

# Montgomery County, Texas Comprehensive Annual Financial Report



For the Fiscal Year Ended September 30, 2019  
501 N. THOMPSON SUITE 205 CONROE, TEXAS 77301



**MONTGOMERY COUNTY, TEXAS**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2019**

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



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## 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, 2020

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, 2019, 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, 2019 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, 2019 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, 2019 the estimated population was 590,925. 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, as the effect from Hurricane Harvey is continued to be felt.

On September 19, 2019, the fifth-wettest tropical storm in the continental United States, Tropical Storm Imelda, made landfall and caused widespread and devastating flooding in southeast Texas. Some areas in the region experienced up to 43 inches of rain and produced billions of dollars in damage. Montgomery County is working diligently with various levels of government to make the County more resilient to these types of storms.

In January 2020, a highly contagious and deadly virus, COVID-19, spread from China at a rapid pace; it was declared a pandemic by the World Health Organization in March 2020. The governing body of the County responded with a disaster declaration and is working with federal and state agencies to ensure the health and safety of its citizens.

**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. These projects are expected to alleviate mobility issues in key areas of the County.

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. In January 2018, the County retired the remainder of the debt associated with the construction of SH 242. In May 2019, the Board agreed to remove the tolls on SH 242. Additionally, revenue bonds for MCTRA were issued in June 2018 to fund construction along State Highway 249 in Montgomery County. Any 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.

**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 SH 249, Tomball Parkway. Working in conjunction with the Harris County Toll Road Authority (HCTRA), MCTRA is completing work on widening and improving SH 249 during fiscal year 2020.

**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, go-live is anticipated to occur during fiscal year 2020.

### **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, 2018. This was the thirty-first 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, 2018**

*Christopher P. Morill*

Executive Director/CEO



## VOTERS







MONTGOMERY COUNTY, TEXAS  
DIRECTORY OF OFFICIALS  
SEPTEMBER 30, 2019

COMMISSIONERS' COURT:

Mark Keough,  
Mike Meador  
Charlie Riley  
James L. Noack, Jr.  
James Metts

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

DISTRICT COURTS:

Phil Grant  
Lisa Michalk  
Kristin Bays  
Kathleen Hamilton  
Jennifer Robin  
Tracy Gilbert  
Patty Maginnis  
Brett Ligon  
Melisa Miller

Judge, 9<sup>th</sup> Judicial District  
Judge, 221<sup>st</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

COUNTY COURTS AT LAW:

Dennis Watson  
Claudia Laird  
Patrice McDonald  
Mary Ann Turner  
Keith Stewart  
JD Lambright, deceased 3/9/2019  
BD Griffin, appointed 3/19/2019  
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 Attorney  
County Clerk

JUSTICE COURTS:

Wayne L. Mack  
Grady Trey Spikes  
Matt Beasley  
Jason Dunn  
Matthew Masden

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

LAW ENFORCEMENT:

Rand Henderson  
Phillip Cash  
Gene DeForest  
Ryan Gable  
Kenneth "Rowdy" Hayden  
Chris Jones

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

FINANCIAL ADMINISTRATION:

Tammy McRae  
Melanie Bush,  
Rakesh Pandey, CPA  
Gilbert Jalomo  
Amanda Carter

Tax Assessor-Collector  
County Treasurer  
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, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Montgomery County, Texas, as of September 30, 2019, 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.

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 18, 2020 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 18, 2020

## **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, 2019. 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 \$550,371,784 (net position). Of this amount, \$47,671,390 is restricted for specific purposes. With the presentation of the net investment in capital assets, unrestricted net position becomes (\$32,267,000).
- The County's total net position increased by \$5,061,993 from current operations. This is due to the rapid growth experienced throughout the County.
- At September 30, 2019, the County's governmental funds reported combined ending fund balances of \$382,608,399, an increase of \$48,599,120 from operations in comparison with the prior year. From the ending fund balances, \$566,167 is non-spendable, \$191,239,865 is restricted, \$48,949,955 is committed and \$96,116,571 is assigned. Approximately 11.9% of the ending balances, \$45,735,841 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, 2019, unassigned fund balance for the General Fund was \$45,735,841, or 16.58% of total General Fund expenditures.
- The County's total bonded debt increased by \$64,375,000 (14.06%) 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 2019, the County reported a net pension liability of \$64,534,132.
- As of fiscal year 2019, the County reported other post-employment benefit obligations (OPEB) of \$227,627,578.

## 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, 2019. 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 53 individual governmental funds during the fiscal year ended September 30, 2019. 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, and the Road Bonds Series 2018B 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 49-81 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 82-84.

**Supplementary information** is comprised of the General Fund final budget versus actual at the department level. This comparative data can be found on pages 89-100 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 102-173 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 \$550,371,784 at September 30, 2019, as shown in the table below. The County also reported a prior period adjustment for the movement of Adult Probation to an agency fund, which resulted in a decrease of \$11,618.

Montgomery County, Texas Net Position						
	Governmental Activities		Business-type activities		Total	
	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018
Current and other assets	\$ 455,523,371	\$ 405,968,608	\$ 48,885,625	\$ 79,558,730	\$ 504,408,996	\$ 485,527,338
Capital assets	918,988,982	859,603,253	93,323,207	67,945,294	1,012,312,189	927,548,547
Total assets	<u>1,374,512,353</u>	<u>1,265,571,861</u>	<u>142,208,832</u>	<u>147,504,024</u>	<u>1,516,721,185</u>	<u>1,413,075,885</u>
Deferred outflow of resources	<u>94,363,745</u>	<u>29,592,096</u>	<u>-</u>	<u>-</u>	<u>94,363,745</u>	<u>29,592,096</u>
Long-term liabilities outstanding	898,365,580	750,036,343	95,190,104	95,458,322	993,555,684	845,494,665
Other liabilities	45,806,664	41,975,293	8,414,697	4,107,038	54,221,361	46,082,331
Total liabilities	<u>944,172,244</u>	<u>792,011,636</u>	<u>103,604,801</u>	<u>99,565,360</u>	<u>1,047,777,045</u>	<u>891,576,996</u>
Deferred inflow of resources	<u>12,936,101</u>	<u>5,769,576</u>	<u>-</u>	<u>-</u>	<u>12,936,101</u>	<u>5,769,576</u>
Net Position:						
Net Investment in Capital Assets	495,582,352	559,976,686	39,385,042	44,945,936	534,967,394	604,922,622
Restricted	47,671,390	72,875,709	-	-	47,671,390	72,875,709
Unrestricted	(31,485,989)	(135,469,650)	(781,011)	2,992,728	(32,267,000)	(132,476,922)
Total net position	<u>\$ 511,767,753</u>	<u>\$ 497,382,745</u>	<u>\$ 38,604,031</u>	<u>\$ 47,938,664</u>	<u>\$ 550,371,784</u>	<u>\$ 545,321,409</u>

The County's total assets of \$1,516,721,185 are largely comprised of investments of \$280,849,336, or 18.5%, and capital assets net of accumulated depreciation of \$1,012,312,189, or 66.7%. 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 \$993,555,684 comprises the largest portion of the County's total liabilities of \$1,047,777,045 at 94.8%. Of total long-term liabilities, \$34,553,764 is due within one year, with the remainder of \$959,001,920 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 \$550,371,784 (net position) as of September 30, 2019. Roughly 8.7%, or \$47,671,390, 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, \$10,673,952 is restricted for capital projects, \$12,099,527 is restricted for debt service, and \$24,897,911 is restricted by contract or legislation. The most significant portion (\$534,967,394) 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 2019</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2018</b>
<b>Revenues:</b>						
<i>Program revenues:</i>						
Fees, fines, forfeitures, and charges for services	\$ 166,832,126	\$ 142,614,217	\$ 1,055,106	\$ 1,405,809	\$ 167,887,232	\$ 144,020,026
Operating grants and contributions:	11,580,740	18,248,825	-	-	11,580,740	18,248,825
Capital grants and contributions:	59,283,879	70,300,531	8,200,000	3,766,300	67,483,879	74,066,831
<i>General revenues:</i>						
Property taxes	248,026,503	235,309,431	-	-	248,026,503	235,309,431
Other taxes	3,228,697	3,095,156	-	-	3,228,697	3,095,156
Other general revenues	12,401,466	7,515,436	1,728,673	170,021	14,130,139	7,685,457
Total revenues	<u>501,353,411</u>	<u>477,083,596</u>	<u>\$ 10,983,779</u>	<u>\$ 5,342,130</u>	<u>512,337,190</u>	<u>482,425,726</u>
<b>Expenses:</b>						
General administration	91,013,764	69,064,470	-	-	91,013,764	69,064,470
Judicial	40,484,282	37,498,575	-	-	40,484,282	37,498,575
Legal services	4,294,105	4,055,102	-	-	4,294,105	4,055,102
Elections	2,158,108	2,418,834	-	-	2,158,108	2,418,834
Financial administration	13,400,718	8,825,650	-	-	13,400,718	8,825,650
Public facilities	86,664,558	74,896,281	-	-	86,664,558	74,896,281
Public safety	109,220,683	103,791,920	-	-	109,220,683	103,791,920
Health and welfare	30,341,024	30,287,821	-	-	30,341,024	30,287,821
Culture and recreation	11,626,582	10,719,438	-	-	11,626,582	10,719,438
Conservation	1,637,399	1,903,911	-	-	1,637,399	1,903,911
Public transportation	87,913,321	89,720,534	-	-	87,913,321	89,720,534
Debt service interest and fiscal charges	8,202,241	28,471,590	-	-	8,202,241	28,471,590
Toll Road	-	-	8,113,188	5,773,776	8,113,188	5,773,776
Total expenses	<u>486,956,785</u>	<u>461,654,126</u>	<u>8,113,188</u>	<u>5,773,776</u>	<u>495,069,973</u>	<u>467,427,902</u>
Increase (decrease) in net position before transfers	<u>14,396,626</u>	<u>15,429,470</u>	<u>2,870,591</u>	<u>(431,646)</u>	<u>17,267,217</u>	<u>14,997,824</u>
Transfers	-	8,301,324	(12,205,224)	(8,301,324)	(12,205,224)	-
Increase (decrease) in net position	<u>14,396,626</u>	<u>23,730,794</u>	<u>(9,334,633)</u>	<u>(8,732,970)</u>	<u>5,061,993</u>	<u>14,997,824</u>
Net Position - beginning	497,382,745	567,995,731	47,938,664	56,671,634	545,321,409	624,667,365
Prior period adjustment	(11,618)	(94,343,780)	-	-	(11,618)	(94,343,780)
Net Position - Beginning, as restated	<u>497,371,127</u>	<u>473,651,951</u>	<u>47,938,664</u>	<u>55,680,047</u>	<u>545,309,791</u>	<u>529,331,998</u>
Net Position - Ending	<u>\$ 511,767,753</u>	<u>\$ 497,382,745</u>	<u>\$ 38,604,031</u>	<u>\$ 47,938,664</u>	<u>\$ 550,371,784</u>	<u>\$ 545,321,409</u>

The County's overall net position increased from the prior fiscal year. The reasons for this overall increase 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 \$14,396,626 from the prior fiscal year, in addition to an adjustment for the movement of Adult Probation of \$11,618, attributing to the ending balance of \$511,767,753.

The County's total revenues of \$501,353,411 is an increase from the prior year. Property tax revenue accounts for \$248,026,503, or 49.5%, and is an increase over last year of \$12,717,072. The increase is primarily due to increasing property values as 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 \$166,832,126, or 33.3%; and grants and contributions encompass \$70,864,619, or 14.1% of total revenues of governmental activities. Operating Grants and Contributions were \$11,580,740, a decrease of \$6,668,085 largely due to the influx of FEMA grant funds received in response to the recovery efforts from Hurricane Harvey. Capital Grants and Contributions experienced a decrease in the amount of \$11,016,652 primarily due to an increase of county infrastructure donations.



Expenses for the year totaled \$486,956,785. The Public Transportation function accounted for \$87,913,321, or 18.0% of the total expenses in governmental activities. The decrease in spending in the public transportation function of \$1,807,213 is due to the culmination several large road construction projects undertaken by the County were completed 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 \$5,428,763 over the previous year. The after effects of Hurricane Harvey and Tropical Storm Imelda 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 \$21,949,294 over last year to \$91,013,764. 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 \$86,664,558, an increase of \$11,768,277. The increase is primarily due several projects that the County has undertaken for improvements to buildings throughout the County.

Both the Judicial function and the Financial Administration function experienced increases in the amount of \$2,957,632 and \$4,575,068 respectively. The receipt of several grants for the continuation of a veteran's treatment court established by the County is the primary reason for the increase in the Judicial function. The Financial function increase is the result of the payments made for the Tax Increment Reinvestment Zones (TIRZ) and Chapter 381 agreements.

The recognition of the County's total OPEB liability of \$227,627,578 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 \$38,604,031. Capital Grants and Contributions of \$8,200,000 comprised 74.7% 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 2019, MCTRA receipted \$1,055,106 in toll revenue. However, MCTRA's board voted to abolish the tolling of the SH 242 Direct Connectors in May 2019 since the related debt has been paid off.

The government's ending net position of \$550,371,784 represents an increase of \$5,050,375 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 2019</b>	<b>FY 2018</b>
<i>Governmental funds activity:</i>		
Total revenues	\$ 401,013,101	\$ 370,085,504
Total expenditures	458,452,025	432,989,046
Excess (Deficiency) of revenues over expenditures	(57,438,924)	(62,903,542)
Capital lease financing	12,515,094	255,949
Grant funds not reimbursed	(106,864)	-
Issuance of Refunding Bonds	26,965,000	-
Issuance of general obligation bonds	89,010,000	45,670,000
Payment to refunded bond escrow agent	(28,245,645)	-
Premiums on obligations	5,873,492	5,335,327
Transfers	26,967	10,289,558
Net change in fund balance	48,599,120	(1,352,708)
<i>Government-wide activity:</i>		
Difference between current year's capital outlay expenditures and depreciation expense	2,236,951	1,096,989
Expenditures made in addition to the annual required		
Net effect of capital asset sales, donations, trade-ins, etc.	57,187,619	66,480,880
Revenues not reported in funds because they do not provide current-period financial resources	(151,417)	263,304
Internal Service Funds which are not reported in funds but are reported in government wide activity	(6,419,122)	(1,232,088)
Long-term debt not reported in funds because it does not affect the current period	(67,740,354)	(29,945,798)
Expenses not reported in the funds because they do not use current-period financial resources	(19,316,172)	(11,579,785)
Total change in net position	<u>\$ 14,396,626</u>	<u>\$ 23,730,794</u>

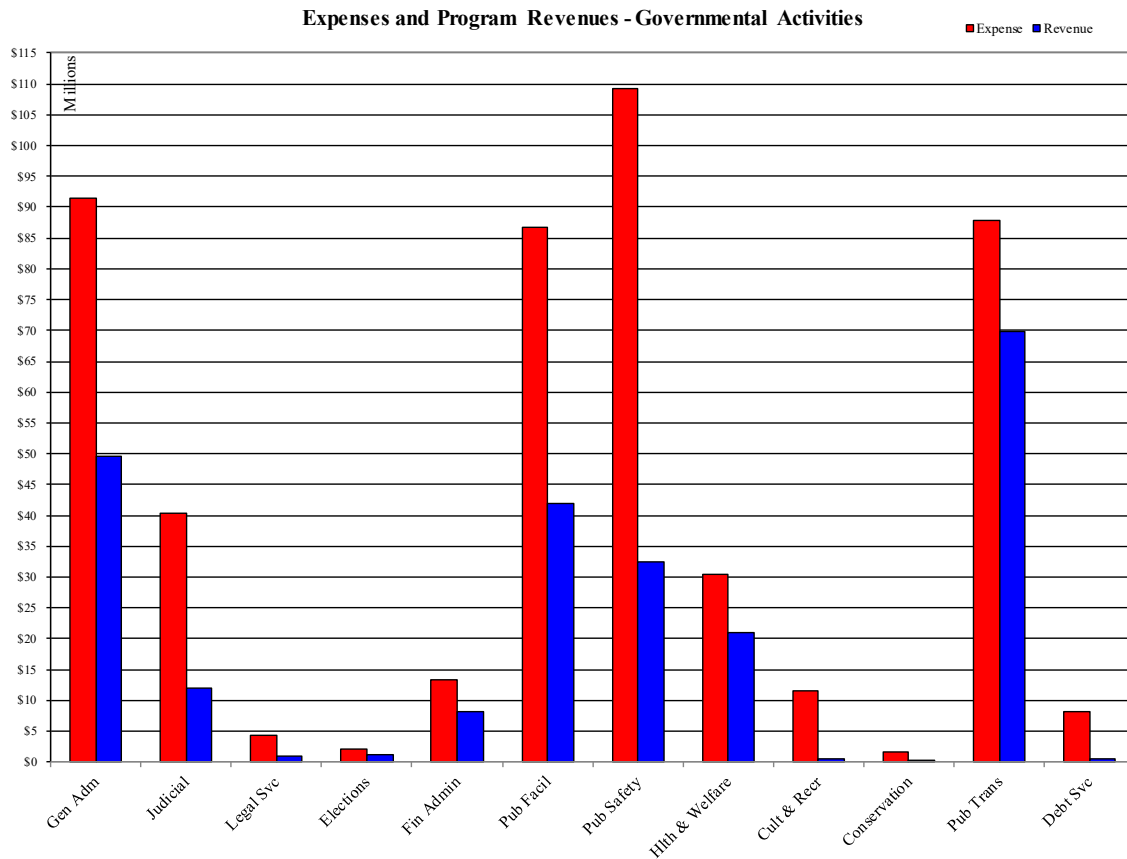
This change in net position begins with the current year's differences between governmental revenues and expenditures of (\$57,438,924) along with other financing sources and uses of \$106,038,044. Differences between capital assets added during the year and the depreciation related to all capital assets recorded, along with the effect of various capital assets transactions, such as dispositions and donations of \$59,424,570 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 (\$19,467,589). Additionally, long-term debt, whether being issued or retired, has an effect on the change in net position of (\$67,740,354). During the fiscal year, the County issued road bonds and an issuance of refunding debt. The County also reports a net pension liability of (\$64,534,132) on and a total OPEB liability of (\$227,627,578) on the balance sheet.

The overall financial position of the County has improved over the last year. As mentioned earlier, there is an increase in the County's net position of \$5,050,375, inclusive of the prior period adjustment. The reason for this modest change is the increase of \$6,978,140 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, 2019 for governmental activities.

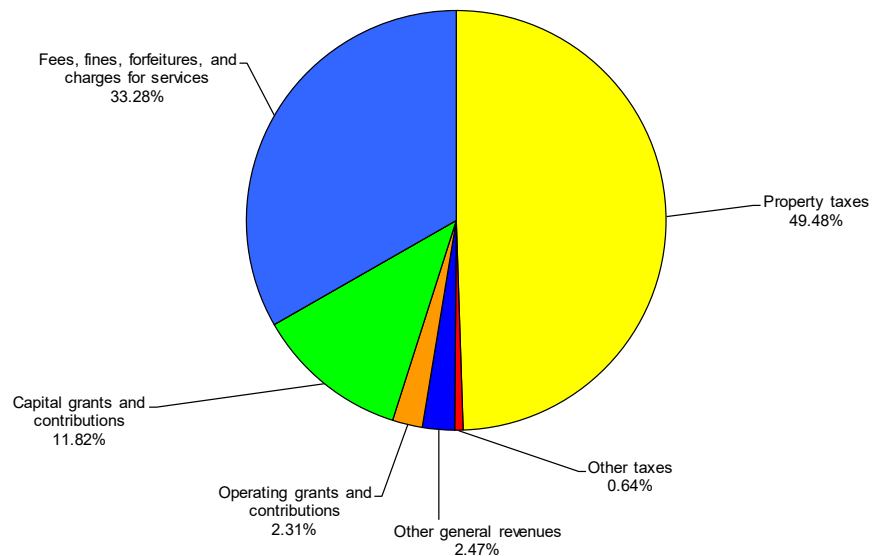


Key elements of the analysis of government-wide program revenues and expenses as they relate to each function reflect the following:

- Program revenues of \$237,696,745 are comprised in large part (29.4%) of public transportation's revenues of \$69,781,243 and general administration's revenues of \$49,534,765 (20.8%). The public safety function comprises 13.6% of program revenues with \$32,380,160, public facilities makes up 17.6% of program revenues with \$41,810,783, and Health and Welfare covers 8.8% of program revenues with \$21,026,219. The expenses of these functions account for 18.8%, 18.8%, 22.4%, 18.8%, and 6.2%, 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 \$5,428,763 while realizing a decrease in revenues of \$2,169,560. 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 decrease in revenues is due to a decrease 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, 2019.

**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, 2019, the County's governmental funds reported combined ending unassigned fund balances of \$45,735,841 that are available for spending at the County's discretion. The remainder of fund balances are categorized as non-spendable \$566,167, restricted \$191,239,865, committed \$48,949,955 or assigned \$96,116,571 to reflect the varying levels of liquidity.

Total assets and deferred outflows of resources in the General Fund amounted to \$248,496,723, accounting for 48.3% of total governmental fund assets. The total assets of other major funds, which include Road and Bridge Special Revenue Fund (\$18,683,807), the Debt Service Fund (\$13,788,258), and the Road Bonds, Series 2018B (\$86,464,565). Together, all major funds account for \$367,433,623 (71.4%) of the County's \$514,854,646 in total assets.

The County's General Fund balance increased by \$5,391,127 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 \$15,573,310 which is reported as \$105,213 restricted, \$3,240,684 as committed, and \$12,227,413 as assigned. The fund balance increased by \$1,587,013 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 \$12,708,009 in the Debt Service Fund is presented as fund balance restricted for debt service. The fund balance decreased as a result of the County's use of the fund balance to perform a partial cash defeasance of the Series 2014A Limited Tax Refunding Bonds.

The entire fund balance of the Road Bonds, Series 2018B, \$83,282,703 is 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 2019 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 \$246,180,807 and expenditures of \$235,342,462. The General Fund's final budget, as amended, contains revenues and other financing sources of \$285,238,919 and expenditures and other financing uses of \$298,610,657.

The following table presents the changes between the original adopted budget and the final budget for the General Fund as of September 30, 2019.

<b>General Fund Budget Variances Year Ended September 30, 2019</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Variance with Original Budget Positive (Negative)</b>
Revenues:			
Taxes	\$ 186,956,445	\$ 186,738,410	\$ (218,035)
Licenses and Permits	2,513,500	2,513,500	-
Fees	16,900,926	17,035,632	134,706
Intergovernmental	3,314,384	3,349,936	35,552
Charges for Services	3,102,823	3,785,059	682,236
Interest	741,703	1,135,703	394,000
Contract Reimbursements	15,867,526	28,646,138	12,778,612
Inmate Housing	15,800,000	40,004,797	24,204,797
Fines and Forfeitures	80,000	80,000	-
Miscellaneous	903,500	1,161,581	258,081
Total Revenues	246,180,807	284,450,756	38,269,949
Expenditures:			
General Administration	31,244,284	39,404,475	(8,160,191)
Judicial	23,132,905	24,589,051	(1,456,146)
Legal Services	3,670,380	3,748,197	(77,817)
Elections	1,457,881	1,457,003	878
Financial Administration	10,437,428	13,278,899	(2,841,471)
Public Facilities	54,683,397	77,320,646	(22,637,249)
Public Safety	87,853,152	108,501,445	(20,648,293)
Health and Welfare	10,594,020	11,502,342	(908,322)
Culture and Recreation	10,078,355	10,133,809	(55,454)
Conservation	727,789	740,918	(13,129)
Public Transportation	901,684	992,360	(90,676)
Miscellaneous	561,187	784,414	(223,227)
Total Expenditures	235,342,462	292,453,559	(57,111,097)
Excess Revenues Over Expenditures	10,838,345	(8,002,803)	(18,841,148)
Other Financing Sources/(Uses):			
Transfers In	-	788,163	788,163
Transfers Out	-	(6,157,098)	(6,157,098)
Capital Lease Financing	-	12,515,094	12,515,094
Total Other Financing Sources/(Uses)	-	7,146,159	7,146,159
Net Change in Fund Balances	10,838,345	(856,644)	(11,694,989)
Fund Balance - Beginning	135,954,866	135,954,866	-
Fund Balance - Ending	\$ 146,793,211	\$ 135,098,222	\$ (11,694,989)

Final budgeted revenues were higher than originally planned by \$38,269,949. The final budget for contract reimbursements was \$12,778,612 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. Additionally, Montgomery County Community Supervision

and Corrections (CSCD) opted to reappoint its own fiscal officer and reimburse the County monthly for its payroll expenses.

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 \$24,204,797 in the final budget over the original budget.

The originally unanticipated revenue partially offsets the expenditure differences of \$57,111,097 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 2019. 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 Legal, Elections, Health and Welfare, Culture and Recreation, Conservation, Public Transportation and Miscellaneous functions.

The General Administration function experienced an increase of \$8,160,191 in expenditures between the original and final amended budget. Fiscal year 2019 marked the fourth year that the County set aside funds for capital improvements. A budget of \$1,512,463 was established and transferred to an appropriate capital improvement fund as projects were identified. Additionally, leased assets in the amount of \$12,515,094 were recorded as the equipment acquired through the lease were finally received by the County.

The final budget in the Judicial function was \$1,456,146 higher than the original budget at the end of FY 2019. The County received several grants under the District Attorney's auspices that were not anticipated at the beginning of the fiscal year. In addition, the Veteran's Treatment Court began operations in September 2018 and funding for the grant that ended August 2019, in the amount of \$273,267 were carried over into the fiscal year 2019.

The Financial Administration function experienced a \$2,841,471 increase from the original budget due to the carryover of funds budgeted to the Enterprise Resource Planning (ERP) from FY 2018 to FY 2019.

A \$20,648,293 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 \$22,637,249 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 following table presents the differences between the final amended budget and actual expenditures for the General Fund as of September 30, 2019.

<b>General Fund Budget Variances Year Ended September 30, 2019</b>			
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Revenues:			
Taxes	\$ 186,738,410	\$ 184,627,854	\$ (2,110,556)
Licenses and Permits	2,513,500	2,296,511	(216,989)
Fees	17,035,632	18,501,792	1,466,160
Intergovernmental	3,349,936	4,362,830	1,012,894
Charges for Services	3,785,059	3,913,865	128,806
Investment Earnings	1,135,703	6,482,174	5,346,471
Contract Reimbursements	28,646,138	21,661,421	(6,984,717)
Inmate Housing	40,004,797	39,713,354	(291,443)
Fines and Forfeitures	80,000	244,930	164,930
Miscellaneous	1,161,581	1,039,574	(122,007)
Total Revenues	<u>284,450,756</u>	<u>282,844,305</u>	<u>(1,606,451)</u>
Expenditures:			
General Administration	39,404,475	38,229,713	1,174,762
Judicial	24,589,051	23,857,626	731,425
Legal Services	3,748,197	3,684,829	63,368
Elections	1,457,003	1,374,567	82,436
Financial Administration	13,278,899	12,455,185	823,714
Public Facilities	77,320,646	76,593,002	727,644
Public Safety	108,501,445	97,588,310	10,913,135
Health and Welfare	11,502,342	10,462,989	1,039,353
Culture and Recreation	10,133,809	9,913,523	220,286
Conservation	740,918	706,379	34,539
Public Transportation	992,360	949,080	43,280
Miscellaneous	784,414	-	784,414
Total Expenditures	<u>292,453,559</u>	<u>275,815,203</u>	<u>16,638,356</u>
Excess Revenues Over Expenditures	<u>(8,002,803)</u>	<u>7,029,102</u>	<u>15,031,905</u>
Other Financing Sources/(Uses):			
Transfers In	788,163	6,039,432	5,251,269
Transfers Out	(6,157,098)	(20,192,501)	(14,035,403)
Capital Lease Financing	12,515,094	12,515,094	-
Total Other Financing Sources/(Uses)	<u>7,146,159</u>	<u>(1,637,975)</u>	<u>(8,784,134)</u>
Net Change in Fund Balances	<u>(856,644)</u>	<u>5,391,127</u>	<u>6,247,771</u>
Fund Balance - Beginning	137,498,784	137,498,784	-
Fund Balance - Ending	<u>\$ 136,642,140</u>	<u>\$ 142,889,911</u>	<u>\$ 6,247,771</u>

Budgeted revenues exceeded actual revenues by \$1,606,451. A substantial increase in investment earnings, fees and intergovernmental revenue (\$7,825,525) failed to cover the shortfall in contract reimbursements and taxes (\$9,095,273).



Actual expenditures were \$16,638,356 lower than final budgeted expenditures. The General Administration function contributed \$1,174,762 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 2019 but not spent during the year and amounted to \$512,464.

All departments in the Public Safety function of the General Fund expended less than was approved in the final amended budget by \$10,913,135. 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 Health and Welfare function showed actual expenditures less than the final budget by \$1,039,353, primarily due to the Animal Control and Animal Shelter departments. Animal Control received funding to purchase additional specialized trucks and cages for animal control late in the fiscal year; however, timing did not allow the department to proceed with the purchase process during FY 2019. Additionally, unanticipated staff turnover in the Animal Shelter left the department with lower than budgeted expenditures.

The actual net change in fund balance was \$8,784,134 less than anticipated with the final budget. The Jury Special Revenue Fund received \$12,506,000 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. 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, 2019 amounted to \$1,012,312,189 (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 \$368,590 consisted primarily of building upgrades including security systems and cameras, access controls, and HVAC controls for various county buildings.
- Vehicles and other various equipment items were acquired at a cost of \$9,588,550.
- 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 2019 amounted to \$75,726,172.

- 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 \$40,323,084.
- Expenditures of \$1,769,012 were incurred for construction that was in progress throughout the year. Projects that were capitalized from ongoing construction throughout the year totaled \$1,226,260. These include the completion of a new fueling center, a concession stand at West County Park in Montgomery and a storage building for Elections.
- Increases in assets for governmental and business-type activities were offset by depreciation expense of \$56,939,133.

**Montgomery County, Texas**  
**Capital Assets**  
**(net of depreciation)**  
**September 30, 2019**  
**with Comparative Totals for September 30, 2018**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>FY 2019</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2018</b>
Land	\$ 123,331,887	\$ 101,505,483	\$ -	\$ -	\$ 123,331,887	\$ 101,505,483
Buildings	132,529,308	137,488,177	-	-	132,529,308	137,488,177
Improvements	5,900,999	6,276,358	-	-	5,900,999	6,276,358
Equipment	42,637,219	35,696,698	-	-	42,637,219	35,696,698
Infrastructure	613,901,261	578,490,981	93,323,207	67,945,294	707,224,468	646,436,275
Construction in Progress	688,308	145,556	-	-	688,308	145,556
Total	<u>\$ 918,988,982</u>	<u>\$ 859,603,253</u>	<u>\$ 93,323,207</u>	<u>\$ 67,945,294</u>	<u>\$ 1,012,312,189</u>	<u>\$ 927,548,547</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 projects including, but not limited to, a storage building for Elections and a new a concession stand at West Montgomery County Park. In addition, various construction projects and renovations that are underway in the County include the remodel of building that will eventually house Northstar, the County traffic operations center. 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, 2019, Montgomery County governmental activities had total bonded debt outstanding of \$522,350,000. 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, \$474,975,000 corresponds to general obligation debt, \$87,680,000 is in the form of revenue bonds and \$47,375,000 represents certificates of obligation.

Outstanding debt for governmental activities increased by \$64,375,000. This due to the net effect of the issuance of Road Bonds, Series 2018B and Refunding Bonds, Series 2018, a partial cash defeasance of limited tax refunding bonds outstanding, and regularly scheduled principal payments.

Outstanding debt for the business-type activities, the Montgomery County Toll Road Authority, remained the same since payments for FY 2019 are interest only.

The following table represents the entire long-term debt of the County at September 30, 2019 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 2019</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2018</b>
General obligation bonds	\$ 474,975,000	\$ 408,885,000	\$ -	\$ -	\$ 474,975,000	\$ 408,885,000
Revenue Bonds	-	-	87,680,000	87,680,000	87,680,000	87,680,000
Certificates of obligation	47,375,000	49,090,000	-	-	47,375,000	49,090,000
Capital Leases	11,578,902	13,953,358	-	-	11,578,902	13,953,358
Premiums, net of discounts	48,232,661	47,755,285	7,510,104	7,778,322	55,742,765	55,533,607
Compensated absences	14,133,801	14,021,660	-	-	14,133,801	14,021,660
Medical Obligation	8,800,373	5,148,599	-	-	8,800,373	5,148,599
Worker's Comp Obligation	1,108,133	1,614,908	-	-	1,108,133	1,614,908
Net Pension Liability	64,534,132	22,169,282	-	-	64,534,132	22,169,282
OPEB Liability	227,627,578	187,705,823	-	-	227,627,578	187,705,823
Total	<u>\$ 898,365,580</u>	<u>\$ 750,343,915</u>	<u>\$ 95,190,104</u>	<u>\$ 95,458,322</u>	<u>\$ 993,555,684</u>	<u>\$ 845,802,237</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 \$13,559,324,008, 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 3.3%<sup>2</sup>, which is lower than the rate of 3.8% a year ago. This is in line with the State's average unemployment rate of 3.3%<sup>3</sup> and slightly favorably to the national average rate of 3.5%<sup>4</sup>.
- The estimated debt service obligation decreased by \$755,431 in fiscal year 2020 to \$36,955,247. This decrease is primarily due to the County's partial cash defeasance of Series 2014A Limited Tax Refunding Bonds during fiscal year 2019.
- 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 2020 budget is funding in the amount of \$2,600,000 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.
- For FY 2020, the County adopted the effective tax rate of \$0.4475/\$100 valuation in response to continued calls by the citizens for property tax relief.

All of these factors were considered in preparing the Adopted Budget of Montgomery County, Texas for the fiscal year ending September 30, 2020.

