

# Montgomery County, Texas Annual Comprehensive Financial Report



For the Fiscal Year Ended September 30, 2022  
501 N. THOMPSON SUITE 205 CONROE, TEXAS 77301



**MONTGOMERY COUNTY, TEXAS**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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## **INTRODUCTORY SECTION**

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**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 28, 2023

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

Honorable Judges and Commissioners:

The Annual Comprehensive Financial Report (Annual Report) of Montgomery County, Texas, for the year ended September 30, 2022, 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 Pattillo, Brown & Hill, 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, 2022 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, 2022 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 complement 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 620,443. At each census, the County has experienced growth in excess of 50%, with no sign of slowing down. At September 30, 2022, the estimated population was 653,383. 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 three 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.

Two huge storms, Hurricane Harvey and Tropical Storm Imelda made landfall in 2017 and 2019 respectively and have caused widespread damage to the region, resulting in billions of dollars in damage. 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 effects from Hurricane Harvey and Tropical Storm Imelda are continued to be felt. In February 2021, a massive cold front from the Arctic blasted through the state, driving temperatures to record lows. Many throughout the state suffered catastrophic losses due to the widespread power and water loss because of the freezing temperatures. The County is working with FEMA to assist households deal with these losses.

The County functioned much of the year in the shadow of the continuing pandemic because of the COVID-19 virus. 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 both its citizens and its employees. The County received almost \$105 million from the Federal Government to assist in the massive undertaking of a changed working environment. Additionally, the County was allocated almost \$118 million as part of the American Rescue Plan Act of 2021 (ARPA), and has received the first half (about \$58.989 million) in May 2021, and the

second half was received in June 2022 (\$58.989 million).

**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 the work on widening and improving SH 249 in fiscal year 2021. The SH 249 became fully operational in December 2020 and has shown excellent progress since opening and is now generating more than 1 million transactions per month. The American Public Works Association (APWA) awarded the SH 249 as an APWA Texas Chapter 2021 Award Recipient in the category of Transportation Greater than 75 million and Public Works Project of the Year. Construction work continues on SH 249 in which the Decker Prairie intersection layout enhancements are 100% completed and the Decker Prairie corridor layout enhancements are also 100% completed as of fiscal year 2022.

In addition, the County awarded a contract to construct an extension of Farm-to-Market 149 spanning from Jackson Road to the State Highway 249 tollway. This project, approved by the governing body in May 2022, is currently in Phase II of development. Aerial mapping for this project was completed in September 2022, with field work expected to commence following final alignment adjustments.

**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, we went live on July 1, 2020. Continuing modules are being implemented in a staggered approach with the Talent Acquisition within the Human Resources module going live in the latter portion of fiscal year 2023.

## **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 annual comprehensive financial report for the fiscal year ended September 30, 2021. This was the thirty-fourth 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 Annual Report. 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 annual comprehensive 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*

