, culture and recreation, conservation, public transportation, and debt service.

Government-wide financial statements include not only the activities of the County itself (known as the primary government), but also those of a legally separate component unit: the Montgomery County Toll Road Authority. The County Commissioners' Court acts as the Board of Directors for the component unit whose activities are blended with those of the primary government because they function as part of the County government. Montgomery County's government-wide financial statements distinguish functions of the County that are principally supported by tax and intergovernmental revenues (*governmental activities*) from those that are intended to recover all or a significant portion of their costs through fees and charges (*business-type activities*).

The government-wide financial statements can be found on pages 32-33 of this report.

### ***Fund Financial Statements***

The fund financial statements focus on the County's most significant funds (major funds) rather than fund types, or the County as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Montgomery County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- 1) Governmental funds are maintained to account for the government's operating and financing activities. The measurement focus is on available resources.
- 2) Proprietary funds are utilized to account for internal service funds and enterprise funds. Internal service funds are an accounting tool used to accumulate and allocate costs amongst the County's functions. Enterprise funds are used to report an activity for which a fee is charged to external users for goods and services.
- 3) Fiduciary funds are used to account for resources that are held by the government as a trustee or agent for parties outside of the government. The resources of fiduciary funds cannot be used to support the government's own programs.

**Governmental funds** are used to account for those functions reported as governmental activities in the government-wide financial statements. As mentioned earlier, government-wide financial statements are reported using full accrual accounting; governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as balances of available resources. In other words, revenue is reported when earned, provided it is collectible within the reporting period or soon enough afterward to be used to pay liabilities of the current period. Likewise, liabilities are recognized as expenditures only when payment is due since they must be liquidated with available cash. Such information is useful in comparing a government's near-term financing requirements to near-term resources available.

The focus of governmental funds is narrower than that of the government-wide financial statements; therefore it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers should better understand the results and long-term impact of the government's near-term financing decisions. The user is assisted in this comparison between the two bases of accounting by way of a reconciliation statement between the governmental fund balance sheet and the government-wide statement of net position, as well as a reconciliation statement between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

Montgomery County maintained 45 individual governmental funds during the fiscal year ended September 30, 2018. 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 Road and Bridge Fund, the Debt Service Fund, the Road Bonds Series 2016A Fund, and the Road Bonds Series 2018 fund, all of which are considered to be major funds. Data from the remaining governmental funds (i.e., nonmajor funds) is combined into a single, aggregated presentation. Individual fund data for each nonmajor governmental fund is provided in the form of combining schedules, which are included in the Supplementary Information section following the notes to the financial statements.

Montgomery County utilizes and maintains budgetary controls over its operating funds. Budgetary controls are used to ensure compliance with legal provisions required under state statute governing the annual appropriated budget. Budgets for governmental funds are established in accordance with state law and, by County policy, are adopted at the department level for the General Fund, all Special Revenue Funds, and the Debt Service Fund using the primary categories of salaries, benefits, supplies, services, and capital outlay. A budgetary comparison statement is provided in the financial section for the General Fund and the Road and Bridge Special Revenue Fund. Budgetary comparison schedules for all nonmajor



special revenue funds are provided as supplementary information. These budgetary comparisons can be used to demonstrate compliance with the budget both in its original and final forms.

The basic governmental fund financial statements can be found on pages 34-43 of this report.

**Proprietary Funds** focus on the determination of operating income, changes in net position, financial position, and cash flows. There are two types of proprietary funds: enterprise funds and internal service funds. Internal Service Funds are utilized as an accounting device to accumulate and allocate costs internally among the County's various functions. The County maintains four Internal Service funds to account for its employee health benefits, accident and liability, worker's compensation, and the County's Wellness Clinic. Since the internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The County also maintains an Enterprise Fund to account for activity in the Montgomery County Toll Road Authority (MCTRA). The projects are in the beginning stages, the operations are primarily dependent on taxes rather than user fees; however, the intention is for these funds to ultimately become fully supported by user fees. This fund is reported as a business-type activity in the financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The internal service funds are also presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 45-47 of this report.

**Fiduciary funds** are used to account for resources held for the benefit of parties other than the County itself. Agency funds are the only fiduciary fund type used by Montgomery County, and they are not reflected in the government-wide financial statements because the resources of those funds are not available to support the programs and expenses of the County. The basis of accounting used for fiduciary funds is the full accrual basis, much like that of the government-wide statements.

The basic fiduciary fund financial statements can be found on page 48 of this report.

**Notes to the financial statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. As such, the notes are an integral part of the basic financial statements. They focus on the primary government's governmental activities, major funds, and nonmajor funds in the aggregate.

The notes to the financial statements can be found on pages 49-82 of this report.

Required supplementary information provides information on the County's participation in the agent multiple-employer defined benefit pension plan as well as information on other post-employment benefits. The required supplementary information can be found on pages 83-86.

**Supplementary information** is comprised of the General Fund final budget versus actual at the department level. This comparative data can be found on pages 89-102 of this report.

**Supplementary information** also includes combining financial statements for non-major governmental, proprietary and fiduciary funds. These funds are totaled by fund type and presented in a single column in the basic financial statements. They are not reported individually, as with major funds, on the governmental fund financial statements.

Supplementary information can be found on pages 104-173 of this report.

## GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

As noted earlier, the GASB believes that net position may serve over time as a useful indicator of a government's financial position. Montgomery County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$545,321,409 at September 30, 2018, as shown in the table below. The County also reported a prior period adjustment for the inclusion of the total OPEB Liability which resulted in a decrease of \$94,343,780.

### Montgomery County, Texas Net Position

	Governmental Activities		Business-type activities		Total	
	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017
Current and other assets	\$ 405,968,608	\$ 404,378,985	\$ 79,558,730	\$ (5,542,689)	\$ 485,527,338	\$ 398,836,296
Capital assets	859,603,253	792,069,288	67,945,294	62,599,944	927,548,547	854,669,232
Total assets	<u>1,265,571,861</u>	<u>1,196,448,273</u>	<u>147,504,024</u>	<u>57,057,255</u>	<u>1,413,075,885</u>	<u>1,253,505,528</u>
Deferred outflow of resources	29,592,096	55,584,420	-	-	29,592,096	55,584,420
Long-term liabilities outstanding	750,036,343	643,965,832	95,458,322	-	845,494,665	643,965,832
Other liabilities	41,975,293	37,540,377	4,107,038	385,621	46,082,331	37,925,998
Total liabilities	<u>792,011,636</u>	<u>681,506,209</u>	<u>99,565,360</u>	<u>385,621</u>	<u>891,576,996</u>	<u>681,891,830</u>
Deferred inflow of resources	5,769,576	2,530,753	-	-	5,769,576	2,530,753
Net Position:						
Net Investment in Capital Assets	559,976,686	452,183,891	44,945,936	62,599,944	604,922,622	514,783,835
Restricted	72,875,709	73,859,730	-	-	72,875,709	73,859,730
Unrestricted	(135,469,650)	41,952,110	2,992,728	(5,928,310)	(132,476,922)	36,023,800
Total net position	<u>\$ 497,382,745</u>	<u>\$ 567,995,731</u>	<u>\$ 47,938,664</u>	<u>\$ 56,671,634</u>	<u>\$ 545,321,409</u>	<u>\$ 624,667,365</u>

The County's total assets of \$1,413,075,885 are largely comprised of investments of \$253,299,194, or 17.9%, and capital assets net of accumulated depreciation of \$927,548,547, or 65.5%. The capital assets of the County include land, buildings, improvements other than buildings, equipment, intangibles, and infrastructure (roads, bridges, signs, etc.). Capital assets are non-liquid assets that provide services to citizens; as a result, these assets cannot be utilized to satisfy County obligations.

As in last year, long-term debt of \$845,494,665 comprises the largest portion of the County's total liabilities of \$891,576,996 at 94.8%. Of total long-term liabilities, \$33,728,141 is due within one year, with the remainder of \$811,766,524 being due over a period of time greater than one year. A more in-depth discussion of long-term debt can be found in the notes to the financial statements.

The County's assets and deferred outflows of resources exceeded its liabilities by \$545,321,409 (net position) as of September 30, 2018. Roughly 13.3%, or \$72,875,709, of the County's net position represents restricted net position. These resources are subject to external restrictions on how they may be used. Restrictions include statutory requirements, bond covenants, and granting conditions. Of the restricted net position, \$43,097,490 is restricted for capital projects and \$29,778,219 is restricted for debt service. The most significant portion (\$604,922,622) of the County's net position reflects its net investment in capital assets.

**Montgomery County, Texas**  
**Statement of Activities**

	<b>Governmental activities</b>		<b>Business-type activities</b>		<b>Total</b>	
	<b>FY 2018</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2017</b>
<b>Revenues:</b>						
<i>Program revenues:</i>						
Fees, fines, forfeitures, and charges for services	\$ 142,614,217	\$ 136,496,566	\$ 1,405,809	\$ 1,150,033	\$ 144,020,026	\$ 137,646,599
Operating grants and contributions:	18,248,825	14,153,836	-	-	18,248,825	14,153,836
Capital grants and contributions:	70,300,531	58,853,193	3,766,300	1,148,672	74,066,831	60,001,865
<i>General revenues:</i>						
Property taxes	235,309,431	248,120,144	-	-	235,309,431	248,120,144
Other taxes	3,095,156	2,788,410	-	-	3,095,156	2,788,410
Other general revenues	7,515,436	4,365,688	170,021	-	7,685,457	4,365,688
Total revenues	477,083,596	464,777,837	\$ 5,342,130	\$ 2,298,705	482,425,726	467,076,542
<b>Expenses:</b>						
General administration	69,064,470	65,159,730	-	-	69,064,470	65,159,730
Judicial	37,498,575	37,787,341	-	-	37,498,575	37,787,341
Legal services	4,055,102	4,038,642	-	-	4,055,102	4,038,642
Elections	2,418,834	2,142,405	-	-	2,418,834	2,142,405
Financial administration	8,825,650	8,001,174	-	-	8,825,650	8,001,174
Public facilities	74,896,281	71,243,441	-	-	74,896,281	71,243,441
Public safety	103,791,920	83,664,853	-	-	103,791,920	83,664,853
Health and welfare	30,287,821	30,656,288	-	-	30,287,821	30,656,288
Culture and recreation	10,719,438	11,037,207	-	-	10,719,438	11,037,207
Conservation	1,903,911	1,704,745	-	-	1,903,911	1,704,745
Public transportation	89,720,534	81,958,847	-	-	89,720,534	81,958,847
Debt service interest and fiscal charges	28,471,590	19,419,455	-	-	28,471,590	19,419,455
Toll Road	-	-	5,773,776	1,307,118	5,773,776	1,307,118
Total expenses	461,654,126	416,814,128	5,773,776	1,307,118	467,427,902	418,121,246
Increase (decrease) in net position before transfers	15,429,470	47,963,709	(431,646)	991,587	14,997,824	48,955,296
Transfers	8,301,324	-	(8,301,324)	-	-	-
Increase (decrease) in net position	23,730,794	47,963,709	(8,732,970)	991,587	14,997,824	48,955,296
Net Position - beginning	567,995,731	520,032,022	56,671,634	55,680,047	624,667,365	575,712,069
Prior period adjustment	(94,343,780)	-	-	-	(94,343,780)	-
Net Position - Beginning, as restated	473,651,951	520,032,022	56,671,634	55,680,047	530,323,585	575,712,069
Net Position - Ending	\$ 497,382,745	\$ 567,995,731	\$ 47,938,664	\$ 56,671,634	\$ 545,321,409	\$ 624,667,365

However, the County's overall net position decreased from the prior fiscal year. The reasons for this overall decrease are discussed in the following sections for governmental activities and business-type activities.

### ***Governmental Activities***

During the current fiscal year, net position for governmental activities increased by \$23,730,794 from the prior fiscal year, in addition to a prior period adjustment of \$94,343,780, attributing to the ending balance of \$497,382,745. As a result of the requirement of GASB 75 to report a total OPEB liability of \$187,705,823, the overall governmental activities experienced a decrease.

The County's total revenues of \$477,083,596 is an increase from the prior year. Property tax revenue accounts for \$235,309,431, or 49.3%, and is a decrease over last year of \$12,810,713. The decrease is primarily due to a newly elected homestead exemption that the Commissioners' Court approved in 2018. Despite the minimal decrease in collections in 2018, Montgomery County continues to see increased population and commercial development, as people continue to relocate to the County. These both contribute greatly to increase appraisal values and subsequent tax collections.

Program revenues of fees, fines, forfeitures, and charges for services comprise \$142,614,217, or 29.9%; and grants and contributions encompass \$88,549,356, or 18.6% of total revenues of governmental activities. Operating Grants and Contributions were \$18,248,825, an increase of \$4,094,989 largely due to the influx of FEMA grant funds received in response to the recovery efforts from Hurricane Harvey. Capital Grants and Contributions experienced an increase in the amount of \$11,447,338 primarily due to an increase of county infrastructure donations.

Expenses for the year totaled \$461,654,126. The Public Transportation function accounted for \$89,720,534, or 19.4% of the total expenses in governmental activities. The increase in spending in the public transportation function of \$7,761,687 is due to several large road construction projects undertaken by the County during the fiscal year. These projects are primarily for widening and improvement of State-owned roads, creating expenditures with no offsetting asset capitalization.

The Public Safety function experienced an increase in expenses of \$20,127,067 over the previous year. The after effects of Hurricane Harvey have been felt by the County and FEMA has given the County grants to assist with the consequences of the hurricane.

The General Administration function experienced an increase in expenses of \$3,904,740 over last year to \$69,064,470. This is primarily due to the increase in the expenses recorded in the county's internal service funds, which are recorded in the General Administration function.

The Public Facilities function expenses increased to \$74,896,281, an increase of \$3,652,840. The increase is primarily due several projects that the County has undertaken for improvements to buildings throughout the County.

The recognition of the County's total OPEB liability of \$187,705,823 has led to increases for every function. The liability was recognized on a pro rata share based on number of employees by function.

### ***Business-type Activities***

For the County's business-type activities, the results for the current year were positive in that overall net position was \$47,938,664. Capital Grants and Contributions of \$3,766,300 comprised 70.5% of total revenues for business-type activities. Included in this amount is the purchase of land parcels as MCTRA is in the process of the expansion of a portion of Tomball Parkway to be used as a toll road. The SH242 Direct Connectors have been in service since July 2016. During fiscal year 2018, MCTRA receipted \$1,405,809 in toll revenue.

The government's ending net position of \$545,321,409 represents a decrease of \$79,345,956 from the prior year's net position, inclusive of the prior period adjustment discussed earlier. The County's change in net position for governmental activities is summarized by the following chart:

**Montgomery County, Texas**  
**Change in Net Position**

	<b>Governmental Activities</b>	
	<b>FY 2018</b>	<b>FY 2017</b>
<i>Governmental funds activity:</i>		
Total revenues	\$ 370,085,504	\$ 389,792,173
Total expenditures	432,989,046	416,033,913
Excess (Deficiency) of revenues over expenditures	(62,903,542)	(26,241,740)
Capital lease financing	255,949	758,256
Issuance of Refunding Bonds	-	47,775,000
Issuance of general obligation bonds	45,670,000	73,725,000
Payment to refunded bond escrow agent	-	(51,269,830)
Premiums on obligations	5,335,327	11,311,438
Transfers	10,289,558	-
Net change in fund balance	(1,352,708)	56,058,124
<i>Government-wide activity:</i>		
Difference between current year's capital outlay expenditures and depreciation expense	1,096,989	(7,820,958)
Expenditures made in addition to the annual required		
Net effect of capital asset sales, donations, trade-ins, etc.	66,480,880	39,515,910
Revenues not reported in funds because they do not provide current-period financial resources	263,304	475,549
Internal Service Funds which are not reported in funds but are reported in government wide activity	(1,232,088)	(2,023,356)
Long-term debt not reported in funds because it does not affect the current period	(29,945,798)	(24,586,008)
Expenses not reported in the funds because they do not use current-period financial resources	(11,579,785)	(13,655,552)
Total change in net position	\$ 23,730,794	\$ 47,963,709

This change in net position begins with the current year's differences between governmental revenues and expenditures of (\$62,903,542) along with other financing sources and uses of \$61,550,834. Differences between capital assets added during the year and the depreciation related to all capital assets recorded, along with the effect of various capital assets transactions, such as dispositions and donations of \$67,577,869 also affect this change.

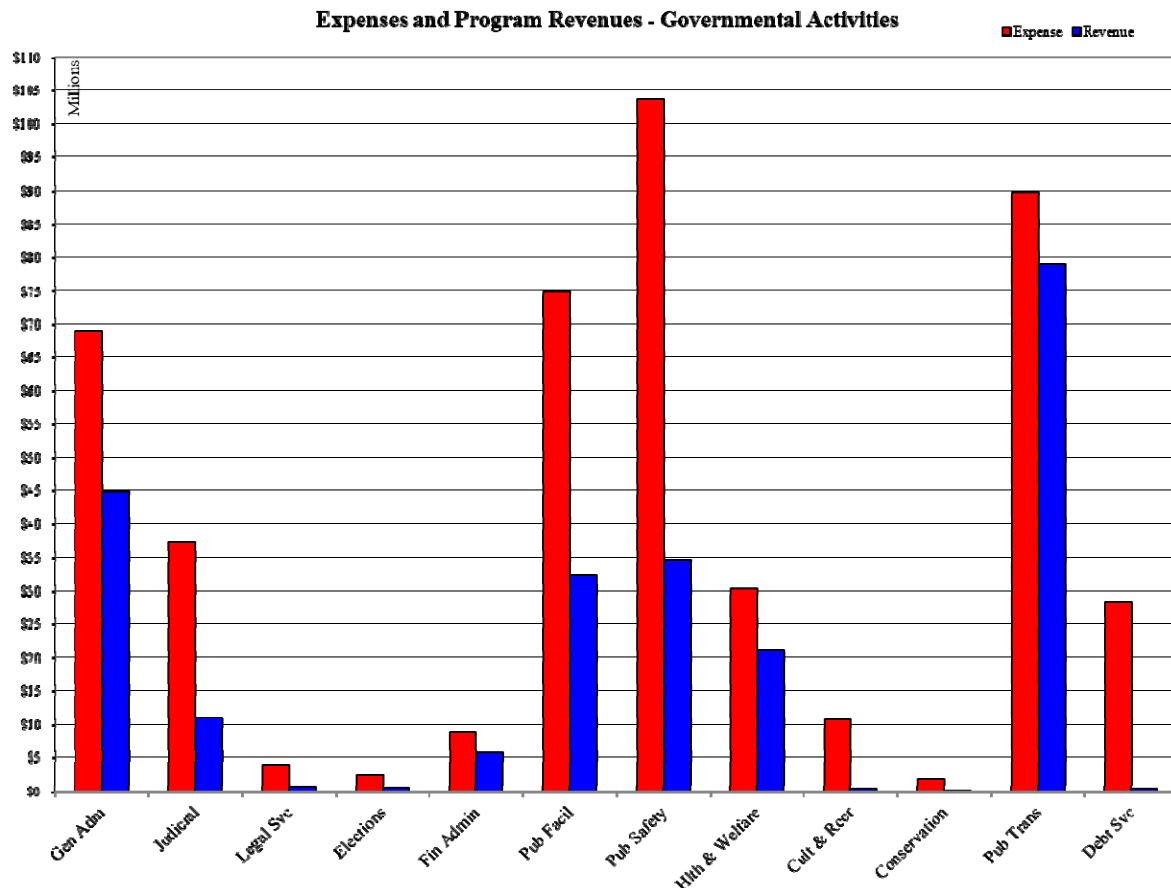
Other factors influencing the change in net position are those revenues and expenses that do not provide or require the use of current financial resources of (\$11,316,481). Additionally, long-term debt, whether being issued or retired, has an effect on the change in net position of (\$29,945,798). During the fiscal year, the County issued road bonds and an issuance of refunding debt. The County also reports a net pension liability of (\$22,169,282) on and a total OPEB liability of (\$187,705,823) on the balance sheet.

The overall financial position of the County has deteriorated over the last year. As mentioned earlier, there is a decrease in the County's net position of (\$79,345,956), inclusive of the prior period adjustment. The reason for this drastic change is due to the implementation of GASB 75, reporting of a total OPEB



liability of (\$187,705,823). Moreover, the increase of \$2,333,325 in the combined fund balance of Montgomery County's two major operating funds, the General Fund and the Road and Bridge Fund, indicates continued improvement in the County's near term financial position. As part of long-range planning, management has pledged to continue maintaining the level of the General fund's unassigned fund balance at an amount between 10 and 15 percent of annual operating expenditures.

The following chart depicts expenses and program revenues for the fiscal year ending September 30, 2018 for governmental activities.



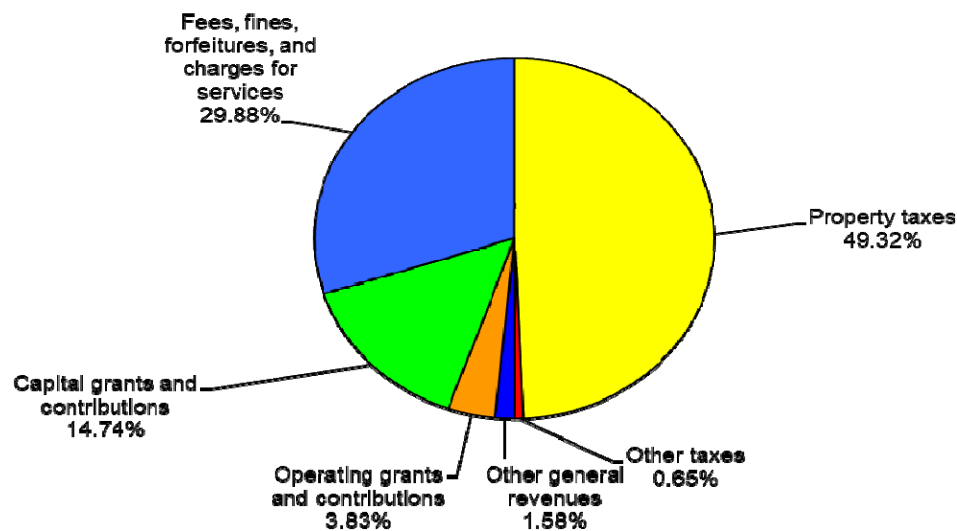
Key elements of the analysis of government-wide program revenues and expenses as they relate to each function reflect the following:

- Program revenues of \$231,163,573 are comprised in large part (34.2%) of public transportation's revenues of \$79,102,445 and general administration's revenues of \$44,755,471 (19.4%). The public safety function comprises 14.9% of program revenues with \$34,549,720, public facilities makes up 14.0% of program revenues with \$32,395,935, and Health and Welfare covers 9.1% of program revenues with \$21,245,677. The expenses of these functions account for 19.4%, 14.9%, 22.4%, 16.2%, and 6.5%, respectively. As expected, general revenues provided the required support and coverage in areas where expenses exceeded revenues.
- The public transportation function experienced an increase in expenses of \$7,761,687 while also realizing an increase in revenues of \$13,038,757. The increase in expenses is the result of an aggressive effort on the part of the Commissioners to complete road way projects, many of which are state-owned, located in the County. The continued and explosive growth in the County,

sparked by the energy boom, provides the impetus for the Commissioners' actions. The increase in revenues is due to an increase in the amount of donations of roads received by the County.

The following chart depicts revenues of the governmental activities for the fiscal year ended September 30, 2018.

**Revenues by Source - Governmental Activities**



## GOVERNMENTAL FUND FINANCIAL ANALYSIS

Montgomery County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds are a means of providing information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Montgomery County's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of September 30, 2018, the County's governmental funds reported combined ending unassigned fund balances of \$44,851,001 that are available for spending at the County's discretion. The remainder of fund balances are categorized as non-spendable \$618,735, restricted \$151,415,453, committed \$49,933,447 or assigned \$87,202,261 to reflect the varying levels of liquidity.

Total assets and deferred outflows of resources in the General Fund amounted to \$234,152,365, accounting for 49.0% of total governmental fund assets. The total assets of other major funds, which include Road and Bridge Special Revenue Fund (\$20,699,389), the Debt Service Fund (\$16,839,853), the Road Bonds, Series 2016A (\$48,478,277), and the Road Bonds, Series 2018 (\$42,875,690). Together, all major funds account for \$363,048,574 (75.8%) of the County's \$478,550,264 in total assets.

The County's General Fund balance increased by \$1,543,918 during the current fiscal year. Key factors in this increase are as follows:

- The continued growth in the County has contributed to a general increase in charges for services and fees collected in the general fund. In addition, interest rates have managed to rise, contributing to a considerable increase in investment earnings.
- Conservative spending policies and practices of the Commissioners' Court encouraged all aspects of the organization to reduce spending where possible.

The Road and Bridge Special Revenue Fund has a total fund balance of \$13,986,297 which is reported as \$1,666,237 restricted, \$2,054,074 as committed, and \$10,265,986 as assigned. The fund balance increased by \$789,409 during the current year due to the increased focus of funding through the operating budgets of the Commissioners of various road maintenance projects to improve mobility.

The fund balance of \$15,756,559 in the Debt Service Fund is presented as fund balance restricted for debt service. The fund balance decreased as a result of the use of funds collected through a Pass-Through Toll Agreement to defease the debt associated with the agreement.

The entire fund balance of the Road Bonds, Series 2016A, \$39,757,804, and Road bonds, Series 2018, \$41,038,687 are classified as restricted and represents amounts that are specifically for Commissioners' Court approved road improvement projects.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The published budget of Montgomery County for fiscal 2018 was prepared on a modified accrual basis, and includes all elements required by Texas Local Government Code Section 111.034, applicable to counties of population more than 225,000 that do not have an appointed County Budget Officer. The original adopted budget of the General Fund includes revenues of \$235,864,483 and expenditures of \$225,160,409. The General Fund's final budget, as amended, contains revenues and other financing sources of \$255,573,422 and expenditures and other financing uses of \$250,387,374.

The following table presents the changes between the original adopted budget and the final budget for the General Fund as of September 30, 2018.

<b>General Fund Budget Variances Year Ended September 30, 2018</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Variance with Original Budget Positive (Negative)</b>
Revenues:			
Taxes	\$ 178,973,714	\$ 179,297,323	\$ 323,609
Licenses and Permits	2,499,000	2,499,000	-
Fees	16,798,703	16,946,925	148,222
Intergovernmental	3,285,000	5,598,748	2,313,748
Charges for Services	2,733,590	2,975,310	241,720
Interest	737,210	1,004,362	267,152
Contract Reimbursements	14,182,766	15,517,799	1,335,033
Inmate Housing	15,800,000	30,262,645	14,462,645
Fines and Forfeitures	70,000	70,000	-
Miscellaneous	784,500	1,341,310	556,810
Total Revenues	235,864,483	255,513,422	19,648,939
Expenditures:			
General Administration	30,042,500	24,914,218	5,128,282
Judicial	21,972,701	22,601,307	(628,606)
Legal Services	3,364,051	3,627,528	(263,477)
Elections	1,293,766	1,393,791	(100,025)
Financial Administration	11,034,704	14,733,221	(3,698,517)
Public Facilities	53,227,047	69,119,723	(15,892,676)
Public Safety	82,258,242	91,991,718	(9,733,476)
Health and Welfare	9,749,961	10,573,787	(823,826)
Culture and Recreation	9,459,374	9,646,634	(187,260)
Conservation	706,819	727,658	(20,839)
Public Transportation	846,460	1,055,067	(208,607)
Miscellaneous	1,204,784	2,722	1,202,062
Total Expenditures	225,160,409	250,387,374	(25,226,965)
Excess Revenues Over Expenditures	10,704,074	5,126,048	(5,578,026)
Other Financing Sources/(Uses):			
Transfers In	-	9,320,450	9,320,450
Transfers Out	-	(4,583,603)	(4,583,603)
Total Other Financing Sources/(Uses)	-	4,736,847	4,736,847
Net Change in Fund Balances	10,704,074	9,862,895	(841,179)
Fund Balance - Beginning	135,954,866	135,954,866	-
Fund Balance - Ending	\$ 146,658,940	\$ 145,817,761	\$ (841,179)

Final budgeted revenues were higher than originally planned by \$19,648,969. Intergovernmental revenue contained \$2,313,748 more in the final budget than in the original budget. This increase is largely due to the receipt of several large federal and state grants during the year that were not foreseen at the time the original budget was adopted.

The final budget for contract reimbursements was \$1,335,033 more than the original budget. During the original budget process, Commissioners' Court does not budget for funds that are not at the discretion of the County to spend. Additionally, during the course of the fiscal year, the County entered into several contracts for law enforcement services with local agencies. These contracts were also contributing factors to the increase in the budget for contract reimbursements. One of the agencies, as a response to the Santa Fe school shooting authorized additional personnel, necessitating a contract increase.

The County has entered into agreements with the United States Marshals Service (USMS) and Immigration and Customs Enforcement (ICE) to house federal detainees. Fluctuations in the number of detainees throughout the fiscal year contributed to the increase of \$14,462,645 in the final budget over the original budget.

The originally unanticipated revenue partially offsets the expenditure differences of \$25,226,965 between the original budget and the final amended budget.

Funds that were originally scheduled in prior fiscal years were not included in the original budget for fiscal year 2018. This practice reflects the County's policy of letting encumbrances lapse at year-end and re-appropriating them in the current year. This policy created increases in the amended budget for carryovers from the prior year in the Judicial, Legal, Elections, Health and Welfare, Culture and Recreation, Conservation and Public Transportation functions.

The General Administration function experienced a drop of \$5,128,282 in expenditures between the original and final amended budget. The County budgets its utility costs for the entire county in a cost center and allocates an estimated amount to each department at the beginning of the fiscal year. Fiscal year 2018 marked the third year that the County set aside funds for capital improvements. A budget of \$1,077,086 was established and transferred to an appropriate capital improvement fund as projects were identified.

The Financial Administration function experienced a \$3,698,517 increase from the original budget due to the carryover of funds budgeted to the Enterprise Resource Planning (ERP) from FY 2017 to FY 2018.

A \$9,733,746 increase in the final budget over the original budget for expenditures in the Public Safety function was the result of several factors, including encumbrance carryovers as mentioned above. Also contributing to the budgeted variances for the Public Safety function, is the County's participation in several contracts with the Federal government as well as local agencies for law enforcement services. During the course of the fiscal year, additional inter-local agreements were created with local agencies for the performance of security services. These additional contracts created increased expenditures for the County, but also created an increase in the revenue line supporting the associated expenditure.

The Public Facilities function had final budgeted expenditures \$15,892,676 higher than the original budget. This is directly related to the agreements that the County has entered into with the USMS and ICE for the care and custody of federal inmates, and the increase in the number of those inmates throughout the year.

The Miscellaneous function had a reduction of \$1,202,062 between the adopted and final amended budget. During the 2018 budget process, the County set aside \$1,204,784 as a contingency for operations. Throughout the course of the year, emergency items were presented to the governing body and funding was allocated to the department.



The following table presents the differences between the final amended budget and actual expenditures for the General Fund as of September 30, 2018.

<b>General Fund Budget Variances Year Ended September 30, 2018</b>			
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Revenues:			
Taxes	\$ 179,297,323	\$ 173,321,518	\$ (5,975,805)
Licenses and Permits	2,499,000	2,419,594	(79,406)
Fees	16,946,925	17,920,874	973,949
Intergovernmental	5,598,748	6,856,888	1,258,140
Charges for Services	2,975,310	2,088,266	(887,044)
Investment Earnings	1,004,362	4,403,171	3,398,809
Contract Reimbursements	15,517,799	13,915,469	(1,602,330)
Inmate Housing	30,262,645	30,230,873	(31,772)
Fines and Forfeitures	70,000	106,381	36,381
Miscellaneous	1,341,310	1,125,669	(215,641)
Total Revenues	<u>255,513,422</u>	<u>252,388,703</u>	<u>(3,124,719)</u>
Expenditures:			
General Administration	24,914,218	23,595,004	1,319,214
Judicial	22,601,307	22,118,208	483,099
Legal Services	3,627,528	3,561,884	65,644
Elections	1,393,791	1,379,927	13,864
Financial Administration	14,733,221	8,188,900	6,544,321
Public Facilities	69,119,723	67,875,029	1,244,694
Public Safety	91,991,718	86,259,245	5,732,473
Health and Welfare	10,573,787	10,263,197	310,590
Culture and Recreation	9,646,634	9,502,412	144,222
Conservation	727,658	679,342	48,316
Public Transportation	1,055,067	963,086	91,981
Miscellaneous	2,722	-	2,722
Total Expenditures	<u>250,387,374</u>	<u>234,386,234</u>	<u>16,001,140</u>
Excess Revenues Over Expenditures	<u>5,126,048</u>	<u>18,002,469</u>	<u>12,876,421</u>
Other Financing Sources/(Uses):			
Transfers In	9,320,450	10,227,859	907,409
Transfers Out	(4,583,603)	(26,686,410)	(22,102,807)
Capital Lease Financing	-	-	-
Total Other Financing Sources/(Uses)	<u>4,736,847</u>	<u>(16,458,551)</u>	<u>(21,195,398)</u>
Net Change in Fund Balances	<u>9,862,895</u>	<u>1,543,918</u>	<u>(8,318,977)</u>
Fund Balance - Beginning	<u>135,954,866</u>	<u>135,954,866</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 145,817,761</u>	<u>\$ 137,498,784</u>	<u>\$ (8,318,977)</u>

Budgeted revenues exceeded actual revenues by \$3,124,719. A substantial increase in investment earnings and intergovernmental revenue (\$4,656,949) failed to cover the shortfall in contract reimbursements and taxes (\$7,578,135).

Actual expenditures were \$16,001,140 lower than final budgeted expenditures. The General Administration function contributed \$1,319,214 toward that amount. The County's policy for multiple year grants is to budget the entire grant in the year in which it is awarded, even though all expenditures may not be realized in the initial year. This can lead to a seemingly large, unspent budget. Additionally, funding for capital improvement projects was budgeted in 2018 but not spent during the year and amounted to \$891,893.

All departments in the Public Safety function of the General Fund expended less than was approved in the final amended budget by \$5,732,473. The difference is primarily due to the fact that grants, most notably grants awarded by the Department of Homeland Security, which span multiple County fiscal years or are awarded late in the fiscal year contain monies that are spent in subsequent years. Additionally, unanticipated turnover in the Sheriff's office, which has cost centers in both the Public Safety and Public Facilities functions, left the department with excess salary and benefits funds as well as the supplies needed for those positions.

The Financial Administration function showed actual expenditures less than the final budget by \$6,544,321, primarily due to the County proactively budgeting for the ERP. The County's original timeline anticipated implementation commencing during fiscal year 2018; a contract with the selected vendor was signed in August 2018.

The actual net change in fund balance was \$8,318,977 less than anticipated with the final budget. The Jury Special Revenue Fund received \$10,421,235 more than shown in the final budget. In the Jury Special Revenue Fund the emphasis is on providing a service. That service is in the form of a court system. This fund is not expected in any year to provide enough revenues to adequately fund its own services. Therefore, it is anticipated that the General Fund will service the expenditures of this fund every year. Additionally, the County budgeted funds in both FY 2016 and FY 2017 in the General Fund that were subsequently transferred to the Capital Projects Fund. This transfer totaled \$10,703,783. Transfers in and out simply provide a mechanism to move funds from one self-balancing set of accounts (a fund) to another self-balancing set of accounts.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### ***Capital Assets***

Montgomery County's investment in capital assets for its governmental and business-type activities as of September 30, 2018 amounted to \$927,548,547 (net of accumulated depreciation). This investment in capital assets includes land and easements, buildings, improvements, equipment, intangibles, infrastructure that was purchased, completed or donated since the fiscal year 1981, and construction in progress.

Major capital asset events during the current fiscal year included the following:

- Additions to the buildings category of \$1,548,156 consisted primarily of building upgrades including security systems, access controls, and HVAC controls for various county buildings.
- Vehicles and other various equipment items were acquired at a cost of \$3,577,249.
- A variety of projects for both new infrastructure construction and for expansion or updating of existing infrastructure were ongoing during the year. Infrastructure projects completed in 2018 amounted to \$66,610,993.

- Montgomery County continues to grow; it is continually ranked in the top 100 fastest growing counties in the nation<sup>1</sup>. This brisk growth brings with it a need for vast improvements to a rural infrastructure system that must also cope with an influx of traffic. Development frequently comes with donations in the form of roads. Infrastructure donations for the year totaled \$59,534,397.
- Expenditures of \$336,332 were incurred for construction that was in progress throughout the year. Projects that were capitalized from ongoing construction throughout the year totaled \$228,119. These include the installation of new partitions at the Convention Center, improvements to the Montgomery County Sheriff Gun Range, and fencing around the Constable Precinct 2 boat storage among other projects.
- Increases in assets for governmental and business-type activities were offset by depreciation expense of \$51,826,902.

**Montgomery County, Texas**  
**Capital Assets**  
**(net of depreciation)**  
**September 30, 2018**  
**with Comparative Totals for September 30, 2017**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>FY 2018</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2017</b>
Land	\$ 101,505,483	\$ 90,389,114	\$ -	\$ -	\$ 101,505,483	\$ 90,389,114
Buildings	137,488,177	141,246,489	-	-	137,488,177	141,246,489
Improvements	6,276,358	6,946,499	-	-	6,276,358	6,946,499
Equipment	35,696,698	35,599,611	-	-	35,696,698	35,599,611
Infrastructure	578,490,981	517,850,232	67,945,294	62,599,944	646,436,275	580,450,176
Construction in Progress	145,556	37,343	-	-	145,556	37,343
Total	<u>\$ 859,603,253</u>	<u>\$ 792,069,288</u>	<u>\$ 67,945,294</u>	<u>\$ 62,599,944</u>	<u>\$ 927,548,547</u>	<u>\$ 854,669,232</u>

Efforts to assist constituents in obtaining services and the County's obligation to provide those services in a rapidly growing county come with many challenges. During the fiscal year, the County completed several major remodeling projects including, but not limited to, new partitions at the Convention Center and the construction of fencing around the Constable Precinct 2 boat storage. In addition, various construction projects and renovations that are underway in the County include the construction of a concession stand at West Montgomery County Park and batting cages in Willis. Furthermore, the County began the massive undertaking of a jail expansion/construction to serve the needs of the County now and in the future.

More information on the County's capital assets can be found in Note 7 starting on page 63 of this report.

<sup>1</sup> <http://www.census.gov>

### ***Long-Term Debt***

At September 30, 2018, Montgomery County governmental activities had total bonded debt outstanding of \$457,975,000. Commissioners' Court keeps maturity dates confined to no more than 30 years. The County has maintained an underlying rating by Standard & Poor's of "AA+" and an underlying rating by Moody's of "Aaa".

The County issues three types of debt; general obligation bonds are approved by the voters of the County while revenue bonds and certificates of obligation are approved by Commissioners' Court. Of the County's total debt, \$408,885,000 corresponds to general obligation debt, \$87,680,000 is in the form of revenue bonds and \$49,090,000 represents certificates of obligation.

Outstanding debt for governmental activities increased by \$14,435,000. This due to the net effect of the issuance of Road Bonds, Series 2018, a cash defeasance of Revenue Bonds outstanding, and regularly scheduled principal payments.

Outstanding debt for the business-type activities increased by \$87,680,000 due to the issuance of Senior Lien Revenue Bonds specifically issued for the construction for SH 249.

The following table represents the entire long-term debt of the County at September 30, 2018 on a comparative basis.

**Montgomery County, Texas  
Outstanding Long-Term Debt**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>FY 2018</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2017</b>
General obligation bonds	\$ 408,885,000	\$ 376,370,000	\$ -	\$ -	\$ 408,885,000	\$ 376,370,000
Revenue Bonds	-	16,420,000	87,680,000	-	87,680,000	16,420,000
Certificates of obligation	49,090,000	50,750,000	-	-	49,090,000	50,750,000
Capital Leases	13,953,358	3,777,887	-	-	13,953,358	3,777,887
Premiums, net of discounts	47,755,285	46,503,251	7,778,322	-	55,533,607	46,503,251
Compensated absences	14,021,660	13,941,832	-	-	14,021,660	13,941,832
Medical Obligation	5,148,599	5,213,837	-	-	5,148,599	5,213,837
Worker's Comp Obligation	1,614,908	1,610,050	-	-	1,614,908	1,610,050
Net Pension Liability	22,169,282	48,318,814	-	-	22,169,282	48,318,814
OPEB Liability	187,705,823	81,060,161	-	-	187,705,823	81,060,161
Total	<u>\$ 750,343,915</u>	<u>\$ 643,965,832</u>	<u>\$ 95,458,322</u>	<u>\$ -</u>	<u>\$ 845,802,237</u>	<u>\$ 643,965,832</u>

The County is authorized under Article III, Section 52 of the State Constitution to issue bonds payable from ad valorem taxes for the construction and maintenance of roads. There is no constitutional or statutory limit as to rate on bonds issued pursuant to such constitutional provision. However, the amount of bonds that may be issued is limited to 25% of the assessed valuation of real property in the County. The current debt limitation for the County is \$12,712,070,819, which is significantly greater than the County's outstanding debt obligation.

Additional information on Montgomery County's long-term debt can be found in Note 9 beginning on page 65 of this report.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

- The unemployment rate for the County is currently 3.8%<sup>2</sup>, which is lower than the rate of 4.1% a year ago. This compares slightly favorably to the State's average unemployment rate of 4.0%<sup>3</sup> and slightly unfavorably to the national average rate of 3.7%<sup>4</sup>.
- The estimated debt service obligation increased by \$2,527,762 in fiscal year 2019 to \$37,710,678. This increase is primarily due to the County's inclusion of the debt service for debt issued during fiscal year 2018 that was not included in the adopted budget for fiscal year 2018.
- In fiscal year 2016, the County began budgeting for various capital improvements through the annual budget process rather than relying on the issuance of debt. To continue this effort, contained within the fiscal year 2019 budget is funding in the amount of \$1,000,000 for this endeavor.
- The County created a budget office that is dedicated to the task of building a more fiscally conservative budget while striving to maintain services for the citizenry.

All of these factors were considered in preparing the Adopted Budget of Montgomery County, Texas for the fiscal year ending September 30, 2019.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of Montgomery County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Montgomery County Auditor, P. O. Box 539, Conroe, Texas 77305-0539.

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<sup>2</sup> The Work Source. <http://www.wrksolutions.com/Documents/Employer/LMI/unemploymentrates/LAUSHISTORY.pdf>.

<sup>3</sup> The Work Source. <http://www.wrksolutions.com/Documents/Employer/LMI/unemploymentrates/LAUSHISTORY.pdf>.

<sup>4</sup> U.S. Department of Labor, Bureau of Labor Statistics. <http://data.bls.gov/timeseries/LNS14000000>.



## **BASIC FINANCIAL STATEMENTS**

**MONTGOMERY COUNTY, TEXAS**

**Statement of Net Position**

**September 30, 2018**

EXHIBIT I

	Governmental Activities	Business -Type Activities	Total
<b>ASSETS:</b>			
Cash	\$ 164,923,139	\$ 17,898,336	\$ 182,821,475
Investments	171,978,019	81,321,175	253,299,194
Cash, Restricted for Retainage	1,405,360	-	1,405,360
Receivables:			
Taxes (net)	7,060,088	-	7,060,088
Accounts (net)	972,182	108,118	1,080,300
Interest	162,584	-	162,584
Internal Balances	19,768,899	(19,768,899)	-
Due from Other Governments	39,079,602	-	39,079,602
Prepaid Items	618,735	-	618,735
Capital Assets, net of accumulated depreciation:			
Land	101,505,483	-	101,505,483
Buildings	137,488,177	-	137,488,177
Improvements	6,276,358	-	6,276,358
Equipment	35,696,698	-	35,696,698
Infrastructure	578,490,981	67,945,294	646,436,275
Construction in Progress	145,556	-	145,556
Total Assets	<u>1,265,571,861</u>	<u>147,504,024</u>	<u>1,413,075,885</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows from Pensions and OPEB	17,051,012	-	17,051,012
Deferred Charge on Refunding	12,541,084	-	12,541,084
Total Deferred Outflows of Resources	<u>29,592,096</u>	<u>-</u>	<u>29,592,096</u>
<b>LIABILITIES:</b>			
Accounts Payable	27,360,922	3,354,548	30,715,470
Retainage Payable	2,437,839	569,824	3,007,663
Accrued Interest Payable	2,239,111	182,666	2,421,777
Due to Other Governments	7,919	-	7,919
Unearned Revenue	9,929,502	-	9,929,502
Noncurrent Liabilities:			
Due within one year	33,728,141	-	33,728,141
Due in more than one year	716,308,202	95,458,322	811,766,524
Total Liabilities	<u>792,011,636</u>	<u>99,565,360</u>	<u>891,576,996</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows from Pensions	5,769,576	-	5,769,576
Total Deferred Inflows of Resources	<u>5,769,576</u>	<u>-</u>	<u>5,769,576</u>
<b>NET POSITION:</b>			
Net investment in capital assets	559,976,686	44,945,936	604,922,622
Restricted for:			
Capital Projects	43,097,490	-	43,097,490
Debt Service	29,778,219	-	29,778,219
Unrestricted	(135,469,650)	2,992,728	(132,476,922)
Total Net Position	<u>\$ 497,382,745</u>	<u>\$ 47,938,664</u>	<u>\$ 545,321,409</u>

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Activities**  
**Year Ended September 30, 2018**

EXHIBIT II

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Fees, Fines, Forfeitures, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
<b>Primary Government:</b>								
<b>Governmental Activities:</b>								
Current:								
General Administration	\$ 69,064,470	\$ 44,732,374	\$ 23,097	\$ -	\$ (24,308,999)	\$ -	\$ (24,308,999)	
Judicial	37,498,575	9,628,757	1,589,512	-	(26,280,306)	-	(26,280,306)	
Legal Services	4,055,102	606,306	147,280	-	(3,301,516)	-	(3,301,516)	
Elections	2,418,834	204	504,774	-	(1,913,856)	-	(1,913,856)	
Financial Administration	8,825,650	5,664,153	-	-	(3,161,497)	-	(3,161,497)	
Public Facilities	74,896,281	32,319,163	68,172	8,600	(42,500,346)	-	(42,500,346)	
Public Safety	103,791,920	21,723,535	11,973,391	852,794	(69,242,200)	-	(69,242,200)	
Health and Welfare	30,287,821	17,565,029	3,568,025	112,623	(9,042,144)	-	(9,042,144)	
Culture and Recreation	10,719,438	276,036	112,952	-	(10,330,450)	-	(10,330,450)	
Conservation	1,903,911	186,637	-	-	(1,717,274)	-	(1,717,274)	
Public Transportation	89,720,534	9,912,023	261,622	68,928,800	(10,618,089)	-	(10,618,089)	
Debt Service Interest and Fiscal Charges	28,471,590	-	-	397,714	(28,073,876)	-	(28,073,876)	
Total Governmental Activities	\$ 461,654,126	\$ 142,614,217	\$ 18,248,825	\$ 70,300,331	(230,490,553)	-	(230,490,553)	
<b>Business-type activities:</b>								
Toll Road	\$ 5,773,776	\$ 1,405,809	\$ -	\$ 3,766,300	-	(601,667)	(601,667)	
Total business-type activities	\$ 5,773,776	\$ 1,405,809	\$ -	\$ 3,766,300	-	(601,667)	(601,667)	
<b>General Revenues:</b>								
Property Taxes					235,309,431	-	235,309,431	
Other Taxes					156,363	-	156,363	
Mixed Beverage Taxes					2,403,262	-	2,403,262	
Bingo Taxes					130,926	-	130,926	
Vehicle Weight Tax					404,605	-	404,605	
Investment Earnings					7,144,114	170,021	7,314,135	
Gain on Sale of Capital Assets					371,322	-	371,322	
Transfers					8,301,324	(8,301,324)	-	
Total General Revenues and Transfers					254,221,347	(8,131,303)	246,090,044	
Change in Net Position					23,730,794	(8,732,970)	14,997,824	
Net Position - Beginning					567,995,731	56,671,634	624,667,365	
Prior Period Adjustment					(94,343,780)	-	(94,343,780)	
Net Position - Beginning, as Restated					473,651,951	56,671,634	530,323,585	
Net Position - Ending					\$ 497,382,745	\$ 47,938,664	\$ 545,321,409	

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS****Balance Sheet****Governmental Funds****September 30, 2018**

	General	Road and Bridge	Debt Service
<b><u>ASSETS:</u></b>			
Cash	\$ 90,802,642	\$ 2,256,985	\$ 12,543,360
Investments	84,954,001	16,819,947	1,975,814
Cash, Restricted for Retainage	-	-	-
Receivables:			
Taxes (net)	5,199,343	734,897	1,125,848
Accounts (net)	315,471	113,939	-
Interest	162,584	-	-
Due from Other Funds	45,126,313	378,502	1,194,831
Due from Other Governments	7,592,011	395,119	-
Prepaid Items	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 234,152,365</u></b>	<b><u>\$ 20,699,389</u></b>	<b><u>\$ 16,839,853</u></b>
<b><u>LIABILITIES:</u></b>			
Accounts Payable	\$ 13,001,268	\$ 2,262,178	\$ -
Retainage Payable	-	-	-
Due to Other Funds	73,368,259	3,699,328	-
Due to Other Governments	7,630	-	-
Unearned Revenue	5,186,287	-	-
Total liabilities	<u>91,563,444</u>	<u>5,961,506</u>	<u>-</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Unavailable Revenue: Property Taxes	5,090,137	751,586	1,083,294
Total Deferred inflows of resources	<u>5,090,137</u>	<u>751,586</u>	<u>1,083,294</u>
<b><u>FUND BALANCES:</u></b>			
Nonspendable	-	-	-
Restricted	2,121,503	1,666,237	15,756,559
Committed	15,443,950	2,054,074	-
Assigned	75,082,330	10,265,986	-
Unassigned	44,851,001	-	-
Total Fund Balances	<u>137,498,784</u>	<u>13,986,297</u>	<u>15,756,559</u>
<b><u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>	<b><u>\$ 234,152,365</u></b>	<b><u>\$ 20,699,389</u></b>	<b><u>\$ 16,839,853</u></b>

See accompanying notes to the financial statements.

## EXHIBIT III

Road Bonds Series 2016A	Road Bonds Series 2018	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 41,209,311	\$ 16,491,750	\$ 163,304,048
48,476,352	-	19,751,905	171,978,019
1,921	1,402,354	1,085	1,405,360
-	-	-	-
-	-	-	7,060,088
4	264,025	55,221	748,660
-	-	-	162,584
-	-	47,581,807	94,281,453
-	-	31,004,187	38,991,317
-	-	618,735	618,735
<u>\$ 48,478,277</u>	<u>\$ 42,875,690</u>	<u>\$ 115,504,690</u>	<u>\$ 478,550,264</u>
\$ 4,296,603	\$ 349,958	\$ 6,516,872	\$ 26,426,879
1,886,480	84,691	466,668	2,437,839
2,537,390	1,402,354	17,794,880	98,802,211
-	-	289	7,919
-	-	4,743,215	9,929,502
<u>8,720,473</u>	<u>1,837,003</u>	<u>29,521,924</u>	<u>137,604,350</u>
-	-	-	6,925,017
-	-	-	6,925,017
-	-	618,735	618,735
39,757,804	41,038,687	51,074,663	151,415,453
-	-	32,435,423	49,933,447
-	-	1,853,945	87,202,261
-	-	-	44,851,001
<u>39,757,804</u>	<u>41,038,687</u>	<u>85,982,766</u>	<u>334,020,897</u>
<u>\$ 48,478,277</u>	<u>\$ 42,875,690</u>	<u>\$ 115,504,690</u>	<u>\$ 478,550,264</u>





**MONTGOMERY COUNTY, TEXAS**  
**Reconciliation of the Balance Sheet of the Governmental Funds**  
**to the Statement of Net Position**  
**September 30, 2018**

Total fund balances - governmental funds (page 35) \$ 334,020,897

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. These capital assets (net of accumulated  
depreciation) consist of:

Land	\$ 101,505,483	
Buildings	137,488,177	
Improvements	6,276,358	
Equipment	35,696,698	
Infrastructure	578,490,981	
Construction in Progress	145,556	
Total Capital Assets, Net		859,603,253

Property taxes earned that are not available to pay for  
current-period expenditures are deferred in the funds. 6,925,017

Internal Service Funds are used by management to charge the costs 18,523,003  
of certain activities to individual funds. The assets and liabilities of  
internal service funds are included in governmental activities in the  
statement of net position. This is net of assets and liabilities,  
excluding capital assets.