## **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, 2019**

EXHIBIT I

	Governmental Activities	Business -Type Activities	Total
<b>ASSETS:</b>			
Cash	\$ 161,146,182	\$ 29,100,984	\$ 190,247,166
Investments	227,304,882	53,544,454	280,849,336
Cash, Restricted for Retainage	1,990,343	-	1,990,343
Receivables:			
Taxes (net)	6,906,837	-	6,906,837
Accounts (net)	1,822,569	9,422	1,831,991
Interest	241,817	-	241,817
Internal Balances	33,777,465	(33,777,465)	-
Due from Other Governments	21,196,672	8,230	21,204,902
Prepaid Items	1,136,604	-	1,136,604
Capital Assets, net of accumulated depreciation			
Land	123,331,887	-	123,331,887
Buildings	132,529,308	-	132,529,308
Improvements	5,900,999	-	5,900,999
Equipment	42,637,219	-	42,637,219
Infrastructure	613,901,261	93,323,207	707,224,468
Construction in Progress	688,308	-	688,308
Total Assets	1,374,512,353	142,208,832	1,516,721,185
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows from Pensions and OPEB	83,568,802	-	83,568,802
Deferred Charge on Refunding	10,794,943	-	10,794,943
Total Deferred Outflows of Resources	94,363,745	-	94,363,745
<b>LIABILITIES:</b>			
Accounts Payable	34,135,027	5,020,111	39,155,138
Retainage Payable	4,020,676	182,667	4,203,343
Accrued Interest Payable	1,716,525	3,211,919	4,928,444
Due to Other Governments	7,870	-	7,870
Unearned Revenue	5,926,566	-	5,926,566
Noncurrent Liabilities:			
Due within one year	34,553,764	-	34,553,764
Due in more than one year	863,811,816	95,190,104	959,001,920
Total Liabilities	944,172,244	103,604,801	1,047,777,045
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows from Pensions and OPEB	12,936,101	-	12,936,101
Total Deferred Inflows of Resources	12,936,101	-	12,936,101
<b>NET POSITION:</b>			
Net investment in capital assets	495,582,352	39,385,042	534,967,394
Restricted for:			
Capital Projects	10,673,952	-	10,673,952
Grants	1,727,090	-	1,727,090
General Government	7,114,135	-	7,114,135
Administration of Justice	1,442,199	-	1,442,199
Public Safety	7,440,492	-	7,440,492
Health and Human Services	1,384,681	-	1,384,681
Debt Service	12,099,527	-	12,099,527
General Fund	5,684,101	-	5,684,101
Road and Bridge Fund	105,213	-	105,213
Unrestricted	(31,485,989)	(781,011)	(32,267,000)
Total Net Position	\$ 511,767,753	\$ 38,604,031	\$ 550,371,784

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Activities**  
**Year Ended September 30, 2019**

EXHIBIT II

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Fees, Fines, Forfeitures, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
Current:							
General Administration	\$ 91,013,764	\$ 49,534,765	\$ -	\$ -	\$ (41,478,999)	\$ -	\$ (41,478,999)
Judicial	40,456,207	10,449,839	1,450,078	-	(28,556,290)	-	(28,556,290)
Legal Services	4,322,180	614,110	234,065	-	(3,474,005)	-	(3,474,005)
Elections	2,158,108	111	1,224,188	-	(933,809)	-	(933,809)
Financial Administration	13,400,718	8,136,059	-	-	(5,264,659)	-	(5,264,659)
Public Facilities	86,664,558	41,586,131	219,402	5,250	(44,853,775)	-	(44,853,775)
Public Safety	109,220,683	27,405,344	4,519,442	455,374	(76,840,523)	-	(76,840,523)
Health and Welfare	30,341,024	18,136,433	2,861,709	28,077	(9,314,805)	-	(9,314,805)
Culture and Recreation	11,626,582	238,088	245,144	-	(11,143,350)	-	(11,143,350)
Conservation	1,637,399	164,125	-	-	(1,473,274)	-	(1,473,274)
Public Transportation	87,913,321	10,567,121	826,712	58,387,410	(18,132,078)	-	(18,132,078)
Debt Service Interest and							
Fiscal Charges	8,202,241	-	-	407,768	(7,794,473)	-	(7,794,473)
Total Governmental Activities	<u>\$ 486,956,785</u>	<u>\$ 166,832,126</u>	<u>\$ 11,580,740</u>	<u>\$ 59,283,879</u>	<u>(249,260,040)</u>	<u>-</u>	<u>(249,260,040)</u>
Business-type activities:							
Toll Road	\$ 8,113,188	\$ 1,055,106	\$ -	\$ 8,200,000	-	1,141,918	1,141,918
Total business-type activities	<u>\$ 8,113,188</u>	<u>\$ 1,055,106</u>	<u>\$ -</u>	<u>\$ 8,200,000</u>	<u>-</u>	<u>1,141,918</u>	<u>1,141,918</u>
General Revenues:							
Property Taxes					248,026,503	-	248,026,503
Other Taxes					137,017	-	137,017
Mixed Beverage Taxes					2,513,067	-	2,513,067
Bingo Taxes					146,262	-	146,262
Vehicle Weight Tax					432,351	-	432,351
Investment Earnings					11,880,106	1,728,673	13,608,779
Gain on Sale of Capital Assets					521,360	-	521,360
Transfers					-	(12,205,224)	(12,205,224)
Total General Revenues and Transfers					<u>263,656,666</u>	<u>(10,476,551)</u>	<u>253,180,115</u>
Change in Net Position					<u>14,396,626</u>	<u>(9,334,633)</u>	<u>5,061,993</u>
Net Position - Beginning					<u>497,382,745</u>	<u>47,938,664</u>	<u>545,321,409</u>
Prior Period Adjustment					<u>(11,618)</u>	<u>-</u>	<u>(11,618)</u>
Net Position - Beginning, as Restated					<u>497,371,127</u>	<u>47,938,664</u>	<u>545,309,791</u>
Net Position - Ending					<u>\$ 511,767,753</u>	<u>\$ 38,604,031</u>	<u>\$ 550,371,784</u>

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS****Balance Sheet****Governmental Funds****September 30, 2019**

	General	Road and Bridge	Debt Service
<b><u>ASSETS:</u></b>			
Cash	\$ 25,747,573	\$ 340,576	\$ 10,386,000
Investments	165,843,985	16,981,242	2,020,469
Cash, Restricted for Retainage	-	-	-
Receivables:			
Taxes (net)	5,066,263	718,899	1,121,675
Accounts (net)	1,341,143	145,524	-
Interest	228,596	-	-
Due from Other Funds	40,805,741	685	260,384
Due from Other Governments	9,463,422	496,881	-
Prepaid Items	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 248,496,723</u></b>	<b><u>\$ 18,683,807</u></b>	<b><u>\$ 13,788,528</u></b>
<b><u>LIABILITIES:</u></b>			
Accounts Payable	\$ 19,489,260	\$ 2,168,788	\$ -
Retainage Payable	-	-	-
Due to Other Funds	76,277,528	205,785	-
Due to Other Governments	7,870	-	-
Unearned Revenue	4,874,997	-	-
Total liabilities	<u>100,649,655</u>	<u>2,374,573</u>	<u>-</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Unavailable Revenue: Property Taxes	4,957,157	735,924	1,080,519
Total Deferred inflows of resources	<u>4,957,157</u>	<u>735,924</u>	<u>1,080,519</u>
<b><u>FUND BALANCES:</u></b>			
Nonspendable	-	-	-
Restricted	5,684,101	105,213	12,708,009
Committed	11,469,969	3,240,684	-
Assigned	80,000,000	12,227,413	-
Unassigned	45,735,841	-	-
Total Fund Balances	<u>142,889,911</u>	<u>15,573,310</u>	<u>12,708,009</u>
<b><u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>	<b><u>\$ 248,496,723</u></b>	<b><u>\$ 18,683,807</u></b>	<b><u>\$ 13,788,528</u></b>

See accompanying notes to the financial statements.



## EXHIBIT III

Road Bonds Series 2018B	Other Governmental Funds	Total Governmental Funds
\$ 86,106,917	\$ 35,596,565	\$ 158,177,631
-	42,459,186	227,304,882
357,452	1,632,891	1,990,343
-	-	-
-	-	6,906,837
-	47,743	1,534,410
85	13,136	241,817
111	55,898,891	96,965,812
-	11,206,444	21,166,747
-	566,167	566,167
<u>\$ 86,464,565</u>	<u>\$ 147,421,023</u>	<u>\$ 514,854,646</u>
\$ 2,824,410	\$ 7,647,627	\$ 32,130,085
357,452	3,663,224	4,020,676
-	6,904,137	83,387,450
-	-	7,870
-	1,051,569	5,926,566
<u>3,181,862</u>	<u>19,266,557</u>	<u>125,472,647</u>
-	-	6,773,600
-	-	6,773,600
-	566,167	566,167
83,282,703	89,459,839	191,239,865
-	34,239,302	48,949,955
-	3,889,158	96,116,571
-	-	45,735,841
<u>83,282,703</u>	<u>128,154,466</u>	<u>382,608,399</u>
<u>\$ 86,464,565</u>	<u>\$ 147,421,023</u>	<u>\$ 514,854,646</u>



**MONTGOMERY COUNTY, TEXAS**  
**Reconciliation of the Balance Sheet of the Governmental Funds**  
**to the Statement of Net Position**  
**September 30, 2019**

Total fund balances - governmental funds (page 35) \$ 382,608,399

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	\$ 123,331,887	
Buildings	132,529,308	
Improvements	5,900,999	
Equipment	42,637,219	
Infrastructure	613,901,261	
Construction in Progress	688,308	
Total Capital Assets, Net		918,988,982

Property taxes earned that are not available to pay for  
current-period expenditures are deferred in the funds. 6,773,600

Internal Service Funds are used by management to charge the costs 12,142,727  
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	\$ (1,716,525)	
Bonds and capital leases payable, net	(582,161,563)	
OPEB Liability	(227,627,578)	
Deferred charge on refunding	10,794,943	
Deferred amounts for pensions and OPEB	70,632,701	
Net Pension Liability	(64,534,132)	
Compensated absences	(14,133,801)	
Total future period liabilities		(808,745,955)
Net position of governmental activities		\$ 511,767,753

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, 2019**

	General	Road and Bridge	Debt Service
<b><u>REVENUES:</u></b>			
Taxes	\$ 184,627,854	\$ 26,464,351	\$ 40,267,166
Licenses and Permits	2,296,511	7,408,939	-
Fees	18,501,792	-	-
Intergovernmental	4,362,830	343,732	399,418
Charges for Services	3,913,865	161,625	-
Investment Earnings	6,482,174	533,124	324,719
Contract Reimbursements	21,661,421	115,528	-
Inmate Housing	39,713,354	-	-
Fines and Forfeitures	244,930	2,105,022	-
Miscellaneous	1,039,574	1,467,016	8,352
<b><u>TOTAL REVENUES</u></b>	<b><u>282,844,305</u></b>	<b><u>38,599,337</u></b>	<b><u>40,999,655</u></b>
<b><u>EXPENDITURES:</u></b>			
Current:			
General Administration	38,229,713	-	-
Judicial	23,857,626	-	-
Legal Services	3,684,829	-	-
Elections	1,374,567	-	-
Financial Administration	12,455,185	-	-
Public Facilities	76,593,002	1,042,309	-
Public Safety	97,588,310	-	-
Health and Welfare	10,462,989	158,205	-
Culture and Recreation	9,913,523	-	-
Conservation	706,379	1,172,328	-
Public Transportation	949,080	34,753,123	-
Capital Projects	-	-	-
Debt Service:			
Principal Retirement	-	-	16,740,000
Interest and Fiscal Charges	-	-	24,015,802
Issuance Costs	-	-	434,383
Payment to Refunded Bonds Escrow	-	-	-
Agent for Cash Defeasance	-	-	7,305,270
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>275,815,203</u></b>	<b><u>37,125,965</u></b>	<b><u>48,495,455</u></b>
Excess (Deficiency) Revenues Over Expenditures	<b><u>7,029,102</u></b>	<b><u>1,473,372</u></b>	<b><u>(7,495,800)</u></b>
<b><u>OTHER FINANCING SOURCES/(USES):</u></b>			
Transfers In	6,039,432	928,064	444,403
Transfers Out	(20,192,501)	(814,423)	-
Grant Funds Not Reimbursed	-	-	-
Capital Lease Financing	12,515,094	-	-
Issuance of General Obligation Debt	-	-	-
Issuance of Refunding Bonds	-	-	26,965,000
Premium on Refunding Bonds Issued	-	-	1,583,327
Payment to Refunded Bonds Escrow Agent	-	-	(28,245,645)
Premium on General Obligation Debt Issued	-	-	3,700,165
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>(1,637,975)</u></b>	<b><u>113,641</u></b>	<b><u>4,447,250</u></b>
Net Change in Fund Balances	<b><u>5,391,127</u></b>	<b><u>1,587,013</u></b>	<b><u>(3,048,550)</u></b>
Fund Balances at Beginning of Year	<b><u>137,498,784</u></b>	<b><u>13,986,297</u></b>	<b><u>15,756,559</u></b>
Prior Period Adjustment	-	-	-
Fund Balances at Beginning of Year- as restated	<b><u>137,498,784</u></b>	<b><u>13,986,297</u></b>	<b><u>15,756,559</u></b>
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 142,889,911</u></b>	<b><u>\$ 15,573,310</u></b>	<b><u>\$ 12,708,009</u></b>

See accompanying notes to the financial statements.

## EXHIBIT IV

Road Bonds Series 2018B	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 251,359,371
-	-	9,705,450
-	2,802,731	21,304,523
-	8,312,157	13,418,137
-	2,449,289	6,524,779
1,883,500	2,656,587	11,880,104
-	17,331,850	39,108,799
-	-	39,713,354
-	2,836,868	5,186,820
-	296,822	2,811,764
1,883,500	36,686,304	401,013,101
-	1,177,743	39,407,456
-	13,730,093	37,587,719
-	274,197	3,959,026
-	607,047	1,981,614
-	-	12,455,185
-	-	77,635,311
-	9,119,993	106,708,303
-	17,987,869	28,609,063
-	188,811	10,102,334
-	-	1,878,707
-	704,572	36,406,775
8,200,797	45,024,280	53,225,077
-	-	16,740,000
-	-	24,015,802
-	-	434,383
-	-	7,305,270
8,200,797	88,814,605	458,452,025
(6,317,297)	(52,128,301)	(57,438,924)
-	18,911,096	26,322,995
-	(5,289,104)	(26,296,028)
-	(106,864)	(106,864)
-	-	12,515,094
89,010,000	-	89,010,000
-	-	26,965,000
-	-	1,583,327
-	-	(28,245,645)
590,000	-	4,290,165
89,600,000	13,515,128	106,038,044
83,282,703	(38,613,173)	48,599,120
-	166,779,257	334,020,897
-	(11,618)	(11,618)
-	166,767,639	334,009,279
\$ 83,282,703	\$ 128,154,466	\$ 382,608,399



**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, 2019**

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)	\$ 48,599,120
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.	2,236,951
The net effect of various miscellaneous transactions involving capital assets.	57,187,619
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(151,417)
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.	(67,740,354)
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.	(6,419,122)
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	\$ (112,141)
Bond interest owed but not yet paid	522,587
Amortization of deferred amounts	3,208,722
Net Pension Liability and Deferred Amounts Related to Pension	(11,712,437)
OPEB Liability and Deferred Amounts Related to OPEB	(11,222,903)
	(19,316,172)
Change in net position of governmental activities	\$ 14,396,626

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, 2019**

EXHIBIT V  
Page 1 of 2

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Taxes	\$ 186,956,445	\$ 186,738,410	\$ 184,627,854	\$ (2,110,556)
Licenses and Permits	2,513,500	2,513,500	2,296,511	(216,989)
Fees	16,900,926	17,035,632	18,501,792	1,466,160
Intergovernmental	3,314,384	3,349,936	4,362,830	1,012,894
Charges for Services	3,102,823	3,785,059	3,913,865	128,806
Investment Earnings	741,703	1,135,703	6,482,174	5,346,471
Contract Reimbursements	15,867,526	28,646,138	21,661,421	(6,984,717)
Inmate Housing	15,800,000	40,004,797	39,713,354	(291,443)
Fines and Forfeitures	80,000	80,000	244,930	164,930
Miscellaneous	903,500	1,161,581	1,039,574	(122,007)
<b><u>TOTAL REVENUES</u></b>	<b><u>246,180,807</u></b>	<b><u>284,450,756</u></b>	<b><u>282,844,305</u></b>	<b><u>(1,606,451)</u></b>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Administration	31,244,284	39,404,475	38,229,713	1,174,762
Judicial	23,132,905	24,589,051	23,857,626	731,425
Legal Services	3,670,380	3,748,197	3,684,829	63,368
Elections	1,457,881	1,457,003	1,374,567	82,436
Financial Administration	10,437,428	13,278,899	12,455,185	823,714
Public Facilities	54,683,397	77,320,646	76,593,002	727,644
Public Safety	87,853,152	108,501,445	97,588,310	10,913,135
Health and Welfare	10,594,020	11,502,342	10,462,989	1,039,353
Culture and Recreation	10,078,355	10,133,809	9,913,523	220,286
Conservation	727,789	740,918	706,379	34,539
Public Transportation	901,684	992,360	949,080	43,280
Miscellaneous	561,187	784,414	-	784,414
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>235,342,462</u></b>	<b><u>292,453,559</u></b>	<b><u>275,815,203</u></b>	<b><u>16,638,356</u></b>
Excess Revenues Over Expenditures	10,838,345	(8,002,803)	7,029,102	15,031,905
<b><u>OTHER FINANCING SOURCES/ (USES):</u></b>				
Transfers In	-	788,163	6,039,432	5,251,269
Transfers Out	-	(6,157,098)	(20,192,501)	(14,035,403)
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>-</u></b>	<b><u>7,146,159</u></b>	<b><u>(1,637,975)</u></b>	<b><u>(8,784,134)</u></b>
Net Change in Fund Balances	10,838,345	(856,644)	5,391,127	6,247,771
Fund Balances at Beginning of Year	137,498,784	137,498,784	137,498,784	-
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 148,337,129</u></b>	<b><u>\$ 136,642,140</u></b>	<b><u>\$ 142,889,911</u></b>	<b><u>\$ 6,247,771</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, 2019**

EXHIBIT V  
Page 2 of 2

	Road and Bridge Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Taxes	\$ 26,837,254	\$ 26,837,253	\$ 26,464,351	\$ (372,902)
Licenses and Permits	6,725,000	6,725,000	7,408,939	683,939
Intergovernmental	135,000	372,955	343,732	(29,223)
Charges for Services	-	139,298	161,625	22,327
Investment Earnings	135,000	135,000	533,124	398,124
Contract Reimbursements	-	100,503	115,528	15,025
Fines and Forfeitures	1,850,000	1,850,000	2,105,022	255,022
Miscellaneous	-	1,146,294	1,467,016	320,722
<b><u>TOTAL REVENUES</u></b>	<b><u>35,682,254</u></b>	<b><u>37,306,303</u></b>	<b><u>38,599,337</u></b>	<b><u>1,293,034</u></b>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Facilities	827,283	1,838,935	1,042,309	796,626
Health and Welfare	-	230,590	158,205	72,385
Conservation	1,020,898	1,222,082	1,172,328	49,754
Public Transportation	33,834,073	47,327,320	34,753,123	12,574,197
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>35,682,254</u></b>	<b><u>50,618,927</u></b>	<b><u>37,125,965</u></b>	<b><u>13,492,962</u></b>
Excess (Deficiency) Revenues Over Expenditures	-	(13,312,624)	1,473,372	14,785,996
<b><u>OTHER FINANCING SOURCES/ (USES):</u></b>				
Transfers In	-	928,064	928,064	-
Transfers Out	-	(814,423)	(814,423)	-
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>-</u></b>	<b><u>113,641</u></b>	<b><u>113,641</u></b>	<b><u>-</u></b>
Net Change in Fund Balances	-	(13,198,983)	1,587,013	14,785,996
Fund Balances at Beginning of Year	13,986,297	13,986,297	13,986,297	-
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 13,986,297</u></b>	<b><u>\$ 787,314</u></b>	<b><u>\$ 15,573,310</u></b>	<b><u>\$ 14,785,996</u></b>

See accompanying notes to the financial statements.



**MONTGOMERY COUNTY, TEXAS**

**Statement of Net Position**

**Proprietary Funds**

**September 30, 2019**

EXHIBIT VI

	<u>Enterprise Fund</u>	
	Toll Road Authority	Internal Service Funds
<b><u>ASSETS:</u></b>		
Current Assets:		
Cash and cash equivalents	\$ 29,100,984	\$ 2,968,551
Prepaid Items	-	570,437
Investments	53,544,454	-
Accounts Receivable	9,422	288,159
Due from other funds	-	20,199,103
Due from other governments	8,230	29,925
Total Current Assets	<u>82,663,090</u>	<u>24,056,175</u>
Capital Assets (net of accumulated depreciation):		
Buildings	-	757,030
Equipment	-	9,645
Infrastructure	93,323,207	-
Total Capital Assets	<u>93,323,207</u>	<u>766,675</u>
Total Assets	<u>175,986,297</u>	<u>24,822,850</u>
<b><u>LIABILITIES:</u></b>		
Current Liabilities:		
Accounts Payable	5,020,111	2,004,942
Retainage payable	3,211,919	-
Accrued interest payable	182,667	-
Claims payable	-	9,719,831
Due to other funds	33,777,465	-
Total Current Liabilities	<u>42,192,162</u>	<u>11,724,773</u>
Noncurrent Liabilities:		
Claims Payable	-	188,675
Due in More than One Year	95,190,104	-
Total Noncurrent Liabilities	<u>95,190,104</u>	<u>188,675</u>
Total Liabilities	<u>137,382,266</u>	<u>11,913,448</u>
<b><u>NET POSITION:</u></b>		
Net investment in capital assets	39,385,042	766,675
Unrestricted	(781,011)	12,142,727
Total Net Position	<u>\$ 38,604,031</u>	<u>\$ 12,909,402</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, 2019**

EXHIBIT VII

	<u>Enterprise Fund</u>	
	Toll Road Authority	Internal Service Funds
<b><u>OPERATING REVENUES:</u></b>		
Charges for Service	\$ 1,055,106	\$ 43,149,834
Miscellaneous	-	261,130
Total Operating Revenues	<u>1,055,106</u>	<u>43,410,964</u>
<b><u>OPERATING EXPENSES:</u></b>		
Supplies	-	2,908
Services	2,898,954	49,749,513
Depreciation and Amortization	830,235	38,845
Total Operating Expenses	<u>3,729,189</u>	<u>49,803,119</u>
Operating Income (Loss)	(2,674,083)	(6,392,155)
<b><u>NON-OPERATING REVENUES</u></b>		
Investment Earnings	1,728,673	-
Interest and fiscal charges	(4,383,999)	-
Loss of disposal of capital assets	(12,205,224)	-
Total Non-Operating Revenues	<u>(14,860,550)</u>	<u>-</u>
Income (Loss) before capital contributions and transfers	(17,534,633)	(6,392,155)
Transfer Out	<u>-</u>	<u>(26,967)</u>
Capital Contributions	<u>8,200,000</u>	<u>-</u>
Change in Net Position	(9,334,633)	(6,419,122)
Total net position - beginning	<u>47,938,664</u>	<u>19,328,524</u>
Total net position - ending	<u><u>\$ 38,604,031</u></u>	<u><u>\$ 12,909,402</u></u>

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended September 30, 2019**

EXHIBIT VIII

	Enterprise Fund	
	Toll Road Authority	Internal Service Funds
Cash flows from operating activities:		
Receipts from customers	\$ 1,153,802	\$ 43,377,915
Payments to vendors	1,408,704	-
Benefits Paid	-	(42,059,848)
Net cash provided by operating activities	<u>2,562,506</u>	<u>1,318,067</u>
Cash flows from noncapital financing activities:		
Internal receipts from other funds	14,000,336	-
Intergovernmental contributions	-	-
Transfer to other funds	-	31,393
Net cash provided (used) by noncapital financing activities	<u>14,000,336</u>	<u>31,393</u>
Cash flows from capital and related financing activities:		
Capital contributions	8,200,000	-
Purchase of capital assets	(38,681,592)	-
Interest paid on capital debt	(4,383,998)	-
Net cash provided by capital financing activities	<u>(34,865,590)</u>	<u>-</u>
Cash flows from investing activities:		
Purchase of investments	27,776,723	-
Interest received	1,728,673	-
Net cash used by investing activities	<u>29,505,396</u>	<u>-</u>
Net increase in cash and cash equivalents	<u>11,202,648</u>	<u>1,349,460</u>
Cash and cash equivalents - beginning	<u>17,898,336</u>	<u>1,619,091</u>
Cash and cash equivalents - ending	<u>\$ 29,100,984</u>	<u>\$ 2,968,551</u>
Reconciliation of operating income (loss) to net cash provided in operating activities:		
Operating income (loss)	\$ (2,674,083)	\$ (6,392,155)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
(Increase) decrease in due from other funds	-	3,962,400
Depreciation expense and amortization	830,235	38,845
(Increase) decrease in prepaid item	-	(570,437)
(Increase) decrease in accounts receivable	98,696	(33,049)
(Increase) decrease in intergovernmental receivable	-	(31,590)
Increase (decrease) in accounts payable	1,665,563	564,125
Increase (decrease) in claims payable	-	3,779,928
Increase (decrease) in retainage payable	2,642,095	-
Total adjustments	<u>5,236,589</u>	<u>7,710,222</u>
Net cash provided by operating activities	<u>\$ 2,562,506</u>	<u>\$ 1,318,067</u>
Schedule of non-cash capital and related financing activities:		
Contributions of capital assets - Governmental Funds	\$ 8,200,000	\$ -

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Assets and Liabilities**  
**Fiduciary Funds**  
**As of September 30, 2019**

EXHIBIT IX

	<u>Agency Funds</u>
<b><u>ASSETS:</u></b>	
Cash	\$ 22,565,058
Accounts Receivable	<u>20,360</u>
 <b><u>TOTAL ASSETS</u></b>	 <b><u>\$ 22,585,418</u></b>
 <b><u>LIABILITIES:</u></b>	
Due to Others	<u>\$ 22,585,418</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <b><u>\$ 22,585,418</u></b>

See accompanying notes to the financial statements.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

**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 not extend beyond making such appointments, disclosure is made in the form of the relation between the County and such organization.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

**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. 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.

**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.



## **MONTGOMERY COUNTY, TEXAS**

### **Notes to the Financial Statements**

**September 30, 2019**

#### **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 that were due October 1 have been assessed to finance the budget of the fiscal year ending September 30, 2019. 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.

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

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

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 2018B Fund** is used to account for the County's issuance of \$89,010,000 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.

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 FICA Program are Certificates of Deposit that the County intends to hold longer than three (3) months and are therefore reported as an investment.

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.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

**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.

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

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

**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.
- 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

## MONTGOMERY COUNTY, TEXAS

### Notes to the Financial Statements

September 30, 2019

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.

**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.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

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 2019.

**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.

**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.

**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.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

**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	\$ 58,038,786
Depreciation expense	(55,801,835)
	<hr/>

Net adjustment to increase net changes in fund balances-  
total governmental funds to arrive at changes in net position  
of governmental activities

\$ 2,236,951

*“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.

\$ (41,074)

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.

---

57,228,693

Net adjustment to increase net changes in fund balances-total governmental  
funds to arrive at changes in net position of governmental activities

\$ 57,187,619

*“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	\$ (115,975,000)
Premium on bonds issued, net	(5,739,810)

Principal repayments:

General Obligation debt	49,885,000
Certificates of Obligation debt	1,715,000
Capital leases	2,374,456
	<hr/>

Net adjustment to decrease net changes in fund balances-total governmental

\$ (67,740,354)

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

*“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	\$ (112,141)
Accrued interest	522,587
Amortization of charge on refunding bonds	(1,879,823)
Amortization of bond discounts	(222,080)
Amortization of bond premiums	5,310,625
Decrease of Net Pension Liability, net of related deferred inflow and outflow amounts	(11,712,437)
Increase of Other Post-Employment Benefits, net of related deferred inflow amounts	(11,222,903)
	<hr/>
Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net position of governmental activities	   <hr/> <hr/> \$ (19,316,172)

**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 2019, 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 2019, budget amendments totaling \$209,373,671 were approved that met these criteria.



**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

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 2019, supplemental appropriations were approved in the amounts of \$20,072,704, \$22,686,897, and \$12,515,094 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, 2019, the County's bank balance (collected funds) was \$165,237,780. 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.

As of September 30, 2019, the County's business-type activities bank balance (collected funds) was \$29,100,984. At that same date, none of the County's business-type activities bank balance was exposed to custodial credit risk since the deposits were insured and collateralized.

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.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

As of September 30, 2019, the County's governmental activities had the following investments:

**Fair Value Measurements Using**

	<b>September 30, 2019</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Percent of Total Investments</b>	<b>Weighted Average Maturity (Days)</b>	<b>Credit Risk</b>
<b><i>Investments Measured at Cost:</i></b>					
FICA Program	\$ 13,892,218	\$ -	6.10%	1	AAA
<b><i>Investments Measured at Amortized Cost</i></b>					
TEXPOOL	5,838,158	-	2.57%	35	AAAm
Money Market Funds - BPIF	1,577,581	-	0.69%	31	AAAm
Money Market Funds - AIM	3,319,023	-	1.46%	13	AAAm
Money Market Funds - ICT	623,580	-	0.28%	21	AAAm
<b><i>Investments Measured at Net Asset Value (NAV), Fair Value:</i></b>					
TexSTAR	18,956,783	-	8.34%	20	AAAm
TEXCLASS Pool	41,053,737	-	18.06%	55	AAAm
TEXCLASS Government	8,106,456	-	3.57%	3	AAAm
LOGIC	85,189,189	-	37.48%	49	AAAm
<b><i>Investments Subject to Fair Value Level:</i></b>					
Certificates of Deposit - Raymond James	2,748,642	2,748,642	1.21%	1	Not Rated
US Government Agency Securities	45,999,515	45,999,515	20.24%	0	AA+
<b>Total Value</b>	<b>\$ 227,304,882</b>	<b>\$ 48,748,157</b>	<b>100.00%</b>		
<b>Portfolio Weighted Average Maturity</b>				<b>41</b>	

As of September 30, 2019, the Count's business-type activities had the following investments:

**Fair Value Measurement**

	<b>September 30, 2019</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Percent of Total Investments</b>	<b>Weighted Average Maturity (Days)</b>	<b>Credit Risk</b>
<b><i>Investments Measured at Amortized Cost:</i></b>					
Money Market Funds	\$ 5,621,489	\$ -	10%	1	AAAm
<b><i>Investments Subject to Fair Value Level:</i></b>					
U.S. Treasury Notes	6,262,357	6,262,357	12%	504	Not Rated
<b><i>Investments Measured at Cost:</i></b>					
Master Repurchase Agreements	41,660,608	-	78%	191	Not Rated
<b>Total Value</b>	<b>\$ 53,544,454</b>	<b>\$ 6,262,357</b>	<b>100%</b>		
<b>Portfolio Weighted Average Maturity</b>				<b>208</b>	

## **MONTGOMERY COUNTY, TEXAS**

### **Notes to the Financial Statements**

**September 30, 2019**

*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 investment pool 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 pool transacts 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.

*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

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

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 \$180,772,908 in additional taxes from the present assessed valuation of \$54,237,296,030 before the limit is reached.

The thirty years' property taxes receivable at September 30, 2019, 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	\$5,169,656	\$ 103,393	\$5,066,263
Road & Bridge Fund	733,570	14,671	718,899
Debt Service Fund	1,144,566	22,891	1,121,675
Total Receivable	<u>\$7,047,792</u>	<u>\$140,955</u>	<u>\$6,906,837</u>

Approximately 66% 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, 2019, the following amounts were recorded as due to the County:

	<b><u>Federal</u></b>	<b><u>State</u></b>	<b><u>Local</u></b>	<b><u>Total</u></b>
General Fund	\$ 4,616,228	\$ 1,342,454	\$3,504,740	\$ 9,463,422
Road & Bridge Fund	93,600	240,269	163,012	496,881
Other Governmental Funds	7,537,926	3,398,727	269,791	11,206,444
Total Due from Governments	<u>\$12,247,754</u>	<u>\$ 4,981,450</u>	<u>\$3,937,543</u>	<u>\$ 21,166,747</u>

Amounts due from other governments arise from funding received from federal and state grants, as well as interlocal agreements with local governments.

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

**NOTE 7- CAPITAL ASSETS:**

**A) Governmental Activities:**

<u>Primary Government Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions <sup>(1)</sup></u>	<u>Deletions <sup>(1)</sup></u>	<u>Ending Balance</u>
Land <sup>(2)</sup>	\$ 101,505,483	\$ 22,124,492	<sup>(2)</sup> \$ (298,088)	\$ 123,331,887
Construction in Progress	145,556	1,769,012	(1,226,260)	688,308
Total Capital Assets not being depreciated	101,651,039	23,893,504	(1,524,348)	124,020,195
Buildings <sup>(3)</sup>	216,477,441	368,590	-	216,846,031
Improvements <sup>(3)</sup>	24,204,134	798,583	-	25,002,717
Equipment <sup>(2)(3)</sup>	107,551,548	21,228,690	<sup>(2)</sup> (9,642,175)	119,138,063
Infrastructure	1,497,298,808	75,726,173	-	1,573,024,981
Total Capital Assets being depreciated	1,845,531,931	98,122,036	(9,642,175)	1,934,011,792
Less accumulated depreciation for:				
Buildings	(78,989,264)	(5,327,459)	-	(84,316,723)
Improvements	(17,927,776)	(1,173,942)	-	(19,101,718)
Equipment	(71,854,850)	(9,023,386)	4,377,392	(76,500,844)
Infrastructure	(918,807,827)	(40,315,893)	-	(959,123,720)
Total Depreciation	(1,087,579,717)	(55,840,680)	4,377,392	(1,139,043,005)
Total Capital Assets, net of Accumulated depreciation	<u>\$ 859,603,253</u>	<u>\$ 66,174,860</u>	<u>\$ (6,789,131)</u>	<u>\$ 918,988,982</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 \$95,175,134 and \$11,324,048 in land and equipment respectively.

(3) Internal service fund assets are included in these amounts.