Rakesh Pandey, CPA  
Montgomery County Auditor

RP/sb



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Montgomery County  
Texas**

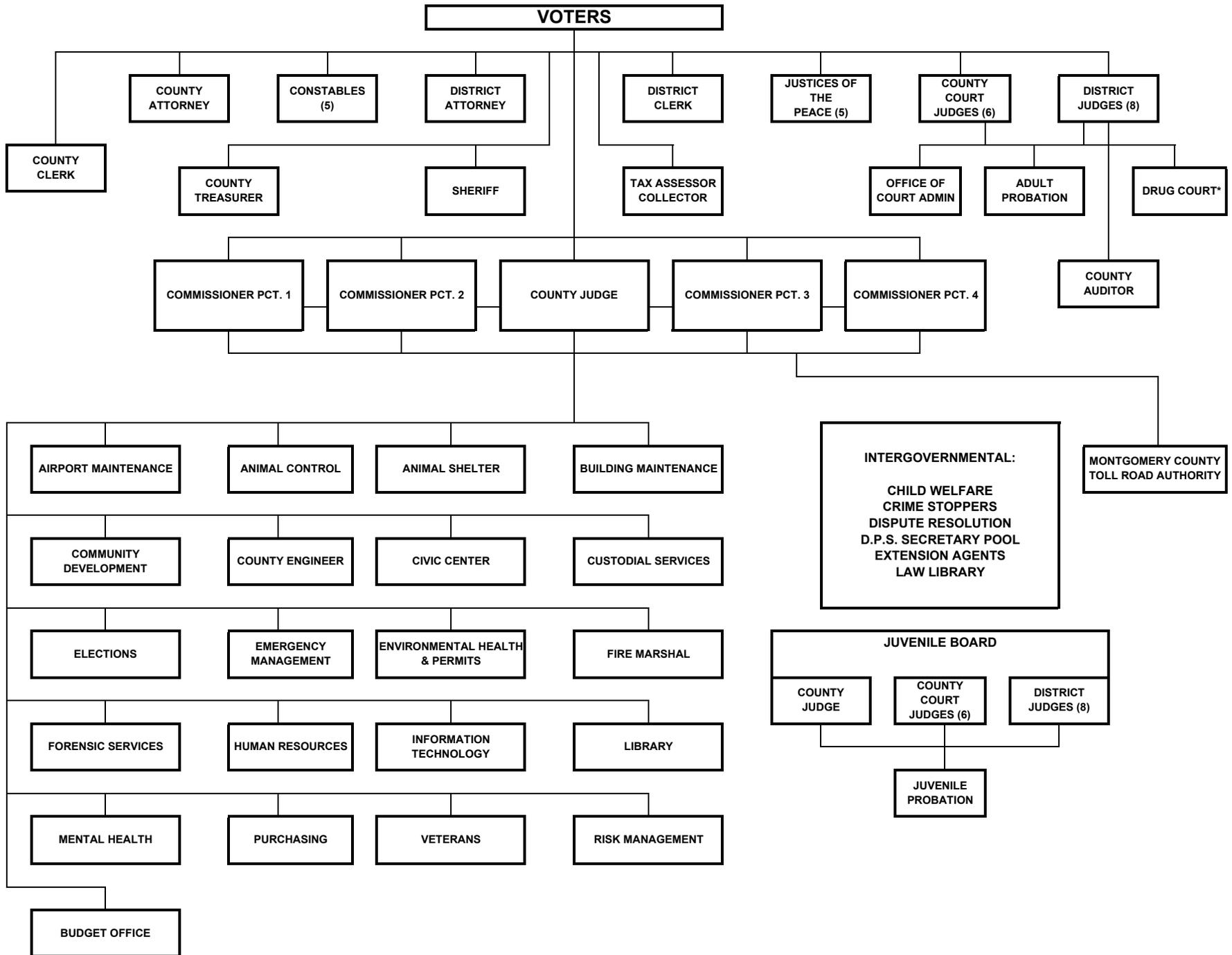
For its Annual Comprehensive  
Financial Report  
for the Fiscal Year Ended

**September 30, 2021**

*Christopher P. Morill*

Executive Director/CEO

# MONTGOMERY COUNTY, TEXAS ORGANIZATION CHART



\*As of 12/13/2022, Drug Court reports to Commissioners Court.



**MONTGOMERY COUNTY, TEXAS**  
DIRECTORY OF OFFICIALS  
SEPTEMBER 30, 2022

**COMMISSIONERS' COURT:**

Mark Keough  
Robert Walker  
Charlie Riley  
James L. Noack, Jr.  
James Metts, term ended 12/31/2022  
Matthew Gray, elected 1/1/2023

**DISTRICT COURTS:**

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

**COUNTY COURTS AT LAW:**

Dennis Watson, Retired 12/31/2022  
John Hafley, Elected 1/1/2023  
Claudia Laird  
Amy Tucker, elected 1/1/2023  
Mary Ann Turner, term ended 12/31/2022  
Echo Hutson, elected 1/1/2023  
Keith Stewart  
Scharlene Valdez  
BD Griffin  
Mark Turnbull, term ended 12/31/2022  
Brandon Steinmann, elected 1/1/2023

**JUSTICE COURTS:**

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

**LAW ENFORCEMENT:**

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

**FINANCIAL ADMINISTRATION:**

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

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

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  
Judge, 457<sup>th</sup> Judicial District  
District Attorney  
District Clerk

Judge, County Court at Law #1  
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 #4  
Judge, County Court at Law #5  
Judge, County Court at Law #6  
County Attorney  
County Clerk  
County Clerk

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

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

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**

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## INDEPENDENT AUDITOR'S REPORT

Honorable County Judge and  
County Commissioners  
Conroe, Texas

### Report of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Montgomery County, Texas (the "County"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 the County as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Emphasis of Matter – Change in Accounting Principle**

As described in the notes to the financial statements, in fiscal year 2022 the County adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for one year after the date that the financial statements are issued.

### OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston  
NEW MEXICO | Albuquerque

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information for the General Fund, Road and Bridge Fund, and Grants Fund, and pension and OPEB information 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 Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The combining and individual fund financial statements and schedules, the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Schedule of State Awards, as required by the audit requirements of the State of Texas *Uniform Grant Management Standards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of State Awards, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual comprehensive financial report (ACFR). The other information comprises the introductory section and statistical section but does not include the financial statements and our auditor’s report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2023, on our consideration of the County’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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control over financial reporting and compliance.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
March 28, 2023

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**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**

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## 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, 2022. 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 i-v 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 \$593,830,065 (net position). Of this amount, \$44,887,238 is restricted for specific purposes. With the presentation of the net investment in capital assets, unrestricted net position becomes (\$66,391,819).
- The County's total net position increased by \$14,081,029 from current operations due to a decrease in net pension liability.
- At September 30, 2022, the County's governmental funds reported combined ending fund balances of \$261,167,572, a decrease of \$62,501,295 from operations in comparison with the prior year. From the ending fund balances, \$111 is non-spendable, \$103,606,682 is restricted, \$22,316,611 is committed and \$85,000,000 is assigned. Approximately 19.24% of the ending balances, \$50,244,168 is unassigned and available for spending at the government's discretion. Details on these balances can be found in the chart included in Note 10.
- At September 30, 2022, unassigned fund balance for the General Fund was \$50,908,641, or 17.98% of total General Fund expenditures.
- The County's total bonded debt decreased by \$22,475,000, or 3.8%, during the current fiscal year. This decrease was due to regularly scheduled payments and the issuance of refunding debt which defeased certain obligations.
- As of fiscal year 2022, the County reported a net pension asset of \$47,475,152.
- As of fiscal year 2022, the County reported other post-employment benefit obligations (OPEB) of \$224,199,623.

### 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, 2022. 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 government, financial administration, health and human services, culture and recreation, law enforcement and corrections, legal and judicial, 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 16-18 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 36 individual governmental funds during the fiscal year ended September 30, 2022. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Road and Bridge Fund, the Debt Service Fund, the Grants Fund, the Pass-through Toll Projects Fund, and the Road Bonds 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, operations, and capital. A budgetary comparison statement is provided in the financial section for the General Fund, the Road and Bridge Special Revenue Fund, and the Grants Special Revenue Fund. The Pass-through Toll Projects fund and Road Bonds 2018B fund are capital projects funds with project-length budgets and therefore do not present budgetary comparison schedules. 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 19-24 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 three Internal Service funds to account for its employee health benefits, worker's compensation, and accident and liability. 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 Montgomery County Toll Road is fully functional with ongoing projects for enhancements. These operations are fully supported by user fees. The 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 25-27 of this report.

**Fiduciary funds** are used to account for resources held for the benefit of parties other than the County itself. Custodial and investment trust 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 pages 28-29 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 30-61 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. This section is also comprised of the comprised of the General Fund, Road and Bridge Fund, and Grants Fund final budget versus actual at the department level. The required supplementary information can be found on pages 62-69.

**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 70-138 of this report.

**GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS**

As noted earlier, 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 \$593,830,065 at September 30, 2022, as shown in the table below.