Some liabilities are not due and payable in the current  
period and therefore are not reported in the funds.

Those liabilities consist of:

Accrued Interest payable	\$ (2,239,109)	
Bonds and capital leases payable, net	(519,376,071)	
OPEB Liability	(187,705,823)	
Deferred charge on refunding	12,541,084	
Deferred amounts for pensions and OPEB	11,281,436	
Net Pension Liability	(22,169,282)	
Compensated absences	(14,021,660)	
Total future period liabilities		(721,689,425)
Net position of governmental activities		\$ 497,382,745

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**Year Ended September 30, 2018**

	General	Road and Bridge	Debt Service
<b>REVENUES:</b>			
Taxes	\$ 173,321,518	\$ 24,948,390	\$ 37,288,174
Licenses and Permits	2,419,594	7,162,580	-
Fees	17,920,874	-	-
Intergovernmental	6,856,888	184,544	397,714
Charges for Services	2,088,266	75,658	-
Investment Earnings	4,403,171	342,920	159,805
Contract Reimbursements	13,915,469	512,275	-
Inmate Housing	30,230,873	-	-
Fines and Forfeitures	106,381	1,995,222	-
Miscellaneous	1,125,669	764,435	-
<b>TOTAL REVENUES</b>	<b>252,388,703</b>	<b>35,986,024</b>	<b>37,845,693</b>
<b>EXPENDITURES:</b>			
Current:			
General Administration	23,595,004	-	-
Judicial	22,118,208	-	-
Legal Services	3,561,884	-	-
Elections	1,379,927	-	-
Financial Administration	8,188,900	-	-
Public Facilities	67,875,029	749,988	-
Public Safety	86,259,245	-	-
Health and Welfare	10,263,197	166,621	-
Culture and Recreation	9,502,412	-	-
Conservation	679,342	1,060,868	-
Public Transportation	963,086	34,738,830	-
Capital Projects	-	-	-
Debt Service:			
Principal Retirement	-	-	31,887,580
Interest and Fiscal Charges	-	-	19,891,807
Issuance Costs	-	-	7,500
<b>TOTAL EXPENDITURES</b>	<b>234,386,234</b>	<b>36,716,307</b>	<b>51,786,887</b>
Excess (Deficiency) Revenues Over Expenditures	<b>18,002,469</b>	<b>(730,283)</b>	<b>(13,941,194)</b>
<b>OTHER FINANCING SOURCES/(USES):</b>			
Transfers In	10,227,859	1,367,134	907,409
Transfers Out	(26,686,410)	(103,393)	-
Capital Lease Financing	-	255,949	-
Issuance of General Obligation Debt	-	-	540,470
Premium on General Obligation Debt Issued	-	-	-
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(16,458,551)</b>	<b>1,519,690</b>	<b>1,447,879</b>
Net Change in Fund Balances	1,543,918	789,407	(12,493,315)
Fund Balances at Beginning of Year	135,954,866	13,196,890	28,249,874
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 137,498,784</b>	<b>\$ 13,986,297</b>	<b>\$ 15,756,559</b>

See accompanying notes to the financial statements.

## EXHIBIT IV

Road Bonds Series 2016A	Road Bonds Series 2018	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 235,558,082
-	-	-	9,582,174
-	-	2,700,312	20,621,186
-	-	16,854,352	24,293,498
-	-	3,068,339	5,232,263
1,117,021	328,529	792,668	7,144,114
-	-	16,881,149	31,308,893
-	-	-	30,230,873
-	-	1,867,968	3,969,571
-	-	254,746	2,144,850
1,117,021	328,529	42,419,534	370,085,504
-	-	1,570,167	25,165,171
-	-	13,387,144	35,505,352
-	-	273,138	3,835,022
-	-	841,760	2,221,687
-	-	-	8,188,900
-	-	-	68,625,017
-	-	14,511,577	100,770,822
-	-	18,396,869	28,826,687
-	-	117,716	9,620,128
-	-	-	1,740,210
-	-	2,019,319	37,721,235
31,840,107	9,293,985	17,387,122	58,521,214
-	-	-	31,887,580
-	274,020	-	20,165,827
-	186,694	-	194,194
31,840,107	9,754,699	68,504,812	432,989,046
(30,723,086)	(9,426,170)	(26,085,278)	(62,903,542)
-	-	25,863,583	38,365,985
-	-	(1,286,624)	(28,076,427)
-	-	-	255,949
-	45,129,530	-	45,670,000
-	5,335,327	-	5,335,327
-	50,464,857	24,576,959	61,550,834
(30,723,086)	41,038,687	(1,508,319)	(1,352,708)
70,480,890	-	87,491,085	335,373,605
\$ 39,757,804	\$ 41,038,687	\$ 85,982,766	\$ 334,020,897





**MONTGOMERY COUNTY, TEXAS**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of the Governmental Funds**  
**to the Statement of Activities**  
**Year Ended September 30, 2018**

Amounts reported for governmental activities in the statement of activities (page 33) are different because:

Net change in fund balances - total governmental funds (page 39)	\$ (1,352,708)
--	----------------

Governmental funds report capital outlays as expenditures.

However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	1,096,989
--	-----------

The net effect of various miscellaneous transactions involving capital assets.	66,480,880
--	------------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	263,304
--	---------

The issuance of long-term debt (e.g., bonds, leases) provides

current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(29,945,798)
---	--------------

Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The net revenues over expenditures of the internal service funds is reported with the governmental activities.	(1,232,088)
---	-------------

Some expenses 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.

The changes in these expenditures are as follows:

Compensated absences	\$	(79,827)	
Bond interest owed but not yet paid		(507,329)	
Amortization of deferred amounts		2,924,854	
Net Pension Liability and Deferred Amounts Related to Pension		(1,818,348)	
OPEB Liability and Deferred Amounts Related to OPEB		(12,099,135)	
		(11,579,785)	

Change in net position of governmental activities	\$ 23,730,794
---	---------------

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget (GAAP Basis) and Actual**  
**General Fund**  
**Year Ended September 30, 2018**

EXHIBIT V  
Page 1 of 2

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Taxes	\$ 178,973,714	\$ 179,297,323	\$ 173,321,518	\$ (5,975,805)
Licenses and Permits	2,499,000	2,499,000	2,419,594	(79,406)
Fees	16,798,703	16,946,925	17,920,874	973,949
Intergovernmental	3,285,000	5,598,748	6,856,888	1,258,140
Charges for Services	2,733,590	2,975,310	2,088,266	(887,044)
Investment Earnings	737,210	1,004,362	4,403,171	3,398,809
Contract Reimbursements	14,182,766	15,517,799	13,915,469	(1,602,330)
Inmate Housing	15,800,000	30,262,645	30,230,873	(31,772)
Fines and Forfeitures	70,000	70,000	106,381	36,381
Miscellaneous	784,500	1,341,310	1,125,669	(215,641)
<b><u>TOTAL REVENUES</u></b>	<b><u>235,864,483</u></b>	<b><u>255,513,422</u></b>	<b><u>252,388,703</u></b>	<b><u>(3,124,719)</u></b>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Administration	30,042,500	24,914,218	23,595,004	1,319,214
Judicial	21,972,701	22,601,307	22,118,208	483,099
Legal Services	3,364,051	3,627,528	3,561,884	65,644
Elections	1,293,766	1,393,791	1,379,927	13,864
Financial Administration	11,034,704	14,733,221	8,188,900	6,544,321
Public Facilities	53,227,047	69,119,723	67,875,029	1,244,694
Public Safety	82,258,242	91,991,718	86,259,245	5,732,473
Health and Welfare	9,749,961	10,573,787	10,263,197	310,590
Culture and Recreation	9,459,374	9,646,634	9,502,412	144,222
Conservation	706,819	727,658	679,342	48,316
Public Transportation	846,460	1,055,067	963,086	91,981
Miscellaneous	1,204,784	2,722	-	2,722
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>225,160,409</u></b>	<b><u>250,387,374</u></b>	<b><u>234,386,234</u></b>	<b><u>16,001,140</u></b>
Excess Revenues Over Expenditures	10,704,074	5,126,048	18,002,469	12,876,421
<b><u>OTHER FINANCING SOURCES/ (USES):</u></b>				
Transfers In	-	9,320,450	10,227,859	907,409
Transfers Out	-	(4,583,603)	(26,686,410)	(22,102,807)
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>-</u></b>	<b><u>4,736,847</u></b>	<b><u>(16,458,551)</u></b>	<b><u>(21,195,398)</u></b>
Net Change in Fund Balances	10,704,074	9,862,895	1,543,918	(8,318,977)
Fund Balances at Beginning of Year	135,954,866	135,954,866	135,954,866	-
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 146,658,940</u></b>	<b><u>\$ 145,817,761</u></b>	<b><u>\$ 137,498,784</u></b>	<b><u>\$ (8,318,977)</u></b>

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget (GAAP Basis) and Actual**  
**Road and Bridge Fund**  
**Year Ended September 30, 2018**

EXHIBIT V  
Page 2 of 2

	<u>Road and Bridge Fund</u>			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Taxes	\$ 25,632,925	\$ 25,632,925	\$ 24,948,390	\$ (684,535)
Licenses and Permits	6,620,000	6,620,000	7,162,580	542,580
Intergovernmental	135,000	135,000	184,544	49,544
Charges for Services	-	181,082	75,658	(105,424)
Investment Earnings	135,000	135,000	342,920	207,920
Contract Reimbursements	-	508,279	512,275	3,996
Fines and Forfeitures	2,000,000	2,000,000	1,995,222	(4,778)
Miscellaneous	-	603,479	764,435	160,956
<b><u>TOTAL REVENUES</u></b>	<u>34,522,925</u>	<u>35,815,765</u>	<u>35,986,024</u>	<u>170,259</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Facilities	816,614	989,388	749,988	239,400
Health and Welfare	-	166,621	166,621	-
Conservation	777,252	1,217,422	1,060,868	156,554
Public Transportation	32,929,058	47,610,097	34,738,830	12,871,267
<b><u>TOTAL EXPENDITURES</u></b>	<u>34,522,924</u>	<u>49,983,528</u>	<u>36,716,307</u>	<u>13,267,221</u>
Excess (Deficiency) Revenues Over Expenditures	<u>1</u>	<u>(14,167,763)</u>	<u>(730,283)</u>	<u>13,437,480</u>
<b><u>OTHER FINANCING SOURCES/ (USES):</u></b>				
Transfers In	-	1,401,414	1,367,134	(34,280)
Transfers Out	-	(103,393)	(103,393)	-
Capital Lease Financing	-	255,949	255,949	-
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<u>-</u>	<u>1,553,970</u>	<u>1,519,690</u>	<u>(34,280)</u>
Net Change in Fund Balances	1	(12,613,793)	789,407	13,403,200
Fund Balances at Beginning of Year	13,196,890	13,196,890	13,196,890	-
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<u>\$ 13,196,891</u>	<u>\$ 583,097</u>	<u>\$ 13,986,297</u>	<u>\$ 13,403,200</u>

See accompanying notes to the financial statements.



**MONTGOMERY COUNTY, TEXAS**

**Statement of Net Position**

**Proprietary Funds**

**September 30, 2018**

EXHIBIT VI

	Enterprise Fund	
	Toll Road	Internal Service
	Authority	Funds
<b><u>ASSETS:</u></b>		
Current Assets:		
Cash and cash equivalents	\$ 17,898,336	\$ 1,619,091
Investments	81,321,175	-
Accounts	108,118	223,522
Due from other funds	-	24,668,159
Due from other governments	-	88,285
Total Current Assets	<u>99,327,629</u>	<u>26,599,057</u>
Capital Assets (net of accumulated depreciation):		
Buildings	-	776,510
Improvements	-	239
Equipment	-	28,770
Infrastructure	67,945,294	-
Total Capital Assets	<u>67,945,294</u>	<u>805,519</u>
Total Assets	<u>167,272,923</u>	<u>27,404,576</u>
<b><u>LIABILITIES:</u></b>		
Current Liabilities:		
Accounts Payable	3,354,548	934,043
Accrued interest payable	182,666	-
Retainage payable	569,824	-
Claims payable	-	500,000
Due to other funds	19,768,899	378,502
Total Current Liabilities	<u>23,875,937</u>	<u>1,812,545</u>
Noncurrent Liabilities		
Claims Payable	-	6,263,507
Due in More than One Year	95,458,322	-
Total Noncurrent Liabilities	<u>95,458,322</u>	<u>6,263,507</u>
Total Liabilities	<u>119,334,259</u>	<u>8,076,052</u>
<b><u>NET POSITION:</u></b>		
Net Investment in Capital Assets	44,945,936	805,519
Unrestricted	2,992,728	18,523,005
Total Net Position	<u>\$ 47,938,664</u>	<u>\$ 19,328,524</u>

See accompanying notes to the financial statements.



**MONTGOMERY COUNTY, TEXAS**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**Year Ended September 30, 2018**

EXHIBIT VII

	<u>Enterprise Fund</u>	
	<u>Toll Road Authority</u>	<u>Internal Service Funds</u>
<b><u>OPERATING REVENUES:</u></b>		
Charges for Service	\$ 1,405,809	\$ 37,290,225
Miscellaneous	-	2,736,412
Total Operating Revenues	<u>1,405,809</u>	<u>40,026,637</u>
<b><u>OPERATING EXPENSES:</u></b>		
Supplies	-	8,015
Services	2,209,806	37,857,054
Miscellaneous	-	844,661
Depreciation and Amortization	830,236	43,900
Total Operating Expenses	<u>3,040,042</u>	<u>38,753,630</u>
Operating Income (Loss)	(1,634,233)	1,273,007
<b><u>NON-OPERATING REVENUES</u></b>		
Investment Earnings	170,021	-
Interest and fiscal charges	(2,071,823)	-
Bond issuance costs	(661,911)	-
Loss of disposal of capital assets	(516,862)	-
Total Non-Operating Revenues	<u>(3,080,575)</u>	<u>-</u>
Income (Loss) before capital contributions and transfers	(4,714,808)	1,273,007
Capital Contributions	3,766,300	-
Transfer In	-	227,263
Transfer Out	<u>(7,784,462)</u>	<u>(2,732,358)</u>
Change in Net Position	(8,732,970)	(1,232,088)
Total net position - beginning	<u>56,671,634</u>	<u>20,560,612</u>
Total net position - ending	<u>\$ 47,938,664</u>	<u>\$ 19,328,524</u>

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended September 30, 2018**

EXHIBIT VIII

	Enterprise Fund	
	Toll Road Authority	Internal Service Funds
Cash flows from operating activities:		
Receipts from customers	\$ 1,297,691	\$ 40,622,029
Payments to vendors	1,416,245	-
Receipts from others	-	902,003
Benefits Paid	-	(37,800,765)
Net cash provided by operating activities	<u>2,713,936</u>	<u>3,723,267</u>
Cash flows from noncapital financing activities:		
Internal receipts from other funds	11,959,971	-
Intergovernmental contributions	31,766	11,957
Transfer to other funds	(7,784,462)	(2,505,095)
Net cash provided (used) by noncapital financing activities	<u>4,207,275</u>	<u>(2,493,138)</u>
Cash flows from capital and related financing activities:		
Capital contributions	3,766,300	-
Proceeds from capital debt	95,726,540	-
Purchase of capital assets	(6,960,666)	-
Interest paid on capital debt	(1,889,157)	-
Bond issuance costs	(661,911)	-
Net cash provided by capital financing activities	<u>89,981,106</u>	<u>-</u>
Cash flows from investing activities:		
Purchase of investments	(81,321,175)	-
Interest received	170,021	-
Net cash used by investing activities	<u>(81,151,154)</u>	<u>-</u>
Net increase in cash and cash equivalents	<u>15,751,163</u>	<u>1,230,129</u>
Cash and cash equivalents - beginning	<u>2,147,173</u>	<u>388,962</u>
Cash and cash equivalents - ending	<u>\$ 17,898,336</u>	<u>\$ 1,619,091</u>
Reconciliation of operating income (loss) to net cash provided in operating activities:		
Operating income (loss)	\$ (1,634,233)	\$ 1,273,007
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Decrease in due from other funds	-	465,207
Depreciation expense	830,236	43,900
(Increase) decrease in accounts receivable	(108,118)	1,496,946
Decrease in intergovernmental receivable	-	449
Increase in accounts payable	3,056,227	508,996
Decrease in claims payable	-	(65,238)
Increase in retainage payable	569,824	-
Total adjustments	<u>4,348,169</u>	<u>2,450,260</u>
Net cash provided by operating activities	<u>\$ 2,713,936</u>	<u>\$ 3,723,267</u>
Schedule of non-cash capital and related financing activities:		
Contributions of capital assets - Governmental Funds	\$ 3,766,300	\$ -

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Assets and Liabilities**  
**Fiduciary Funds**  
**As of September 30, 2018**

EXHIBIT IX

	<u>Agency Funds</u>
<b><u>ASSETS:</u></b>	
Cash	\$ 21,658,558
Accounts Receivable	<u>2,111,827</u>
 <b><u>TOTAL ASSETS</u></b>	 <b><u>\$ 23,770,385</u></b>
 <b><u>LIABILITIES:</u></b>	
Due to Others	<u>\$ 23,770,385</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <b><u>\$ 23,770,385</u></b>

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of Montgomery County, Texas have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to local government units in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

**A) REPORTING ENTITY:**

Montgomery County, Texas (the County) was created in 1837. The County is a political subdivision of the State of Texas. The Commissioners' Court, composed of the County Judge and four Commissioners, governs the County. The following services are provided for the citizens: public safety, road and bridge construction and maintenance, health and social services, culture and recreation, public improvements, environmental protection, and administrative services.

Per GASB codification, the discussion that follows sets forth the guidelines for an entity's inclusion in the County's financial statements.

The definition of the reporting entity is based primarily on the notion of **financial accountability**. The elected officials governing Montgomery County are accountable to their constituents for their public policy decisions, regardless of whether those decisions are carried out directly through the operations of the County or by their appointees through the operations of a separate entity. Therefore, the County is not only financially accountable for the organizations that make up its legal entity, it is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either, it is able to impose its will on that organization or, there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the County.

Depending upon the significance of the County's financial and operational relationships with various separate entities, the organizations are classified as blended or discrete component units, related organizations, joint ventures, or jointly governed organizations, and the financial disclosure is treated accordingly.

**Blended Component Units** - Legally separate entities that either a) have substantially the same governing body as the governing body of the primary government or b) provide services entirely, or almost entirely, to the primary government must be reported in the financial statements of the primary government as blended component units.

**Montgomery County Toll Road Authority:**

The Montgomery County Toll Road Authority was created by the Commissioners' Court of the County in August 2006. The Toll Road Authority serves all citizens of the County and is governed by the members of Commissioners' Court and is funded entirely by the County. The Toll Road Authority was incorporated under the provisions of Texas Transportation Code Act, Chapter 431 with the purpose to aid in the planning, design, improvement and financing of transportation projects throughout Montgomery County. The Authority is reported as an enterprise fund and does issue separate financial statements, which are available at on the County's website.

**Related Organizations** - Where the Commissioners' Court is responsible for appointing a majority of the members of a board of another organization, but the County's accountability does

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

not extend beyond making such appointments, disclosure is made in the form of the relation between the County and such organization.

**Montgomery County Emergency Service Districts No. 1-14:**

The emergency service districts are organized under the statutes of the State of Texas as political subdivisions of the State to provide protection from fire for life and property. Commissioners' Court appoints a five-member board for each district, and must approve the issuance of any long-term debt for each. Individual boards retain authority to levy taxes and approve or modify annual appropriation budgets. Inasmuch as each district is required by state law to have audited financial statements prepared, and because the exercise of authority by Commissioners' Court is of a compliant nature rather than substantive, these entities are not included in the County's financial statements.

**Montgomery County Housing Authority:**

The Montgomery County Housing Authority is organized as a public corporation pursuant to Chapter 392 of the Statutes of the State of Texas, Local Government Code. Its stated mission is the development, acquisition, leasing and administration of federally assisted housing programs under the direction of the U.S. Department of Housing and Urban Development. Commissioners' Court appoints a five-member board for the corporation, but may not remove a member at-will. There is also no financial interdependence between the corporation and the County. The corporation issues a separate financial report, which may be obtained from its offices at 521 N. Thompson Street, Conroe, Texas, 77301.

**B) IMPLEMENTATION OF NEW STANDARD:**

In the current year, the County implemented the following new standards:

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which will enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, will increase consistency in accounting and financial reporting for debt extinguishments by establishing uniform guidance for derecognizing debt that is defeased in substance, regardless of how cash and other monetary assets placed in an irrevocable trust for the purpose of extinguishing that debt were acquired. It will also enhance the consistency in financial reporting of prepaid insurance related to debt that has been extinguished.

GASB Statement No. 85, *Omnibus 2017*, will enhance consistency in the application of accounting and financial reporting requirements. Consistent reporting will improve the usefulness of information for users of financial statements.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, will enhance the comparability of financial statements by providing accounting and financial reporting guidance for irrevocable split-interest agreements in which a government is a beneficiary.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will improve the decision-usefulness of information in financial reports and will enhance its value for assessing accountability and inter-period equity by requiring recognition of the entire OPEB liability and a more comprehensive measure of OPEB expense. This statement replaces the requirements of GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

## **MONTGOMERY COUNTY, TEXAS**

### **Notes to the Financial Statements**

**September 30, 2018**

#### **C) FINANCIAL STATEMENT PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING:**

##### **Government-wide Statements**

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its blended component units. The effect of inter-fund transfers has been removed from these statements, but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included in program revenues are reported as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Major revenue types, which have been accrued, are district and county clerk fees, justice of the peace fines, revenue from investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements are met.

##### **Fund-level Statements**

Separate fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements. Non-major funds are aggregated into a single column in the fund financial statements. Detailed statements for non-major funds are presented within the Combining and Individual Fund Statements and Schedules.

**Governmental fund level financial statements** are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Property taxes levied prior to September 30, 2016 that were due October 1, 2016, have been assessed to finance the budget of the fiscal year ending September 30, 2016. Property taxes and interest earned as of September 30 and received within 60 days of year end are accrued as income in the current period. Expenditures generally are recorded when a liability is incurred; however, debt service expenditures, claims and judgments, and compensated absences are recorded only when payment is made.

**Proprietary fund level financial statements** include funds which are classified into enterprise and internal service funds. The County has both enterprise and internal service funds. The County's internal service funds are used to accumulate and allocate costs internally among the various functions. Montgomery County's internal service funds predominantly benefit governmental rather than business-type functions; therefore they have been included within governmental activities in the government-wide financial statements. The County's enterprise fund is used to account for the costs of the Montgomery County Toll Road Authority.



**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position reports increases and decreases in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

**Fiduciary fund level financial statements** include fiduciary funds which are classified into private purpose trust and agency funds and use the accrual basis of accounting. The County has only agency funds which are used to account for assets held by the County as an agent for individuals, private organizations, other governments and other funds. Agency funds do not involve a formal trust agreement. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The County reports the following *major governmental funds*:

**The General Fund** is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, and intergovernmental revenues. Primary expenditures are for general and financial administration, public safety, judicial operations, health and welfare, and capital acquisition.

**The Road and Bridge Special Revenue Fund** is used to account for rehabilitation, repair and maintenance of the County's roadways and bridges. The Road and Bridge Fund is financed by a designated part of the annual property tax levy, as well as certain statutory fees.

**Debt Service Fund** is used to account for the receipt and disbursement of funds to retire debt resulting from the issuance of general obligation bonds, certificates of obligation and lease revenue bonds. Financing is provided by a specific annual property tax levy and the investment interest earned thereon.

**Road Bonds Series 2016A Fund** is used to account for the County's issuance of \$73,725,000 in bonds that are being used to finance improvements to various roads within the County.

**Road Bonds Series 2018 Fund** is used to account for the County's issuance of \$45,670,000 in bonds that are being used to finance improvements to various roads within the County.

The County reports the following *nonmajor governmental funds*:

**Special Revenue Funds** are used to account for the proceeds of specific revenue sources (other than capital projects or debt service) that are restricted or committed to expenditures for specified purposes.

**Capital Project Funds** are used to account for debt proceeds to be used for the acquisition or construction of major capital assets and infrastructure. Existing projects include road construction, airport improvements, and various remodeling plans.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

The County reports the following *proprietary funds*:

**The Enterprise Fund** is used to account for the cost of the Montgomery County Toll Road Authority.

**Internal Service Funds** are used to account for the costs of the County's medical plan, workers' compensation plan, accident and liability plan and the Wellness Clinic.

The County reports the following *fiduciary funds*:

**Agency Funds** are used to account for assets held by the County as custodian for individuals and other governmental units, such as officials' fee accounts, inmate funds, cash bail bonds, and other similar arrangements.

**D) ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION OR FUND BALANCES:**

**1. Cash and Investments**

Cash and cash equivalents include amounts in demand deposits as well as bank certificates with a maturity date within three months of the date acquired by the County.

Investments for the County, except for certain investment pools are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost or net asset value; i.e. fair value.

The County is authorized by the Public Funds Investment Act of 1987 to invest idle funds in a) obligations of the United States and its agencies or instrumentalities, b) obligations of the State of Texas, c) obligations of states, agencies, political subdivisions, and municipalities having a rating of not less than A, and d) fully collateralized direct repurchase agreements.

**2. Receivables**

Property taxes are recognized as revenues in the period for which they are levied, regardless of the lien date. Property taxes for the County are levied based on taxable value on the lien date of January 1 prior to September 30 of the same year. They become due October 1 of that same year and delinquent after January 31 of the following year. Accordingly, receivables for prior-year levies delinquent at year end are reflected on the government-wide statement based on the full accrual method of accounting and under the modified accrual method in the fund statements.

Accounts receivable from other governments include amounts due from grantors in regards to approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements have been met and reimbursable costs are incurred.

**3. Inter-fund Transactions**

Outstanding balances of lending and borrowing type activities between funds are classified as "due from other funds" and "due to other funds," respectively, on the fund financial statements. Inter-fund activity has been eliminated for the government-wide statements.

**4. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and recorded as prepaid items in both government-wide and fund financial statements. The County reports prepaid items using the consumption method.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

In the fund financial statements, prepaid items are classified as non-spendable, which indicates they do not represent “available spendable resources” even though they are a component of current assets.

**5. Capital Assets**

Capital assets, which include land, buildings, improvements, equipment, intangibles (included in land and equipment), infrastructure, and construction in progress, are reported in the government-wide financial statements. By policy of the Commissioners’ Court, acquisitions are capitalized when they cost at least \$5,000 and have a useful life in excess of five years. Buildings and building improvements require a cost of at least \$5,000 and a useful life in excess of 5 years. Land and construction in progress are not depreciated. The policy applied to infrastructure acquisitions requires a cost of at least \$10,000 and a useful life in excess of five years. Infrastructure assets include county-owned roads, drainage improvements, bridges, signals, and runways. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value on the date of donation.

The costs of normal maintenance and repair that do not add to the value of the asset or materially extend the asset’s life are expensed rather than capitalized.

Capital assets, including infrastructure, are depreciated using the straight-line method over the following estimated useful lives (in years):

<b><u>Assets</u></b>	<b><u>Years</u></b>
Buildings	5-50
Improvements	5-30
Equipment	5-15
Infrastructure	5-50

**6. Payables**

Amounts due to suppliers for trade purchases and amounts due to employees for salaries and benefits are presented on both the government-wide statements and the fund statements as accounts payable. Amounts due to various contractors for funds previously deducted from construction draws are presented as retainage payable. Both categories represent current liabilities.

**7. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources until then. The County has the following items that qualify for reporting in this category.

- Deferred Charges on Refundings – result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding debt.
- Pension contributions after measurement date – recognized in the subsequent year.
- Difference in projected and actual earnings on pension assets – amortized on a closed basis over a 5 year period.
- Changes in actual assumptions used to determine pension liability and expected and actual experiences amortized over the weighted average remaining service life of all participants in the respective qualified pension plan.

## **MONTGOMERY COUNTY, TEXAS**

### **Notes to the Financial Statements**

**September 30, 2018**

- Changes in actuarial assumptions and expected and actual experiences used to determine OPEB liability – amortized over the weighted average remaining service life of all participants in the respective OPEB plan.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources until that time. The County has the following items that qualify for reporting in this category.

- Difference in Expected and Actual Pension Experience – recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Unavailable Revenue – Property Taxes – recognized in the period the amount becomes available.

#### **8. Unearned Revenue**

The County records received but unearned grant revenues and other miscellaneous fee revenues in the fund financial statements as unearned revenues.

#### **9. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an outflow of resources in the reporting period in which they incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### **10. Fund Balances**

County Commissioners' Court established Fund Balance policies in accordance with GASB Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*. The County strives to maintain a minimum Unassigned Fund Balance in the general operating fund of 10 to 15 percent of the annual operating expenditures as presented in its annual financial report.

The County reports fund balances in five classifications:

**Nonspendable** – These balances represent amounts that are not spendable because of their form or are legally required to be maintained or intact, such as prepaid items.

**Restricted** - These balances represent that portion of fund balance that reflects resources that are subject to externally enforceable legal restrictions, typically imposed by parties outside of the government. Such parties may include creditors, grantors, contributors, or other governments. Fund balance on the debt service fund will be restricted for the payment of principal and interest on the debt service obligation. Fund balance on the Community Development fund will be restricted for eligible rehabilitation and preservation activities as allowable by Department of Housing and Urban Development.

## **MONTGOMERY COUNTY, TEXAS**

### **Notes to the Financial Statements**

**September 30, 2018**

**Committed** – This is the portion of fund balance that represents resources whose use is constrained by limitations that Commissioners' Court, the County's highest level of decision making authority, imposes on them. The Court will approve all commitments by quorum vote through the adoption of a court order. The limitations imposed by the court require the same formal action to be removed.

**Assigned** –Represents amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The governing body may delegate its authority to assign amounts to another official. The Commissioners' Court, when it is appropriate for fund balance to be assigned, delegates the authority to the County Auditor. Assignments may be necessary for items such as other post-employment benefits, claims and judgments or transfers to special revenue funds.

**Unassigned** – This represents the residual amount in the general fund which has not been committed, restricted or assigned for other purposes.

For any expenditure incurred for purposes for which multiple fund balance categories can be used, the County will utilize funds in the following order on a first-in-first-out basis: restricted, committed, assigned, and unassigned.

#### **11. Compensated Absences**

A liability for unused vacation and compensatory time for all full-time regular employees is calculated and reported in the government-wide financial statements. For financial reporting purposes, the following criteria have been applied in considering the accrual of the liability associated with compensated absences: a) leave or compensation is attributable to services already rendered, and b) leave or compensation is not contingent on a specific event (such as illness).

GASB Interpretation No. 6 indicates that liabilities for compensated absences should only be recognized in the fund statements to the extent the liabilities have matured and are payable out of current available resources. Compensated absences are accrued in the government-wide statements.

Each full-time regular employee earns ten days of excused leave per year, and from ten to twenty-five days of vacation time may be earned per year. A maximum of sixty days for excused leave may be accrued, and for those employees hired prior to September 1987, the number of days of excused leave accrued at September 30, 1987, may be paid only upon retirement. A maximum of twenty-five days of vacation may be accrued, and is paid upon retirement, resignation, or discharge from the County. Compensatory time is earned in accordance with the provisions of the Fair Labor Standards Act, as it applies to government employees.

#### **12. Arbitrage**

The Tax Reform Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on local government bonds. Issuing governments must calculate any rebate due and remit the amount due at least every five years. There were no arbitrage rebate payments made during fiscal year 2018.

#### **13. Net Position/Fund Balance (restricted)**

Net position represents the difference between assets, deferred outflows (inflows) of resources and liabilities. For the government-wide financial statements, restricted net position represent externally imposed restrictions by creditors, grantors, contributors or laws or regulations of other governments. They may also represent restrictions imposed by law through constitutional provisions or enabling legislation.

## **MONTGOMERY COUNTY, TEXAS**

### **Notes to the Financial Statements**

**September 30, 2018**

#### **14. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCERS's Fiduciary Net Position have been determined on the same basis as they are reported by TCERS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### **15. OPEB**

The County's OPEB plan has been determined using the flow of economic resources measurement focus and the full accrual basis of accounting. This includes for purposes of measuring the OPEB liability, deferred outflows, OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no assets as this is a pay-as-you-go plan.

#### **16. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **17. Program Revenues**

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as actual program revenues.

#### **NOTE 2- RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between **net changes in fund balances – total governmental funds** and **changes in net position of governmental activities** as reported in the government-wide statement of activities. Several of the elements of that reconciliation are more fully explained below.

*“Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.”* The details of this difference are as follows:

Capital outlay	\$ 51,786,434
Depreciation expense	(50,689,445)
	<hr/>
Net adjustment to increase net changes in fund balances- total governmental funds to arrive at changes in net position of governmental activities	<hr/> \$ 1,096,989 <hr/>



**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

*“The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, seizures, and donations) is to increase net position.”* The details of this difference are as follows:

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources.

Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.	\$ 170,722
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The acquisition of capital assets by seizure and by donations increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	66,310,158
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Net adjustment to increase net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	\$ 66,480,880
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*“The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”* The details of this difference are as follows:

Debt issued or incurred:	
Issuance of General Obligation debt	\$ (45,670,000)
Premium on bonds issued, net	(5,335,327)
Capital lease financing	(12,771,043)
Principal repayments:	
General Obligation debt	13,155,000
Revenue debt	16,420,000
Certificates of Obligation debt	1,660,000
Capital leases	2,595,572
Net adjustment to decrease net changes in fund balances-total governmental	\$ (29,945,798)

*“Some expenses 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.”* The details of this difference are as follows:

Compensated absences	\$ (79,827)
Accrued interest	(507,329)
Amortization of charge on refunding bonds	(1,466,012)
Amortization of bond discounts	(25,320)
Amortization of bond premiums	4,416,186
Decrease of Net Pension Liability, net of related deferred inflow and outflow amounts	(1,818,348)
Increase of Other Post-Employment Benefits, net of related deferred inflow amounts	(12,099,135)

Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	\$ (11,579,785)
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**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

**NOTE 3- STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:**

**A) BUDGETS AND BUDGETARY ACCOUNTING:**

The budget law of the State of Texas provides that “the amounts budgeted for the current expenditures from the various funds of the County shall not exceed the balances in said funds plus the anticipated revenues for the current year for which the budget is made as estimated by the County Auditor.” In addition, the law states that the Commissioners’ Court “may, upon proper application, transfer an existing budget surplus during the year to a budget of like kind and fund, but no such transfer shall increase the total of the budget.”

The budget is prepared by the County Auditor and adopted by the Commissioners’ Court following departmental budget reviews and a public hearing. A copy of the budget must be filed with the Clerk of the County Court and made available to the public. The Commissioners’ Court must provide for a public hearing on the budget on some date within ten calendar days after the filing of the budget and prior to its adoption.

The budget is legally adopted by an order of the Commissioners’ Court on a basis consistent with generally accepted accounting principles. The legal level of control (as set forth by statute) is total resources as appropriated to each fund. Any expenditure that alters the total budgeted amounts of a fund must be approved by Commissioners’ Court, and the budget amended. The annual budget is monitored and reported in the financial statements at the *function* level, as management believes that this provides for a more thorough disclosure of the County’s operations.

For fiscal year 2018, formal budgets were adopted for the General Fund, the Special Revenue Funds, and the Debt Service Fund. Formal budgetary integration is not employed for Capital Project Funds, and legal budgets are not adopted, because budgetary control is achieved through legally binding construction contracts. All appropriations lapse at fiscal year-end with the exception of grant awards and certain ongoing projects.

The Commissioners’ Court may approve expenditures as an amendment to the budget to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention. Such expenditures would include the re-appropriation of approved but unexpended amounts for encumbrances, grants, and certain projects from the previous fiscal year. In fiscal year 2018, budget amendments totaling \$161,385,887 were approved that met these criteria.

The Commissioners’ Court may also adopt a supplemental budget for the limited purpose of spending proceeds that become available for disbursement in a fiscal year, but are not included in the budget for that budget year. Included in this category are public or private grants or aid money, revenue from intergovernmental contracts, and proceeds from the issuance of debt. In fiscal year 2018, supplemental appropriations were approved in the amounts of \$24,309,305, \$10,674,541, and \$255,948 for grants received, intergovernmental contracts executed, and capital leases approved, respectively.

**NOTE 4- DEPOSITS AND INVESTMENTS:**

**A) DEPOSITS:**

*Custodial Credit Risk – deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The County does not have a policy for custodial credit risk. As of September 30, 2018, the County’s bank balance (collected funds) was \$188,623,270. At that same date, none of the County’s bank balance was exposed to custodial credit risk since the County’s deposits were insured and collateralized by securities pledged by the depository and held by third party agents of the County in the County’s name.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

**B) INVESTMENTS:**

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

**Level 1** inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

**Level 2** inputs are inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly.

**Level 3** inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

As of September 30, 2018, the Count's governmental activities had the following investments:

<u>Fair Value Measurements Using</u>						
	September 30, 2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Percent of Total Investments	Weighted Average Maturity (Days)	Credit Risk
<i>Investments Measured at Cost:</i>						
FICA Program	\$ 13,594,400	\$ -	\$ -	7.89%	1	AAAm
<i>Investments Measured at Amortized Cost</i>						
Lone Star Government Overnight Fund	408,928	-	-	0.24%	28	AAAm
TEXPOOL	1,142,518	-	-	0.66%	28	AAAm
Money Market Funds - BPIF	2,802,324	-	-	1.63%	30	AAAm
Money Market Funds - AIM	3,246,840	-	-	1.89%	32	AAAm
Money Market Funds - ICT	609,888	-	-	0.28%	19	AAAm
US Government Agency Securities	21,869,798	-	-	12.72%	0	AA+
<i>Investments Measured at Net Asset Value (NAV), Fair Value:</i>						
TexSTAR	3,701,371	-	-	2.15%	32	AAA
TEXCLASS	10,383,237	-	-	6.04%	52	AAA
LOGIC	88,324,071	-	-	51.36%	31	AAAm
<i>Investments Subject to Fair Value Level:</i>						
Certificates of Deposit - Raymond James	4,500,000	-	4,500,000	2.70%	127	Not Rated
US Government Agency Securities	21,394,644	-	21,394,644	12.44%	0	AA+
<b>Total Value</b>	<b>\$ 171,978,019</b>	<b>\$ -</b>	<b>\$ 25,894,644</b>	<b>100.00%</b>		
<b>Portfolio Weighted Average Maturity</b>					<b>25</b>	

**MONTGOMERY COUNTY, TEXAS**  
**Notes to the Financial Statements**  
**September 30, 2018**

As of September 30, 2018, the Count's business-type activities had the following investments:

Fair Value Measurement					
	September 30, 2018	Significant Other Observable Inputs (Level 2)	Percent of Total Investments	Weighted Average Maturity (Days)	Credit Risk
<i>Investments Measured at Amortized Cost:</i>					
Money Market Funds	\$ 3,660,747	\$ -	5.00%	1	AAAm
<i>Investments Subject to Fair Value Level:</i>					
U.S. Treasury Notes	5,999,958	5,999,958	7.00%	869	Not Rated
<i>Investments Measured at Cost:</i>					
Master Repurchase Agreements	71,660,470	-	88.00%	686	Not Rated
<b>Total Value</b>	<b>\$ 81,321,175</b>	<b>\$ 5,999,958</b>	<b>100.00%</b>		
<b>Portfolio Weighted Average Maturity</b>				<b>670</b>	

*Investment Pools* are measured at amortized cost or net asset value (NAV) and are exempt for fair value reporting.

*U.S. Government Agency Securities* classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quotes prices.

*Master Repurchase Agreements* are measured at cost and are exempt for fair value reporting.

*Money Market Funds* are measured at amortized cost and are exempt for fair value reporting.

The TexPool and Lone Star investment pools are external investment pools measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, the investment pool must transact a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pools transact at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less and weighted average lives of 120 days or less, investments held are highly rated by nationally recognized statistical rating organizations, have no more than 5% of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity.

The TexasCLASS, LOGIC, and TexSTAR investment pools are external investment pools measured at NAV. Texas CLASS, LOGIC, and TexSTAR's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The County has no unfunded commitments related to the investment pools. TexasCLASS, LOGIC, and TexSTAR have a redemption notice period of one day and may redeem daily. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pools' liquidity.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. While the County does not have an investment policy for custodial credit risk, there is no need for such policy because of the nature of the County's investments. A third party institution is required to hold the insured, registered securities underlying the County's investments in a safekeeping account in the County's name.

*Interest rate risk.* In accordance with its written investment policy, the County manages its exposures to declines in fair value by limiting the maturity of its investments to less than one year at the time of purchase.

*Credit risk.* While state statutes allow for additional investments, the County's formal investment policy authorizes the County to only invest in the following:

- Obligations of the U.S. Treasury and Governmental Agencies,
- Time deposits,
- Negotiable Order of Withdrawal (NOW) Accounts,
- Investment Pools rated AAA or AAAM by at least 1 nationally recognized rating service,
- Certificates of Deposit, and
- Money Market mutual funds.
- Commercial Paper as defined in Texas Government Code, Section 2256.013

As stated above, Standard and Poor's has rated the three investment pools and the three mutual funds AAAM.

*Concentration of credit risk.* The County's investment policy does not have any provisions regarding the amount that may be invested in any one issuer. However, the Investment Committee regularly reviews that saturation for anything in excess of 25%.

**NOTE 5- PROPERTY TAXES:**

The County Tax Assessor-Collector bills and collects property taxes. Revenues are recognized in the Governmental Funds when levied to the extent that they result in current receivables. Property taxes are levied (assessed) and payable on October 1. They attach as an enforceable lien on property as of January 1 of the following year and become delinquent on February 1.

The County is permitted by the Texas State Constitution (Article VIII, Section 9) and statutes to levy taxes of up to \$0.80 per \$100 of assessed valuation for general governmental services and the payment of long-term debt. The combined current tax rate for the year end was \$0.4667 per \$100, which means that the County has a tax margin of \$0.3333 per \$100, and could raise up to \$169,477,328 in additional taxes from the present assessed valuation of \$50,848,283,277 before the limit is reached.

The thirty years' property taxes receivable at September 30, 2018, as reported by the Tax Assessor-Collector are presented as follows:

	<b><u>Taxes Receivable</u></b>	<b><u>Less: Allowance for Uncollectables</u></b>	<b><u>Net Taxes Receivable</u></b>
General Fund	\$5,305,452	\$ 106,109	\$5,199,343
Road & Bridge Fund	749,895	14,998	734,897
Debt Service Fund	1,148,823	22,975	1,125,848
Total Receivable	<u>\$7,204,170</u>	<u>\$144,082</u>	<u>\$7,060,088</u>

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

Approximately 68% of the outstanding balance of property taxes receivable is not anticipated to be collected in the next year.

**NOTE 6- DUE FROM OTHER GOVERNMENTS:**

At September 30, 2018, the following amounts were recorded as due to the County:

	<b>Federal</b>	<b>State</b>	<b>Local</b>	<b>Total</b>
General Fund	\$ 3,567,932	\$ 1,086,635	\$2,937,444	\$ 7,592,011
Road & Bridge Fund	-	218,316	176,803	395,119
Other Governmental Funds	6,890,106	23,835,159	278,922	31,004,187
Total Due from Governments	<u>\$10,458,038</u>	<u>\$ 25,140,110</u>	<u>\$3,393,169</u>	<u>\$ 38,991,317</u>

Amounts due from other governments arise from funding received from federal and state grants, as well as interlocal agreements with local governments.

**NOTE 7- CAPITAL ASSETS:**

**A) Governmental Activities:**

<u>Primary Government Governmental Activities</u>	<b><u>Beginning Balance</u></b>	<b><u>Additions <sup>(1)</sup></u></b>	<b><u>Deletions <sup>(1)</sup></u></b>	<b><u>Ending Balance</u></b>
Land <sup>(2)</sup>	\$ 90,389,114	\$ 11,116,369	<sup>(2)</sup> \$ -	\$ 101,505,483
Construction in Progress	37,343	336,332	(228,119)	145,556
Total Capital Assets not being depreciated	90,426,457	11,452,701	( 228,119)	101,651,039
Buildings <sup>(3)</sup>	214,929,285	1,548,156	-	216,477,441
Improvements <sup>(3)</sup>	23,746,112	458,022	-	24,204,134
Equipment <sup>(2)(3)</sup>	115,251,070	11,276,396	<sup>(2)</sup> (18,975,918)	107,551,548
Infrastructure	1,400,448,322	97,343,451	(492,965)	1,497,298,808
Total Capital Assets being depreciated	1,754,374,789	110,626,025	(19,468,883)	1,845,531,931
Less accumulated depreciation for:				
Buildings	(73,682,796)	(5,306,468)	-	(78,989,264)
Improvements	(16,799,613)	(1,128,163)	-	(17,927,776)
Equipment	(79,651,459)	(7,699,147)	15,495,756	(71,854,850)
Infrastructure	(882,598,090)	(36,594,670)	384,933	(918,807,827)
Total Depreciation	<u>(1,052,731,958)</u>	<u>(50,728,448)</u>	<u>15,880,689</u>	<u>(1,087,579,717)</u>
Total Capital Assets, net of Accumulated depreciation	<u>\$ 792,069,288</u>	<u>\$ 71,350,278</u>	<u>\$ (3,816,313)</u>	<u>\$ 859,603,253</u>

(1) Amounts representing transfers between categories are included in the columns for both additions and deletions.

(2) As required by GASB 51, this schedule reports intangible assets of \$73,443,333 and \$9,326,086 in land and equipment respectively.

(3) Internal service fund assets are included in these amounts.



**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

**Depreciation Expense:**

Depreciation expense was charged to the functions/programs of the primary government's governmental activities as follows:

Governmental activities:	
General Administration	\$ 3,029,908
Judicial	188,054
Legal Services	71,091
Elections	143,599
Financial Administration	11,514
Public Facilities	1,642,963
Public Safety	4,368,130
Health and Welfare	1,505,696
Culture and Recreation	766,130
Conservation	26,263
Public Transportation	38,936,097
Capital assets held by the governments internal service funds are charged to the various functions based on their usage of the assets	39,003
Total depreciation expense-governmental activities	<u>\$50,728,448</u>

**B) Business- type Activities:**

<u>Primary Government Business-type Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Infrastructure	\$ 65,822,406	\$ 6,960,666	\$ (516,862)	\$ 72,266,210
Total Capital Assets being depreciated	<u>65,822,406</u>	<u>6,443,804</u>	<u>(516,862)</u>	<u>72,266,210</u>
Less accumulated depreciation for:				
Infrastructure	(3,222,462)	(1,098,454)	-	(4,320,916)
Total Depreciation	<u>(3,222,462)</u>	<u>(1,098,454)</u>	<u>-</u>	<u>(4,320,916)</u>
Total Capital Assets, net of Accumulated depreciation	<u>\$ 62,599,944</u>	<u>\$ 5,862,212</u>	<u>\$ (516,862)</u>	<u>\$ 67,945,294</u>

**Depreciation Expense:**

Depreciation expense was charged to the functions/programs of the primary government's business-type activities as follows:

Business-type Activities:	
Toll Road	\$ 1,098,454
Total depreciation expense-governmental activities	<u>\$ 1,098,454</u>

**C) CONSTRUCTION COMMITMENTS:**

The County has entered into contracts for the construction, renovation, and improvement of real property. As of September 30, 2018, the County had contracts for various projects in the amount of \$86,986,622 and have paid to date \$33,782,213.

As of September 30, 2018, contracts entered into by the Montgomery County Toll Road Authority (business-type activities) for the SH 249 project amount to \$55,968,425 and have paid to date \$5,698,236.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

**D) ENCUMBRANCES:**

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$ 8,061,966
Road and Bridge Fund	2,054,074
Road Bonds 2016A	34,976,930
Road Bonds 2018	12,467,659
Other Non-Major	14,669,892
Internal Service Funds	211
Enterprise Fund	57,203,903
Total Encumbrances	<u>\$129,434,635</u>

**NOTE 8- DISAGGREGATION OF PAYABLE BALANCES:**

**A) DUE TO OTHER GOVERNMENTS:**

The County records certain amounts due to other governments as a result of operating contracts and overpayment of certain grant funds. At September 30, 2018, the following amounts were due to other governments:

<u>Fund</u>	<u>State</u>	<u>Total</u>
General	\$7,630	\$7,630
Other Non-Major	289	289
Total	<u>\$7,919</u>	<u>\$7,919</u>

**B) UNEARNED REVENUES:**

The County reports unearned revenues in the governmental funds that consist of resources that have been received, but not yet earned.

At September 30, 2018, unearned revenues are presented below:

<u>Fund</u>	<u>Unearned Fees</u>
General	\$5,186,287
Other Non-Major	4,743,215
Total	<u>\$9,929,502</u>

**NOTE 9- LONG-TERM DEBT:**

General long-term debt consists of general obligation bonds, revenue bonds, certificates of obligation, the County's accrued liability for compensated absences and compensatory time, capital leases, workers' compensation and medical claims and judgments, net pension liability, other post-employment benefit liability, and arbitrage due the federal government. Principal and interest payments on the County's bonded debt, in general, are secured by ad valorem property taxes levied on all taxable property within the County. Payments are recorded in the Debt Service Fund.

**MONTGOMERY COUNTY, TEXAS**  
**Notes to the Financial Statements**  
**September 30, 2018**

A) **BONDED DEBT:**

A summary of the outstanding governmental bonded debt, at September 30, 2018 is presented:

	<b>Interest Rate (%)</b>	<b>Issue Date</b>	<b>Maturity Date</b>	<b>Bonds Outstanding</b>
<b>GENERAL OBLIGATION BONDS:</b>				
Refunding Bonds, Series 2010	4.00-5.00	2010	2030	\$ 28,175,000
Refunding Bonds, Series 2012	2.00-5.00	2012	2026	22,405,000
Refunding Bonds, Series 2014	1.75-2.27	2014	2020	13,030,000
Refunding Bonds, Series 2014A	5.00	2014	2025	68,815,000
Refunding Bonds, Series 2016	3.00-5.00	2016	2027	58,925,000
Road Bonds, Series 2016	2.00-5.00	2016	2027	52,660,000
Refunding Bonds, Series 2016A	3.00-5.00	2017	2030	46,220,000
Road Bonds, Series 2016A	4.00-5.00	2017	2042	72,985,000
Road Bonds, Series 2018	4.00-5.00	2018	2043	45,670,000
<b>TOTAL GENERAL OBLIGATION BONDS</b>				<b>\$408,885,000</b>
<b>CERTIFICATES OF OBLIGATION:</b>				
Series 2010	3.00-5.40	2010	2039	25,185,000
Series 2012	2.00-5.00	2012	2032	11,765,000
Series 2012A	2.00-5.00	2012	2023	12,140,000
<b>TOTAL CERTIFICATES OF OBLIGATION</b>				<b>\$49,090,000</b>
<b>TOTAL BONDED DEBT</b>				<b>\$457,975,000</b>

All of the County's outstanding bonded debt is assigned a fixed rate of interest.

The Toll Road Project has been financed with senior lien revenue bonds. The proceeds from such bonds, including the interest earned, are being used to finance the construction and the related debt service.