**Depreciation Expense:**

Depreciation expense was charged to the functions/programs of the primary government's governmental activities as follows:

Governmental activities:	
General Administration	\$ 2,947,075
Judicial	193,707
Legal Services	65,592
Elections	95,661
Financial Administration	9,815
Public Facilities	1,642,577
Public Safety	5,617,925
Health and Welfare	1,528,130
Culture and Recreation	778,756
Conservation	26,208
Public Transportation	42,896,389
Capital assets held by the governments internal service funds are charged to the various functions based on their usage of the assets	38,845
Total depreciation expense-governmental activities	<u>\$55,840,680</u>

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

**B) Business- type Activities:**

<u>Primary Government Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions <sup>(1)</sup></u>	<u>Deletions <sup>(1)</sup></u>	<u>Ending Balance</u>
Land <sup>(2)</sup>	\$ -	\$ 12,205,224	<sup>(2)</sup> \$ (12,205,224)	\$ -
Construction in Progress	-	-	-	-
Total Capital Assets not being depreciated	-	12,205,224	(12,205,224)	-
Infrastructure	72,266,210	26,476,366	-	98,742,576
Total Capital Assets being depreciated	72,266,210	26,476,366	-	98,742,576
Less accumulated depreciation for:				
Infrastructure	(4,320,916)	(1,098,453)	-	(5,419,369)
Total Depreciation	(4,320,916)	(1,098,453)	-	(5,419,369)
Total Capital Assets, net of Accumulated depreciation	\$ 67,945,294	\$ 37,256,913	\$ (12,205,224)	\$ 93,323,207

**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

\$ 1,098,453

Total depreciation expense-governmental activities

\$ 1,098,453

**C) CONSTRUCTION COMMITMENTS:**

The County has entered into contracts for the construction, renovation, and improvement of real property. As of September 30, 2019, the County had contracts for various projects in the amount of \$115,192,384 and have paid to date \$63,147,771.

As of September 30, 2019, contracts entered into by the Montgomery County Toll Road Authority (business-type activities) for the SH 249 project amount to \$56,120,154 and have paid to date \$32,119,189.

**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	\$ 16,435,221
Road and Bridge Fund	2,743,715
Road Bonds 2018B	14,162,493
Other Non-Major	43,671,900
Internal Service Funds	145,188
Enterprise Fund	34,088,715
Total Encumbrances	<u>\$111,247,232</u>

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

**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, 2019, the following amounts were due to other governments:

<u>Fund</u>	<u>State</u>	<u>Total</u>
General	\$7,870	\$7,870

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, 2019, unearned revenues are presented below:

<u>Fund</u>	<u>Unearned Fees</u>
General	\$4,874,996
Other Non-Major	1,051,569
Total	<u>\$5,926,566</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.

A) BONDED DEBT:

A summary of the outstanding governmental bonded debt, at September 30, 2019 is presented:

	<u>Interest Rate (%)</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Bonds Outstanding</u>
<b>GENERAL OBLIGATION BONDS:</b>				
Refunding Bonds, Series 2012	2.00-5.00	2012	2026	20,645,000
Refunding Bonds, Series 2014	1.75-2.27	2014	2020	6,395,000
Refunding Bonds, Series 2014A	5.00	2014	2025	57,865,000
Refunding Bonds, Series 2016	3.00-5.00	2016	2027	58,925,000
Road Bonds, Series 2016	2.00-5.00	2016	2027	52,405,000
Refunding Bonds, Series 2016A	3.00-5.00	2017	2030	46,220,000
Road Bonds, Series 2016A	4.00-5.00	2017	2042	72,170,000
Road Bonds, Series 2018	4.00-5.00	2018	2043	44,375,000
Refunding Bonds, Series 2018	4.00	2019	2030	26,965,000
Road Bonds, Series 2018B	3.50-5.00	2019	2040	89,010,000
<b>TOTAL GENERAL OBLIGATION BONDS</b>				<u>\$ 474,975,000</u>

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

**CERTIFICATES OF OBLIGATION:**

Series 2010	3.00-5.40	2010	2039	24,310,000
Series 2012	2.00-5.00	2012	2032	11,195,000
Series 2012A	2.00-5.00	2012	2023	11,870,000

**TOTAL CERTIFICATES OF  
OBLIGATION**

\$ 47,375,000

**TOTAL BONDED DEBT**

\$ 522,350,000

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, 2019 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>				<u>\$ 87,680,000</u>
<b>TOTAL BONDED DEBT</b>				<u>\$ 87,680,000</u>

**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, 2019. For each category, management has presented the portion that will be due within one year.

	<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	\$ 408,885,000	\$ 115,975,000	\$ ( 49,885,000)	\$474,975,000	\$ 11,200,000
Certificates of Obligation	49,090,000	-	( 1,715,000)	47,375,000	1,770,000
Less deferred amounts:					
Issuance discounts	(307,572)	-	222,081	(85,491)	-
Issuance Premiums	47,755,285	5,873,492	( 5,310,625)	48,318,152	-
Total bonds payable	505,422,713	121,848,492	(56,688,544)	570,582,661	12,970,000
Capital leases	13,953,358	-	( 2,374,456)	11,578,902	2,210,702
Workers' Comp Obligation	1,614,908	334,438	( 841,213)	1,108,133	919,458
Medical Obligation	5,148,599	39,753,264	( 36,101,490)	8,800,373	8,800,373
Total OPEB Liability	187,705,823	59,451,157	( 19,529,402)	227,627,578	-
Net Pension Liability	22,169,282	47,732,112	(5,367,262)	64,534,132	-
Compensated absences	14,021,660	8,084,131	(7,971,990)	14,133,801	9,653,231
Total Long-term Liabilities	\$ 750,036,343	\$277,203,594	\$(128,874,357)	\$898,365,580	\$ 34,553,764

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, \$1,108,133 for Workers'



**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

Compensation obligation and \$8,800,373 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. It is estimated that \$919,458 of the Workers' Compensation Obligation is due within one year.

At year end, \$1,879,660 of special revenue funds compensated absences is included in the above amounts. The remaining balance of \$12,254,141 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>Business-Type Activities:</b>	<b>Beginning</b>		<b>Provisions</b>	<b>Ending</b>	<b>Due Within</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	7,778,322	-	(268,218)	7,510,104	-
Total bonds payable	95,458,322	-	(268,218)	95,190,104	-
Total Long-term Liabilities	\$ 95,458,322	\$ -	\$ (268,218)	\$ 95,190,104	\$ -

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>
2020	\$ 11,200,000	\$ 21,821,893	\$ 1,770,000	\$ 2,142,236
2021	17,360,000	21,221,713	810,000	2,099,727
2022	20,255,000	20,286,337	1,665,000	2,051,686
2023	20,230,000	19,280,462	2,785,000	1,963,192
2024	21,275,000	18,255,538	2,880,000	1,848,444
2025-2029	124,770,000	73,859,881	15,505,000	7,155,577
2030-2034	112,745,000	43,679,688	13,605,000	3,613,299
2035-2039	81,130,000	22,840,275	8,355,000	1,159,785
2040-2043	66,010,000	4,969,613	-	-
<b>Total</b>	<b>\$474,975,000</b>	<b>\$246,215,400</b>	<b>\$ 47,375,000</b>	<b>\$ 22,033,946</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>
2020	\$ -	\$ 4,384,000
2021	-	4,384,000
2022	-	4,384,000
2023	500,000	4,384,000
2024	1,000,000	4,359,000
2025-2029	10,310,000	20,611,000
2030-2034	13,730,000	17,661,250
2035-2039	17,520,000	13,868,500
2040-2044	22,360,000	9,028,250
2045-2048	22,260,000	2,850,500
<b>Total</b>	<b>\$ 87,680,000</b>	<b>\$ 85,914,500</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

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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 November 1, 2018 the County authorized the issuance of Unlimited Tax Refunding Bonds, Series 2018 which resulted in the defeasance of \$28,175,000 of Unlimited Tax Refunding Bonds, Series 2010. The funds were placed in an irrevocable escrow account to provide for the future debt service payments. The County refunded the bond in order to reduce its future debt service payments by \$1,904,075 and to obtain an economic gain of \$1,368,529.

As of September 30, 2019, defeased but outstanding debt from prior year refunding transactions consisted of the following:

<b><u>Series</u></b>	<b><u>Amount</u></b>
Pass-Through Toll Revenue Bonds, Series 2009	\$ 2,905,000
Pass-Through Toll Refunding Bonds, Series 2012	15,880,000
Limited Tax Refunding Bonds, Series 2014A	6,685,000
<b>Total Defeased but Outstanding</b>	<b><u>\$ 25,470,000</u></b>

**E) 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, 2019, there were nine (8) series of bonds outstanding with an aggregate principal payable of \$724,025,000. 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, 2019 there were forty-nine (46) series of Bonds outstanding with an aggregate principal payable of \$4,214,064,712. The Bonds will be repaid from payments required to be made under loan agreements between the issuing entity and the aforementioned parties.

**F) CAPITAL LEASES:**

The County has entered into capital lease agreements for the lease/purchase/construction of certain heavy road equipment, vehicles, and buildings. 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

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leases payable in the Long-Term Debt portion of the government-wide statements. The gross asset value amount related to capital leases is \$15,440,527. At year end, \$12,515,094 was included in the general fund and \$2,925,433 was included in special revenue funds. The present value of future minimum capital lease payments at September 30, 2019 and the funds from which they will be paid are as shown below:

<b>Year Ending</b>	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Total</b>
2020	\$ 1,959,355	\$ 474,843	\$ 2,434,198
2021	1,959,355	88,868	2,048,223
2022	1,959,355	-	1,959,355
2023	1,959,355	-	1,959,355
2024	1,959,355	-	1,959,355
2025	1,959,355	-	1,959,355
Total Minimum Lease Payments	11,756,128	563,711	12,319,841
Less: amount representing interest	717,694	23,245	740,939
Present value-minimum lease payments	<u>\$ 11,038,434</u>	<u>\$ 540,466</u>	<u>\$ 11,578,902</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, 2019 was as follows:

	<b>Receivables</b>	<b>Payables</b>
General Fund	\$ 40,805,741	\$ 76,277,528
Road and Bridge Fund	685	205,785
Debt Service Fund	260,384	-
Road Bonds Series 2018B Fund	111	-
Non-major Governmental Funds	55,898,891	6,904,137
Internal Service Funds	20,199,103	-
Enterprise Fund	-	33,777,465
Total	<u>\$ 117,164,915</u>	<u>\$ 117,164,915</u>

**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, 2019 were:

	<b>Transfers In</b>	<b>Transfers Out</b>
General Fund	\$ 6,039,432	\$ 20,192,501
Road and Bridge Fund	928,064	814,423
Debt Service Fund	444,403	-
Non-major Governmental Funds	18,911,096	5,289,104
Internal Service Funds	-	26,967
Total	<u>\$ 26,322,995</u>	<u>\$ 26,322,995</u>

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Although inter-fund activity is reported in the fund financial statements, it has been eliminated in the government-wide financial statements.

**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 2018B	Other Governmental Funds	Total Governmental Funds
<b>Non-Spendable</b>						
Prepaid	\$ -	\$ -	\$ -	-	\$ 566,167	\$ 566,167
<b>Total Non-Spendable</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>566,167</b>	<b>566,167</b>
<b>Restricted for:</b>						
Capital Projects	-	-	-	83,282,703	70,351,242	153,633,945
Debt Service	-	-	12,708,009	-	-	12,708,009
General Admin	-	-	-	-	6,839,114	6,839,114
Judicial	71,345	-	-	-	1,413,453	1,484,798
Legal Services	-	-	-	-	696,571	696,571
Elections	-	-	-	-	915,479	915,479
Public Safety	5,563,729	-	-	-	7,245,043	12,808,772
Health & Welfare	49,027	79,750	-	-	1,293,514	1,422,291
Culture & Recreation	-	-	-	-	133,029	133,029
Public Transportation	-	25,463	-	-	572,394	597,857
<b>Total Restricted</b>	<b>5,684,101</b>	<b>105,213</b>	<b>12,708,009</b>	<b>83,282,703</b>	<b>89,459,839</b>	<b>191,239,865</b>
<b>Committed for:</b>						
Capital Projects	-	-	-	-	34,239,302	34,239,302
General Admin	1,214,896	-	-	-	-	1,214,896
Financial Admin	836,567	-	-	-	-	836,567
Conservation	-	627	-	-	-	627
Public Facilities	1,623,592	-	-	-	-	1,623,592
Public Safety	6,154,316	-	-	-	-	6,154,316
Judicial	644,947	-	-	-	-	644,947
Legal Services	22,409	-	-	-	-	22,409
Elections	12,261	-	-	-	-	12,261
Culture & Recreation	113,929	9,215	-	-	-	123,144
Health & Welfare	846,481	-	-	-	-	846,481
Public Transportation	571	3,230,842	-	-	-	3,231,413
<b>Total Committed</b>	<b>11,469,969</b>	<b>3,240,684</b>	<b>-</b>	<b>-</b>	<b>34,239,302</b>	<b>48,949,955</b>
<b>Assigned to:</b>						
OPEB Obligation	80,000,000	-	-	-	-	80,000,000
Judicial	-	-	-	-	3,889,158	3,889,158
Public Transportation	-	12,227,413	-	-	-	12,227,413
<b>Total Assigned</b>	<b>80,000,000</b>	<b>12,227,413</b>	<b>-</b>	<b>-</b>	<b>3,889,158</b>	<b>96,116,571</b>
<b>Unassigned</b>	<b>45,735,841</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,735,841</b>
<b>Total Fund Balances</b>	<b>\$142,889,911</b>	<b>\$ 15,573,310</b>	<b>\$ 12,708,009</b>	<b>83,282,703</b>	<b>\$ 128,154,466</b>	<b>\$382,608,399</b>

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**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 \$3,750 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 \$789,764.

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>	
2020	106,950
2021	81,650
2022	39,900
Total Future Lease Payments	<u><u>\$ 228,500</u></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 \$300,000 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, 2019, were \$890,883. Claims incurred but not reported (IBNR) at September 30, 2019, are estimated to be \$7,909,490. 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.

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Changes in the health claims liability for the two fiscal years ended September 30, 2019 and September 30, 2018 are as follows:

	<b><u>2019</u></b>	<b><u>2018</u></b>
Unpaid claims, beginning of year	\$ 5,148,599	\$ 5,213,837
Incurred claims (includes IBNR)	39,753,264	20,927,075
Claim payments	<u>(36,101,490)</u>	<u>(20,992,313)</u>
Unpaid claims, end of year	<u>\$ 8,800,373</u>	<u>\$ 5,148,599</u>

During the year ended September 30, 2018, the plan received contributions in the amounts of \$31,728,928 and \$2,610,944 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 \$1,036,268 in administrative costs and \$1,690,272 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 \$500,000 per individual claim in 2019.

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, 2019, the County expended \$95,368 for administrative costs and \$269,809 for excess loss insurance premiums.

Changes in the Workers' Compensation liability for the two fiscal years ended September 30, 2019 and September 30, 2018 are detailed below:

	<b><u>2019</u></b>	<b><u>2018</u></b>
Unpaid claims, beginning of year	\$ 1,614,908	\$ 1,610,050
Current year claims and changes in estimates (includes IBNR)	334,438	830,137
Claim payments	<u>(841,213)</u>	<u>(825,279)</u>
Unpaid claims, end of year	<u>\$1,108,133</u>	<u>\$1,614,908</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	\$500,000
• 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

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Total insured values exceed \$350,000,000 for the first three coverages listed above and an additional \$100,000,000 for boilers and HVAC systems.

The County paid \$1,103,665 in premiums in fiscal year 2019, 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, Flood Damage (on specific properties) and Airport Operators' Liability. Self-Insured Retentions are maintained at the \$500,000 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 2019.

**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 780 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

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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	945
Inactive employees entitled to but not yet receiving benefits	1,635
Active employees	2,415

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 \$16,149,204 for the months of the calendar year 2018.

The deposit rate payable by the employee members for calendar year 2018 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, 2018 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	8.00%

The actuarial assumptions that determined the total pension liability as of December 31, 2018 were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016. 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.



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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. The numbers shown are based on January 2019 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	10.50%	5.40%
Private Equity	18.00%	8.40%
Global Equities	2.50%	5.70%
International Equities --Developed	10.00%	5.40%
International Equities - Emerging	7.00%	5.90%
Investment - Grade Bonds	3.00%	1.60%
Strategic Credit	12.00%	4.39%
Direct Lending	11.00%	7.95%
Distressed Debt	2.00%	7.20%
REIT Equities	2.00%	4.15%
Master Limited Partnerships	3.00%	5.35%
Private Real Estate Partnerships	6.00%	6.30%
Hedge Funds	13.00%	3.90%
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.

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**F) PLAN FIDUCIARY NET POSITION:**

Detailed information about the pension plan's fiduciary net position is available in the separately issued TCDRS financial report.

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, 2017	\$491,246,368	\$469,077,085	\$22,169,282
Changes for the year:			
Service cost	16,637,887	-	16,637,889
Interest	40,324,746	-	40,324,746
Effect of economic/demographic gains or losses	529,728	-	529,728
Refund of contributions	(1,059,078)	(1,059,078)	-
Benefit payments	(19,435,697)	(19,435,697)	-
Administrative expense	-	(372,454)	372,454
Member contributions	-	7,896,955	( 7,896,955)
Net investment income	-	(8,699,150)	8,699,150
Employer contributions	-	16,149,204	(16,149,204)
Other changes	-	152,958	(152,958)
Net changes	\$ 36,997,586	(\$5,367,262)	\$ 42,364,850
Balances at December 31, 2018	\$528,243,954	\$463,709,823	\$64,534,132

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)	\$138,615,225	\$64,534,132	\$2,745,661

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**G) PENSION EXPENSE AND DEFERRED OUTFLOWS/ (INFLOWS) OF RESOURCES RELATED TO PENSIONS:**

For the fiscal year ended September 30, 2019, the County recognized pension expense of \$24,910,072. At September 30, 2019, 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	\$ 1,430,231	\$ 1,265,377
Changes of assumptions	2,231,383	-
Net difference between projected and actual earnings	30,037,934	-
Contributions made subsequent to measurement date	13,168,441	-
	<u>\$ 46,867,989</u>	<u>\$ 1,265,377</u>

The \$13,168,441 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, 2020. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30, 2019

2020	\$ 12,715,293
2021	5,248,673
2022	4,611,729
2023	9,858,476
Total	<u>\$ 32,434,171</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	381
Inactive employees entitled to but not yet receiving benefits	-
Active employees	2,129

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

**D) TOTAL OPEB LIABILITY:**

The County's total OPEB liability of \$227,627,578 was measured as of September 30, 2019, and was determined by an actuarial valuation as of that date.

The total OPEB liability in the September 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	3.25%
Discount Rate	2.75%

Mortality rates for active employees were based on the PubG.H-2010 Employee, Generational with MP-2019 for males or females, as appropriate.

Mortality rates for retirees were based on the PubG.H-2010 Healthy Annuitant Generational with MP-2019 for males or females, as appropriate.

**Changes in the Total OPEB Liability**

	Total OPEB Liability (a)
Balance at 9/30/2018	<u>\$ 187,705,823</u>
Changes for the year:	
Service Cost	8,607,394
Interest	7,432,143
Differences between expected and actual experience	(13,337,971)
Changes in Assumptions/Inputs	41,745,176
Change in Benefit Terms	-
Benefit payments	(4,524,987)
Administrative Expense	-
Net Changes	<u>39,921,755</u>
Balance at 9/30/2019	<u>\$ 227,627,578</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 (1.75 percent) or 1-percentage-point higher (3.75 percent) than the current discount rate:

	1% Decrease (1.75%)	Current Discount Rate (2.75%)	1% Increase (3.75%)
Total OPEB Liability	\$279,054,680	\$227,627,578	\$188,032,235

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

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

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	\$181,944,680	\$227,627,578	\$290,431,273

E) **OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB:**

For the year ended September 30, 2019, the County recognized OPEB expense of \$19,619,401. At September 30, 2019, 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	\$ 173,784	\$ 11,670,724
Changes of assumptions or other inputs	36,527,029	-
	<u>\$ 36,700,813</u>	<u>\$ 11,670,724</u>

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30, 2019	
2020	\$ 3,579,865
2021	3,579,865
2022	3,579,865
2023	3,579,865
2024	3,579,865
Thereafter	7,130,765
Total	<u>\$ 25,030,090</u>

**NOTE 16- CONTINGENT LIABILITIES:**

A) **GENERAL LIABILITIES:**

For fiscal year 2019, the County participated in a public entity risk pool, to which certain losses arising from liability claims were transferred. All are recorded in the Accident and Liability Fund, as part of the Internal Service Funds. Premiums for this coverage is as follows:

- BRIT Property \$601,073
- AFM (Excess Property) \$249,867
- Flood Damage \$9,388
- Additional Coverages \$243,337

In addition, the County expended \$309,700 for damages in connection with 229 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,

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

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 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 \$43,486 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, 2019, the County abated property taxes totaling \$2,054,828 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. 91, *Conduit Debt Obligations*, will improve financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own

**MONTGOMERY COUNTY, TEXAS**

**Notes to the Financial Statements**

**September 30, 2019**

liabilities, thereby ending significant diversity in practice. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2022.

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 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. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2021.

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.

**NOTE 19- PRIOR PERIOD ADJUSTMENT:**

Net Position at September 30, 2018 was restated due to remove the Adult Probation funds and report as agency funds. Current analysis by management of the funds determined that a prior period adjustment was necessary. Details of this adjustment are as follows:

	Governmental Activities Net Position	Non-Major Special Revenue Funds
Beginning fund balance and net position, as previously reported	\$497,382,745	\$ 24,017,788
Removal of Adult Probation	(11,618)	(11,618)
Beginning fund balance and net position, as restated	<u>\$497,371,127</u>	<u>\$ 24,006,170</u>

**NOTE 20- DEFICIT IN UNRESTRICTED NET POSITION:**

The statement of net position reported a deficit in unrestricted net position of \$31,485,989 mainly due to unfunded other-post employment benefits liability.

**MONTGOMERY COUNTY, TEXAS**  
**Required Supplementary Information**  
**Schedule of Changes in the County's Net Pension Liability**

	2015	2016	2017	2018	2019
Total Pension Liability					
Service Cost	\$ 13,961,075	\$ 14,877,252	\$ 16,207,504	\$ 16,423,336	\$ 16,637,887
Interest	29,231,819	31,734,340	34,011,062	37,357,960	40,324,746
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	529,728
Benefit Payments, including refunds of employee contributions	(13,944,641)	(15,341,208)	(16,391,080)	(18,919,903)	(20,494,775)
Net change in total pension liability	30,851,619	28,043,778	34,287,829	37,184,545	36,997,586
Total pension liability - beginning	360,878,598	391,730,217	419,773,994	454,061,823	491,246,368
Total pension liability - ending	<u>\$ 391,730,217</u>	<u>\$ 419,773,995</u>	<u>\$ 454,061,823</u>	<u>\$ 491,246,368</u>	<u>\$ 528,243,954</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 12,941,853	\$ 18,689,688	\$ 15,909,431	\$ 15,579,849	\$ 16,149,204
Contributions - employee	6,328,534	6,694,227	7,100,748	7,638,026	7,896,955
Net Investment income	22,791,347	(5,580,229)	27,516,524	59,293,448	(8,699,150)
Benefit payments, including refunds of employee contributions	(13,944,641)	(15,341,208)	(16,391,080)	(18,919,903)	(20,494,775)
Administrative expenses	(272,575)	(266,281)	(299,286)	(311,951)	(372,454)
Other	200,508	(135,551)	344,834	54,609	152,956
Net change in plan fiduciary net position	28,045,026	4,060,646	34,181,171	63,334,078	(5,367,264)
Plan Fiduciary Net Position - beginning	339,456,166	367,501,192	371,561,838	405,743,008	469,077,086
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>	<u>\$ 463,709,822</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>	<u>\$ 64,534,132</u>
Plan fiduciary net position as a percentage of the total pension liability	93.81%	88.51%	89.36%	95.49%	87.78%
Covered - employee payroll	\$ 105,475,573	\$ 111,570,445	\$ 118,329,101	\$ 126,975,182	\$ 131,615,924
County's net pension liability as a percentage of covered payroll	22.97%	43.21%	40.83%	17.46%	49.03%

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	2019
Actuarially determined contribution	\$ 11,834,359	\$ 12,194,650	\$ 12,105,067	\$ 13,751,412	\$ 14,517,236
Actual Employer Contribution	12,941,853	18,689,688	15,909,431	15,579,849	16,149,204
Contribution deficiency (excess)	<u>\$ (1,107,494)</u>	<u>\$ (6,495,039)</u>	<u>\$ (3,804,363)</u>	<u>\$ (1,828,437)</u>	<u>\$ (1,631,968)</u>
Covered payroll	\$ 105,475,573	\$ 111,570,445	\$ 126,429,336	\$ 129,014,477	\$ 136,590,609
Contributions as a percentage of covered payroll	12.30%	16.80%	12.60%	12.08%	11.82%

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	10.1 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, including inflation
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
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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.
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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>	<u>2019</u>
Total OPEB Liability		
Service Cost	\$ 8,336,459	\$ 8,607,394
Interest	6,975,183	7,432,143
Changes of benefit terms	-	-
Differences between expected and actual experience	231,712	(13,337,971)
Changes in assumptions or other inputs	-	41,745,176
Benefit payments	(3,241,471)	(4,524,987)
Net change in total OPEB liability	12,301,883	39,921,755
Total OPEB liability - beginning	175,403,940	187,705,823
Total OPEB liability - ending	<u>\$ 187,705,823</u>	<u>\$ 227,627,578</u>
Covered- employee payroll	\$ 116,286,612	\$ 125,374,560
Total OPEB liability as a percentage of covered-employee payroll	161.40%	181.60%
Notes to Schedule:		
Changes in benefit terms:	None	None
Changes of assumptions:		
The following are the discounts rates used in each period:	2018	3.83%
	2019	2.75%
The following are the mortality rates used in each period:	2018	RPH-2014 Employee and healthy Annuity, Generational with MP-2018
	2019	PubG.H-2010 Employee and Healthy Annuitant, Genrational with MP-2019
The following are the medical trend rates used in each period:	2018	6.5% first year, decreasing 0.5% per year to an ultimate rate of 5.0%
	2019	6.5% first year, decreasing 0.25% per year to an ultimate rate of 4.5%

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, 2019**

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	General Fund
<b><u>ASSETS:</u></b>	
Cash	\$ 25,747,573
Investments	165,843,985
Receivables:	
Taxes (net)	5,066,263
Accounts (net)	1,341,143
Interest	228,596
Due from Other Funds	40,805,741
Due from Other Governments	9,463,422
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 248,496,723</u></b>
<b><u>LIABILITIES:</u></b>	
Accounts Payable	\$ 19,489,260
Due to Other Funds	76,277,528
Due to Other Governments	7,870
Unearned Revenue	4,874,997
Total liabilities	<u>100,649,655</u>
<b><u>DEFERRED INFLOWS OF RESOURCES:</u></b>	
Unavailable revenue: property taxes	4,957,157
Total deferred inflows of resources	<u>4,957,157</u>
<b><u>FUND BALANCES:</u></b>	
Restricted	5,684,101
Committed	11,469,969
Assigned	80,000,000
Unassigned	45,735,841
Total Fund Balances	<u>142,889,911</u>
<b><u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>	<b><u>\$ 248,496,723</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**General Fund**  
**Schedule of Revenues and Other Financing Sources**  
**Budget (GAAP Basis) and Actual**  
**Year Ended September 30, 2019**

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<b><u>TAXES:</u></b>	Original Budget	Final Budget	Actual	Variance with Final Budget
Ad Valorem Current	\$ 181,536,526	\$ 181,536,526	\$ 178,496,036	\$ (3,040,490)
Ad Valorem Delinquent	1,354,593	1,354,593	1,301,383	(53,210)
Penalty and Interest	1,357,291	1,357,291	1,885,764	528,473
Miscellaneous Taxes	200,000	200,000	285,342	85,342
Special Assessments	2,508,035	2,290,000	2,659,329	369,329
Total Taxes	186,956,445	186,738,410	184,627,854	(2,110,556)

**LICENSES AND PERMITS:**

Beer Licenses	175,000	175,000	217,296	42,296
Trial Fees	1,000	1,000	1,517	517
Park Fees	135,000	135,000	145,565	10,565
Health Permits	525,000	525,000	525,825	825
Recycle Center Permits	-	-	2,500	2,500
Animal Control Transport	7,500	7,500	5,160	(2,340)
Food Service Permits	550,000	550,000	589,175	39,175
Alarm Permits	1,100,000	1,100,000	790,032	(309,968)
Hazardous Waste Mgmt Fees	20,000	20,000	19,441	(559)
Total Licenses and Permits	2,513,500	2,513,500	2,296,511	(216,989)

**FEES:**

County Judge	13,000	13,000	13,446	446
County Sheriff	360,000	360,000	444,370	84,370
County Attorney	80,000	80,000	83,480	3,480
County Clerk	3,532,615	3,532,615	3,812,894	280,279
Tax Assessor-Collector	5,537,326	5,537,326	6,012,900	475,574
District Clerk	1,582,932	1,615,932	1,612,422	(3,510)
Justice of the Peace	4,943,953	4,941,953	5,406,953	465,000
Constable	450,000	480,000	517,695	37,695
Voter Registration	100	100	111	11
Criminal Justice Fees	401,000	474,706	597,521	122,815
Total Fees	16,900,926	17,035,632	18,501,792	1,466,160

**INTERGOVERNMENTAL:**

Federal Grants	-	1,547,269	2,245,002	697,733
State Grants	-	629,435	799,535	170,100
Other	3,314,384	1,173,232	1,318,293	145,061
Total Intergovernmental	3,314,384	3,349,936	4,362,830	1,012,894

**MONTGOMERY COUNTY, TEXAS**  
**General Fund**  
**Schedule of Revenues and Other Financing Sources**  
**Budget (GAAP Basis) and Actual**  
**Year Ended September 30, 2019**

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Page 2 of 2

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>CHARGES FOR SERVICES</u></b>	<u>3,102,823</u>	<u>3,785,059</u>	<u>3,913,865</u>	<u>128,806</u>
<b><u>INVESTMENT EARNINGS</u></b>	<u>741,703</u>	<u>1,135,703</u>	<u>6,482,174</u>	<u>5,346,471</u>
<b><u>CONTRACT REIMBURSEMENTS</u></b>	<u>15,867,526</u>	<u>28,646,138</u>	<u>21,661,421</u>	<u>(6,984,717)</u>
<b><u>INMATE HOUSING</u></b>	<u>15,800,000</u>	<u>40,004,797</u>	<u>39,713,354</u>	<u>(291,443)</u>
<b><u>FINES AND FORFEITURES</u></b>	<u>80,000</u>	<u>80,000</u>	<u>244,930</u>	<u>164,930</u>
<b><u>MISCELLANEOUS:</u></b>				
Lease of Facility	22,500	22,500	23,825	1,325
Commissions	556,000	748,681	299,692	(448,989)
Other	325,000	390,400	716,057	325,657
Total Miscellaneous	<u>903,500</u>	<u>1,161,581</u>	<u>1,039,574</u>	<u>(122,007)</u>
<b><u>TOTAL REVENUES</u></b>	<u>246,180,807</u>	<u>284,450,756</u>	<u>282,844,305</u>	<u>(1,606,451)</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers In	-	788,163	6,039,432	5,251,269
Capital Lease Financing	-	12,515,094	12,515,094	-
<b><u>TOTAL OTHER FINANCING SOURCES</u></b>	<u>-</u>	<u>13,303,257</u>	<u>18,554,526</u>	<u>5,251,269</u>
<b><u>TOTAL REVENUES AND OTHER FINANCING SOURCES</u></b>	<u>\$ 246,180,807</u>	<u>\$ 297,754,013</u>	<u>\$ 301,398,831</u>	<u>\$ 3,644,818</u>

**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Expenditures and Other Financing Uses**

**Budget (GAAP Basis) and Actual**

**Year Ended September 30, 2019**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>GENERAL ADMINISTRATION:</u></b>				
County Judge:				
Salaries	\$ 405,640	\$ 397,734	\$ 397,732	\$ 2
Employee Benefits	127,289	122,863	116,542	6,321
Supplies	4,550	9,288	6,169	3,119
Contract Services	39,331	47,653	42,963	4,690
Total County Judge	576,810	577,538	563,406	14,132
Human Resources:				
Salaries	410,516	411,460	411,333	127
Employee Benefits	151,813	150,869	148,760	2,109
Supplies	9,600	9,600	9,191	409
Contract Services	49,979	50,160	42,661	7,499
Total Human Resources	621,908	622,089	611,945	10,144
Risk Management:				
Salaries	601,759	563,160	550,390	12,770
Employee Benefits	224,640	217,238	197,825	19,413
Supplies	30,510	27,145	26,601	544
Contract Services	68,345	71,867	64,892	6,975
Capital Outlay	11,000	11,000	10,952	48
Total Risk Management	936,254	890,410	850,660	39,750
County Clerk:				
Salaries	1,644,720	1,617,393	1,580,501	36,892
Employee Benefits	736,185	725,741	698,410	27,331
Supplies	37,700	40,181	30,571	9,610
Contract Services	26,790	27,315	24,353	2,962
Total County Clerk	2,445,395	2,410,630	2,333,835	76,795
Collections:				
Salaries	270,566	257,257	252,256	5,001
Employee Benefits	123,936	120,285	112,443	7,842
Supplies	24,700	24,700	21,323	3,377
Contract Services	66,467	70,467	51,528	18,939
Total Collections	485,669	472,709	437,550	35,159
Permits:				
Salaries	337,494	339,927	339,170	757
Benefits	148,940	145,507	144,843	664
Supplies	11,000	11,180	9,783	1,397
Services	6,251	6,350	5,352	998
Total Permits	503,685	502,964	499,148	3,816