**MONTGOMERY COUNTY, TEXAS' NET POSITION**

	Governmental Activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 538,614,633	\$ 527,631,676	\$ 33,146,977	\$ 25,494,661	\$ 571,761,610	\$ 553,126,337
Capital assets	1,090,953,332	1,046,093,437	67,727,787	71,422,581	1,158,681,119	1,117,516,018
Total assets	<u>1,629,567,965</u>	<u>1,573,725,113</u>	<u>100,874,764</u>	<u>96,917,242</u>	<u>1,730,442,729</u>	<u>1,670,642,355</u>
Deferred outflows	<u>125,573,582</u>	<u>132,974,746</u>	-	-	<u>125,573,582</u>	<u>132,974,746</u>
Current liabilities	197,647,201	173,603,691	331,070	282,171	197,978,271	173,885,862
Long-term liabilities	<u>772,477,202</u>	<u>926,233,882</u>	<u>94,385,450</u>	<u>94,653,668</u>	<u>866,862,652</u>	<u>1,020,887,550</u>
Total liabilities	<u>970,124,403</u>	<u>1,099,837,573</u>	<u>94,716,520</u>	<u>94,935,839</u>	<u>1,064,840,923</u>	<u>1,194,773,412</u>
Deferred inflows	<u>197,345,323</u>	<u>29,094,653</u>	-	-	<u>197,345,323</u>	<u>29,094,653</u>
Net Position:						
Net investment in capital assets	628,629,683	583,889,669	(12,382,813)	(8,687,077)	615,334,646	575,202,592
Restricted	44,887,238	53,879,775	-	-	44,887,238	53,879,775
Unrestricted	<u>(85,845,100)</u>	<u>(60,001,811)</u>	<u>18,541,057</u>	<u>10,668,480</u>	<u>(66,391,819)</u>	<u>(49,333,331)</u>
Total net position	<u>\$ 587,671,821</u>	<u>\$ 577,767,633</u>	<u>\$ 6,158,244</u>	<u>\$ 1,981,403</u>	<u>\$ 593,830,065</u>	<u>\$ 579,749,036</u>

The County’s total assets of \$1,730,442,729 are largely comprised of cash and investments of \$412,710,499, or 23.8%, and capital assets net of accumulated depreciation of \$1,158,681,119, or 67.0%. The capital assets of the County include land, buildings, improvements other than buildings, equipment, intangibles, construction in progress, 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 liabilities of \$866,862,652 comprises the largest portion of the County’s total liabilities of \$1,064,840,923 at 81.4%. Of total long-term liabilities, \$39,829,956 is due within one year, with the remainder of \$827,032,696 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 \$593,830,065 (net position) as of September 30, 2022. Roughly 7.6%, or \$44,887,238, 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, \$14,400,791 is restricted for debt service, and the remainder is restricted by contract or legislation. The most significant portion, \$615,334,646 of the County’s net position reflects its net investment in capital assets.

**MONTGOMERY COUNTY, TEXAS' CHANGES IN NET POSITION**

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 125,247,597	\$ 105,254,803	\$ 14,899,513	\$ 11,432,092	\$ 140,147,110	\$ 116,686,895
Operating grants and contributions:	55,811,289	97,333,400	-	-	55,811,289	97,333,400
Capital grants and contributions:	62,534,969	59,882,215	-	-	62,534,969	59,882,215
General revenues:						
Property taxes	267,085,811	260,177,425	-	-	267,085,811	260,177,425
Other taxes	5,278,277	5,593,927	-	-	5,278,277	5,593,927
Investment earnings	(470,139)	2,789,294	118,863	436,713	(351,276)	3,226,007
Gain on sale of capital assets	499,086	539,926	-	-	499,086	539,926
Miscellaneous	<u>2,858,273</u>	<u>2,037,399</u>	<u>-</u>	<u>-</u>	<u>2,858,273</u>	<u>2,037,399</u>
Total revenues	<u>518,845,163</u>	<u>533,608,389</u>	<u>\$ 15,018,376</u>	<u>\$ 11,868,805</u>	<u>533,863,539</u>	<u>545,477,194</u>
<b>Expenses:</b>						
General government	62,428,086	56,472,280	-	-	62,428,086	56,472,280
Financial administration	14,938,386	13,824,548	-	-	14,938,386	13,824,548
Health and human services	54,989,968	100,350,590	-	-	54,989,968	100,350,590
Culture and recreation	16,498,100	17,038,107	-	-	16,498,100	17,038,107
Law enforcement and corrections	207,261,356	191,334,228	-	-	207,261,356	191,334,228
Legal and judicial	31,850,290	32,266,182	-	-	31,850,290	32,266,182
Transportation	101,183,154	89,511,711	-	-	101,183,154	89,511,711
Interest and fiscal charges	19,791,635	20,592,102	-	-	19,791,635	20,592,102
Toll road	-	-	10,841,535	10,009,249	10,841,535	10,009,249
Total expenses	<u>508,940,975</u>	<u>521,389,748</u>	<u>10,841,535</u>	<u>10,009,249</u>	<u>519,782,510</u>	<u>531,398,997</u>
Increase (decrease) in net position before transfers	<u>9,904,188</u>	<u>12,218,641</u>	<u>4,176,841</u>	<u>1,859,556</u>	<u>14,081,029</u>	<u>14,078,197</u>
Transfers	-	2,900,000	-	(2,900,000)	-	-
Increase (decrease) in net position	9,904,188	15,118,641	4,176,841	(1,040,444)	14,081,029	14,078,197
Net position, beginning	<u>577,767,633</u>	<u>562,648,992</u>	<u>1,981,403</u>	<u>3,021,847</u>	<u>579,749,036</u>	<u>565,670,839</u>
Net position, ending	<u>\$ 587,671,821</u>	<u>\$ 577,767,633</u>	<u>\$ 6,158,244</u>	<u>\$ 1,981,403</u>	<u>\$ 593,830,065</u>	<u>\$ 579,749,036</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 \$9,904,188 from the prior fiscal year.