The outstanding business-type bonded debt at September 30, 2018 is as follows:

	<b>Interest Rate (%)</b>	<b>Issue Date</b>	<b>Maturity Date</b>	<b>Bonds Outstanding</b>
<b>SENIOR LIEN REVENUE BONDS:</b>				
Series 2018	5.00	2018	2048	\$ 87,680,000
<b>TOTAL SENIOR LIEN REVENUE BONDS</b>				<b>\$ 87,680,000</b>
<b>TOTAL BONDED DEBT</b>				<b>\$ 87,680,000</b>

B) **CHANGES IN LONG-TERM DEBT:**

The following schedule illustrates changes in the County's Governmental Long-Term Liabilities and Business-Type Liabilities for the year ended September 30, 2018. For each category, management has presented the portion that will be due within one year.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

	<b>Beginning</b>		<b>Provisions</b>	<b>Ending</b>	<b>Due Within</b>
<b>Governmental Activities:</b>	<b>Balance</b>	<b>Additions</b>	<b>(Reductions)</b>	<b>Balance</b>	<b>One Year</b>
Bonds payable:					
General Obligation	\$ 376,370,000	\$45,670,000	\$ (13,155,000)	\$408,885,000	\$15,025,000
Revenue Bonds	16,420,000	-	(16,420,000)	-	-
Certificates of Obligation	50,750,000	-	( 1,660,000)	49,090,000	1,715,000
Less deferred amounts:					
Issuance discounts	(332,893)	-	25,321	(307,572)	-
Issuance Premiums	46,836,144	5,335,327	(4,416,186)	47,755,285	-
Total bonds payable	490,043,251	51,005,327	(35,625,865)	505,422,713	16,740,000
Capital leases	3,777,887	12,771,043	(2,595,572)	13,953,358	2,374,456
Workers' Comp Obligation	1,610,050	830,137	(825,279)	1,614,908	500,000
Medical Obligation	5,213,837	20,927,075	(20,992,313)	5,148,599	5,148,599
Total OPEB Liability <sup>(1)</sup>	175,403,941	27,642,488	(15,340,606)	187,705,823	-
Net Pension Liability	48,318,814	37,184,548	(63,334,081)	22,169,282	
Compensated absences	13,941,832	9,490,182	(9,410,354)	14,021,660	8,965,086
Total Long-term Liabilities	\$ 643,965,832	\$217,010,032	\$(110,939,521)	\$750,036,343	\$33,728,141

- (1) Per GASB 75, beginning balance for Total OPEB Liability includes the restatement of the Total OPEB Liability as of 2017. See Notes 1B and 20 for information regarding the implementation of GASB 75.

Internal Service Funds predominantly serve the governmental funds. Accordingly, long term liabilities, including Workers' Compensation and Medical, reported in those funds are included as part of the above totals for governmental activities. At year end, \$1,614,908 for Workers' Compensation obligation and \$5,148,599 for Medical obligation were included in the above amounts. Since medical claims are typically resolved within 60 days after occurrence, the entire claims liability is due within one year.

At year end, \$1,751,864 of special revenue funds compensated absences is included in the above amounts. The remaining balance of \$12,269,796 will be liquidated by the general fund. In prior years, compensated absences have been liquidated by the County's general fund and special revenue funds. The OPEB obligation will be liquidated by the general fund. In prior years, the OPEB obligation was liquidated by the general fund.

	<b>Beginning</b>		<b>Provisions</b>	<b>Ending</b>	<b>Due Within</b>
<b>Business-Type Activities:</b>	<b>Balance</b>	<b>Additions</b>	<b>(Reductions)</b>	<b>Balance</b>	<b>One Year</b>
Bonds payable:					
Senior Lien Revenue Bonds	\$ -	\$87,680,000	\$ -	\$ 87,680,000	\$ -
Unamortized Premium	-	8,046,540	(268,218)	7,778,322	-
Total bonds payable	-	95,726,540	(268,218)	95,458,322	-
Total Long-term Liabilities	\$ -	\$95,726,540	\$ (268,218)	\$ 95,458,322	\$ -

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

**C) ANNUAL DEBT SERVICE REQUIREMENTS TO MATURITY:**

The following table lists the debt requirements, by debt type for governmental activities:

<b>Maturity</b>	<b>General Obligation Bonds</b>		<b>Certificates of Obligation</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2019	\$ 15,025,000	\$ 18,757,356	\$ 1,715,000	\$ 2,197,830
2020	15,585,000	18,220,569	1,770,000	2,142,236
2021	18,580,000	17,480,263	810,000	2,099,727
2022	19,625,000	16,530,138	1,665,000	2,051,686
2023	19,570,000	15,556,513	2,785,000	1,963,192
2024-2028	114,685,000	61,705,990	15,120,000	7,857,484
2029-2033	110,245,000	33,006,318	15,365,000	4,268,031
2034-2038	47,440,000	16,128,350	8,070,000	1,603,260
2039-2043	48,130,000	4,446,713	1,790,000	48,330
<b>Total</b>	<b>\$408,885,000</b>	<b>\$201,832,210</b>	<b>\$ 49,090,000</b>	<b>\$ 24,231,776</b>

The following table lists the debt requirements, by debt type for business-type activities:

<b>Maturity</b>	<b>Revenue Bonds</b>	
	<b>Principal</b>	<b>Interest</b>
2019	\$ -	\$ 4,384,000
2020	-	4,384,000
2021	-	4,384,000
2022	-	4,384,000
2023	500,000	4,384,000
2024-2028	8,945,000	21,058,250
2029-2033	13,075,000	18,315,000
2034-2038	16,685,000	14,702,750
2039-2043	21,295,000	10,093,000
2044-2048	27,180,000	4,209,500
<b>Total</b>	<b>\$ 87,680,000</b>	<b>\$ 90,298,500</b>

**D) PRIOR YEAR DEFEASANCE OF DEBT:**

In prior years, the County defeased multiple debt issues by creating separate irrevocable trust funds. New debt was issued and the proceeds were used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until it is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed from the government-wide financial statements.

On January 9, 2018 the County authorized the use of available funds received through the Pass Through Toll Agreement to defease the remaining outstanding debt as it relates to the Pass Through Toll Program. This resulted in the defeasance of \$12,565,000 of Pass-Through Toll Revenue & Limited Tax Bonds, Series 2009 and \$3,855,000 of Pass-Through Toll Revenue & Limited Tax Bonds, Series 2010 by funds being placed in an irrevocable escrow account to provide for the future debt service payments.

**MONTGOMERY COUNTY, TEXAS**  
**Notes to the Financial Statements**  
**September 30, 2018**

As of September 30, 2018, defeased but outstanding debt from prior year refunding transactions consisted of the following:

<b><u>Series</u></b>	<b><u>Amount</u></b>
Unlimited Tax Road Bonds, Series 2006B	\$ 20,195,000
Unlimited Tax Road Bonds, Series 2008B	34,705,000
Pass-Through Toll Revenue Bonds, Series 2009	2,905,000
Pass-Through Toll Revenue Bonds, Series 2010	4,905,000
Pass-Through Toll Refunding Bonds, Series 2012	15,880,000
Certificates of Obligation, Series 2010A	1,960,000
Refunding Bonds, Series 2010	15,205,000
<b>Total Defeased but Outstanding</b>	<b><u>\$ 95,755,000</u></b>

**E) FUTURE BORROWING:**

In November 2015, the voters of Montgomery County approved the issuance of \$280 million in unlimited tax road bonds to fund road improvements throughout the County. The County issued a total of \$190.4 million of these road bonds. This leaves the remaining authorized amount at \$89.6 million to be issued in subsequent periods.

**F) CONDUIT DEBT OBLIGATIONS:**

Harris County Health Facilities Development Corporation and Harris County Cultural Education Facilities Finance Corporation issued bonds to provide financial assistance to private and public sector entities engaged in activities that are deemed to be in the public interest. These bonds are obligations of the issuing entities payable solely from the proceeds of the underlying financing agreements and, in the opinion of legal counsel, do not represent indebtedness or liability to the issuing entity, to Montgomery County, Texas, to the State of Texas, or to any political subdivision; therefore, they are not reported as liabilities in the County's financial statements.

**Harris County Health Facilities Development Corporation-** The corporation issues bonds if there is a public benefit or purpose that is necessary or convenient for health care, research, or education. Its activity is included in this disclosure because its bonds have been issued for the benefit of organizations located in Montgomery County. As of February 28, 2018, there were nine (9) series of bonds outstanding with an aggregate principal payable of \$740,301,000. The bonds will be repaid from sources defined in the various underlying financing agreements between the corporation and the entities for whose benefit the bonds were issued.

**Harris County Cultural Education Facilities Finance Corporation-** The corporation issues bonds for the purpose of defraying expansion costs, for Space Center Houston projects, Houston Livestock Show and Rodeo projects, Baylor College of Medicine, Memorial Hermann Healthcare System, Methodist Hospital System, Texas Medical Center projects, and the Young Men's Christian Association (YMCA) of the Greater Houston Area and others. Its activity is included in this disclosure because its bonds have been issued for the benefit of organizations located in Montgomery County. As of February 28, 2018 there were forty-nine (49) series of Bonds outstanding with an aggregate principal payable of \$4,449,288,713. The Bonds will be repaid from payments required to be made under loan agreements between the issuing entity and the aforementioned parties.



**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

**G) CAPITAL LEASES:**

The County has entered into capital lease agreements for the lease/purchase/construction of certain heavy road equipment, vehicles, and buildings. Acquisition of equipment with a value of \$12,771,043 was financed during the current fiscal year under capital leases and recorded in the Capital Assets portion of the government-wide financial statements. Depreciation expense for these assets is included as part of the depreciation expense detailed in Note 7. The lease agreements are classified as capital leases because title passes to the County at the end of the lease term, and are included as leases payable in the Long-Term Debt portion of the government-wide statements. The present value of future minimum capital lease payments at September 30, 2018 and the funds from which they will be paid are as shown below:

<b>Year</b>	<b>General</b>	<b>Special Revenue</b>	
<b>Ending</b>	<b>Fund</b>	<b>Funds</b>	<b>Total</b>
2019	\$ 2,020,377	\$ 885,896	\$ 2,906,273
2020	1,959,354	474,846	2,434,200
2021	1,959,355	88,868	2,048,223
2022	1,959,355		1,959,355
2023	1,959,354		1,959,354
2024-2025	3,918,710		3,918,710
Total Minimum Lease Payments	13,776,505	1,449,610	15,226,115
Less: amount representing interest	1,201,650	71,107	1,272,757
Present value-minimum lease payments	<u>\$12,574,855</u>	<u>\$ 1,378,503</u>	<u>\$ 13,953,358</u>

**NOTE 10- INTER-FUND RECEIVABLES, PAYABLES, AND TRANSFERS:**

**A) DUE FROM/DUE TO OTHER FUNDS:**

Activity between funds that represents the current portion of lending/borrowing and inter-fund charges for goods and services arrangements outstanding at fiscal year-end are referred to as “due from/due to other funds.” Inter-fund balances are expected to be repaid within one year from the date of the financial statements, and are routine in nature.

The composition of inter-fund balances as of September 30, 2018 was as follows:

	<b>Receivables</b>	<b>Payables</b>
General Fund	\$ 45,126,313	\$ 73,368,259
Road and Bridge Fund	378,502	3,699,328
Debt Service Fund	1,194,831	-
Road Bonds Series 2016A Fund	-	2,537,390
Road Bonds Series 2018 Fund	-	1,402,354
Non-major Governmental Funds	47,581,807	17,794,880
Internal Service Funds	24,668,159	378,502
Enterprise Fund	-	19,768,899
Total	<u>\$ 118,949,612</u>	<u>\$ 118,949,612</u>

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

B) **TRANSFERS:**

Transfers are used to a) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, b) move receipts from bond refundings and residual balances from capital project funds to the debt service fund to pay debt obligations, and c) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Inter-fund transfers for the year ended September 30, 2018 were:

	<b>Transfers In</b>	<b>Transfers Out</b>
General Fund	\$ 10,227,859	\$ 26,686,410
Road and Bridge Fund	1,367,134	103,393
Debt Service Fund	907,409	-
Non-major Governmental Funds	25,863,583	1,286,624
Internal Service Funds	227,263	2,732,358
Enterprise Fund	-	7,784,462
Total	<u>\$ 38,593,248</u>	<u>\$ 38,593,247</u>

Although inter-fund activity is reported in the fund financial statements, it has been eliminated in the government-wide financial statements. There is a difference between transfers in and out that is due to rounding.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

**NOTE 11- FUND BALANCES:**

The following table provides detail of the classification of fund balances as reported in the fund financial statements:

	General	Road & Bridge	Debt Service	Road Bonds Series 2016A	Road Bonds Series 2018	Other Governmental Funds	Total Governmental Funds
<b>Non-Spendable</b>							
Prepaid	\$ -	\$ -	\$ -	\$ -	-	\$ 618,735	\$ 618,735
<b>Total Non-Spendable</b>	-	-	-	-	-	<b>618,735</b>	<b>618,735</b>
<b>Restricted for:</b>							
Capital Projects	-	-	-	39,757,804	41,038,687	29,541,441	110,337,932
Debt Service	-	-	15,756,559	-	-	-	15,756,559
General Admin	-	-	-	-	-	5,672,126	5,672,126
Financial Admin	-	-	-	-	-	-	-
Conservation	-	-	-	-	-	-	-
Judicial	223,555	-	-	-	-	1,533,960	1,757,515
Legal Services	4,903	-	-	-	-	406,773	411,676
Elections	-	-	-	-	-	310,553	310,553
Public Facilities	-	-	-	-	-	-	-
Public Safety	1,705,810	-	-	-	-	7,990,520	9,696,330
Health & Welfare	173,391	-	-	-	-	4,848,728	5,022,119
Culture & Recreation	13,844	-	-	-	-	110,596	124,440
Public Transportation	-	1,666,237	-	-	-	659,966	2,326,203
<b>Total Restricted</b>	<b>2,121,503</b>	<b>1,666,237</b>	<b>15,756,559</b>	<b>39,757,804</b>	<b>41,038,687</b>	<b>51,074,663</b>	<b>151,415,453</b>
<b>Committed for:</b>							
Capital Projects	891,893	-	-	-	-	32,423,537	33,315,430
General Admin	866,023	-	-	-	-	-	866,023
Financial Admin	7,035,110	-	-	-	-	-	7,035,110
Conservation	-	4,494	-	-	-	-	4,494
Public Facilities	1,436,835	4,339	-	-	-	-	1,441,174
Public Safety	4,698,451	-	-	-	-	-	4,698,451
Judicial	139,380	-	-	-	-	11,886	151,266
Legal Services	11,030	-	-	-	-	-	11,030
Elections	11,686	-	-	-	-	-	11,686
Culture & Recreation	84,605	-	-	-	-	-	84,605
Health & Welfare	262,760	-	-	-	-	-	262,760
Public Transportation	6,177	2,045,241	-	-	-	-	2,051,418
<b>Total Committed</b>	<b>15,443,950</b>	<b>2,054,074</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,435,423</b>	<b>49,933,447</b>
<b>Assigned to:</b>							
OPEB Obligation	75,082,330	-	-	-	-	-	75,082,330
Judicial	-	-	-	-	-	1,853,945	1,853,945
Public Transportation	-	10,265,986	-	-	-	-	10,265,986
<b>Total Assigned</b>	<b>75,082,330</b>	<b>10,265,986</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,853,945</b>	<b>87,202,261</b>
<b>Unassigned</b>	<b>44,851,001</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,851,001</b>
<b>Total Fund Balances</b>	<b>\$137,498,784</b>	<b>\$ 13,986,297</b>	<b>\$ 15,756,559</b>	<b>\$ 39,757,804</b>	<b>41,038,687</b>	<b>\$ 85,982,766</b>	<b>\$334,020,897</b>

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

**NOTE 12- OPERATING LEASES:**

The County is a party to several lease agreements. Significant terms are discussed below:

Office Space- The County leases 4,474 square feet of office space to the Conroe Symphony Orchestra for a period of sixty months. The term of this lease is July 1, 2015 through June 30, 2020. The monthly rent of \$1,200 is recorded in the General Fund.

The County leases 2,872 square feet of office space to the Montgomery County Housing Authority on a month-to-month basis. The monthly rent is \$425 and is recorded in the General Fund.

The County also leases office space at the East Montgomery County Community Development Building to Lakewood Family Practice and/or Dr. N. K. Karimjee, for a period of eighty-four months. The original term of this lease was through July 1, 2014 and was amended to renew through July 2021. The monthly rent of \$3,500 is recorded in the Community Development Fund. The building is recorded as a Capital Asset in the County's government-wide financial statements at a cost of \$2,660,776, less accumulated depreciation of \$733,308.

Additionally, the County leases office space at a low income medical clinic to the Magnolia Family Practice Clinic and/or Dr. N. K. Karimjee, for a period of 84 months ending on March 10, 2021. The monthly rent of \$2,500 and utilities of \$400 is recorded in the Community Development Fund.

Following is a schedule of lease payments on office space leases through the ending dates of the agreements:

<b><u>Year Ending</u></b>	
<b><u>September 30,</u></b>	
2019	107,550
2020	106,950
2021	81,650
2022	39,900
Total Future Lease Payments	<u>\$ 336,050</u>

**NOTE 13- RISK MANAGEMENT:**

**A) EMPLOYEE HEALTH BENEFITS:**

Effective January 1989, the County established a partially self-funded trust plan which offers medical and life insurance coverage to employees and their dependents. The County maintains excess loss insurance, which limits annual claims paid from the plan to a maximum of \$200,000 per plan participant. This excess loss reinsurance policy includes a contract provision that eliminates a large claim run off liability. A third party administrator is employed by the plan to administer claims. A trustee has been engaged to receive employer and employee contributions and to disburse payments to the providers of the plan. Costs relating to the plan are recorded as expenditures in the internal service fund. In prior years these costs were recorded in the General Fund. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

The plan is funded to discharge liabilities as they become due. Claims incurred and reported, but not paid at September 30, 2018, were \$563,139. Claims incurred but not reported (IBNR) at September 30, 2018, are estimated to be \$4,585,460. Estimates are not based on actuarial calculations, but rather on historical trends. Both amounts have been recorded as expenditures in the Self Insurance Medical Fund, an internal service fund, and a liability has been established.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

Changes in the health claims liability for the two fiscal years ended September 30, 2018 and September 30, 2017 are as follows:

	<b><u>2018</u></b>	<b><u>2017</u></b>
Unpaid claims, beginning of year	\$ 5,213,837	\$ 3,616,159
Incurred claims (includes IBNR)	20,927,075	21,719,722
Claim payments	<u>(20,992,313)</u>	<u>(20,122,044)</u>
Unpaid claims, end of year	<u>\$ 5,148,599</u>	<u>\$ 5,213,837</u>

During the year ended September 30, 2018, the plan received contributions in the amounts of \$29,220,306 and \$2,671,031 from the employer and employees, respectively. The contributions made by employees included contributions by qualified retirees and certain former employees covered by the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA). In addition to the claim payments made, the plan also expended \$1,198,316 in administrative costs and \$2,489,186 for reinsurance and insurance premiums.

**B) WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY:**

As of January 1, 2003, the County established a partially self-funded program to cover claims by employees arising from job related injuries. The program offers coverage at the statutorily required limits required by the State of Texas. A third party administrator has been engaged by the County to adjudicate claims, provide nurse case management, pre-certification and bill review. Excess loss insurance was purchased to limit the claims loss to the County to no more than \$250,000 per individual claim in 2018.

Costs associated with this program are recorded as expenditures in the Self Insurance Workers' Compensation Fund, which is an Internal Service Fund. Prior to fiscal year 2011, these costs were recorded in the General Fund. Liabilities are recorded when it is probable that a loss has occurred and when an amount can be reasonably estimated. During the year ended September 30, 2018, the County expended \$91,898 for administrative costs and \$294,256 for excess loss insurance premiums.

Changes in the Workers' Compensation liability for the two fiscal years ended September 30, 2018 and September 30, 2017 are detailed below:

	<b><u>2018</u></b>	<b><u>2017</u></b>
Unpaid claims, beginning of year	\$ 1,610,050	\$ 1,347,167
Current year claims and changes in estimates (includes IBNR)	830,137	979,783
Claim payments	<u>(825,279)</u>	<u>(716,900)</u>
Unpaid claims, end of year	<u>\$1,614,908</u>	<u>\$1,610,050</u>

**C) PROPERTY, CASUALTY AND BOILER COVERAGE:**

The County purchased reinsurance coverage for certain property including vehicle, equipment and contents coverage for the fiscal year. Self-Insured Retentions are maintained at the following levels:

• Buildings and Contents	\$100,000
• Boats and Vehicles with less than 6 wheels	\$ 10,000
• Vehicles Heavy Equipment above 6 wheels	\$ 25,000
• Boilers and HVAC systems	\$ 1,500
• Pollution (Storage Tank) Liability	\$ 10,000

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

Total insured values exceed \$395,000,000 for the first three coverages listed above and an additional \$100,000,000 for boilers and HVAC systems.

The County paid \$485,265 in premiums in fiscal year 2018, and recorded the expenditure in the Accident Liability Fund. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

**D) GENERAL AND OTHER LIABILITY COVERAGES:**

The County purchased reinsurance coverage for General Liability, Auto Liability, Public Officials' Liability, Law Enforcement Liability, Marine Liability, Crime Coverage, Employee Benefits Liability and Airport Operators' Liability. Self-Insured Retentions are maintained at the \$100,000 level per occurrence by the type of coverage with the exception of the Airport Operators' Liability, which has no deductible. The Public Officials' Liability and Employee Benefits Liability are written on a "claims-made basis". The County and District Clerks have a \$25,000 deductible on the Public Officials Liability. Coverage limits are set at \$1,000,000 per claim by type of coverage. The Airport Operators' Liability is set to \$10,000,000. The Pollution Liability (Storage Tank) limit is \$1,000,000 each incident/\$1,000,000 aggregate limit.

Effective December 1, 2003, the County began participating in an individual public entity risk pool, for the coverages listed in subsections B, C, and D above, to transfer certain risks associated with property, casualty, liability and workers' compensation. In addition to those coverages, the County purchased an additional aggregate reinsurance policy. The aggregate coverage loss fund is written on a claims-made basis and is capped at \$1,800,000 for the fiscal year. Note 16 describes the County's obligation under liability claims for 2018.

**NOTE 14- EMPLOYEE RETIREMENT PLAN:**

**A) PLAN DESCRIPTION:**

The County's nontraditional defined benefit pension plan, Texas County and District Retirement System (TCDRS), provides pensions for all of its full-time employees. The TCDRS Board of Trustees is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 760 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX, 78768.

**B) BENEFITS PROVIDED:**

TCDRS provides retirement, disability, and death benefits. The plan provisions are adopted by the governing body of the County, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire with 8 or more years of service at age 60 and above, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the Commissioners' Court of the County within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed



**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. The plan is open to new entrants.

C) **EMPLOYEES COVERED BY BENEFIT TERMS:**

Inactive employees or beneficiaries currently receiving benefits	885
Inactive employees entitled to but not yet receiving benefits	1,523
Active employees	2,338

D) **CONTRIBUTIONS:**

Montgomery County has elected the annually determined contribution rate (Variable Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The County contributed using the actuarially determined rate of 12.27 percent and \$15,579,849 for the months of the calendar year 2017.

The deposit rate payable by the employee members for calendar year 2017 was 6.0 percent as adopted by the Commissioners' Court. The employee deposit rate and the employer contribution rate may be changed by the Commissioners' Court within the options available in the TCDRS Act.

E) **ACTUARIAL ASSUMPTIONS:**

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Payroll growth	3.25%
Real rate of return	5.25%
Long-term investment return	8.0%

The actuarial assumptions that determined the total pension liability as of December 31, 2017 were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016. In addition, mortality rates were based on the following mortality tables:

Depositing members	90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.
Service retirees, beneficiaries and non-depositing members	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Disabled retirees	130% of the Rp-2014 Disabled annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

The numbers shown are based on January 2018 information for a 10 year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon.

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
US Equities	11.50%	4.55%
Private Equity	16.00%	7.55%
Global Equities	1.50%	4.85%
International Equities --Developed	11.00%	4.55%
International Equities - Emerging	8.00%	5.55%
Investment - Grade Bonds	3.00%	0.75%
Strategic Credit	8.00%	4.12%
Direct Lending	10.00%	8.06%
Distressed Debt	2.00%	6.30%
REIT Equities	2.00%	4.05%
Master Limited Partnerships	3.00%	6.00%
Private Real Estate Partnerships	6.00%	6.25%
Hedge Funds	18.00%	4.10%
Total	100.00%	

The discount rate used to measure the total pension liability was 8.10%. The discount rate was determined using an alternative method to determine the sufficiency of the fiduciary net position in all future years. The alternative method reflects the funding requirements under the funding policy and the legal requirements under the TCDRS Act. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods. The employee is legally required to make the contribution specified in the funding policy. The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable. Based on the above assumptions, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the net pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, a discount rate of 8.10% has been used. This rate reflects the long-term assumed rate of return on assets for funding purposes of 8.00%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

**F) PLAN FIDUCIARY NET POSITION:**

Detailed information about the pension plan's fiduciary net position is available in the separately issued TCDRS financial report.

**MONTGOMERY COUNTY, TEXAS**  
**Notes to the Financial Statements**  
**September 30, 2018**

Changes in the Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at December 31, 2016	<u>\$454,061,823</u>	<u>\$405,743,008</u>	<u>\$48,318,815</u>
Changes for the year:			
Service cost	16,423,336	-	16,423,336
Interest	37,357,960	-	37,357,960
Effects of plan changes	-	-	-
Effect of economic/demographic gains or losses	1,078,188	-	1,078,188
Effect of assumptions changes or inputs	1,244,964	-	1,244,964
Refund of contributions	(988,187)	(988,187)	-
Benefit payments	(17,931,716)	(17,931,716)	-
Administrative expense	-	(311,951)	311,951
Member contributions	-	7,638,026	(7,638,026)
Net investment income	-	59,293,448	(59,293,448)
Employer contributions	-	15,579,849	(15,579,849)
Other changes	-	54,609	(54,609)
Net changes	<u>\$ 37,184,545</u>	<u>\$ 63,334,078</u>	<u>(\$26,149,533)</u>
Balances at December 31, 2017	<u>\$491,246,368</u>	<u>\$469,077,086</u>	<u>\$22,169,282</u>

The following presents the net pension liability of the County, calculated using the discount rate of 8.10%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.10%) or 1-percentage-point higher (9.10%) than the current rate.

	1% Decrease (7.10%)	Current Discount Rate (8.10%)	1% Increase (9.10%)
County's Net Pension Liability/(Asset)	<u>\$91,175,370</u>	<u>\$22,169,282</u>	<u>\$(35,486,498)</u>

**G) PENSION EXPENSE AND DEFERRED OUTFLOWS/ (INFLOWS) OF RESOURCES RELATED TO PENSIONS:**

For the fiscal year ended September 30, 2018, the County recognized pension expense of \$17,656,136. At September 30, 2018, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,460,185	\$ 1,898,066
Changes of assumptions	3,139,580	-
Net difference between projected and actual earnings	-	3,871,510
Contributions made subsequent to measurement date	12,248,499	-
	<u>\$ 16,848,264</u>	<u>\$ 5,769,576</u>

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

The \$12,248,499 reported as deferred outflows of resources related to pensions from County contribution subsequent to the measurement date will be recognized as a reduction of net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30, 2018

2019	\$	4,281,166
2020		3,244,004
2021		(4,222,614)
2022		(4,859,559)
2023		387,190
Total	\$	<u>(1,169,811)</u>

**NOTE 15- OTHER POST-EMPLOYMENT BENEFITS (OPEB):**

**A) PLAN DESCRIPTION:**

Effective January 1, 2000, Commissioners' Court adopted a plan to pay for health benefit coverage for qualified retirees under a single-employer defined benefit plan. To qualify for inclusion in the coverage, an individual must currently attain either 15 continuous years of full-time employment (for employees hired prior to October 1, 2009) or 25 continuous years of full-time employment (for employees hired after October 1, 2009) with the County and be eligible for a retirement annuity from the Texas County and District Retirement System. The employee can elect to waive health benefit coverage. The County is under no obligation to provide this benefit, and the decision to do so is made by the Commissioners' Court on a year-to-year basis.

Additionally, the County offers an employee-funded health benefit to those who do not meet the above criteria. The County is obligated to provide this benefit subject to requirements of Chapter 175 of the Texas Local Government Code. Contribution levels are determined by Commissioner's Court on a year-to-year basis. The benefit level is the same as that for a full time regular employee, as further disclosed in Note 13-A.

**C) EMPLOYEES COVERED BY BENEFIT TERMS:**

Inactive employees or beneficiaries currently receiving benefits	361
Inactive employees entitled to but not yet receiving benefits	-
Active employees	1,999

**D) TOTAL OPEB LIABILITY:**

The County's total OPEB liability of \$187,705,823 was measured as of September 30, 2018, and was determined by an actuarial valuation as of that date.

**MONTGOMERY COUNTY, TEXAS**  
**Notes to the Financial Statements**  
**September 30, 2018**

The total OPEB liability in the September 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40%
Salary Increases	3.25%
Discount Rate	3.83%

Mortality rates were based on MP-2018. There was no change in the underlying mortality table, which is the RPH-2014 Employee and Healthy Annuitant mortality table.

Changes in the Total OPEB Liability

	Total OPEB Liability (a)
Balance at 9/30/2017	<u>\$175,403,940</u>
Changes for the year:	
Service Cost	8,336,459
Interest	6,975,183
Differences between expected and actual experience	231,712
Changes in Assumptions/Inputs	-
Change in Benefit Terms	-
Benefit payments	(3,241,471)
Administrative Expense	-
Net Changes	<u>12,301,883</u>
Balance at 9/30/2018	<u>\$ 187,705,823</u>

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.83 percent) or 1-percentage-point higher (4.83 percent) than the current discount rate:

	1% Decrease (2.83%)	Current Discount Rate (3.83%)	1% Increase (4.83%)
Total OPEB Liability	\$229,710,065	\$187,705,823	\$155,415,936

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Rate	1% Increase
Total OPEB Liability	\$151,027,601	\$187,705,823	\$237,756,803

E) **OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB:**

For the year ended September 30, 2018, the County recognized OPEB expense of \$15,340,606. At September 30, 2018, the County reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 202,748

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

Year ended September 30, 2018		
2019	\$	28,964
2020		28,964
2021		28,964
2022		28,964
2023		28,964
Thereafter		57,928
Total	\$	<u>202,748</u>

**NOTE 16- CONTINGENT LIABILITIES:**

A) **GENERAL LIABILITIES:**

For fiscal year 2018, the County participated in a public entity risk pool, to which certain losses arising from liability claims were transferred. The premium for this coverage, \$319,049, was recorded in the Accident Liability Fund, as part of the Internal Service Funds. In addition, the County expended \$154,619 for damages in connection with eighteen (18) claims, for which the deductible had not been satisfied.

B) **GRANTS:**

The County receives various grant monies that are subject to audit and adjustment by the grantor agencies. Any disallowed expenditure will become a liability of the County. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

C) **LITIGATION:**

The County is a defendant in a number of lawsuits with claims for damages in excess of \$5,000,000. These claims result primarily from assertions by former employees that they were



**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

wrongfully discharged, allegations by jail inmates that their rights were violated while incarcerated in the County jail, and claims by individuals arising from property damages. The County paid \$413,475 for legal counsel to defend existing claims. These costs are accounted for in the Accident Liability Fund. The County intends to vigorously contest all the cases, and legal counsel is of the opinion that the County will prevail in all cases which may have a material effect on the financial position of the County. For additional information on the County's coverage amounts see Note 13-D.

**NOTE 17- TAX ABATEMENTS:**

The County enters into property tax abatement agreements with local businesses under the Texas Tax Code, Title 3. Subtitle B, Chapter 312. Texas Property Re-development and Tax Abatement Act (the Act). Under the Act, Counties may grant property tax abatements in accordance with guidelines set forth by the Commissioners' Court. The County may grant property tax abatements for economic projects under the program that are reasonably expected to increase taxable ad valorem tax value of at least \$1,000,000 and that must be expected to prevent the loss of jobs or retain, increase, or create jobs in the County. Abatements are obtained by application by the property owner to either the County Judge or the Tax Assessor-Collector.

A facility may be eligible if it is a: aviation facility, manufacturing facility, regional distribution center, research facility, office building or any other real property not excluded under Section III (c). Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an Abatement Agreement between the County and the property owner and lessee (if required), subject to such limitations as Commissioners' Court may require. New facilities and improvements to existing facilities may be eligible for purposes of modernization or expansion if they are in excess of 1,000,000. Additionally, they must create or retain permanent jobs in order to be eligible for consideration. Abatement may be extended to the value of buildings, structures, site improvements plus that office space, and related fixed personal property improvements necessary to the operation and administration of the facility. Abatement may also be extended to the taxable value of aircraft, but only in conjunction with other eligible property and/or improvements that creates new value in addition to that of the aircraft.

Abatements are granted effective with the January 1 valuation date immediately following the date of execution of the agreement.

For the fiscal year ended September 30, 2018, the County abated property taxes totaling \$2,276,553 under this program which includes twenty (20) entities.

**NOTE 18- NEW ACCOUNTING PRONOUNCEMENTS:**

The Governmental Accounting Standards Board (GASB) has recently issued several new statements. A listing follows of those that apply to the County. These statements will be implemented in subsequent years, as required by the GASB.

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, will improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improve the relevance of financial statement

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2018**

information for certain component units. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2020.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, will improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2020.

GASB Statement No. 87, *Leases*, will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2021.

GASB Statement No. 84, *Fiduciary Activities*, will enhance consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2020.

GASB Statement No. 83, *Certain Asset Retirement Obligations*, will establish uniform criteria for governments to recognize and measure certain AROs, including obligations that may not have been previously reported. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2019.

**NOTE 19- SUBSEQUENT EVENTS:**

On November 1, 2018, Commissioners Court issued Unlimited Tax Road Bonds, Series 2018B in the amount of \$89,010,000 and Unlimited Tax Refunding Bonds, Series 2018 in the amount of \$26,965,000. Proceeds from the sale of the road bonds will be used for road improvements within the County and payment of the costs of issuance of the road bonds. Proceeds from the Refunding Bonds will be used to refund and defease certain outstanding obligations.

**NOTE 20- PRIOR PERIOD ADJUSTMENT:**

Net Position at September 30, 2017 was restated for the inclusion of the Total OPEB Liability, as the County implemented GASB 75. Details of this adjustment are as follows:

	Governmental Activities Net Position
Beginning fund balance and net position, as previously reported	\$ 567,995,731
Inclusion of Total OPEB Liability	(94,343,780)
Beginning fund alance and net position, as restated	<u>\$ 473,651,951</u>

**MONTGOMERY COUNTY, TEXAS**  
**Required Supplementary Information**  
**Schedule of Changes in the County's Net Pension Liability**

	2015	2016	2017	2018
Total Pension Liability				
Service Cost	\$ 13,961,075	\$ 14,877,252	\$ 16,207,504	\$ 16,423,336
Interest	29,231,819	31,734,340	34,011,062	37,357,960
Effect of plan changes	-	(3,634,696)	419,483	-
Effect of economic/demographic gains or losses	1,603,366	(3,796,129)	40,860	1,078,188
Effect of assumptions changes or inputs	-	4,204,219	-	1,244,964
Benefit Payments, including refunds of employee contributions	(13,944,641)	(15,341,208)	(16,391,080)	(18,919,903)
Net change in total pension liability	30,851,619	28,043,778	34,287,829	37,184,545
Total pension liability - beginning	360,878,598	391,730,217	419,773,994	454,061,823
Total pension liability - ending	<u>\$ 391,730,217</u>	<u>\$ 419,773,995</u>	<u>\$ 454,061,823</u>	<u>\$ 491,246,368</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 12,941,853	\$ 18,689,688	\$ 15,909,431	\$ 15,579,849
Contributions - employee	6,328,534	6,694,227	7,100,748	7,638,026
Net Investment income	22,791,347	(5,580,229)	27,516,524	59,293,448
Benefit payments, including refunds of employee contributions	(13,944,641)	(15,341,208)	(16,391,080)	(18,919,903)
Administrative expenses	(272,575)	(266,281)	(299,286)	(311,951)
Other	200,508	(135,551)	344,834	54,609
Net change in plan fiduciary net position	28,045,026	4,060,646	34,181,171	63,334,078
Plan Fiduciary Net Position - beginning	339,456,166	367,501,192	371,561,838	405,743,008
Plan Fiduciary Net Position - ending	<u>\$ 367,501,192</u>	<u>\$ 371,561,838</u>	<u>\$ 405,743,009</u>	<u>\$ 469,077,086</u>
County's net pension liability - ending	<u>\$ 24,229,025</u>	<u>\$ 48,212,157</u>	<u>\$ 48,318,814</u>	<u>\$ 22,169,282</u>
Plan fiduciary net position as a percentage of the total pension liability	93.81%	88.51%	89.36%	95.49%
Covered - employee payroll	\$ 105,475,573	\$ 111,570,445	\$ 118,329,101	\$ 126,975,182
County's net pension liability as a percentage of covered payroll	22.97%	43.21%	40.83%	17.46%

The amounts presented for the fiscal year were determined as of the Plan's fiscal year end, December 31 of the prior year. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

**MONTGOMERY COUNTY, TEXAS**  
**Required Supplementary Information**  
**Schedule of County Contributions**

	2015	2016	2017	2018
Actuarially determined contribution	\$ 11,834,359	\$ 12,194,650	\$ 12,105,067	\$ 13,751,412
Actual Employer Contribution	12,941,853	18,689,688	15,909,431	15,579,849
Contribution deficiency (excess)	<u>\$ (1,107,494)</u>	<u>\$ (6,495,039)</u>	<u>\$ (3,804,363)</u>	<u>\$ (1,828,437)</u>
Covered payroll	\$ 105,475,573	\$ 111,570,445	\$ 126,429,336	\$ 129,014,477
Contributions as a percentage of covered payroll	12.30%	16.80%	12.60%	12.08%

Notes to Schedule

Valuation Date:

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	8.8 years
Asset valuation method	5 year smoothed market
Inflation	2.75%
Salary increases	Varies by age and service. 4.9% average over career, including inflation
Investment rate of return	8.00%, net of administrative and investment expense
Depositing members	90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.
Service retirees, beneficiaries and non-depositing members	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the MP-2014 Ultimate scale after 2014.
Disabled retirees	130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the MP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

The amounts presented for the fiscal year were determined as of the County's fiscal year end, September 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

**MONTGOMERY COUNTY, TEXAS**  
**Required Supplementary Information**  
**Schedule of Changes in the County's Total OPEB Liability and Related Ratios**

	<u>2018</u>
Total OPEB Liability	
Service Cost	\$ 8,336,459
Interest	6,975,183
Changes of benefit terms	-
Differences between expected and actual experience	231,712
Changes in assumptions or other inputs	-
Benefit payments	<u>(3,241,471)</u>
Net change in total OPEB liability	12,301,883
Total OPEB liability - beginning	175,403,940
Total OPEB liability - ending	<u><u>\$ 187,705,823</u></u>
Covered- employee payroll	\$ 116,286,612
Total OPEB liability as a percentage of covered-employee payroll	161.40%
Notes to Schedule:	
Changes in benefit terms:	None
Changes of assumptions:	Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:
	2018 3.83%

The amounts presented for the fiscal year were determined as of the Plan's fiscal year end, September 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

## **SUPPLEMENTARY INFORMATION**





**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Assets, Liabilities, Deferred Inflows of Resources, and Fund Balance**

**September 30, 2018**

A-1

	General Fund
<b><u>ASSETS:</u></b>	
Cash	\$ 90,802,642
Investments	84,954,001
Receivables:	
Taxes (net)	5,199,343
Accounts (net)	315,471
Interest	162,584
Due from Other Funds	45,126,313
Due from Other Governments	7,592,011
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 234,152,365</u></b>
<b><u>LIABILITIES:</u></b>	
Accounts Payable	\$ 13,001,268
Due to Other Funds	73,368,259
Due to Other Governments	7,630
Unearned Revenue	5,186,287
Total liabilities	<u>91,563,444</u>
<b><u>DEFERRED INFLOWS OF RESOURCES:</u></b>	
Unavailable revenue: property taxes	<u>5,090,137</u>
Total deferred inflows of resources	<u>5,090,137</u>
<b><u>FUND BALANCES:</u></b>	
Restricted	2,121,503
Committed	15,443,950
Assigned	75,082,330
Unassigned	46,257,677
Total Fund Balances	<u>138,905,460</u>
<b><u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>	<b><u>\$ 235,559,041</u></b>

**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Revenues and Other Financing Sources**

**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-2

Page 1 of 2

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>TAXES:</u></b>				
Ad Valorem Current	\$ 175,523,714	\$ 175,523,714	\$ 169,032,188	\$ (6,491,526)
Ad Valorem Delinquent	1,360,000	1,360,000	1,500,242	140,242
Penalty and Interest	1,240,000	1,240,000	1,621,458	381,458
Miscellaneous Taxes	850,000	1,173,609	1,167,630	(5,979)
Total Taxes	178,973,714	179,297,323	173,321,518	(5,975,805)
<b><u>LICENSES AND PERMITS:</u></b>				
Beer Licenses	175,000	175,000	210,767	35,767
Trial Fees	4,000	4,000	2,331	(1,669)
Park Fees	125,000	125,000	141,346	16,346
Health Permits	500,000	500,000	556,890	56,890
Recycle Center Permits	-	-	1,750	1,750
Animal Control Transport	20,000	20,000	18,730	(1,270)
Food Service Permits	550,000	550,000	600,425	50,425
Alarm Permits	1,100,000	1,100,000	866,590	(233,410)
Hazardous Waste Mgmt Fees	25,000	25,000	20,765	(4,235)
Total Licenses and Permits	2,499,000	2,499,000	2,419,594	(79,406)
<b><u>FEES:</u></b>				
County Judge	13,000	13,000	14,536	1,536
County Sheriff	421,000	350,000	378,926	28,926
County Attorney	85,000	80,000	87,051	7,051
County Clerk	3,632,615	3,627,700	3,811,270	183,570
Tax Assessor-Collector	5,320,603	5,320,603	5,660,553	339,950
District Clerk	1,582,932	1,610,355	1,720,237	109,882
Justice of the Peace	4,913,953	4,929,652	5,151,346	221,694
Constable	505,000	475,000	443,750	(31,250)
Voter Registration	100	100	204	104
Criminal Justice Fees	324,500	540,515	653,001	112,486
Total Fees	16,798,703	16,946,925	17,920,874	973,949
<b><u>INTERGOVERNMENTAL:</u></b>				
Federal Grants	-	1,037,288	1,838,790	801,502
State Grants	-	1,102,744	795,320	(307,424)
Other	3,285,000	3,458,716	4,222,778	764,062
Total Intergovernmental	3,285,000	5,598,748	6,856,888	1,258,140

**MONTGOMERY COUNTY, TEXAS**  
**General Fund**  
**Schedule of Revenues and Other Financing Sources**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-2  
Page 2 of 2

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>CHARGES FOR SERVICES</u></b>	<u>2,733,590</u>	<u>2,975,310</u>	<u>2,088,266</u>	<u>(887,044)</u>
<b><u>INVESTMENT EARNINGS</u></b>	<u>737,210</u>	<u>1,004,362</u>	<u>4,403,171</u>	<u>3,398,809</u>
<b><u>CONTRACT REIMBURSEMENTS</u></b>	<u>14,182,766</u>	<u>15,517,799</u>	<u>13,915,469</u>	<u>(1,602,330)</u>
<b><u>INMATE HOUSING</u></b>	<u>15,800,000</u>	<u>30,262,645</u>	<u>30,230,873</u>	<u>(31,772)</u>
<b><u>FINES AND FORFEITURES</u></b>	<u>70,000</u>	<u>70,000</u>	<u>106,381</u>	<u>36,381</u>
<b><u>MISCELLANEOUS:</u></b>				
Lease of Facility	19,500	19,500	22,625	3,125
Commissions	290,000	369,017	366,265	(2,752)
Other	475,000	952,793	736,779	(216,014)
Total Miscellaneous	<u>784,500</u>	<u>1,341,310</u>	<u>1,125,669</u>	<u>(215,641)</u>
<b><u>TOTAL REVENUES</u></b>	<u>235,864,483</u>	<u>255,513,422</u>	<u>252,388,703</u>	<u>(3,124,719)</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers In	-	9,320,450	10,227,859	907,409
Capital Lease Financing	-	-	-	-
<b><u>TOTAL OTHER FINANCING SOURCES</u></b>	<u>-</u>	<u>9,320,450</u>	<u>10,227,859</u>	<u>907,409</u>
<b><u>TOTAL REVENUES AND OTHER FINANCING SOURCES</u></b>	<u>\$ 235,864,483</u>	<u>\$ 264,833,872</u>	<u>\$ 262,616,562</u>	<u>\$ (2,217,310)</u>

**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Expenditures and Other Financing Uses**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-3

Page 1 of 11

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>GENERAL ADMINISTRATION:</u></b>				
County Judge:				
Salaries	\$ 401,668	\$ 395,369	\$ 394,662	\$ 707
Employee Benefits	124,624	118,854	117,299	1,555
Supplies	4,550	5,475	5,034	441
Contract Services	39,331	49,561	44,441	5,120
Total County Judge	570,173	569,259	561,436	7,823
Human Resources:				
Salaries	396,722	377,005	375,967	1,038
Employee Benefits	146,254	141,254	133,808	7,446
Supplies	9,600	14,450	14,278	172
Contract Services	52,592	52,411	45,456	6,955
Total Human Resources	605,168	585,120	569,509	15,611
Risk Management:				
Salaries	602,243	536,761	531,685	5,076
Employee Benefits	220,807	210,807	189,978	20,829
Supplies	30,510	39,510	27,202	12,308
Contract Services	80,957	67,384	59,720	7,664
Capital Outlay	10,360	10,360	10,360	-
Total Risk Management	944,877	864,822	818,945	45,877
County Clerk:				
Salaries	1,600,047	1,552,287	1,544,119	8,168
Employee Benefits	722,089	705,089	684,979	20,110
Supplies	45,350	40,443	28,465	11,978
Contract Services	27,325	27,325	23,562	3,763
Total County Clerk	2,394,811	2,325,144	2,281,125	44,019
Collections:				
Salaries	262,685	257,572	257,303	269
Employee Benefits	119,553	119,553	118,406	1,147
Supplies	25,700	23,254	22,740	514
Contract Services	72,467	70,913	65,602	5,311
Total Collections	480,405	471,292	464,051	7,241
Permits:				
Salaries	315,945	314,469	314,391	78
Benefits	141,369	141,369	134,286	7,083
Supplies	12,000	10,099	9,938	161
Services	6,920	6,841	5,963	878
Total Permits	476,234	472,778	464,578	8,200

**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Expenditures and Other Financing Uses**

**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-3

Page 2 of 11

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>GENERAL ADMINISTRATION(cont'd)</u></b>				
Veterans' Service:				
Salaries	173,606	173,606	173,605	1
Employee Benefits	68,196	68,196	68,060	136
Supplies	1,552	1,963	1,465	498
Contract Services	2,347	7,636	7,492	144
Total Veterans' Service	245,701	251,401	250,622	779
Information Technology:				
Salaries	2,410,279	2,265,525	2,247,140	18,385
Employee Benefits	827,465	804,215	760,317	43,898
Supplies	1,355,289	1,333,774	1,252,889	80,885
Contract Services	1,493,637	1,585,975	1,558,778	27,197
Capital Outlay	541,689	444,554	375,810	68,744
Total Information Technology	6,628,359	6,434,043	6,194,934	239,109
Purchasing Agent:				
Salaries	809,069	787,014	783,976	3,038
Employee Benefits	306,825	291,825	283,143	8,682
Supplies	17,465	202,346	197,152	5,194
Contract Services	10,392	187,434	187,434	-
Total Purchasing Agent	1,143,751	1,468,619	1,451,705	16,914
County-Wide:				
Salaries	500,000	-	-	-
Employee Benefits	4,233,000	4,233,000	4,233,000	-
Supplies	727,000	550,500	549,285	1,215
Contract Services	10,015,935	5,801,952	5,761,435	40,517
Capital Outlay	1,077,086	886,288	(5,621)	891,909
Total County-Wide	16,553,021	11,471,740	10,538,099	933,641
<b><u>TOTAL GENERAL ADM</u></b>	<b><u>30,042,500</u></b>	<b><u>24,914,218</u></b>	<b><u>23,595,004</u></b>	<b><u>1,319,214</u></b>
<b><u>JUDICIAL:</u></b>				
County Court No1:				
Salaries	368,806	368,806	368,804	2
Employee Benefits	118,077	118,077	114,742	3,335
Supplies	5,374	5,374	4,098	1,276
Contract Services	6,410	6,410	3,950	2,460
Total County Court No1	498,667	498,667	491,594	7,073
County Court No2:				
Salaries	642,790	638,267	638,009	258
Employee Benefits	217,473	217,473	211,579	5,894
Supplies	3,804	11,037	10,105	932
Contract Services	10,105	9,105	7,174	1,931
Total County Court No2	874,172	875,882	866,867	9,015



**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Expenditures and Other Financing Uses**

**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-3

Page 3 of 11

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>JUDICIAL(cont'd)</u></b>				
County Court No3:				
Salaries	574,470	574,470	574,469	1
Employee Benefits	181,455	181,455	175,803	5,652
Supplies	9,170	9,170	6,134	3,036
Contract Services	8,969	8,544	8,447	97
Total County Court No3	<u>774,064</u>	<u>773,639</u>	<u>764,853</u>	<u>8,786</u>
County Court No4:				
Salaries	376,143	376,143	376,142	1
Employee Benefits	119,539	119,539	116,064	3,475
Supplies	8,155	4,607	4,495	112
Contract Services	6,650	6,719	5,906	813
Total County Court No4	<u>510,487</u>	<u>507,008</u>	<u>502,607</u>	<u>4,401</u>
County Court No5:				
Salaries	365,541	363,482	363,250	232
Employee Benefits	117,427	117,427	111,576	5,851
Supplies	9,830	5,860	3,824	2,036
Contract Services	6,334	6,334	3,608	2,726
Total County Court No5	<u>499,132</u>	<u>493,103</u>	<u>482,258</u>	<u>10,845</u>
Judicial Technology:				
Supplies	386,559	369,065	368,571	494
Services	172,351	149,165	133,646	15,519
Capital Outlay	210,000	160,488	153,957	6,531
Total Judicial Technology	<u>768,910</u>	<u>678,718</u>	<u>656,174</u>	<u>22,544</u>
District Attorney:				
Salaries	7,636,296	8,038,259	7,907,296	130,963
Employee Benefits	2,630,180	2,695,949	2,633,331	62,618
Supplies	150,068	184,315	176,891	7,424
Contract Services	286,148	309,994	304,184	5,810
Capital Outlay	92,066	18,540	15,122	3,418
Total District Attorney	<u>10,794,758</u>	<u>11,247,057</u>	<u>11,036,824</u>	<u>210,233</u>
District Clerk:				
Salaries	2,304,652	2,211,196	2,204,305	6,891
Employee Benefits	1,120,768	1,095,768	1,056,789	38,979
Supplies	56,876	57,522	56,454	1,068
Contract Services	29,413	30,202	29,597	605
Total District Clerk	<u>3,511,709</u>	<u>3,394,688</u>	<u>3,347,145</u>	<u>47,543</u>

**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Expenditures and Other Financing Uses**

**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-3

Page 4 of 11

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>JUDICIAL(cont'd)</u></b>				
Justice of Peace Pct 1:				
Salaries	546,170	538,961	538,961	-
Employee Benefits	199,054	196,979	194,139	2,840
Supplies	10,350	10,350	9,857	493
Contract Services	31,272	84,940	75,220	9,720
Total Justice of Peace Pct 1	786,846	831,230	818,177	13,053
Justice of Peace Pct 2:				
Salaries	345,871	322,641	318,805	3,836
Employee Benefits	136,123	129,123	119,997	9,126
Supplies	7,040	8,718	8,212	506
Contract Services	18,715	79,935	71,254	8,681
Total Justice of Peace Pct 2	507,749	540,417	518,268	22,149
Justice of Peace Pct 3:				
Salaries	708,058	706,098	703,804	2,294
Employee Benefits	320,108	320,178	317,225	2,953
Supplies	13,791	13,791	13,762	29
Contract Services	20,288	21,625	19,157	2,468
Total Justice of Peace Pct 3	1,062,245	1,061,692	1,053,948	7,744
Justice of Peace Pct 4:				
Salaries	578,153	576,367	576,366	1
Employee Benefits	260,619	254,635	253,793	842
Supplies	9,603	9,603	8,882	721
Contract Services	24,578	78,053	70,252	7,801
Total Justice of Peace Pct 4	872,953	918,658	909,293	9,365
Justice of Peace Pct 5:				
Salaries	352,745	352,745	352,744	1
Employee Benefits	137,287	137,287	137,088	199
Supplies	9,362	9,362	9,316	46
Contract Services	11,615	35,806	30,809	4,997
Total Justice of Peace Pct 5	511,009	535,200	529,957	5,243
Veterans Treatment Court:				
Salaries	-	99,008	56,576	42,432
Employee Benefits	-	37,103	19,703	17,400
Supplies	-	3,913	3,239	674
Contract Services	-	105,324	60,725	44,599
Total Veterans Treatment Court	-	245,348	140,243	105,105
<b><u>TOTAL JUDICIAL</u></b>	<b><u>21,972,701</u></b>	<b><u>22,601,307</u></b>	<b><u>22,118,208</u></b>	<b><u>483,099</u></b>
<b><u>LEGAL SERVICES:</u></b>				
County Attorney:				
Salaries	2,323,638	2,349,880	2,331,048	18,832
Employee Benefits	793,397	808,744	786,713	22,031
Supplies	47,380	87,514	85,520	1,994
Contract Services	70,136	212,922	190,135	22,787
Total County Attorney	3,234,551	3,459,060	3,393,416	65,644
Alternate Dispute Resolution:				
Contract Services	129,500	168,468	168,468	-
Total Alternate Dispute Resolution	129,500	168,468	168,468	-
<b><u>TOTAL LEGAL SERVICES</u></b>	<b><u>3,364,051</u></b>	<b><u>3,627,528</u></b>	<b><u>3,561,884</u></b>	<b><u>65,644</u></b>