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<b><u>GENERAL ADMINISTRATION(cont'd)</u></b>				
Veterans' Service:				
Salaries	218,541	217,932	217,634	298
Employee Benefits	90,227	89,473	86,485	2,988
Supplies	1,552	1,302	1,279	23
Contract Services	7,847	9,140	8,933	207
Total Veterans' Service	<u>318,167</u>	<u>317,847</u>	<u>314,331</u>	<u>3,516</u>
Information Technology:				
Salaries	2,408,247	2,333,685	2,332,595	1,090
Employee Benefits	832,929	812,326	799,325	13,001
Supplies	2,006,751	2,268,929	2,264,323	4,606
Contract Services	1,586,459	1,230,345	1,225,305	5,040
Capital Outlay	-	731,341	372,655	358,686
Total Information Technology	<u>6,834,386</u>	<u>7,376,626</u>	<u>6,994,203</u>	<u>382,423</u>
Purchasing Agent:				
Salaries	814,409	825,050	824,020	1,030
Employee Benefits	302,307	309,439	300,112	9,327
Supplies	16,235	15,885	15,705	180
Contract Services	311,339	272,963	201,952	71,011
Total Purchasing Agent	<u>1,444,290</u>	<u>1,423,337</u>	<u>1,341,789</u>	<u>81,548</u>
County-Wide:				
Salaries	250,000	-	-	-
Employee Benefits	4,746,650	4,746,650	4,746,650	-
Supplies	591,325	498,005	493,533	4,472
Contract Services	10,489,745	6,538,112	6,527,569	10,543
Capital Outlay	1,000,000	13,027,558	12,515,094	512,464
Total County-Wide	<u>17,077,720</u>	<u>24,810,325</u>	<u>24,282,846</u>	<u>527,479</u>
<b><u>TOTAL GENERAL ADM</u></b>	<u>31,244,284</u>	<u>39,404,475</u>	<u>38,229,713</u>	<u>1,174,762</u>
<b><u>JUDICIAL:</u></b>				
County Court No1:				
Salaries	379,870	382,800	381,116	1,684
Employee Benefits	122,156	119,226	117,969	1,257
Supplies	5,374	3,452	2,972	480
Contract Services	6,410	6,410	5,575	835
Total County Court No1	<u>513,810</u>	<u>511,888</u>	<u>507,632</u>	<u>4,256</u>
County Court No2:				
Salaries	666,445	666,445	660,205	6,240
Employee Benefits	225,934	225,934	216,816	9,118
Supplies	3,800	5,300	4,444	856
Contract Services	12,200	10,700	9,089	1,611
Total County Court No2	<u>908,379</u>	<u>908,379</u>	<u>890,554</u>	<u>17,825</u>

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<b><u>JUDICIAL(cont'd)</u></b>				
County Court No3:				
Salaries	602,832	602,832	602,373	459
Employee Benefits	189,916	189,916	181,702	8,214
Supplies	8,145	6,512	5,132	1,380
Contract Services	8,900	9,775	9,321	454
Total County Court No3	809,793	809,035	798,528	10,507
County Court No4:				
Salaries	387,427	390,118	388,699	1,419
Employee Benefits	123,661	120,970	119,565	1,405
Supplies	7,625	6,651	6,651	-
Contract Services	7,180	5,780	5,780	-
Total County Court No4	525,893	523,519	520,695	2,824
County Court No5:				
Salaries	374,325	374,325	372,629	1,696
Employee Benefits	121,473	121,473	114,237	7,236
Supplies	5,500	9,063	7,849	1,214
Contract Services	6,400	5,400	3,610	1,790
Total County Court No5	507,698	510,261	498,325	11,936
Judicial Technology:				
Supplies	464,080	459,877	459,871	6
Services	172,351	94,784	94,290	494
Capital Outlay	210,000	116,371	116,371	-
Total Judicial Technology	846,431	671,032	670,532	500
District Attorney:				
Salaries	8,140,731	8,686,764	8,523,012	163,752
Employee Benefits	2,767,492	2,866,242	2,807,722	58,520
Supplies	150,606	163,022	154,075	8,947
Contract Services	250,169	461,189	392,744	68,445
Capital Outlay	88,460	23,000	-	23,000
Total District Attorney	11,397,458	12,200,217	11,877,553	322,664
District Clerk:				
Salaries	2,411,869	2,394,173	2,348,170	46,003
Employee Benefits	1,169,980	1,156,455	1,111,873	44,582
Supplies	56,876	48,945	43,636	5,309
Contract Services	30,288	30,249	27,553	2,696
Total District Clerk	3,669,013	3,629,822	3,531,232	98,590

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<b><u>JUDICIAL(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>
Justice of Peace Pct 1:				
Salaries	584,172	608,164	606,432	1,732
Employee Benefits	210,374	225,940	210,006	15,934
Supplies	10,850	10,750	9,096	1,654
Contract Services	33,564	147,340	140,090	7,250
Total Justice of Peace Pct 1	838,960	992,194	965,624	26,570
Justice of Peace Pct 2:				
Salaries	365,843	348,193	345,465	2,728
Employee Benefits	142,915	139,084	127,140	11,944
Supplies	6,415	6,535	6,535	-
Contract Services	24,130	176,885	170,362	6,523
Total Justice of Peace Pct 2	539,303	670,697	649,502	21,195
Justice of Peace Pct 3:				
Salaries	744,465	801,444	801,360	84
Employee Benefits	334,769	351,424	333,932	17,492
Supplies	13,791	11,377	10,255	1,122
Contract Services	20,113	20,352	19,518	834
Capital Outlay	-	39,210	39,210	-
Total Justice of Peace Pct 3	1,113,138	1,223,807	1,204,275	19,532
Justice of Peace Pct 4:				
Salaries	614,699	627,077	627,077	-
Employee Benefits	273,991	263,049	244,625	18,424
Supplies	8,400	15,270	14,906	364
Contract Services	28,833	156,142	150,592	5,550
Total Justice of Peace Pct 4	925,923	1,061,538	1,037,200	24,338
Justice of Peace Pct 5:				
Salaries	369,328	373,414	373,150	264
Employee Benefits	143,401	143,612	141,691	1,921
Supplies	8,800	9,100	8,625	475
Contract Services	15,577	77,169	75,433	1,736
Total Justice of Peace Pct 5	537,106	603,295	598,899	4,396
Veterans Treatment Court:				
Salaries	-	103,456	58,464	44,992
Employee Benefits	-	41,526	22,824	18,702
Supplies	-	3,270	1,102	2,168
Contract Services	-	125,115	24,685	100,430
Total Veterans Treatment Court	-	273,367	107,075	166,292
<b><u>TOTAL JUDICIAL</u></b>	<b><u>23,132,905</u></b>	<b><u>24,589,051</u></b>	<b><u>23,857,626</u></b>	<b><u>731,425</u></b>
<b><u>LEGAL SERVICES:</u></b>				
County Attorney:				
Salaries	2,532,069	2,492,602	2,472,341	20,261
Employee Benefits	859,391	846,884	826,401	20,483
Supplies	79,580	112,834	104,571	8,263
Contract Services	69,840	105,377	93,053	12,324
Total County Attorney	3,540,880	3,557,697	3,496,366	61,331
Alternate Dispute Resolution:				
Contract Services	129,500	190,500	188,463	2,037
Total Alternate Dispute Resolution	129,500	190,500	188,463	2,037
<b><u>TOTAL LEGAL SERVICES</u></b>	<b><u>3,670,380</u></b>	<b><u>3,748,197</u></b>	<b><u>3,684,829</u></b>	<b><u>63,368</u></b>

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<b><u>ELECTIONS:</u></b>				
Salaries	935,625	916,933	888,623	28,310
Employee Benefits	326,868	322,234	262,243	59,991
Supplies	41,000	46,627	55,420	(8,793)
Contract Services	154,388	171,209	168,281	2,928
<b><u>TOTAL ELECTIONS</u></b>	<b><u>1,457,881</u></b>	<b><u>1,457,003</u></b>	<b><u>1,374,567</u></b>	<b><u>82,436</u></b>
<b><u>FINANCIAL ADMINISTRATION:</u></b>				
County Auditor:				
Salaries	1,517,935	1,427,288	1,370,064	57,224
Employee Benefits	594,405	558,735	521,427	37,308
Supplies	22,100	29,517	28,616	901
Contract Services	50,645	40,532	40,251	281
Total County Auditor	<u>2,185,085</u>	<u>2,056,072</u>	<u>1,960,358</u>	<u>95,714</u>
Budget Officer:				
Salaries	218,606	214,457	208,830	5,627
Employee Benefits	78,375	77,549	72,406	5,143
Supplies	3,710	3,311	1,097	2,214
Contract Services	9,270	9,270	5,546	3,724
Total County Auditor	<u>309,961</u>	<u>304,587</u>	<u>287,879</u>	<u>16,708</u>
Financial Technology:				
Supplies	2,500	13,500	12,857	643
Services	7,174	118,948	118,404	544
Capital Outlay	-	2,663,047	2,648,947	14,100
Total Financial Technology	<u>9,674</u>	<u>2,795,495</u>	<u>2,780,208</u>	<u>14,644</u>
County Treasurer:				
Salaries	508,117	489,840	489,780	60
Employee Benefits	182,928	178,053	166,795	11,258
Supplies	8,700	10,902	10,886	16
Contract Services	16,934	14,542	14,496	46
Total County Treasurer	<u>716,679</u>	<u>693,337</u>	<u>681,957</u>	<u>11,380</u>
Tax Assessor-Collector:				
Salaries	3,018,904	3,007,667	2,880,171	127,496
Employee Benefits	1,358,575	1,346,337	1,262,015	84,322
Supplies	116,564	127,572	103,075	24,497
Contract Services	2,721,986	2,757,888	2,309,578	448,310
Capital Outlay	-	189,944	189,944	-
Total Tax Assessor-Collector	<u>7,216,029</u>	<u>7,429,408</u>	<u>6,744,783</u>	<u>684,625</u>
<b><u>TOTAL FINANCIAL ADM</u></b>	<b><u>10,437,428</u></b>	<b><u>13,278,899</u></b>	<b><u>12,455,185</u></b>	<b><u>806,363</u></b>
<b><u>PUBLIC FACILITIES:</u></b>				
Custodial Services:				
Salaries	2,086,742	2,086,742	1,981,849	104,893
Employee Benefits	854,799	838,196	779,637	58,559
Supplies	334,334	324,620	322,385	2,235
Contract Services	70,590	72,270	68,300	3,970
Capital Outlay	-	9,318	9,318	-
Total Custodial Services	<u>3,346,465</u>	<u>3,331,146</u>	<u>3,161,489</u>	<u>169,657</u>

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<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	2,626,652	2,549,888	2,518,759	31,129
Employee Benefits	1,071,715	1,036,751	1,007,944	28,807
Supplies	1,080,535	1,173,821	1,139,895	33,926
Contract Services	364,237	998,156	984,328	13,828
Capital Outlay	200,488	231,260	224,577	6,683
Total Building Maintenance	5,343,627	5,989,876	5,875,503	114,373
Jail:				
Salaries	15,272,048	13,449,437	13,444,458	4,979
Employee Benefits	6,567,680	5,722,342	5,661,749	60,593
Supplies	1,413,250	1,283,463	1,280,885	2,578
Contract Services	21,627,153	46,172,316	45,858,459	313,857
Capital Outlay	-	16,464	16,464	-
Total Jail	44,880,131	66,644,022	66,262,015	382,007
Convention Center Complex:				
Salaries	496,341	496,341	487,215	9,126
Employee Benefits	202,101	204,923	199,448	5,475
Supplies	171,050	193,456	189,417	4,039
Contract Services	243,682	460,882	417,915	42,967
Total Civic Center	1,113,174	1,355,602	1,293,995	61,607
<b><u>TOTAL PUBLIC FACILITIES</u></b>	<b><u>54,683,397</u></b>	<b><u>77,320,646</u></b>	<b><u>76,593,002</u></b>	<b><u>727,644</u></b>
<b><u>PUBLIC SAFETY:</u></b>				
Fire Marshal:				
Salaries	1,176,385	1,181,368	1,160,412	20,956
Employee Benefits	409,848	410,840	394,606	16,234
Supplies	106,863	121,588	105,157	16,431
Contract Services	41,492	43,024	35,769	7,255
Capital Outlay	93,480	124,511	105,666	18,845
Total Fire Marshal	1,828,068	1,881,331	1,801,610	79,721
Constable Pct 1:				
Salaries	3,054,564	3,184,954	3,184,953	1
Employee Benefits	1,088,926	1,116,124	1,098,699	17,425
Supplies	210,015	258,204	231,294	26,910
Contract Services	43,373	138,810	103,659	35,151
Capital Outlay	51,323	285,410	282,029	3,381
Total Constable Pct 1	4,448,201	4,983,502	4,900,634	82,868

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<b><u>PUBLIC SAFETY (cont'd):</u></b>				
Constable Pct 2:				
Salaries	1,447,273	1,452,435	1,451,871	564
Employee Benefits	498,203	493,834	484,387	9,447
Supplies	87,899	139,560	106,437	33,123
Contract Services	33,570	47,522	43,863	3,659
Capital Outlay	83,450	382,331	382,133	198
Total Constable Pct 2	2,150,395	2,515,682	2,468,691	46,991
Constable Pct 3:				
Salaries	3,601,037	3,696,868	3,685,087	11,781
Employee Benefits	1,335,795	1,361,768	1,294,169	67,599
Supplies	307,100	391,543	336,148	55,395
Contract Services	81,200	128,495	89,698	38,797
Capital Outlay	101,450	186,988	183,946	3,042
Total Constable Pct 3	5,426,582	5,765,662	5,589,048	176,614
Constable Pct 4:				
Salaries	2,818,493	2,716,552	2,709,609	6,943
Employee Benefits	1,007,621	988,269	955,692	32,577
Supplies	183,350	323,243	309,289	13,954
Contract Services	78,155	86,843	70,811	16,032
Capital Outlay	103,825	478,166	477,940	226
Total Constable Pct 4	4,191,444	4,593,073	4,523,341	69,732
Constable Pct 5:				
Salaries	2,562,806	2,676,711	2,641,634	35,077
Employee Benefits	974,705	993,193	955,057	38,136
Supplies	156,167	166,144	101,805	64,339
Contract Services	46,830	67,981	58,711	9,270
Capital Outlay	53,844	583,121	564,272	18,849
Total Constable Pct 5	3,794,352	4,487,150	4,321,479	165,671
Sheriff:				
Salaries	35,774,284	38,119,527	37,606,971	512,556
Employee Benefits	13,849,939	14,842,428	13,962,031	880,397
Supplies	4,285,269	4,784,993	4,574,429	210,564
Contract Services	2,531,475	3,232,337	2,821,301	411,036
Capital Outlay	2,329,910	4,679,209	4,294,462	384,747
Total Sheriff	58,770,877	65,658,494	63,259,194	2,399,300
Mental Health Court Services:				
Salaries	232,111	232,111	231,433	678
Employee Benefits	104,603	104,603	100,331	4,272
Supplies	4,000	3,900	2,871	1,029
Contract Services	8,200	9,172	6,962	2,210
Total Sheriff	348,914	349,786	341,597	8,189

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<b><u>PUBLIC SAFETY(cont'd)</u></b>				
Juvenile Services:				
Salaries	3,649,745	3,649,745	3,522,011	127,734
Employee Benefits	1,615,494	1,602,494	1,526,339	76,155
Supplies	82,585	101,574	91,883	9,691
Contract Services	100,059	503,784	385,788	117,996
Total Juvenile Services	5,447,883	5,857,597	5,526,021	331,576
Adult Services:				
Salaries	-	6,284,330	2,120,796	4,163,534
Employee Benefits	-	1,344,908	437,886	907,022
Supplies	2,600	5,600	5,521	79
Contract Services	2,523	13,004	10,544	2,460
Capital Outlay	16,000	11,719	11,605	114
Total Adult Services	21,123	7,659,561	2,586,352	5,073,209
Emergency Management:				
Salaries	361,364	343,874	335,267	8,607
Employee Benefits	130,350	127,551	108,825	18,726
Supplies	10,889	334,539	188,774	145,765
Contract Services	14,246	95,185	90,771	4,414
Capital Outlay	25,720	893,026	893,026	-
Total Emergency Management	542,569	1,794,175	1,616,663	177,512
Law Enforcement Technology:				
Supplies	728,594	352,777	351,439	1,338
Services	34,432	654	-	654
Capital Outlay	-	2,482,151	182,831	2,299,320
Total Law Enforcement Technology	763,026	2,835,582	534,270	2,301,312
Department of Public Safety:				
Salaries	79,988	80,250	80,250	-
Employee Benefits	39,280	39,150	38,710	440
Supplies	450	450	450	-
Total Dept of Public Safety	119,718	119,850	119,410	440
<b><u>TOTAL PUBLIC SAFETY</u></b>	<b><u>87,853,152</u></b>	<b><u>108,501,445</u></b>	<b><u>97,588,310</u></b>	<b><u>10,904,946</u></b>
<b><u>HEALTH AND WELFARE:</u></b>				
Medical:				
Contract Services	90,000	90,000	90,000	-
Mental Health:				
Contract Services	261,525	261,525	214,278	47,247

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<b><u>HEALTH AND WELFARE:</u></b>				
Environmental Health:				
Salaries	1,577,969	1,496,476	1,483,945	12,531
Employee Benefits	582,871	562,431	529,612	32,819
Supplies	25,150	25,841	18,486	7,355
Contract Services	67,015	67,628	52,788	14,840
Capital Outlay	22,000	47,952	47,952	-
Total Environmental Health	2,275,005	2,200,328	2,132,783	67,545
Forensic Services:				
Salaries	1,044,219	1,044,571	1,038,867	5,704
Employee Benefits	301,393	286,991	280,400	6,591
Supplies	112,900	117,640	107,209	10,431
Contract Services	599,340	650,722	453,813	196,909
Capital Outlay	-	888	-	888
Total Forensic Services	2,057,852	2,100,812	1,880,289	220,523
Animal Control:				
Salaries	584,631	563,078	562,429	649
Employee Benefits	279,881	272,092	259,688	12,404
Supplies	70,400	70,400	70,400	-
Contract Services	82,322	91,074	91,074	-
Capital Outlay	-	196,377	-	196,377
Total Animal Control	1,017,234	1,193,021	983,591	209,430
Animal Shelter:				
Salaries	1,854,023	1,859,611	1,760,729	98,882
Employee Benefits	858,368	831,015	758,390	72,625
Supplies	959,690	1,235,277	1,116,910	118,367
Contract Services	48,200	177,814	174,558	3,256
Capital Outlay	-	216,044	216,044	-
Total Animal Shelter	3,720,281	4,319,761	4,026,631	293,130
Child Welfare:				
Salaries	-	19,650	13,210	6,440
Supplies	30,500	25,500	18,627	6,873
Contract Services	81,950	96,578	43,790	52,788
Total Child Welfare	112,450	141,728	75,627	66,101
MCCD County Appropriation:				
Contract Services	300	950	417	533
Welfare:				
Contract Services	1,059,373	1,194,217	1,059,373	134,844
<b><u>TOTAL HEALTH/WELFARE</u></b>	<b><u>10,594,020</u></b>	<b><u>11,502,342</u></b>	<b><u>10,462,989</u></b>	<b><u>1,039,353</u></b>



**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Expenditures and Other Financing Uses**

**Budget (GAAP Basis) and Actual**  
**Year Ended September 30, 2019**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>CULTURE AND RECREATION:</u></b>				
Memorial Library:				
Salaries	5,758,805	5,558,479	5,507,844	50,635
Employee Benefits	2,560,083	2,501,163	2,388,996	112,167
Supplies	599,010	553,366	553,363	3
Contract Services	356,317	659,499	617,555	41,944
Capital Outlay	300,000	319,867	319,867	-
Total Memorial Library	<u>9,574,215</u>	<u>9,592,374</u>	<u>9,387,625</u>	<u>204,749</u>
IT Library:				
Supplies	55,547	49,547	48,935	612
Contract Services	33,624	614	-	614
Capital Outlay	319,969	269,400	268,963	437
Total Memorial Library	<u>409,140</u>	<u>319,561</u>	<u>317,898</u>	<u>1,663</u>
Historical Commission:				
Contract Services	45,000	71,874	58,000	13,874
Capital Outlay	50,000	150,000	150,000	-
Total Historical Commission	<u>95,000</u>	<u>221,874</u>	<u>208,000</u>	<u>13,874</u>
<b><u>TOTAL CULTURE AND RECREATION</u></b>	<u>10,078,355</u>	<u>10,133,809</u>	<u>9,913,523</u>	<u>218,623</u>
<b><u>CONSERVATION:</u></b>				
Extension Agent:				
Salaries	452,765	466,021	445,013	21,008
Employee Benefits	218,594	193,334	181,748	11,586
Supplies	16,810	12,120	11,122	998
Contract Services	39,620	69,443	68,496	947
<b><u>TOTAL CONSERVATION</u></b>	<u>727,789</u>	<u>740,918</u>	<u>706,379</u>	<u>34,539</u>
<b><u>PUBLIC TRANSPORTATION:</u></b>				
Airport Maintenance:				
Salaries	446,331	437,679	426,968	10,711
Employee Benefits	171,034	168,311	159,660	8,651
Supplies	51,964	53,058	47,523	5,535
Contract Services	232,355	286,317	267,934	18,383
Capital Outlay	-	46,995	46,995	-
<b><u>TOTAL PUBLIC TRANSPORTATION</u></b>	<u>901,684</u>	<u>992,360</u>	<u>949,080</u>	<u>43,280</u>
<b><u>MISCELLANEOUS:</u></b>				
Contingency	561,187	784,414	-	784,414
<b><u>TOTAL MISCELLANEOUS</u></b>	<u>561,187</u>	<u>784,414</u>	<u>-</u>	<u>784,414</u>
<b><u>TOTAL EXPENDITURES</u></b>				
<b><u>GENERAL FUND</u></b>	<u>235,342,462</u>	<u>292,453,559</u>	<u>275,815,203</u>	<u>16,611,153</u>

**MONTGOMERY COUNTY, TEXAS**

**General Fund**

**Schedule of Expenditures and Other Financing Uses**

**Budget (GAAP Basis) and Actual**

**Year Ended September 30, 2019**

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	<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	-	-	35,000	(35,000)
To FEMA Disaster Grants	-	75,000	75,000	-
To Jury	-	394,000	12,900,000	(12,506,000)
To Road and Bridge	-	927,963	927,963	-
To Jail Commissary	-	8,922	8,922	-
To Juvenile Probation	-	7,956	7,956	-
To Court Reporter Service	-	-	150,000	(150,000)
To Courthouse Security	-	-	150,000	(150,000)
To Records Management County	-	-	750,000	(750,000)
To Debt Service	-	-	444,403	(444,403)
To Accident and Liability	-	-	-	-
To Self Insurance	-	-	-	-
To Sheriff Projects	-	671,431	671,431	-
To Capital Projects	-	4,071,826	4,071,826	-
<b><u>TOTAL OTHER FINANCING USES</u></b>	<u>-</u>	<u>6,157,098</u>	<u>20,192,501</u>	<u>(14,035,403)</u>
<b><u>TOTAL EXPENDITURES AND OTHER FINANCING USES</u></b>	<u>\$ 235,342,462</u>	<u>\$ 298,610,657</u>	<u>\$ 296,007,704</u>	<u>\$ 2,575,750</u>

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

**MONTGOMERY COUNTY, TEXAS****Nonmajor Governmental Funds****Combining Balance Sheet****September 30, 2019**

B-1

	Special Revenue	Capital Projects	Total
<b><u>ASSETS:</u></b>			
Cash	\$ 5,794,773	\$ 29,801,792	\$ 35,596,565
Investments	6,296,922	36,162,264	42,459,186
Cash, Restricted for Retainage	-	1,632,891	1,632,891
Receivables:			
Accounts (net)	47,743	-	47,743
Accrued Interest	-	13,136	13,136
Due from Other Funds	11,163,658	44,735,233	55,898,891
Due from Other Governments	9,983,163	1,223,281	11,206,444
Prepaid Items	566,167	-	566,167
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 33,852,426</u></b>	<b><u>\$ 113,568,597</u></b>	<b><u>\$ 147,421,023</u></b>

**LIABILITIES AND  
FUND BALANCES:****LIABILITIES:**

Accounts Payable	\$ 2,620,813	\$ 5,026,814	\$ 7,647,627
Retainage Payable	63,140	3,600,084	3,663,224
Due to Other Funds	6,552,982	351,155	6,904,137
Due to Other Governments	-	-	-
Unearned Revenue	1,051,569	-	1,051,569
Total Liabilities	<u>10,288,504</u>	<u>8,978,053</u>	<u>19,266,557</u>

**FUND BALANCES:**

Nonspendable	566,167	-	566,167
Restricted	19,108,597	70,351,242	89,459,839
Committed	-	34,239,302	34,239,302
Assigned	3,889,158	-	3,889,158
Total Fund Balances	<u>23,563,922</u>	<u>104,590,544</u>	<u>128,154,466</u>

**TOTAL LIABILITIES AND  
FUND BALANCES**

<b><u>\$ 33,852,426</u></b>	<b><u>\$ 113,568,597</u></b>	<b><u>\$ 147,421,023</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, 2019**

B-2

	Special Revenue	Capital Projects	Totals
<b><u>REVENUES:</u></b>			
Fees	\$ 2,802,731	\$ -	\$ 2,802,731
Intergovernmental	8,312,157	-	8,312,157
Charges for Services	2,449,289	-	2,449,289
Investment Earnings	663,655	1,992,932	2,656,587
Contract Reimbursements	17,331,850	-	17,331,850
Fines and Forfeitures	2,836,868	-	2,836,868
Miscellaneous	260,617	36,205	296,822
<b><u>TOTAL REVENUES</u></b>	<b><u>34,657,167</u></b>	<b><u>2,029,137</u></b>	<b><u>36,686,304</u></b>
<b><u>EXPENDITURES:</u></b>			
Current:			
General Administration	1,177,743	-	1,177,743
Judicial	13,730,093	-	13,730,093
Legal Services	274,197	-	274,197
Elections	607,047	-	607,047
Public Safety	9,119,993	-	9,119,993
Health and Welfare	17,987,869	-	17,987,869
Culture and Recreation	188,811	-	188,811
Public Transportation	704,572	-	704,572
Capital Projects	-	45,024,280	45,024,280
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>43,790,325</u></b>	<b><u>45,024,280</u></b>	<b><u>88,814,605</u></b>
(Deficiency) Revenues Over Expenditures	<b><u>(9,133,158)</u></b>	<b><u>(42,995,143)</u></b>	<b><u>(52,128,301)</u></b>
<b><u>OTHER FINANCING SOURCES/(USES)</u></b>			
Transfers In	14,086,878	4,824,218	18,911,096
Transfers Out	(5,289,104)	-	(5,289,104)
Grant Funds Not Reimbursed	(106,864)	-	(106,864)
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>8,690,910</u></b>	<b><u>4,824,218</u></b>	<b><u>13,515,128</u></b>
Net Change in Fund Balances	<b><u>(442,248)</u></b>	<b><u>(38,170,925)</u></b>	<b><u>(38,613,173)</u></b>
Fund Balances at Beginning of Year	<b><u>24,017,788</u></b>	<b><u>142,761,469</u></b>	<b><u>166,779,257</u></b>
Prior Period Adjustment	<b><u>(11,618)</u></b>	<b><u>-</u></b>	<b><u>(11,618)</u></b>
Beginning Fund Balance as Restated	<b><u>24,006,170</u></b>	<b><u>142,761,469</u></b>	<b><u>166,767,639</u></b>
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 23,563,922</u></b>	<b><u>\$ 104,590,544</u></b>	<b><u>\$ 128,154,466</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, 2019**

	Attorney Administration	Forfeitures	FEMA Disaster Grants	Jury	Sheriff Commissary
<b><u>ASSETS:</u></b>					
Cash	\$ 7,728	\$ 2,404,631	\$ -	\$ 81,009	\$ 1,252,165
Investments, at Fair Value	-	-	-	-	-
Receivables:					
Accounts	5	-	-	16,061	-
Due from Other Funds	6,038	-	-	3,971,247	2,981
Due from Other Governments	-	-	6,569,560	189,739	-
Prepaid Items	-	-	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 13,771</u></b>	<b><u>\$ 2,404,631</u></b>	<b><u>\$ 6,569,560</u></b>	<b><u>\$ 4,258,056</u></b>	<b><u>\$ 1,255,146</u></b>

**LIABILITIES AND FUND BALANCES:**

<b><u>LIABILITIES:</u></b>					
Accounts Payable	\$ 596	\$ 20,439	\$ -	\$ 348,104	\$ 3,001
Retainage Payable	-	-	-	-	-
Due to Other Funds	-	37,923	5,775,608	-	-
Due to Other Governments	-	-	-	-	-
Unearned Revenue	-	-	-	19,076	-
Total Liabilities	<u>596</u>	<u>58,362</u>	<u>5,775,608</u>	<u>367,180</u>	<u>3,001</u>

**FUND BALANCES:**

Nonspendable	-	-	-	-	-
Restricted	13,175	2,346,269	793,952	1,718	1,252,145
Committed	-	-	-	-	-
Assigned	-	-	-	3,889,158	-
Total Fund Balances	<u>13,175</u>	<u>2,346,269</u>	<u>793,952</u>	<u>3,890,876</u>	<u>1,252,145</u>

**TOTAL LIABILITIES AND  
FUND BALANCES**

<b><u>\$ 13,771</u></b>	<b><u>\$ 2,404,631</u></b>	<b><u>\$ 6,569,560</u></b>	<b><u>\$ 4,258,056</u></b>	<b><u>\$ 1,255,146</u></b>
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Memorial Library	Community Development	Memo Totals from Page 111	Memo Totals from Page 113	Memo Totals from Page 115	Totals
\$ -	\$ -	\$ 1,141,173	\$ -	\$ 908,067	\$ 5,794,773
-	-	5,972,490	250,832	73,600	6,296,922
11,469	14,000	6,208	-	-	47,743
202,064	626,815	4,083,211	1,894,960	376,342	11,163,658
-	978,113	1,799,330	84,397	362,024	9,983,163
-	-	566,167	-	-	566,167
<u>\$ 213,533</u>	<u>\$ 1,618,928</u>	<u>\$ 13,568,579</u>	<u>\$ 2,230,189</u>	<u>\$ 1,720,033</u>	<u>\$ 33,852,426</u>
\$ 80,504	\$ 536,215	\$ 1,445,220	\$ 50,839	\$ 135,895	\$ 2,620,813
-	63,140	-	-	-	63,140
-	584	137,896	13,336	587,635	6,552,982
-	-	-	-	-	-
-	977,127	55,366	-	-	1,051,569
<u>80,504</u>	<u>1,577,066</u>	<u>1,638,482</u>	<u>64,175</u>	<u>723,530</u>	<u>10,288,504</u>
-	-	566,167	-	-	566,167
133,029	41,862	11,363,930	2,166,014	996,503	19,108,597
-	-	-	-	-	-
-	-	-	-	-	3,889,158
<u>133,029</u>	<u>41,862</u>	<u>11,930,097</u>	<u>2,166,014</u>	<u>996,503</u>	<u>23,563,922</u>
<u>\$ 213,533</u>	<u>\$ 1,618,928</u>	<u>\$ 13,568,579</u>	<u>\$ 2,230,189</u>	<u>\$ 1,720,033</u>	<u>\$ 33,852,426</u>

**MONTGOMERY COUNTY, TEXAS**

**Nonmajor Special Revenue Funds**

**Combining Balance Sheet**

**September 30, 2019**

	Law Library	Juvenile Probation	Records Management and Preservation	Pre-Trial Diversion
<b><u>ASSETS:</u></b>				
Cash	\$ 180,913	\$ 960,260	\$ -	\$ -
Investments	298,522	-	4,846,379	-
Receivables:				
Accounts	-	-	5,808	400
Due from Other Funds	-	1,364,575	897,712	50,722
Due from Other Governments	27,547	423,577	57,961	-
Prepaid Items	-	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 506,982</u></b>	<b><u>\$ 2,748,412</u></b>	<b><u>\$ 5,807,860</u></b>	<b><u>\$ 51,122</u></b>

**LIABILITIES AND FUND BALANCES:**

**LIABILITIES:**

Accounts Payable	\$ 4,264	\$ 127,538	\$ 13,059	\$ 611
Retainage Payable	-	-	-	-
Due to Other Funds	7,047	-	-	-
Unearned Revenue	-	-	-	-
Total Liabilities	<u>11,311</u>	<u>127,538</u>	<u>13,059</u>	<u>611</u>

**FUND BALANCES:**

Nonspendable	-	-	-	-
Restricted	495,671	2,620,874	5,794,801	50,511
Committed	-	-	-	-
Assigned	-	-	-	-
Total Fund Balances	<u>495,671</u>	<u>2,620,874</u>	<u>5,794,801</u>	<u>50,511</u>

**TOTAL LIABILITIES AND**

<b><u>FUND BALANCES</u></b>	<b><u>\$ 506,982</u></b>	<b><u>\$ 2,748,412</u></b>	<b><u>\$ 5,807,860</u></b>	<b><u>\$ 51,122</u></b>
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Airport Grants	Mental Health Facility	Records Management County	Records Management District Clerk	Memo Totals to Page 109
\$ -	\$ -	\$ -	\$ -	\$ 1,141,173
692,280	-	-	135,309	5,972,490
-	-	-	-	6,208
-	1,308,229	448,487	13,486	4,083,211
22,674	1,249,609	13,789	4,173	1,799,330
566,167	-	-	-	566,167
<u>\$ 1,281,121</u>	<u>\$ 2,557,838</u>	<u>\$ 462,276</u>	<u>\$ 152,968</u>	<u>\$ 13,568,579</u>
\$ 11,711	\$ 1,250,820	\$ 23,822	\$ 13,395	\$ 1,445,220
-	-	-	-	-
130,849	-	-	-	137,896
-	55,366	-	-	55,366
<u>142,560</u>	<u>1,306,186</u>	<u>23,822</u>	<u>13,395</u>	<u>1,638,482</u>
566,167	-	-	-	566,167
572,394	1,251,652	438,454	139,573	11,363,930
-	-	-	-	-
-	-	-	-	-
<u>1,138,561</u>	<u>1,251,652</u>	<u>438,454</u>	<u>139,573</u>	<u>11,930,097</u>
<u>\$ 1,281,121</u>	<u>\$ 2,557,838</u>	<u>\$ 462,276</u>	<u>\$ 152,968</u>	<u>\$ 13,568,579</u>