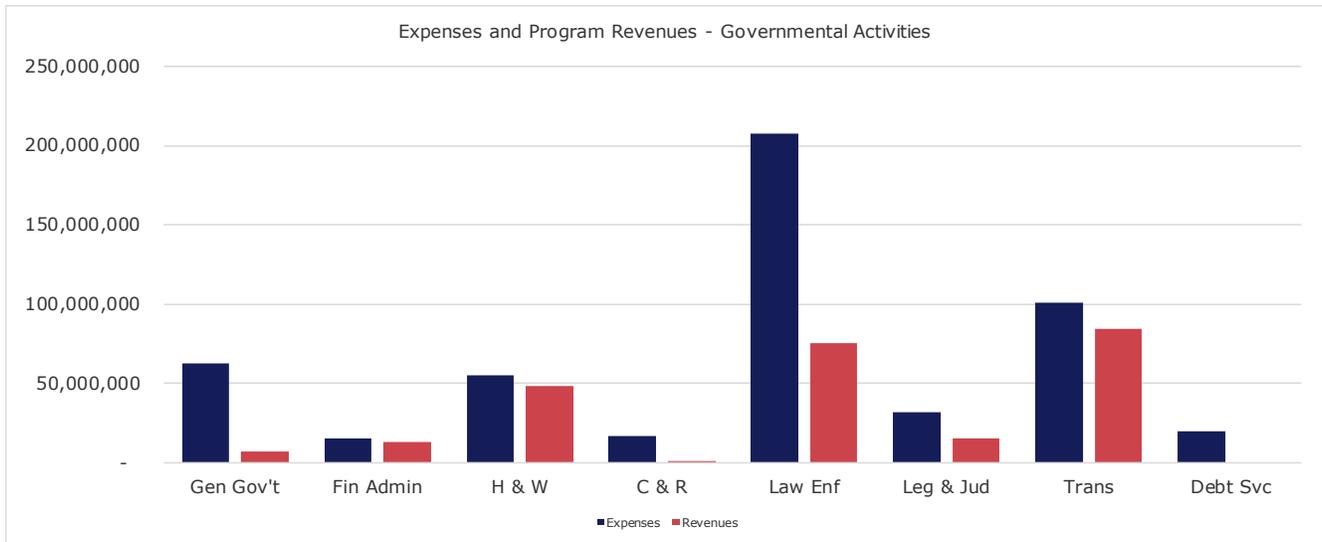
The County's total revenues of \$518,845,163 is a decrease from the prior year. Property tax revenue accounts for \$267,085,811, or 51.5%, and is an increase over last year of \$6,908,386. The increase is primarily due to increasing property values as the County continues to see increased population 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 \$125,247,597, or 24.1%; and grants and contributions encompass \$118,346,258, or 22.8% of total revenues of governmental activities. Operating Grants and Contributions were \$55,811,289, a decrease of \$41,522,111 largely due to the decrease of CARES and ARPA grant funds received in response to the recovery efforts from COVID-19. Capital Grants and Contributions experienced an increase of \$2,652,754.

The County's governmental activities expenses for the year totaled \$508,940,975, a decrease of \$11,616,487 from the prior fiscal period. The decrease is primarily due to the recognition of the County's total OPEB liability of \$224,199,623, a decrease of \$86,815,552 from the prior fiscal period.

The overall financial position of the County has improved over the last year. As mentioned earlier, there is an increase in the governmental activities net position of \$9,904,188. The reason for this change is an increase in salaries and depreciation, combined with a decrease in federal funding.