**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Expenditures and Other Financing Uses**

**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-3

Page 5 of 11

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>ELECTIONS:</u></b>				
Salaries	819,247	873,227	873,226	1
Employee Benefits	281,566	265,446	256,925	8,521
Supplies	44,650	82,965	82,636	329
Contract Services	148,303	172,153	167,140	5,013
<b><u>TOTAL ELECTIONS</u></b>	<b><u>1,293,766</u></b>	<b><u>1,393,791</u></b>	<b><u>1,379,927</u></b>	<b><u>13,864</u></b>
<b><u>FINANCIAL ADMINISTRATION:</u></b>				
County Auditor:				
Salaries	1,579,521	1,579,521	1,461,024	118,497
Employee Benefits	606,163	606,163	561,920	44,243
Supplies	23,200	28,343	27,576	767
Contract Services	51,670	53,855	48,238	5,617
Total County Auditor	<u>2,260,554</u>	<u>2,267,882</u>	<u>2,098,758</u>	<u>169,124</u>
Budget Officer:				
Salaries	198,575	128,037	73,157	54,880
Employee Benefits	73,170	53,170	21,798	31,372
Supplies	4,700	4,650	4,328	322
Contract Services	10,935	10,935	1,301	9,634
Total County Auditor	<u>287,380</u>	<u>196,792</u>	<u>100,584</u>	<u>96,208</u>
Financial Technology:				
Supplies	-	591	591	-
Services	-	381,770	9,400	372,370
Capital Outlay	3,331,029	6,429,527	649,311	5,780,216
Total Financial Technology	<u>3,331,029</u>	<u>6,811,888</u>	<u>659,302</u>	<u>6,152,586</u>
County Treasurer:				
Salaries	493,318	481,953	481,952	1
Employee Benefits	176,702	173,177	173,177	-
Supplies	8,700	8,700	7,481	1,219
Contract Services	16,934	17,313	15,444	1,869
Total County Treasurer	<u>695,654</u>	<u>681,143</u>	<u>678,054</u>	<u>3,089</u>
Tax Assessor-Collector:				
Salaries	2,830,921	2,754,592	2,749,004	5,588
Employee Benefits	1,280,796	1,260,796	1,221,672	39,124
Supplies	142,945	104,392	71,126	33,266
Contract Services	205,425	245,905	200,569	45,336
Capital Outlay	-	409,831	409,831	-
Total Tax Assessor-Collector	<u>4,460,087</u>	<u>4,775,516</u>	<u>4,652,202</u>	<u>123,314</u>
<b><u>TOTAL FINANCIAL ADM</u></b>	<b><u>11,034,704</u></b>	<b><u>14,733,221</u></b>	<b><u>8,188,900</u></b>	<b><u>6,448,113</u></b>
<b><u>PUBLIC FACILITIES:</u></b>				
Custodial Services:				
Salaries	2,034,596	2,034,596	1,931,651	102,945
Employee Benefits	837,063	817,063	785,826	31,237
Supplies	334,334	334,569	334,569	-
Contract Services	71,630	74,728	72,952	1,776
Capital Outlay	-	23,891	23,879	12
Total Custodial Services	<u>3,277,623</u>	<u>3,284,847</u>	<u>3,148,877</u>	<u>135,970</u>

**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Expenditures and Other Financing Uses**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-3

Page 6 of 11

<b><u>PUBLIC FACILITIES (cont'd):</u></b>	<b><u>Original Budget</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance with Final Budget</u></b>
Building Maintenance:				
Salaries	2,512,621	2,446,374	2,405,692	40,682
Employee Benefits	1,015,918	1,002,601	972,185	30,416
Supplies	1,133,744	1,459,472	1,414,405	45,067
Contract Services	363,715	1,167,364	1,165,179	2,185
Capital Outlay	87,311	117,433	109,295	8,138
Total Building Maintenance	<u>5,113,309</u>	<u>6,193,244</u>	<u>6,066,756</u>	<u>126,488</u>
Jail:				
Salaries	14,657,022	14,138,133	13,702,839	435,294
Employee Benefits	6,337,231	6,013,642	5,700,193	313,449
Supplies	1,553,370	1,415,956	1,407,844	8,112
Contract Services	21,257,458	36,738,011	36,597,310	140,701
Capital Outlay	-	20,206	20,206	-
Total Jail	<u>43,805,081</u>	<u>58,325,948</u>	<u>57,428,392</u>	<u>897,556</u>
Convention Center Complex:				
Salaries	466,541	464,570	464,569	1
Employee Benefits	193,775	192,926	192,415	511
Supplies	150,006	155,984	152,304	3,680
Contract Services	220,712	502,204	421,716	80,488
Total Civic Center	<u>1,031,034</u>	<u>1,315,684</u>	<u>1,231,004</u>	<u>84,680</u>
<b><u>TOTAL PUBLIC FACILITIES</u></b>	<u><u>53,227,047</u></u>	<u><u>69,119,723</u></u>	<u><u>67,875,029</u></u>	<u><u>1,244,694</u></u>
<b><u>PUBLIC SAFETY:</u></b>				
Fire Marshal:				
Salaries	1,024,271	1,031,646	1,017,520	14,126
Employee Benefits	361,253	362,722	358,731	3,991
Supplies	100,930	117,524	91,282	26,242
Contract Services	38,930	32,958	27,732	5,226
Capital Outlay	-	5,183	5,179	4
Total Fire Marshal	<u>1,525,384</u>	<u>1,550,033</u>	<u>1,500,444</u>	<u>49,589</u>
Constable Pct 1:				
Salaries	2,721,485	2,848,299	2,782,776	65,523
Employee Benefits	990,093	1,014,493	983,678	30,815
Supplies	169,203	314,284	222,024	92,260
Contract Services	60,681	148,023	123,946	24,077
Capital Outlay	219,491	341,255	338,343	2,912
Total Constable Pct 1	<u>4,160,953</u>	<u>4,666,354</u>	<u>4,450,767</u>	<u>215,587</u>

**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Expenditures and Other Financing Uses**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-3

Page 7 of 11

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>PUBLIC SAFETY (cont'd):</u></b>				
Constable Pct 2:				
Salaries	1,265,352	1,319,187	1,278,963	40,224
Employee Benefits	431,331	446,190	432,681	13,509
Supplies	66,654	124,399	76,627	47,772
Contract Services	33,345	48,873	37,236	11,637
Capital Outlay	-	37,146	37,146	-
Total Constable Pct 2	1,796,682	1,975,795	1,862,653	113,142
Constable Pct 3:				
Salaries	3,213,903	3,362,255	3,320,463	41,792
Employee Benefits	1,200,224	1,228,421	1,202,550	25,871
Supplies	237,536	347,218	325,688	21,530
Contract Services	93,223	107,800	99,594	8,206
Capital Outlay	179,895	195,255	190,433	4,822
Total Constable Pct 3	4,924,781	5,240,949	5,138,728	102,221
Constable Pct 4:				
Salaries	2,543,871	2,593,358	2,541,674	51,684
Employee Benefits	943,507	946,696	915,530	31,166
Supplies	174,235	260,150	234,726	25,424
Contract Services	80,019	94,605	92,492	2,113
Capital Outlay	206,397	383,983	315,772	68,211
Total Constable Pct 4	3,948,029	4,278,792	4,100,194	178,598
Constable Pct 5:				
Salaries	1,925,567	2,081,999	1,986,384	95,615
Employee Benefits	697,093	727,346	691,249	36,097
Supplies	126,352	161,959	129,875	32,084
Contract Services	43,245	45,074	38,714	6,360
Capital Outlay	122,331	257,379	251,423	5,956
Total Constable Pct 5	2,914,588	3,273,757	3,097,645	176,112
Sheriff:				
Salaries	32,641,785	33,798,309	32,619,762	1,178,547
Employee Benefits	12,811,384	12,843,487	12,358,599	484,888
Supplies	3,939,475	4,446,999	3,894,455	552,544
Contract Services	2,512,894	4,042,519	3,655,675	386,844
Capital Outlay	3,818,975	5,662,801	4,685,593	977,208
Total Sheriff	55,724,513	60,794,115	57,214,084	3,580,031

**MONTGOMERY COUNTY, TEXAS**  
**General Fund**  
**Schedule of Expenditures and Other Financing Uses**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-3  
Page 8 of 11

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>PUBLIC SAFETY(cont'd)</u></b>				
Juvenile Services:				
Salaries	3,575,493	3,566,955	3,513,268	53,687
Employee Benefits	1,553,397	1,561,935	1,522,331	39,604
Supplies	82,585	91,285	89,663	1,622
Contract Services	100,059	568,653	334,430	234,223
Total Juvenile Services	<u>5,311,534</u>	<u>5,788,828</u>	<u>5,459,692</u>	<u>329,136</u>
Adult Services:				
Supplies	21,000	14,500	12,356	2,144
Contract Services	125	9,771	9,297	474
Capital Outlay	-	5,000	4,996	4
Total Adult Services	<u>21,125</u>	<u>29,271</u>	<u>26,649</u>	<u>2,622</u>
Emergency Management:				
Salaries	293,901	326,777	317,331	9,446
Employee Benefits	103,363	118,239	112,459	5,780
Supplies	3,889	369,677	197,978	171,699
Contract Services	10,806	236,199	154,078	82,121
Capital Outlay	-	1,252,886	543,455	709,431
Total Emergency Management	<u>411,959</u>	<u>2,303,778</u>	<u>1,325,301</u>	<u>978,477</u>
Law Enforcement Technology:				
Supplies	831,604	755,980	755,979	1
Capital Outlay	571,103	1,218,079	1,211,186	6,893
Total Law Enforcement Technology	<u>1,402,707</u>	<u>1,974,059</u>	<u>1,967,165</u>	<u>6,894</u>
Department of Public Safety:				
Salaries	77,658	77,658	77,658	-
Employee Benefits	37,879	37,879	37,819	60
Supplies	450	450	446	4
Total Dept of Public Safety	<u>115,987</u>	<u>115,987</u>	<u>115,923</u>	<u>64</u>
<b><u>TOTAL PUBLIC SAFETY</u></b>	<u>82,258,242</u>	<u>91,991,718</u>	<u>86,259,245</u>	<u>5,732,473</u>
<b><u>HEALTH AND WELFARE:</u></b>				
Medical:				
Contract Services	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>-</u>
Mental Health:				
Contract Services	<u>261,525</u>	<u>261,525</u>	<u>215,790</u>	<u>45,735</u>



**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Expenditures and Other Financing Uses**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-3

Page 9 of 11

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>HEALTH AND WELFARE:</u></b>				
Environmental Health:				
Salaries	1,487,152	1,477,594	1,477,594	-
Employee Benefits	542,738	542,738	533,068	9,670
Supplies	30,000	25,769	11,983	13,786
Contract Services	69,311	71,272	53,163	18,109
Total Environmental Health	2,129,201	2,117,373	2,075,808	41,565
Forensic Services:				
Salaries	757,925	762,154	756,450	5,704
Employee Benefits	229,410	219,515	213,386	6,129
Supplies	86,100	91,389	72,178	19,211
Contract Services	514,774	778,980	747,631	31,349
Capital Outlay	700	54,580	53,692	888
Total Forensic Services	1,588,909	1,906,618	1,843,337	63,281
Animal Control:				
Salaries	570,874	570,874	561,965	8,909
Employee Benefits	270,580	268,580	262,935	5,645
Supplies	60,450	63,303	60,931	2,372
Contract Services	88,182	87,724	85,468	2,256
Total Animal Control	990,086	990,481	971,299	19,182
Animal Shelter:				
Salaries	1,761,150	1,609,840	1,609,840	-
Employee Benefits	810,617	706,899	706,898	1
Supplies	883,000	1,050,802	968,681	82,121
Contract Services	62,700	215,468	213,238	2,230
Capital Outlay	-	419,977	373,300	46,677
Total Animal Shelter	3,517,467	4,002,986	3,871,957	131,029
Child Welfare:				
Salaries	-	18,753	13,950	4,803
Supplies	30,500	28,467	25,338	3,129
Contract Services	81,950	87,261	86,194	1,067
Total Child Welfare	112,450	134,481	125,482	8,999
MCCD County Appropriation:				
Contract Services	950	950	151	799
Welfare:				
Contract Services	1,059,373	1,069,373	1,069,373	-
<b><u>TOTAL HEALTH/WELFARE</u></b>	<b><u>9,749,961</u></b>	<b><u>10,573,787</u></b>	<b><u>10,263,197</u></b>	<b><u>310,590</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**General Fund**  
**Schedule of Expenditures and Other Financing Uses**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-3  
Page 10 of 11

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>CULTURE AND RECREATION:</u></b>				
Memorial Library:				
Salaries	5,635,951	5,404,343	5,368,531	35,812
Employee Benefits	2,471,351	2,429,813	2,344,615	85,198
Supplies	599,196	606,097	605,923	174
Contract Services	357,876	640,186	631,992	8,194
Capital Outlay	300,000	452,026	452,026	-
Total Memorial Library	<u>9,364,374</u>	<u>9,532,465</u>	<u>9,403,087</u>	<u>129,378</u>
Historical Commission:				
Contract Services	45,000	64,169	49,325	14,844
Capital Outlay	50,000	50,000	50,000	-
Total Historical Commission	<u>95,000</u>	<u>114,169</u>	<u>99,325</u>	<u>14,844</u>
<b><u>TOTAL CULTURE AND RECREATION</u></b>	<b><u>9,459,374</u></b>	<b><u>9,646,634</u></b>	<b><u>9,502,412</u></b>	<b><u>144,222</u></b>
<b><u>CONSERVATION:</u></b>				
Extension Agent:				
Salaries	439,577	438,358	422,193	16,165
Employee Benefits	210,812	200,812	172,315	28,497
Supplies	16,810	17,867	17,398	469
Contract Services	39,620	70,621	67,436	3,185
<b><u>TOTAL CONSERVATION</u></b>	<b><u>706,819</u></b>	<b><u>727,658</u></b>	<b><u>679,342</u></b>	<b><u>48,316</u></b>
<b><u>PUBLIC TRANSPORTATION:</u></b>				
Airport Maintenance:				
Salaries	431,067	424,932	423,609	1,323
Employee Benefits	164,717	159,717	156,637	3,080
Supplies	44,264	112,731	103,647	9,084
Contract Services	206,412	299,547	274,696	24,851
Capital Outlay	-	58,140	4,497	53,643
<b><u>TOTAL PUBLIC TRANSPORTATION</u></b>	<b><u>846,460</u></b>	<b><u>1,055,067</u></b>	<b><u>963,086</u></b>	<b><u>91,981</u></b>
<b><u>MISCELLANEOUS:</u></b>				
Contingency	1,204,784	2,722	-	2,722
<b><u>TOTAL MISCELLANEOUS</u></b>	<b><u>1,204,784</u></b>	<b><u>2,722</u></b>	<b><u>-</u></b>	<b><u>2,722</u></b>
<b><u>TOTAL EXPENDITURES</u></b>				
<b><u>GENERAL FUND</u></b>	<b><u>225,160,409</u></b>	<b><u>250,387,374</u></b>	<b><u>234,386,234</u></b>	<b><u>15,904,932</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**General Fund**  
**Schedule of Expenditures and Other Financing Uses**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

A-3  
Page 11 of 11

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>OTHER FINANCING USES:</u></b>				
Transfers Out:				
To Attorney Administration	-	9,340	33,000	(23,660)
To FEMA Disaster Grants	-	106,360	106,360	-
To Jury	-	178,765	10,600,000	(10,421,235)
To Road and Bridge	-	1,022,912	988,632	34,280
To Juvenile Probation	-	553	553	-
To Court Reporter Service	-	-	150,000	(150,000)
To Courthouse Security	-	-	162,000	(162,000)
To Records Management County	-	-	525,000	(525,000)
To Debt Service	-	-	907,409	(907,409)
To Accident and Liability	-	227,263	227,263	-
To Self Insurance	-	756,000	-	756,000
To Jail 13-14	-	754,666	754,666	-
To Capital Projects	-	1,527,744	12,231,527	(10,703,783)
<b><u>TOTAL OTHER FINANCING USES</u></b>	<u>-</u>	<u>4,583,603</u>	<u>26,686,410</u>	<u>(22,102,807)</u>
<b><u>TOTAL EXPENDITURES AND OTHER FINANCING USES</u></b>	<u>\$ 225,160,409</u>	<u>\$ 254,970,977</u>	<u>\$ 261,072,644</u>	<u>\$ (6,197,875)</u>

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

**MONTGOMERY COUNTY, TEXAS****Nonmajor Governmental Funds****Combining Balance Sheet****September 30, 2018**

B-1

	Special Revenue	Capital Projects	Total
<b><u>ASSETS:</u></b>			
Cash	\$ 11,225,683	\$ 5,266,067	\$ 16,491,750
Investments	2,543,957	17,207,948	19,751,905
Cash, Restricted for Retainage	-	1,085	1,085
Receivables:			
Accounts (net)	55,221	-	55,221
Due from Other Funds	14,806,413	32,775,394	47,581,807
Due from Other Governments	12,333,606	18,670,581	31,004,187
Prepaid Items	618,735	-	618,735
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 41,583,615</u></b>	<b><u>\$ 73,921,075</u></b>	<b><u>\$ 115,504,690</u></b>

**LIABILITIES AND  
FUND BALANCES:**

<b><u>LIABILITIES:</u></b>			
Accounts Payable	\$ 4,152,858	\$ 2,364,014	\$ 6,516,872
Retainage Payable	125,375	341,293	466,668
Due to Other Funds	8,544,090	9,250,790	17,794,880
Due to Other Governments	289	-	289
Unearned Revenue	4,743,215	-	4,743,215
Total Liabilities	<u>17,565,827</u>	<u>11,956,097</u>	<u>29,521,924</u>

**FUND BALANCES:**

Nonspendable	618,735	-	618,735
Restricted	21,533,222	29,541,441	51,074,663
Committed	11,886	32,423,537	32,435,423
Assigned	1,853,945	-	1,853,945
Total Fund Balances	<u>24,017,788</u>	<u>61,964,978</u>	<u>85,982,766</u>

**TOTAL LIABILITIES AND  
FUND BALANCES**

<b><u>\$ 41,583,615</u></b>	<b><u>\$ 73,921,075</u></b>	<b><u>\$ 115,504,690</u></b>
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**MONTGOMERY COUNTY, TEXAS**

**Nonmajor Governmental Funds**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Year Ended September 30, 2018**

B-2

	Special Revenue	Capital Projects	Totals
<b><u>REVENUES:</u></b>			
Fees	\$ 2,700,312	\$ -	\$ 2,700,312
Intergovernmental	16,854,352	-	16,854,352
Charges for Service:	3,068,339	-	3,068,339
Investment Earnings	261,309	531,359	792,668
Contract Reimbursements	16,881,149	-	16,881,149
Fines and Forfeitures	1,867,968	-	1,867,968
Miscellaneous	208,986	45,760	254,746
<b><u>TOTAL REVENUES</u></b>	<b><u>41,842,415</u></b>	<b><u>577,119</u></b>	<b><u>42,419,534</u></b>
<b><u>EXPENDITURES:</u></b>			
Current:			
General Administration	1,570,167	-	1,570,167
Judicial	13,387,144	-	13,387,144
Legal Services	273,138	-	273,138
Elections	841,760	-	841,760
Public Safety	14,511,577	-	14,511,577
Health and Welfare	18,396,869	-	18,396,869
Culture and Recreation	117,716	-	117,716
Public Transportation	2,019,319	-	2,019,319
Capital Projects	-	17,387,122	17,387,122
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>51,117,690</u></b>	<b><u>17,387,122</u></b>	<b><u>68,504,812</u></b>
(Deficiency) Revenues Over Expenditures	<u>(9,275,275)</u>	<u>(16,810,003)</u>	<u>(26,085,278)</u>
<b><u>OTHER FINANCING SOURCES/(USES)</u></b>			
Transfers In	11,732,413	14,131,170	25,863,583
Transfers Out	<u>(1,094,708)</u>	<u>(191,916)</u>	<u>(1,286,624)</u>
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>10,637,705</u></b>	<b><u>13,939,254</u></b>	<b><u>24,576,959</u></b>
Net Change in Fund Balances	1,362,430	(2,870,749)	(1,508,319)
Fund Balances at Beginning of Year	<u>22,655,358</u>	<u>64,835,727</u>	<u>87,491,085</u>
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 24,017,788</u></b>	<b><u>\$ 61,964,978</u></b>	<b><u>\$ 85,982,766</u></b>

## **NONMAJOR SPECIAL REVENUE FUNDS**

**Attorney Administration Fund** - to account for the operations of the County's returned check collection service provided by the County and District attorneys. Fees charged to offenders finance this fund.

**Forfeitures Fund** - to account for funds received by prosecutors and law enforcement agencies from forfeitures and/or seizures. Chapter 59 of the Criminal Code of Procedure governs expenditure of these funds.

**FEMA Disaster Grants Fund** – to account for grants from the Federal Emergency Management Agency. In fiscal year ending September 30, 2017, the purpose of these grants is to assist the County in recovering from Hurricane Harvey and the devastating floods throughout the County during FY 2016.

**Jury Fund** - to account for the operations of the courts. Financing is provided by ad valorem taxes transferred from General Fund.

**Sheriff Commissary Fund** - to account for the proceeds from sale of personal items in the jail commissary. Expenditures are restricted to providing education and entertainment for inmates of the county jail.

**Memorial Library Fund** - to account for the operations of a countywide library system. Financing includes donations from patrons of the Library.

**Community Development Fund** - to account for annual grants from U.S. Department of Housing and Urban Development (HUD), Block Grants, ESG and HOME Partnership grants. Grants are intended to enhance living conditions in the County.

**Law Library Fund** - to account for the operations of a law library. Financing is provided by a fee assessed on each civil case filed in County and District Courts.

**Juvenile Probation Fund** - to account for expenditure of state grants-in-aid and federal reimbursements associated with the care and custody of minors under the supervision of the juvenile courts.

**Records Management and Preservation Fund** - to account for the receipt and expenditure of fees assessed by county, district and probate courts as allowed by law. Fees may only be spent on records management or preservation projects.

**Pre-Trial Diversion Fund** – to account for the receipt of fees assessed for pre-trial diversion through the Montgomery County District Attorney. Expenditures are restricted to those activities supporting the pre-trial diversion process.

**Airport Grants Fund** – to account for grants for the County airport. Funding is provided by grant revenue.

**Mental Health Facility Fund** – to account for the operation of the Montgomery County Mental Health Treatment Facility. The facility houses offenders that have been deemed incompetent to stand trial and provides treatment until such time as they are competent to stand trial.

**Records Management County Fund** – to account for the receipt and expenditure of fees assessed by the county. Fees for this fund are authorized under Sections 51.317, 118.052, 118.0546, and 118.0645 of the Local Government Code and Article 102.005(d), of the Code of Criminal Procedure. Fees collected may only be spent on records management or preservation projects.

**Records Management District Clerk Fund** – to account for the receipt and expenditure of fees assessed by the district. Fees may only be spent on records management or preservation projects.



**Digital Preservation County and District Fund** – to account for the fees collected for filing of civil cases in county and district courts and to be used for the preservation of court records.

**District Clerk Record Preservation Fund** – This fund is utilized to account for the receipts and the disbursements relating to the District Clerk's records preservation program. Financing is received from fees assessed for recording documents in the District Clerk's Office.

**Court Guardianship Fund** – This fund was established pursuant to the provisions of the Local Government Code whereby the clerk of the court collects a fee on certain probate court actions involving guardianships and is to provide supplemental funding for court-appointed guardians ad litem and court-appointed attorneys ad litem and to fund local guardianship programs for indigent incapacitated individuals.

**Court Reporter Fund** – to account for court reporter fees to defray the cost of providing court-reporting services for the County.

**Courthouse Security Fund** – to account for fees charged for filing certain documents in the County. These fees are restricted to expenditures that provide security of County facilities, primarily in the County Courthouse.

**Court Technology County and District Fund** – to account for the fees collected from defendants in criminal cases. Proceeds are used to cover the costs of continuing education and training for the judges and clerks on technological enhancements and for the purchase and maintenance of technological enhancements including computer systems, networks, hardware, and software, imaging systems, electronic kiosks, and docket management systems.

**Justice Court Building Security Fund** – This fund is used to account for revenues related to Court costs. Funds are used to cover costs of Justice of the Peace court security.

**Justice Court Technology Fund** – to account for the receipts and disbursements of funds directly related to this program. Revenues in this account are a result of court costs for applicable cases. Proceeds are used for the purchase of technology equipment that will be utilized in the Justice Courts.

**Juvenile Case Manager Fund** – to account for the receipt and disbursements of funds directly related to this program. Revenues result from court costs in certain juvenile justice court cases. Proceeds will be used to cover the cost of several Juvenile Case Manager positions, whose responsibilities will be to track and monitor juvenile case flow to ensure effective and efficient dispositions of these cases.

**Bond Supervision Fund** - to account for the receipt and disbursement of funds received directly related to bond supervision. Funds are used to support misdemeanor bond supervision and felony supervision.

**Adult Probation Basic Supervision Fund** – to account for basic supervision funds received. The funding is based on a formula calculated by the State.

**Adult Probation Community Corrections Fund** - to account for community corrections funding. This is based on a percentage of the state's population which resides in the county and the percentage of all felony defendants in the state under direct community supervision by the department.

**Adult Probation Mental Impairment Fund** – to account for state funds received for a program that serves all offenders receiving Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI) services from the local Mental Health and Mental Retardation agency (MHMR).



**Contract Elections Services Fund** – to account for funds received for elections conducted by the County for other entities. Revenues in this account are the result of contracts between the County and other local governments.

**Montgomery County Grant Fund** – to account for funds expended and received for grants received from the Department of Homeland Security.

**Help America Vote Act (HAVA) Grant Fund** – to account for the rental of equipment acquired by the HAVA Grant. Disbursements from this fund are limited to acquiring additional equipment and maintenance of the original equipment purchased by the grant.

**Federal ARRA Grants Fund** – to account for grants received through the American Recovery and Reinvestment Act of 2009. These stimulus funds were intended to create jobs and promote investment and consumer spending.

**Vital Records Preservation Fund** – to account for fees collected for birth and death certificates. The funds are used for preservation of those records.

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**  
**September 30, 2018**

	Attorney Administration	Forfeitures	FEMA Disaster Grants	Jury	Sheriff Commissary
<b><u>ASSETS:</u></b>					
Cash	\$ 4,477	\$ 1,958,137	\$ -	\$ 26,255	\$ 1,017,585
Investments, at Fair Value	-	-	-	-	-
Receivables:					
Accounts	5	-	-	14,775	-
Due from Other Funds	-	-	-	2,205,636	-
Due from Other Governments	-	-	6,672,465	210,409	-
Prepaid Items	-	-	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 4,482</u></b>	<b><u>\$ 1,958,137</u></b>	<b><u>\$ 6,672,465</u></b>	<b><u>\$ 2,457,075</u></b>	<b><u>\$ 1,017,585</u></b>

**LIABILITIES AND FUND BALANCES:**

<b><u>LIABILITIES:</u></b>					
Accounts Payable	\$ 483	\$ 9,205	\$ 139,905	\$ 573,453	\$ 7,840
Retainage Payable	-	-	-	-	-
Due to Other Funds	928	36,704	5,642,162	-	28,849
Due to Other Governments	-	-	-	-	-
Unearned Revenue	-	-	-	17,791	-
Total Liabilities	<u>1,411</u>	<u>45,909</u>	<u>5,782,067</u>	<u>591,244</u>	<u>36,689</u>

**FUND BALANCES:**

Nonspendable	-	-	-	-	-
Restricted	3,071	1,912,228	890,398	-	980,896
Committed	-	-	-	11,886	-
Assigned	-	-	-	1,853,945	-
Total Fund Balances	<u>3,071</u>	<u>1,912,228</u>	<u>890,398</u>	<u>1,865,831</u>	<u>980,896</u>

**TOTAL LIABILITIES AND  
FUND BALANCES**

<b><u>\$ 4,482</u></b>	<b><u>\$ 1,958,137</u></b>	<b><u>\$ 6,672,465</u></b>	<b><u>\$ 2,457,075</u></b>	<b><u>\$ 1,017,585</u></b>
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Memorial Library	Community Development	Memo Totals from Page 113	Memo Totals from Page 115	Memo Totals from Page 117	Totals
\$ -	\$ -	\$ 5,534,611	\$ 612,105	\$ 2,072,513	\$ 11,225,683
-	-	984,178	-	1,559,779	2,543,957
-	13,550	267	-	26,624	55,221
112,868	984,888	9,414,521	1,685,411	403,089	14,806,413
-	393,741	4,742,509	85,691	228,791	12,333,606
-	-	618,735	-	-	618,735
<u>\$ 112,868</u>	<u>\$ 1,392,179</u>	<u>\$ 21,294,821</u>	<u>\$ 2,383,207</u>	<u>\$ 4,290,796</u>	<u>\$ 41,583,615</u>
\$ 2,272	\$ 227,232	\$ 3,007,345	\$ 52,120	\$ 133,003	\$ 4,152,858
-	125,375	-	-	-	125,375
-	-	184,434	96,797	2,554,216	8,544,090
-	997,710	-	-	289	289
-	-	3,727,714	-	-	4,743,215
<u>2,272</u>	<u>1,350,317</u>	<u>6,919,493</u>	<u>148,917</u>	<u>2,687,508</u>	<u>17,565,827</u>
-	-	618,735	-	-	618,735
110,596	41,862	13,756,593	2,234,290	1,603,288	21,533,222
-	-	-	-	-	11,886
-	-	-	-	-	1,853,945
<u>110,596</u>	<u>41,862</u>	<u>14,375,328</u>	<u>2,234,290</u>	<u>1,603,288</u>	<u>24,017,788</u>
<u>\$ 112,868</u>	<u>\$ 1,392,179</u>	<u>\$ 21,294,821</u>	<u>\$ 2,383,207</u>	<u>\$ 4,290,796</u>	<u>\$ 41,583,615</u>

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**  
**September 30, 2018**

	Law Library	Juvenile Probation	Records Management and Preservation	Pre-Trial Diversion
<b><u>ASSETS:</u></b>				
Cash	\$ 144,766	\$ 884,749	\$ 4,372,890	\$ -
Investments	291,898	-	-	-
Receivables:				
Accounts	197	70	-	-
Due from Other Funds	-	1,452,426	700,848	66,693
Due from Other Governments	28,000	349,446	51,605	-
Prepaid Items	-	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 464,861</u></b>	<b><u>\$ 2,686,691</u></b>	<b><u>\$ 5,125,343</u></b>	<b><u>\$ 66,693</u></b>

**LIABILITIES AND FUND BALANCES:**

<b><u>LIABILITIES:</u></b>				
Accounts Payable	\$ 29,458	\$ 132,446	\$ 23,074	\$ 422
Retainage Payable	-	-	-	-
Due to Other Funds	28,630	-	-	37,264
Unearned Revenue	-	-	-	-
Total Liabilities	<u>58,088</u>	<u>132,446</u>	<u>23,074</u>	<u>37,686</u>

**FUND BALANCES:**

Nonspendable	-	-	-	-
Restricted	406,773	2,554,245	5,102,269	29,007
Committed	-	-	-	-
Assigned	-	-	-	-
Total Fund Balances	<u>406,773</u>	<u>2,554,245</u>	<u>5,102,269</u>	<u>29,007</u>

**TOTAL LIABILITIES AND**

<b><u>FUND BALANCES</u></b>	<b><u>\$ 464,861</u></b>	<b><u>\$ 2,686,691</u></b>	<b><u>\$ 5,125,343</u></b>	<b><u>\$ 66,693</u></b>
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Airport Grants	Mental Health Facility	Records Management County	Records Management District Clerk	Memo Totals to Page 111
\$ - 692,280	\$ - -	\$ - -	\$ 132,206 -	\$ 5,534,611 984,178
-	-	-	-	267
-	7,045,955	124,010	24,589	9,414,521
46,519	4,248,628	14,321	3,990	4,742,509
618,735	-	-	-	618,735
<u>\$ 1,357,534</u>	<u>\$ 11,294,583</u>	<u>\$ 138,331</u>	<u>\$ 160,785</u>	<u>\$ 21,294,821</u>
\$ 9,324	\$ 2,760,003	\$ 10,498	\$ 42,120	\$ 3,007,345
-	-	-	-	-
118,540	-	-	-	184,434
-	3,727,714	-	-	3,727,714
<u>127,864</u>	<u>6,487,717</u>	<u>10,498</u>	<u>42,120</u>	<u>6,919,493</u>
618,735	-	-	-	618,735
610,935	4,806,866	127,833	118,665	13,756,593
-	-	-	-	-
-	-	-	-	-
<u>1,229,670</u>	<u>4,806,866</u>	<u>127,833</u>	<u>118,665</u>	<u>14,375,328</u>
<u>\$ 1,357,534</u>	<u>\$ 11,294,583</u>	<u>\$ 138,331</u>	<u>\$ 160,785</u>	<u>\$ 21,294,821</u>



**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**  
**September 30, 2018**

	Digital Preservation County and District	District Clerk Record Preservation	Court Guardianship	Court Reporter
<b><u>ASSETS:</u></b>				
Cash	\$ 164,714	\$ 80,366	\$ -	\$ -
Investments	-	-	-	-
Receivables:				
Accounts	-	-	-	-
Due from Other Funds	99,734	59,349	149,526	145,126.00
Due from Other Governments	7,840	7,985	1,780	12,345
Prepaid Items	-	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 272,288</u></b>	<b><u>\$ 147,700</u></b>	<b><u>\$ 151,306</u></b>	<b><u>\$ 157,471</u></b>

**LIABILITIES AND FUND BALANCES:**

<b><u>LIABILITIES:</u></b>				
Accounts Payable	\$ -	\$ -	\$ 3,633.00	\$ 8,819
Retainage Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Deferred Revenue	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>3,633</u>	<u>8,819</u>

**FUND BALANCES:**

Nonspendable	-	-	-	-
Restricted	272,288	147,700	147,673	148,652
Committed	-	-	-	-
Assigned	-	-	-	-
Total Fund Balances	<u>272,288</u>	<u>147,700</u>	<u>147,673</u>	<u>148,652</u>

**TOTAL LIABILITIES AND**

<b><u>FUND BALANCES</u></b>	<b><u>\$ 272,288</u></b>	<b><u>\$ 147,700</u></b>	<b><u>\$ 151,306</u></b>	<b><u>\$ 157,471</u></b>
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Courthouse Security	Court Technology County and District	Justice Court Building Security	Justice Court Technology	Juvenile Case Manager	Bond Supervision	Memo Totals to Page 111
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 367,025	\$ 612,105
-	-	-	-	-	-	-
-	-	-	-	-	-	-
84,084	31,149	187,592	676,656	213,280	38,915.00	1,685,411
25,032	1,517	3,110	12,464	13,618	-	85,691
-	-	-	-	-	-	-
<u>\$ 109,116</u>	<u>\$ 32,666</u>	<u>\$ 190,702</u>	<u>\$ 689,120</u>	<u>\$ 226,898</u>	<u>\$ 405,940</u>	<u>\$ 2,383,207</u>
\$ 26,837	\$ 1,402	\$ -	\$ 61	\$ 3,661	\$ 7,707	\$ 52,120
-	-	-	-	-	-	-
-	-	-	-	-	96,797	96,797
-	-	-	-	-	-	-
<u>26,837</u>	<u>1,402</u>	<u>-</u>	<u>61</u>	<u>3,661</u>	<u>104,504</u>	<u>148,917</u>
-	-	-	-	-	-	-
82,279	31,264	190,702	689,059	223,237	301,436	2,234,290
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>82,279</u>	<u>31,264</u>	<u>190,702</u>	<u>689,059</u>	<u>223,237</u>	<u>301,436</u>	<u>2,234,290</u>
<u>\$ 109,116</u>	<u>\$ 32,666</u>	<u>\$ 190,702</u>	<u>\$ 689,120</u>	<u>\$ 226,898</u>	<u>\$ 405,940</u>	<u>\$ 2,383,207</u>

**MONTGOMERY COUNTY, TEXAS**

**Nonmajor Special Revenue Funds**

**Combining Balance Sheet**

**September 30, 2018**

	Adult Probation Basic Supervision	Adult Probation Community Corrections	Adult Probation Mental Impairments
<b><u>ASSETS:</u></b>			
Cash	\$ 1,318,398	\$ 316,873	\$ 125,855
Investments	1,088,875	-	-
Receivables:			
Accounts	26,624	-	-
Due from Other Funds	37,263	-	360
Due from Other Governments	512	935	-
Prepaid Items	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 2,471,672</u></b>	<b><u>\$ 317,808</u></b>	<b><u>\$ 126,215</u></b>
<b><u>LIABILITIES AND FUND BALANCES:</u></b>			
<b><u>LIABILITIES:</u></b>			
Accounts Payable	\$ 88,184	\$ 231	\$ 555
Retainage Payable	-	-	-
Due to Other Funds	1,327,999	203,215	70,511
Due to Other Governments	-	-	289
Deferred Revenue	-	-	-
Total Liabilities	<u>1,416,183</u>	<u>203,446</u>	<u>71,355</u>
<b><u>FUND BALANCES:</u></b>			
Nonspendable	-	-	-
Restricted	1,055,489	114,362	54,860
Committed	-	-	-
Assigned	-	-	-
Total Fund Balances	<u>1,055,489</u>	<u>114,362</u>	<u>54,860</u>
<b><u>TOTAL LIABILITIES AND</u></b>			
<b><u>FUND BALANCES</u></b>	<b><u>\$ 2,471,672</u></b>	<b><u>\$ 317,808</u></b>	<b><u>\$ 126,215</u></b>

Contract Elections Services	Montgomery County Grant Fund	HAVA Grant Fund	Federal ARRA Grants	Vital Records Preservation Fund	Memo Totals to Page 111
\$ 311,387	\$ -	\$ -	\$ -	\$ -	\$ 2,072,513
470,904	-	-	-	-	1,559,779
-	-	-	-	-	26,624
-	-	269,851	76,665	18,950	403,089
-	225,606	-	-	1,738	228,791
-	-	-	-	-	-
<u>\$ 782,291</u>	<u>\$ 225,606</u>	<u>\$ 269,851</u>	<u>\$ 76,665</u>	<u>\$ 20,688</u>	<u>\$ 4,290,796</u>
\$ 3,989	\$ 10,715	\$ -	\$ 27,634	\$ 1,695	\$ 133,003
-	-	-	-	-	-
737,600	214,891	-	-	-	2,554,216
-	-	-	-	-	289
-	-	-	-	-	-
<u>741,589</u>	<u>225,606</u>	<u>-</u>	<u>27,634</u>	<u>1,695</u>	<u>2,687,508</u>
-	-	-	-	-	-
40,702	-	269,851	49,031	18,993	1,603,288
-	-	-	-	-	-
-	-	-	-	-	-
<u>40,702</u>	<u>-</u>	<u>269,851</u>	<u>49,031</u>	<u>18,993</u>	<u>1,603,288</u>
<u>\$ 782,291</u>	<u>\$ 225,606</u>	<u>\$ 269,851</u>	<u>\$ 76,665</u>	<u>\$ 20,688</u>	<u>\$ 4,290,796</u>

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year Ended September 30, 2018**

	Attorney Administration	Forfeitures	FEMA Disaster Grants	Jury	Sheriff Commissary
<b><u>REVENUES:</u></b>					
Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	5,048,193	676,410	-
Charges for Services	8,001	-	-	416,587	762,313
Investment Earnings	140	30,875	-	1,921	19,521
Contract Reimbursements	-	-	-	458,773	-
Fines and Forfeitures	-	1,174,869	-	693,099	-
Miscellaneous	-	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>8,141</u></b>	<b><u>1,205,744</u></b>	<b><u>5,048,193</u></b>	<b><u>2,246,790</u></b>	<b><u>781,834</u></b>
<b><u>EXPENDITURES:</u></b>					
General Administration	39,520	-	-	-	-
Judicial	-	-	-	12,842,418	-
Legal Services	-	-	-	-	-
Elections	-	-	-	-	-
Public Safety	-	834,991	4,346,019	-	867,207
Health and Welfare	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Public Transportation	-	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>39,520</u></b>	<b><u>834,991</u></b>	<b><u>4,346,019</u></b>	<b><u>12,842,418</u></b>	<b><u>867,207</u></b>
Excess (Deficiency) Revenues Over Expenditures	<u>(31,379)</u>	<u>370,753</u>	<u>702,174</u>	<u>(10,595,628)</u>	<u>(85,373)</u>
<b><u>OTHER FINANCING SOURCES/ (USES):</u></b>					
Transfers In	33,000	-	106,360	10,600,000	-
Transfers Out	-	-	(25,000)	(5,121)	-
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>33,000</u></b>	<b><u>-</u></b>	<b><u>81,360</u></b>	<b><u>10,594,879</u></b>	<b><u>-</u></b>
Net Change in Fund Balances	<u>1,621</u>	<u>370,753</u>	<u>783,534</u>	<u>(749)</u>	<u>(85,373)</u>
Fund Balances at Beginning of Year	<u>1,450</u>	<u>1,541,475</u>	<u>106,864</u>	<u>1,866,580</u>	<u>1,066,269</u>
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 3,071</u></b>	<b><u>\$ 1,912,228</u></b>	<b><u>\$ 890,398</u></b>	<b><u>\$ 1,865,831</u></b>	<b><u>\$ 980,896</u></b>

Memorial Library	Community Development	Memo Totals from Page 121	Memo Totals from Page 123	Memo Totals from Page 125	Totals
\$ -	\$ -	\$ 1,151,163	\$ 1,421,814	\$ 127,335	\$ 2,700,312
-	3,692,867	4,531,648	-	2,905,234	16,854,352
-	-	11,625	-	1,869,813	3,068,339
-	-	90,988	12,040	105,824	261,309
-	-	16,422,376	-	-	16,881,149
-	-	-	-	-	1,867,968
110,718	36,373	10,487	-	51,408	208,986
110,718	3,729,240	22,218,287	1,433,854	5,059,614	41,842,415
-	-	1,528,952	-	1,695	1,570,167
-	-	-	544,726	-	13,387,144
-	-	273,138	-	-	273,138
-	-	-	-	841,760	841,760
-	-	2,542,142	972,276	4,948,942	14,511,577
-	3,706,652	14,690,217	-	-	18,396,869
117,716	-	-	-	-	117,716
-	-	2,019,319	-	-	2,019,319
117,716	3,706,652	21,053,768	1,517,002	5,792,397	51,117,690
(6,998)	22,588	1,164,519	(83,148)	(732,783)	(9,275,275)
-	-	525,553	312,000	155,500	11,732,413
-	-	(907,409)	(1,678)	(155,500)	(1,094,708)
-	-	(381,856)	310,322	-	10,637,705
(6,998)	22,588	782,663	227,174	(732,783)	1,362,430
117,594	19,274	13,592,665	2,007,116	2,336,071	22,655,358
<u>\$ 110,596</u>	<u>\$ 41,862</u>	<u>\$ 14,375,328</u>	<u>\$ 2,234,290</u>	<u>\$ 1,603,288</u>	<u>\$ 24,017,788</u>

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year Ended September 30, 2018**

	Law Library	Juvenile Probation	Records Management and Preservation	Pre-Trial Diversion
<b><u>REVENUES:</u></b>				
Fees	\$ 297,471	\$ -	\$ 620,599	\$ 42,750
Intergovernmental	-	2,753,423	-	-
Charges for Services	-	11,625	-	-
Investment Earnings	6,504	15,685	66,780	-
Contract Reimbursements	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	10,487	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>314,462</u></b>	<b><u>2,780,733</u></b>	<b><u>687,379</u></b>	<b><u>42,750</u></b>
<b><u>EXPENDITURES:</u></b>				
General Administration	-	-	765,094	74,228
Judicial	-	-	-	-
Legal Services	273,138	-	-	-
Elections	-	-	-	-
Public Safety	-	2,542,142	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Public Transportation	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>273,138</u></b>	<b><u>2,542,142</u></b>	<b><u>765,094</u></b>	<b><u>74,228</u></b>
Excess (Deficiency) Revenues Over Expenditures	<u>41,324</u>	<u>238,591</u>	<u>(77,715)</u>	<u>(31,478)</u>
<b><u>OTHER FINANCING SOURCES/ (USES):</u></b>				
Transfers In	-	553	-	-
Transfers Out	-	-	-	-
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>-</u></b>	<b><u>553</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
Net Change in Fund Balances	41,324	239,144	(77,715)	(31,478)
Fund Balances at Beginning of Year	<u>365,449</u>	<u>2,315,101</u>	<u>5,179,984</u>	<u>60,485</u>
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 406,773</u></b>	<b><u>\$ 2,554,245</u></b>	<b><u>\$ 5,102,269</u></b>	<b><u>\$ 29,007</u></b>



Airport Grants	Mental Health Facility	Records Management County	Records Management District Clerk	Memo Totals to Page 119
\$ -	\$ -	\$ 159,243	\$ 31,100	\$ 1,151,163
1,778,225	-	-	-	4,531,648
-	-	-	-	11,625
-	-	-	2,019	90,988
-	16,422,376	-	-	16,422,376
-	-	-	-	-
-	-	-	-	10,487
1,778,225	16,422,376	159,243	33,119	22,218,287
-	-	617,581	72,049	1,528,952
-	-	-	-	-
-	-	-	-	273,138
-	-	-	-	-
-	-	-	-	2,542,142
-	14,690,217	-	-	14,690,217
-	-	-	-	-
2,019,319	-	-	-	2,019,319
2,019,319	14,690,217	617,581	72,049	21,053,768
(241,094)	1,732,159	(458,338)	(38,930)	1,164,519
-	-	525,000	-	525,553
-	(907,409)	-	-	(907,409)
-	(907,409)	525,000	-	(381,856)
(241,094)	824,750	66,662	(38,930)	782,663
1,470,764	3,982,116	61,171	157,595	13,592,665
\$ 1,229,670	\$ 4,806,866	\$ 127,833	\$ 118,665	\$ 14,375,328

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year Ended September 30, 2018**

	Digital Preservation County and District	District Clerk Record Preservation	Court Guardianship	Court Reporter
<b><u>REVENUES:</u></b>				
Fees	\$ 81,029	\$ 85,494	\$ 26,303	\$ 110,195
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings	2,516	1,227	-	-
Contract Reimbursements	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>83,545</u></b>	<b><u>86,721</u></b>	<b><u>26,303</u></b>	<b><u>110,195</u></b>
<b><u>EXPENDITURES:</u></b>				
General Administration	-	-	-	-
Judicial	-	98,590	16,927	113,181
Legal Services	-	-	-	-
Elections	-	-	-	-
Public Safety	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Public Transportation	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>-</u></b>	<b><u>98,590</u></b>	<b><u>16,927</u></b>	<b><u>113,181</u></b>
Excess (Deficiency) Revenues Over Expenditures	83,545	(11,869)	9,376	(2,986)
<b><u>OTHER FINANCING SOURCES/ (USES):</u></b>				
Transfers In	-	-	-	150,000
Transfers Out	-	-	-	-
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>150,000</u></b>
Net Change in Fund Balances	83,545	(11,869)	9,376	147,014
Fund Balances at Beginning of Year	188,743	159,569	138,297	1,638
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 272,288</u></b>	<b><u>\$ 147,700</u></b>	<b><u>\$ 147,673</u></b>	<b><u>\$ 148,652</u></b>

Courthouse Security	Court Technology County and District	Justice Court Building Security	Justice Court Technology	Juvenile Case Manager	Bond Supervision	Memo Totals to Page 119
\$ 275,759	\$ 13,754	\$ 35,813	\$ 143,372	\$ 154,413	\$ 495,682	\$ 1,421,814
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	8,297	12,040
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
275,759	13,754	35,813	143,372	154,413	503,979	1,433,854
-	-	-	-	-	-	-
-	11,811	-	39,824	264,393	-	544,726
-	-	-	-	-	-	-
-	-	-	-	-	-	-
362,850	-	-	-	-	609,426	972,276
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
362,850	11,811	-	39,824	264,393	609,426	1,517,002
(87,091)	1,943	35,813	103,548	(109,980)	(105,447)	(83,148)
162,000	-	-	-	-	-	312,000
-	-	-	(1,678)	-	-	(1,678)
162,000	-	-	(1,678)	-	-	310,322
74,909	1,943	35,813	101,870	(109,980)	(105,447)	227,174
7,370	29,321	154,889	587,189	333,217	406,883	2,007,116
\$ 82,279	\$ 31,264	\$ 190,702	\$ 689,059	\$ 223,237	\$ 301,436	\$ 2,234,290

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year Ended September 30, 2018**

	Adult Probation Basic Supervision	Adult Probation Community Corrections	Adult Probation Mental Impairments
<b><u>REVENUES:</u></b>			
Fees	\$ 106,647	\$ -	\$ -
Intergovernmental	1,128,477	615,585	201,131
Charges for Services	1,869,813	-	-
Investment Earnings	47,253	-	-
Contract Reimbursements	-	-	-
Fines and Forfeitures	-	-	-
Miscellaneous	51,408	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>3,203,598</u></b>	<b><u>615,585</u></b>	<b><u>201,131</u></b>
<b><u>EXPENDITURES:</u></b>			
General Administration	-	-	-
Judicial	-	-	-
Legal Services	-	-	-
Elections	-	-	-
Public Safety	3,510,402	716,301	222,187
Health and Welfare	-	-	-
Culture and Recreation	-	-	-
Public Transportation	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>3,510,402</u></b>	<b><u>716,301</u></b>	<b><u>222,187</u></b>
Excess (Deficiency) Revenues Over Expenditures	<b><u>(306,804)</u></b>	<b><u>(100,716)</u></b>	<b><u>(21,056)</u></b>
<b><u>OTHER FINANCING SOURCES/ (USES):</u></b>			
Transfers In	-	104,000	51,500
Transfers Out	(155,500)	-	-
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>(155,500)</u></b>	<b><u>104,000</u></b>	<b><u>51,500</u></b>
Net Change in Fund Balances	<b><u>(462,304)</u></b>	<b><u>3,284</u></b>	<b><u>30,444</u></b>
Fund Balances at Beginning of Year	<b><u>1,517,793</u></b>	<b><u>111,078</u></b>	<b><u>24,416</u></b>
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 1,055,489</u></b>	<b><u>\$ 114,362</u></b>	<b><u>\$ 54,860</u></b>