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**  
**September 30, 2019**

	Digital Preservation County and District	District Clerk Record Preservation	Court Guardianship	Court Reporter
<b><u>ASSETS:</u></b>				
Cash	\$ -	\$ -	\$ -	\$ -
Investments	168,580	82,252	-	-
Receivables:				
Accounts	-	-	-	-
Due from Other Funds	194,357	-	146,729	308,745
Due from Other Governments	7,670	8,331	2,000	12,151
Prepaid Items	-	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 370,607</u></b>	<b><u>\$ 90,583</u></b>	<b><u>\$ 148,729</u></b>	<b><u>\$ 320,896</u></b>

**LIABILITIES AND FUND BALANCES:**

<b><u>LIABILITIES:</u></b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ 5,589
Retainage Payable	-	-	-	-
Due to Other Funds	-	13,336	-	-
Deferred Revenue	-	-	-	-
Total Liabilities	<u>-</u>	<u>13,336</u>	<u>-</u>	<u>5,589</u>

**FUND BALANCES:**

Nonspendable	-	-	-	-
Restricted	370,607	77,247	148,729	315,307
Committed	-	-	-	-
Assigned	-	-	-	-
Total Fund Balances	<u>370,607</u>	<u>77,247</u>	<u>148,729</u>	<u>315,307</u>

**TOTAL LIABILITIES AND**

<b><u>FUND BALANCES</u></b>	<b><u>\$ 370,607</u></b>	<b><u>\$ 90,583</u></b>	<b><u>\$ 148,729</u></b>	<b><u>\$ 320,896</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 109
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	250,832
-	-	-	-	-	-	-
187,833	31,909	201,779	687,308	136,300	-	1,894,960
25,512	1,425	2,921	11,698	12,689	-	84,397
-	-	-	-	-	-	-
<u>\$ 213,345</u>	<u>\$ 33,334</u>	<u>\$ 204,700</u>	<u>\$ 699,006</u>	<u>\$ 148,989</u>	<u>\$ -</u>	<u>\$ 2,230,189</u>
\$ 30,573	\$ 414	\$ 3,800	\$ 5,775	\$ 4,688	\$ -	\$ 50,839
-	-	-	-	-	-	-
-	-	-	-	-	-	13,336
-	-	-	-	-	-	-
<u>30,573</u>	<u>414</u>	<u>3,800</u>	<u>5,775</u>	<u>4,688</u>	<u>-</u>	<u>64,175</u>
-	-	-	-	-	-	-
182,772	32,920	200,900	693,231	144,301	-	2,166,014
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>182,772</u>	<u>32,920</u>	<u>200,900</u>	<u>693,231</u>	<u>144,301</u>	<u>-</u>	<u>2,166,014</u>
<u>\$ 213,345</u>	<u>\$ 33,334</u>	<u>\$ 204,700</u>	<u>\$ 699,006</u>	<u>\$ 148,989</u>	<u>\$ -</u>	<u>\$ 2,230,189</u>

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**  
**September 30, 2019**

	Adult Probation Basic Supervision	Adult Probation Community Corrections	Adult Probation Mental Impairments
<b><u>ASSETS:</u></b>			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables:			
Accounts	-	-	-
Due from Other Funds	-	-	-
Due from Other Governments	-	-	-
Prepaid Items	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b><u>LIABILITIES AND FUND BALANCES:</u></b>			
<b><u>LIABILITIES:</u></b>			
Accounts Payable	\$ -	\$ -	\$ -
Retainage Payable	-	-	-
Due to Other Funds	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>FUND BALANCES:</u></b>			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>TOTAL LIABILITIES AND</u></b>			
<b><u>FUND BALANCES</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>



Contract Elections Services	Montgomery County Grant Fund	HAVA Grant Fund	Federal ARRA Grants	Vital Records Preservation Fund	Memo Totals to Page 109
\$ 908,067	\$ -	\$ -	\$ -	\$ -	\$ 908,067
73,600	-	-	-	-	73,600
-	-	-	-	-	-
-	-	269,851	76,665	29,826	376,342
-	359,857	-	-	2,167	362,024
-	-	-	-	-	-
<u>\$ 981,667</u>	<u>\$ 359,857</u>	<u>\$ 269,851</u>	<u>\$ 76,665</u>	<u>\$ 31,993</u>	<u>\$ 1,720,033</u>
\$ 5,764	\$ 102,497	\$ -	\$ 27,634	\$ -	\$ 135,895
-	-	-	-	-	-
330,275	257,360	-	-	-	587,635
-	-	-	-	-	-
-	-	-	-	-	-
<u>336,039</u>	<u>359,857</u>	<u>-</u>	<u>27,634</u>	<u>-</u>	<u>723,530</u>
-	-	-	-	-	-
645,628	-	269,851	49,031	31,993	996,503
-	-	-	-	-	-
-	-	-	-	-	-
<u>645,628</u>	<u>-</u>	<u>269,851</u>	<u>49,031</u>	<u>31,993</u>	<u>996,503</u>
\$ 981,667	\$ 359,857	\$ 269,851	\$ 76,665	\$ 31,993	\$ 1,720,033

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year Ended September 30, 2019**

	Attorney Administration	Forfeitures	FEMA Disaster Grants	Jury	Sheriff Commissary
<b><u>REVENUES:</u></b>					
Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	36,062	463,551	-
Charges for Services	6,692	-	-	535,168	1,859,688
Investment Earnings	119	53,627	-	1,884	33,838
Contract Reimbursements	-	-	-	393,915	-
Fines and Forfeitures	-	2,121,147	-	715,721	-
Miscellaneous	-	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>6,811</u></b>	<b><u>2,174,774</u></b>	<b><u>36,062</u></b>	<b><u>2,110,239</u></b>	<b><u>1,893,526</u></b>
<b><u>EXPENDITURES:</u></b>					
General Administration	31,707	-	-	-	-
Judicial	-	-	-	12,957,460	-
Legal Services	-	-	-	-	-
Elections	-	-	-	-	-
Public Safety	-	1,740,733	100,644	-	1,631,199
Health and Welfare	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Public Transportation	-	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>31,707</u></b>	<b><u>1,740,733</u></b>	<b><u>100,644</u></b>	<b><u>12,957,460</u></b>	<b><u>1,631,199</u></b>
Excess (Deficiency) Revenues Over Expenditures	(24,896)	434,041	(64,582)	(10,847,221)	262,327
<b><u>OTHER FINANCING SOURCES/ (USES):</u></b>					
Transfers In	35,000	-	75,000	12,900,000	8,922
Transfers Out	-	-	-	(27,734)	-
Grant Funds Not Reimbursed	-	-	(106,864)	-	-
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>35,000</u></b>	<b><u>-</u></b>	<b><u>(31,864)</u></b>	<b><u>12,872,266</u></b>	<b><u>8,922</u></b>
Net Change in Fund Balances	10,104	434,041	(96,446)	2,025,045	271,249
Fund Balances at Beginning of Year	3,071	1,912,228	890,398	1,865,831	980,896
Prior Period Adjustment	-	-	-	-	-
Beginning Fund Balance, as Restated	3,071	1,912,228	890,398	1,865,831	980,896
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 13,175</u></b>	<b><u>\$ 2,346,269</u></b>	<b><u>\$ 793,952</u></b>	<b><u>\$ 3,890,876</u></b>	<b><u>\$ 1,252,145</u></b>

Memorial Library	Community Development	Memo Totals from Page 119	Memo Totals from Page 121	Memo Totals from Page 123	Totals
\$ -	\$ -	\$ 1,275,529	\$ 1,193,304	\$ 333,898	\$ 2,802,731
-	2,717,912	3,171,972	-	1,922,660	8,312,157
-	-	13,083	-	34,658	2,449,289
-	-	527,509	7,227	39,451	663,655
-	-	16,937,935	-	-	17,331,850
-	-	-	-	-	2,836,868
211,244	28,077	9,326	-	11,970	260,617
211,244	2,745,989	21,935,354	1,200,531	2,342,637	34,657,167
-	-	1,130,329	-	15,707	1,177,743
-	-	-	772,633	-	13,730,093
-	-	274,197	-	-	274,197
-	-	-	-	607,047	607,047
-	-	2,536,193	843,838	2,267,386	9,119,993
-	2,745,989	15,241,880	-	-	17,987,869
188,811	-	-	-	-	188,811
-	-	704,572	-	-	704,572
188,811	2,745,989	19,887,171	1,616,471	2,890,140	43,790,325
22,433	-	2,048,183	(415,940)	(547,503)	(9,133,158)
-	-	757,956	300,000	10,000	14,086,878
-	-	(5,251,370)	-	(10,000)	(5,289,104)
-	-	-	-	-	(106,864)
-	-	(4,493,414)	300,000	-	8,690,910
22,433	-	(2,445,231)	(115,940)	(547,503)	(442,248)
110,596	41,862	14,375,328	2,234,290	1,603,288	24,017,788
-	-	-	47,664	(59,282)	(11,618)
110,596	41,862	14,375,328	2,281,954	1,544,006	24,006,170
\$ 133,029	\$ 41,862	\$ 11,930,097	\$ 2,166,014	\$ 996,503	\$ 23,563,922

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year Ended September 30, 2019**

	Law Library	Juvenile Probation	Records Management and Preservation	Pre-Trial Diversion
<b><u>REVENUES:</u></b>				
Fees	\$ 342,167	\$ -	\$ 652,460	\$ 54,300
Intergovernmental	-	2,558,408	-	-
Charges for Services	-	13,083	-	-
Investment Earnings	11,602	23,375	489,513	-
Contract Reimbursements	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	9,326	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>363,095</u></b>	<b><u>2,594,866</u></b>	<b><u>1,141,973</u></b>	<b><u>54,300</u></b>
<b><u>EXPENDITURES:</u></b>				
General Administration	-	-	449,441	32,796
Judicial	-	-	-	-
Legal Services	274,197	-	-	-
Elections	-	-	-	-
Public Safety	-	2,536,193	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Public Transportation	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>274,197</u></b>	<b><u>2,536,193</u></b>	<b><u>449,441</u></b>	<b><u>32,796</u></b>
Excess (Deficiency) Revenues Over Expenditures	<u>88,898</u>	<u>58,673</u>	<u>692,532</u>	<u>21,504</u>
<b><u>OTHER FINANCING SOURCES/ (USES):</u></b>				
Transfers In	-	7,956	-	-
Transfers Out	-	-	-	-
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>-</u></b>	<b><u>7,956</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
Net Change in Fund Balances	88,898	66,629	692,532	21,504
Prior Period Adjustment	-	-	-	-
Fund Balances at Beginning of Year	<u>406,773</u>	<u>2,554,245</u>	<u>5,102,269</u>	<u>29,007</u>
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 495,671</u></b>	<b><u>\$ 2,620,874</u></b>	<b><u>\$ 5,794,801</u></b>	<b><u>\$ 50,511</u></b>

Airport Grants	Mental Health Facility	Records Management County	Records Management District Clerk	Memo Totals to Page 117
\$ -	\$ -	\$ 178,009	\$ 48,593	\$ 1,275,529
613,564	-	-	-	3,171,972
-	-	-	-	13,083
-	-	-	3,019	527,509
-	16,937,935	-	-	16,937,935
-	-	-	-	-
-	-	-	-	9,326
613,564	16,937,935	178,009	51,612	21,935,354
-	-	617,388	30,704	1,130,329
-	-	-	-	-
-	-	-	-	274,197
-	-	-	-	-
-	-	-	-	2,536,193
-	15,241,880	-	-	15,241,880
-	-	-	-	-
704,572	-	-	-	704,572
704,572	15,241,880	617,388	30,704	19,887,171
(91,008)	1,696,055	(439,379)	20,908	2,048,183
-	-	750,000	-	757,956
(101)	(5,251,269)	-	-	(5,251,370)
(101)	(5,251,269)	750,000	-	(4,493,414)
(91,109)	(3,555,214)	310,621	20,908	(2,445,231)
-	-	-	-	-
1,229,670	4,806,866	127,833	118,665	14,375,328
\$ 1,138,561	\$ 1,251,652	\$ 438,454	\$ 139,573	\$ 11,930,097

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year Ended September 30, 2019**

	Digital Preservation County and District	District Clerk Record Preservation	Court Guardianship	Court Reporter
<b><u>REVENUES:</u></b>				
Fees	\$ 94,557	\$ 97,155	\$ 27,356	\$ 151,697
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings	3,762	1,835	-	-
Contract Reimbursements	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>98,319</u></b>	<b><u>98,990</u></b>	<b><u>27,356</u></b>	<b><u>151,697</u></b>
<b><u>EXPENDITURES:</u></b>				
General Administration	-	-	-	-
Judicial	-	169,443	26,300	135,042
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>169,443</u></b>	<b><u>26,300</u></b>	<b><u>135,042</u></b>
Excess (Deficiency) Revenues Over Expenditures	98,319	(70,453)	1,056	16,655
<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	98,319	(70,453)	1,056	166,655
Fund Balances at Beginning of Year	272,288	147,700	147,673	148,652
Prior Period Adjustment	-	-	-	-
Beginning Fund Balance, as Restated	272,288	147,700	147,673	148,652
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 370,607</u></b>	<b><u>\$ 77,247</u></b>	<b><u>\$ 148,729</u></b>	<b><u>\$ 315,307</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 117
\$ 311,285	\$ 18,582	\$ 38,273	\$ 152,999	\$ 169,084	\$ 132,316	\$ 1,193,304
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,630	7,227
-	-	-	-	-	-	-
-	-	-	-	-	-	-
311,285	18,582	38,273	152,999	169,084	133,946	1,200,531
-	-	-	-	-	-	-
-	16,926	28,075	148,827	248,020	-	772,633
-	-	-	-	-	-	-
360,792	-	-	-	-	483,046	843,838
-	-	-	-	-	-	-
-	-	-	-	-	-	-
360,792	16,926	28,075	148,827	248,020	483,046	1,616,471
(49,507)	1,656	10,198	4,172	(78,936)	(349,100)	(415,940)
150,000	-	-	-	-	-	300,000
-	-	-	-	-	-	-
150,000	-	-	-	-	-	300,000
100,493	1,656	10,198	4,172	(78,936)	(349,100)	(115,940)
82,279	31,264	190,702	689,059	223,237	301,436	2,234,290
-	-	-	-	-	47,664	47,664
82,279	31,264	190,702	689,059	223,237	349,100	2,281,954
\$ 182,772	\$ 32,920	\$ 200,900	\$ 693,231	\$ 144,301	\$ -	\$ 2,166,014

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year Ended September 30, 2019**

	Adult Probation Basic Supervision	Adult Probation Community Corrections	Adult Probation Mental Impairments
<b><u>REVENUES:</u></b>			
Fees	\$ 305,191	\$ -	\$ -
Intergovernmental	4,387	-	-
Charges for Services	34,658	-	-
Investment Earnings	21,969	-	-
Contract Reimbursements	-	-	-
Fines and Forfeitures	-	-	-
Miscellaneous	11,970	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>378,175</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>EXPENDITURES:</u></b>			
General Administration	-	-	-
Judicial	-	-	-
Legal Services	-	-	-
Elections	-	-	-
Public Safety	1,186,654	255,835	101,115
Health and Welfare	-	-	-
Culture and Recreation	-	-	-
Public Transportation	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>1,186,654</u></b>	<b><u>255,835</u></b>	<b><u>101,115</u></b>
Excess (Deficiency) Revenues Over Expenditures	<b><u>(808,479)</u></b>	<b><u>(255,835)</u></b>	<b><u>(101,115)</u></b>
<b><u>OTHER FINANCING SOURCES/ (USES):</u></b>			
Transfers In	-	-	10,000
Transfers Out	(10,000)	-	-
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>(10,000)</u></b>	<b><u>-</u></b>	<b><u>10,000</u></b>
Net Change in Fund Balances	<b><u>(818,479)</u></b>	<b><u>(255,835)</u></b>	<b><u>(91,115)</u></b>
Fund Balances at Beginning of Year	1,055,489	114,362	54,860
Prior Period Adjustment	(237,010)	141,473	36,255
Beginning Fund Balance, as Restated	<b><u>818,479</u></b>	<b><u>255,835</u></b>	<b><u>91,115</u></b>
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>



Contract Elections Services	Montgomery County Grant Fund	HAVA Grant Fund	Federal ARRA Grant	Vital Records Preservation Fund	Memo Totals to Page 117
\$ -	\$ -	\$ -	\$ -	\$ 28,707	\$ 333,898
1,194,491	723,782	-	-	-	1,922,660
-	-	-	-	-	34,658
17,482	-	-	-	-	39,451
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	11,970
1,211,973	723,782	-	-	28,707	2,342,637
-	-	-	-	15,707	15,707
-	-	-	-	-	-
-	-	-	-	-	-
607,047	-	-	-	-	607,047
-	723,782	-	-	-	2,267,386
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
607,047	723,782	-	-	15,707	2,890,140
604,926	-	-	-	13,000	(547,503)
-	-	-	-	-	10,000
-	-	-	-	-	(10,000)
-	-	-	-	-	-
604,926	-	-	-	13,000	(547,503)
40,702	-	269,851	49,031	18,993	1,603,288
-	-	-	-	-	(59,282)
40,702	-	269,851	49,031	18,993	1,544,006
\$ 645,628	\$ -	\$ 269,851	\$ 49,031	\$ 31,993	\$ 996,503

**MONTGOMERY COUNTY, TEXAS**  
**Attorney Administration Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**Year Ended September 30, 2019**

C-3

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Charges for Service	\$ 9,050	\$ 9,050	\$ 6,692	\$ (2,358)
Investment Earnings	-	-	119	119
Total Revenues	9,050	9,050	6,811	(2,239)
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Salaries	29,613	29,613	21,662	7,951
Employee Benefits	11,737	11,737	10,045	1,692
Supplies	100	100	-	100
Contract Services	525	525	-	525
Total Expenditures	41,975	41,975	31,707	10,268
Excess (Deficiency) Revenues Over Expenditures	(32,925)	(32,925)	(24,896)	8,029
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers In	-	-	35,000	35,000
<b><u>TOTAL OTHER FINANCING SOURCES</u></b>	-	-	35,000	35,000
Net Change in Fund Balance	(32,925)	(32,925)	10,104	43,029
Fund Balance at Beginning of Year	3,071	3,071	3,071	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	\$ (29,854)	\$ (29,854)	\$ 13,175	\$ 43,029

**MONTGOMERY COUNTY, TEXAS**

**Forfeitures Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**

**Budget (GAAP Basis) and Actual**

**Year Ended September 30, 2019**

C-4

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>REVENUES:</u></b>				
Investment Earnings	\$ -	\$ 25,000	\$ 53,627	\$ 28,627
Fines and Forfeitures	752,906	2,652,098	2,121,147	(530,951)
Total Revenues	<u>752,906</u>	<u>2,677,098</u>	<u>2,174,774</u>	<u>(502,324)</u>
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	44,620	94,815	89,419	5,396
Employee Benefits	12,736	33,875	31,537	2,338
Supplies	253,575	1,296,478	951,731	344,747
Contract Services	159,375	656,096	241,768	414,328
Capital Outlay	282,000	722,133	426,278	295,855
Total Expenditures	<u>752,306</u>	<u>2,803,397</u>	<u>1,740,733</u>	<u>1,062,664</u>
Net Change in Fund Balance	600	(126,299)	434,041	560,340
Fund Balance at Beginning of Year	<u>1,912,228</u>	<u>1,912,228</u>	<u>1,912,228</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 1,912,828</u>	<u>\$ 1,785,929</u>	<u>\$ 2,346,269</u>	<u>\$ 560,340</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, 2019**

C-5

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
Federal Grants	\$ -	\$ -	\$ 36,062	\$ 36,062
Total Revenues	-	-	36,062	36,062
<b><u>EXPENDITURES:</u></b>				
Health and Welfare:				
Salaries	-	750	-	750
Employee Benefits	-	433	-	433
Supplies	-	7,137	-	7,137
Contract Services	-	1,146,765	100,644	1,046,121
Capital Outlay	-	7,308,777	-	7,308,777
Total Expenditures	-	8,463,862	100,644	8,363,218
Excess Revenues (Deficiencies) over Expenditures	-	(8,463,862)	(64,582)	8,399,280
<b><u>OTHER FINANCING</u></b>				
<b><u>SOURCES:</u></b>				
Transfers In	-	75,000	75,000	-
Transfers Out	-	-	-	-
Grant Funds Not Reimbursed	-	-	(106,864)	(106,864)
<b>TOTAL OTHER FINANCING</b>				
<b>SOURCES</b>	-	75,000	(31,864)	-
Net Change in Fund Balance	-	(8,388,862)	(96,446)	8,399,280
Fund Balance at Beginning of Year	890,398	890,398	890,398	-
<b><u>FUND BALANCE AT</u></b>				
<b><u>END OF YEAR</u></b>	<u>\$ 890,398</u>	<u>\$ (7,498,464)</u>	<u>\$ 793,952</u>	<u>\$ 8,399,280</u>

**MONTGOMERY COUNTY, TEXAS**

**Jury Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**

**Budget (GAAP Basis) and Actual**

**Year Ended September 30, 2019**

C-6

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
State Grants	\$ 500,000	\$ 500,000	\$ 463,551	\$ (36,449)
Charges for Services	420,000	510,000	535,168	25,168
Investment Earnings	400	400	1,884	1,484
Contract Reimbursements	468,359	468,359	393,915	(74,444)
Fines and Forfeitures	625,000	700,000	715,721	15,721
Total Revenues	<u>2,013,759</u>	<u>2,178,759</u>	<u>2,110,239</u>	<u>(68,520)</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Salaries	3,101,322	3,054,547	3,043,468	11,079
Employee Benefits	1,131,973	1,125,473	1,066,157	59,316
Supplies	61,698	70,568	57,468	13,100
Contract Services	8,294,515	8,873,760	8,790,367	83,393
Total Expenditures	<u>12,589,508</u>	<u>13,124,348</u>	<u>12,957,460</u>	<u>166,888</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(10,575,749)</u>	<u>(10,945,589)</u>	<u>(10,847,221)</u>	<u>98,368</u>
<b><u>OTHER FINANCING SOURCES/(USES):</u></b>				
Transfers In	-	394,000	12,900,000	12,506,000
Transfers Out	-	(27,734)	(27,734)	-
<b>TOTAL OTHER FINANCING SOURCES /(USES)</b>	<u>-</u>	<u>366,266</u>	<u>12,872,266</u>	<u>12,506,000</u>
Net Change in Fund Balance	(10,575,749)	(10,579,323)	2,025,045	12,604,368
Fund Balance at Beginning of Year	<u>1,865,831</u>	<u>1,865,831</u>	<u>1,865,831</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u><u>\$ (8,709,918)</u></u>	<u><u>\$ (8,713,492)</u></u>	<u><u>\$ 3,890,876</u></u>	<u><u>\$ 12,604,368</u></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, 2019**

C-7

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Charges for Services	\$ 778,639	\$ 1,881,231	\$ 1,859,688	\$ (21,543)
Investment Earnings	-	-	33,838	33,838
Total Revenues	<u>778,639</u>	<u>1,881,231</u>	<u>1,893,526</u>	<u>12,295</u>
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	162,304	69,537	92,767
Employee Benefits	-	69,211	27,663	41,548
Supplies	425,550	925,550	871,622	53,928
Contract Services	177,346	301,046	230,392	70,654
Capital Outlay	175,743	432,043	431,985	58
Total Expenditures	<u>778,639</u>	<u>1,890,154</u>	<u>1,631,199</u>	<u>258,955</u>
(Deficiency) Revenues Over Expenditures	<u>-</u>	<u>(8,923)</u>	<u>262,327</u>	<u>271,250</u>
Net Change in Fund Balance	-	(8,923)	262,327	271,250
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers In	-	8,922	8,922	-
<b><u>TOTAL OTHER FINANCING SOURCES</u></b>	<u>-</u>	<u>8,922</u>	<u>8,922</u>	<u>-</u>
Net Change in Fund Balance	-	(1)	271,249	271,250
Fund Balance at Beginning of Year	<u>980,896</u>	<u>980,896</u>	<u>980,896</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 980,896</u>	<u>\$ 980,895</u>	<u>\$ 1,252,145</u>	<u>\$ 271,250</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, 2019**

C-8

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Miscellaneous	\$ -	\$ 165,748	\$ 211,244	\$ 45,496
Total Revenues	-	165,748	211,244	45,496
<b><u>EXPENDITURES:</u></b>				
Culture and Recreation:				
Supplies	-	107,478	86,137	21,341
Contract Services	-	28,095	-	28,095
Capital Outlay	-	125,913	102,674	23,239
Total Expenditures	-	261,486	188,811	72,675
Net Change in Fund Balance	-	(95,738)	22,433	118,171
Fund Balance at Beginning of Year	110,596	110,596	110,596	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 110,596</u>	<u>\$ 14,858</u>	<u>\$ 133,029</u>	<u>\$ 118,171</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, 2019**

C-9

	<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	\$ 3,506,608	\$ 6,847,199	\$ 2,717,912	\$ (4,129,287)
Miscellaneous	-	-	28,077	28,077
Total Revenues	<u>3,506,608</u>	<u>6,847,199</u>	<u>2,745,989</u>	<u>(4,101,210)</u>
<b><u>EXPENDITURES:</u></b>				
Health and Welfare:				
Salaries	381,709	480,999	454,441	26,558
Employee Benefits	132,059	157,025	150,850	6,175
Supplies	10,250	10,750	3,631	7,119
Contract Services	1,664,938	5,718,627	2,127,860	3,590,767
Capital Outlay	1,317,652	2,907,447	9,207	2,898,240
Total Expenditures	<u>3,506,608</u>	<u>9,274,848</u>	<u>2,745,989</u>	<u>6,528,859</u>
Net Change in Fund Balance	-	(2,427,649)	-	2,427,649
Fund Balance at Beginning of Year	<u>41,862</u>	<u>41,862</u>	<u>41,862</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u><u>\$ 41,862</u></u>	<u><u>\$ (2,385,787)</u></u>	<u><u>\$ 41,862</u></u>	<u><u>\$ 2,427,649</u></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, 2019**

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	\$ 295,188	\$ 295,188	\$ 342,167	\$ 46,979
Investment Earnings	-	-	11,602	11,602
Miscellaneous	-	-	9,326	9,326
Total Revenues	<u>295,188</u>	<u>295,188</u>	<u>363,095</u>	<u>67,907</u>
<b><u>EXPENDITURES:</u></b>				
Legal Services:				
Salaries	129,755	130,794	130,794	-
Employee Benefits	49,402	49,405	48,763	642
Supplies	17,500	17,050	5,278	11,772
Contract Services	38,257	38,257	31,779	6,478
Capital Outlay	60,274	60,274	57,583	2,691
Total Expenditures	<u>295,188</u>	<u>295,780</u>	<u>274,197</u>	<u>21,583</u>
(Deficiency) Revenues Over Expenditures	<u>-</u>	<u>(592)</u>	<u>88,898</u>	<u>89,490</u>
Net Change in Fund Balance	-	(592)	88,898	89,490
Fund Balance at Beginning of Year	<u>406,773</u>	<u>406,773</u>	<u>406,773</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 406,773</u>	<u>\$ 406,181</u>	<u>\$ 495,671</u>	<u>\$ 89,490</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, 2019**

C-11

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
State Grants	\$ -	\$ 2,543,837	\$ 2,558,408	\$ 14,571
Charges for Services	-	-	13,083	13,083
Investment Earnings	-	-	23,375	23,375
Total Revenues	-	2,543,837	2,594,866	51,029
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	2,313,245	1,146,523	1,166,722
Benefits	-	1,032,243	492,321	539,922
Supplies	-	153,401	93,541	59,860
Contract Services	-	1,618,957	775,858	843,099
Capital Outlay	-	27,950	27,950	-
Total Expenditures	-	5,145,796	2,536,193	2,609,603
Excess (Deficiency) Revenues Over Expenditures	-	(2,601,959)	58,673	2,660,632
<b><u>OTHER FINANCING</u></b>				
<b><u>SOURCES:</u></b>				
Transfers In	-	7,956	7,956	-
<b>TOTAL OTHER FINANCING</b>				
<b>SOURCES</b>	-	7,956	7,956	-
Net Change in Fund Balance	-	(2,594,003)	66,629	2,660,632
Fund Balance at Beginning of Year	2,554,245	2,554,245	2,554,245	-
<b><u>FUND BALANCE AT</u></b>				
<b><u>END OF YEAR</u></b>	\$ 2,554,245	\$ (39,758)	\$ 2,620,874	\$ 2,660,632

**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, 2019**

C-12

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 530,516	\$ 530,516	\$ 652,460	\$ 121,944
Investment Earnings	-	-	489,513	489,513
Total Revenues	<u>530,516</u>	<u>530,516</u>	<u>1,141,973</u>	<u>611,457</u>
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Salaries	293,007	293,007	241,631	51,376
Employee Benefits	116,939	116,939	96,858	20,081
Supplies	12,400	12,450	12,204	246
Contract Services	108,170	201,642	98,748	102,894
Total Expenditures	<u>530,516</u>	<u>624,038</u>	<u>449,441</u>	<u>174,597</u>
Net Change in Fund Balance	-	(93,522)	692,532	786,054
Fund Balance at Beginning of Year	<u>5,102,269</u>	<u>5,102,269</u>	<u>5,102,269</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 5,102,269</u>	<u>\$ 5,008,747</u>	<u>\$ 5,794,801</u>	<u>\$ 786,054</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, 2019**

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	\$ 38,732	\$ 40,732	\$ 54,300	\$ 13,568
Total Revenues	<u>38,732</u>	<u>40,732</u>	<u>54,300</u>	<u>13,568</u>
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Salaries	27,539	27,539	22,550	4,989
Employee Benefits	5,693	5,693	4,522	1,171
Supplies	1,500	3,500	3,247	253
Contract Services	4,000	4,000	2,477	1,523
Total Expenditures	<u>38,732</u>	<u>40,732</u>	<u>32,796</u>	<u>7,936</u>
Net Change in Fund Balance	-	-	21,504	21,504
Fund Balance at Beginning of Year	<u>29,007</u>	<u>29,007</u>	<u>29,007</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 29,007</u>	<u>\$ 29,007</u>	<u>\$ 50,511</u>	<u>\$ 21,504</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, 2019**

C-14

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
Federal Grants	\$ -	\$ 126,827	\$ 590,890	\$ 464,063
State Grants	-	50,000	22,674	(27,326)
Total Revenues	-	176,827	613,564	436,737
<b><u>EXPENDITURES:</u></b>				
Public Transportation:				
Capital Outlay	50,000	6,237,373	704,572	5,532,801
Total Expenditures	50,000	6,237,373	704,572	5,532,801
Excess (Deficiency) Revenues Over Expenditures	(50,000)	(6,060,546)	(91,008)	5,969,538
<b><u>OTHER FINANCING (USES):</u></b>				
Transfers Out	-	(101)	(101)	-
<b>TOTAL OTHER FINANCING (USES)</b>	-	(101)	(101)	-
Net Change in Fund Balance	(50,000)	(6,060,647)	(91,109)	5,969,538
Fund Balance at Beginning of Year	1,229,670	1,229,670	1,229,670	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 1,179,670</u>	<u>\$ (4,830,977)</u>	<u>\$ 1,138,561</u>	<u>\$ 5,969,538</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, 2019**

C-15

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Contract Reimbursement	\$ 16,994,512	\$ 16,994,512	\$ 16,937,935	\$ (56,577)
Total Revenues	<u>16,994,512</u>	<u>16,994,512</u>	<u>16,937,935</u>	<u>(56,577)</u>
<b><u>EXPENDITURES:</u></b>				
Health and Welfare:				
Contract Services	<u>15,256,015</u>	<u>15,256,015</u>	<u>15,241,880</u>	<u>14,135</u>
Total Expenditures	<u>15,256,015</u>	<u>15,256,015</u>	<u>15,241,880</u>	<u>14,135</u>
Excess Revenues Over Expenditures	<u>1,738,497</u>	<u>1,738,497</u>	<u>1,696,055</u>	<u>(42,442)</u>
<b><u>OTHER FINANCING (USES):</u></b>				
Transfers out	<u>-</u>	<u>-</u>	<u>(5,251,269)</u>	<u>(5,251,269)</u>
<b>TOTAL OTHER FINANCING (USES)</b>	<u>-</u>	<u>-</u>	<u>(5,251,269)</u>	<u>(5,251,269)</u>
Net Change in Fund Balance	1,738,497	1,738,497	(3,555,214)	(5,293,711)
Fund Balance at Beginning of Year	<u>4,806,866</u>	<u>4,806,866</u>	<u>4,806,866</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 6,545,363</u>	<u>\$ 6,545,363</u>	<u>\$ 1,251,652</u>	<u>\$ (5,293,711)</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, 2019**

C-16

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 175,000	\$ 175,000	\$ 178,009	\$ 3,009
Total Revenues	175,000	175,000	178,009	3,009
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Salaries	413,475	413,475	384,248	29,227
Employee Benefits	196,954	196,954	189,102	7,852
Supplies	14,949	23,548	23,343	205
Contract Services	34,641	33,771	20,695	13,076
Capital Outlay	2,700	2,700	-	2,700
Total Expenditures	662,719	670,448	617,388	53,060
Excess (Deficiency) Revenues Over Expenditures	(487,719)	(495,448)	(439,379)	56,069
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers In	-	250,000	750,000	500,000
<b><u>TOTAL OTHER FINANCING SOURCES</u></b>	-	250,000	750,000	500,000
Net Change in Fund Balance	(487,719)	(245,448)	310,621	556,069
Fund Balance at Beginning of Year	127,833	127,833	127,833	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ (359,886)</u>	<u>\$ (117,615)</u>	<u>\$ 438,454</u>	<u>\$ 556,069</u>

**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, 2019**

C-17

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 80,000	\$ 80,000	\$ 48,593	\$ (31,407)
Investment Earnings	-	-	3,019	3,019
Total Revenues	80,000	80,000	51,612	(28,388)
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Supplies	30,000	30,000	17,354	12,646
Contract Services	50,000	44,916	13,350	31,566
Total Expenditures	80,000	74,916	30,704	44,212
Net Change in Fund Balance	-	5,084	20,908	15,824
Fund Balance at Beginning of Year	118,665	118,665	118,665	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<b><u>\$ 118,665</u></b>	<b><u>\$ 123,749</u></b>	<b><u>\$ 139,573</u></b>	<b><u>\$ 15,824</u></b>