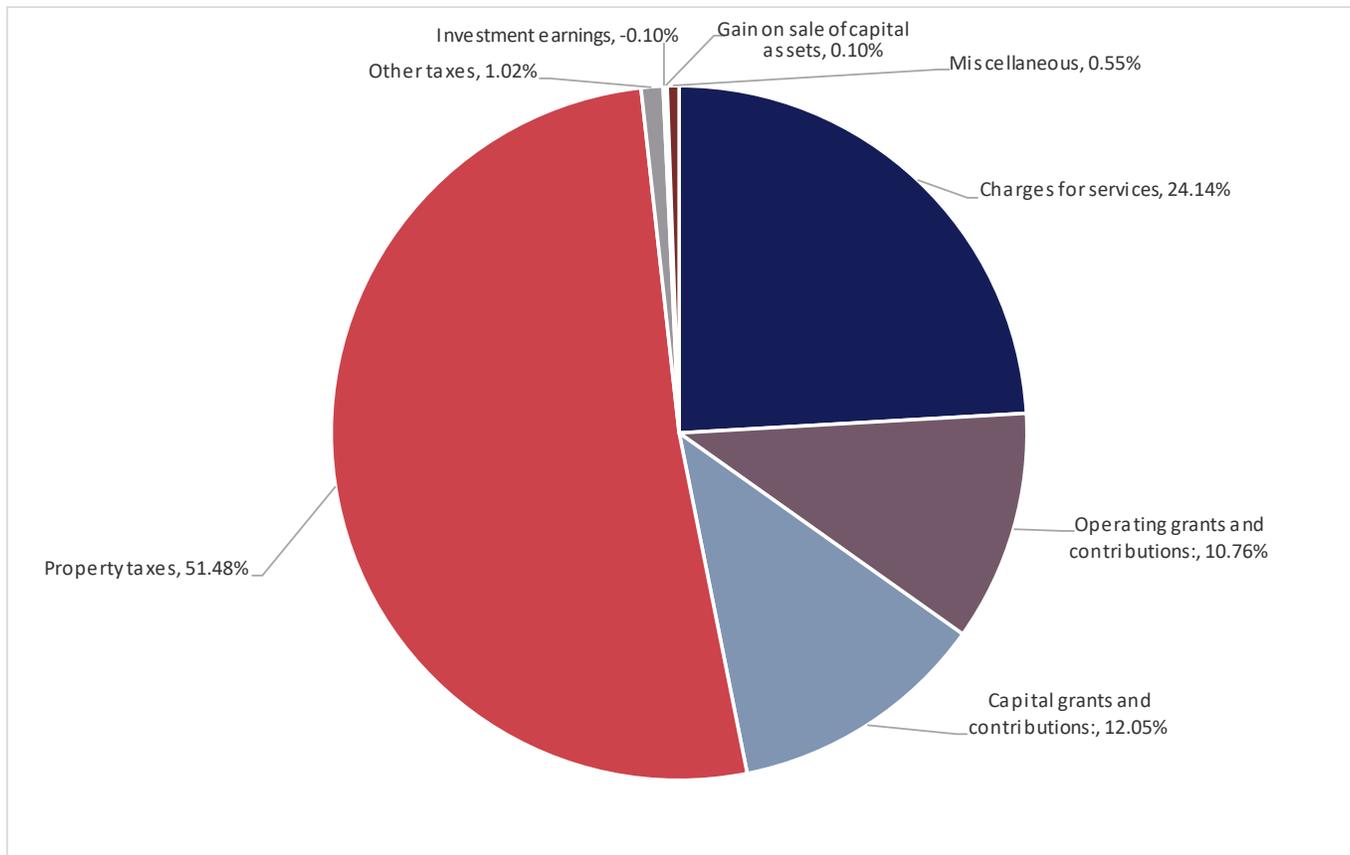
The following chart depicts expenses and program revenues for the fiscal year ending September 30, 2022 for governmental activities.



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

- Program revenues of \$243,593,855 are comprised in large part (19.8%) of Health & Human Services' revenues of \$48,280,939 and Public Transportation's revenues of \$84,074,483 (34.5%). The Law Enforcement and Corrections function comprises 30.9% of program revenues with \$75,369,156, General Government makes up 2.8% of program revenues with \$6,820,635, and Financial Administration covers 5.2% of program revenues with \$12,685,932. The expenses of these functions account for 10.8%, 19.9%, 40.7%, 12.3%, and 2.9%, respectively. As expected, general revenues provided the required support and coverage in areas where expenses exceeded revenues.
- The Health and Human Services function experienced a decrease in expenses of \$45,360,622 and a decrease in revenues of \$38,026,798 while the law enforcement and corrections function experienced an increase in expenses of \$15,927,128 and an increase in revenues of \$10,580,271.