Contract Elections Services	Montgomery County Grant Fund	HAVA Grant Fund	Federal ARRA Grant	Vital Records Preservation Fund	Memo Totals to Page 119
\$ -	\$ -	\$ -	\$ -	\$ 20,688	\$ 127,335
459,989	500,052	-	-	-	2,905,234
-	-	-	-	-	1,869,813
58,571	-	-	-	-	105,824
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	51,408
518,560	500,052	-	-	20,688	5,059,614
-	-	-	-	1,695	1,695
-	-	-	-	-	-
-	-	-	-	-	-
841,760	-	-	-	-	841,760
-	500,052	-	-	-	4,948,942
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
841,760	500,052	-	-	1,695	5,792,397
(323,200)	-	-	-	18,993	(732,783)
-	-	-	-	-	155,500
-	-	-	-	-	(155,500)
-	-	-	-	-	-
(323,200)	-	-	-	18,993	(732,783)
363,902	-	269,851	49,031	-	2,336,071
\$ 40,702	\$ -	\$ 269,851	\$ 49,031	\$ 18,993	\$ 1,603,288

**MONTGOMERY COUNTY, TEXAS**  
**Attorney Administration Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-3

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Charges for Service	\$ 12,050	\$ 12,050	\$ 8,001	\$ (4,049)
Investment Earnings	-	-	140	140
Total Revenues	12,050	12,050	8,141	(3,909)
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Salaries	20,963	28,751	28,001	750
Employee Benefits	9,779	11,331	11,190	141
Supplies	100	100	-	100
Contract Services	525	525	329	196
Total Expenditures	31,367	40,707	39,520	1,187
Excess (Deficiency) Revenues Over Expenditures	(19,317)	(28,657)	(31,379)	(2,722)
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers In	-	9,340	33,000	42,340
<b>TOTAL OTHER FINANCING SOURCES</b>	-	9,340	33,000	42,340
Net Change in Fund Balance	(19,317)	(19,317)	1,621	39,618
Fund Balance at Beginning of Year	1,450	1,450	1,450	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ (17,867)</u>	<u>\$ (17,867)</u>	<u>\$ 3,071</u>	<u>\$ 39,618</u>

**MONTGOMERY COUNTY, TEXAS**

**Forfeitures Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-4

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Investment Earnings	\$ -	\$ 10,000	\$ 30,875	\$ 20,875
Fines and Forfeitures	822,309	1,662,976	1,174,869	(488,107)
Total Revenues	822,309	1,672,976	1,205,744	(467,232)
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	37,500	72,587	64,186	8,401
Employee Benefits	10,257	21,619	16,960	4,659
Supplies	359,972	635,805	401,974	233,831
Contract Services	162,580	643,859	253,124	390,735
Capital Outlay	252,000	391,277	98,747	292,530
Total Expenditures	822,309	1,765,147	834,991	930,156
Net Change in Fund Balance	-	(92,171)	370,753	462,924
Fund Balance at Beginning of Year	1,541,475	1,541,475	1,541,475	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 1,541,475</u>	<u>\$ 1,449,304</u>	<u>\$ 1,912,228</u>	<u>\$ 462,924</u>



**MONTGOMERY COUNTY, TEXAS****FEMA Disaster Grants Fund****Schedule of Revenues, Expenditures, and Changes in Fund Balance****Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-5

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
Federal Grants	\$ -	\$ 8,801,843	\$ 4,636,108	\$ (4,165,735)
State Grants	-	334,291	412,085	\$ 77,794
Total Revenues	-	9,136,134	5,048,193	(4,087,941)
<b><u>EXPENDITURES:</u></b>				
Health and Welfare:				
Salaries	-	70,365	69,615	750
Employee Benefits	-	35,093	34,660	433
Supplies	-	558,548	551,410	7,138
Contract Services	-	12,085,971	3,309,128	8,776,843
Capital Outlay	-	381,206	381,206	-
Total Expenditures	-	13,131,183	4,346,019	8,785,164
Excess Revenues (Deficiencies) over Expenditures	-	(3,995,049)	702,174	4,697,223
<b><u>OTHER FINANCING</u></b>				
<b><u>SOURCES/ (USES):</u></b>				
Transfers In	-	106,360	106,360	-
Transfers Out	-	(25,000)	(25,000)	-
<b>TOTAL OTHER FINANCING</b>				
<b>SOURCES/ (USES)</b>	-	81,360	81,360	-
Net Change in Fund Balance	-	(3,888,689)	783,534	4,697,223
Fund Balance at Beginning of Year	106,864	106,864	106,864	-
<b><u>FUND BALANCE AT</u></b>				
<b><u>END OF YEAR</u></b>	\$ 106,864	\$ (3,781,825)	\$ 890,398	\$ 4,697,223

**MONTGOMERY COUNTY, TEXAS**

**Jury Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-6

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
State Grants	\$ 450,000	\$ 450,000	\$ 676,410	\$ 226,410
Charges for Services	385,000	385,000	416,587	31,587
Investment Earnings	400	400	1,921	1,521
Contract Reimbursements	644,386	644,386	458,773	(185,613)
Fines and Forfeitures	600,000	680,265	693,099	12,834
Total Revenues	<u>2,079,786</u>	<u>2,160,051</u>	<u>2,246,790</u>	<u>86,739</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Salaries	3,255,161	3,194,166	3,169,166	25,000
Employee Benefits	1,190,971	1,179,100	1,140,872	38,228
Supplies	65,767	72,861	63,636	9,225
Contract Services	8,199,017	8,549,808	8,427,735	122,073
Capital Outlay	-	42,574	41,009	1,565
Total Expenditures	<u>12,710,916</u>	<u>13,038,509</u>	<u>12,842,418</u>	<u>196,091</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(10,631,130)</u>	<u>(10,878,458)</u>	<u>(10,595,628)</u>	<u>282,830</u>
<b><u>OTHER FINANCING SOURCES/(USES):</u></b>				
Transfers In	-	178,765	10,600,000	10,421,235
Transfers Out	-	(5,121)	(5,121)	-
<b><u>TOTAL OTHER FINANCING SOURCES /(USES)</u></b>	<u>-</u>	<u>173,644</u>	<u>10,594,879</u>	<u>10,421,235</u>
Net Change in Fund Balance	(10,631,130)	(10,704,814)	(749)	10,704,065
Fund Balance at Beginning of Year	<u>1,866,580</u>	<u>1,866,580</u>	<u>1,866,580</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ (8,764,550)</u>	<u>\$ (8,838,234)</u>	<u>\$ 1,865,831</u>	<u>\$ 10,704,065</u>

**MONTGOMERY COUNTY, TEXAS**

**Sheriff Commissary Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-7

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$ 760,360	\$ 976,332	\$ 762,313	\$ (214,019)
Investment Earnings	-	-	19,521	19,521
Total Revenues	<u>760,360</u>	<u>976,332</u>	<u>781,834</u>	<u>(194,498)</u>
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	152,584	59,607	92,977
Employee Benefits	-	63,388	25,235	38,153
Supplies	483,000	455,292	455,292	-
Contract Services	112,360	178,229	178,229	-
Capital Outlay	165,000	165,000	148,844	16,156
Total Expenditures	<u>760,360</u>	<u>1,014,493</u>	<u>867,207</u>	<u>147,286</u>
Net Change in Fund Balance	-	(38,161)	(85,373)	(47,212)
Fund Balance at Beginning of Year	<u>1,066,269</u>	<u>1,066,269</u>	<u>1,066,269</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 1,066,269</u>	<u>\$ 1,028,108</u>	<u>\$ 980,896</u>	<u>\$ (47,212)</u>

**MONTGOMERY COUNTY, TEXAS**  
**Memorial Library Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-8

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Miscellaneous	\$ -	\$ 110,718	\$ 110,718	\$ -
Total Revenues	-	110,718	110,718	-
<b><u>EXPENDITURES:</u></b>				
Culture and Recreation:				
Supplies	-	37,051	20,251	16,800
Contract Services	-	11,559	-	11,559
Capital Outlay	-	165,407	97,465	67,942
Total Expenditures	-	214,017	117,716	96,301
Net Change in Fund Balance	-	(103,299)	(6,998)	96,301
Fund Balance at Beginning of Year	117,594	117,594	117,594	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 117,594</u>	<u>\$ 14,295</u>	<u>\$ 110,596</u>	<u>\$ 96,301</u>

**MONTGOMERY COUNTY, TEXAS**

**Community Development Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-9

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
Federal Grants	\$ 3,188,979	\$ 3,363,044	\$ 3,692,867	\$ 329,823
Miscellaneous	-	1,026,874	36,373	(990,501)
Total Revenues	<u>3,188,979</u>	<u>4,389,918</u>	<u>3,729,240</u>	<u>(660,678)</u>
<b><u>EXPENDITURES:</u></b>				
Health and Welfare:				
Salaries	371,254	451,169	424,394	26,775
Employee Benefits	130,072	151,147	142,669	8,478
Supplies	10,250	11,940	3,576	8,364
Contract Services	2,643,903	7,267,586	3,070,737	4,196,849
Capital Outlay	3,500	198,797	65,276	133,521
Total Expenditures	<u>3,158,979</u>	<u>8,080,639</u>	<u>3,706,652</u>	<u>4,373,987</u>
Net Change in Fund Balance	-	(3,690,721)	22,588	3,713,309
Fund Balance at Beginning of Year	<u>19,274</u>	<u>19,274</u>	<u>19,274</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 19,274</u>	<u>\$ (3,671,447)</u>	<u>\$ 41,862</u>	<u>\$ 3,713,309</u>

**MONTGOMERY COUNTY, TEXAS**

**Law Library Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-10

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>REVENUES:</u></b>				
Fees	\$ 292,973	\$ 292,973	\$ 297,471	\$ 4,498
Investment Earnings	-	-	6,504	6,504
Miscellaneous	-	-	10,487	10,487
Total Revenues	<u>292,973</u>	<u>292,973</u>	<u>314,462</u>	<u>21,489</u>
<b><u>EXPENDITURES:</u></b>				
Legal Services:				
Salaries	126,354	126,354	125,563	791
Employee Benefits	47,786	47,786	47,593	193
Supplies	17,500	17,162	8,975	8,187
Contract Services	41,059	41,622	30,849	10,773
Capital Outlay	60,274	60,274	60,158	116
Total Expenditures	<u>292,973</u>	<u>293,198</u>	<u>273,138</u>	<u>20,060</u>
(Deficiency) Revenues Over Expenditures	<u>-</u>	<u>(225)</u>	<u>41,324</u>	<u>41,549</u>
Net Change in Fund Balance	-	(225)	41,324	41,549
Fund Balance at Beginning of Year	<u>365,449</u>	<u>365,449</u>	<u>365,449</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 365,449</u>	<u>\$ 365,224</u>	<u>\$ 406,773</u>	<u>\$ 41,549</u>

**MONTGOMERY COUNTY, TEXAS**

**Juvenile Probation Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-11

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
Federal Grants	\$ -	\$ -	\$ -	\$ -
State Grants	-	2,933,868	2,753,423	(180,445)
Charges for Services	-	-	11,625	11,625
Investment Earnings	-	-	15,685	15,685
Total Revenues	-	2,933,868	2,780,733	(153,135)
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	2,294,269	1,069,768	1,224,501
Benefits	-	1,007,943	467,028	540,915
Supplies	-	119,700	69,644	50,056
Contract Services	-	1,797,485	935,702	861,783
Capital Outlay	-	1,157,536	-	1,157,536
Total Expenditures	-	6,376,933	2,542,142	3,834,791
Excess (Deficiency) Revenues Over Expenditures	-	(3,443,065)	238,591	3,681,656
<b><u>OTHER FINANCING</u></b>				
<b><u>SOURCES:</u></b>				
Transfers In	-	553	553	-
<b>TOTAL OTHER FINANCING</b>				
<b>SOURCES</b>	-	553	553	-
Net Change in Fund Balance	-	(3,442,512)	239,144	3,681,656
Fund Balance at Beginning of Year	2,315,101	2,315,101	2,315,101	-
<b><u>FUND BALANCE AT</u></b>				
<b><u>END OF YEAR</u></b>	\$ 2,315,101	\$ (1,127,411)	\$ 2,554,245	\$ 3,681,656



**MONTGOMERY COUNTY, TEXAS**  
**Records Management and Preservation Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-12

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 502,926	\$ 535,576	\$ 620,599	\$ 85,023
Investment Earnings	-	-	66,780	66,780
Total Revenues	<u>502,926</u>	<u>535,576</u>	<u>687,379</u>	<u>151,803</u>
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Salaries	276,540	276,540	240,266	36,274
Employee Benefits	111,316	111,316	103,005	8,311
Supplies	12,400	12,400	11,439	961
Contract Services	102,670	505,815	410,384	95,431
Total Expenditures	<u>502,926</u>	<u>906,071</u>	<u>765,094</u>	<u>140,977</u>
Net Change in Fund Balance	-	(370,495)	(77,715)	292,780
Fund Balance at Beginning of Year	<u>5,179,984</u>	<u>5,179,984</u>	<u>5,179,984</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u><u>\$ 5,179,984</u></u>	<u><u>\$ 4,809,489</u></u>	<u><u>\$ 5,102,269</u></u>	<u><u>\$ 292,780</u></u>

**MONTGOMERY COUNTY, TEXAS**

**Pre-Trial Diversion Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-13

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>REVENUES:</u></b>				
Fees	\$ 118,033	\$ 118,033	\$ 42,750	\$ (75,283)
Total Revenues	<u>118,033</u>	<u>118,033</u>	<u>42,750</u>	<u>(75,283)</u>
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Salaries	26,737	65,323	56,185	9,138
Employee Benefits	5,533	16,947	15,566	1,381
Supplies	24,794	24,794	-	24,794
Contract Services	10,969	10,969	2,477	8,492
Total Expenditures	<u>68,033</u>	<u>118,033</u>	<u>74,228</u>	<u>43,805</u>
Net Change in Fund Balance	50,000	-	(31,478)	(31,478)
Fund Balance at Beginning of Year	<u>60,485</u>	<u>60,485</u>	<u>60,485</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 110,485</u>	<u>\$ 60,485</u>	<u>\$ 29,007</u>	<u>\$ (31,478)</u>

**MONTGOMERY COUNTY, TEXAS**

**Airport Grants Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-14

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>REVENUES:</u></b>				
Intergovernmental:				
Federal Grants	\$ -	\$ -	\$ 1,731,706	\$ 1,731,706
State Grants	-	100,000	46,519	(53,481)
Miscellaneous	-	-	-	-
Total Revenues	<u>-</u>	<u>100,000</u>	<u>1,778,225</u>	<u>1,678,225</u>
<b><u>EXPENDITURES:</u></b>				
Public Transportation:				
Capital Outlay	<u>50,000</u>	<u>8,133,396</u>	<u>2,019,319</u>	<u>6,114,077</u>
Total Expenditures	<u>50,000</u>	<u>8,133,396</u>	<u>2,019,319</u>	<u>6,114,077</u>
Net Change in Fund Balance	(50,000)	(8,033,396)	(241,094)	7,792,302
Fund Balance at Beginning of Year	<u>1,470,764</u>	<u>1,470,764</u>	<u>1,470,764</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 1,420,764</u>	<u>\$ (6,562,632)</u>	<u>\$ 1,229,670</u>	<u>\$ 7,792,302</u>

**MONTGOMERY COUNTY, TEXAS****Mental Health Facility Fund****Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-15

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Contract Reimbursement	\$ 15,417,450	\$ 16,994,512	\$ 16,422,376	\$ (572,136)
Total Revenues	<u>15,417,450</u>	<u>16,994,512</u>	<u>16,422,376</u>	<u>(572,136)</u>
<b><u>EXPENDITURES:</u></b>				
Health and Welfare:				
Contract Services	13,545,311	14,788,459	14,427,261	361,198
Capital Outlay - Building	-	333,914	262,956	70,958
Total Expenditures	<u>13,545,311</u>	<u>15,122,373</u>	<u>14,690,217</u>	<u>361,198</u>
Excess Revenues Over Expenditures	<u>1,872,139</u>	<u>1,872,139</u>	<u>1,732,159</u>	<u>(210,938)</u>
<b><u>OTHER FINANCING (USES):</u></b>				
Transfers out		-	(907,409)	(907,409)
<b>TOTAL OTHER FINANCING (USES)</b>	<u>-</u>	<u>-</u>	<u>(907,409)</u>	<u>(907,409)</u>
Net Change in Fund Balance	1,872,139	1,872,139	824,750	(1,118,347)
Fund Balance at Beginning of Year	<u>3,982,116</u>	<u>3,982,116</u>	<u>3,982,116</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 5,854,255</u>	<u>\$ 5,854,255</u>	<u>\$ 4,806,866</u>	<u>\$ (1,118,347)</u>

**MONTGOMERY COUNTY, TEXAS**  
**Records Management County Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-16

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 175,000	\$ 178,021	\$ 159,243	\$ (18,778)
Total Revenues	175,000	178,021	159,243	(18,778)
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Salaries	401,432	401,432	395,922	5,510
Employee Benefits	189,998	189,998	181,597	8,401
Supplies	14,949	26,470	24,719	1,751
Contract Services	29,541	28,413	15,343	13,070
Capital Outlay	2,700	2,700	-	2,700
Total Expenditures	638,620	649,013	617,581	31,432
Excess (Deficiency) Revenues Over Expenditures	(463,620)	(470,992)	(458,338)	12,654
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers In	-	-	525,000	525,000
<b><u>TOTAL OTHER FINANCING SOURCES</u></b>	-	-	525,000	525,000
Net Change in Fund Balance	(463,620)	(470,992)	66,662	537,654
Fund Balance at Beginning of Year	61,171	61,171	61,171	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	\$ (402,449)	\$ (409,821)	\$ 127,833	\$ 537,654

**MONTGOMERY COUNTY, TEXAS**  
**Records Management District Clerk Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-17

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 80,000	\$ 80,000	\$ 47,321	\$ (32,679)
Investment Earnings	-	-	2,019	2,019
Total Revenues	80,000	80,000	49,340	(30,660)
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Supplies	30,000	26,725	19,065	7,660
Contract Services	50,000	50,000	50,000	-
Capital Outlay	-	2,984	2,984	-
Total Expenditures	80,000	79,709	72,049	7,660
Net Change in Fund Balance	-	291	(22,709)	(23,000)
Fund Balance at Beginning of Year	157,595	157,595	157,595	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<b><u>\$ 157,595</u></b>	<b><u>\$ 157,886</u></b>	<b><u>\$ 134,886</u></b>	<b><u>\$ (23,000)</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**Digital Preservation County and District Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Actual Year Ended September 30, 2018**

C-18

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ -	\$ -	\$ 81,029	\$ 81,029
Investment Earnings	-	-	2,516	2,516
Total Revenues	-	-	83,545	83,545
Net Change in Fund Balance	-	-	83,545	83,545
Fund Balance at Beginning of Year	188,743	188,743	188,743	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 188,743</u>	<u>\$ 188,743</u>	<u>\$ 272,288</u>	<u>\$ 83,545</u>



**MONTGOMERY COUNTY, TEXAS**  
**District Clerk Record Preservation Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-19

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 100,000	\$ 100,000	\$ 85,494	\$ (14,506)
Investment Earnings	-	-	1,227	1,227
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>86,721</u>	<u>(13,279)</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Contract Services	<u>100,000</u>	<u>100,000</u>	<u>98,590</u>	<u>1,410</u>
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>98,590</u>	<u>1,410</u>
Net Change in Fund Balance	-	-	(11,869)	(11,869)
Fund Balance at Beginning of Year	<u>159,569</u>	<u>159,569</u>	<u>159,569</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 159,569</u>	<u>\$ 159,569</u>	<u>\$ 147,700</u>	<u>\$ (11,869)</u>

**MONTGOMERY COUNTY, TEXAS**

**Court Guardianship Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-20

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>REVENUES:</u></b>				
Fees	\$ 32,000	\$ 32,000	\$ 26,303	\$ (5,697)
Total Revenues	<u>32,000</u>	<u>32,000</u>	<u>26,303</u>	<u>(5,697)</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Contract Services	<u>32,000</u>	<u>32,000</u>	<u>16,927</u>	<u>15,073</u>
Total Expenditures	<u>32,000</u>	<u>32,000</u>	<u>16,927</u>	<u>15,073</u>
Net Change in Fund Balance	-	-	9,376	9,376
Fund Balance at Beginning of Year	<u>138,297</u>	<u>138,297</u>	<u>138,297</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 138,297</u>	<u>\$ 138,297</u>	<u>\$ 147,673</u>	<u>\$ 9,376</u>

**MONTGOMERY COUNTY, TEXAS**

**Court Reporter Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-21

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>REVENUES:</u></b>				
Fees	\$ 40,000	\$ 53,426	\$ 110,195	\$ 56,769
Total Revenues	<u>40,000</u>	<u>53,426</u>	<u>110,195</u>	<u>56,769</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Supplies	25,416	29,283	17,235	12,048
Contract Services	116,607	126,166	95,946	30,220
Total Expenditures	<u>142,023</u>	<u>155,449</u>	<u>113,181</u>	<u>42,268</u>
(Deficiency) Revenues				
Over Expenditures	<u>(102,023)</u>	<u>(102,023)</u>	<u>(2,986)</u>	<u>99,037</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers In	-	-	150,000	150,000
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>150,000</u>
Net Change in Fund Balance	(102,023)	(102,023)	147,014	249,037
Fund Balance at Beginning of Year	<u>1,638</u>	<u>1,638</u>	<u>1,638</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ (100,385)</u>	<u>\$ (100,385)</u>	<u>\$ 148,652</u>	<u>\$ 249,037</u>

**MONTGOMERY COUNTY, TEXAS**  
**Courthouse Security Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-22

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 315,000	\$ 315,000	\$ 275,759	\$ (39,241)
Total Revenues	<u>315,000</u>	<u>315,000</u>	<u>275,759</u>	<u>(39,241)</u>
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Contract Services	<u>400,000</u>	<u>397,321</u>	<u>362,850</u>	<u>34,471</u>
Total Expenditures	<u>400,000</u>	<u>397,321</u>	<u>362,850</u>	<u>34,471</u>
(Deficiency) Revenues Over Expenditures	<u>(85,000)</u>	<u>(82,321)</u>	<u>(87,091)</u>	<u>(4,770)</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers In	<u>-</u>	<u>-</u>	<u>162,000</u>	<u>162,000</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>162,000</u>	<u>162,000</u>
Net Change in Fund Balance	(85,000)	(82,321)	74,909	157,230
Fund Balance at Beginning of Year	<u>7,370</u>	<u>7,370</u>	<u>7,370</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ (77,630)</u>	<u>\$ (74,951)</u>	<u>\$ 82,279</u>	<u>\$ 157,230</u>

**MONTGOMERY COUNTY, TEXAS**  
**Court Technology County and District Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-23

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 4,388	\$ 16,361	\$ 13,754	\$ (2,607)
Total Revenues	<u>4,388</u>	<u>16,361</u>	<u>13,754</u>	<u>(2,607)</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Supplies	-	9,963	8,356	1,607
Contract Services	4,388	4,559	3,455	1,104
Total Expenditures	<u>4,388</u>	<u>14,522</u>	<u>11,811</u>	<u>2,711</u>
Net Change in Fund Balance	-	1,839	1,943	104
Fund Balance at Beginning of Year	<u>29,321</u>	<u>29,321</u>	<u>29,321</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 29,321</u>	<u>\$ 31,160</u>	<u>\$ 31,264</u>	<u>\$ 104</u>

**MONTGOMERY COUNTY, TEXAS**  
**Justice Court Building Security**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Actual Year Ended September 30, 2018**

C-24

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ -	\$ -	\$ 35,813	\$ 35,813
Total Revenues	-	-	35,813	35,813
Net Change in Fund Balance	-	-	35,813	35,813
Fund Balance at Beginning of Year	154,889	154,889	154,889	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<b><u>\$ 154,889</u></b>	<b><u>\$ 154,889</u></b>	<b><u>\$ 190,702</u></b>	<b><u>\$ 35,813</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**Justice Court Technology Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-25

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>REVENUES:</u></b>				
Fees	\$ 21,828	\$ 52,047	\$ 143,372	\$ 91,325
Total Revenues	<u>21,828</u>	<u>52,047</u>	<u>143,372</u>	<u>91,325</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Supplies	20,000	43,450	33,896	9,554
Contract Services	1,828	6,918	5,928	990
Total Expenditures	<u>21,828</u>	<u>50,368</u>	<u>39,824</u>	<u>10,544</u>
Excess (Deficiency) Revenues Over Expenditures	<u>-</u>	<u>1,679</u>	<u>103,548</u>	<u>101,869</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers Out	-	(1,678)	(1,678)	-
<b>TOTAL OTHER FINANCING USES</b>	<u>-</u>	<u>(1,678)</u>	<u>(1,678)</u>	<u>-</u>
Net Change in Fund Balance	-	1	101,870	101,869
Fund Balance at Beginning of Year	<u>587,189</u>	<u>587,189</u>	<u>587,189</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u><u>\$ 587,189</u></u>	<u><u>\$ 588,868</u></u>	<u><u>\$ 689,059</u></u>	<u><u>\$ 100,191</u></u>



**MONTGOMERY COUNTY, TEXAS**

**Juvenile Case Manager Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-26

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>REVENUES:</u></b>				
Fees	\$ 296,269	\$ 297,094	\$ 154,413	\$ (142,681)
Total Revenues	<u>296,269</u>	<u>297,094</u>	<u>154,413</u>	<u>(142,681)</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Salaries	200,338	201,019	179,176	21,843
Employee Benefits	95,931	96,075	85,217	10,858
Total Expenditures	<u>296,269</u>	<u>297,094</u>	<u>264,393</u>	<u>32,701</u>
Net Change in Fund Balance	-	-	(109,980)	(109,980)
Fund Balance at Beginning of Year	<u>333,217</u>	<u>333,217</u>	<u>333,217</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 333,217</u>	<u>\$ 333,217</u>	<u>\$ 223,237</u>	<u>\$ (109,980)</u>

**MONTGOMERY COUNTY, TEXAS**

**Bond Supervision Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-27

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ -	\$ 444,377	\$ 495,682	\$ 51,305
Investment Earnings	-	5,000	8,297	3,297
Total Revenues	-	449,377	503,979	54,602
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	397,640	388,971	8,669
Employee Benefits	-	159,737	157,488	2,249
Supplies	-	2,000	1,445	555
Contract Services	-	54,400	52,643	1,757
Capital Outlay	-	9,100	8,879	221
Total Expenditures	-	622,877	609,426	13,451
Net Change in Fund Balance	-	(173,500)	(105,447)	68,053
Fund Balance at Beginning of Year	406,883	406,883	406,883	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<b><u>\$ 406,883</u></b>	<b><u>\$ 233,383</u></b>	<b><u>\$ 301,436</u></b>	<b><u>\$ 68,053</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**Adult Probation - Basic Supervision Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-28

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ -	\$ 100,000	\$ 106,647	\$ 6,647
Intergovernmental:				
State Grants	-	1,097,579	1,128,477	30,898
Charges for Services	-	1,865,000	1,869,813	4,813
Investment Earnings	-	40,000	47,253	7,253
Miscellaneous	-	75,000	51,408	(23,592)
Total Revenues	-	3,177,579	3,203,598	26,019
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	4,959,680	2,575,630	2,384,050
Employee Benefits	-	1,068,526	544,720	523,806
Supplies	-	712,917	62,620	650,297
Contract Services	-	1,584,494	327,432	1,257,062
Total Expenditures	-	8,325,617	3,510,402	4,815,215
Excess Revenues				
Over Expenditures	-	(5,148,038)	(306,804)	4,841,234
<b><u>OTHER FINANCING</u></b>				
<b><u>SOURCES/(USES):</u></b>				
Transfers Out		(179,329)	(155,500)	(23,829)
<b>TOTAL OTHER FINANCING</b>				
<b>SOURCES/(USES)</b>	-	(179,329)	(155,500)	(23,829)
Net Change in Fund Balance	-	(5,327,367)	(462,304)	(4,865,063)
Fund Balance at Beginning of Year	1,517,793	1,517,793	1,517,793	-
<b><u>FUND BALANCE AT</u></b>				
<b><u>END OF YEAR</u></b>	\$ 1,517,793	\$ (3,809,574)	\$ 1,055,489	\$ (4,865,063)

**MONTGOMERY COUNTY, TEXAS**  
**Adult Probation - Community Corrections Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-29

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
State Grants	\$ -	\$ 616,025	\$ 615,585	\$ (440)
Total Revenues	-	616,025	615,585	(440)
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	1,124,916	596,409	528,507
Employee Benefits	-	227,103	117,199	109,904
Contract Services	-	16,500	2,693	13,807
Total Expenditures	-	1,368,519	716,301	652,218
Excess Revenues Over Expenditures	-	(752,494)	(100,716)	651,778
<b><u>OTHER FINANCING SOURCES/(USES):</u></b>				
Transfers In	-	122,852	104,000	(18,852)
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	-	122,852	104,000	(18,852)
Net Change in Fund Balance	-	(629,642)	3,284	632,926
Fund Balance at Beginning of Year	111,078	111,078	111,078	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<b>\$ 111,078</b>	<b>\$ (518,564)</b>	<b>\$ 114,362</b>	<b>\$ 632,926</b>

**MONTGOMERY COUNTY, TEXAS**  
**Adult Probation - Mental Impairments Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-30

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
State Grants	\$ -	\$ 249,208	\$ 201,131	\$ (48,077)
Total Revenues	-	249,208	201,131	(48,077)
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	384,472	184,782	199,690
Employee Benefits	-	80,261	36,802	43,459
Supplies	-	7,928	594	7,334
Contract Services	-	1,900	9	1,891
Total Expenditures	-	474,561	222,187	252,374
Excess Revenues				
Over Expenditures	-	(225,353)	(21,056)	204,297
<b><u>OTHER FINANCING</u></b>				
<b><u>SOURCES/(USES):</u></b>				
Transfers In	-	56,477	51,500	(4,977)
<b>TOTAL OTHER FINANCING</b>				
<b>SOURCES/(USES)</b>	-	56,477	51,500	(4,977)
Net Change in Fund Balance	-	(168,876)	30,444	199,320
Fund Balance at Beginning of Year	24,416	24,416	24,416	-
<b><u>FUND BALANCE AT</u></b>				
<b><u>END OF YEAR</u></b>	\$ 24,416	\$ (144,460)	\$ 54,860	\$ 199,320

**MONTGOMERY COUNTY, TEXAS**  
**Contract Elections Service Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-31

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
Other	\$ -	\$ 459,989	\$ 459,989	\$ -
Investment Earnings	-	58,571	58,571	-
Total Revenues	-	518,560	518,560	-
<b><u>EXPENDITURES:</u></b>				
Elections:				
Salaries	-	493,976	493,976	-
Employee Benefits	-	83,969	83,969	-
Supplies	-	108,676	108,676	-
Contract Services	-	155,139	155,139	-
Total Expenditures	-	841,760	841,760	-
Net Change in Fund Balance	-	(323,200)	(323,200)	-
Fund Balance at Beginning of Year	363,902	363,902	363,902	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 363,902</u>	<u>\$ 40,702</u>	<u>\$ 40,702</u>	<u>\$ -</u>

**MONTGOMERY COUNTY, TEXAS**  
**Montgomery County Grant Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-32

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
Federal	\$ -	\$ 1,809,577	\$ 500,052	\$ (1,309,525)
Total Revenues	-	1,809,577	500,052	(1,309,525)
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	222,361	113,729	108,632
Employee Benefits	-	81,838	50,653	31,185
Supplies	-	204,611	30,202	174,409
Contract Services	-	354,317	59,722	294,595
Capital Outlay	-	946,450	245,746	700,704
Total Expenditures	-	1,809,577	500,052	1,309,525
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**HAVA Grant Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Actual Year Ended September 30, 2018**

C-33

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	269,851	269,851	269,851	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 269,851</u>	<u>\$ 269,851</u>	<u>\$ 269,851</u>	<u>\$ -</u>



**MONTGOMERY COUNTY, TEXAS**

**Federal ARRA Grant Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-34

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>EXPENDITURES:</u></b>				
Public Transportation:				
Capital Outlay	\$ -	\$ 500,000	\$ -	\$ 500,000
Total Expenditures	-	500,000	-	500,000
Net Change in Fund Balance	-	(500,000)	-	500,000
Fund Balance at Beginning of Year	49,031	49,031	49,031	-
<b><u>FUND BALANCE AT</u></b>				
<b><u>END OF YEAR</u></b>	<u>\$ 49,031</u>	<u>\$ (450,969)</u>	<u>\$ 49,031</u>	<u>\$ 500,000</u>

**MONTGOMERY COUNTY, TEXAS**

**Vital Records Preservation Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

C-35

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ -	\$ 13,841	\$ 20,688	\$ 6,847
Total Revenues	-	13,841	20,688	6,847
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Supplies		13,841	1,695	12,146
Total Expenditures	-	13,841	1,695	12,146
Net Change in Fund Balance	-	-	18,993	18,993
Fund Balance at Beginning of Year	-	-	-	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	\$ -	\$ -	\$ 18,993	\$ 18,993

## **NONMAJOR CAPITAL PROJECT FUNDS**

**Revenue Toll Bonds Series 2010** – to account for County’s issuance of \$31,390,000 in bonds that are being used to finance improvements to four specific state-owned roads as well as direct connectors to two additional roads of the state highway system. The County has entered into a “pass-through toll agreement” with the State of Texas for improvements by the County to roads owned by the State.

**Certificates of Obligation Series 2012** – to account for the remodel of an existing building to house the future Montgomery County Forensic Center. Other projects include airport improvements as well as various building remodels.

**Certificates of Obligation Series 2012A** – to account for various road improvements to county owned roads and the construction and renovation of runway and taxiway improvements at the Lone Star Executive Airport. The County issued \$13,350,000 in certificates of obligation for these projects.

**Pass Through Toll Projects** - to account for specific road improvement projects associated with a Pass Through Toll Agreement between the County and Texas Department of Transportation.

**Jail Project 13-14** – to account for a portion of funds generated by the sale of the Joe Corley Facility. The Commissioner’s intent is to use the funds for improvements to the existing jail facility or to build a new facility.

**Local Capital Projects** – to account for various county-wide projects, including Sheriff’s office remodel and fleet operations as well as a Medical Examiner’s office.

**Road Bonds Series 2016** – to account for the County’s issuance of \$60,000,000 in bonds that are being used to finance road improvements throughout the County.

**MONTGOMERY COUNTY, TEXAS**

**Nonmajor Capital Project Funds**

**Combining Balance Sheet**

**September 30, 2018**

	Revenue Toll Bonds Series 2010	Certificates Of Obligation Series 2012	Certificates' Of Obligation Series 2012A	Pass Through Toll Projects
<b><u>ASSETS:</u></b>				
Cash	\$ 5,264,301	\$ 927	\$ 839	\$ -
Investments	-	2,664,043	560,073	-
Cash, Restricted for Retainage	-	-	-	-
Due from Other Funds	3,329	-	-	-
Due from Other Governments	-	-	-	18,670,581
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 5,267,630</u></b>	<b><u>\$ 2,664,970</u></b>	<b><u>\$ 560,912</u></b>	<b><u>\$ 18,670,581</u></b>

**LIABILITIES AND FUND BALANCES:**

**LIABILITIES:**

Accounts Payable	\$ -	\$ -	\$ -	\$ -
Retainage Payable	-	-	-	-
Due to Other Funds	-	-	-	7,996,628
Total Liabilities	-	-	-	7,996,628

**FUND BALANCES:**

Restricted	5,267,630	2,664,970	560,912	10,673,953
Committed	-	-	-	-
Total Fund Balances	5,267,630	2,664,970	560,912	10,673,953

**TOTAL LIABILITIES AND  
FUND BALANCES**

<b><u>\$ 5,267,630</u></b>	<b><u>\$ 2,664,970</u></b>	<b><u>\$ 560,912</u></b>	<b><u>\$ 18,670,581</u></b>
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D-1

Jail Project 2013-2014	Local Capital Projects	Road Bonds 2016	Totals
\$ -	\$ -	\$ -	\$ 5,266,067
-	-	13,983,832	17,207,948
-	-	1,085	1,085
17,056,361	15,715,704	-	32,775,394
-	-	-	18,670,581
<u>\$ 17,056,361</u>	<u>\$ 15,715,704</u>	<u>\$ 13,984,917</u>	<u>\$ 73,921,075</u>
\$ 2,664	\$ 270,639	\$ 2,090,711	\$ 2,364,014
-	75,225	266,068	341,293
-	-	1,254,162	9,250,790
<u>2,664</u>	<u>345,864</u>	<u>3,610,941</u>	<u>11,956,097</u>
-	-	10,373,976	29,541,441
17,053,697	15,369,840	-	32,423,537
<u>17,053,697</u>	<u>15,369,840</u>	<u>10,373,976</u>	<u>61,964,978</u>
<u>\$ 17,056,361</u>	<u>\$ 15,715,704</u>	<u>\$ 13,984,917</u>	<u>\$ 73,921,075</u>

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Capital Project Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year Ended September 30, 2018**

	Revenue Toll Bonds Series 2010	Certificates of Obligation Series 2012	Certificates of Obligation Series 2012A	Pass Through Toll Projects
<b><u>REVENUES:</u></b>				
Investment Earnings	\$ 80,397	\$ 44,526	\$ 9,920	\$ -
Miscellaneous	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<u>80,397</u>	<u>44,526</u>	<u>9,920</u>	<u>-</u>
<b><u>EXPENDITURES:</u></b>				
Supplies	-	-	-	-
Professional Services	-	-	-	-
Capital Outlay	-	35,870	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<u>-</u>	<u>35,870</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) Revenues Over Expenditures	<u>80,397</u>	<u>8,656</u>	<u>9,920</u>	<u>-</u>
<b><u>OTHER FINANCING SOURCES/(USES):</u></b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	80,397	8,656	9,920	-
Fund Balances at Beginning of Year	<u>5,187,233</u>	<u>2,656,314</u>	<u>550,992</u>	<u>10,673,953</u>
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<u>\$ 5,267,630</u>	<u>\$ 2,664,970</u>	<u>\$ 560,912</u>	<u>\$10,673,953</u>

Jail Project 2013-2014	Local Capital Projects	Road Bonds 2016	Totals
\$ -	\$ -	\$ 396,516	\$ 531,359
45,760	-	-	45,760
45,760	-	396,516	577,119
-	7,645	-	7,645
-	1,214,998	-	1,214,998
-	1,332,905	14,795,704	16,164,479
-	2,555,548	14,795,704	17,387,122
45,760	(2,555,548)	(14,399,188)	(16,810,003)
754,666	13,376,504	-	14,131,170
-	(191,916)	-	(191,916)
754,666	13,184,588	-	13,939,254
800,426	10,629,040	(14,399,188)	(2,870,749)
16,253,271	4,740,800	24,773,164	64,835,727
<u>\$ 17,053,697</u>	<u>\$ 15,369,840</u>	<u>\$10,373,976</u>	<u>\$ 61,964,978</u>





## **DEBT SERVICE FUND**

**Montgomery County Debt Service Fund** – to account for the receipt and disbursement of funds to retire debt resulting from the issuance of general obligation bonds and certificates of obligation. Financing is provided by a specific annual property tax levy, and the investment interest earned thereon.



**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Debt Service Fund**  
**Budget (GAAP Basis) and Actual Year Ended September 30, 2018**

E-1

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Taxes	\$ 33,597,517	\$ 33,597,517	\$ 37,288,174	\$ 3,690,657
Investment Earnings	-	-	159,805	(159,805)
Intergovernmental	280,275	280,275	397,714	117,439
Total Revenues	<u>33,877,792</u>	<u>33,877,792</u>	<u>37,845,693</u>	<u>3,967,901</u>
<b><u>EXPENDITURES:</u></b>				
Debt Service:				
Principal Retirement	15,805,000	32,874,233	31,887,580	986,653
Interest and Fiscal Charges	19,377,916	19,921,733	19,891,807	29,926
Issuance Costs	-	7,500	7,500	-
Total Expenditures	<u>35,182,916</u>	<u>52,803,466</u>	<u>51,786,887</u>	<u>1,016,579</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(1,305,124)</u>	<u>(18,925,674)</u>	<u>(13,941,194)</u>	<u>4,984,480</u>
<b><u>OTHER FINANCING SOURCES/(USES):</u></b>				
Transfers In	-	-	907,409	907,409
Issuance of General Obligation Bonds	-	540,470	540,470	-
<b>TOTAL OTHER FINANCING SOURCES /(USES)</b>	<u>-</u>	<u>540,470</u>	<u>1,447,879</u>	<u>907,409</u>
Net Change in Fund Balance	(1,305,124)	(18,385,204)	(12,493,315)	5,891,889
Fund Balance at Beginning of Year	<u>28,249,874</u>	<u>28,249,874</u>	<u>28,249,874</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 26,944,750</u>	<u>\$ 9,864,670</u>	<u>\$ 15,756,559</u>	<u>\$ 5,891,889</u>



## **INTERNAL SERVICE FUNDS**

**Self-Insurance Medical Fund** - to account for the health benefits provided to County employees, retirees, and their dependents. Contributions to the fund are made as charges to the department for all full-time employees and contributions from employees and retirees.

**Self-Insurance Workers' Compensation Fund** - to account for employer contributions set aside to cover claims from an on-the-job injury sustained by a County employee.

**Self-Insurance Accident and Liability Fund** - to account for the receipt of insurance premiums from other funds as well as expenses for claims of the County's accident and liability program.

**Wellness Clinic Fund** - to account for the operations of the County's Wellness Clinic, funded through employee co-pays and County funding.

**MONTGOMERY COUNTY, TEXAS**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**September 30, 2018**

F-1

	Self-Insurance Medical	Self-Insurance Workers' Compensation	Self-Insurance Accident and Liability	Wellness Clinic	Total
<b>ASSETS:</b>					
Current Assets:					
Cash and Cash Equivalents	\$ 1,485,774	\$ 133,317	\$ -	\$ -	\$ 1,619,091
Accounts	223,522	-	-	-	223,522
Due from other funds	18,114,911	4,485,112	1,889,580	178,556	24,668,159
Due from other governments	49,962	38,323	-	-	88,285
Total Current Assets	19,874,169	4,656,752	1,889,580	178,556	26,599,057
Capital Assets (net of accumulated depreciation):					
Buildings	-	-	-	776,510	776,510
Improvements	-	-	-	239	239
Equipment	-	13,006	-	15,764	28,770
Total Capital Assets	-	13,006	-	792,513	805,519
Total Assets	19,874,169	4,669,758	1,889,580	971,069	27,404,576
<b>LIABILITIES:</b>					
Current Liabilities:					
Accounts Payable	361,898	-	443,989	128,156	934,043
Claims Payable	-	500,000	-	-	500,000
Due to Other Funds	-	-	378,502	-	378,502
Total Current Liabilities	361,898	500,000	822,491	128,156	1,812,545
Noncurrent Liabilities					
Claims Payable	5,148,599	1,114,908	-	-	6,263,507
Total Noncurrent Liabilities	5,148,599	1,114,908	-	-	6,263,507
Total Liabilities	5,510,497	1,614,908	822,491	128,156	8,076,052
<b>NET POSITION:</b>					
Net Investment in Capital Assets	-	13,006	-	792,513	805,519
Unrestricted	14,363,672	3,041,844	1,067,089	50,400	18,523,005
Total Net Position	\$ 14,363,672	\$ 3,054,850	\$ 1,067,089	\$ 842,913	\$ 19,328,524

**MONTGOMERY COUNTY, TEXAS**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
**September 30, 2018**

F-2

	Self-Insurance Medical	Self-Insurance Workers' Compensation	Self-Insurance Accident and Liability	Wellness Clinic	Total
<b>OPERATING REVENUES:</b>					
Charges for Services	\$ 33,078,975	\$ 1,115,890	\$ 1,814,409	\$ 1,280,951	\$ 37,290,225
Miscellaneous	-	3,033	2,733,379	-	2,736,412
Total Operating Revenues	33,078,975	1,118,923	4,547,788	1,280,951	40,026,637
<b>OPERATING EXPENSES:</b>					
Supplies	-	-	-	8,015	8,015
Services	33,665,305	1,210,587	1,713,122	1,268,040	37,857,054
Miscellaneous	-	-	844,661	-	844,661
Depreciation	-	4,335	-	39,565	43,900
Total Operating Expenses	33,665,305	1,214,922	2,557,783	1,315,620	38,753,630
Operating Income/(Loss)	(586,330)	(95,999)	1,990,005	(34,669)	1,273,007
Transfer In	-	-	227,263	-	227,263
Transfer Out	-	-	(2,732,358)	-	(2,732,358)
Change in Net Position	(586,330)	(95,999)	(515,090)	(34,669)	(1,232,088)
Total Net Position - beginning	14,950,002	3,150,849	1,582,179	877,582	20,560,612
Total Net Position - ending	\$ 14,363,672	\$ 3,054,850	\$ 1,067,089	\$ 842,913	\$ 19,328,524

**MONTGOMERY COUNTY, TEXAS**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**September 30, 2018**

F-3

	Self-Insurance Medical	Self-Insurance Workers' Compensation	Self-Insurance Accident and Liability	Wellness Clinic	Total
Cash flows from operating activities:					
Receipts from customers	\$ 33,673,918	\$ 1,119,372	\$ 4,547,788	\$ 1,280,951	\$ 40,622,029
Receipts from others	-	-	902,003	-	902,003
Benefits paid	(32,463,822)	(1,111,296)	(2,944,696)	(1,280,951)	(37,800,765)
Net cash provided by operating activities	1,210,096	8,076	2,505,095	-	3,723,267
Cash flows from noncapital financing activities:					
Intergovernmental contributions	(5,392)	17,349	-	-	11,957
Transfers to other funds	-	-	(2,505,095)	-	(2,505,095)
Net cash provided (used) in noncapital financing activities	(5,392)	17,349	(2,505,095)	-	(2,493,138)
Net increase in cash and cash equivalents	1,204,704	25,425	-	-	1,230,129
Cash and cash equivalents - beginning	281,070	107,892	-	-	388,962
Cash and cash equivalents - ending	\$ 1,485,774	\$ 133,317	\$ -	\$ -	\$ 1,619,091
Reconciliation of operating income (loss) to net cash provided (used) in operating activities:					
Operating income (loss)	\$ (586,330)	\$ (95,999)	\$ 1,990,005	\$ (34,669)	\$ 1,273,007
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
(Increase) decrease in due from other funds	1,318,483	94,433	(814,724)	(132,985)	465,207
Depreciation expense	-	4,335	-	39,565	43,900
(Increase) decrease in accounts receivable	594,943	-	902,003	-	1,496,946
(Increase) decrease in intergovernmental receivable	-	449	-	-	449
Increase (decrease) in accounts payable	(51,762)	4,858	427,811	128,089	508,996
Increase (decrease) in claims payable	(65,238)	-	-	-	(65,238)
Total adjustments	1,796,426	104,075	515,090	34,669	2,450,260
Net cash provided by operating activities	\$ 1,210,096	\$ 8,076	\$ 2,505,095	\$ -	\$ 3,723,267



## **AGENCY FUND**

**County Officials Fund** - to account for the collection of fees and court ordered payments collected by various elected county officials and distribution of those funds on their behalf.

**MONTGOMERY COUNTY, TEXAS**  
**Agency Funds**  
**Combining Statement of Assets and Liabilities**  
**September 30, 2018**

G-1

	<u>County Officials</u>
<b><u>ASSETS:</u></b>	
Cash	\$ 21,658,558
Accounts Receivable	<u>2,111,827</u>
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 23,770,385</u></b>
<b><u>LIABILITIES:</u></b>	
Due to Others	\$ 23,770,385
<b><u>TOTAL LIABILITIES</u></b>	<b><u>\$ 23,770,385</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**Agency Funds**  
**Statement of Changes in Assets and Liabilities**  
**Year Ended September 30, 2018**

G-2

	Balance October 1, 2017	Additions	Deductions	Balance September 30, 2018
<b><u>COUNTY OFFICIALS:</u></b>				
<b>Assets:</b>				
Cash	\$ 19,879,459	\$ 2,829,869,338	\$ 2,828,090,239	\$ 21,658,558
Accounts Receivable	2,819,535	2,096,102	2,803,810	2,111,827
<b>TOTAL ASSETS</b>	<b>\$ 22,698,994</b>	<b>\$ 2,831,965,440</b>	<b>\$ 2,830,894,049</b>	<b>\$ 23,770,385</b>
<b>Liabilities:</b>				
Due to Others	22,698,994	2,831,965,440	2,830,894,049	23,770,385
<b>TOTAL LIABILITIES</b>	<b>\$ 22,698,994</b>	<b>\$ 2,831,965,440</b>	<b>\$ 2,830,894,049</b>	<b>\$ 23,770,385</b>



**CAPITAL ASSETS  
USED IN THE OPERATION  
OF  
GOVERNMENTAL FUNDS**



**MONTGOMERY COUNTY, TEXAS**  
**Capital Assets Used in the Operation of Governmental Activities**  
**Schedule by Source**  
**September 30, 2018**

H-1

**GOVERNMENTAL ACTIVITIES CAPITAL ASSETS:**

Land	\$ 101,505,483
Buildings	216,477,441
Improvements Other than Buildings	24,204,134
Equipment	107,551,548
Infrastructure	1,497,298,808
Construction in Progress	145,556

<b><u>TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS</u></b>	<b><u>\$ 1,947,182,970</u></b>
--	--------------------------------

**INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS**

**BY SOURCE:**

General Fund	\$ 336,482,506
Special Revenue Funds	1,609,425,754
Capital Project Funds	145,556
Internal Service Funds	1,129,154

<b><u>TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS</u></b>	<b><u>\$ 1,947,182,970</u></b>
--	--------------------------------

In prior years this schedule only included capital assets in the operation of Governmental Funds. For this report, Internal Service Funds assets are included in these figures.