**MONTGOMERY COUNTY, TEXAS**  
**Digital Preservation County and District Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**Year Ended September 30, 2019**

C-18

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ -	\$ -	\$ 94,557	\$ 94,557
Investment Earnings	-	-	3,762	3,762
Total Revenues	-	-	98,319	98,319
Net Change in Fund Balance	-	-	98,319	98,319
Fund Balance at Beginning of Year	272,288	272,288	272,288	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 272,288</u>	<u>\$ 272,288</u>	<u>\$ 370,607</u>	<u>\$ 98,319</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, 2019**

C-19

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 170,000	\$ 170,000	\$ 97,155	\$ (72,845)
Investment Earnings	-	-	1,835	1,835
Total Revenues	170,000	170,000	98,990	(71,010)
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Contract Services	170,000	170,000	169,443	557
Total Expenditures	170,000	170,000	169,443	557
Net Change in Fund Balance	-	-	(70,453)	(70,453)
Fund Balance at Beginning of Year	147,700	147,700	147,700	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 147,700</u>	<u>\$ 147,700</u>	<u>\$ 77,247</u>	<u>\$ (70,453)</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, 2019**

C-20

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 32,000	\$ 32,000	\$ 27,356	\$ (4,644)
Total Revenues	<u>32,000</u>	<u>32,000</u>	<u>27,356</u>	<u>(4,644)</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Contract Services	<u>32,000</u>	<u>32,000</u>	<u>26,300</u>	<u>5,700</u>
Total Expenditures	<u>32,000</u>	<u>32,000</u>	<u>26,300</u>	<u>5,700</u>
Net Change in Fund Balance	-	-	1,056	1,056
Fund Balance at Beginning of Year	<u>147,673</u>	<u>147,673</u>	<u>147,673</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 147,673</u>	<u>\$ 147,673</u>	<u>\$ 148,729</u>	<u>\$ 1,056</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, 2019**

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	\$ 68,130	\$ 151,697	\$ 83,567
Total Revenues	<u>40,000</u>	<u>68,130</u>	<u>151,697</u>	<u>83,567</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Supplies	17,816	18,283	13,016	5,267
Contract Services	111,907	139,570	122,026	17,544
Total Expenditures	<u>129,723</u>	<u>157,853</u>	<u>135,042</u>	<u>22,811</u>
(Deficiency) Revenues Over Expenditures	<u>(89,723)</u>	<u>(89,723)</u>	<u>16,655</u>	<u>106,378</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	(89,723)	(89,723)	166,655	256,378
Fund Balance at Beginning of Year	<u>148,652</u>	<u>148,652</u>	<u>148,652</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 58,929</u>	<u>\$ 58,929</u>	<u>\$ 315,307</u>	<u>\$ 256,378</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, 2019**

C-22

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 300,000	\$ 300,000	\$ 311,285	\$ 11,285
Total Revenues	300,000	300,000	311,285	11,285
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Contract Services	370,000	372,679	360,792	11,887
Total Expenditures	370,000	372,679	360,792	11,887
(Deficiency) Revenues Over Expenditures	(70,000)	(72,679)	(49,507)	23,172
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers In	-	-	150,000	150,000
<b>TOTAL OTHER FINANCING SOURCES</b>	-	-	150,000	150,000
Net Change in Fund Balance	(70,000)	(72,679)	100,493	173,172
Fund Balance at Beginning of Year	82,279	82,279	82,279	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 12,279</u>	<u>\$ 9,600</u>	<u>\$ 182,772</u>	<u>\$ 173,172</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, 2019**

C-23

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 16,288	\$ 21,794	\$ 18,582	\$ (3,212)
Total Revenues	<u>16,288</u>	<u>21,794</u>	<u>18,582</u>	<u>(3,212)</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Supplies	11,000	18,849	13,663	5,186
Contract Services	<u>5,288</u>	<u>5,464</u>	<u>3,263</u>	<u>2,201</u>
Total Expenditures	<u>16,288</u>	<u>24,313</u>	<u>16,926</u>	<u>7,387</u>
Net Change in Fund Balance	-	(2,519)	1,656	4,175
Fund Balance at Beginning of Year	<u>31,264</u>	<u>31,264</u>	<u>31,264</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 31,264</u>	<u>\$ 28,745</u>	<u>\$ 32,920</u>	<u>\$ 4,175</u>

**MONTGOMERY COUNTY, TEXAS**  
**Justice Court Building Security**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**Year Ended September 30, 2019**

C-24

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ -	\$ 5,000	\$ 38,273	\$ 33,273
Total Revenues	-	5,000	38,273	33,273
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Supplies	-	984	-	984
Capital Outlay	-	61,441	28,075	33,366
Total Expenditures	-	62,425	28,075	34,350
Net Change in Fund Balance	-	(57,425)	10,198	67,623
Fund Balance at Beginning of Year	190,702	190,702	190,702	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 190,702</u>	<u>\$ 133,277</u>	<u>\$ 200,900</u>	<u>\$ 67,623</u>

**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, 2019**

C-25

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 21,080	\$ 143,405	\$ 152,999	\$ 9,594
Total Revenues	21,080	143,405	152,999	9,594
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Supplies	20,000	195,059	147,391	47,668
Contract Services	1,080	1,779	1,436	343
Total Expenditures	21,080	196,838	148,827	48,011
Net Change in Fund Balance	-	(53,433)	4,172	57,605
Fund Balance at Beginning of Year	689,059	689,059	689,059	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 689,059</u>	<u>\$ 635,626</u>	<u>\$ 693,231</u>	<u>\$ 57,605</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, 2019**

C-26

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 305,781	\$ 305,781	\$ 169,084	\$ (136,697)
Total Revenues	<u>305,781</u>	<u>305,781</u>	<u>169,084</u>	<u>(136,697)</u>
<b><u>EXPENDITURES:</u></b>				
Judicial:				
Salaries	206,313	205,506	171,558	33,948
Employee Benefits	99,468	100,275	76,462	23,813
Total Expenditures	<u>305,781</u>	<u>305,781</u>	<u>248,020</u>	<u>57,761</u>
Net Change in Fund Balance	-	-	(78,936)	(78,936)
Fund Balance at Beginning of Year	<u>223,237</u>	<u>223,237</u>	<u>223,237</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 223,237</u>	<u>\$ 223,237</u>	<u>\$ 144,301</u>	<u>\$ (78,936)</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, 2019**

C-27

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ -	\$ 440,000	\$ 132,316	\$ (307,684)
Investment Earnings	-	6,500	1,630	(4,870)
Miscellaneous	-	10,694	-	(10,694)
Total Revenues	-	457,194	133,946	(323,248)
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	390,694	381,957	8,737
Employee Benefits	-	155,900	89,877	66,023
Supplies	-	500	-	500
Contract Services	-	54,240	11,212	43,028
Total Expenditures	-	601,334	483,046	118,288
Net Change in Fund Balance	-	(144,140)	(349,100)	(204,960)
Fund Balance at Beginning of Year	301,436	301,436	301,436	-
Prior Period Adjustment	47,664	47,664	47,664	-
Beginning Fund Balance, as Restated	349,100	349,100	349,100	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<b><u>\$ 349,100</u></b>	<b><u>\$ 204,960</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (204,960)</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, 2019**

C-28

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ -	\$ -	\$ 305,191	\$ 305,191
Intergovernmental:				
State Grants	-	-	4,387	4,387
Charges for Services	-	-	34,658	34,658
Investment Earnings	-	-	21,969	21,969
Miscellaneous	-	-	11,970	11,970
Total Revenues	-	-	378,175	378,175
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	940,481	940,481	-
Employee Benefits	-	194,430	194,430	-
Supplies	-	6,341	6,341	-
Contract Services	-	45,652	45,402	250
Total Expenditures	-	1,186,904	1,186,654	250
Excess Revenues				
Over Expenditures	-	(1,186,904)	(808,479)	378,425
<b><u>OTHER FINANCING</u></b>				
<b><u>SOURCES/(USES):</u></b>				
Transfers Out	-	-	(10,000)	10,000
<b>TOTAL OTHER FINANCING</b>				
<b>SOURCES/(USES)</b>	-	-	(10,000)	10,000
Net Change in Fund Balance	-	(1,186,904)	(818,479)	(368,425)
Fund Balance at Beginning of Year	1,055,489	1,055,489	1,055,489	-
Prior Period Adjustment	(237,010)	(237,010)	(237,010)	-
Beginning Fund Balance, as Restated	818,479	818,479	818,479	-
<b><u>FUND BALANCE AT</u></b>				
<b><u>END OF YEAR</u></b>	\$ 818,479	\$ (368,425)	\$ -	\$ (368,425)

**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, 2019**

C-29

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
State Grants	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	213,021	213,021	-
Employee Benefits	-	42,582	42,582	-
Contract Services	-	232	232	-
Total Expenditures	-	255,835	255,835	-
Net Change in Fund Balance	-	(255,835)	(255,835)	-
Fund Balance at Beginning of Year	114,362	114,362	114,362	-
Prior Period Adjustment	141,473	141,473	141,473	-
Beginning Fund Balance, as Restated	255,835	255,835	255,835	-
<b><u>FUND BALANCE AT</u></b>				
<b><u>END OF YEAR</u></b>	<u>\$ 255,835</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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, 2019**

C-30

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
State Grants	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	82,990	82,990	-
Employee Benefits	-	16,942	16,942	-
Supplies	-	1,183	1,183	-
Total Expenditures	-	101,115	101,115	-
Excess Revenues Over Expenditures	-	(101,115)	(101,115)	-
<b><u>OTHER FINANCING SOURCES/(USES):</u></b>				
Transfers In	-	-	10,000	10,000
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	-	-	10,000	10,000
Net Change in Fund Balance	-	(101,115)	(91,115)	10,000
Fund Balance at Beginning of Year	54,860	54,860	54,860	-
Prior Period Adjustment	36,255	36,255	36,255	-
Beginning Fund Balance, as Restated	91,115	91,115	91,115	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	\$ 91,115	\$ (10,000)	\$ -	\$ 10,000

**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, 2019**

C-31

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
Other	\$ -	\$ 607,048	\$ 1,194,491	\$ 587,443
Investment Earnings	-	-	17,482	17,482
Total Revenues	-	607,048	1,211,973	604,925
<b><u>EXPENDITURES:</u></b>				
Elections:				
Salaries	-	382,627	382,625	2
Employee Benefits	-	55,446	55,446	-
Supplies	-	39,008	39,008	-
Contract Services	-	129,968	129,968	-
Total Expenditures	-	607,049	607,047	2
Net Change in Fund Balance	-	(1)	604,926	604,927
Fund Balance at Beginning of Year	40,702	40,702	40,702	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 40,702</u>	<u>\$ 40,701</u>	<u>\$ 645,628</u>	<u>\$ 604,927</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, 2019**

C-32

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Intergovernmental:				
Federal	\$ -	\$ 10,840,892	\$ 723,782	\$ (10,117,110)
Total Revenues	-	10,840,892	723,782	(10,117,110)
<b><u>EXPENDITURES:</u></b>				
Public Safety:				
Salaries	-	268,774	129,699	139,075
Employee Benefits	-	101,203	58,867	42,336
Supplies	-	2,079,155	75,919	2,003,236
Contract Services	-	6,409,964	148,202	6,261,762
Capital Outlay	-	2,988,960	311,095	2,677,865
Total Expenditures	-	11,848,056	723,782	11,124,274
Net Change in Fund Balance	-	(1,007,164)	-	1,007,164
Fund Balance at Beginning of Year	-	-	-	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ -</u>	<u>\$ (1,007,164)</u>	<u>\$ -</u>	<u>\$ 1,007,164</u>

**MONTGOMERY COUNTY, TEXAS**

**HAVA Grant Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance**

**Budget (GAAP Basis) and Actual**

**Year Ended September 30, 2019**

C-33

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance at Beginning of Year	<u>269,851</u>	<u>269,851</u>	<u>269,851</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u><u>\$ 269,851</u></u>	<u><u>\$ 269,851</u></u>	<u><u>\$ 269,851</u></u>	<u><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, 2019**

C-34

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>EXPENDITURES:</u></b>				
Public Transportation:				
Capital Outlay	\$       -	\$   500,000	\$       -	\$       500,000
Total Expenditures	<u>          -</u>	<u>     500,000</u>	<u>          -</u>	<u>     500,000</u>
 Net Change in Fund Balance	 -	 (500,000)	 -	 500,000
 Fund Balance at Beginning of Year	 <u>     49,031</u>	 <u>     49,031</u>	 <u>     49,031</u>	 <u>          -</u>
 <b><u>FUND BALANCE AT</u></b>				
<b><u>END OF YEAR</u></b>	 <u><u>     49,031</u></u>	 <u><u>   (450,969)</u></u>	 <u><u>     49,031</u></u>	 <u><u>     500,000</u></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, 2019**

C-35

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Fees	\$ 18,500	\$ 18,500	\$ 28,707	\$ 10,207
Total Revenues	<u>18,500</u>	<u>18,500</u>	<u>28,707</u>	<u>10,207</u>
<b><u>EXPENDITURES:</u></b>				
General Administration:				
Supplies	15,500	15,500	14,759	741
Contract Services	<u>3,000</u>	<u>3,000</u>	<u>948</u>	<u>2,052</u>
Total Expenditures	<u>18,500</u>	<u>18,500</u>	<u>15,707</u>	<u>2,793</u>
Net Change in Fund Balance	-	-	13,000	13,000
Fund Balance at Beginning of Year	<u>18,993</u>	<u>18,993</u>	<u>18,993</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 18,993</u>	<u>\$ 18,993</u>	<u>\$ 31,993</u>	<u>\$ 13,000</u>

## **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.

**Sheriff Projects**– 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.

**Road Bonds Series 2016A** – to account for the County’s issuance of \$73,725,000 in bonds that are being used to finance road improvements throughout the County.

**Road Bonds Series 2018** – to account for the County’s issuance of \$45,670,000 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, 2019**

	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	\$ 1,049	\$ 126,193	\$ 874	\$ -
Investments	4,695,078	1,436,077	209,284	-
Cash, Restricted for Retainage	-	-	-	-
Receivables:				
Accrued Interest	13,136	-	-	-
Due from Other Funds	21,549	-	-	9,450,672
Due from Other Governments	-	-	-	1,223,281
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 4,730,812</u></b>	<b><u>\$ 1,562,270</u></b>	<b><u>\$ 210,158</u></b>	<b><u>\$ 10,673,953</u></b>
<b><u>LIABILITIES AND FUND BALANCES:</u></b>				
<b><u>LIABILITIES:</u></b>				
Accounts Payable	\$ -	\$ 134,046	\$ -	\$ -
Retainage Payable	-	-	-	-
Due to Other Funds	-	125,463	-	-
Total Liabilities	<u>-</u>	<u>259,509</u>	<u>-</u>	<u>-</u>
<b><u>FUND BALANCES:</u></b>				
Restricted	4,730,812	1,302,761	210,158	10,673,953
Committed	-	-	-	-
Total Fund Balances	<u>4,730,812</u>	<u>1,302,761</u>	<u>210,158</u>	<u>10,673,953</u>
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b><u>\$ 4,730,812</u></b>	<b><u>\$ 1,562,270</u></b>	<b><u>\$ 210,158</u></b>	<b><u>\$ 10,673,953</u></b>

Sheriff Projects	Local Capital Projects	Road Bonds 2016	Road Bonds 2016A	Road Bonds 2018	Totals
\$ -	\$ -	\$ -	\$ -	\$ 29,673,676	\$ 29,801,792
-	-	6,121,387	23,700,438	-	36,162,264
-	-	1,698	1,560	1,629,633	1,632,891
-	-	-	-	-	13,136
17,763,565	17,333,413	64,009	102,025	-	44,735,233
-	-	-	-	-	1,223,281
<u>\$ 17,763,565</u>	<u>\$ 17,333,413</u>	<u>\$ 6,187,094</u>	<u>\$ 23,804,023</u>	<u>\$ 31,303,309</u>	<u>\$ 113,568,597</u>
\$ 2,232	\$ 794,798	\$ 376,536	\$ 2,899,033	\$ 820,169	\$ 5,026,814
-	60,646	16,537	1,893,268	1,629,633	3,600,084
-	-	-	-	225,692	351,155
<u>2,232</u>	<u>855,444</u>	<u>393,073</u>	<u>4,792,301</u>	<u>2,675,494</u>	<u>8,978,053</u>
-	-	5,794,021	19,011,722	28,627,815	70,351,242
17,761,333	16,477,969	-	-	-	34,239,302
<u>17,761,333</u>	<u>16,477,969</u>	<u>5,794,021</u>	<u>19,011,722</u>	<u>28,627,815</u>	<u>104,590,544</u>
<u>\$ 17,763,565</u>	<u>\$ 17,333,413</u>	<u>\$ 6,187,094</u>	<u>\$ 23,804,023</u>	<u>\$ 31,303,309</u>	<u>\$ 113,568,597</u>

**MONTGOMERY COUNTY, TEXAS**  
**Nonmajor Capital Project Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year Ended September 30, 2019**

	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	\$ (536,818)	\$ 53,333	\$ 8,337	\$ -
Miscellaneous	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>(536,818)</u></b>	<b><u>53,333</u></b>	<b><u>8,337</u></b>	<b><u>-</u></b>
<b><u>EXPENDITURES:</u></b>				
Supplies	-	-	-	-
Professional Services	-	985,561	-	-
Capital Outlay	-	429,981	359,091	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>-</u></b>	<b><u>1,415,542</u></b>	<b><u>359,091</u></b>	<b><u>-</u></b>
Excess (Deficiency) Revenues Over Expenditures	<u>(536,818)</u>	<u>(1,362,209)</u>	<u>(350,754)</u>	<u>-</u>
<b><u>OTHER FINANCING SOURCES/(USES):</u></b>				
Transfers In	-	-	-	-
<b><u>TOTAL OTHER FINANCING SOURCES/(USES)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
Net Change in Fund Balance	(536,818)	(1,362,209)	(350,754)	-
Fund Balances at Beginning of Year	<u>5,267,630</u>	<u>2,664,970</u>	<u>560,912</u>	<u>10,673,953</u>
<b><u>FUND BALANCES AT END OF YEAR</u></b>	<b><u>\$ 4,730,812</u></b>	<b><u>\$ 1,302,761</u></b>	<b><u>\$ 210,158</u></b>	<b><u>\$ 10,673,953</u></b>

Sheriff Projects	Local Capital Projects	Road Bonds 2016	Road Bonds 2016A	Road Bonds 2018	Totals
\$ -	\$ 198,709	\$ 260,651	\$ 1,010,615	\$ 998,105	\$ 1,992,932
36,205	-	-	-	-	36,205
36,205	198,709	260,651	1,010,615	998,105	2,029,137
-	239,987	-	-	-	239,987
-	214,701	-	-	-	1,200,262
-	2,788,679	4,840,606	21,756,697	13,408,977	43,584,031
-	3,243,367	4,840,606	21,756,697	13,408,977	45,024,280
36,205	(3,044,658)	(4,579,955)	(20,746,082)	(12,410,872)	(42,995,143)
671,431	4,152,787	-	-	-	4,824,218
671,431	4,152,787	-	-	-	4,824,218
707,636	1,108,129	(4,579,955)	(20,746,082)	(12,410,872)	(38,170,925)
17,053,697	15,369,840	10,373,976	39,757,804	41,038,687	142,761,469
\$ 17,761,333	\$ 16,477,969	\$ 5,794,021	\$ 19,011,722	\$ 28,627,815	\$ 104,590,544





## **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, 2019**

E-1

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>REVENUES:</u></b>				
Taxes	\$ 36,043,518	\$ 36,043,518	\$ 40,267,166	\$ 4,223,648
Intergovernmental	396,436	396,436	399,418	2,982
Investment Earnings	-	-	324,719	(324,719)
Miscellaneous	-	-	8,352	8,352
Total Revenues	<u>36,439,954</u>	<u>36,439,954</u>	<u>40,999,655</u>	<u>4,559,701</u>
<b><u>EXPENDITURES:</u></b>				
Debt Service:				
Principal Retirement	-	16,740,000	16,740,000	-
Interest and Fiscal Charges	-	24,514,021	24,015,802	498,219
Issuance Costs	-	459,503	434,383	25,120
Payment to Refunded Bond Escrow				
Agent for Cash Defeasance	-	7,305,270	7,305,270	-
Total Expenditures	<u>-</u>	<u>49,018,794</u>	<u>48,495,455</u>	<u>523,339</u>
Excess (Deficiency) Revenues Over Expenditures	<u>36,439,954</u>	<u>(12,578,840)</u>	<u>(7,495,800)</u>	<u>5,083,040</u>
<b><u>OTHER FINANCING</u></b>				
<b><u>SOURCES/(USES):</u></b>				
Transfers In	-	-	444,403	444,403
Issuance of Refunding Bonds	-	26,965,000	26,965,000	-
Premium on Refunding Bonds Issued	-	1,583,327	1,583,327	-
Payment to Refunded Bonds				
Escrow Agent	-	(28,245,645)	(28,245,645)	-
Premium on General Obligation Bonds	-	3,700,165	3,700,165	-
<b>TOTAL OTHER FINANCING</b>				
<b>SOURCES /(USES)</b>	<u>-</u>	<u>4,002,847</u>	<u>4,447,250</u>	<u>444,403</u>
Net Change in Fund Balance	36,439,954	(8,575,993)	(3,048,550)	5,527,443
Fund Balance at Beginning of Year	<u>15,756,559</u>	<u>15,756,559</u>	<u>15,756,559</u>	<u>-</u>
<b><u>FUND BALANCE AT</u></b>				
<b><u>END OF YEAR</u></b>	<u>\$ 52,196,513</u>	<u>\$ 7,180,566</u>	<u>\$ 12,708,009</u>	<u>\$ 5,527,443</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, 2019**

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	\$ 2,845,332	\$ 123,219	\$ -	\$ -	\$ 2,968,551
Accounts	256,569	-	31,590	-	288,159
Due from other funds	13,916,056	4,741,398	1,491,249	50,400	20,199,103
Due from other governments	-	29,925	-	-	29,925
Prepaid Items	-	86,479	483,958	-	570,437
Total Current Assets	17,017,957	4,981,021	2,006,797	50,400	24,056,175
Capital Assets (net of accumulated depreciation):					
Buildings	-	-	-	757,030	757,030
Improvements	-	-	-	-	-
Equipment	-	8,671	-	974	9,645
Total Capital Assets	-	8,671	-	758,004	766,675
Total Assets	17,017,957	4,989,692	2,006,797	808,404	24,822,850
<b>LIABILITIES:</b>					
Current Liabilities:					
Accounts Payable	1,402,593	14,560	569,485	18,304	2,004,942
Claims Payable	8,800,373	919,458	-	-	9,719,831
Due to Other Funds	-	-	-	-	-
Total Current Liabilities	10,202,966	934,018	569,485	18,304	11,724,773
Noncurrent Liabilities					
Claims Payable	-	188,675	-	-	188,675
Total Noncurrent Liabilities	-	188,675	-	-	188,675
Total Liabilities	10,202,966	1,122,693	569,485	18,304	11,913,448
<b>NET POSITION:</b>					
Net Investment in Capital Assets	-	8,671	-	758,004	766,675
Unrestricted	6,814,991	3,858,328	1,437,312	32,096	12,142,727
Total Net Position	\$ 6,814,991	\$ 3,866,999	\$ 1,437,312	\$ 790,100	\$ 12,909,402

**MONTGOMERY COUNTY, TEXAS**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
**September 30, 2019**

F-2

	Self-Insurance Medical	Self-Insurance Workers' Compensation	Self-Insurance Accident and Liability	Wellness Clinic	Total
<b>OPERATING REVENUES:</b>					
Charges for Services	\$ 38,235,860	\$ 1,442,521	\$ 2,141,777	\$ 1,329,676	\$ 43,149,834
Miscellaneous	-	-	261,130	-	261,130
Total Operating Revenues	<u>38,235,860</u>	<u>1,442,521</u>	<u>2,402,907</u>	<u>1,329,676</u>	<u>43,410,964</u>
<b>OPERATING EXPENSES:</b>					
Supplies	-	-	-	2,908	2,908
Services	45,784,541	626,037	1,993,864	1,345,071	49,749,513
Depreciation	-	4,335	-	34,510	38,845
Miscellaneous	-	-	11,853	-	11,853
Total Operating Expenses	<u>45,784,541</u>	<u>630,372</u>	<u>2,005,717</u>	<u>1,382,489</u>	<u>49,803,119</u>
Operating Income/(Loss)	(7,548,681)	812,149	397,190	(52,813)	(6,392,155)
Transfer Out	<u>-</u>	<u>-</u>	<u>(26,967)</u>	<u>-</u>	<u>(26,967)</u>
Change in Net Position	(7,548,681)	812,149	370,223	(52,813)	(6,419,122)
Total Net Position - beginning	<u>14,363,672</u>	<u>3,054,850</u>	<u>1,067,089</u>	<u>842,913</u>	<u>19,328,524</u>
Total Net Position - ending	<u>\$ 6,814,991</u>	<u>\$ 3,866,999</u>	<u>\$ 1,437,312</u>	<u>\$ 790,100</u>	<u>\$ 12,909,402</u>

**MONTGOMERY COUNTY, TEXAS**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**September 30, 2019**

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	\$ 38,202,811	\$ 1,442,521	\$ 2,402,907	\$ 1,329,676	\$ 43,377,915
Receipts from others	-	-	-	-	-
Benefits paid	(36,893,215)	(1,461,017)	(2,375,940)	(1,329,676)	(42,059,848)
Net cash provided by operating activities	1,309,596	(18,496)	26,967	-	1,318,067
Cash flows from noncapital financing activities:					
Intergovernmental contributions	-	-	-	-	-
Transfers to other funds	49,962	8,398	(26,967)	-	31,393
Net cash provided (used) in noncapital financing activities	49,962	8,398	(26,967)	-	31,393
Net increase in cash and cash equivalents	1,359,558	(10,098)	-	-	1,349,460
Cash and cash equivalents - beginning	1,485,774	133,317	-	-	1,619,091
Cash and cash equivalents - ending	\$ 2,845,332	\$ 123,219	\$ -	\$ -	\$ 2,968,551
Reconciliation of operating income (loss) to net cash provided (used) in operating activities:					
Operating income (loss)	\$ (7,548,681)	\$ 812,149	\$ 397,190	\$ (52,813)	\$ (6,392,155)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
(Increase) decrease in due from other funds	4,198,857	(256,286)	19,829	-	3,962,400
Depreciation expense	-	4,335	-	34,510	38,845
(Increase) decrease in prepaid item	-	(86,479)	(483,958)	-	(570,437)
(Increase) decrease in accounts receivable	(33,049)	-	-	-	(33,049)
(Increase) decrease in intergovernmental receivable	-	-	(31,590)	-	(31,590)
Increase (decrease) in accounts payable	1,040,695	(492,215)	125,496	(109,851)	564,125
Increase (decrease) in claims payable	3,651,774	-	-	128,154	3,779,928
Total adjustments	8,858,277	(830,645)	(370,223)	52,813	7,710,222
Net cash provided by operating activities	\$ 1,309,596	\$ (18,496)	\$ 26,967	\$ -	\$ 1,318,067



## **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**

**Statement of Assets and Liabilities**

**September 30, 2019**

G-1

**ASSETS:**

Cash

Accounts Receivable

**TOTAL ASSETS**

County  
Officials

\$ 22,565,058

20,360

\$ 22,585,418

**LIABILITIES:**

Due to Others

**TOTAL LIABILITIES**

\$ 22,585,418

\$ 22,585,418

**MONTGOMERY COUNTY, TEXAS**  
**Agency Funds**  
**Statement of Changes in Assets and Liabilities**  
**Year Ended September 30, 2019**

G-2

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
<b><u>COUNTY OFFICIALS:</u></b>				
<b>Assets:</b>				
Cash	\$ 21,658,558	\$ 3,154,557,124	\$ 3,153,650,624	\$ 22,565,058
Accounts Receivable	2,111,827	4,317	2,095,784	20,360
<b>TOTAL ASSETS</b>	<b>\$ 23,770,385</b>	<b>\$ 3,154,561,441</b>	<b>\$ 3,155,746,408</b>	<b>\$ 22,585,418</b>
<b>Liabilities:</b>				
Due to Others	23,770,385	3,154,561,441	3,155,746,408	22,585,418
<b>TOTAL LIABILITIES</b>	<b>\$ 23,770,385</b>	<b>\$ 3,154,561,441</b>	<b>\$ 3,155,746,408</b>	<b>\$ 22,585,418</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, 2019**

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**GOVERNMENTAL ACTIVITIES CAPITAL ASSETS:**

Land	\$ 123,331,887
Buildings	216,846,031
Improvements Other than Buildings	25,002,717
Equipment	119,138,063
Infrastructure	1,573,024,981
Construction in Progress	688,308

<b><u>TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS</u></b>	<b><u>\$ 2,058,031,987</u></b>
--	--------------------------------

**INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS**

**BY SOURCE:**

General Fund	\$ 349,624,486
Special Revenue Funds	1,706,590,039
Capital Project Funds	688,308
Internal Service Funds	1,129,154

<b><u>TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS</u></b>	<b><u>\$ 2,058,031,987</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, 2019**

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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	61,169	-	-	-	61,169	-
Information Technology	17,765,033	-	86,901	1,061,450	16,616,682	-
County Buildings	96,560,452	-	95,872,249	651,713	-	36,490
County Land	6,614,985	6,495,072	-	119,913	-	-
<b><u>TOTAL GENERAL ADM</u></b>	<b><u>122,534,208</u></b>	<b><u>6,495,072</u></b>	<b><u>96,910,414</u></b>	<b><u>1,835,470</u></b>	<b><u>17,256,762</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	199,362	-	61,318	53,478	84,566	-
<b><u>TOTAL CONSERVATION</u></b>	<b><u>1,121,910</u></b>	<b><u>1,683</u></b>	<b><u>877,276</u></b>	<b><u>158,385</u></b>	<b><u>84,566</u></b>	<b><u>-</u></b>
<b><u>ELECTIONS:</u></b>						
Elections Administrator	4,100,086	3,000	582,570	70,469	3,444,047	-
<b><u>TOTAL ELECTIONS ADM</u></b>	<b><u>4,100,086</u></b>	<b><u>3,000</u></b>	<b><u>582,570</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	580,965	30,715	174,371	6,155	369,724	-
Building Maintenance	1,471,610	-	171,407	32,787	1,267,416	-
Parks	29,263,939	9,310,958	4,390,386	15,562,595	-	-
Jail	6,286,651	-	5,778,404	16,697	491,550	-
Civic Center	17,370,586	88,216	15,324,606	1,577,781	379,983	-
<b><u>TOTAL FACILITIES</u></b>	<b><u>54,973,751</u></b>	<b><u>9,429,889</u></b>	<b><u>25,839,174</u></b>	<b><u>17,196,015</u></b>	<b><u>2,508,673</u></b>	<b><u>-</u></b>
<b><u>HEALTH AND WELFARE:</u></b>						
Public Health	8,726,121	159,705	7,085,297	231,249	1,249,870	-
Mental Health Treatment	32,132,130	2,631,689	27,973,100	1,114,493	412,848	-
Community Development	11,598,328	563,626	10,614,528	-	420,174	-
<b><u>TOTAL HEALTH/WELFARE</u></b>	<b><u>52,456,579</u></b>	<b><u>3,355,020</u></b>	<b><u>45,672,925</u></b>	<b><u>1,345,742</u></b>	<b><u>2,082,892</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, 2019**

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Page 2 of 2

Function and Activity	Total	Land	Buildings	Improvements Other than Buildings	Equipment	Infrastructure
<b><u>JUDICIAL:</u></b>						
Courts	124,789	-	-	924	123,865	-
District Attorney	387,215	-	-	-	387,215	-
District Clerk	85,304	-	7,129	-	78,175	-
Justice of Peace	3,083,783	-	2,946,779	4,930	132,074	-
<b><u>TOTAL JUDICIAL</u></b>	<b>3,681,091</b>	<b>-</b>	<b>2,953,908</b>	<b>5,854</b>	<b>721,329</b>	<b>-</b>
<b><u>LEGAL SERVICES:</u></b>						
County Attorney	-	-	-	-	-	-
Law Library	655,919	-	-	-	655,919	-
<b><u>TOTAL LEGAL SERVICES</u></b>	<b>655,919</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>655,919</b>	<b>-</b>
<b><u>PUBLIC SAFETY:</u></b>						
Emergency Management	19,181,724	-	629,432	434,938	18,117,354	-
Fire Marshal	573,946	-	-	-	573,946	-
Constables	6,648,017	22,813	462,577	68,913	6,093,714	-
Sheriff	52,778,797	2,316,846	10,277,483	1,396,926	37,569,375	1,218,167
District Attorney Forfeitures	479,039	-	14,838	23,181	441,020	-
County Attorney Forfeitures	-	-	-	-	-	-
Juvenile Probation	1,913,754	-	1,467,231	-	446,523	-
Adult Probation	13,151	-	13,151	-	-	-
<b><u>TOTAL PUBLIC SAFETY</u></b>	<b>81,588,428</b>	<b>2,339,659</b>	<b>12,864,712</b>	<b>1,923,958</b>	<b>63,241,932</b>	<b>1,218,167</b>
<b><u>PUBLIC TRANSPORTATION:</u></b>						
Engineer	49,958	-	-	-	49,958	-
Commissioners' Operations	1,658,445,126	96,374,309	7,195,081	1,581,756	23,516,891	1,529,777,089
Airport	52,513,295	1,688,128	7,185,614	834,373	811,945	41,993,235
<b><u>TOTAL PUBLIC TRANSPORTATION</u></b>	<b>1,711,008,379</b>	<b>98,062,437</b>	<b>14,380,695</b>	<b>2,416,129</b>	<b>24,378,794</b>	<b>1,571,770,324</b>
<b><u>CULTURE AND RECREATION:</u></b>						
Memorial Library	25,097,113	3,637,627	16,764,357	50,695	4,644,434	-
<b><u>TOTAL CULTURE/REC</u></b>	<b>25,097,113</b>	<b>3,637,627</b>	<b>16,764,357</b>	<b>50,695</b>	<b>4,644,434</b>	<b>-</b>
<b><u>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</u></b>						
	2,057,343,679	\$ 123,331,887	\$ 216,846,031	\$ 25,002,717	\$ 119,138,063	\$ 1,573,024,981
Construction In Progress	688,308					
<b><u>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</u></b>	<b>\$ 2,058,031,987</b>					