The following chart depicts revenues of the governmental activities for the fiscal year ended September 30, 2022.



**Business-type Activities**

For the County’s business-type activities, the results for the current year were positive in that overall net position was \$6,158,244. Fees and Charges for Services of \$14,899,513 comprised 99.2% of total revenues for business-type activities. This amount represents the toll revenue receipts from the SH 249 Tollway. Toll Road expenses increased to \$10,841,535, an increase of \$832,286 primarily due to higher maintenance costs.

**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, 2022, the County’s governmental funds reported combined ending unassigned fund balances of \$50,244,168 that are available for spending at the County’s discretion. The remainder of fund balances are categorized as non-spendable \$111, restricted \$103,606,682, committed \$22,316,611 or assigned \$85,000,000 to reflect the varying levels of liquidity.

Total assets and deferred outflows of resources in the General Fund amounted to \$316,961,979, accounting for 61.5% of total governmental fund assets. The total assets of other major funds, which include Road and Bridge Special Revenue Fund (\$29,175,121) the Debt Service Fund (\$14,400,791), the Grants Fund (\$5,333,086), the Pass-through Toll Projects Fund (\$65,438,978), and the Road Bonds 2018B Fund (\$51,560,344). Together, all major funds account for \$482,870,299 (93.6%) of the County’s \$515,620,530 in total assets.

The County's General Fund balance decreased by \$17,006,414 during the current fiscal year. Key factors in this decrease are as follows:

- Increase in number of public safety employees.
- Increase in fuel costs for a large portion of the year.
- Increase in spending related to jail operations contract.
- Purchase of new election equipment and IT hardware

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 Road and Bridge Special Revenue Fund has a total fund balance of \$23,961,894 which is reported as \$8,206,866 as committed and \$15,755,028 as restricted. The fund balance increased by \$5,686,503 during the current year due to general availability and focus of additional funds from revenue replacement under ARPA that was also utilized for road maintenance work to improve mobility.

The fund balance of \$13,367,412 in the Debt Service Fund is presented as fund balance restricted for debt service. The fund balance decreased as principal retirement increased.

The Grants Fund has a total fund balance of \$5,167,810 which is reported as \$111 non-spendable and \$5,167,699 as restricted. Fund balance decreased due to decrease in federal and state funding.

The Pass-through Toll Projects fund has a total fund balance of \$8,965,978. Fund balance decreased by \$1,480,705 due to the expenditures of capital projects exceeding investment earnings for the year.

The Road Bonds 2018B fund balance decreased by \$11,369,549 to an ending balance of \$45,548,279. This decrease was caused by the spending down of bond funds issued in prior years.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The published budget of Montgomery County for fiscal year 2022 was prepared on a modified accrual basis, and includes all elements required by Texas Local Government Code Section 111.063, applicable to counties of population more than 125,000 that have an appointed County Budget Officer. The original adopted budget of the General Fund includes revenues of \$251,800,512 and expenditures of \$258,932,925. The General Fund's final budget, as amended, contains revenues and other financing sources of \$266,458,959 and expenditures and other financing uses of \$289,495,462.

The following table presents the changes between the original adopted budget and the final budget for the General Fund as of September 30, 2022.