**MONTGOMERY COUNTY, TEXAS**  
**Capital Assets Used in the Operation of Governmental Activities**  
**Schedule by Function and Activity**  
**September 30, 2018**

H-2  
Page 1 of 2

Function and Activity	Total	Land	Buildings	Improvements Other than Buildings	Equipment	Infrastructure
<b><u>GENERAL ADMINISTRATION:</u></b>						
County Judge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Human Resources	-	-	-	-	-	-
Risk Management	1,148,953	-	951,264	2,394	195,295	-
County Clerk	383,616	-	-	-	383,616	-
Collections	-	-	-	-	-	-
Veterans' Service	-	-	-	-	-	-
Purchasing Agent	41,672	-	-	-	41,672	-
Information Technology	14,979,331	-	86,901	1,061,449	13,830,981	-
County Buildings	96,538,800	-	95,850,597	651,713	-	36,490
County Land	6,614,985	6,495,072	-	119,913	-	-
<b><u>TOTAL GENERAL ADM</u></b>	<b><u>119,707,357</u></b>	<b><u>6,495,072</u></b>	<b><u>96,888,762</u></b>	<b><u>1,835,469</u></b>	<b><u>14,451,564</u></b>	<b><u>36,490</u></b>
<b><u>FINANCIAL ADMINISTRATION:</u></b>						
County Auditor	20,945	-	-	-	20,945	-
County Treasurer	11,890	-	-	-	11,890	-
Tax Assessor/Collector	93,380	7,500	-	-	85,880	-
<b><u>TOTAL FINANCIAL ADM</u></b>	<b><u>126,215</u></b>	<b><u>7,500</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>118,715</u></b>	<b><u>-</u></b>
<b><u>CONSERVATION:</u></b>						
Extension Agents	922,548	1,683	815,958	104,907	-	-
Recycling Stations	206,915	-	61,318	53,478	92,119	-
<b><u>TOTAL CONSERVATION</u></b>	<b><u>1,129,463</u></b>	<b><u>1,683</u></b>	<b><u>877,276</u></b>	<b><u>158,385</u></b>	<b><u>92,119</u></b>	<b><u>-</u></b>
<b><u>ELECTIONS:</u></b>						
Elections Administrator	4,010,755	3,000	493,239	70,469	3,444,047	-
<b><u>TOTAL ELECTIONS ADM</u></b>	<b><u>4,010,755</u></b>	<b><u>3,000</u></b>	<b><u>493,239</u></b>	<b><u>70,469</u></b>	<b><u>3,444,047</u></b>	<b><u>-</u></b>
<b><u>FACILITIES:</u></b>						
Custodial Services	598,723	30,715	174,371	6,155	387,482	-
Building Maintenance	1,283,766	-	171,407	32,787	1,079,572	-
Parks	29,993,591	9,565,525	4,390,386	15,562,594	475,086	-
Jail	5,795,101	-	5,778,404	16,697	-	-
Civic Center	17,421,178	88,216	15,324,606	1,577,781	430,575	-
<b><u>TOTAL FACILITIES</u></b>	<b><u>55,092,359</u></b>	<b><u>9,684,456</u></b>	<b><u>25,839,174</u></b>	<b><u>17,196,014</u></b>	<b><u>2,372,715</u></b>	<b><u>-</u></b>
<b><u>HEALTH AND WELFARE:</u></b>						
Public Health	8,462,662	159,705	7,085,297	231,247	986,413	-
Mental Health Treatment	32,132,130	2,631,689	27,973,100	1,114,493	412,848	-
Community Development	11,601,588	563,626	10,614,528	-	423,434	-
<b><u>TOTAL HEALTH/WELFARE</u></b>	<b><u>52,196,380</u></b>	<b><u>3,355,020</u></b>	<b><u>45,672,925</u></b>	<b><u>1,345,740</u></b>	<b><u>1,822,695</u></b>	<b><u>-</u></b>



**MONTGOMERY COUNTY, TEXAS**  
**Capital Assets Used in the Operation of Governmental Activities**  
**Schedule by Function and Activity**  
**September 30, 2018**

H-2  
Page 2 of 2

Function and Activity	Total	Land	Buildings	Improvements Other than Buildings	Equipment	Infrastructure
<b><u>JUDICIAL:</u></b>						
Courts	140,574	-	-	924	139,650	-
District Attorney	387,215	-	-	-	387,215	-
District Clerk	85,304	-	7,129	-	78,175	-
Justice of Peace	3,060,173	-	2,946,779	4,930	108,464	-
<b><u>TOTAL JUDICIAL</u></b>	<b><u>3,673,266</u></b>	<b><u>-</u></b>	<b><u>2,953,908</u></b>	<b><u>5,854</u></b>	<b><u>713,504</u></b>	<b><u>-</u></b>
<b><u>LEGAL SERVICES:</u></b>						
County Attorney	-	-	-	-	-	-
Law Library	793,361	-	-	-	793,361	-
<b><u>TOTAL LEGAL SERVICES</u></b>	<b><u>793,361</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>793,361</u></b>	<b><u>-</u></b>
<b><u>PUBLIC SAFETY:</u></b>						
Emergency Management	18,051,258	-	629,432	424,939	16,996,887	-
Fire Marshal	478,987	-	-	-	478,987	-
Constables	4,944,434	22,813	462,577	68,913	4,390,131	-
Sheriff	46,336,793	2,265,845	10,028,376	769,856	33,272,716	-
District Attorney Forfeitures	419,472	-	14,838	13,839	390,795	-
County Attorney Forfeitures	-	-	-	-	-	-
Juvenile Probation	1,938,410	-	1,467,231	-	471,179	-
Adult Probation	13,151	-	13,151	-	-	-
<b><u>TOTAL PUBLIC SAFETY</u></b>	<b><u>72,182,505</u></b>	<b><u>2,288,658</u></b>	<b><u>12,615,605</u></b>	<b><u>1,277,547</u></b>	<b><u>56,000,695</u></b>	<b><u>-</u></b>
<b><u>PUBLIC TRANSPORTATION:</u></b>						
Engineer	18,056	-	-	-	18,056	-
Commissioners' Operations	1,561,294,470	74,344,339	7,186,581	1,429,588	22,384,253	1,455,949,709
Airport	51,839,121	1,688,128	7,185,614	834,373	818,397	41,312,609
<b><u>TOTAL PUBLIC TRANSPORTATION</u></b>	<b><u>1,613,151,647</u></b>	<b><u>76,032,467</u></b>	<b><u>14,372,195</u></b>	<b><u>2,263,961</u></b>	<b><u>23,220,706</u></b>	<b><u>1,497,262,318</u></b>
<b><u>CULTURE AND RECREATION:</u></b>						
Memorial Library	24,974,106	3,637,627	16,764,357	50,695	4,521,427	-
<b><u>TOTAL CULTURE/REC</u></b>	<b><u>24,974,106</u></b>	<b><u>3,637,627</u></b>	<b><u>16,764,357</u></b>	<b><u>50,695</u></b>	<b><u>4,521,427</u></b>	<b><u>-</u></b>
<b><u>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</u></b>						
	1,947,037,414	\$ 101,505,483	\$ 216,477,441	\$ 24,204,135	\$ 107,551,549	\$ 1,497,298,808
Construction In Progress	145,556					
<b><u>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</u></b>	<b><u>\$ 1,947,182,970</u></b>					

**MONTGOMERY COUNTY, TEXAS**  
**Capital Assets Used in the Operation of Governmental Activities**  
**Schedule of Changes by Function and Activity**  
**Year Ended September 30, 2018**

H-3  
Page 1 of 2

Function and Activity	Govtl Funds Capital Assets October 1, 2017	Additions	Deletions	Govtl Funds Capital Assets September 30, 2018
<b><u>GENERAL ADMINISTRATION:</u></b>				
County Judge	\$ 2,903	\$ -	\$ 2,903	\$ -
Human Resources	3,152	-	3,152	-
Risk Management	1,298,286	-	149,333	1,148,953
County Clerk	471,031	-	87,415	383,616
Collections	4,157	-	4,157	-
Veterans' Service	1,367	-	1,367	-
Purchasing Agent	48,314	821,607	828,249	41,672
Information Technology	14,341,563	1,522,472	884,704	14,979,331
County Buildings	96,085,138	453,662	-	96,538,800
County Land	6,614,985	-	-	6,614,985
<b><u>TOTAL GENERAL ADM</u></b>	<b><u>118,870,896</u></b>	<b><u>2,797,741</u></b>	<b><u>1,961,280</u></b>	<b><u>119,707,357</u></b>
<b><u>FINANCIAL ADMINISTRATION:</u></b>				
County Auditor	46,077	-	25,132	20,945
County Treasurer	19,520	-	7,630	11,890
Tax Assessor/Collector	124,013	-	30,633	93,380
<b><u>TOTAL FINANCIAL ADM</u></b>	<b><u>189,610</u></b>	<b><u>-</u></b>	<b><u>63,395</u></b>	<b><u>126,215</u></b>
<b><u>CONSERVATION:</u></b>				
Extension Agents	932,917	-	10,369	922,548
Recycling Stations	219,830	-	12,915	206,915
<b><u>TOTAL CONSERVATION</u></b>	<b><u>1,152,747</u></b>	<b><u>-</u></b>	<b><u>23,284</u></b>	<b><u>1,129,463</u></b>
<b><u>ELECTIONS:</u></b>				
Elections Administrator	4,010,755	-	-	4,010,755
<b><u>TOTAL ELECTIONS</u></b>	<b><u>4,010,755</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>4,010,755</u></b>
<b><u>FACILITIES:</u></b>				
Custodial Services	757,767	22,567	181,611	598,723
Building Maintenance	1,321,009	175,134	212,377	1,283,766
Parks	29,191,960	326,545	-	29,518,505
Jail	6,482,454	5,488	217,755	6,270,187
Civic Center	17,373,336	83,779	35,937	17,421,178
<b><u>TOTAL FACILITIES</u></b>	<b><u>55,126,526</u></b>	<b><u>613,513</u></b>	<b><u>647,680</u></b>	<b><u>55,092,359</u></b>
<b><u>HEALTH AND WELFARE:</u></b>				
Public Health	8,266,502	389,962	193,802	8,462,662
Mental Health Facility	32,158,874	16,037	42,781	32,132,130
Community Development	11,601,588	-	-	11,601,588
<b><u>TOTAL HEALTH &amp; WELFARE</u></b>	<b><u>52,026,964</u></b>	<b><u>405,999</u></b>	<b><u>236,583</u></b>	<b><u>52,196,380</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**Capital Assets Used in the Operation of Governmental Activities**  
**Schedule of Changes by Function and Activity**  
**Year Ended September 30, 2018**

H-3  
Page 2 of 2

Function and Activity	Govtl Funds Capital Assets October 1, 2017	Additions	Deletions	Govtl Funds Capital Assets September 30, 2018
<b><u>JUDICIAL:</u></b>				
Courts	349,721	-	209,147	140,574
District Attorney	447,409	57,991	118,185	387,215
District Clerk	161,820	-	76,516	85,304
Justice of Peace	3,076,746	47,615	64,188	3,060,173
<b><u>TOTAL JUDICIAL</u></b>	<b><u>4,035,696</u></b>	<b><u>105,606</u></b>	<b><u>468,036</u></b>	<b><u>3,673,266</u></b>
<b><u>LEGAL SERVICES:</u></b>				
County Attorney	2,450	-	2,450	-
Law Library	750,037	60,158	16,834	793,361
<b><u>TOTAL LEGAL SERVICES</u></b>	<b><u>752,487</u></b>	<b><u>60,158</u></b>	<b><u>19,284</u></b>	<b><u>793,361</u></b>
<b><u>PUBLIC SAFETY:</u></b>				
Emergency Management	17,376,731	674,527	-	18,051,258
Fire Marshal	474,601	12,000	7,614	478,987
Constables	5,029,894	865,710	951,170	4,944,434
Sheriff	53,350,884	4,815,953	11,830,044	46,336,793
District Attorney Forfeitures	465,577	42,094	88,199	419,472
County Attorney Forfeitures	7,171	-	7,171	-
Juvenile Probation	1,980,239	-	41,829	1,938,410
Adult Probation	17,626	-	4,475	13,151
<b><u>TOTAL PUBLIC SAFETY</u></b>	<b><u>78,702,723</u></b>	<b><u>6,410,284</u></b>	<b><u>12,930,502</u></b>	<b><u>72,182,505</u></b>
<b><u>PUBLIC TRANSPORTATION:</u></b>				
Engineer	28,368	-	10,312	18,056
Commissioners' Operations	1,454,331,765	108,769,729	1,807,024	1,561,294,470
Airport	49,833,261	2,029,875	24,015	51,839,121
<b><u>TOTAL PUBLIC TRANS</u></b>	<b><u>1,504,193,394</u></b>	<b><u>110,799,604</u></b>	<b><u>1,841,351</u></b>	<b><u>1,613,151,647</u></b>
<b><u>CULTURE &amp; RECREATION:</u></b>				
Memorial Library	25,702,103	549,491	1,277,488	24,974,106
<b><u>TOTAL CULTURE/REC</u></b>	<b><u>25,702,103</u></b>	<b><u>549,491</u></b>	<b><u>1,277,488</u></b>	<b><u>24,974,106</u></b>
Construction In Progress	37,343	336,332	228,119	145,556
<b><u>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</u></b>	<b><u>\$ 1,844,801,244</u></b>	<b><u>\$ 122,078,728</u></b>	<b><u>\$ 19,697,002</u></b>	<b><u>\$ 1,947,182,970</u></b>



## STATISTICAL SECTION

## **STATISTICAL SECTION**

(unaudited)

This part of Montgomery County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and additional supplementary information says about the County's overall financial health.

### **Contents**

### **Table**

<b>Financial Trends</b> - These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	I, II, III, IV
<b>Revenue Capacity</b> - These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	V, VI, VII, VIII
<b>Debt Capacity</b> - These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	IX, X, XI, XII, XIII
<b>Economic and Demographic Indicators</b> - These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place.	XIV, XV
<b>Operating Information</b> - These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides.	XVI, XVII, XVIII

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. Schedules presenting government-wide information include information beginning in that year.

**MONTGOMERY COUNTY, TEXAS****Net Position by Component****Last Ten Fiscal Years**

(accrual basis of accounting)

	2009	2010	2011	2012
Governmental activities				
Net investment in capital assets	\$ 377,016,683	\$ 353,407,141	\$ 380,478,332	\$ 319,059,222
Restricted	8,311,363	8,839,721	9,360,962	26,137,977
Unrestricted	(45,241,159)	(32,066,403)	(75,320,823)	(36,634,612)
Total Governmental activities net position	<u>340,086,887</u>	<u>330,180,459</u>	<u>314,518,471</u>	<u>308,562,587</u>
Business -type activities				
Net investment in capital assets	-	-	-	-
Restricted	-	-	-	-
Unrestricted	-	-	-	-
Total business-type activities net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Primary government				
Net investment in capital assets	377,016,683	353,407,141	380,478,332	319,059,222
Restricted	8,311,363	8,839,721	9,360,962	26,137,977
Unrestricted	(45,241,159)	(32,066,403)	(75,320,823)	(36,634,612)
Total primary government net position	<u>\$ 340,086,887</u>	<u>\$ 330,180,459</u>	<u>\$ 314,518,471</u>	<u>\$ 308,562,587</u>

**Note:** Accounting standards require that net position be reported in 3 components in the financial statements: Net Investment in Capital Assets; Restricted; and Unrestricted. Net position is considered restricted when (1) an external party, such as the state or federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted.

TABLE I

2013	2014	2015	2016	2017	2018
\$ 364,555,659	\$ 266,597,783	\$ 314,750,807	\$ 386,697,807	\$ 452,183,891	\$ 559,976,686
61,986,405	71,863,955	54,197,228	63,131,106	73,859,730	72,875,709
(37,107,523)	59,772,088	90,395,375	70,203,109	41,952,110	(135,469,650)
389,434,541	398,233,826	459,343,410	520,032,022	567,995,731	497,382,745
-	-	45,949,353	60,315,827	62,599,944	44,945,936
-	-	-	-	-	-
-	-	(1,064,882)	(4,635,780)	(5,928,310)	2,992,728
-	-	44,884,471	55,680,047	56,671,634	47,938,664
364,555,659	266,597,783	360,700,160	447,013,634	514,783,835	604,922,622
61,986,405	71,863,955	54,197,228	63,131,106	73,859,730	72,875,709
(37,107,523)	59,772,088	89,330,493	65,567,329	36,023,800	(132,476,922)
\$ 389,434,541	\$ 398,233,826	\$ 504,227,881	\$ 575,712,069	\$ 624,667,365	\$ 545,321,409



**MONTGOMERY COUNTY, TEXAS**

**Changes in Net Position**

**Last Ten Fiscal Years**

(accrual basis of accounting)

	2009	2010	2011	2012
<b>Expenses</b>				
<i>Governmental Activities:</i>				
General Administration	\$ 22,046,369	\$ 15,339,911	\$ 56,850,436	\$ 54,732,939
Judicial	22,794,440	24,893,295	25,751,781	27,800,678
Legal	2,678,359	2,824,360	2,893,028	3,254,126
Elections	1,694,067	1,827,247	1,723,583	2,249,037
Financial Administration	5,917,962	6,358,514	6,111,643	6,334,740
Public Facilities	41,255,267	43,618,780	50,133,665	49,812,586
Public Safety	55,941,218	62,650,758	62,564,836	66,364,576
Health and Welfare	29,039,919	9,085,174	14,924,434	28,582,176
Culture and Recreation	9,981,330	7,456,924	9,061,639	9,607,386
Conservation	341,910	986,843	982,337	1,003,159
Public Transportation	95,536,899	111,627,910	80,597,409	65,221,658
Miscellaneous	1,156,114	1,683,887	659,499	-
Debt Service	21,121,081	22,946,953	24,566,713	23,989,607
Total Governmental Activities Expenses	<u>309,504,935</u>	<u>311,300,556</u>	<u>336,821,003</u>	<u>338,952,668</u>
<i>Business-type activities:</i>				
Toll Road	-	-	-	-
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>309,504,935</u>	<u>311,300,556</u>	<u>336,821,003</u>	<u>338,952,668</u>
<b>Program Revenues</b>				
<i>Governmental Activities:</i>				
Fees, Fines, Forfeitures and Charges for Services				
General Administration	5,402,968	5,948,735	39,240,521	37,812,374
Judicial	10,475,877	12,702,190	8,713,071	2,973,713
Legal	501,896	518,257	503,400	499,509
Elections	1,131	103,831	177	453
Financial Administration	2,268,952	2,244,114	2,553,434	2,943,952
Public Facilities	24,717,702	21,800,561	19,812,950	23,655,878
Public Safety	15,388,348	19,139,564	17,542,034	17,403,723
Health and Welfare	1,478,897	1,735,047	10,628,153	16,718,253
Culture and Recreation	323,520	316,855	309,966	287,967
Conservation	-	-	-	-
Public Transportation	8,442,985	9,118,839	9,219,220	10,489,702
Operating Grants and Contributions	29,439,925	11,446,490	12,781,928	9,526,211
Capital Grants and Contributions	55,848,681	56,300,073	24,936,363	27,209,719
Total Governmental Activities Program Reven	<u>154,290,882</u>	<u>141,374,556</u>	<u>146,241,217</u>	<u>149,521,454</u>
<i>Business-type activities:</i>				
Toll Road	-	-	-	-
Total business-type activities revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>154,290,882</u>	<u>141,374,556</u>	<u>146,241,217</u>	<u>149,521,454</u>
Net (Expense)/Revenue				
Governmental Activities	(155,214,053)	(169,926,000)	(190,579,786)	(189,431,214)
Business-type Activities	-	-	-	-
<b>Net (Expense)</b>	<u>(155,214,053)</u>	<u>(169,926,000)</u>	<u>(190,579,786)</u>	<u>(189,431,214)</u>
<b>General Revenues and Other Changes in Net Position</b>				
<i>Governmental Activities:</i>				
Taxes				
Property Taxes	145,696,133	156,397,865	161,327,007	167,297,778
Other Taxes	1,719,903	1,824,262	1,785,343	1,674,934
Unrestricted Grants and Contributions	-	-	8,364,557	12,855,843
Investment Earnings	1,667,591	790,693	540,642	382,170
Miscellaneous	463,953	1,006,752	2,900,249	1,264,605
Transfers	-	-	-	-
Total Governmental Activities	<u>149,547,580</u>	<u>160,019,572</u>	<u>174,917,798</u>	<u>183,475,330</u>
<i>Business-type activities:</i>				
Investment Earnings	-	-	-	-
Transfers	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>149,547,580</u>	<u>160,019,572</u>	<u>174,917,798</u>	<u>183,475,330</u>
Change in Net Position				
Governmental Activities	(5,666,473)	(9,906,428)	(15,661,988)	(5,955,884)
Business-type Activities	-	-	-	-
<b>Change in Net Position</b>	<u>\$ (5,666,473)</u>	<u>\$ (9,906,428)</u>	<u>\$ (15,661,988)</u>	<u>\$ (5,955,884)</u>

TABLE II

2013	2014	2015	2016	2017	2018
\$ 49,084,269	\$ 52,627,252	\$ 57,411,391	\$ 57,650,555	\$ 65,159,730	\$ 69,064,470
29,981,281	32,077,111	32,772,811	34,705,287	37,787,341	37,498,575
3,170,292	3,548,986	3,456,782	4,074,382	4,038,642	4,055,102
2,081,998	2,438,670	2,025,750	2,431,498	2,142,405	2,418,834
6,748,425	6,813,820	6,885,418	7,545,414	8,001,174	8,825,650
57,821,137	66,496,215	63,860,067	72,057,612	71,243,441	74,896,281
65,088,893	69,458,813	70,860,690	110,534,947	83,664,853	103,791,920
22,722,536	25,315,219	25,349,849	27,909,010	30,656,288	30,287,821
10,121,267	10,285,291	9,949,881	10,445,137	11,037,207	10,719,438
1,170,933	748,622	1,279,756	1,480,246	1,704,745	1,903,911
76,521,763	89,687,467	74,721,871	80,106,170	81,958,847	89,720,534
-	-	-	-	-	-
29,179,720	17,797,503	18,147,345	18,137,058	19,419,455	28,471,590
353,692,514	377,294,969	366,721,611	427,077,316	416,814,128	461,654,126
-	-	4,572,677	1,506,873	1,307,118	5,773,776
-	-	4,572,677	1,506,873	1,307,118	5,773,776
353,692,514	377,294,969	371,294,288	428,584,189	418,121,246	467,427,902
38,371,600	36,601,588	48,745,095	41,420,399	41,240,937	44,732,374
7,504,357	8,945,991	13,933,298	14,825,718	9,131,103	9,628,757
484,413	484,963	437,628	541,310	555,769	606,306
182	317	198	144,118	7,327	204
3,700,987	4,525,655	5,073,087	5,154,306	5,385,447	5,664,153
30,568,848	34,120,105	28,945,676	34,745,935	32,057,716	32,319,163
14,140,176	15,900,947	4,418,006	21,269,829	21,919,270	21,723,535
16,494,475	17,947,526	17,606,018	16,628,893	16,300,319	17,565,029
287,822	309,567	339,773	156,840	303,209	276,036
228,653	216,727	169,779	172,656	143,524	186,637
7,538,461	10,634,088	10,721,201	11,921,478	9,451,945	9,912,023
8,669,829	10,302,710	9,562,198	13,138,023	14,153,836	18,248,825
92,305,068	60,564,053	94,908,316	89,527,655	58,853,193	70,300,531
220,294,871	200,554,237	234,860,273	249,647,160	209,503,595	231,163,573
-	-	49,795,550	12,302,449	2,298,705	5,172,109
-	-	49,795,550	12,302,449	2,298,705	5,172,109
220,294,871	200,554,237	284,655,823	261,949,609	211,802,300	236,335,682
(133,397,643)	(176,740,732)	(131,861,338)	(177,430,156)	(207,310,533)	(230,490,553)
-	-	45,222,873	10,795,576	991,587	(601,667)
(133,397,643)	(176,740,732)	(86,638,465)	(166,634,580)	(206,318,946)	(231,092,220)
175,901,469	186,842,153	203,539,676	229,719,148	248,120,144	235,309,431
1,970,594	2,456,460	2,804,782	2,757,791	2,788,410	3,095,156
-	-	-	-	-	-
459,052	669,309	529,535	2,179,522	3,977,715	7,144,114
30,938,482	844,937	589,453	539,171	387,973	371,322
-	-	338,402	-	-	8,301,324
209,269,597	190,812,859	207,801,848	235,195,632	255,274,242	254,221,347
-	-	-	-	-	170,021
-	-	(338,402)	-	-	(8,301,324)
-	-	(338,402)	-	-	(8,131,303)
209,269,597	190,812,859	207,463,446	235,195,632	255,274,242	246,090,044
75,871,954	14,072,127	75,940,510	57,765,476	47,963,709	23,730,794
-	-	44,884,471	10,795,576	991,587	(8,732,970)
\$ 75,871,954	\$ 14,072,127	\$ 120,824,981	\$ 68,561,052	\$ 48,955,296	\$ 14,997,824

**MONTGOMERY COUNTY, TEXAS****Governmental Fund Balances****Last Ten Fiscal Years**

(modified accrual basis of accounting)

	Fiscal Year			
	2009	2010	2011 <sup>(1)</sup>	2012
General Fund				
Reserved for:				
Prepaid items	\$ 1,209,368	\$ 614,103	\$ -	\$ -
Unreserved	33,804,639	43,326,405	-	-
Restricted	-	-	-	11,217
Committed	-	-	134,855	91,718
Assigned	-	-	19,571,942	32,806,254
Unassigned	-	-	29,647,002	30,241,977
Total General Fund	<u>\$ 35,014,007</u>	<u>\$ 43,940,508</u>	<u>\$ 49,353,799</u>	<u>\$ 63,151,166</u>
All Other Governmental Funds				
Reserved for:				
Prepaid items	\$ 1,533	\$ 42,762	\$ -	\$ -
Capital projects	91,075,383	35,255,056	-	-
Inventory	85,034	91,503	-	-
Debt service	12,206,656	10,761,379	-	-
Unreserved, reported in:				
Special revenue funds	26,929,735	32,894,308	-	-
Debt service funds	-	-	-	-
Nonspendable	-	-	172,593	363,698
Restricted	-	-	76,922,025	80,798,663
Committed	-	-	19,740	16,848
Assigned	-	-	7,421,107	10,801,627
Total All Other Governmental Funds	<u>\$ 130,298,341</u>	<u>\$ 79,045,008</u>	<u>\$ 84,535,465</u>	<u>\$ 91,980,836</u>

<sup>(1)</sup> Beginning in 2011, the County's fund balances are stated in accordance with the requirements of GASB Statement 54.

TABLE III

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
2,010,097	1,442,838	3,425,360	3,119,811	2,855,149	2,121,503
5,909,899	2,292,056	10,793,467	16,794,364	29,242,336	15,443,950
36,450,842	44,517,198	42,441,944	50,680,646	59,173,918	75,082,330
35,336,437	39,722,291	40,938,206	40,619,824	44,683,463	44,851,001
<u>\$ 79,707,275</u>	<u>\$ 87,974,383</u>	<u>\$ 97,598,977</u>	<u>\$ 111,214,645</u>	<u>\$ 135,954,866</u>	<u>\$ 137,498,784</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,654,365	1,533,898	192,207	106,290	813,310	618,735
97,079,589	77,236,101	74,035,446	133,836,974	164,046,153	149,293,950
25,354,566	16,133,816	10,299,674	23,988,996	25,603,027	34,489,497
11,718,578	14,409,545	23,422,966	9,731,586	8,956,249	12,119,931
<u>\$ 136,807,098</u>	<u>\$ 109,313,360</u>	<u>\$ 107,950,293</u>	<u>\$ 167,663,846</u>	<u>\$ 199,418,739</u>	<u>\$ 196,522,113</u>

**MONTGOMERY COUNTY, TEXAS**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**

(modified accrual basis of accounting)

	2009	2010	2011	2012
<b>Revenues</b>				
Taxes	\$ 147,492,907	\$ 157,541,607	\$ 162,716,956	\$ 169,042,135
Licenses and Permits	8,116,936	7,552,220	7,498,169	7,340,620
Fees	14,027,489	14,925,021	16,404,832	17,013,807
Intergovernmental	34,078,838	19,798,654	32,110,368	31,530,494
Charges for Services	2,094,454	2,168,606	1,633,673	1,975,389
Investment Earnings	1,312,224	790,282	540,616	382,173
Contract Reimbursements	12,126,654	16,506,829	24,213,859	30,930,076
Inmate Housing	23,895,939	21,085,088	18,958,951	22,670,575
Fines and Forfeitures	3,192,219	3,047,555	3,662,448	4,247,571
Miscellaneous	2,741,345	3,568,946	5,055,183	4,354,033
Total Revenues	249,079,005	246,984,808	272,795,055	289,486,873
<b>Expenditures</b>				
General Administration	17,048,371	15,758,058	26,145,340	24,829,831
Judicial	21,795,715	23,657,153	25,547,447	26,939,088
Legal Services	2,550,211	2,716,217	2,982,862	3,136,043
Elections	1,258,713	1,410,441	1,344,669	2,156,915
Financial Administration	5,624,961	5,877,896	5,983,660	5,997,385
Public Facilities	44,144,809	43,995,733	42,038,981	46,681,717
Public Safety	55,809,351	61,405,346	65,088,924	63,136,032
Health and Welfare	30,236,637	12,520,365	23,540,364	27,684,389
Culture and Recreation	8,008,564	8,393,594	8,480,049	8,621,870
Conservation	845,288	899,649	960,483	910,093
Public Transportation	20,469,397	25,913,518	33,746,483	25,354,154
Miscellaneous	1,156,114	1,683,887	659,499	-
Capital Projects	71,212,681	91,100,968	26,806,719	8,809,026
Debt Service:				
Principal Retirement	6,557,918	7,916,895	11,304,861	16,970,899
Interest and Fiscal Charges	18,713,749	20,511,045	23,757,714	23,245,469
Issuance Costs	1,265,496	1,336,839	329,498	382,183
Payment to Refunded Bonds Escrow Agent	-	-	-	-
Total Expenditures	306,697,975	325,097,604	298,717,553	284,855,094
Excess/(Deficiency) Revenues over (under) Expenditures	(57,618,970)	(78,112,796)	(25,922,498)	4,631,779
<b>Other Financing Sources/(Uses)</b>				
Transfers In	24,812,746	27,012,983	20,909,835	27,961,981
Transfers Out	(24,812,746)	(27,012,983)	(20,909,835)	(27,961,981)
Grant Funds Not Reimbursed	-	-	-	-
Capital Lease Financing	1,133,148	3,125,403	1,197,802	830,702
Issuance of General Obligation Debt	-	-	-	-
Issuance of Refunding Bonds	-	43,380,000	-	30,885,000
Payment to Refunded Bonds Escrow Agent	-	(44,643,876)	-	(35,739,475)
Sale of Capital Asset	-	-	-	-
Issuance of Other Bonds	56,190,000	1,167,562	31,390,000	14,925,000
Discounts/Premiums on Debt Issuance	3,513,538	32,756,874	4,238,443	5,709,732
Total Other Financing Sources/(Uses)	60,836,686	35,785,963	36,826,245	16,610,959
Net Change in Fund Balances	\$ 3,217,716	\$ (42,326,833)	\$ 10,903,747	\$ 21,242,738
Debt Service as a percentage of noncapital expenditures	11.3%	13.4%	13.1%	14.8%

TABLE IV

2013	2014	2015	2016	2017	2018
\$ 178,176,320	\$ 189,037,048	\$ 206,377,981	\$ 231,994,520	\$ 248,079,254	\$ 235,558,082
7,933,209	8,559,827	8,175,139	9,029,910	9,095,653	9,582,174
19,145,966	18,355,114	18,446,593	20,616,445	19,492,864	20,621,186
47,182,714	33,269,063	38,700,051	35,983,483	36,524,346	24,293,498
2,892,355	4,968,141	4,088,981	6,715,271	5,983,326	5,232,263
459,053	669,336	529,538	2,179,437	3,977,718	7,144,114
28,960,527	28,370,644	36,963,546	30,184,415	30,249,586	31,308,893
29,373,490	32,383,821	27,265,236	32,712,111	29,992,842	30,230,873
4,392,610	4,792,027	4,458,853	3,920,461	4,110,711	3,969,571
5,557,556	1,920,078	3,512,456	5,419,640	2,285,873	2,144,850
324,073,800	322,325,099	348,518,374	378,755,693	389,792,173	370,085,504
22,145,663	26,136,632	29,982,617	24,481,407	24,239,114	25,165,171
28,623,495	30,585,284	32,286,937	33,444,158	35,387,322	35,505,352
2,963,853	3,332,642	3,388,347	3,892,560	3,735,549	3,835,022
1,887,236	2,512,216	1,888,438	2,241,412	1,876,697	2,221,687
6,237,056	6,346,867	6,806,814	7,067,579	7,218,354	8,188,900
55,409,376	63,531,573	59,634,179	66,801,231	65,622,460	68,625,017
62,574,123	66,190,543	72,849,381	81,417,910	84,951,030	100,770,822
22,365,117	23,979,722	25,246,552	27,300,562	29,583,589	28,826,687
8,800,215	8,967,110	9,182,400	9,432,186	9,606,214	9,620,128
1,074,697	1,065,899	1,219,373	1,426,722	1,887,050	1,740,210
34,898,188	42,400,671	44,760,403	51,782,691	40,502,071	37,721,235
-	-	-	-	-	-
18,177,561	27,503,608	-	20,246,230	32,157,497	58,521,214
20,185,150	19,460,000	20,115,000	21,360,000	27,260,000	31,887,580
23,025,209	17,618,628	18,941,447	18,743,285	19,787,766	20,165,827
590,333	435,540	-	448,473	429,966	194,194
-	-	-	-	31,789,234	-
308,957,272	340,066,935	326,301,888	370,086,406	416,033,913	432,989,046
15,116,528	(17,741,836)	22,216,486	8,669,287	(26,241,740)	(62,903,542)
98,091,394	23,737,039	25,524,507	29,359,836	18,440,387	38,365,985
(98,091,394)	(23,737,039)	(25,611,105)	(29,359,836)	(18,003,397)	(28,076,427)
-	-	-	(6,862)	-	-
218,758	949,101	622,106	595,566	758,256	255,949
-	-	-	51,662,323	73,725,000	45,670,000
15,880,000	101,760,000	-	60,402,677	47,775,000	-
(60,594,395)	(118,083,208)	-	(73,331,090)	(51,269,830)	-
65,000,000	-	-	-	-	-
13,350,000	-	-	-	-	-
4,353,152	13,889,313	-	22,414,184	11,311,438	5,335,327
38,207,515	(1,484,794)	535,508	61,736,798	82,736,854	61,550,834
\$ 53,324,043	\$ (19,226,630)	\$ 22,751,994	\$ 70,406,085	\$ 56,495,114	\$ (1,352,708)
14.8%	11.9%	12.0%	11.6%	13.5%	13.7%



**MONTGOMERY COUNTY, TEXAS**  
**Taxable Assessed Value and Actual Value of Property** <sup>(1) (2)</sup>  
**Last Ten Fiscal Years**

**TABLE V**

Fiscal Year	Residential Property	Commercial Property	Other Property	Personal Property <sup>(3)</sup>	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate <sup>(4)</sup>
2009	23,181,793	3,725,463	3,662,668	3,374,666	(3,609,764)	30,334,826	0.4838
2010	24,780,448	4,130,865	3,545,480	3,673,289	(3,467,731)	32,662,351	0.4838
2011	25,470,544	4,313,292	3,635,389	3,557,689	(3,114,294)	33,862,620	0.4838
2012	26,546,279	4,406,788	3,637,096	3,710,767	(3,199,844)	35,101,086	0.4838
2013	27,633,521	4,749,812	3,644,710	3,767,339	(3,089,011)	36,706,371	0.4838
2014	29,215,860	5,529,356	3,600,829	4,345,886	(3,324,961)	39,366,970	0.4838
2015	33,047,928	6,419,044	3,779,489	4,693,637	(4,285,836)	43,654,262	0.4767
2016	37,876,334	7,401,355	3,906,748	5,133,399	(5,002,526)	49,315,310	0.4767
2017	41,742,803	8,271,324	4,637,123	5,060,465	(5,308,718)	54,402,997	0.4667
2018	43,373,630	8,905,657	4,819,633	5,101,177	(11,351,814)	50,848,283	0.4667

<sup>(1)</sup> Amounts expressed in thousands.

<sup>(2)</sup> Property in the County is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value.

<sup>(3)</sup> This includes the County's 20% exemption.

<sup>(4)</sup> Tax rates are per \$100 of assessed value.

Source: Montgomery Central Appraisal District



**MONTGOMERY COUNTY, TEXAS**  
**Property Tax Rates<sup>(1)</sup> - Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

	2009	2010	2011	2012
<b><u>MONTGOMERY COUNTY, TEXAS:</u></b>				
General Fund	\$ 0.3647	\$ 0.3576	\$ 0.3582	\$ 0.3629
Special Revenue Funds	0.0464	0.0464	0.0458	0.0464
Debt Service Fund	0.0727	0.0798	0.0798	0.0745
Total Montgomery County, Texas	0.4838	0.4838	0.4838	0.4838
<b><u>OVERLAPPING GOVERNMENTS:</u></b>				
Special Districts:				
Chateau Woods M.U.D.	0.1793	0.2016	0.2223	0.2317
Clover Creek M.U.D.	1.2500	1.2500	1.2500	1.2500
Conroe M.U.D. #1	0.6000	0.6000	0.6000	0.6000
Corinthian Point M.U.D.	0.5587	0.5487	0.5738	0.5393
East Montgomery County M.U.D. #3	0.9500	0.9500	0.9500	0.9500
East Montgomery County M.U.D. #4	1.3500	-	No Tax	No Tax
East Plantation U.D.	0.0729	0.7090	0.7090	0.7090
Far Hills U.D.	0.4700	0.4700	0.4700	0.4820
Grand Oaks M.U.D.	1.3500	1.3500	1.3500	1.3500
Harris County M.U.D. #386	-	-	-	0.9900
Kings Manor M.U.D.	0.8600	0.8600	0.8600	0.8600
Lake Conroe Hills M.U.D.	0.5000	0.5000	0.5000	0.5000
Lazy River I.D.	0.5544	0.5547	0.5599	0.5342
Hendricks - Defined Area	-	-	-	-
Lone Star Community College	0.1101	0.1101	0.1176	0.1210
Montgomery County D.D. #6	0.2641	0.2641	0.2641	0.2100
Montgomery County D.D. #10	0.4470	0.4470	0.4470	0.4470
Montgomery County F.W.S.D. #6	0.3945	0.3945	0.2941	0.2820
Montgomery County Hospital Dist	0.0760	0.0755	0.7540	0.0745
Montgomery County M.U.D. #1	-	-	-	-
Montgomery County M.U.D. #6	0.1100	0.1000	0.0950	0.0875
Montgomery County M.U.D. #7	0.1750	0.1750	0.1750	0.1675
Montgomery County M.U.D. #8	0.2179	0.2332	0.2494	0.2651
Montgomery County M.U.D. #9	0.6000	0.6000	0.6000	0.6000
Montgomery County M.U.D. #15	1.2450	1.2400	1.2400	1.2400
Montgomery County M.U.D. #16	1.2100	1.3000	1.3000	1.3000
Montgomery County M.U.D. #18	0.4500	0.4400	0.4400	0.4300
Montgomery County M.U.D. #19	0.3243	0.3243	0.3243	0.3243
Montgomery County M.U.D. #24	1.2800	1.2800	1.3800	1.1800
Montgomery County M.U.D. #36	0.1100	0.1000	0.0550	0.0400
Montgomery County M.U.D. #39	0.4400	0.4300	0.4300	0.4200
Montgomery County M.U.D. #40	0.1900	0.1800	0.1700	0.1600
Montgomery County M.U.D. #42	1.2400	1.2400	1.2300	1.1800
Montgomery County M.U.D. #46	0.3100	0.2850	0.2750	0.2650
Montgomery County M.U.D. #47	0.2600	0.2500	0.2500	0.2450
Montgomery County M.U.D. #56	1.2500	1.0000	1.0000	1.0000

TABLE VI

Page 1 of 4

	2013	2014	2015	2016	2017	2018
\$	0.3715	\$ 0.3657	\$ 0.3544	\$ 0.3547	\$ 0.3419	\$ 0.3437
	0.0464	0.0464	0.0464	0.0486	0.0486	0.0486
	0.0659	0.0717	0.0759	0.0734	0.0762	0.0744
	0.4838	0.4838	0.4767	0.4767	0.4667	0.4667
	0.2486	0.2592	0.2616	0.2498	0.2473	0.2741
	1.2500	1.2500	0.7800	1.2500	1.2100	1.2100
	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
	0.5393	0.5393	0.4791	0.4355	0.4029	0.3900
	0.9500	0.9500	0.6700	0.9500	0.9500	1.2000
No Tax	No Tax	No Tax	1.2500	1.2500	1.2500	1.2500
	0.7090	0.7090	0.6700	0.6300	0.5000	0.5400
	0.4820	-	0.4740	0.6500	0.6500	0.6740
	1.3500	1.3500	1.3200	1.3200	1.0500	1.0200
	0.9400	0.7200	0.5000	0.5000	0.4650	0.4650
	0.8300	0.8100	0.7900	0.7400	0.7100	0.7000
	0.5000	0.5000	0.4750	0.4650	0.4550	0.4550
	0.5627	0.5662	0.5564	0.5213	0.4731	0.4829
-	0.5000	0.9850	0.9850	-	0.9850	0.9850
	0.1198	0.1160	0.1081	0.1079	0.1078	0.1078
	0.2100	0.2050	0.1925	0.1700	0.1700	0.1600
	0.4500	0.4500	0.4400	0.4400	0.4400	0.4400
	0.3385	0.3462	0.3770	0.3800	0.3000	0.2977
	0.0729	0.7270	0.0725	0.0710	0.0665	0.0664
-	-	-	-	-	0.0900	0.0800
	0.0800	0.0750	0.0750	0.0750	0.0750	0.0750
	0.1675	0.1645	0.1645	0.1645	0.1645	0.1645
	0.2651	0.2651	0.2651	0.2651	0.2651	0.3000
	0.6000	0.6000	0.4555	0.4182	0.4059	0.4059
	1.2400	1.2400	1.1970	1.0375	0.9369	0.8900
	1.2600	1.2000	1.0300	0.9300	0.9179	0.8694
	0.3800	0.3800	0.3600	0.3600	0.3400	0.3300
	0.3243	0.3000	0.2800	0.2500	0.2250	0.2000
	1.1800	1.2800	1.2800	1.1954	1.1500	1.1500
	0.0350	0.0350	0.0550	-	0.0350	0.0350
	0.4200	0.4150	0.4150	0.4000	0.3650	0.3550
	0.1500	0.1400	0.1300	0.0900	-	-
	1.1500	1.2500	1.2500	1.1700	1.1400	1.1100
	0.2550	0.2400	0.2300	0.2250	0.2125	0.2125
	0.2450	0.2450	0.2450	0.2450	0.2450	0.2450
	1.0000	1.0000	0.9964	0.8600	0.8300	0.7300

**MONTGOMERY COUNTY, TEXAS**  
**Property Tax Rates<sup>(1)</sup> - Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

	2009	2010	2011	2012
Special Districts (continued):				
Montgomery County M.U.D. #60	0.2650	0.2400	0.2400	0.2375
Montgomery County M.U.D. #67	0.3200	0.3200	0.3200	0.3125
Montgomery County M.U.D. #83	1.2500	1.2500	1.2000	1.1300
Montgomery County M.U.D. #84	1.2500	1.2500	1.2500	1.2500
Montgomery County M.U.D. #88	1.3900	1.3900	1.3900	1.3900
Montgomery County M.U.D. #89	1.3000	1.2500	1.1800	1.1100
Montgomery County M.U.D. #90	0.6000	0.6000	0.6000	0.6000
Montgomery County M.U.D. #92	0.6000	0.6000	0.6000	0.6000
Montgomery County M.U.D. #94	1.2000	1.1600	1.1600	1.1300
Montgomery County M.U.D. #95	No Tax	No Tax	No Tax	1.3500
Montgomery County M.U.D. #96	-	-	-	-
Montgomery County M.U.D. #98	1.2300	1.2300	1.2300	1.2250
Montgomery County M.U.D. #99	1.0400	1.0400	1.0400	1.0400
Montgomery County M.U.D. #105	-	-	-	-
Montgomery County M.U.D. #107	0.6000	0.7000	0.7000	0.7000
Montgomery County M.U.D. #112	1.1000	1.1000	1.1000	1.1000
Montgomery County M.U. D #113	1.1000	1.1000	1.1900	1.1900
Montgomery County M.U.D. #115	1.3500	1.3500	1.3500	1.3500
Montgomery County M.U.D. #119	1.4500	1.4500	1.4500	1.4500
Montgomery County M.U.D. #123	-	-	-	1.2500
Montgomery County M.U.D. #126	-	-	-	-
Montgomery County M.U.D. #127	-	-	-	-
Montgomery County U.D. #2	0.5700	0.5700	0.5700	0.5700
Montgomery County U.D. #3	0.4516	0.4412	0.4554	0.4515
Montgomery County U.D. #4	0.5002	0.4952	0.4895	0.4895
Montgomery County W.C.I.D. #1	0.7750	0.7750	0.7750	0.8100
New Caney M.U.D.	0.5862	0.6200	0.7100	0.7100
New Caney M.U.D. Valley Ranch	-	-	-	-
Point Aquarius M.U.D.	0.7275	0.7015	0.7032	0.7032
Porter M.U.D.	0.5150	0.5150	0.5150	0.5150
Rayford Road M.U.D.	0.6020	0.5920	0.5920	0.6220
River Plantation M.U.D.	0.3112	0.3101	0.3101	0.3200
Roman Forest Cons. M.U.D.	0.3183	0.3000	0.2900	0.2700
Roman Forest P.U.D. #3	1.2500	1.2500	1.2500	1.2500
Roman Forest P.U.D. #4	1.1500	1.1500	1.1500	1.1500
South Montgomery County M.U.D.	0.2200	0.2200	0.2266	0.2266
Spring Creek U.D.	1.0000	1.0000	1.0000	1.0000
Stanley Lake M.U.D.	0.4900	0.5200	0.5200	0.5100
Texas National M.U.D.	0.9040	1.0959	1.0959	1.0959
Valley Ranch M.U.D. #1	1.4000	1.4000	1.4000	1.4000
Wood Trace M.U.D. #1	0.7500	0.7500	0.7500	0.7500
Woodlands Metro-Center M.U.D.	0.1900	0.1900	0.1900	0.1750
Woodlands M.U.D. #2	0.1900	0.2300	0.1900	0.1700
Woodlands R.U.D. #1	0.4738	0.4491	0.4300	0.4266
Woodridge M.U.D.	-	-	-	-
Emergency Service District #1	0.1000	0.0975	0.0974	0.9640
Emergency Service District #2	0.1000	0.0940	0.1000	0.1000

**TABLE VI**  
Page 2 of 4

2013	2014	2015	2016	2017	2018
0.2275	0.2175	0.1975	0.1850	0.1650	0.1650
0.3125	0.3025	0.2800	0.2575	0.2375	0.2175
1.0500	0.9800	0.9000	0.8200	0.7700	0.7500
1.2500	1.2000	1.0200	0.9500	0.9000	0.8800
1.3900	1.3900	1.3900	1.3900	1.3900	1.3800
1.0900	1.0600	1.0600	0.9500	0.8864	0.8828
0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
1.1000	1.0100	0.9300	0.8400	0.7700	0.8000
1.3500	1.3500	1.3500	1.3000	1.3000	1.2500
-	-	-	-	1.4800	1.4800
1.2250	1.2250	1.2100	1.1650	1.1350	1.0400
1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
-	-	-	-	1.3500	1.3500
0.7000	0.0700	0.7000	0.7000	0.7000	0.6900
1.1000	1.1000	1.1000	1.0257	1.0207	1.0000
0.7500	0.7100	1.1200	1.0200	0.9200	0.9000
1.3500	1.3500	1.3500	1.3500	1.3500	1.3500
1.4500	1.4500	1.4500	1.3700	1.3700	1.3200
-	-	-	-	-	-
-	-	-	-	0.9000	0.9000
-	-	1.3500	1.3500	1.3500	1.3500
0.5700	0.5700	0.5700	0.5000	0.4900	0.4600
0.4515	0.4515	0.0900	0.0900	0.0900	0.0900
0.4100	0.4100	0.0800	0.0800	0.0775	0.0775
0.8100	0.8100	0.8100	0.7600	0.7600	0.7820
0.7100	0.7100	0.3797	0.6797	0.6797	0.5994
-	-	0.7800	0.7800	-	-
0.7032	0.7032	0.6631	0.6000	0.5800	0.5600
0.5150	0.5150	0.5150	0.4800	0.4800	0.4800
0.6100	0.6000	0.5800	0.5500	0.5300	0.5100
0.3200	0.3200	0.3200	0.3200	0.3200	0.3200
0.2000	0.2200	0.2100	0.2035	0.1850	0.1593
-	-	-	-	1.2088	0.9500
1.1540	1.1540	1.1657	1.1720	1.1748	1.1656
0.2266	0.2258	0.2175	0.1733	0.1660	0.1600
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
0.5000	0.5200	0.5300	0.5300	0.5300	0.5300
1.0823	1.1330	1.1330	1.1300	1.1330	1.1330
1.4000	1.4000	1.4000	1.2000	1.1500	1.1500
0.7500	0.7500	1.5000	1.5000	1.3500	1.3500
0.1750	0.1650	0.1650	0.1550	0.1250	0.1050
0.1500	0.1300	0.1100	0.1000	-	-
0.4063	0.3600	0.3800	0.3200	0.2600	0.2150
-	1.5000	1.3000	0.1000	1.2700	1.2700
0.0964	0.0964	0.1000	0.1000	0.1000	0.1000
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000

**MONTGOMERY COUNTY, TEXAS**  
**Property Tax Rates<sup>(1)</sup> - Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

	2009	2010	2011	2012
<b>Special Districts (continued):</b>				
Emergency Service District #3	0.1000	0.0972	0.1000	0.0998
Emergency Service District #4	0.0984	0.1000	0.1000	0.0986
Emergency Service District #5	0.1000	0.0982	0.0935	0.1000
Emergency Service District #6	0.1000	0.0988	0.1000	0.1000
Emergency Service District #7	0.1000	0.1000	0.1000	0.1000
Emergency Service District #8	0.0722	0.0762	0.1000	0.1000
Emergency Service District #9	0.0974	0.1000	0.1000	0.0946
Emergency Service District #10	0.1000	0.0950	0.1000	0.0988
Emergency Service District #11	0.1000	0.1000	0.1000	0.1000
Emergency Service District #12	0.0999	0.1000	0.1000	0.0996
Emergency Service District #14	0.0100	0.1000	0.1000	0.1000
Total Special Districts	50.3512	49.7103	50.0391	53.2208
<b>Cities:</b>				
Cleveland	-	-	-	0.6850
Conroe	0.4200	0.4200	0.4200	0.4200
Magnolia	0.4914	0.4914	0.4914	0.4814
Montgomery	0.4523	0.4450	0.4199	0.4155
Oak Ridge North	0.6431	0.6389	0.5996	0.5996
Panorama Village	0.6474	0.6517	0.6512	0.6698
Patton Village	0.4366	0.4091	0.3890	0.3779
Roman Forest	0.4750	0.4706	0.4707	0.4721
Shenandoah Village	0.3470	0.3282	0.3282	0.3237
Splendora	0.2984	0.2978	0.2968	0.2797
Stagecoach	0.5525	0.5400	0.5214	0.5044
Willis	0.5376	0.5808	0.5893	0.5669
Woodbranch Village	0.3537	0.3448	0.3373	0.3514
Woodlands Township	-	0.3280	0.3274	0.3250
Woodloch	0.6257	0.5468	0.5199	1.0000
Auburn Trail Defined Area	-	-	-	-
Auburn Trail II Defined Area	-	-	-	-
Houston (County Line City)	0.6388	0.6388	0.6388	0.6388
Total Cities	6.9195	7.1319	7.0009	8.1112
<b>School Districts:</b>				
Cleveland I.S.D.	1.3150	1.3150	1.3150	1.3150
Conroe I.S.D.	1.2700	1.2850	1.2950	1.2950
Humble I.S.D.	-	-	-	1.5200
Magnolia I.S.D.	1.4000	1.3800	1.3995	1.3995

**TABLE VI**

Page 3 of 4

2013	2014	2015	2016	2017	2018
0.0990	0.0954	0.0955	0.1000	0.0981	0.1000
0.0961	0.1000	0.0917	0.0808	0.1000	0.1000
0.1000	0.1000	0.1000	-	-	-
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.0998	0.0996	0.0967	0.1000	0.1000	0.1000
0.1000	0.0960	0.0946	0.0926	0.0906	0.1000
0.0917	0.0855	0.0814	0.1000	0.1000	0.0972
0.1000	0.1000	0.0980	0.0970	0.1000	0.1000
0.1000	0.1000	0.1000	-	-	-
0.0996	0.1000	0.0983	0.1000	0.1000	0.1000
0.1000	0.0951	0.0885	0.1000	0.1000	0.1000
48.9162	49.9980	50.9709	49.8633	52.3285	52.5795
0.7800	0.7800	0.7800	0.7800	0.7700	0.7700
0.4200	0.4200	0.4200	0.4200	0.4175	0.4175
0.4786	0.4786	0.4629	0.4629	0.4629	0.4709
0.4155	0.4155	0.4155	0.4155	0.4155	0.4155
0.5744	0.5244	0.4822	0.4598	0.4509	0.4470
0.6844	0.6741	0.6591	0.6743	0.6604	0.6852
0.3779	0.3818	0.3818	0.3459	0.2606	0.2606
0.4819	0.4819	0.4819	0.4945	0.4945	0.7385
0.3137	0.2664	0.2404	0.2399	0.2295	0.2099
0.2797	0.2720	0.2473	0.2473	0.2616	0.4103
0.5000	0.5429	0.5353	0.5207	0.5000	0.4595
0.5208	0.5363	0.6077	0.5961	0.5953	0.6351
0.3544	0.3496	0.3597	0.3597	0.3785	0.3784
0.3173	0.2940	0.2500	0.2300	0.2300	0.2300
0.5000	0.4971	0.8125	0.6566	0.5782	0.5000
0.9850	0.5750	0.6190	0.7110	-	0.7150
-	0.5750	0.6190	0.7110	-	0.7150
0.6388	0.6388	0.6311	-	0.5864	0.5864
8.6224	8.7034	9.0054	8.3252	7.2918	9.0448
1.3150	1.3150	1.3150	1.3150	1.3800	1.4150
1.2900	1.2850	1.2800	1.2800	1.2800	1.2800
1.5200	1.5200	1.5200	1.5200	1.5200	1.5200
1.3995	1.3995	1.3895	1.3795	1.3795	1.3795

**MONTGOMERY COUNTY, TEXAS**  
**Property Tax Rates<sup>(1)</sup> - Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

	2009	2010	2011	2012
School Districts (continued):				
Montgomery I.S.D.	1.3500	1.3400	1.3400	1.3400
New Caney I.S.D.	1.4400	1.4800	1.5400	1.5400
Richards I.S.D.	1.0400	1.0400	1.0400	1.0400
Splendora I.S.D.	1.5100	1.3200	1.3599	1.3300
Tomball I.S.D.	1.3600	1.3600	1.3600	1.3600
Willis I.S.D.	1.3700	1.3700	1.3700	1.3700
Total School Districts	12.0550	11.8900	12.0194	13.5095
<b><u>TOTAL PROPERTY TAX RATES -</u></b>				
<b><u>DIRECT AND OVERLAPPING</u></b>				
<b><u>GOVERNMENTS</u></b>	<u>\$69.8095</u>	<u>\$69.2160</u>	<u>\$69.5432</u>	<u>\$75.3252</u>

<sup>(1)</sup> Per \$100 of assessed valuation.