**MONTGOMERY COUNTY, TEXAS**  
**Capital Assets Used in the Operation of Governmental Activities**  
**Schedule of Changes by Function and Activity**  
**Year Ended September 30, 2019**

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Function and Activity	Govtl Funds Capital Assets October 1, 2018	Additions	Deletions	Govtl Funds Capital Assets September 30, 2019
<b><u>GENERAL ADMINISTRATION:</u></b>				
County Judge	\$ -	\$ -	\$ -	\$ -
Human Resources	-	-	-	-
Risk Management	1,148,953	-	-	1,148,953
County Clerk	383,616	-	-	383,616
Collections	-	-	-	-
Veterans' Service	-	-	-	-
Purchasing Agent	41,672	4,334,195	4,314,698	61,169
Information Technology	14,979,331	2,785,702	-	17,765,033
County Buildings	96,538,800	21,652	-	96,560,452
County Land	6,614,985	-	-	6,614,985
<b><u>TOTAL GENERAL ADM</u></b>	<b><u>119,707,357</u></b>	<b><u>7,141,549</u></b>	<b><u>4,314,698</u></b>	<b><u>122,534,208</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	-	-	93,380
<b><u>TOTAL FINANCIAL ADM</u></b>	<b><u>126,215</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>126,215</u></b>
<b><u>CONSERVATION:</u></b>				
Extension Agents	922,548	-	-	922,548
Recycling Stations	206,915	-	7,553	199,362
<b><u>TOTAL CONSERVATION</u></b>	<b><u>1,129,463</u></b>	<b><u>-</u></b>	<b><u>7,553</u></b>	<b><u>1,121,910</u></b>
<b><u>ELECTIONS:</u></b>				
Elections Administrator	4,010,755	89,331	-	4,100,086
<b><u>TOTAL ELECTIONS</u></b>	<b><u>4,010,755</u></b>	<b><u>89,331</u></b>	<b><u>-</u></b>	<b><u>4,100,086</u></b>
<b><u>FACILITIES:</u></b>				
Custodial Services	598,723	6,203	23,961	580,965
Building Maintenance	1,283,766	386,376	198,532	1,471,610
Parks	29,518,505	43,521	298,087	29,263,939
Jail	6,270,187	16,464	-	6,286,651
Civic Center	17,421,178	-	50,592	17,370,586
<b><u>TOTAL FACILITIES</u></b>	<b><u>55,092,359</u></b>	<b><u>452,564</u></b>	<b><u>571,172</u></b>	<b><u>54,973,751</u></b>
<b><u>HEALTH AND WELFARE:</u></b>				
Public Health	8,462,662	263,459	-	8,726,121
Mental Health Facility	32,132,130	-	-	32,132,130
Community Development	11,601,588	-	3,260	11,598,328
<b><u>TOTAL HEALTH &amp; WELFARE</u></b>	<b><u>52,196,380</u></b>	<b><u>263,459</u></b>	<b><u>3,260</u></b>	<b><u>52,456,579</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, 2019**

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Page 2 of 2

Function and Activity	Govtl Funds Capital Assets October 1, 2018	Additions	Deletions	Govtl Funds Capital Assets September 30, 2019
<b><u>JUDICIAL:</u></b>				
Courts	140,574	-	15,785	124,789
District Attorney	387,215	-	-	387,215
District Clerk	85,304	-	-	85,304
Justice of Peace	3,060,173	39,210	15,600	3,083,783
<b><u>TOTAL JUDICIAL</u></b>	<b><u>3,673,266</u></b>	<b><u>39,210</u></b>	<b><u>31,385</u></b>	<b><u>3,681,091</u></b>
<b><u>LEGAL SERVICES:</u></b>				
County Attorney	-	-	-	-
Law Library	793,361	57,583	195,025	655,919
<b><u>TOTAL LEGAL SERVICES</u></b>	<b><u>793,361</u></b>	<b><u>57,583</u></b>	<b><u>195,025</u></b>	<b><u>655,919</u></b>
<b><u>PUBLIC SAFETY:</u></b>				
Emergency Management	18,051,258	1,165,302	34,836	19,181,724
Fire Marshal	478,987	94,959	-	573,946
Constables	4,944,434	1,825,505	121,922	6,648,017
Sheriff	46,336,793	8,635,957	2,193,953	52,778,797
District Attorney Forfeitures	419,472	94,977	35,410	479,039
County Attorney Forfeitures	-	-	-	-
Juvenile Probation	1,938,410	27,950	52,606	1,913,754
Adult Probation	13,151	-	-	13,151
<b><u>TOTAL PUBLIC SAFETY</u></b>	<b><u>72,182,505</u></b>	<b><u>11,844,650</u></b>	<b><u>2,438,727</u></b>	<b><u>81,588,428</u></b>
<b><u>PUBLIC TRANSPORTATION:</u></b>				
Engineer	18,056	31,902	-	49,958
Commissioners' Operations	1,561,294,470	99,176,119	2,025,463	1,658,445,126
Airport	51,839,121	727,620	53,446	52,513,295
<b><u>TOTAL PUBLIC TRANS</u></b>	<b><u>1,613,151,647</u></b>	<b><u>99,935,641</u></b>	<b><u>2,078,909</u></b>	<b><u>1,711,008,379</u></b>
<b><u>CULTURE &amp; RECREATION:</u></b>				
Memorial Library	24,974,106	422,541	299,534	25,097,113
<b><u>TOTAL CULTURE/REC</u></b>	<b><u>24,974,106</u></b>	<b><u>422,541</u></b>	<b><u>299,534</u></b>	<b><u>25,097,113</u></b>
Construction In Progress	145,556	1,769,012	1,226,260	688,308
<b><u>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</u></b>	<b><u>\$ 1,947,182,970</u></b>	<b><u>\$ 122,015,540</u></b>	<b><u>\$ 11,166,523</u></b>	<b><u>\$ 2,058,031,987</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	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)

	2010	2011	2012	2013
Governmental activities				
Net investment in capital assets	\$ 353,407,141	\$ 380,478,332	\$ 319,059,222	\$ 364,555,659
Restricted	8,839,721	9,360,962	26,137,977	61,986,405
Unrestricted	(32,066,403)	(75,320,823)	(36,634,612)	(37,107,523)
Total Governmental activities net position	<u>330,180,459</u>	<u>314,518,471</u>	<u>308,562,587</u>	<u>389,434,541</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	353,407,141	380,478,332	319,059,222	364,555,659
Restricted	8,839,721	9,360,962	26,137,977	61,986,405
Unrestricted	(32,066,403)	(75,320,823)	(36,634,612)	(37,107,523)
Total primary government net position	<u>\$ 330,180,459</u>	<u>\$ 314,518,471</u>	<u>\$ 308,562,587</u>	<u>\$ 389,434,541</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

2014	2015	2016	2017	2018	2019
\$ 266,597,783	\$ 314,750,807	\$ 386,697,807	\$ 452,183,891	\$ 559,976,686	\$ 495,582,352
71,863,955	54,197,228	63,131,106	73,859,730	72,875,709	47,671,390
59,772,088	90,395,375	70,203,109	41,952,110	(135,469,650)	(31,485,989)
398,233,826	459,343,410	520,032,022	567,995,731	497,382,745	511,767,753
-	45,949,353	60,315,827	62,599,944	44,945,936	39,385,042
-	-	-	-	-	-
-	(1,064,882)	(4,635,780)	(5,928,310)	2,992,728	(781,011)
-	44,884,471	55,680,047	56,671,634	47,938,664	38,604,031
266,597,783	360,700,160	447,013,634	514,783,835	604,922,622	534,967,394
71,863,955	54,197,228	63,131,106	73,859,730	72,875,709	47,671,390
59,772,088	89,330,493	65,567,329	36,023,800	(132,476,922)	(32,267,000)
\$ 398,233,826	\$ 504,227,881	\$ 575,712,069	\$ 624,667,365	\$ 545,321,409	\$ 550,371,784

**MONTGOMERY COUNTY, TEXAS****Changes in Net Position****Last Ten Fiscal Years**

(accrual basis of accounting)

	2010	2011	2012	2013
<b>Expenses</b>				
<i>Governmental Activities:</i>				
General Administration	\$ 15,339,911	\$ 56,850,436	\$ 54,732,939	\$ 49,084,269
Judicial	24,893,295	25,751,781	27,800,678	29,981,281
Legal	2,824,360	2,893,028	3,254,126	3,170,292
Elections	1,827,247	1,723,583	2,249,037	2,081,998
Financial Administration	6,358,514	6,111,643	6,334,740	6,748,425
Public Facilities	43,618,780	50,133,665	49,812,586	57,821,137
Public Safety	62,650,758	62,564,836	66,364,576	65,088,893
Health and Welfare	9,085,174	14,924,434	28,582,176	22,722,536
Culture and Recreation	7,456,924	9,061,639	9,607,386	10,121,267
Conservation	986,843	982,337	1,003,159	1,170,933
Public Transportation	111,627,910	80,597,409	65,221,658	76,521,763
Miscellaneous	1,683,887	659,499	-	-
Debt Service	22,946,953	24,566,713	23,989,607	29,179,720
Total Governmental Activities Expenses	<u>311,300,556</u>	<u>336,821,003</u>	<u>338,952,668</u>	<u>353,692,514</u>
<i>Business-type activities:</i>				
Toll Road	-	-	-	-
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>311,300,556</u>	<u>336,821,003</u>	<u>338,952,668</u>	<u>353,692,514</u>
<b>Program Revenues</b>				
<i>Governmental Activities:</i>				
Fees, Fines, Forfeitures and Charges for Services				
General Administration	5,948,735	39,240,521	37,812,374	38,371,600
Judicial	12,702,190	8,713,071	2,973,713	7,504,357
Legal	518,257	503,400	499,509	484,413
Elections	103,831	177	453	182
Financial Administration	2,244,114	2,553,434	2,943,952	3,700,987
Public Facilities	21,800,561	19,812,950	23,655,878	30,568,848
Public Safety	19,139,564	17,542,034	17,403,723	14,140,176
Health and Welfare	1,735,047	10,628,153	16,718,253	16,494,475
Culture and Recreation	316,855	309,966	287,967	287,822
Conservation	-	-	-	228,653
Public Transportation	9,118,839	9,219,220	10,489,702	7,538,461
Operating Grants and Contributions	11,446,490	12,781,928	9,526,211	8,669,829
Capital Grants and Contributions	56,300,073	24,936,363	27,209,719	92,305,068
Total Governmental Activities Program Revenue	<u>141,374,556</u>	<u>146,241,217</u>	<u>149,521,454</u>	<u>220,294,871</u>
<i>Business-type activities:</i>				
Toll Road	-	-	-	-
Total business-type activities revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>141,374,556</u>	<u>146,241,217</u>	<u>149,521,454</u>	<u>220,294,871</u>
Net (Expense)/Revenue				
Governmental Activities	(169,926,000)	(190,579,786)	(189,431,214)	(133,397,643)
Business-type Activities	-	-	-	-
<b>Net (Expense)</b>	<u>(169,926,000)</u>	<u>(190,579,786)</u>	<u>(189,431,214)</u>	<u>(133,397,643)</u>
<b>General Revenues and Other Changes in Net Position</b>				
<i>Governmental Activities:</i>				
Taxes				
Property Taxes	156,397,865	161,327,007	167,297,778	175,901,469
Other Taxes	1,824,262	1,785,343	1,674,934	1,970,594
Unrestricted Grants and Contributions	-	8,364,557	12,855,843	-
Investment Earnings	790,693	540,642	382,170	459,052
Miscellaneous	1,006,752	2,900,249	1,264,605	30,938,482
Transfers	-	-	-	-
Total Governmental Activities	<u>160,019,572</u>	<u>174,917,798</u>	<u>183,475,330</u>	<u>209,269,597</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>160,019,572</u>	<u>174,917,798</u>	<u>183,475,330</u>	<u>209,269,597</u>
Change in Net Position				
Governmental Activities	(9,906,428)	(15,661,988)	(5,955,884)	75,871,954
Business-type Activities	-	-	-	-
<b>Change in Net Position</b>	<u>\$ (9,906,428)</u>	<u>\$ (15,661,988)</u>	<u>\$ (5,955,884)</u>	<u>\$ 75,871,954</u>

TABLE II

2014	2015	2016	2017	2018	2019
\$ 52,627,252	\$ 57,411,391	\$ 57,650,555	\$ 65,159,730	\$ 69,064,470	\$ 91,013,764
32,077,111	32,772,811	34,705,287	37,787,341	37,498,575	40,484,282
3,548,986	3,456,782	4,074,382	4,038,642	4,055,102	4,294,105
2,438,670	2,025,750	2,431,498	2,142,405	2,418,834	2,158,108
6,813,820	6,885,418	7,545,414	8,001,174	8,825,650	13,400,718
66,496,215	63,860,067	72,057,612	71,243,441	74,896,281	86,664,558
69,458,813	70,860,690	110,534,947	83,664,853	103,791,920	109,220,683
25,315,219	25,349,849	27,909,010	30,656,288	30,287,821	30,341,024
10,285,291	9,949,881	10,445,137	11,037,207	10,719,438	11,626,582
748,622	1,279,756	1,480,246	1,704,745	1,903,911	1,637,399
89,687,467	74,721,871	80,106,170	81,958,847	89,720,534	87,913,321
-	-	-	-	-	-
17,797,503	18,147,345	18,137,058	19,419,455	28,471,590	8,202,241
377,294,969	366,721,611	427,077,316	416,814,128	461,654,126	486,956,785
-	4,572,677	1,506,873	1,307,118	5,773,776	8,113,188
-	4,572,677	1,506,873	1,307,118	5,773,776	8,113,188
377,294,969	371,294,288	428,584,189	418,121,246	467,427,902	495,069,973
36,601,588	48,745,095	41,420,399	41,240,937	44,732,374	49,534,765
8,945,991	13,933,298	14,825,718	9,131,103	9,628,757	10,449,839
484,963	437,628	541,310	555,769	606,306	614,110
317	198	144,118	7,327	204	111
4,525,655	5,073,087	5,154,306	5,385,447	5,664,153	8,136,059
34,120,105	28,945,676	34,745,935	32,057,716	32,319,163	41,586,131
15,900,947	4,418,006	21,269,829	21,919,270	21,723,535	27,405,344
17,947,526	17,606,018	16,628,893	16,300,319	17,565,029	18,136,433
309,567	339,773	156,840	303,209	276,036	238,088
216,727	169,779	172,656	143,524	186,637	164,125
10,634,088	10,721,201	11,921,478	9,451,945	9,912,023	10,567,121
10,302,710	9,562,198	13,138,023	14,153,836	18,248,825	11,580,740
60,564,053	94,908,316	89,527,655	58,853,193	70,300,531	59,283,879
200,554,237	234,860,273	249,647,160	209,503,595	231,163,573	237,696,745
-	49,795,550	12,302,449	2,298,705	5,172,109	9,255,106
-	49,795,550	12,302,449	2,298,705	5,172,109	9,255,106
200,554,237	284,655,823	261,949,609	211,802,300	236,335,682	246,951,851
(176,740,732)	(131,861,338)	(177,430,156)	(207,310,533)	(230,490,553)	(249,260,040)
-	45,222,873	10,795,576	991,587	(601,667)	1,141,918
(176,740,732)	(86,638,465)	(166,634,580)	(206,318,946)	(231,092,220)	(248,118,122)
186,842,153	203,539,676	229,719,148	248,120,144	235,309,431	248,026,503
2,456,460	2,804,782	2,757,791	2,788,410	3,095,156	3,228,697
-	-	-	-	-	-
669,309	529,535	2,179,522	3,977,715	7,144,114	11,880,106
844,937	589,453	539,171	387,973	371,322	521,360
-	338,402	-	-	8,301,324	-
190,812,859	207,801,848	235,195,632	255,274,242	254,221,347	263,656,666
-	-	-	-	170,021	1,728,673
-	(338,402)	-	-	(8,301,324)	(12,205,224)
-	(338,402)	-	-	(8,131,303)	(10,476,551)
190,812,859	207,463,446	235,195,632	255,274,242	246,090,044	253,180,115
14,072,127	75,940,510	57,765,476	47,963,709	23,730,794	14,396,626
-	44,884,471	10,795,576	991,587	(8,732,970)	(9,334,633)
\$ 14,072,127	\$ 120,824,981	\$ 68,561,052	\$ 48,955,296	\$ 14,997,824	\$ 5,061,993

**MONTGOMERY COUNTY, TEXAS****Governmental Fund Balances****Last Ten Fiscal Years**

(modified accrual basis of accounting)

		Fiscal Year			
		2010	2011 <sup>(1)</sup>	2012	2013
General Fund					
Reserved for:					
Prepaid items	\$ 614,103	\$ -	\$ -	\$ -	\$ -
Unreserved	43,326,405	-	-	-	-
Restricted	-	-	11,217	2,010,097	
Committed	-	134,855	91,718	5,909,899	
Assigned	-	19,571,942	32,806,254	36,450,842	
Unassigned	-	29,647,002	30,241,977	35,336,437	
Total General Fund	<u>\$ 43,940,508</u>	<u>\$ 49,353,799</u>	<u>\$ 63,151,166</u>	<u>\$ 79,707,275</u>	
All Other Governmental Funds					
Reserved for:					
Prepaid items	\$ 42,762	\$ -	\$ -	\$ -	\$ -
Capital projects	35,255,056	-	-	-	-
Inventory	91,503	-	-	-	-
Debt service	10,761,379	-	-	-	-
Unreserved, reported in:					
Special revenue funds	32,894,308	-	-	-	-
Debt service funds	-	-	-	-	-
Nonspendable	-	172,593	363,698	2,654,365	
Restricted	-	76,922,025	80,798,663	97,079,589	
Committed	-	19,740	16,848	25,354,566	
Assigned	-	7,421,107	10,801,627	11,718,578	
Total All Other Governmental Funds	<u>\$ 79,045,008</u>	<u>\$ 84,535,465</u>	<u>\$ 91,980,836</u>	<u>\$ 136,807,098</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					
2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
1,442,838	3,425,360	3,119,811	2,855,149	2,121,503	5,684,101
2,292,056	10,793,467	16,794,364	29,242,336	15,443,950	11,469,969
44,517,198	42,441,944	50,680,646	59,173,918	75,082,330	80,000,000
39,722,291	40,938,206	40,619,824	44,683,463	44,851,001	45,735,841
<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>	<u>\$ 142,889,911</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,533,898	192,207	106,290	813,310	618,735	566,167
77,236,101	74,035,446	133,836,974	164,046,153	149,293,950	185,555,764
16,133,816	10,299,674	23,988,996	25,603,027	34,489,497	37,479,986
14,409,545	23,422,966	9,731,586	8,956,249	12,119,931	16,116,571
<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>	<u>\$ 239,718,488</u>

**MONTGOMERY COUNTY, TEXAS**  
**Changes in Fund Balances, Governmental Fund:**  
**Last Ten Fiscal Years**

(modified accrual basis of accounting)

	2010	2011	2012	2013
<b>Revenues</b>				
Taxes	\$ 157,541,607	\$ 162,716,956	\$ 169,042,135	\$ 178,176,320
Licenses and Permits	7,552,220	7,498,169	7,340,620	7,933,209
Fees	14,925,021	16,404,832	17,013,807	19,145,966
Intergovernmental	19,798,654	32,110,368	31,530,494	47,182,714
Charges for Services	2,168,606	1,633,673	1,975,389	2,892,355
Investment Earnings	790,282	540,616	382,173	459,053
Contract Reimbursements	16,506,829	24,213,859	30,930,076	28,960,527
Inmate Housing	21,085,088	18,958,951	22,670,575	29,373,490
Fines and Forfeitures	3,047,555	3,662,448	4,247,571	4,392,610
Miscellaneous	3,568,946	5,055,183	4,354,033	5,557,556
<b>Total Revenues</b>	<b>246,984,808</b>	<b>272,795,055</b>	<b>289,486,873</b>	<b>324,073,800</b>
<b>Expenditures</b>				
General Administration	15,758,058	26,145,340	24,829,831	22,145,663
Judicial	23,657,153	25,547,447	26,939,088	28,623,495
Legal Services	2,716,217	2,982,862	3,136,043	2,963,853
Elections	1,410,441	1,344,669	2,156,915	1,887,236
Financial Administration	5,877,896	5,983,660	5,997,385	6,237,056
Public Facilities	43,995,733	42,038,981	46,681,717	55,409,376
Public Safety	61,405,346	65,088,924	63,136,032	62,574,123
Health and Welfare	12,520,365	23,540,364	27,684,389	22,365,117
Culture and Recreation	8,393,594	8,480,049	8,621,870	8,800,215
Conservation	899,649	960,483	910,093	1,074,697
Public Transportation	25,913,518	33,746,483	25,354,154	34,898,188
Miscellaneous	1,683,887	659,499	-	-
Capital Projects	91,100,968	26,806,719	8,809,026	18,177,561
Debt Service:				
Principal Retirement	7,916,895	11,304,861	16,970,899	20,185,150
Interest and Fiscal Charges	20,511,045	23,757,714	23,245,469	23,025,209
Issuance Costs	1,336,839	329,498	382,183	590,333
Payment to Refunded Bonds Escrow Agent	-	-	-	-
<b>Total Expenditures</b>	<b>325,097,604</b>	<b>298,717,553</b>	<b>284,855,094</b>	<b>308,957,272</b>
Excess/(Deficiency) Revenues over (under) Expenditures	(78,112,796)	(25,922,498)	4,631,779	15,116,528
<b>Other Financing Sources/(Uses)</b>				
Transfers In	27,012,983	20,909,835	27,961,981	98,091,394
Transfers Out	(27,012,983)	(20,909,835)	(27,961,981)	(98,091,394)
Grant Funds Not Reimbursed	-	-	-	-
Capital Lease Financing	3,125,403	1,197,802	830,702	218,758
Issuance of General Obligation Debt	-	-	-	-
Issuance of Refunding Bonds	43,380,000	-	30,885,000	15,880,000
Payment to Refunded Bonds Escrow Agent	(44,643,876)	-	(35,739,475)	(60,594,395)
Sale of Capital Asset	-	-	-	65,000,000
Issuance of Other Bonds	1,167,562	31,390,000	14,925,000	13,350,000
Discounts/Premiums on Debt Issuance	32,756,874	4,238,443	5,709,732	4,353,152
<b>Total Other Financing Sources/(Uses)</b>	<b>35,785,963</b>	<b>36,826,245</b>	<b>16,610,959</b>	<b>38,207,515</b>
<b>Net Change in Fund Balances</b>	<b>\$ (42,326,833)</b>	<b>\$ 10,903,747</b>	<b>\$ 21,242,738</b>	<b>\$ 53,324,043</b>
Debt Service as a percentage of noncapital expenditures	13.4%	13.1%	14.8%	14.8%

TABLE IV

2014	2015	2016	2017	2018	2019
\$ 189,037,048	\$ 206,377,981	\$ 231,994,520	\$ 248,079,254	\$ 235,558,082	\$ 251,359,371
8,559,827	8,175,139	9,029,910	9,095,653	9,582,174	9,705,450
18,355,114	18,446,593	20,616,445	19,492,864	20,621,186	21,304,523
33,269,063	38,700,051	35,983,483	36,524,346	24,293,498	13,418,137
4,968,141	4,088,981	6,715,271	5,983,326	5,232,263	6,524,779
669,336	529,538	2,179,437	3,977,718	7,144,114	11,880,104
28,370,644	36,963,546	30,184,415	30,249,586	31,308,893	39,108,799
32,383,821	27,265,236	32,712,111	29,992,842	30,230,873	39,713,354
4,792,027	4,458,853	3,920,461	4,110,711	3,969,571	5,186,820
1,920,078	3,512,456	5,419,640	2,285,873	2,144,850	2,811,764
322,325,099	348,518,374	378,755,693	389,792,173	370,085,504	401,013,101
26,136,632	29,982,617	24,481,407	24,239,114	25,165,171	39,407,456
30,585,284	32,286,937	33,444,158	35,387,322	35,505,352	37,587,719
3,332,642	3,388,347	3,892,560	3,735,549	3,835,022	3,959,026
2,512,216	1,888,438	2,241,412	1,876,697	2,221,687	1,981,614
6,346,867	6,806,814	7,067,579	7,218,354	8,188,900	12,455,185
63,531,573	59,634,179	66,801,231	65,622,460	68,625,017	77,635,311
66,190,543	72,849,381	81,417,910	84,951,030	100,770,822	106,708,303
23,979,722	25,246,552	27,300,562	29,583,589	28,826,687	28,609,063
8,967,110	9,182,400	9,432,186	9,606,214	9,620,128	10,102,334
1,065,899	1,219,373	1,426,722	1,887,050	1,740,210	1,878,707
42,400,671	44,760,403	51,782,691	40,502,071	37,721,235	36,406,775
-	-	-	-	-	-
27,503,608	-	20,246,230	32,157,497	58,521,214	53,225,077
19,460,000	20,115,000	21,360,000	27,260,000	31,887,580	16,740,000
17,618,628	18,941,447	18,743,285	19,787,766	20,165,827	24,015,802
435,540	-	448,473	429,966	194,194	434,383
-	-	-	31,789,234	-	7,305,270
340,066,935	326,301,888	370,086,406	416,033,913	432,989,046	458,452,025
(17,741,836)	22,216,486	8,669,287	(26,241,740)	(62,903,542)	(57,438,924)
23,737,039	25,524,507	29,359,836	18,440,387	38,365,985	26,322,995
(23,737,039)	(25,611,105)	(29,359,836)	(18,003,397)	(28,076,427)	(26,296,028)
-	-	(6,862)	-	-	(106,864)
949,101	622,106	595,566	758,256	255,949	12,515,094
-	-	51,662,323	73,725,000	45,670,000	89,010,000
101,760,000	-	60,402,677	47,775,000	-	26,965,000
(118,083,208)	-	(73,331,090)	(51,269,830)	-	-
-	-	-	-	-	-
-	-	-	-	-	(28,245,645)
13,889,313	-	22,414,184	11,311,438	5,335,327	5,873,492
(1,484,794)	535,508	61,736,798	82,736,854	61,550,834	106,038,044
\$ (19,226,630)	\$ 22,751,994	\$ 70,406,085	\$ 56,495,114	\$ (1,352,708)	\$ 48,599,120
11.9%	12.0%	11.6%	13.5%	13.7%	10.4%





**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>
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
2019	45,200,643	10,309,888	4,881,184	5,304,177	(11,458,596)	54,237,296	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**

	2010	2011	2012	2013
<b><u>MONTGOMERY COUNTY, TEXAS:</u></b>				
General Fund	\$ 0.3576	\$ 0.3582	\$ 0.3629	\$ 0.3715
Special Revenue Funds	0.0464	0.0458	0.0464	0.0464
Debt Service Fund	0.0798	0.0798	0.0745	0.0659
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.	0.2016	0.2223	0.2317	0.2486
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.	0.5487	0.5738	0.5393	0.5393
East Montgomery County M.U.D. #3	0.9500	0.9500	0.9500	0.9500
East Montgomery County M.U.D. #4	-	No Tax	No Tax	No Tax
East Montgomery County M.U.D. #6	-	-	-	-
East Montgomery County M.U.D. #7	-	-	-	-
East Plantation U.D.	0.7090	0.7090	0.7090	0.7090
Far Hills U.D.	0.4700	0.4700	0.4820	0.4820
Grand Oaks M.U.D.	1.3500	1.3500	1.3500	1.3500
Harris County ID #17	-	-	-	-
Harris County M.U.D. #386	-	-	0.9900	0.9400
Kings Manor M.U.D.	0.8600	0.8600	0.8600	0.8300
Lake Conroe Hills M.U.D.	0.5000	0.5000	0.5000	0.5000
Lazy River I.D.	0.5547	0.5599	0.5342	0.5627
Hendricks - Defined Area	-	-	-	-
Lone Star Community College	0.1101	0.1176	0.1210	0.1198
Montgomery County D.D. #6	0.2641	0.2641	0.2100	0.2100
Montgomery County D.D. #10	0.4470	0.4470	0.4470	0.4500
Montgomery County F.W.S.D. #6	0.3945	0.2941	0.2820	0.3385
Montgomery County Hospital Dist	0.0755	0.7540	0.0745	0.0729
Montgomery County M.U.D. #1	-	-	-	-
Montgomery County M.U.D. #6	0.1000	0.0950	0.0875	0.0800
Montgomery County M.U.D. #7	0.1750	0.1750	0.1675	0.1675
Montgomery County M.U.D. #8	0.2332	0.2494	0.2651	0.2651
Montgomery County M.U.D. #9	0.6000	0.6000	0.6000	0.6000
Montgomery County M.U.D. #15	1.2400	1.2400	1.2400	1.2400
Montgomery County M.U.D. #16	1.3000	1.3000	1.3000	1.2600
Montgomery County M.U.D. #18	0.4400	0.4400	0.4300	0.3800
Montgomery County M.U.D. #19	0.3243	0.3243	0.3243	0.3243
Montgomery County M.U.D. #24	1.2800	1.3800	1.1800	1.1800
Montgomery County M.U.D. #36	0.1000	0.0550	0.0400	0.0350
Montgomery County M.U.D. #39	0.4300	0.4300	0.4200	0.4200
Montgomery County M.U.D. #40	0.1800	0.1700	0.1600	0.1500
Montgomery County M.U.D. #42	1.2400	1.2300	1.1800	1.1500
Montgomery County M.U.D. #46	0.2850	0.2750	0.2650	0.2550
Montgomery County M.U.D. #47	0.2500	0.2500	0.2450	0.2450
Montgomery County M.U.D. #56	1.0000	1.0000	1.0000	1.0000

TABLE VI

Page 1 of 4

2014	2015	2016	2017	2018	2019
\$ 0.3657	\$ 0.3544	\$ 0.3547	\$ 0.3419	\$ 0.3437	\$ 0.3423
0.0464	0.0464	0.0486	0.0486	0.0486	0.0486
0.0717	0.0759	0.0734	0.0762	0.0744	0.0758
0.4838	0.4767	0.4767	0.4667	0.4667	0.4667
0.2592	0.2616	0.2498	0.2473	0.2741	0.2950
1.2500	0.7800	1.2500	1.2100	1.2100	1.2100
0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
0.5393	0.4791	0.4355	0.4029	0.3900	0.3650
0.9500	0.6700	0.9500	0.9500	1.2000	0.9000
No Tax	No Tax	1.2500	1.2500	1.2500	1.2500
-	-	-	-	-	1.3000
-	-	-	-	-	1.3000
0.7090	0.6700	0.6300	0.5000	0.5400	0.5400
-	0.4740	0.6500	0.6500	0.6740	0.6740
1.3500	1.3200	1.3200	1.0500	1.0200	1.0000
-	-	-	-	-	1.2500
0.7200	0.5000	0.5000	0.4650	0.4650	0.4650
0.8100	0.7900	0.7400	0.7100	0.7000	0.7000
0.5000	0.4750	0.4650	0.4550	0.4550	0.4500
0.5662	0.5564	0.5213	0.4731	0.4829	0.4896
0.5000	0.9850	0.9850	-	0.9850	0.9850
0.1160	0.1081	0.1079	0.1078	0.1078	0.1078
0.2050	0.1925	0.1700	0.1700	0.1600	0.1400
0.4500	0.4400	0.4400	0.4400	0.4400	0.4400
0.3462	0.3770	0.3800	0.3000	0.2977	0.3100
0.7270	0.0725	0.0710	0.0665	0.0664	0.0599
-	-	-	0.0900	0.0800	0.0750
0.0750	0.0750	0.0750	0.0750	0.0750	0.0700
0.1645	0.1645	0.1645	0.1645	0.1645	0.1250
0.2651	0.2651	0.2651	0.2651	0.3000	0.3000
0.6000	0.4555	0.4182	0.4059	0.4059	0.4059
1.2400	1.1970	1.0375	0.9369	0.8900	0.8700
1.2000	1.0300	0.9300	0.9179	0.8694	-
0.3800	0.3600	0.3600	0.3400	0.3300	0.3300
0.3000	0.2800	0.2500	0.2250	0.2000	0.1800
1.2800	1.2800	1.1954	1.1500	1.1500	1.1250
0.0350	0.0550	-	0.0350	0.0350	0.0350
0.4150	0.4150	0.4000	0.3650	0.3550	0.3550
0.1400	0.1300	0.0900	-	-	-
1.2500	1.2500	1.1700	1.1400	1.1100	1.0800
0.2400	0.2300	0.2250	0.2125	0.2125	0.2125
0.2450	0.2450	0.2450	0.2450	0.2450	0.2450
1.0000	0.9964	0.8600	0.8300	0.7300	0.7200