**NOTE:** The County's property tax rate may only be changed in a public hearing.

**Sources:** Montgomery Central Appraisal District, Harris County Appraisal District, Liberty County Appraisal District, Tomball Independent School District.

**TABLE VI**

Page 4 of 4

2013	2014	2015	2016	2017	2018
1.3400	1.3400	1.3400	1.3400	1.3700	1.3700
1.5400	1.6700	1.6700	1.6700	1.6700	1.6700
1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
1.3600	1.3155	1.3155	1.3155	1.6000	1.6000
1.3155	1.3600	1.3600	1.3600	1.3400	1.3400
1.3700	1.3900	1.3900	1.3900	1.3900	1.3900
13.4900	13.6350	13.6450	13.6400	13.9695	14.0045
<u>\$71.5123</u>	<u>\$72.8202</u>	<u>\$75.4607</u>	<u>\$71.6623</u>	<u>\$74.0565</u>	<u>\$76.0955</u>



**MONTGOMERY COUNTY, TEXAS****Principal Taxpayers****Current Year and Nine Years Ago****TABLE VII**

<u>2018 Taxpayer</u>	<u>Type of Business</u>	<u>2018 Assessed Valuation <sup>(1)</sup></u>	<u>Percentage of Total Assessed Valuation <sup>(2)</sup></u>
Entergy Texas, Inc.	Electric Utility	\$ 306,232,280	0.60 %
Wal-Mart Real Estate Bus Trust	Retail	260,455,063	0.51
Anadarko Realty	Oil & Gas Industrial	224,651,200	0.44
The Woodlands Mall Associates	Retail	143,711,770	0.28
Kingwood Medical Plaza Ltd	Medical	128,851,670	0.25
Woodlands Land Development LP	Land Development	119,499,198	0.24
IMI Market Street LLC	Retail	113,589,110	0.22
McKesson Corporation	Healthcare Solutions	101,785,976	0.20
National Oilwell Varco	Oil & Gas Industrial	86,750,780	0.17
CLPE Waterway Plaza LLC	Retail	80,536,280	0.16
		<u>\$ 1,566,063,327</u>	<u>3.07 %</u>
<u>2009 Taxpayer</u>	<u>Type of Business</u>	<u>2009 Assessed Valuation <sup>(1)</sup></u>	<u>Percentage of Total Assessed Valuation <sup>(3)</sup></u>
Wal-Mart Real Estate Bus Trust	Retail	\$ 193,731,273	0.61 %
Entergy Texas Inc	Electric Utility	185,446,743	0.58
Woodlands Land Development, LP	Land Development	155,411,116	0.49
Columbia Conroe Regional Medical Center/Kingwood Medical Plaza	Medical	146,262,620	0.46
Consolidated Communications of Texas	Communications	77,999,490	0.24
Huntsman Petrochemical Corp.	Industrial	64,095,700	0.20
The Woodlands Mall Association	Retail	61,956,137	0.19
Canrig Drilling Tech Ltd	Oil & Gas	59,619,970	0.19
Wapiti Operating LLC	Oil & Gas	57,864,730	0.18
Hughes Christensen Company	Oil & Gas	54,712,691	0.17
		<u>\$ 1,057,100,470</u>	<u>3.31 %</u>

<sup>(1)</sup> Source: Montgomery Central Appraisal District<sup>(2)</sup> Net Assessed Valuation - 2017 \$ 50,848,283,277<sup>(3)</sup> Net Assessed Valuation - 2009 \$ 31,993,150,379

**MONTGOMERY COUNTY, TEXAS**  
**Property Tax Levies and Collections** <sup>(1)</sup>  
**Last Ten Fiscal Years**

**TABLE VIII**

Fiscal Year	Collected in first period			Collections in subsequent periods <sup>(2)</sup>	Total collections	
	Levy	Amount	Percentage		Amount	Percentage
2009	144,971,851	142,781,596	98.5 %	515,095	143,296,691	98.8 %
2010	155,635,330	154,269,057	99.1 %	1,119,203	155,388,260	99.8 %
2011	160,613,960	159,432,595	99.3 %	912,400	160,344,995	99.8 %
2012	166,764,811	164,636,997	98.7 %	1,837,945	166,474,942	99.8 %
2013	175,204,298	173,007,132	98.7 %	1,833,997	174,841,129	99.8 %
2014	186,703,380	184,735,498	98.9 %	1,578,957	186,314,455	99.8 %
2015	203,804,943	201,321,741	98.8 %	2,038,952	203,360,693	99.8 %
2016	229,000,765	226,359,011	98.8 %	1,997,740	228,356,751	99.7 %
2017	247,075,115	243,625,647	98.6 %	2,229,511	245,855,158	99.5 %
2018	235,828,214	232,005,266	98.4 %	-	232,005,266	98.4 %

<sup>(1)</sup> Taxes levied in any year which are collected from October 1 through June 30 are shown as current collections. Such amounts include collections of the current levy after February 1, which is the date taxes become legally delinquent.  
Source: Montgomery County Tax Assessor-Collector

**MONTGOMERY COUNTY, TEXAS**  
**Ratios of Outstanding Debt by Type** <sup>(1)</sup>  
**Last Ten Fiscal Years**

**TABLE IX**

Fiscal Year	General Obligation Bonds	Revenue Bonds	Certificates of Obligation	Capital Leases Obligation	Net: Interest Premiums and Discounts	Total Long-Term Debt	Percent of Personal Income <sup>(2)</sup>	Per Capita <sup>(2)</sup>
2009	337,600,000	43,758,601	71,685,000	17,409,156	12,051,322	482,504,079	2.44 %	1,108.18
2010	332,565,000	42,256,701	102,580,000	17,164,115	11,787,129	506,352,945	2.38 %	1,105.16
2011	270,030,000	128,266,840	99,190,000	15,336,959	15,233,295	528,057,094	2.31 %	1,142.62
2012	268,735,000	122,140,941	101,120,000	13,671,491	10,236,430	515,903,862	2.09 %	1,071.90
2013	261,590,000	75,075,000	109,930,000	11,209,724	12,589,534	470,394,258	1.77 %	956.79
2014	278,565,000	67,995,000	74,555,000	9,942,261	28,256,466	459,313,727	1.40 %	913.29
2015	269,415,000	60,585,000	71,000,000	7,694,658	26,085,333	434,779,991	1.35 %	837.81
2016	315,110,000	52,825,000	58,535,000	5,893,321	43,468,294	475,831,615	1.51 %	885.17
2017	376,370,000	16,420,000	50,750,000	3,777,887	46,503,251	493,821,138	N/A %	876.80
2018	408,885,000	-	49,090,000	13,953,358	47,447,713	519,376,071	N/A %	909.70

<sup>(1)</sup> Details regarding the County's outstanding debt can be found in the notes to the financial statements.

<sup>(2)</sup> See Table XIV for personal income and population data.

Personal income for 2017 and 2018 are not available.

**MONTGOMERY COUNTY, TEXAS**  
**Ratios of Net General Bonded Debt Outstanding** <sup>(1)</sup>  
**Last Ten Fiscal Years**

**TABLE X**

Fiscal Year	General Bonded Debt Outstanding				Less: Amounts Available for Debt Service	Total	Percentage of Actual Value of Property <sup>(2)</sup>	Per Capita <sup>(3)</sup>
	General Obligation Bonds	Revenue Bonds <sup>(4)</sup>	Certificates of Obligation	Total				
2009	337,600,000	43,758,601	71,685,000	453,043,601	12,206,657	440,836,944	1.45 %	1,012.48
2010	332,565,000	42,256,701	102,580,000	477,401,701	10,761,379	466,640,322	1.43 %	1,018.49
2011	270,030,000	128,266,840	99,190,000	497,486,840	14,239,096	483,247,744	1.43 %	1,045.66
2012	268,735,000	122,140,941	101,120,000	491,995,941	15,950,460	476,045,481	1.36 %	989.09
2013	261,590,000	75,075,000	109,930,000	446,595,000	17,795,351	428,799,649	1.17 %	872.19
2014	278,565,000	67,995,000	74,555,000	421,115,000	20,906,476	400,208,524	1.02 %	795.77
2015	269,415,000	60,585,000	71,000,000	401,000,000	32,453,453	368,546,547	0.84 %	710.18
2016	315,110,000	52,825,000	58,535,000	426,470,000	48,577,323	377,892,677	0.77 %	702.98
2017	376,370,000	16,420,000	50,750,000	443,540,000	28,249,874	415,290,126	0.76 %	737.36
2018	408,885,000	-	49,090,000	457,975,000	15,756,559	442,218,441	0.87 %	774.55

<sup>(1)</sup> Details regarding the County's outstanding debt can be found in the notes to the financial statements.

<sup>(2)</sup> Taxable Assessed Valuation can be found in Table V.

<sup>(3)</sup> Population data can be found in Table XIV.

<sup>(4)</sup> The County began issuing revenue bonds in 2007.

**MONTGOMERY COUNTY, TEXAS**

**Legal Debt Margin <sup>(1)</sup>**

**Last Ten Fiscal Years**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Assessed value <sup>(2)</sup>	\$ 26,960,161	\$ 32,662,351	\$ 33,862,620	\$ 35,101,086
Debt limit <sup>(3)</sup>	6,740,041	8,165,588	8,465,655	8,775,272
Debt applicable to limit				
Total bonded debt	453,044	477,402	497,487	491,996
Less: Assets in Debt				
Service Funds available				
for payment of principal	<u>(12,207)</u>	<u>(10,761)</u>	<u>(14,239)</u>	<u>(15,950)</u>
Total debt applicable				
to limit	<u>440,837</u>	<u>466,640</u>	<u>483,248</u>	<u>476,046</u>
Legal debt margin	<u>\$ 6,299,204</u>	<u>\$ 7,698,947</u>	<u>\$ 7,982,407</u>	<u>\$ 8,299,226</u>
Total debt applicable				
to the limit as a				
percent of debt limit	6.54%	5.71%	5.71%	5.42%

<sup>(1)</sup> Amounts expressed in thousands.

<sup>(2)</sup> Assessed valuation is equal to total valuation less personal property.

<sup>(3)</sup> The County is authorized under Article III, Section 52 of the State Constitution to issue bonds payable from ad valorem taxes for the construction and maintenance of roads. There is no constitutional or statutory limit as to rate on bonds issued pursuant to such constitutional provision. However, the amount of bonds which may be issued is limited to 25% of the assessed valuation of real property in the County.

<sup>(4)</sup> Beginning in 2014, total bonded debt includes total debt outstanding for both Montgomery County and Woodlands RUD #1.

**TABLE XI**

2013	2014	2015	2016	2017	2018
\$ 36,706,371	\$ 39,366,970	\$ 43,654,262	\$ 49,315,310	\$ 54,402,996	\$ 50,848,283
9,176,593	9,841,743	10,913,566	12,328,828	13,600,749	12,712,071
446,595	493,740	463,080	487,680	443,870	508,054 <sup>(4)</sup>
(17,795)	(20,906)	(32,453)	(48,577)	(28,250)	(15,757)
428,800	472,834	430,627	439,103	415,620	492,297
<u>\$ 8,747,794</u>	<u>\$ 9,368,910</u>	<u>\$ 10,482,939</u>	<u>\$ 11,889,725</u>	<u>\$ 13,185,129</u>	<u>\$ 12,219,774</u>
4.67%	4.80%	3.95%	3.56%	3.06%	3.87%

**MONTGOMERY COUNTY, TEXAS****Direct and Overlapping Debt****September 30, 2018****TABLE XII**

	Debt Outstanding	Percentage Applicable to Montgomery County <sup>(1)</sup>	Amount Applicable to Montgomery County
Montgomery County, Texas	<u>\$ 457,975,000</u>	100.00	<u>\$ 457,975,000</u>
TOTAL DIRECT DEBT	<u>457,975,000</u>		<u>457,975,000</u>
<b><u>OVERLAPPING GOVERNMENTS:</u></b>			
Special Districts:			
Clovercreek M.U.D.	630,000	100.00	630,000
Corinthian Point M.U.D. #2	1,315,000	100.00	1,315,000
East Montgomery Co M.U.D #3	12,355,000	100.00	12,355,000
East Montgomery Co M.U.D #6	18,365,625	100.00	18,365,625
East Plantation U.D.	1,750,000	100.00	1,750,000
Far Hills U.D.	10,240,000	100.00	10,240,000
Grand Oaks M.U.D.	2,815,000	100.00	2,815,000
Kings Manor M.U.D.	12,600,000	68.81	8,670,060
Lazy River I.D.	400,000	100.00	400,000
Lone Star College System	611,710,000	26.46	161,858,466
Conroe M.U.D. #1	4,670,000	100.00	4,670,000
Conroe Municipal Mgt District #1	10,285,000	100.00	10,285,000
Montgomery Co. D.D. #10	10,090,000	100.00	10,090,000
Montgomery Co. M.U.D. #8	23,575,000	100.00	23,575,000
Montgomery Co. M.U.D. #9	27,250,000	100.00	27,250,000
Montgomery Co. M.U.D. #15	27,710,000	100.00	27,710,000
Montgomery Co. M.U.D. #18	14,220,000	100.00	14,220,000
Montgomery Co. M.U.D. #39	13,725,000	100.00	13,725,000
Montgomery Co. M.U.D. #42	755,000	100.00	755,000
Montgomery Co. M.U.D. #46	76,750,000	100.00	76,750,000
Montgomery Co. M.U.D. #47	17,880,000	100.00	17,880,000
Montgomery Co. M.U.D. #56	2,802,892	100.00	2,802,892
Montgomery Co. M.U.D. #60	13,195,000	100.00	13,195,000
Montgomery Co. M.U.D. #67	16,575,000	100.00	16,575,000
Montgomery Co. M.U.D. #83	14,360,000	100.00	14,360,000
Montgomery Co. M.U.D. #84	29,330,000	100.00	29,330,000
Montgomery Co. M.U.D. #88	14,675,000	100.00	14,675,000
Montgomery Co. M.U.D. #89	23,725,000	100.00	23,725,000
Montgomery Co. M.U.D. #90	7,720,000	100.00	7,720,000
Montgomery Co. M.U.D. #92	4,780,000	100.00	4,780,000

**MONTGOMERY COUNTY, TEXAS****Direct and Overlapping Debt****September 30, 2018****TABLE XII**

	Debt	Percentage Applicable to	Amount Applicable to Montgomery
	Outstanding	Montgomery County <sup>(1)</sup>	County
Montgomery Co. M.U.D. #94	31,390,000	100.00	31,390,000
Montgomery Co. M.U.D. #95	22,900,000	100.00	22,900,000
Montgomery Co. M.U.D. #98	16,750,000	100.00	16,750,000
Special Districts:(Continued)			
Montgomery Co. M.U.D. #99	8,210,000	100.00	8,210,000
Montgomery Co. M.U.D. #105	12,730,000	100.00	12,730,000
Montgomery Co. M.U.D. #107	18,730,000	100.00	18,730,000
Montgomery Co. M.U.D. #112	48,580,000	100.00	48,580,000
Montgomery Co. M.U.D. #113	88,155,000	100.00	88,155,000
Montgomery Co. M.U.D. #115	48,385,000	100.00	48,385,000
Montgomery Co. M.U.D. #119	56,810,000	100.00	56,810,000
Montgomery Co. M.U.D. #126	2,975,000	100.00	2,975,000
Montgomery Co. M.U.D. #127	8,485,000	100.00	8,485,000
Montgomery Co. M.U.D. #137	3,940,000	100.00	3,940,000
Montgomery Co. M.U.D. #138	6,040,000	100.00	6,040,000
Montgomery Co. M.U.D. #139	9,745,000	100.00	9,745,000
Montgomery Co. M.U.D. #141	3,025,000	100.00	3,025,000
Montgomery Co. M.U.D. #148	1,585,000	100.00	1,585,000
Montgomery Co. U.D. #2	6,620,000	100.00	6,620,000
Montgomery Co. U.D. #3	3,940,000	100.00	3,940,000
Montgomery Co. U.D. #4	11,410,000	100.00	11,410,000
Montgomery Co. W.C.I.D. #1	17,930,000	100.00	17,930,000
New Caney M.U.D.	24,298,524	100.00	24,298,524
Point Aquarius M.U.D.	10,575,000	100.00	10,575,000
Porter M.U.D.	25,880,000	100.00	25,880,000
Porter M.U.D. Auburn Trails Def #1	4,090,000	100.00	4,090,000
Porter M.U.D. Auburn Trails Def #2	5,680,000	100.00	5,680,000
Porter M.U.D. Hendricks Def	5,080,000	100.00	5,080,000
Rayford Road M.U.D.	17,925,000	100.00	17,925,000
Roman Forest Con. M.U.D.	395,000	100.00	395,000
Harris-Montgomery Co MUD #386	145,820,000	8.19	11,942,658
Spring Creek U.D.	59,800,000	100.00	59,800,000
Stanley Lake M.U.D.	19,085,000	100.00	19,085,000
Southern Montgomery County MUD	10,355,000	100.00	10,355,000
Texas National M.U.D.	3,390,000	100.00	3,390,000
Valley Ranch M.U.D. #1	17,380,000	100.00	17,380,000
Woodlands Metro-Center I.D.	9,255,000	100.00	9,255,000
Roman Forest P.U.D. #4	765,000	100.00	765,000
Wood Trace M.U.D. #1	10,315,000	100.00	10,315,000





**MONTGOMERY COUNTY, TEXAS****Direct and Overlapping Debt****September 30, 2018****TABLE XII**

	Debt	Percentage	Amount Applicable
	Outstanding	Applicable to	to Montgomery
		Montgomery County <sup>(1)</sup>	County
Woodlands R.U.D. #1	50,575,000	99.02	50,079,365
The Woodlands Township	34,440,000	87.79	30,234,876
Valley Ranch Town Center	5,520,000	100.00	5,520,000
Woodridge M.U.D.	7,940,000	100.00	7,940,000
Emergency Service District #4		100.00	- <sup>(2)</sup>
Total Special Districts	<u>1,923,152,041</u>		<u>1,330,792,466</u>
Cities:			
Cleveland	14,810,000	0.27	39,987
Conroe	171,885,000	100.00	171,885,000
Magnolia	9,570,000	100.00	9,570,000
Montgomery	8,860,000	100.00	8,860,000
Cities: (Continued)			
Oak Ridge North	6,385,000	100.00	6,385,000
Panorama Village	3,395,000	100.00	3,395,000
Shenandoah	18,995,000	100.00	18,995,000
Shenandoah (Metropark PID)	15,200,000	100.00	15,200,000
Roman Forest	3,510,000	100.00	3,510,000
Willis	23,480,000	100.00	23,480,000
Woodbranch Village	1,500,000	100.00	1,500,000
Houston	3,742,955,000	0.29	10,854,570
Total Cities	<u>4,020,545,000</u>		<u>273,674,557</u>
School Districts			
Cleveland I.S.D.	97,725,498	1.51	1,475,655
Conroe I.S.D.	1,261,400,000	100.00	1,261,400,000
Magnolia I.S.D.	180,195,000	100.00	180,195,000
Montgomery I.S.D.	343,550,000	100.00	343,550,000
New Caney I.S.D.	461,040,353	98.24	452,926,043
Splendora I.S.D.	67,310,000	100.00	67,310,000
Tomball I.S.D.	506,425,000	6.33	32,056,703
Willis I.S.D.	149,791,704	98.69	147,829,433
Total School Districts	<u>3,067,437,555</u>		<u>2,486,742,833</u>
TOTAL OVERLAPPING DEBT	<u>9,011,134,596</u>		<u>4,091,209,855</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u><u>\$ 9,469,109,596</u></u>		<u><u>\$ 4,549,184,855</u></u>

<sup>(1)</sup> The percentage of overlapping debt applicable is computed by dividing the other entity's net taxable assessed property value by the net taxable assessed property value in all of Montgomery County

<sup>(2)</sup> Amounts shown for the Emergency Service Districts represent total debt levy, not overlapping debt.

**MONTGOMERY COUNTY, TEXAS**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

	Lease Revenue Bonds <sup>(1)</sup>					
	Lease	Less:	Net:	Debt Service		
Year	Payments	Operating	Available	Principal	Interest	Coverage
		Expenses	Revenue			
2009	23,189,192	19,902,963	3,286,229	1,076,389	1,998,534	1.07
2010	19,587,421	17,633,106	1,954,315	1,501,900	1,941,581	0.57
2011	18,334,041	15,808,119	2,525,922	1,569,861	1,873,619	0.73
2012	20,997,947	18,372,582	2,625,365	1,640,899	1,802,582	0.76
2013	19,053,761	17,818,794	1,234,967	1,715,150	1,728,330	0.36
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-

**NOTE:** Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Operating expenses do not include interest, depreciation or amortization expenses.

<sup>(1)</sup> The revenue bonds were issued in 2007 to finance the construction of an 1,100 bed facility. The County began lease purchasing the facility from the Jail Financing Corporation in fiscal year 2010. The bonds were backed from the lease payments that the County will make to the Jail Financing Corporation. During fiscal year 2013, the detention facility was sold to the operator, GEO Corrections, and utilized the proceeds of the sale to defease the debt.

<sup>(2)</sup> The County has pledged pass-through tolling revenue to repay the debt service on selected bond issues.

**TABLE XIII**Pass -Through Toll Revenue Bonds <sup>(2)</sup>

TXDOT Revenue	Debt Service		Coverage
	Principal	Interest	
-	-	-	-
-	-	79,300	-
7,883,095	-	1,077,755	7.31
19,235,365	4,485,000	2,733,321	2.66
25,969,528	6,785,000	3,589,583	2.50
29,275,155	7,080,000	3,356,300	2.81
35,248,559	7,410,000	3,025,850	3.38
42,260,009	7,760,000	2,678,400	4.05
49,268,909	36,405,000	10,696,550	1.05
18,285,240	16,420,000	873,900	1.06

**MONTGOMERY COUNTY, TEXAS**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

**TABLE XIV**

<u>Year</u>	<u>Population <sup>(1)</sup></u>	<u>Personal Income <sup>(2)(3)</sup></u>	<u>Per Capita Personal Income <sup>(3)</sup></u>	<u>School Enrollment <sup>(4)</sup></u>	<u>School Average Daily Attendance <sup>(4)</sup></u>	<u>Unemployment Rate <sup>(5)</sup></u>
2009	435,403	19,737,310	45,331	98,137	89,328	7.9 %
2010	458,171	21,298,765	46,486	92,490	86,689	7.4 %
2011	462,144	22,882,899	49,514	95,250	90,554	7.9 %
2012	481,298	24,638,680	51,192	96,912	91,276	5.7 %
2013	491,636	26,549,916	53,192	95,815	91,235	5.3 %
2014	502,920	32,773,154	65,166	98,887	92,983	4.7 %
2015	518,947	32,310,508	62,262	101,598	96,755	4.3 %
2016	537,559	31,553,145	58,697	120,488	114,955	4.3 %
2017	563,209	N/A	N/A	126,748	121,309	4.1 %
2018	570,934	N/A	N/A	132,903	125,757	3.8 %

(1) Source: U.S. Census Bureau

(2) Amounts expressed in thousands.

(3) Source: Texas Workforce Commission website

Information for fiscal years 2009 through 2016 from The Bureau of Economic Analysis website

Personal income information for 2017 and 2018 are not available.

(4) Source: Superintendent's Annual Report: Includes the nine independent school districts located in the County.

(5) Source: The Work Source website

<http://www.wrksolutions.com/employer/lmi/unemploymentrates/LAUSHISTORY.pdf>

**MONTGOMERY COUNTY, TEXAS**  
**Principal Employers**  
**Current Year and Nine Years Ago**

**TABLE XV**

2018 Employer <sup>(1)</sup>	Employees	Percentage of Total County Employment <sup>(2)</sup>
Conroe Independent School District	7,266	2.76 %
Anadarko Petroleum	3,309	1.26
Memorial Hermann - The Woodlands	2,454	0.93
Montgomery County, Texas	2,292	0.87
New Caney Independent School District	1,966	0.75
Alight	1,850	0.70
ExxonMobil	1,800	0.68
CHI St. Luke's The Woodlands Hospital	1,650	0.63
Magnolia Independent School District	1,564	0.59
Lone Star College System	1,098	0.42
	<u>25,249</u>	<u>9.59 %</u>
2009 Employer <sup>(3)</sup>	Employees	Percentage of Total County Employment <sup>(2)</sup>
Conroe Independent School District	5,979	3.07 %
Anadarko Petroleum	2,554	1.31
Montgomery County, Texas	1,836	0.94
Magnolia Independent School District	1,532	0.77
Hewitt Associates	1,500	0.79
New Caney Independent School District	1,305	0.67
Conroe Regional Medical Center	1,200	0.62
Lone Star Community College	892	0.46
Willis Independent School District	815	0.42
Huntsman Company LLC	775	0.40
	<u>18,388</u>	<u>9.45 %</u>

<sup>(1)</sup> Source: <http://socrates.cdr.state.tx.us/iSocrates/Employers/EmployerContacts2.asp>

Information has been derived from the South Montgomery County Economic Development Partnership and the SOCRATES database listed above since county-wide information is not available for 2017.

<sup>(2)</sup> Total County Employment for 2009 and 2018:

194,857 and 263,293 respectively

Source: <http://www.wrksolutions.com>

<sup>(3)</sup> <http://ritter.tea.state.tx.us>

<http://www.edpartnership.net>



**MONTGOMERY COUNTY, TEXAS****County Employees by Function** <sup>(1)</sup>**Last Ten Fiscal Years****TABLE XVI**

<b><u>Function</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>
General Administration	116	118	135	127	132	130	132	125	125	123
Judicial	231	265	269	278	289	291	297	296	304	301
Legal Services	30	29	30	32	32	33	32	33	34	34
Elections	10	10	11	11	11	11	12	15	15	13
Financial Administration	93	93	95	101	103	99	93	98	102	99
Public Facilities	357	372	388	405	404	398	415	416	420	433
Public Safety	612	611	628	655	662	679	714	742	762	777
Health and Welfare	57	71	77	77	48	46	47	48	89	91
Culture and Recreation	148	153	161	161	161	162	163	140	141	140
Conservation	17	18	20	21	21	10	19	10	20	23
Public Transportation	165	174	205	213	226	230	232	249	259	258
	<b><u>1,836</u></b>	<b><u>1,914</u></b>	<b><u>2,019</u></b>	<b><u>2,081</u></b>	<b><u>2,089</u></b>	<b><u>2,089</u></b>	<b><u>2,156</u></b>	<b><u>2,172</u></b>	<b><u>2,271</u></b>	<b><u>2,292</u></b>

<sup>(1)</sup> Information derived from the annual salary schedules adopted by Montgomery County Commissioners' Court.



**MONTGOMERY COUNTY, TEXAS**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

<b><u>Function</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>
<b>General Government</b>				
Construction permits issued <sup>(1)</sup>	2,455	2,598	2,440	2,905
Estimated value of construction <sup>(1) (2)</sup>	1,085,532	719,797	575,758	1,054,912
Health inspections performed <sup>(3)</sup>	11,234	11,281	11,638	14,214
Birth certificates filed <sup>(4)</sup>	5,674	5,419	5,283	5,213
Death certificates filed <sup>(4)</sup>	2,017	2,087	2,214	2,235
Marriage license applications <sup>(4)</sup>	2,432	2,160	2,351	2,399
Registered voters <sup>(5)</sup>	239,246	249,620	244,080	260,253
Number of voting precincts <sup>(5)</sup>	85	85	85	86
<b>Public Safety - Sheriff</b>				
Total arrests <sup>(6)</sup>	18,229	19,402	20,802	22,057
Average number of inmates <sup>(6)</sup>	881	964	1,026	965
Calls for service <sup>(6)</sup>	285,098	259,486	286,719	312,405
Number of accidents investigated <sup>(6)</sup>	1,621	1,485	1,122	951
Miles patrolled <sup>(6)</sup>	3,224,282	2,615,320	2,717,733	3,867,763
Gallons of gas used <sup>(6)</sup>	362,958	281,746	409,337	444,854
<b>Culture and Recreation - Libraries (tentative)</b>				
Number of items checked out <sup>(7)</sup>	1,924,198	2,035,605	2,008,110	1,963,074
Number of libraries <sup>(7)</sup>	7	7	7	7
Volumes in collection <sup>(7)</sup>	655,756	652,426	670,068	683,803
Number of library visits <sup>(7)</sup>	1,402,326	1,386,130	1,296,899	1,286,333
Library programs attendance <sup>(7)</sup>	141,744	132,916	127,694	101,789

<sup>(1)</sup> Source: Montgomery County Engineer.

<sup>(2)</sup> Dollar values are in thousands.

<sup>(3)</sup> Source: Montgomery County Health Department.

<sup>(4)</sup> Source: Montgomery County Clerk.

<sup>(5)</sup> Source: Montgomery County Elections Administrator.

<sup>(6)</sup> Source: Montgomery County Sheriff's Department.

<sup>(7)</sup> Source: Montgomery County Memorial Library System Annual Report.

**TABLE XVII**

Fiscal Year					
2013	2014	2015	2016	2017	2018
4,336	4,947	4,754	4,052	4,381	5,549
1,344,371	2,019,423	1,381,849	1,414,524	1,386,391	1,514,299
14,968	15,623	17,274	16,552	16,197	16,719
5,325	5,392	6,602	5,766	6,996	8,144
2,384	2,638	2,820	2,874	3,643	4,437
2,630	2,795	4,505	2,927	2,869	4,420
265,424	274,536	289,000	308,597	315,946	330,768
86	89	89	90	90	96
22,758	24,679	22,523	21,483	22,473	18,855
1,033	1,152	1,058	999	933	944
333,548	346,749	317,501	411,796	355,936	454,010
1,356	2,385	4,184	4,937	5,931	4,439
5,906,651	5,747,155	5,876,771	4,063,212	4,232,396	3,952,673
465,391	468,806	490,073	368,033	368,412	343,644
1,996,503	2,018,491	2,055,189	2,066,886	2,192,792	2,547,829
7	7	7	7	7	7
691,892	686,870	665,009	694,536	711,777	717,314
1,184,833	1,108,782	1,107,085	1,105,760	1,075,000	923,129
118,959	124,738	130,780	134,163	169,467	150,020

**MONTGOMERY COUNTY, TEXAS**  
**Capital Asset and Infrastructure Statistics by Function**  
**Last Ten Fiscal Years**

<b><u>Function</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>
General Government				
Office Buildings/Courthouses <sup>(1)</sup>	35	39	42	43
Public Safety - Sheriff				
Sheriff's Vehicles <sup>(2)</sup>	351	374	427	460
Academy Square Footage <sup>(1)</sup>	13,800	13,800	13,800	13,800
Public Transportation				
County Roads (miles) <sup>(3)</sup>	2,589	2,636	2,640	2,656
Bridges <sup>(3)</sup>	157	158	158	158
Public Facilities				
Park Acreage <sup>(4)</sup>	1,974	1,870	2,072	2,956
Convention Center Square Footage <sup>(5)</sup>	56,000	56,000	56,000	56,000
Community Centers <sup>(2)</sup>	18	17	18	17
Culture and Recreation				
Total Library Square Footage <sup>(6)</sup>	169,776	169,776	171,400	171,400

<sup>1)</sup> Montgomery County Risk Management Department. Includes the offices of the four County Commissioners.

<sup>2)</sup> Montgomery County Auditor's Office Capital Assets Listing.

<sup>3)</sup> Montgomery County Engineer.

<sup>4)</sup> Montgomery County Parks Divisions in the Commissioners' offices.

<sup>5)</sup> Montgomery County Civic Center Complex;

<sup>6)</sup> Montgomery County Memorial Library System Annual Report.

**TABLE XVIII**

2013	2014	2015	2016	2017	2018
43	38	44	49	49	49
463	467	505	512	555	648
13,800	13,800	13,800	13,800	13,800	13,800
2,685	2,703	2,704	2,751	2,771	2,811
159	159	160	160	160	160
2,061	2,061	2,089	2,089	2,089	2,289
56,000	56,000	56,000	56,000	56,000	56,000
17	17	17	17	17	17
171,400	171,400	171,400	173,800	173,800	173,800



# Montgomery County Purchasing Policy Manual

# LOCAL PROCUREMENT

**Buyout and  
Acquisition  
Program Application**  
*June 1, 2019*

Montgomery County Office of Homeland  
Security and Emergency Management



# **PURCHASING POLICY MANUAL 2017**

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I.	POLICY AND AUTHORITY .....	1
	Policy 1.1 General Policy	
	Policy 1.2 Purchasing Authority and General Guidelines	
	Policy 1.3 Relationship of County Purchasing, County Elected Officials, and Department Heads	
	Policy 1.4 Purchasing and User Departments' Roles and Responsibilities	
II.	REQUISITIONS .....	7
	Policy 2.1 Requirements for Requisitioning	
III.	PURCHASING REQUIREMENTS .....	8
	Policy 3.1 Purchasing of Material and Supplies	
	Policy 3.2 Bidding/Proposal Process and Procedures	
IV.	SPECIAL PURCHASES .....	14
	Policy 4.1 Special Purchases Policy	
	Policy 4.2 Emergency Purchases	
V.	COOPERATIVE PURCHASES .....	17
	Policy 5.1 Enabling Authority	
VI.	PROCUREMENT CARD PURCHASES .....	19
	Policy 6.1 General Policy – P-Card	
	Policy 6.2 Employee Agreement – P-Card	
	Policy 6.3 Dispute Report – P-Card	
	Policy 6.4 Affidavit of Receipt – P-Card	
VII.	COUNTY PROPERTY .....	30
	Policy 7.1 County-Owned Supplies and Equipment	
VIII.	EXCLUDED PARTIES.....	33
	Policy 8.1 Federal Debarred Vendors	
IX.	GRANTS.....	34
	Policy 9.1 General Policy	
X.	LEGAL BASIS FOR PURCHASING.....	35
	Policy 10.1 Statutory References	
XI.	CODE OF ETHICS .....	38
	Policy 11.1 General Ethical Standards	
XII.	PURCHASING AUTHORIZATION .....	40
	Policy 12.1 Policy Authorization	
Exhibits		
	Exhibit A.....	43
	Architectural, Engineering and Surveying Contract Award Guidelines	





## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

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### **SUBJECT: POLICY AND AUTHORITY**

#### **Policy 1.1: General Policy**

*MISSION STATEMENT: The mission of Montgomery County Purchasing Department is to ensure the proper, prompt, and responsive purchase of all supplies, materials, equipment, and services required and to ensure the proper expenditure of taxpayers' dollars in an atmosphere of equality to all vendors with no regard to undue influence or political pressure.*

It is the policy of Montgomery County that all Purchasing shall be conducted strictly on the basis of economic and business merit. This policy is intended to promote the interest of the citizens of Montgomery County.

- A. To avoid violation of or the appearance of violation of the policies in this manual, Montgomery County employees and officials are prohibited from:
  - Seeking or accepting, directly or indirectly, any loans, services, payments, entertainment, trips or gifts of merchandise or money in any amount from a business or an individual doing or seeking to do business with the County.
- B. It is important to remember that County Purchasing operates in full view of the public. In order to assure an open purchasing process and economy in purchasing, the Commissioners' Court has determined that competitive bidding will be used as much as possible in the purchase of goods and services for the County.
- C. Montgomery County intends to maintain a cost effective purchasing system conforming to good management practices. To be successful, the system must be backed by proper attitudes and cooperation of not only every department head and official, but also every supervisor and employee of Montgomery County. The establishment and maintenance of a good purchasing system is possible only through cooperative effort. The responsibility of purchasing ultimately rests with the Commissioners' Court. The Purchasing Agent, as an agent of the Commissioners' Court, aids in the purchasing process but is subject to the Court's direction as to reasonable specifications and maximum prices on items to be purchased. The Purchasing Agent, as authorized by the Commissioners' Court, shall instruct departments and agencies of various rules and procedures needed to fulfill the Purchasing Agent's duties.
- D. The purchasing process is not instantaneous. Time is required to complete the steps required by State law. In order to accomplish timely purchasing of products and services at the least cost or best value to Montgomery County, all departments must cooperate fully. Prior planning and the timely submission of requisitions are essential to expedite the purchasing process and to assure that the process is orderly and lawful.

In addition, the Purchasing Department policy is to work simultaneously with the County Auditor as part of the system of checks and balances to ensure the proper expenditure of taxpayer's dollars.

## **SUBJECT: POLICY AND AUTHORITY**

### **Policy 1.2: Purchasing Authority and General Guidelines**

Authority to make County purchases resides in either the County Purchasing Agent or the Commissioners' Court. The Purchasing Agent is responsible for making purchases of supplies, materials, equipment, and for making contracts for repairs to County owned property and supervises all purchases made on competitive procurement to ensure compliance with the purchase contract and shall provide competitive procurement, to the extent practical under the circumstances, for the County to purchase an item under contract that is not subject to competitive bidding. (Local Government Code ("LGC") 262.0115 and 262.011).

General guidelines for procurement and utilization of this manual are as follows:

- A. Generally, competitive procurement is required on any purchase likely to equal or exceed \$50,000. (The competitive procurement amount is set by the State Legislature and may be changed by the Legislature. LGC 262.023(a).) Unless a procurement contract for the goods or services already exists, the items are required to be purchased through competitive procurement as described in Policy 3.2. Questions regarding the necessity of competitive procurement should be directed to Purchasing.

It is a punishable offense for any person other than the County Purchasing Agent to make purchases or enter into contracts for purchases.

- B. Other Purchases – Special procedures are available for and applicable to the purchase of particular goods and services summarized as follows:
  - 1. Unbudgeted Capital Expenditures – Purchases not authorized in a department's current budget must be authorized through a budget amendment by the Commissioners' Court.
  - 2. Blanket Purchase Orders – Acquisition of goods or services on an "as needed" basis may be authorized in appropriate instances by a blanket purchase order.
  - 3. Proposals – As an alternative to competitive procurement, (LGC 262.030) competitive proposals from vendors may be solicited by the County.
  - 4. Travel – Arrangements for travel and reimbursement of travel expenses should be according to the procedures provided by the Montgomery County Employee Policy Manual and County Auditor Travel Reimbursement Instructions.
  - 5. Professional and Personal Services – Professional and Personal Services may be exempted from competitive procurement; however, they may be obtained through Requests for Proposals or Requests for Qualifications.
  - 6. Emergency Purchases – Items otherwise required to be competitively procured may be exempt from the competitive procurement process by the Commissioners' Court if (1) an item that must be purchased in a case of public calamity if it is necessary to make the purchase promptly to relieve the necessity of the citizens or to preserve the property of the County, (2) the purchase is necessary to preserve the public health or safety of County residents, or (3) the purchase is required due to unforeseen damage to public property.

7. Sole Source Items – An item available from only one source may be purchased without competitive procurement, with the approval of both the Commissioners' Court and County Purchasing Agent.
  8. Equipment Maintenance Services – Maintenance is arranged through the Purchasing Department.
  9. Personal Property Sold – Personal property sold at auction, at a going out of business sale or by another government entity may be purchased without competitive procurement.
  10. Services – Services required under the statutory bid amount are delegated to the Purchasing Agent.
- C. Purchase Orders will be prepared and issued only by the County Purchasing Department. These are two reasons for this:
1. The Texas Local Government Code is clear on the point that the County Purchasing Department makes all purchases (except those made on competitive bid/proposal).
  2. Should the County Purchasing Department issue a purchase order, after a County employee has already made the purchase, dual deliveries may result.
- D. Selection of vendor on non-bid purchases rests exclusively with the County Purchasing Agent. The Purchasing Agent has neither the duty, power, authority, nor desire to determine whether or not a purchase should be made; his/her authority extends only to selection of vendor. This duty is zealously guarded.

**SUBJECT: RELATIONSHIPS**

**Policy 1.3: Relationship of the Purchasing Agent, County Elected Officials, and Department Heads.**

- A. The Purchasing Agent directs the activities of the County Purchasing Department, a service organization, representing the procurement requirements of each County Office/Department. To successfully represent the best interest of the County, it is essential to have a strong working relationship with all County Offices/Departments. The intent of this policy is to guide and assist in identifying the responsibilities and obligations required in the procurement process.
- B. Hereinafter, the following apply:
  - 1. County Purchasing Department will be referred to as “Purchasing.”
  - 2. County Office/Departments will be referred to as “Office.”
  - 3. Montgomery County, Texas will be referred to as “County.”
- C. Relationship with vendor’s representative:
  - 1. The buyer-seller relationship is one of mutuality. The responsibility of establishing and maintaining a professional relationship between the County and its suppliers lies with Purchasing. For this reason, it is imperative that Purchasing be made aware of all proposed transactions involving the County.
  - 2. It is the responsibility of Purchasing to represent County Offices in the purchasing process. This includes the contact normally associated with sales calls. By observing the policies and procedures outlined in this manual the time of both the County and its suppliers will be maximized.
  - 3. The relationship between Purchasing and Vendor representatives will be as follows:
    - a. Representatives of vendors will be received by Purchasing promptly and courteously with a scheduled appointment.
    - b. All correspondence with suppliers will originate in Purchasing. Should an Office find it necessary to correspond with a vendor, for any reason, a copy of the correspondence should be sent to Purchasing.
    - c. All offices must keep themselves free from the image of conflict of interest by not accepting favors, gifts or entertainment offered by any suppliers of the County.

## SUBJECT: ROLES AND RESPONSIBILITIES

### Policy 1.4: Purchasing and User Departments' Roles and Responsibilities

There are specific roles and responsibilities for both User Departments and the Purchasing Office during the competitive procurement process. They protect the integrity of the process and provide fair and equal access to all vendors seeking to do business with Montgomery County.

Process	User Department Role/Responsibility	Purchasing Office Role/Responsibility
Requirements Definition/Specification Development	<ol style="list-style-type: none"> <li>1 Identifies what is needed, when it is needed, the quantity needed and where it is needed and works with Purchasing Office to document need in writing a specification</li> <li>2 Ensures funding (budget is available to support need)</li> <li>3 Sends specification funds line item to Purchasing Office</li> <li>4 Works with Purchasing Office to develop evaluation criteria/formats (as applicable)</li> </ol>	<ol style="list-style-type: none"> <li>1 Consults with User Department in development of specifications and procurement process to be used</li> <li>2 Reviews specification to ensure that it is descriptive and specific but does not prevent competition among comparable goods</li> <li>3 Works with User Department to develop evaluation criteria/formats (as applicable)</li> <li>4 Prepares agenda request for Commissioners' Court (if applicable)</li> </ol>
Solicitation	<ol style="list-style-type: none"> <li>1 Reviews solicitation documents before issuance to ensure User Department needs are met</li> <li>2 Provides Purchasing Office with a list of potential vendors that can meet the solicitation requirements</li> <li>3 Provides technical clarifications to Purchasing Office if vendor questions arise</li> <li>4 Supports pre-solicitation conferences (as applicable)</li> </ol>	<ol style="list-style-type: none"> <li>1 Develops solicitation documents based on specification and sends to User Department for review before final issuance</li> <li>2 Issues solicitation to vendors identified by User Department and vendor database.</li> <li>3 Advertises solicitation in accordance with state law</li> <li>4 Conducts pre-solicitation conferences (as applicable)</li> <li>5 Provides answers or clarifications to vendors before solicitation closes</li> <li>6 Receives and logs vendor responses</li> <li>7 Prepares responses for evaluation and send to User Department</li> </ol>
Evaluation and Negotiation (as applicable)	<ol style="list-style-type: none"> <li>1 Evaluators from User Department sign confidentiality memorandum and send to Purchasing Office (as applicable)</li> <li>2 Evaluates responses based on established evaluation criteria</li> <li>3 Completes evaluation and submit recommendation to Purchasing Office to develop negotiation strategy (as applicable)</li> <li>4 Works with Purchasing Office to develop negotiation strategy (as applicable)</li> <li>5 Participates as member of negotiating team to negotiate Best and Final Offers (BAFOs) (as applicable)</li> </ol>	<ol style="list-style-type: none"> <li>1 Issues confidentiality memorandum to all evaluators before evaluation commences (as applicable)</li> <li>2 Supervises evaluation process to ensure consistent and fair application of evaluation criteria</li> <li>3 Acts as point of contact for evaluator requests and communications to vendors for additional information</li> <li>4 Compiles individual evaluation results and works with users to develop recommendation for award and prepares contract award agenda item for Commissioners' Court</li> <li>5 Works with User Department to develop negotiation strategy (as applicable)</li> </ol>

<b>Process</b>	<b>User Department Role/Responsibility</b>	<b>Purchasing Office Role/Responsibility</b>
Evaluation and Negotiation (as applicable) - CONTINUED	<ol style="list-style-type: none"> <li>6 Works with Purchasing Office to develop final recommendation for award</li> <li>7 Provides memorandum to Purchasing Office to support contract award agenda development</li> </ol>	<ol style="list-style-type: none"> <li>6 Leads negotiating team to negotiate BAFOs (if applicable)</li> <li>7 Receives Best and Final Offer (BAFO) and develops final recommendation for award (if applicable)</li> <li>8 Works with County Attorney in preparation of contract as required, and</li> <li>9 Prepares contract award agenda request for Commissioners' Court</li> <li>10 Issue Purchase Order</li> </ol>
Contract Modifications	<ol style="list-style-type: none"> <li>1 Request modifications in writing to Purchasing Office</li> <li>2 Reviews draft and final modifications to ensure it meets User Department needs</li> </ol>	<ol style="list-style-type: none"> <li>1 Evaluates modification request and works with User Department to develop modifications</li> <li>2 Coordinates with vendor and User Department to develop draft modifications</li> <li>3 Works with County Attorney to review and finalize modifications</li> <li>4 Obtains appropriate signatures (vendor, attorney, etc.)</li> <li>5 Either Purchasing Agent approves modifications or staff develops Commissioners' Court agenda request for approval depending on type and amount of modification</li> </ol>
Contract Performance Monitoring	<ol style="list-style-type: none"> <li>1 Receives copy of contract and monitors vendor performance and delivery</li> <li>2 Notifies Purchasing Office of non-performance and provides written documentation outlining details of non-performance (dates, description of problem, etc.)</li> <li>3 Works with Purchasing Office to develop acceptable corrective actions (as applicable)</li> </ol>	<ol style="list-style-type: none"> <li>1 Maintains complete contract file with supporting documentation during term of contract</li> <li>2 Works with vendor to resolve performance issues as identified by User Department</li> <li>3 Develops corrective actions and timetables for completion to resolve performance issues and documents in contract file (as applicable)</li> <li>4 Works with User Department and County Attorney to terminate contract when necessary because of non-performance</li> <li>5 Prepares contract termination agenda request for Commissioners' Court action (if required)</li> </ol>



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

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### **SUBJECT: REQUISITIONS**

#### **Policy 2.1: Requirements for Requisitioning**

- A. A requisition is required for all purchases (LGC 113.901). Authority to approve requisitions for processing is delegated to the Purchasing Agent. The purpose is twofold: (1) to inform Purchasing of the needs of the requesting department; and, (2) to identify correctly and clearly the material requested. Requisitions must be prepared well in advance to enable Purchasing to find a vendor and to allow for delivery by the vendor.
- B. Requisitions are prepared and processed manually or electronically and approved by the department head with an authorized signature or electronic security code. All information, including complete product or service details, must be given by the requesting department. An Authorization Form must be submitted electronically to the Purchasing Department for each Elected Official or Department Head to delegate requisitioning authority for assigned budgets to individual employees. Each Elected Official or Department Head is held accountable to ensure that all authorized employees are properly instructed in Purchasing law and policy and are cognizant of all legal and disciplinary consequences as a result of violations.
- C. The following deadlines have been established for each fiscal year to assist the Purchasing and County Auditor's offices by allowing adequate time to process all of the necessary paperwork, secure bids or quotes and provide for the payment of the majority of expenses prior to September 30th of each year:
  - 1. July 1 – Deadline for purchase request for capital items or procurements that require competitive sealed procurement (separate, sequential component over \$50,000.) Requisitions must be received and funds must be available by this date for any capital purchase. Requests after this date would need to be justified through Commissioners' Court for items over \$50,000.00 and through the Purchasing Agent for all other capital items.
  - 2. September 15 – Deadline for all other purchase requisitions. Requisitions received after this date will not be processed in the current fiscal year unless adequate justification is made through the Purchasing Agent. Repair requests will be handled as normal to ensure efficient operations.



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

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### **SUBJECT: PURCHASING EQUIREMENTS**

#### **Policy 3.1: Purchasing of Materials and Supplies**

- A. Materials and supplies are acquired through Purchasing. Additionally, contracts for repairs to property used by the County are entered through Purchasing.

The Buyer shall use various means to provide for competitive bidding to practicable extent (LGC 262.0241). Methods and procedures for acquisitions through Purchasing are described below.

- B. This section of the procedure manual outlines the responsibilities of County departments when making an acquisition through Purchasing.

1. Purchasing's responsibilities are to:

- a. Obtain information about and to know the needs of the County departments.
- b. Secure products needed by departments at the least cost to the County.
- c. Know the sources for and availability of needed products.
- d. Aid and cooperate with all departments of the County to meet their equipment and supply needs.

2. Requesting Departments' responsibilities are to:

- a. Make requests with sufficient time to allow the vendor to make delivery.
- b. Prepare specifications if needed.
- c. Supply a written list to Purchasing of any department personnel (besides the department head or County official) who are authorized to prepare and/or approve requisition forms.
- d. Inform Purchasing of all unusual demands.
- e. Take no actions which might be viewed as obligating or committing the County, except in an emergency.
- f. Make no commitments regarding commodities or services in the name of the County. Such commitments will be VOID unless they are made by the Purchasing Agent, the Commissioners' Court, or other authorized agents of the Purchasing Agent.

- C. Once a department issues a requisition for items, Purchasing will process the request. If the capital expenditure is less than the statutory bid requirement, a written or verbal quote is sought; if above the statutory bid requirement, competitive written bids must be sought.



When the bid or quote is awarded, the requisition will be processed into a purchase order (PO) by Purchasing.

- D. When items are received, the requesting department confirms that items were received in acceptable condition according to contract terms. If in unacceptable condition, Purchasing will follow-up with vendor in order to correct any issues. If items are in acceptable condition, the department shall process a Receiving Record and payment will be processed by the Auditor.
- E. It is the responsibility of each County department to see that all purchased items conform to the quantity, quality and specifications of the order.
- F. If goods are unacceptable, the user department must immediately notify Purchasing in writing of the reasons why the merchandise is not acceptable. Purchasing will then compel replacement, cancel the order, or take other appropriate action to obtain acceptable merchandise. If merchandise replacement or other appropriate action cannot be achieved within a time frame acceptable to the user department, the PO shall be canceled.
- G. Pick-up purchase orders may be issued for specific purchases as approved by the Purchasing Agent and are limited to purchases of items which cannot be planned for in advance; for example, items needed when there is an unforeseeable equipment breakdown. Departments may issue a PO number over the phone to execute the order and later, Purchasing will issue a hard copy PO to confirm the order. Once the items are received or services completed, the PO is processed in the same manner previously described.
- H. Miscellaneous Provisions
  - 1. County officials or employees shall not purchase supplies, materials or equipment of any kind through the County of Montgomery for personal use.
  - 2. All departments requiring specific uniforms to be worn by County employees shall limit such purchases to only those items not considered to be of a personal nature. An exception to this policy must be approved by Commissioners' Court.
  - 3. Montgomery County attempts to purchase recycled products when deemed economical and quality standards are met.
  - 4. The Department of Information Services will approve all purchases of computer equipment, computer software, technology services, and telephone equipment.
- I. Blanket Purchase Orders are inappropriate for the following:
  - 1. "Going Shopping." The County taxpayers' deserves the best planning of which we are capable. The rationale that "I have \$200.00 left and I need a blanket purchase order to XYZ Supply Company to use it up" is contrary to the trust placed in each of us.
  - 2. "Just in Case." Requesting Blanket Purchase Orders to a number of vendors on a regular basis "just in case we may need them" is a direct reflection on the planning capabilities of the end user. Moreover, with the encumbrance system in place each

Blanket Purchase Order withdraws the appropriate amount of money from the appropriate line item and places it in escrow pending payment to the vendor.