**MONTGOMERY COUNTY, TEXAS**  
**Property Tax Rates<sup>(1)</sup> - Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

	2010	2011	2012	2013
Special Districts (continued):				
Montgomery County M.U.D. #60	0.2400	0.2400	0.2375	0.2275
Montgomery County M.U.D. #67	0.3200	0.3200	0.3125	0.3125
Montgomery County M.U.D. #83	1.2500	1.2000	1.1300	1.0500
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	1.2500	1.1800	1.1100	1.0900
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	1.1600	1.1600	1.1300	1.1000
Montgomery County M.U.D. #95	No Tax	No Tax	1.3500	1.3500
Montgomery County M.U.D. #96	-	-	-	-
Montgomery County M.U.D. #98	1.2300	1.2300	1.2250	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	0.7000	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	1.1900	1.1900	0.7500
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. #121	-	-	-	-
Montgomery County M.U.D. #123	-	-	1.2500	-
Montgomery County M.U.D. #126	-	-	-	-
Montgomery County M.U.D. #127	-	-	-	-
Montgomery County M.U.D. #128A	-	-	-	-
Montgomery County M.U.D. #132	-	-	-	-
Montgomery County M.U.D. #137	-	-	-	-
Montgomery County M.U.D. #138	-	-	-	-
Montgomery County M.U.D. #139	-	-	-	-
Montgomery County M.U.D. #141	-	-	-	-
Montgomery County M.U.D. #142	-	-	-	-
Montgomery County M.U.D. #145	-	-	-	-
Montgomery County M.U.D. #148	-	-	-	-
Montgomery County U.D. #2	0.5700	0.5700	0.5700	0.5700
Montgomery County U.D. #3	0.4412	0.4554	0.4515	0.4515
Montgomery County U.D. #4	0.4952	0.4895	0.4895	0.4100
Montgomery County W.C.I.D. #1	0.7750	0.7750	0.8100	0.8100
New Caney M.U.D.	0.6200	0.7100	0.7100	0.7100
New Caney M.U.D. Valley Ranch	-	-	-	-
Point Aquarius M.U.D.	0.7015	0.7032	0.7032	0.7032
Porter M.U.D.	0.5150	0.5150	0.5150	0.5150
Rayford Road M.U.D.	0.5920	0.5920	0.6220	0.6100
River Plantation M.U.D.	0.3101	0.3101	0.3200	0.3200
Roman Forest Cons. M.U.D.	0.3000	0.2900	0.2700	0.2000
Roman Forest P.U.D. #3	1.2500	1.2500	1.2500	-
Roman Forest P.U.D. #4	1.1500	1.1500	1.1500	1.1540
South Montgomery County M.U.D.	0.2200	0.2266	0.2266	0.2266

**TABLE VI**  
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2014	2015	2016	2017	2018	2019
0.2175	0.1975	0.1850	0.1650	0.1650	0.1650
0.3025	0.2800	0.2575	0.2375	0.2175	0.1600
0.9800	0.9000	0.8200	0.7700	0.7500	0.7400
1.2000	1.0200	0.9500	0.9000	0.8800	0.8800
1.3900	1.3900	1.3900	1.3900	1.3800	1.3800
1.0600	1.0600	0.9500	0.8864	0.8828	0.8200
0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
1.0100	0.9300	0.8400	0.7700	0.8000	0.8000
1.3500	1.3500	1.3000	1.3000	1.2500	1.2500
-	-	-	1.4800	1.4800	1.4800
1.2250	1.2100	1.1650	1.1350	1.0400	1.0850
1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
-	-	-	1.3500	1.3500	1.3500
0.0700	0.7000	0.7000	0.7000	0.6900	0.6800
1.1000	1.1000	1.0257	1.0207	1.0000	0.9800
0.7100	1.1200	1.0200	0.9200	0.9000	0.8900
1.3500	1.3500	1.3500	1.3500	1.3500	1.3200
1.4500	1.4500	1.3700	1.3700	1.3200	1.2900
-	-	-	-	-	0.9900
-	-	-	-	-	-
-	-	-	0.9000	0.9000	0.9000
-	1.3500	1.3500	1.3500	1.3500	1.3500
-	-	-	-	-	1.1000
-	-	-	-	-	0.7000
-	-	-	-	-	1.3500
-	-	-	-	-	0.8800
-	-	-	-	-	1.4500
-	-	-	-	-	1.3500
-	-	-	-	-	1.0000
-	-	-	-	-	1.4500
-	-	-	-	-	0.9000
0.5700	0.5700	0.5000	0.4900	0.4600	0.4600
0.4515	0.0900	0.0900	0.0900	0.0900	0.0900
0.4100	0.0800	0.0800	0.0775	0.0775	0.0700
0.8100	0.8100	0.7600	0.7600	0.7820	0.7820
0.7100	0.3797	0.6797	0.6797	0.5994	0.5700
-	0.7800	0.7800	-	-	-
0.7032	0.6631	0.6000	0.5800	0.5600	0.5200
0.5150	0.5150	0.4800	0.4800	0.4800	0.4640
0.6000	0.5800	0.5500	0.5300	0.5100	0.5100
0.3200	0.3200	0.3200	0.3200	0.3200	0.3200
0.2200	0.2100	0.2035	0.1850	0.1593	0.1546
-	-	-	1.2088	0.9500	0.9500
1.1540	1.1657	1.1720	1.1748	1.1656	1.1749
0.2258	0.2175	0.1733	0.1660	0.1600	0.1600

**MONTGOMERY COUNTY, TEXAS**  
**Property Tax Rates<sup>(1)</sup> - Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

	2010	2011	2012	2013
Special Districts (continued):				
Spring Creek U.D.	1.0000	1.0000	1.0000	1.0000
Stanley Lake M.U.D.	0.5200	0.5200	0.5100	0.5000
Texas National M.U.D.	1.0959	1.0959	1.0959	1.0823
Valley Ranch Medical Center MD	-	-	-	-
Valley Ranch Town Center MD	-	-	-	-
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	0.1750	0.1750
Woodlands M.U.D. #2	0.2300	0.1900	0.1700	0.1500
Woodlands R.U.D. #1	0.4491	0.4300	0.4266	0.4063
Woodridge M.U.D.	-	-	-	-
Emergency Service District #1	0.0975	0.0974	0.9640	0.0964
Emergency Service District #2	0.0940	0.1000	0.1000	0.1000
Emergency Service District #3	0.0972	0.1000	0.0998	0.0990
Emergency Service District #4	0.1000	0.1000	0.0986	0.0961
Emergency Service District #5	0.0982	0.0935	0.1000	0.1000
Emergency Service District #6	0.0988	0.1000	0.1000	0.1000
Emergency Service District #7	0.1000	0.1000	0.1000	0.0998
Emergency Service District #8	0.0762	0.1000	0.1000	0.1000
Emergency Service District #9	0.1000	0.1000	0.0946	0.0917
Emergency Service District #10	0.0950	0.1000	0.0988	0.1000
Emergency Service District #11	0.1000	0.1000	0.1000	0.1000
Emergency Service District #12	0.1000	0.1000	0.0996	0.0996
Emergency Service District #14	0.1000	0.1000	0.1000	0.1000
Total Special Districts	49.7103	50.0391	53.2208	48.9162
Cities:				
Cleveland	-	-	0.6850	0.7800
Conroe	0.4200	0.4200	0.4200	0.4200
Magnolia	0.4914	0.4914	0.4814	0.4786
Montgomery	0.4450	0.4199	0.4155	0.4155
Oak Ridge North	0.6389	0.5996	0.5996	0.5744
Panorama Village	0.6517	0.6512	0.6698	0.6844
Patton Village	0.4091	0.3890	0.3779	0.3779
Roman Forest	0.4706	0.4707	0.4721	0.4819
Shenandoah Village	0.3282	0.3282	0.3237	0.3137
Splendora	0.2978	0.2968	0.2797	0.2797
Stagecoach	0.5400	0.5214	0.5044	0.5000

**TABLE VI**

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2014	2015	2016	2017	2018	2019
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
0.5200	0.5300	0.5300	0.5300	0.5300	0.5500
1.1330	1.1330	1.1300	1.1330	1.1330	1.1330
-	-	-	-	-	0.3500
-	-	-	-	-	1.1500
1.4000	1.4000	1.2000	1.1500	1.1500	1.0000
0.7500	1.5000	1.5000	1.3500	1.3500	1.3500
0.1650	0.1650	0.1550	0.1250	0.1050	0.0900
0.1300	0.1100	0.1000	-	-	-
0.3600	0.3800	0.3200	0.2600	0.2150	0.2000
1.5000	1.3000	0.1000	1.2700	1.2700	1.2600
0.0964	0.1000	0.1000	0.1000	0.1000	0.1000
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.0954	0.0955	0.1000	0.0981	0.1000	0.1000
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
0.0996	0.0967	0.1000	0.1000	0.1000	0.1000
0.0960	0.0946	0.0926	0.0906	0.1000	0.1000
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	-	-	-	-
0.1000	0.0983	0.1000	0.1000	0.1000	-
0.0951	0.0885	0.1000	0.1000	0.1000	0.1000
49.9980	53.2109	49.8083	52.3285	52.5795	67.1982
0.7800	0.7800	0.7800	0.7700	0.7700	0.7700
0.4200	0.4200	0.4200	0.4175	0.4175	0.4175
0.4786	0.4629	0.4629	0.4629	0.4709	0.4675
0.4155	0.4155	0.4155	0.4155	0.4155	0.4000
0.5244	0.4822	0.4598	0.4509	0.4470	0.4807
0.6741	0.6591	0.6743	0.6604	0.6852	0.6748
0.3818	0.3818	0.3459	0.2606	0.2606	0.2850
0.4819	0.4819	0.4945	0.4945	0.7385	0.7538
0.2664	0.2404	0.2399	0.2295	0.2099	0.1799
0.2720	0.2473	0.2473	0.2616	0.4103	0.4103
0.5429	0.5353	0.5207	0.5000	0.4595	0.4595

**MONTGOMERY COUNTY, TEXAS**  
**Property Tax Rates<sup>(1)</sup> - Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

	2010	2011	2012	2013
Cities (continued):				
Willis	0.5808	0.5893	0.5669	0.5208
Woodbranch Village	0.3448	0.3373	0.3514	0.3544
Woodlands Township	0.3280	0.3274	0.3250	0.3173
Woodloch	0.5468	0.5199	1.0000	0.5000
Auburn Trail Defined Area	-	-	-	0.9850
Auburn Trail II Defined Area	-	-	-	-
Houston (County Line City)	0.6388	0.6388	0.6388	0.6388
Total Cities	7.1319	7.0009	8.1112	8.6224
School Districts:				
Cleveland I.S.D.	1.3150	1.3150	1.3150	1.3150
Conroe I.S.D.	1.2850	1.2950	1.2950	1.2900
Humble I.S.D.	-	-	1.5200	1.5200
Magnolia I.S.D.	1.3800	1.3995	1.3995	1.3995
Montgomery I.S.D.	1.3400	1.3400	1.3400	1.3400
New Caney I.S.D.	1.4800	1.5400	1.5400	1.5400
Richards I.S.D.	1.0400	1.0400	1.0400	1.0400
Splendora I.S.D.	1.3200	1.3599	1.3300	1.3600
Tomball I.S.D.	1.3600	1.3600	1.3600	1.3155
Willis I.S.D.	1.3700	1.3700	1.3700	1.3700
Total School Districts	11.8900	12.0194	13.5095	13.4900
<b><u>TOTAL PROPERTY TAX RATES -</u></b>				
<b><u>DIRECT AND OVERLAPPING</u></b>				
<b><u>GOVERNMENTS</u></b>	<u>\$69.2160</u>	<u>\$69.5432</u>	<u>\$75.3252</u>	<u>\$71.5123</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**

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2014	2015	2016	2017	2018	2019
0.5363	0.6077	0.5961	0.5953	0.6351	0.6697
0.3496	0.3597	0.3597	0.3785	0.3784	0.2306
0.2940	0.2500	0.2300	0.2300	0.2300	0.2273
0.4971	0.8125	0.6566	0.5782	0.5000	0.5000
0.5750	0.6190	0.7110	-	0.7150	0.7150
0.5750	0.6190	0.7110	-	0.7150	0.7071
0.6388	0.6311	-	0.5864	0.5864	0.5883
8.7034	9.0054	8.3252	7.2918	9.0448	8.9370
1.3150	1.3150	1.3150	1.3800	1.4150	1.4150
1.2850	1.2800	1.2800	1.2800	1.2800	1.2800
1.5200	1.5200	1.5200	1.5200	1.5200	1.5200
1.3995	1.3895	1.3795	1.3795	1.3795	1.3795
1.3400	1.3400	1.3400	1.3700	1.3700	1.3700
1.6700	1.6700	1.6700	1.6700	1.6700	1.6700
1.0400	1.0400	1.0400	1.0400	1.0400	1.0600
1.3155	1.3155	1.3155	1.6000	1.6000	1.1700
1.3600	1.3600	1.3600	1.3400	1.3400	1.3400
1.3900	1.3900	1.3900	1.3900	1.3900	1.3900
13.6350	13.6200	13.6100	13.9695	14.0045	13.5945
\$72.8202	\$76.3130	\$72.2202	\$74.0565	\$76.0955	\$90.1964

**MONTGOMERY COUNTY, TEXAS****Principal Taxpayers****Current Year and Nine Years Ago****TABLE VII**

<u>2019 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	\$ 274,259,850	0.51 %
Wal-Mart Real Estate Bus Trust	Retail	271,298,516	0.50
Anadarko Realty	Oil & Gas Industrial	215,129,760	0.40
The Woodlands Mall Associates	Retail	170,212,605	0.31
McKesson Corporation	Healthcare Solutions	155,798,317	0.29
Kingwood Medical Plaza, LTD	Medical	143,221,320	0.26
The Woodlands Land Dev.	Land Development	132,397,538	0.24
IMI MSW LLC	Retail	129,595,770	0.24
Nabors Drilling Technologies	Oil & Gas Industrial	119,062,070	0.22
National Oilwell Varco DHT LP	Oil & Gas Industrial	101,904,563	0.19
		<u>\$ 1,712,880,309</u>	<u>3.16 %</u>
<u>2010 Taxpayer</u>	<u>Type of Business</u>	<u>2010 Assessed Valuation <sup>(1)</sup></u>	<u>Percentage of Total Assessed Valuation <sup>(3)</sup></u>
Wal-Mart Real Estate Bus Trust	Retail	\$ 260,204,465	0.81 %
Entergy Texas Inc	Electric Utility	190,463,010	0.60
Woodlands Land Development, LP	Land Development	181,874,150	0.57
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	111,556,710	0.35
The Woodlands Mall Association	Retail	61,956,137	0.19
Canrig Drilling Tech Ltd	Oil & Gas	117,655,660	0.37
Wapiti Operating LLC	Oil & Gas	57,864,730	0.18
Hughes Christensen Company	Oil & Gas	68,046,920	0.21
		<u>\$ 1,273,883,892</u>	<u>3.98 %</u>

<sup>(1)</sup> Source: Montgomery Central Appraisal District<sup>(2)</sup> Net Assessed Valuation - 2019 \$ 54,237,296,030<sup>(3)</sup> Net Assessed Valuation - 2010 \$ 35,400,949,559

**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
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 %	661,681	232,666,947	98.7 %
2019	250,896,287	246,268,100	98.2 %	-	246,268,100	98.2 %

<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	Governmental Activities					Business-type Activities		Total Primary Government	Percent of Personal Income <sup>(2)</sup>	Per Capita <sup>(2)</sup>
	General Obligation Bonds	Revenue Bonds	Certificates of Obligation	Capital Leases Obligation	Net: Interest Premiums and Discounts	Revenue Bonds	Net: Interest Premiums and Discounts			
2010	\$ 332,565,000	\$ 42,256,701	\$ 102,580,000	\$ 17,164,115	\$ 11,787,129	\$ -	\$ -	\$ 506,352,945	2.38	% \$ 1,105
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	87,680,000	7,778,322	614,834,393	N/A	% 1,076.89
2019	474,975,000	-	47,375,000	11,578,902	48,232,661	87,680,000	7,510,104	677,351,667	N/A	% 1,146.26

<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, 2018 and 2019 is not available.

**MONTGOMERY COUNTY, TEXAS**  
**Ratios of General Bonded Debt Outstanding** <sup>(1)</sup>  
**Last Ten Fiscal Years**

**TABLE X**

Fiscal Year	Governmental Activities				Business-type Activities		Total Primary Government	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	Net: Interest Premiums and Discounts	Revenue Bonds	Net: Interest Premiums and Discounts			
2010	\$332,565,000	\$42,256,701	\$102,580,000	\$ 11,787,129	\$ -	\$ -	\$489,188,830	1.50 %	\$ 1,067.70
2011	270,030,000	128,266,840	99,190,000	15,233,295	-	-	512,720,135	1.51 %	1,109.44
2012	268,735,000	122,140,941	101,120,000	10,236,430	-	-	502,232,371	1.43 %	1,043.50
2013	261,590,000	75,075,000	109,930,000	12,589,534	-	-	459,184,534	1.25 %	933.99
2014	278,565,000	67,995,000	74,555,000	28,256,466	-	-	449,371,466	1.14 %	893.52
2015	269,415,000	60,585,000	71,000,000	26,085,333	-	-	427,085,333	0.98 %	822.98
2016	315,110,000	52,825,000	58,535,000	43,468,294	-	-	469,938,294	0.95 %	874.21
2017	376,370,000	16,420,000	50,750,000	46,503,251	-	-	490,043,251	0.90 %	870.09
2018	408,885,000	-	49,090,000	47,447,713	87,680,000	7,778,322	600,881,035	1.18 %	1,052.45
2019	474,975,000	-	47,375,000	48,232,661	87,680,000	7,510,104	665,772,765	1.23 %	1,126.66

<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**

	2010	2011	2012	2013
Assessed value <sup>(2)</sup>	\$ 32,662,351	\$ 33,862,620	\$ 35,101,086	\$ 36,706,371
Debt limit <sup>(3)</sup>	8,165,588	8,465,655	8,775,272	9,176,593
Debt applicable to limit				
Total bonded debt	477,402	497,487	491,996	446,595
Less: Assets in Debt				
Service Funds available for payment of principal	(10,761)	(14,239)	(15,950)	(17,795)
Total debt applicable to limit	466,640	483,248	476,046	428,800
Legal debt margin	<u>\$ 7,698,947</u>	<u>\$ 7,982,407</u>	<u>\$ 8,299,226</u>	<u>\$ 8,747,794</u>
Total debt applicable to the limit as a percent of debt limit	5.71%	5.71%	5.42%	4.67%

<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**

2014	2015	2016	2017	2018	2019
\$ 39,366,970	\$ 43,654,262	\$ 49,315,310	\$ 54,402,996	\$ 50,848,283	\$ 54,237,296
9,841,743	10,913,566	12,328,828	13,600,749	12,712,071	13,559,324
493,740	463,080	487,680	443,870	508,054	708,230 <sup>(4)</sup>
(20,906)	(32,453)	(48,577)	(28,250)	(15,757)	(12,708)
472,834	430,627	439,103	415,620	492,297	695,522
<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>	<u>\$ 12,863,802</u>
4.80%	3.95%	3.56%	3.06%	3.87%	5.13%

:

**MONTGOMERY COUNTY, TEXAS****Direct and Overlapping Debt****September 30, 2019****TABLE XII**

	Debt Outstanding	Percentage Applicable to Montgomery County <sup>(1)</sup>	Amount Applicable to Montgomery County
Montgomery County, Texas	\$ 665,772,765	100.00	\$ 665,772,765
TOTAL DIRECT DEBT	665,772,765		665,772,765

**OVERLAPPING GOVERNMENTS:****Special Districts:**

Clovercreek M.U.D.	490,000	100.00	490,000
Corinthian Point M.U.D. #2	1,240,000	100.00	1,240,000
East Montgomery Co M.U.D #3	11,745,000	100.00	11,745,000
East Montgomery Co M.U.D #4	6,625,000	100.00	6,625,000
East Montgomery Co M.U.D #6	22,993,582	100.00	22,993,582
East Plantation U.D.	1,565,000	100.00	1,565,000
Far Hills U.D.	9,960,000	100.00	9,960,000
Grand Oaks M.U.D.	2,680,000	100.00	2,680,000
Kings Manor M.U.D.	12,080,000	70.30	8,492,240
Lazy River I.D.	310,000	100.00	310,000
Lone Star College System	579,645,000	27.26	158,011,227
Conroe M.U.D. #1	7,570,000	100.00	7,570,000
Conroe Municipal Mgt District #1	20,105,000	100.00	20,105,000
Montgomery Co. D.D. #10	9,705,000	100.00	9,705,000
Montgomery Co. M.U.D. #8	23,315,000	100.00	23,315,000
Montgomery Co. M.U.D. #9	26,800,000	100.00	26,800,000
Montgomery Co. M.U.D. #15	30,525,000	100.00	30,525,000
Montgomery Co. M.U.D. #18	12,380,000	100.00	12,380,000
Montgomery Co. M.U.D. #24	5,025,000	100.00	5,025,000
Montgomery Co. M.U.D. #39	12,810,000	100.00	12,810,000
Montgomery Co. M.U.D. #42	4,475,000	100.00	4,475,000
Montgomery Co. M.U.D. #46	72,695,000	100.00	72,695,000
Montgomery Co. M.U.D. #47	12,095,000	100.00	12,095,000
Montgomery Co. M.U.D. #56	2,560,000	100.00	2,560,000
Montgomery Co. M.U.D. #60	11,705,000	100.00	11,705,000
Montgomery Co. M.U.D. #67	15,340,000	100.00	15,340,000
Montgomery Co. M.U.D. #83	13,800,000	100.00	13,800,000
Montgomery Co. M.U.D. #84	28,810,000	100.00	28,810,000
Montgomery Co. M.U.D. #88	19,365,000	100.00	19,365,000
Montgomery Co. M.U.D. #89	22,415,000	100.00	22,415,000
Montgomery Co. M.U.D. #90	7,350,000	100.00	7,350,000
Montgomery Co. M.U.D. #92	4,620,000	100.00	4,620,000



**MONTGOMERY COUNTY, TEXAS****Direct and Overlapping Debt****September 30, 2019****TABLE XII**

	Debt	Percentage	Amount Applicable
	Outstanding	Applicable to	to Montgomery
		Montgomery County <sup>(1)</sup>	County
Special Districts:(Continued)			
Montgomery Co. M.U.D. #94	27,810,000	100.00	27,810,000
Montgomery Co. M.U.D. #95	26,770,000	100.00	26,770,000
Montgomery Co. M.U.D. #98	16,265,000	100.00	16,265,000
Montgomery Co. M.U.D. #99	14,835,000	100.00	14,835,000
Montgomery Co. M.U.D. #105	29,990,000	100.00	29,990,000
Montgomery Co. M.U.D. #107	22,400,000	100.00	22,400,000
Montgomery Co. M.U.D. #112	44,180,000	100.00	44,180,000
Montgomery Co. M.U.D. #113	108,045,000	100.00	108,045,000
Montgomery Co. M.U.D. #115	47,330,000	100.00	47,330,000
Montgomery Co. M.U.D. #119	78,605,000	100.00	78,605,000
Montgomery Co. M.U.D. #126	7,065,000	100.00	7,065,000
Montgomery Co. M.U.D. #127	12,310,000	100.00	12,310,000
Montgomery Co. M.U.D. #137	10,335,000	100.00	10,335,000
Montgomery Co. M.U.D. #138	12,895,000	100.00	12,895,000
Montgomery Co. M.U.D. #139	19,020,000	100.00	19,020,000
Montgomery Co. M.U.D. #141	3,025,000	100.00	3,025,000
Montgomery Co. M.U.D. #142	2,100,000	100.00	2,100,000
Montgomery Co. M.U.D. #148	3,895,000	100.00	3,895,000
Montgomery Co. U.D. #2	6,295,000	100.00	6,295,000
Montgomery Co. U.D. #3	3,815,000	100.00	3,815,000
Montgomery Co. U.D. #4	10,935,000	100.00	10,935,000
Montgomery Co. W.C.I.D. #1	17,320,000	100.00	17,320,000
New Caney M.U.D.	35,503,524	100.00	35,503,524
Point Aquarius M.U.D.	10,295,000	100.00	10,295,000
Porter M.U.D.	24,965,000	100.00	24,965,000
Porter M.U.D. Auburn Trails Def #1	5,500,000	100.00	5,500,000
Porter M.U.D. Auburn Trails Def #2	3,995,000	100.00	3,995,000
Porter M.U.D. Hendricks Def	4,930,000	100.00	4,930,000
Rayford Road M.U.D.	15,910,000	100.00	15,910,000
River Plantation M.U.D.	-	100.00	-
Roman Forest Cons. M.U.D.	-	100.00	-
Roman Forest Con. M.U.D.	5,855,000	100.00	5,855,000
Harris-Montgomery Co MUD #386	140,215,000	8.27	11,595,781
Spring Creek U.D.	56,170,000	100.00	56,170,000
Stanley Lake M.U.D.	23,280,000	100.00	23,280,000
Southern Montgomery County MUD	9,810,000	100.00	9,810,000

**MONTGOMERY COUNTY, TEXAS****Direct and Overlapping Debt****September 30, 2019****TABLE XII**

	Debt Outstanding	Percentage Applicable to Montgomery County <sup>(1)</sup>	Amount Applicable to Montgomery County
Special Districts:(Continued)			
Texas National M.U.D.	3,275,000	100.00	3,275,000
Valley Ranch M.U.D. #1	23,060,000	100.00	23,060,000
Woodlands Metro-Center I.D.	11,315,000	100.00	11,315,000
Roman Forest P.U.D. #4	765,000	100.00	765,000
Wood Trace M.U.D. #1	21,490,000	100.00	21,490,000
Woodlands R.U.D. #1	42,925,000	98.91	42,457,118
The Woodlands Township	32,190,000	87.09	28,034,271
Valley Ranch Town Center	14,925,000	100.00	14,925,000
Woodridge M.U.D.	10,435,000	100.00	10,435,000
Total Special Districts	<u>1,964,002,106</u>		<u>1,405,537,742</u>
Cities:			
Cleveland	13,055,000	1.15	150,133
Conroe	292,200,000	100.00	292,200,000
Magnolia	9,867,020	100.00	9,867,020
Montgomery	8,415,000	100.00	8,415,000
Cities: (Continued)			
Oak Ridge North	6,005,000	100.00	6,005,000
Panorama Village	3,200,000	100.00	3,200,000
Shenandoah	17,210,000	100.00	17,210,000
Roman Forest	3,385,000	100.00	3,385,000
Willis	22,470,000	100.00	22,470,000
Woodbranch Village	1,435,000	100.00	1,435,000
Houston	3,855,330,000	0.35	13,493,655
Total Cities	<u>4,232,572,020</u>		<u>377,830,808</u>

**MONTGOMERY COUNTY, TEXAS****Direct and Overlapping Debt****September 30, 2019****TABLE XII**

	Debt Outstanding	Percentage Applicable to Montgomery County <sup>(1)</sup>	Amount Applicable to Montgomery County
School Districts			
Cleveland I.S.D.	134,044,989	1.48	1,983,866
Conroe I.S.D.	1,207,585,000	100.00	1,207,585,000
Magnolia I.S.D.	165,760,000	100.00	165,760,000
Montgomery I.S.D.	337,175,000	100.00	337,175,000
New Caney I.S.D.	512,885,359	98.38	504,576,616
Splendora I.S.D.	63,140,000	100.00	63,140,000
Tomball I.S.D.	494,035,000	6.96	34,384,836
Willis I.S.D.	145,812,984	98.59	143,757,021
Total School Districts	<u>3,060,438,332</u>		<u>2,458,362,339</u>
TOTAL OVERLAPPING DEBT	<u>9,257,012,458</u>		<u>4,241,730,888</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u>\$ 9,922,785,223</u>		<u>\$ 4,907,503,653</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>					
		Less:	Net:	Debt Service		
Year	Lease Payments	Operating Expenses	Available Revenue	Principal	Interest	Coverage
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	-	-	-	-	-	-
2019	-	-	-	-	-	-

**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>
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 %
2019	590,925	N/A	N/A	137,294	130,003	3.3 %

<sup>(1)</sup> Source: U.S. Census Bureau

<sup>(2)</sup> Amounts expressed in thousands.

<sup>(3)</sup> Source: Texas Workforce Commission website

Information for fiscal years 2010 through 2016 from The Bureau of Economic Analysis website

Personal income information for 2017, 2018 and 2019 is not available.

<sup>(4)</sup> Source: Superintendent's Annual Report: Includes the nine independent school districts located in the County.

<sup>(5)</sup> Source: The Work Source website

<http://www.wrksolutions.com/Documents/Employer/LMI/unemploymentrates/LAUSHISTORY.pdf>

**MONTGOMERY COUNTY, TEXAS**

**Principal Employers**

**Current Year and Nine Years Ago**

**TABLE XV**

2019 Employer <sup>(1)</sup>	Employees	Percentage of Total County Employment <sup>(2)</sup>
Conroe Independent School District	7,725	2.84 %
Anadarko Petroleum	3,666	1.35
Memorial Hermann - The Woodlands	2,518	0.93
Montgomery County, Texas	2,378	0.88
New Caney Independent School District	2,102	0.77
Alight	1,850	0.68
ExxonMobil	1,834	0.67
CHI St. Luke's The Woodlands Hospital	1,650	0.61
Magnolia Independent School District	1,500	0.55
Houston Methodist The Woodlands Hospital	1,210	0.45
	26,433	9.73 %
2010 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
	18,388	9.45 %

<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.

<sup>(2)</sup> Total County Employment for 2010 and 2019:

204,024 and 271,738 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>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>	<b><u>2019</u></b>
General Administration	118	135	127	132	130	132	125	125	123	119
Judicial	265	269	278	289	291	297	296	304	301	284
Legal Services	29	30	32	32	33	32	33	34	34	34
Elections	10	11	11	11	11	12	15	15	13	15
Financial Administration	93	95	101	103	99	93	98	102	99	98
Public Facilities	372	388	405	404	398	415	416	420	433	371
Public Safety	611	628	655	662	679	714	742	762	777	1011
Health and Welfare	71	77	77	48	46	47	48	89	91	90
Culture and Recreation	153	161	161	161	162	163	140	141	140	120
Conservation	18	20	21	21	10	19	10	20	23	23
Public Transportation	174	205	213	226	230	232	249	259	258	213
	<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>	<b><u>2,378</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>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>
<b>General Government</b>				
Construction permits issued <sup>(1)</sup>	2,598	2,440	2,905	4,336
Estimated value of construction <sup>(1)(2)</sup>	719,797	575,758	1,054,912	1,344,371
Health inspections performed <sup>(3)</sup>	11,281	11,638	14,214	14,968
Birth certificates filed <sup>(4)</sup>	5,419	5,283	5,213	5,325
Death certificates filed <sup>(4)</sup>	2,087	2,214	2,235	2,384
Marriage license applications <sup>(4)</sup>	2,160	2,351	2,399	2,630
Registered voters <sup>(5)</sup>	249,620	244,080	260,253	265,424
Number of voting precincts <sup>(5)</sup>	85	85	86	86
<b>Public Safety - Sheriff</b>				
Total arrests <sup>(6)</sup>	19,402	20,802	22,057	22,758
Average number of inmates <sup>(6)</sup>	964	1,026	965	1,033
Calls for service <sup>(6)</sup>	259,486	286,719	312,405	333,548
Number of accidents investigated <sup>(6)</sup>	1,485	1,122	951	1,356
Miles patrolled <sup>(6)</sup>	2,615,320	2,717,733	3,867,763	5,906,651
Gallons of gas used <sup>(6)</sup>	281,746	409,337	444,854	465,391
<b>Culture and Recreation - Libraries (tentative)</b>				
Number of items checked out <sup>(7)</sup>	2,035,605	2,008,110	1,963,074	1,996,503
Number of libraries <sup>(7)</sup>	7	7	7	7
Volumes in collection <sup>(7)</sup>	652,426	670,068	683,803	691,892
Number of library visits <sup>(7)</sup>	1,386,130	1,296,899	1,286,333	1,184,833
Library programs attendance <sup>(7)</sup>	132,916	127,694	101,789	118,959

<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 XVI**

Fiscal Year					
2014	2015	2016	2017	2018	2019
4,947	4,754	4,052	4,381	5,549	5,057
2,019,423	1,381,849	1,414,524	1,386,391	1,514,299	1,582,931
15,623	17,274	16,552	16,197	16,719	15,406
5,392	6,602	5,766	6,996	8,144	6,436
2,638	2,820	2,874	3,643	4,437	3,167
2,795	4,505	2,927	2,869	4,420	2,871
274,536	289,000	308,597	315,946	330,768	339,779
89	89	90	90	96	96
24,679	22,523	21,483	22,473	18,855	22,402
1,152	1,058	999	933	944	937
346,749	317,501	411,796	355,936	610,315	672,825
2,385	4,184	4,937	5,931	6,063	6,125
5,747,155	5,876,771	4,063,212	4,232,396	3,952,673	4,279,456
468,806	490,073	368,033	368,412	343,644	388,891
2,018,491	2,055,189	2,066,886	2,192,792	2,547,829	2,820,839
7	7	7	7	7	7
686,870	665,009	694,536	711,777	717,314	703,658
1,108,782	1,107,085	1,105,760	1,075,000	923,129	901,935
124,738	130,780	134,163	169,467	150,020	169,079

**MONTGOMERY COUNTY, TEXAS**  
**Capital Asset and Infrastructure Statistics by Function**  
**Last Ten Fiscal Years**

<b><u>Function</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>
General Government				
Office Buildings/Courthouses <sup>(1)</sup>	39	42	43	43
Public Safety - Sheriff				
Sheriff's Vehicles <sup>(2)</sup>	374	427	460	463
Academy Square Footage <sup>(1)</sup>	13,800	13,800	13,800	13,800
Public Transportation				
County Roads (miles) <sup>(3)</sup>	2,636	2,640	2,656	2,685
Bridges <sup>(3)</sup>	158	158	158	159
Public Facilities				
Park Acreage <sup>(4)</sup>	1,870	2,072	2,956	2,061
Convention Center Square Footage <sup>(5)</sup>	56,000	56,000	56,000	56,000
Community Centers <sup>(2)</sup>	17	18	17	17
Culture and Recreation				
Total Library Square Footage <sup>(6)</sup>	169,776	171,400	171,400	171,400

1) Montgomery County Risk Management Department. Includes the offices of the four County Commissioners.

2) Montgomery County Auditor's Office Capital Assets Listing.

3) Montgomery County Engineer.

4) Montgomery County Parks Divisions in the Commissioners' offices.

5) Montgomery County Civic Center Complex;

6) Montgomery County Memorial Library System Annual Report.

TABLE XVIII

2014	2015	2016	2017	2018	2019
38	44	49	49	49	49
467	505	512	555	648	650
13,800	13,800	13,800	13,800	13,800	13,800
2,703	2,704	2,751	2,771	2,811	2,843
159	160	160	160	160	160
2,061	2,089	2,089	2,089	2,289	2,289
56,000	56,000	56,000	56,000	56,000	56,000
17	17	17	17	17	17
171,400	171,400	173,800	173,800	173,800	173,800