## **SUBJECT: PURCHASING REQUIREMENTS**

### **Policy 3.2: Bidding/Proposal Process and Procedures**

- A. Bid Procedures - Statutory Limits - LGC 262.023 sets limits for requirements of formal bids. No specifications are to be written with the intent to exclude possible bidders. Competitive bidding can be achieved on either a lump sum or a unit price basis. If unit price bids are solicited, the needed quantities of each item are to be estimated on the bid based on the best available information. The successful bidder's compensation, however, will be based on the actual quantities supplied, furnished or constructed. In applying the competitive bidding and competitive proposal requirements, all separate, sequential or component purchases of items are treated as if they are a single purchase and a single contract.
- B. Requesting Department's Responsibilities
  - 1. Obtain bid procedure information from the Purchasing Department;
  - 2. Provide bid specifications and approximate quantities, based on the best available information, and include a Request Permission to Advertise form.
  - 3. Return the bid information to Purchasing far enough in advance of the desired purchase date to allow time for the formal bidding process;
  - 4. If necessary, be present at the meeting of Commissioners' Court during which the bid and award are discussed.
- C. Purchasing Department's Responsibilities
  - 1. Determine if such item or items are exempt from competitive bidding procedures (LGC 262.024);
  - 2. Review bid specifications to determine adequacy in light of general requirements and to ensure they are not restrictive;
  - 3. Finalize agenda request and notify the department of agenda date;
  - 4. Mail bid notice and/or specifications to vendors;
  - 5. Ensure publication of the legally required notice (LGC 262.025).
- D. Bid Opening/Receipt of Proposals (LGC 262.026/262.030) - All bids and proposals will be received and time-stamped in by the Purchasing Department. The Purchasing Department's stamped, clock-in time will be the official time of receipt. Purchasing will open all formal bids in an open public forum on the assigned day at the designated time. Bids or proposals will be opened only after the established closing date and time. Purchasing will furnish copies of the bids to the requesting department, and the evaluation committee. Manual hard copy (paper) bid responses will be uploaded as an unofficial spreadsheet.

Proposals will be opened and publicly received and acknowledged only so as to avoid disclosure of the contents to competing offerors and kept secret during the negotiation/

evaluation process. However, all proposals shall be open for public inspection after the contract is awarded. Trade secrets and confidential information contained in the proposal, so identified by offeror as such, will be treated as confidential by Montgomery County to the extent allowable by the Open Records Act.

Commissioners' Court authorizes the Purchasing Agent to extend bid and proposal opening dates or other needed corrections to the original specifications by addenda. (LGC 262.026).

- E. Bid Recommendations (LGC 262.027/262.030) - After examining copies of all the bids, the requesting department and/or evaluation committee will send a written recommendation for bid award to Purchasing prior to the deadline for Commissioners' Court agenda. Purchasing will verify recommendation to the lowest bid received from a responsive, responsible bidder.

The contract may not be awarded to a bidder who is not the lowest dollar bidder meeting specifications unless, before the award, each lower bidder is given notice of the proposed award and is given an opportunity to appear before the Commissioners' Court and present evidence concerning the lower bidder's responsibility.

- F. The Purchasing Agent will submit a request to the Commissioners' Court to enter into contract negotiation process with the highest evaluated respondent. The following steps should be considered during the negotiation process:
- Purchasing Agent and evaluation committee shall conduct discussions and negotiate with responsible proposal offerors who submit proposals determined to be reasonably susceptible of being selected for award.
  - Offerors will be accorded fair and equal treatment with respect to any opportunity for discussions and revisions of proposals.
  - Revisions shall be permitted after submission and before award for the purpose of obtaining the best and final offer.
  - After certification of recommendations, Purchasing will submit an agenda; notify the department and present bids and a recommendation for award to the Commissioners' Court.

- G. Bid Award (LGC 262.027) – Bids will be awarded to the lowest and best responsible bidder, or all bids may be rejected.

The Commissioners' Court may award contracts for the purchase of road construction material to more than one bidder if each of the selected bidders submits the lowest and best bid for a particular location or type of material (LGC 262.027(e)).

When only one bid is received by the County, the bid may be accepted if the Commissioners' Court determines the price is fair and reasonable. If the price is not fair and reasonable, Commissioners' Court will reject and seek new bids.

If two or more responsible bidders submit identical bids, the bid award will be made in a manner prescribed by the County Judge.

After award of a contract but before the contract is made, the Purchasing Agent may negotiate a modification of the contract, if the modification is in the best interests of the County and does not substantially change the scope of the contract or cause the contract to exceed the next lowest bid. The Purchasing Agent will forward the modification to Commissioners' Court for approval before it may become effective (LGC 262.0305).

- H. Surety Bonds (LGC 262.032/GC 2253) – A vendor awarded a contract may be required to post bond. If it is required, the Purchasing Agent will include the requirement in the bid advertisement. A bid bond in an amount not less than 5% of the total contract price may be required if a contract involves construction of public works or is a contract that exceeds \$100,000. A performance bond may be required for all contracts in excess of \$50,000 (LGC 262.032).

A public works contract for more than \$25,000 shall require the contractor to execute a payment bond and contract in excess of \$100,000 shall require the contractor to execute a performance bond (GC 2253.021). Montgomery County may not require a bond for public works contracts for \$25,000 or less (GC 2253.022).

- I. Acquisition of item after bid award – Following award of the bid contract by the Commissioners' Court, the purchase order is processed in the manner described in this purchasing policy.
- J. Change Order – A change order may be required when it becomes necessary to make changes after performance of the contract has commenced. All change orders require Commissioners' Court approval according to the provisions of LGC 262.031.



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

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### **SUBJECT: SPECIAL PURCHASES**

#### **Policy 4.1: Special Purchases**

- A. Acquisition Under a Blanket Purchase Order – A blanket purchase order authorizes a County department to obtain up to a specified amount of material (services or supplies) on a continuing basis from a vendor. Such purchase orders are authorized only by the Purchasing Agent in appropriate circumstances, e.g., obtaining rock as needed in variable quantities by the Precinct. Any department foreseeing a definite and regular need for items should consider contacting Purchasing to investigate obtaining a blanket purchase order for such items.

Blanket purchase orders anticipated to exceed \$50,000 during the course of a year must be competitively procured. No blanket purchase order may exceed budgeted funds for such purchases by the department.

- B. Request for Proposal Procedure (LGC 262.030) – Various items may be purchased through a "request for proposal" (RFP) process. An RFP may be used for insurance, high technology items and other special services. If indicated by the Purchasing Agent, an RFP may be used for any procurement determined to be in the best interest of the County. Professional services other than architectural and engineering services may be obtained through this process.
- C. Construction Projects (GC 2269) – A competitive bid or competitive sealed proposal may be used as a procurement method for contracting and delivery procedures for construction projects or public works.
- D. Request for Qualifications (GC 2254.004) – A Request for Qualifications (RFQ) may be issued for Architectural and Engineering Services in compliance with GC 2254.004.
- E. Emergency Purchasing (LGC 262.024) – Emergency purchases are authorized in extremely limited circumstance: (a) in the event of public calamity for the benefit of the County citizens or to protect public property; (b) in order to protect the public health or safety of County residents; or (c) when made necessary by unforeseen damage to public property. Depending upon the time of the emergency and type of purchase necessary, one of the following procedures should be followed:
1. Elected official, or authorized representative, must take the necessary action to obtain the needed goods or services and contact the Purchasing Department in writing as soon as possible with notice of such purchase. Commissioners' Court must grant an exemption from procurement of all emergency purchases over \$50,000.

2. Emergency during working hours – (a) If the purchase is less than \$50,000 , approval from Purchasing is required by issuance of a purchase order prior to acquiring the item; or (b) If the purchase is in excess of or equal to \$50,000, Purchasing must obtain approval of Commissioners’ Court by order that grants the exemption.
- F. Sole-Source Purchases (LGC 262.024(a)(7)) – Typical items considered sole source purchases include patented or copyrighted material, secret processes, natural monopolies, utility services, captive replacement parts or components for equipment, and films, manuscripts or books. Such items may be purchased from a sole source without competitive procurement only after the Purchasing Agent, in writing, after concurrence of the department head, certifies the existence of only one source to the Commissioners’ Court and the Court enters a finding of such in its minutes (LGC 262.024(c)).
- G. Equipment Maintenance – All facility and equipment maintenance and repairs are contracted by Purchasing. The department requiring maintenance should contact Purchasing for authorization.
- H. Personal Property Sold (LGC 262.024) - Personal property sold at an auction by a state licensed auctioneer; at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code; or by a political subdivision of the state, a state agency of this state, or an entity of the federal government may be purchased without competitive procurement, if exempted by order of Commissioners’ Court.

**SUBJECT: SPECIAL PURCHASES**

**Policy 4.2: Emergency Purchases**

- A. Emergency purchases are authorized in extremely limited circumstance (LGC 262.024):
  - 1. in the event of public calamity for the benefit of the County citizens or to protect public property;
  - 2. in order to protect the public health or safety of County residents;
  - 3. when made necessary by unforeseen damage to public property.
- B. Depending upon the time of the emergency and type of purchase necessary, one of the following procedures should be followed:
  - 1. After hours emergency – in such instances the department head or elected official, or authorized representative, must take the necessary action to obtain the needed goods or services and contact the Purchasing Department in writing as soon as possible with notice of such purchase. Commissioners' Court must grant an exemption from bidding of all emergency purchases over \$50,000.
  - 2. Emergency during working hours – If the purchase is less than \$50,000, approval from Purchasing is required by issuance of a purchase order. Purchasing will obtain approval from Commissioners' Court for the exemption.





## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

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### **SUBJECT: COOPERATIVE PURCHASES**

#### **Policy 5.1: Enabling Authority**

- A. Vernon's Texas Statutes and Codes Annotated ("VTCA") Government Code Chapter 791 – Inter-local Cooperation Act - Allows local governments to contract with and between each other, to provide governmental functions and services, and to join together in contracting with others to provide goods and services.
- B. VTCA Local Government code Chapter 271, Subchapter D, §§271.081.083 – State Cooperation in Local Purchasing Program – Allows a local government to purchase goods on the state's purchasing contracts, and allows the state to solicit bids on the local government's behalf, when considered feasible by the Texas Procurement and Support Services Division (TPASS) or TXSmart Buy. TPASS is also required to provide information and technical assistance to local governments about the purchasing program.
- C. Local Government Code ("LGC") Chapter 262 – Purchasing and Contracting authority of counties.
- D. VTCA Local Government Code Chapter 271, Subchapter F, §271.102 – Cooperative Purchasing Participation.
  - 1. A local government may participate in a cooperative purchasing program with another local government of this state or another state or with a local cooperative organization of this state or another state.
  - 2. A local government that is participating in a cooperative purchasing program may sign an agreement with another participating local government or a local cooperative organization stating that the signing local government will: (1) designate a person to act under the direction of, and on behalf of, that local government in all matters relating to the program; (2) make payments to another participating local government or a local cooperative organization or directly to a vendor under a contract made under this subchapter, as provided in the agreement between the participating local government or between a local government and a local cooperative organization; and (3) be responsible for a vendor's compliance with provisions relating to the quality of items and terms of delivery, to the extent provided in the agreement between the participating local government or between a local government and a local cooperative organization.
  - 3. A local government that purchases goods or services under this subchapter satisfies any state law requiring the local government to seek competitive bids for the purchase of the goods or services.

- E. VTCA Local Government Code Chapter 271, Subchapter G. Purchases from federal schedule sources of supply; §271.103 – Federal Supply Schedule Sources.
1. A local government may purchase goods or services available under Federal supply schedules of the United States General Services Administration (GSA) to the extent permitted by federal law.
  2. A local government that purchases goods or services under this subchapter satisfies any state law requiring the local government to seek competitive bids for the purchase of the goods or services.



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

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### **SUBJECT: PROCUREMENT CARDS**

#### **Policy: 6.1 General Policy**

##### **A. PURPOSE**

To establish a methodology for use and to define the limits of use of County issued Procurement Cards provided to certain personnel in order to make purchases of goods and/or services in work stoppage situations, for routine supplies, or approved on-line purchases.

##### **B. PROCUREMENT CARDS FORMS**

1. 6.2 – Employee Card Agreement
2. 6.3 – Dispute Report
3. 6.4 – Affidavit of Receipt for Goods and/or Services

##### **C. GENERAL**

###### **1. DEFINITIONS**

- a. *Vendor:* A company (partnership, sole proprietorship, or corporation) from which a cardholder is purchasing materials and/or equipment or services under the provisions of this procedure.
- b. *Cardholder:* Personnel who have been authorized to use a Procurement Card and who are authorized to make purchases in accordance with these procedures.
- c. *Department Procurement Card Coordinator:* The person responsible for all program details, including all cardholder inquiries.
- d. *Statement of Account:* This is the monthly listing of all transactions by the cardholder, issued electronically by the bank and distributed to the cardholder.
- e. *Card Issuer Account Manager:* Managing representative from the bank who issues the Procurement Card.
- f. *Unauthorized Purchase:* Any use of the Procurement Card that does not comply with all requirements of this policy.
- g. *Procurement Card Administrator:* Purchasing Department representative.
- h. *Original Transaction Documentation:* Onsite documented evidence of procurement.

## D. PROCEDURE:

### 1. INTRODUCTION:

- a. This program is being established in order to provide a more rapid turnaround of requisitions for low-dollar value goods and to reduce paperwork and handling costs. By using the Procurement Card you dramatically shorten the payment cycle from the traditional requisition process. The traditional process includes pricing inquiry, order placement, delivery of goods, invoice and voucher review. Those individuals who have been issued Procurement Cards may now initiate transactions in person or by telephone, within the limits of this procedure and receive goods. Under certain circumstances, internet purchases may be made but **must first be approved by the Office of the Purchasing Agent with the exception of travel arrangements (hotel, airfare, car rental, and registration fees in accordance with Montgomery County Travel Policy)**. This program also relieves employees and officials of the burden of using personal funds to pay material travel and training expenses such as lodging, airfare, rental car, and registration. Payments to vendors are made via the MasterCard settlement system. Accounts payable will make monthly settlements with the Bank.

### 2. DEPARTMENT PROCUREMENT CARD COORDINATOR:

- a. Elected Officials/Department Heads must designate a department procurement card coordinator to oversee their department's expenditures and receipts.
- b. Department procurement card coordinators are responsible for receiving transaction documentation, matching transaction documentation and submitting to the Auditor's Office for payment. The Department Head, or authorized supervisor signature/approval of a cardholder's monthly statement, indicates that the cardholder was authorized to make those purchases/charges and those purchases/charges were made in accordance with the applicable procedures. The cardholder shall review the monthly statements and secure his/her authorized supervisor's approval ***within two (2) working days of receipt***. Approved monthly statements along with the charge receipts and the release, should be forwarded ***immediately*** to the County Auditor for payment processing.
- c. Department procurement card coordinators will contact the Procurement Card Administrator to order new cards, cancel cards or request limit changes on the card.

### 3. RECEIVING A PROCUREMENT CARD

- a. Elected Officials/Department Heads and managers may propose personnel to be cardholders by having their department procurement card coordinator oversee the completion of the employee card agreement form and submission to the Procurement Card Administrator.
- b. The proposed cardholder shall be issued a copy of this procedure and shall be required to sign an Employee Card Agreement. The Agreement indicates that the cardholder understands the procedure and the responsibilities of a cardholder.

- c. The Procurement Card Administrator shall maintain all records of Procurement Card requests, limits, and lost/stolen/destroyed card information.

#### 4. AUTHORIZED PURCHASING CARD USE

- a. The unique Procurement Card that the cardholder receives will have his/her name embossed on it and shall ONLY be used by the cardholder. **NO OTHER PERSON IS AUTHORIZED** to use that card. The cardholder may make transactions on behalf of others in their department with the approval of a supervisor authorized to approve such purchases. However, the cardholder is responsible for all use of their card.
- b. Use of the Procurement Card shall be limited to the following conditions:
  - i. **No single item purchased** shall exceed \$999.99 and **no single transaction** shall exceed \$2,000.00. Payment of a purchase **SHALL NOT** be split into multiple transactions to stay within the limit.
  - ii. All items purchased “over the counter” must be immediately available at time of Procurement Card use. No backordering of merchandise is allowed.
  - iii. All credit card purchases require prior approval from Purchasing Department.
  - iv. Spending limits and commodity restrictions must be adhered to.
  - v. Cardholders shall be prepared to show a valid driver's license, along with the card and **tax exempt form**, at the time of purchase. Cardholders will be responsible for seeking credit on any taxes charged or will be personally responsible for reimbursement of those taxes.
  - vi. Office supplies, purchased from our awarded contract vendor, are the only credit card purchases that can be made on the internet (on-line) unless prior approval has been received from the Purchasing Department.
  - vii. The card may be used for making the following Travel/Education Expenses:
    - Airfare and baggage fees
    - Lodging (excluding incidentals)
    - Car rental
    - Parking reservations
    - Shuttle services (tips may not be charged to P-Card)
    - Taxi fares (tips may not be charged to P-Card)
    - Conference/Seminar Registration
    - Travel expenses paid with the P-card must also be reported on the Travel Payment Requisition form and submitted to the County Auditor within sixty (60) days.
  - viii. Telephone purchases made with the card must have prior approval from the Purchasing Department.

- ix. 4Routine Purchases are small value items where the use of Procurement Card System is more efficient for products or when the vendor will not accept a purchase order.
- x. Fuel may be purchased while on official business only when traveling in County vehicle and not in possession of a fuel card. Only exception is if all County fuel sites are out of service. Vehicle Maintenance will notify Procurement Card Administrator if a fuel site is inoperable.
- c. EMERGENCY PURCHASES – Procurement cards specifically designated for purchases occurring during an emergency as declared by the appropriate authorities are available in the Purchasing Department on an as needed basis.

## 5. UNAUTHORIZED PROCUREMENT CARD USE

- a. The Procurement Card **SHALL NOT BE USED** for the following:
  - i. Any commodity or service not expressly authorized by Purchasing to the cardholder.
  - ii. Personal purchases or purchases for family members or friends.
  - iii. Entertainment expenses, meals or incidentals
  - iv. Travel expenses for non-County related business.
  - v. **Food or beverages, including room service.**
  - vi. Cash Advances.
  - vii. Telephone calls/monthly service (non-county related).
  - viii. Fuel for non-County related trips.
  - ix. Alcoholic Beverages.
  - x. Item(s) or service(s) purchased via the Internet.
  - xi. Any additional items/services as may be restricted by County policy or State Statutes
- b. A cardholder transaction that fails to comply with the current Montgomery County Policy while using their Procurement Card will qualify as an unauthorized purchase and will be borne as a personal expense by the cardholder.
- c. A cardholder who makes unauthorized purchases or carelessly uses the Procurement Card will be liable (without the option for reimbursement) for the total dollar amount of such unauthorized purchases plus any administrative fees charged by the Bank or other associated costs in connection with the misuse. Any cardholder that incurs two (2) unauthorized purchases and/or failures to follow procurement card procedures within a twelve (12) month period may have card revoked by Procurement Card Administrator. The cardholder may also be subject to disciplinary action, up to and including termination.

## 6. MAKING A PURCHASE

- a. Each cardholder is responsible for ensuring the transaction will be accurately executed before completion of the transaction. To achieve this, the cardholder will utilize the following “checklist” when making a purchase (before and during the transaction):
  - i. Coordinate with Purchasing to determine if vendors and prices have already been established for the required goods.
  - ii. Assure that **sales taxes** are not added to the purchase. You must require that the supplier remove any sales tax before completing the transaction. If you are executing an on-line transaction, you must review the transaction before submission. If the supplier refuses to honor the County’s tax-exempt status, you may not use the Procurement Card for the purchase. The two (2) exceptions to this requirement are hotel occupancy taxes and fuel taxes, which are allowable charges to the Procurement Card.
  - iii. Convenience fees are an allowable charge on the Procurement Card if charged when incurred from another public entity (cities, counties, state agencies). These fees are also allowed when the only form of payment requires a convenience fee (such as PayPal).
  - iv. Once a vendor is designated and that vendor confirms that the product or service is available which meets the specification and delivery requirements, take the following steps.
    - a. Confirm that the vendor agrees to accept the credit card.
    - b. Direct the vendor to include the following information on the packing list/shipping label:
      - i. Cardholder’s name and telephone number;
      - ii. Complete delivery address;
    - c. It is extremely important that all purchases be sent to the cardholder ordering the merchandise, as this will ensure that the documents necessary for record keeping are readily available to the cardholder.
    - d. If necessary advise the individual within your area who receives merchandise of the vendor’s name and order number, anticipated delivery date, number of boxes expected, carrier (UPS, Fed Ex, etc.). The receiver must notify the actual cardholder when delivery is made so that proper documentation is recorded.

## 7. CARDHOLDER RECORD KEEPING

- a. Whenever a Procurement Card purchase is made, either over the counter or by telephone, original detailed/itemized documentation shall be retained as proof of the purchase. Such documentation will be used to verify the purchases listed on the cardholder’s statement of account.

- b. When the purchase is made over the counter, the cardholder shall retain the “customer” copy of the charge receipt. Prior to signing this receipt, the cardholder is responsible for making sure that the vendor lists the quantity, and fully describes the item(s) on the charge receipt.
- c. When making a purchase by telephone or internet, the cardholder shall also document the transaction, confirmation number, subsequent detailed/itemized invoice, and all shipping documentation.

#### 8. REVIEW AND SUBMISSION OF TRANSACTION DOCUMENTATION

- a. The Department Procurement Card Coordinator shall prepare and submit the documentation (packing slip, invoice, cash register tape and Procurement Card slips, etc.) provided by the cardholder on the document submission form to the Auditor’s Office.
  - i. At the end of each billing cycle, the Department Procurement Card Coordinator will download a monthly statement from the credit card web-site that lists the cardholder's transaction(s) for that period.
  - ii. The cardholder shall check each transaction listed against his/her receipts. The original sales documents (invoice, cash register tape, packing slip, or credit card slips, etc.) for all items listed on the monthly statement **MUST** be attached to the statement along with the release. This data attachment is critical to enable audit substantiation. ***IF THIS ROUTINE IS NOT ADHERED TO, THE PROCUREMENT/TRAVEL CARD MAY BE REVOKED.*** The careful matching of complete support documents to the statement is vital to the successful use of this program.
  - iii. The Department Head, or authorized supervisor signature/approval of a cardholder's monthly statement, indicates that the cardholder was authorized to make those purchases/charges and those purchases/charges were made in accordance with the applicable procedures. The cardholder shall review the monthly statements and secure his/her authorized supervisor's approval ***within two (2) working days of receipt.*** Approved monthly statements along with the charge receipts and the release, should be forwarded ***immediately*** to the County Auditor for payment processing.
  - iv. If transaction(s) or credit(s) are not listed on the monthly statement, the appropriate transaction documentation shall be RETAINED by the cardholder until the next monthly statement. If the transaction(s) or credit(s) do not appear on the statement within sixty (60) days after the date of transaction(s), the cardholder or authorized supervisor shall notify the Credit Card Company.
- b. The Auditor’s Office shall reconcile the cardholder’s transaction documentation to the activity and confirm the following items as a minimum:
  - i. Detailed/itemized receipts exist for each purchase.
  - ii. The goods were received or the services were performed.



- iii. The cardholder has complied with applicable procedures, including this Procurement Card procedure.
  - iv. The Department signs each Blanket PO release form ensuring each transaction was authorized and executed in accordance with the applicable policies and procedures.
- c) The original detailed/itemized sales documents (i.e. packing slip, invoice, cash register receipt, etc.) for all purchases **MUST** be neatly attached to the Blanket PO release form and submitted to the Auditor's Office. Each Blanket PO release form must include: department name; last 4 numbers of card; transaction date; transaction description; vendor number and/or vendor name; accounting distribution; and Department signature. This data is critical to enable audit substantiation. **IF THIS PROCEDURE IS NOT ADHERED TO, the transaction may be considered an unauthorized purchase resulting in card revocation upon the second occurrence within a 12 month period.**
- d) If the cardholder does not have documentation of a transaction the cardholder shall attach a signed affidavit of receipt for goods and/or services that includes the vendor's name, transaction date, transaction amount, and a description of the item(s) purchased.
- e) For all unauthorized purchases the cardholder must remit a full reimbursement by check or money order to the Treasurer's Office; include a copy of the payment and Treasurer's receipt with the statement submitted to the Auditor's Office.
- f) Procurement Card Returns – If the wrong item is received, is not satisfactory, or damaged and/or defective, duplicate order, etc., the cardholder shall make contact with the vendor to explain the problem to inquire about return policies.
- g) When disputing a charge the cardholder shall:
- i. First contact Vendor in an effort to determine a resolution. If that does not correct the issue:
  - ii. The cardholder shall contact Department Procurement Card Coordinator who will then contact the Procurement Card Administrator.
  - iii. Complete a Dispute Report and submit same to the Department Procurement Card Coordinator who will then submit to the Procurement Card Administrator. Immediate action to resolve a dispute is of extreme importance.
  - iv. If an item has been returned and a credit voucher received, the cardholder shall verify to the Auditor's Office that this credit will be reflected on the monthly statement. **Under no circumstances are cardholders to accept a cash refund.**
- h) If items purchased by the use of the procurement Card are found to be unacceptable, the cardholder is responsible for obtaining replacement or correction of the item immediately. If the vendor has not replaced or corrected the item within ten (10) business days, then the purchase of that item will be considered in dispute.

## 9. CARD SECURITY

- a. It is the cardholder's responsibility to safeguard the Procurement Card and account number/PIN to the same degree that a cardholder safeguards his/her personal credit information.
  - i. The cardholder must not allow anyone to use their account number/PIN. A violation of this trust will result in that cardholder having their card withdrawn and disciplinary action may occur.
- b) If the Procurement Card is lost or stolen the cardholder shall immediately notify Department Procurement Card Coordinator who in turn will notify the Procurement Card Administrator.
- c) A new Procurement Card shall be promptly issued to the cardholder after the reported loss or theft. A Procurement Card that is subsequently found by the cardholder after being reported lost shall be destroyed.
- d) Failure to notify the Department Procurement Card Coordinator or Procurement Card Administrator of a lost or stolen Procurement Card immediately may result in procurement card program revocation and disciplinary action.

## 10. CARDHOLDER SEPARATION

- a) Prior to separation from the County or transfer to another department, the cardholder shall surrender the Procurement Card to Department Procurement Card Coordinator. Upon receipt, the Department Procurement Card Coordinator shall deliver to the Procurement Card Administrator. Please be aware that the responsibility for the card remains with the cardholder/Department Head until it has been received by the Procurement Card Administrator.

**SUBJECT: PROCUREMENT CARDS**

**Policy: 6.2 Employee Agreement – P Card**

## **EMPLOYEE CARD AGREEMENT**

### **Montgomery County Procurement Card Policy and Procedures**

I, \_\_\_\_\_, hereby request a Procurement Card through the County's Procurement Card Program. As a cardholder, I agree to comply with the following terms and conditions regarding card utilization.

I understand that I am being entrusted with the Procurement Card and will be making financial commitments on behalf of the County.

I understand that the County is liable to the card issuer for all charges made on the card. I understand that I am personally liable for all charges not in compliance with this Agreement or with the Montgomery County Procurement Card Policy Procedures.

I agree to use the Procurement Card for purchases in compliance with the Procedures and agree not to make personal purchases or any purchase in violation of the policy set forth in the Procedures. I understand that the County Auditor and/or Procurement Card Administrator will audit the use of the Procurement Card and that appropriate actions will be taken to enforce this Agreement and violations of the Procedures. Failure to follow the Procedures may result in the revocation of my use of the Procurement Card and other possible disciplinary actions.

I have received a copy of the Procedures and understand the requirements of the use of the Procurement Card. I agree to return the Procurement Card immediately upon request or upon termination of my employment (including retirement).

If the Procurement Card is lost or stolen, I agree to notify the Department Procurement Card Coordinator immediately. I further agree to safeguard the Procurement Card in the same manner that I safeguard my personal financial items and information, such as cash, checks and credit cards. If the Procurement Card is used in a manner not authorized by the Procedures, I agree to notify the Department Procurement Card Coordinator immediately.

I understand that the burden of proof will be upon me to show that the items purchased were made in compliance with the policy as set forth in the Procedures. I agree to comply with competitive procurement policies and will obtain the best value when using the Procurement Card to make a purchase.

Purchases made in violation of the policy as set forth in the Procedures will subject me to personal liability for the total dollar amount of such unauthorized purchase(s). I agree and understand that violations may be subject to adverse employment disciplinary action, up to and including termination.

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<i>Employee Signature</i>	<i>Employee #</i>	<i>Date</i>	<i>Department Name and Number</i>
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<i>Elected Official/Department Head Signature</i>	<i>Print Name</i>	<i>Date</i>
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**SUBJECT:   PROCUREMENT CARDS**

**Policy:       6.3 Dispute Report**

## **DISPUTE REPORT**

In accordance with the Montgomery County Procurement Card Program procedures, the listed product/service is in dispute:

Item Ordered:	_____
Date Ordered:	_____ Date Received:_____
Authorized Amount:	_____ Statement Amount:_____
Vendor:	_____

Last 4 of Card Number:	_____
Cardholder Name:	_____
Phone Number:	_____ Department:_____
Department Account:	_____

Reason for Dispute:\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Actions taken to Remedy:\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
*Employee Signature*

\_\_\_\_\_  
*Print Name*

\_\_\_\_\_  
*Date*

**SUBJECT:   PROCUREMENT CARDS**

**Policy:       6.4 Affidavit of Receipt**

**AFFIDAVIT OF RECEIPT FOR  
GOODS AND/OR SERVICES**

THE STATE OF TEXAS           §  
COUNTY OF MONTGOMERY   §

Before me, the undersigned authority, on this day personally appeared\_\_\_\_\_, who, being by me duly sworn, upon oath deposes and says:

THAT the affiant is not in possession of any documents (or document is illegible) to evidence receipt of the goods and/or services paid by Montgomery County with the \_\_\_\_\_ procurement card account last 4 of card #\_\_\_\_\_, statement dated \_\_\_\_/\_\_\_\_/20\_\_ for the following charge:

- Vendor: \_\_\_\_\_
  - Transaction Date: \_\_\_\_\_
  - Transaction Amount:   \$ \_\_\_\_\_
  - Item(s) Purchased: \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

THAT the affiant and/or his Precinct/Department, did receipt all goods and/or services purchased with the aforementioned charge;

THAT all goods and/or services were received for the sole use and/or benefit of Montgomery County, Texas, or other purposes authorized by Statute and/or Commissioners' Court,

THAT, if any statements contained herein are found to be false, the affiant shall guarantee and protect Montgomery County, Texas, from any financial loss;

THAT affiant is duly qualified and authorized to make this affidavit and is fully cognizant of matters herein set out.

Signature of Affiant: \_\_\_\_\_

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC  
Montgomery County, Texas

{seal}

My commission expires:\_\_\_\_\_



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY

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### **SUBJECT: COUNTY PROPERTY**

#### **Policy 7.1: County-Owned Supplies and Equipment**

All County-owned supplies, equipment and machinery must be used only for County business or other governmental function. Elected Officials and Department Heads are responsible for the proper accounting for, maintenance of and use of County equipment.

- A. Receipt of New Property - Capital Assets - New property will be tagged for inventory purposes by Purchasing. The Purchasing Department will tag all furniture, equipment and other property considered as capital assets according to the Capitalization Policy as follows:
1. Factors to be considered in determining items to be capitalized are as follows:
    - a. The expected normal useful life is one year or more.
    - b. The item has a unit cost of \$5,000 or more. Unit costs should include any charges for freight or installation. Computer Software is an exception to the capitalization policy and should be included in the Computer Supply line item.
    - c. The item is such that it is normally used in sets or multiple units, which as a collective unit, has a total value in excess of that established as the minimum and which otherwise satisfy requirements of a fixed property, e.g. tool sets, etc.
  2. Factors to be considered in determining items, which should be excluded from capitalization, are as follows:
    - a. Item is such that it requires regular replacement because of rapid wear.
    - b. Item is such that one-time use of it will destroy the item for further usefulness.
    - c. Items which are installed or otherwise added to an existing fixed asset here such additions are required merely to return the item to functioning product, e.g. engine overhauls, replacement of lens in cameras of closed circuit TV units.



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

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- B. Elected Official and Department Head Responsibility- Each Elected Official and Department Head is responsible for the custody and care of county property assigned to their respective department. County property may be used only for County purposes. Each Elected Official and Department Head is responsible for ensuring that assets are tracked and secured in a manner that is most likely to prevent theft, loss, damage or misuse of assets. Care shall be taken to insure all necessary precautions are in place so that assets are secured.
- C. Controlled Property - Each Elected Official and Department Head shall maintain control over property not defined under the capitalization policy, yet considered high-risk items. High-risk items include, but are not limited to, weapons, electronics, tools, and computer peripherals. Internal procedures, including physical inventories, shall be established by each Elected Official or Department Head to track such items.

The Department of Information Technology shall maintain an inventory of all computer equipment for the purpose of tracking and maintenance. This inventory does not absolve Elected Officials and Department Heads from the responsibility of assuring stewardship of the property or the reporting requirements for the property.

- D. Transfer of Property (LGC 262.011(j)) - The Purchasing Agent is authorized by Commissioners Court to transfer supplies, materials and equipment among the various County departments. The transfer or trade of any equipment (not limited to capital items) from one department to another must be handled through Purchasing. In the event an item is no longer required, the department will notify the Purchasing Department using the Inventory Transfer Form. The Purchasing Department will direct appropriate action to be taken.

It is the responsibility of the transferring department to assure that the department receiving the property immediately acknowledges receipt of the property. Until the receiving department acknowledges receipt by signing the transfer form, the property shall remain on the inventory of the transferring agency.

The Purchasing Department and other departments are encouraged to make inquiries as to unused or unneeded equipment in the possession of other departments, but the decision as to whether the property is unneeded ultimately rests with the Purchasing Agent as authorized by Commissioners Court.

- E. Missing Property - Lost or stolen property must be reported immediately. The Elected Official or Department Head must make reports of loss or theft in writing to the Purchasing Agent and the Risk Manager.



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY

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- F. Disposal of Surplus or Salvage Property (LGC 263, Subchapter D) - Commissioners Court will periodically authorize the Purchasing Agent to dispose of "surplus" (in excess of needs, but still useful) or "salvage" (valueless property) properties. Surplus or salvage property may be sold by competitive bid or auction by the Purchasing Agent as provided in Section 263 of the Local Government Code. Surplus and salvage property is not limited to capital items as defined herein.

County employees will be given the same opportunity afforded to other persons to bid on and purchase surplus properties offered for sale at auctions.

No Purchasing Department employees or their immediate family may bid on property sold through a Sealed Bid Sale. Purchasing Department employees may not knowingly purchase or receive merchandise through a third party through a Sealed Bid Sale.

Montgomery County may sell surplus or salvage property to another county or a political subdivision within the county, or offer the property as a trade-in for new property of the same general type. Commissioners Court may order the property to be destroyed or disposed of if no bids are received from a public auction or sealed bid sale. Property that has become obsolete or considered waste may be deleted from the department's inventory records upon approval of the Purchasing Agent.

- G. Annual Inventory – The Purchasing Agent shall complete a physical inventory of all property belonging to the County and shall, on July 1 of each year, file the results of the inventory with the County Auditor and Commissioners Court. The inventory shall include all capitalized property identified in Subsection A.

Adopted by Commissioners Court - 12/19/2017





## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

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### **SUBJECT: EXCLUDED PARTIES**

#### **Policy: 8.1 Federal Debarred Vendors**

- A. No purchase utilizing Federal funds may be made from vendors that are currently included on the Federal Excluded Parties List Systems for Award Management (SAM).

Contracts will not be awarded to any party that has been debarred, suspended, excluded or ineligible for participation in federal assistance programs.

In the event an awarded party or their subcontractor(s) become debarred, suspended, excluded or ineligible for participation in federal assistance programs after award of contract, the awarded contract shall be cancelled without notice.

- B. The following requirement shall be included in the Invitation to Bid or Request for Proposal documents if the expected purchase with Federal funds.

**Certification of Eligibility:** By submitting a bid or proposal in response to this solicitation, the bidder/proposer certifies that at the time of submission, he/she is not on the Federal Government's list of suspended, ineligible, or debarred contractors. In the event of placement on the list between the time of bid/proposal submission and time of award, the bidder/proposer will notify the Montgomery County Purchasing Agent. Failure to do so may result in terminating this contract for default.



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

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**SUBJECT: GRANTS**

**Policy: 9.1 General Policy**

Grants should be administered via a written contractual agreement between the County and the party providing the service. All purchases made with grant monies will comply with the terms and conditions of the grant, as well as the County's procedures regarding all purchases. **The department is responsible to provide the Purchasing Department a copy of all procurement requirements in the grant document in a timely manner.**

Prior to awarding any contracts, the Purchasing Department shall check the Federal Excluded Parties List System for Award Management (SAM), the State Comptroller's Website and the HUD website to verify that the vendor does not have a debarred status. The debarment results documents are included in the file.

When making purchases through a requisition process and using grant funds the Purchasing Department shall first check the below sites to verify the vendor to be used by the County is not debarred.

- GSA Federal Excluded Parties List System for Award Management (SAM)  
<https://www.sam.gov/portal/SAM/#1>
- HUD  
[https://www5.hud.gov/ecpcis/main/ECPCIS\\_List.jsp](https://www5.hud.gov/ecpcis/main/ECPCIS_List.jsp)
- State Comptroller of Texas  
[http://comptroller.texas.gov/procurement/prog/vendor\\_performance/debarred/](http://comptroller.texas.gov/procurement/prog/vendor_performance/debarred/)

Prior to the item(s) being purchased using the County Procurement card or by a blanket release, departments are responsible to review the aforementioned websites to ensure vendor(s) are not debarred and retain for future reference. This rule applies only when items are purchased using grant funds.



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

**SUBJECT: LEGAL BASIS FOR PURCHASING**

**Policy: 10.1 Statutory References**

It is not intended that this section be all-inclusive of the laws governing the County purchasing function.

A. Government Code (GC), Chapter 2254 – Professional Services Procurement Act

Counties may not bid contracts for professional services; it must select the most highly qualified provider for requested services and then negotiate a contract. Contracts must be awarded on the basis of "demonstrated competence and qualification to perform the service." Fees must be "fair and reasonable," consistent with and not in excess of published recommended practices and fees of applicable professional organizations, and not in excess of any maximums specified by state law. "Professional services" includes services within the scope of the practice of: accounting, architecture, land surveying, optometry, medicine or professional engineering; this includes services performed by any licensed architect, land surveyor, optometrist, physician, surgeon, certified public accountant or registered professional engineer in connection with his or her professional employment or practice.

B. Local Government Code (LGC) Chapter 271, Subch. D – Purchase Under State Contract

The State Purchasing and General Services Administration may perform purchasing services for local governments (including counties). A County which purchases under state contract satisfies all competitive bidding laws.

Per Article 601b, Section 3.081, the State Purchasing and General Services Administration may perform purchasing services regarding the sale or lease of automated information systems using "catalogue purchasing procedures". A vendor must apply for and receive certification by the General Services Administration in order for them to participate in catalogue purchasing. Once certified, the County may compare various vendor's catalogue pricing in order to determine the lowest and most responsible vendor for the automated information system related purchase.

C. LGC Chapter 171 – Conflict of Interest

Ownership of certain property or business interests may require that a local public official refrain from participation in votes or decisions and/or refrain from certain acts if the vote, decision or act involves the business interests or property owned by the public official or by a person related to the public official within the first degree of consanguinity or affinity.

"Local public official" includes members of the County governing body or other County officers, whether elected or appointed, paid or unpaid.

Citations to "articles" are to Tex. Rev. Civ. Stat. Ann.; citations to "Code" or "section" are to the newly codified Local Government Code.



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY

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D. LGC Chapter 262, Subch. B – County Purchasing Agent

Montgomery County Commissioners' Court employs the Purchasing Agent under the provisions of LGC 262.0115. Under the supervision of Commissioners' Court, the Purchasing Agent shall carry out the functions prescribed by law for a purchasing agent under Section 262.011 in regard to County purchases and contracts and shall administer procedures prescribed by law for notice and public bidding for county purchases and contracts.

The County Purchasing Agent "shall" purchase all supplies, materials and equipment required or used by the County and "shall" contract for all repairs to County property, and supervises all purchases made by competitive bid.

It is unlawful for any other person, firm or corporation, other than the County Purchasing Agent, to purchase any supplies, materials or equipment or to contract for repairs to property used by the County, except those purchases made within the purview of other applicable law [Section 262.011(d)]. The County Auditor may not pay for any purchase unless that purchase has been made by the County Purchasing Agent or by competitive bid as required by law. Id. (f).

In order to prevent unnecessary purchases, the County Purchasing Agent shall transfer any County supplies, materials and equipment from any department not needing them to another department requiring them.

E. LGC Chapter 262, Subch. C – County Purchasing Act (Competitive Bidding)

This subsection of the Local Government Code contains the comprehensive County purchasing statute. Procedures must be strictly complied with except for certain specific exemptions enumerated in the statute. These include certain emergencies and cases involving sole suppliers.

All separate, sequential or component purchases of items are treated as parts of a single purchase or contract. Id. 262.023(c). Any County officer or employee who intentionally or knowingly makes or authorizes separate, sequential or component purchases in avoidance of the competitive bidding requirements of section 262.023 is guilty of a CLASS B misdemeanor. Automatic and immediate removal of the officer or employee from his County office or position results upon final conviction. Id. 262.034 and 262.035.

F. LGC Chapter 263, Subch. D – Disposition of Salvage or Surplus Property

Surplus property is property in excess of needs, but property that still has some usefulness. Salvage property is defined as property having no value for the purpose for which it was originally purchased. The Purchasing Agent may sell surplus or salvage property by competitive bid or by auction. It also may be offered as a trade-in on new property of the same general type. If the property cannot be sold or traded, the property can be donated to a civic or charitable organization located in the County or destroyed.



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY

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G. LGC Chapter 271, Subch. C – Certificates of Obligation

Certificates of Obligation (COB) are alternative financing instruments and may be issued for the payment of contractual obligations to be incurred in: 1) public works construction, 2) materials, supplies, equipment, machinery, buildings, land and rights-of-way for authorized needs and purposes, 3) professional services, 4) constructing or equipping a jail, 5) constructing, renovating, or otherwise improving a County-owned building, and 6) bridge construction. Purchases financed with COBs are subject to all bid and advertising requirements.

H. GC Chapter 791.025 – Interlocal Cooperation Contracts

Montgomery County may agree with another local government or with a state agency, including the State Purchasing and General Services Administration to purchase goods and services.

I. Disclosure of Interested Parties

Per Government Code, Statute §2252.908, effective January 1, 2016 all contracts executed by Commissioners' Court, regardless of the dollar amount, will require completion of Form 1295 "Certificate of Interested Parties" by the participating vendor. Form 1295 is also required for any and all contract amendments, extensions or renewals. Vendors are required to visit the Texas Ethics Commissions (TEC) website ([https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm)) and file a 1295 Certificate. After filing the form with TEC, it must be printed, signed and notarized and submitted to Purchasing by the Vendor. Form is then submitted to Commissioners' Court by Purchasing.

J. Government Code (CG) Chapter 2269 – Contracting for Construction Projects

This chapter applies to a public work contract made by a governmental entity authorized by state law to make a public work contract. Except as provided by this Section, this chapter prevails over any other law relating to a public work contract (Sec. 2269.003).

Per Chapter 2269 Subchapter C – Competitive bidding method (Sec. 2269.101) Contract for facilities: Competitive bidding. In this chapter, "competitive bidding" is a procurement method by which a governmental entity contracts with a contractor for the construction, alteration, rehabilitation, or repair of a facility by awarding the contract to the lowest responsible bidder.

Per Chapter 2269 Subchapter D – Competitive sealed proposal method (Sec. 2269.151) Contract for facilities: Competitive sealed proposals. In this chapter, "competitive sealed proposals" is a procurement method by which a governmental entity requests proposals, ranks the offerors, negotiates as prescribed, and then contracts with a general contractor for the construction, alteration, rehabilitation, or repair of a facility.



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

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### **SUBJECT: CODE OF ETHICS**

#### **Policy: 11.1 General Ethical Standards**

*Public employment is a public trust. It is the policy of Montgomery County Purchasing to promote and balance the objective of protecting government integrity and the objective of facilitating the recruitment and retention of personnel needed by Montgomery County. Such policy is implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public service.*

*Public employees must discharge their duties impartially so as to assure fair and competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the Montgomery County Purchasing Department. Montgomery County employees will avoid the appearance of unethical or compromising practices in relationships, actions, and communications.*

- A. It shall be a breach of ethics to attempt to realize personal gain through public employment with Montgomery County by any conduct inconsistent with the proper discharge of the employee's duties.
- B. It shall be a breach of ethics to attempt to influence any public employee of Montgomery County to breach the standards of ethical conduct set forth in this code.
- C. It shall be a breach of ethics for any employee of Montgomery County to participate directly or indirectly in procurement when the employee knows that:
  - 1. the employee or any member of the employee's immediately family has a financial interest pertaining to the procurement;
  - 2. a business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or
  - 3. any other person, business or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.
  - 4. If such conflicts of interest exist, the employee shall notify the Purchasing Agent in writing and remove him/herself for the County procurement process.
- D. It shall be a breach of ethics to offer, give or agree to give any employee or former employee of Montgomery County, or for any employee or former employee of Montgomery County to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or purchase request, influencing the content or any specification or procurement standard, rendering of advice,





## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY

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investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before this government.

- E. It shall be a breach for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Montgomery County, or any person associated therewith, as an inducement for the award of a subcontract to order.
- F. The prohibition against gratuities and kickbacks prescribed above shall be conspicuously set forth in every contract and solicitation therefore.
- G. It shall be a breach of ethics for any employee or former employee of Montgomery County knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person. Employees will keep County procurement information obtained from an RFP or RFQ confidential until after contract award if the solicitation provides for it to be kept secret.



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY MANUAL

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### **SUBJECT: PURCHASING AUTHORIZATION**

#### **Policy: 12.1 General Policy**

A Purchasing Authorization Form must be signed by the authorization department head for each person having authority to approve purchases for his/her department. This form will be kept on file in the Purchasing Department.

The Purchasing Authorization Form indicates that the person having the authority to approve purchases for their department has read and understands the Purchasing Policy and will abide by the guidelines, restrictions, and duties enumerated therein.

(See 12.2 Authorization Form)





MONTGOMERY COUNTY  
PURCHASING DEPARTMENT  
PURCHASING POLICY

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**SUBJECT: PURCHASING AUTHORIZATION**

**Policy: 12.2 Purchasing Authorization Form**

**PURCHASING AUTHORIZATION FORM**

I have been authorized to approve request for purchases for

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(Department Name and Department Number)

In connection with that authorization, I certify that I have read and understand the Purchasing Policy and will abide by the guidelines, restrictions, and duties enumerated therein.

Name: \_\_\_\_\_  
(Please Print Name)

\_\_\_\_\_  
(Signature)

Date: \_\_\_\_\_

Approval: \_\_\_\_\_  
(Department Head/Elected Official Signature)



MONTGOMERY COUNTY  
PURCHASING DEPARTMENT  
PURCHASING POLICY

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# EXHIBIT

**EXHIBIT A**  
**MONTGOMERY COUNTY**  
**ARCHITECTURAL, ENGINEERING and SURVEYING**  
**CONTRACT AWARD GUIDELINES**

**OVERVIEW**

**General**

Selection of any provider of architectural, engineering or surveying services will be accomplished by utilizing these guidelines as feasible and practicable as determined by the Montgomery County Commissioners' Court. The intent of these guidelines is to establish procedures for consistency and efficiency in the selection process. The selection procedures address the following topics:

- Solicitation of Proposals
- Evaluation Process
- Contract Negotiation
- Contract Execution
- Contract Administration

These guidelines comply with the Professional Procurement Act, Chapter 2254 of the Texas Government Code, Title 10.

**Project Initiation**

After a project, or group of projects, has been approved by Commissioners' Court, Purchasing will proceed to initiate the selection process utilizing these guidelines. For all services estimated over the statutory bid amount, Commissioners' Court shall select the most highly qualified firm as established in these guidelines.

For services required under the statutory bid amount where the project has been previously approved by Commissioners' Court, Purchasing may work with the department requiring the services to prepare a comparative analysis of qualified firms. Purchasing shall issue a letter to the firm which has been determined most qualified requesting a defined scope of work and proposed cost. The department and Purchasing shall negotiate the scope and cost and issue a purchase order for the services.

**SOLICITATION OF QUALIFICATIONS**

**Preliminary Information**

Prior to soliciting qualifications, the department requiring the services will prepare the following items which will become part of the Request for Qualifications packet:

- Prepare the scope of work:
- Must reflect clear, accurate, and detailed description of the technical requirements for services to be rendered;
- Identify items to be provided by the county, as appropriate.
- Identify evaluation factors, such as but not limited to:
  - Qualifications
  - Similar work experience
  - Work load



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY

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- Past performances
- Staffing capabilities
- Other appropriate qualification-based criteria

### **Solicitation**

The county shall solicit proposals by:

- Notifying interested firms on the county's bid list and on the Internet, and all interested parties are allowed to respond.
- Solicitations may be grouped for several projects at one time (bond issues, tax notes, etc.) and selections may be made for individual projects through the single solicitation. Such solicitations require language in the specifications indicating multiple projects.

### **Request for Qualifications**

- Scope of work
- Evaluation factors, including weighted criteria
- Method of payment
- Request for submission of qualification statements
- Sufficient length of time to prepare and submit required documents
- Sample standard contract acceptable to Montgomery County

## **EVALUATION PROCESS**

### **Evaluation Process**

The county will:

- Establish standing evaluation committees, at a minimum, as follows:

#### **Architectural Services:**

Purchasing Department

Facilities

End User (dependent on individual project)

#### **Engineering Services – County Roads:**

Purchasing Department

Public Works/Engineering

Commissioner Representative per Precinct

#### **Engineering Services – State and Non-County Roads:**

Purchasing Department

Public Works/Engineering



## MONTGOMERY COUNTY PURCHASING DEPARTMENT PURCHASING POLICY

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- Evaluate proposals and rank firms on pre-determined criteria identified in the RFQ.
- Select the highest ranked firm and prepare a recommendation for Commissioners' Court approval.
- Purchasing shall issue a letter to the firm which has been determined the most highly qualified requesting a defined scope of work and proposed cost. Committee begins negotiation of scope and cost.

### **CONTRACT NEGOTIATION**

#### **Negotiation of Contract**

The committee shall:

- Negotiate the contract amount with the highest ranked provider
- Use one of the following methods of payments:
  - Unit cost
  - Lump sum
- Evaluate the technical aspects of the cost proposal
- If applicable, verify that the current pay rates, overhead rates, or other cost information

#### **Ending Negotiations**

If the sponsoring agency is unable to reach an agreement on fair and reasonable cost, Commissioners' Court may formally end negotiations with the number one firm and proceed to the second highest ranked provider.

If negotiations are unsuccessful with second highest ranked provider, the agency will proceed through the provider list in ranked order, until an award is made.

### **CONTRACT EXECUTION**

#### **Review and Approval of Contract**

The committee:

- Reviews the contract for form and content
- Verifies the scope is consistent with that submitted with the approved project submission
- Verifies that proposed costs are fair and reasonable
- Recommends Commissioners' Court proceed with contract execution.H