**GENERAL FUND**  
BUDGET VARIANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Variance with Original Budget Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 204,206,081	\$ 204,206,081	\$ -
Fees	18,023,868	18,731,624	707,756
Intergovernmental	950,000	1,546,742	596,742
Licenses and permits	2,195,000	2,251,093	56,093
Contract reimbursements	24,578,483	29,255,523	4,677,040
Investment earnings	810,580	810,580	-
Fines and forfeitures	700,000	716,121	16,121
Commissions	6,500	311,573	305,073
Miscellaneous	330,000	500,283	170,283
Total revenues	<u>251,800,512</u>	<u>258,329,620</u>	<u>6,529,108</u>
<b>EXPENDITURES</b>			
Current:			
General government	41,364,193	61,304,315	(19,940,122)
Financial administration	15,098,645	15,044,286	54,359
Health and human services	11,457,363	12,750,196	(1,292,833)
Culture and recreation	12,258,381	10,909,646	1,348,735
Law enforcement and corrections	142,814,762	151,842,642	(9,027,880)
Legal and judicial	31,873,270	32,243,194	(369,924)
Transportation	1,055,163	1,096,333	(41,170)
Debt service:			
Principal retirement	2,793,589	2,793,589	-
Interest and fiscal charges	217,559	217,559	-
Total expenditures	<u>258,932,925</u>	<u>288,201,760</u>	<u>(29,268,835)</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	(7,132,413)	(29,872,140)	(22,739,727)
<b>OTHER FINANCING SOURCES/(USES)</b>			
Sale of capital assets	200,000	417,341	217,341
Issuance of lease	-	8,131,117	8,131,117
Transfers in	6,000,315	8,129,339	2,129,024
Transfers out	-	(1,293,702)	(1,293,702)
Total other financing sources/(uses)	<u>6,200,315</u>	<u>15,384,095</u>	<u>9,183,780</u>
<b>NET CHANGE IN FUND BALANCES</b>	(932,098)	(14,488,045)	(13,555,947)
<b>FUND BALANCES, BEGINNING</b>	<u>154,295,185</u>	<u>154,295,185</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 153,363,087</u>	<u>\$ 139,807,140</u>	<u>\$ (13,555,947)</u>

Final budgeted revenues were higher than originally planned by \$6,529,108. The final budget for contract reimbursements was \$4,677,040 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.

The originally unanticipated revenue partially offsets the expenditure differences of \$29,268,835 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 2022. 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 Health and Human Services, Law Enforcement and Corrections, Legal and Judicial, and Transportation functions.

A \$19,940,122 increase in the final budget over the original budget for expenditures in the General Government function was the result of encumbrance carryovers as mentioned above.

The following table presents the differences between the final amended budget and actual revenues and expenditures for the General Fund as of September 30, 2022.

**GENERAL FUND**  
BUDGET VARIANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Final Budget	Actual	Variance with Original Budget Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 204,206,081	\$ 205,873,305	\$ 1,667,224
Fees	18,731,624	19,707,962	976,338
Intergovernmental	1,546,742	1,434,194	(112,548)
Licenses and permits	2,251,093	2,350,327	99,234
Contract reimbursements	29,255,523	28,296,935	(958,588)
Investment earnings	810,580	(1,669,849)	(2,480,429)
Fines and forfeitures	716,121	464,331	(251,790)
Commissions	311,573	241,489	(70,084)
Miscellaneous	<u>500,283</u>	<u>1,116,284</u>	<u>616,001</u>
Total revenues	<u>258,329,620</u>	<u>257,814,978</u>	<u>(514,642)</u>
<b>EXPENDITURES</b>			
Current:			
General government	61,304,315	60,401,877	902,438
Financial administration	15,044,286	14,665,183	379,103
Health and human services	12,750,196	12,573,993	176,203
Culture and recreation	10,909,646	10,888,839	20,807
Law enforcement and corrections	151,842,642	150,060,989	1,781,653
Legal and judicial	32,243,194	30,407,572	1,835,622
Transportation	1,096,333	1,055,476	40,857
Debt service:			
Principal retirement	2,793,589	2,793,589	-
Interest and fiscal charges	<u>217,559</u>	<u>217,559</u>	<u>-</u>
Total expenditures	<u>288,201,760</u>	<u>283,065,077</u>	<u>5,136,683</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	(29,872,140)	(25,250,099)	4,622,041
<b>OTHER FINANCING SOURCES/(USES)</b>			
Sale of capital assets	417,341	396,828	(20,513)
Issuance of lease	8,131,117	8,131,117	-
Transfers in	8,129,339	2,129,022	(6,000,317)
Transfers out	<u>(1,293,702)</u>	<u>(2,413,282)</u>	<u>(1,119,580)</u>
Total other financing sources/(uses)	<u>15,384,095</u>	<u>8,243,685</u>	<u>(7,140,410)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(14,488,045)	(17,006,414)	(2,518,369)
<b>FUND BALANCES, BEGINNING</b>	<u>154,295,185</u>	<u>154,295,185</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 139,807,140</u>	<u>\$ 137,288,771</u>	<u>\$ (2,518,369)</u>

Actual revenues fell behind budgeted revenues by \$514,642. A slight increase in taxes, fees, licenses and permits, commissions, and miscellaneous (\$3,288,713) helped cover the shortfall in intergovernmental, contract reimbursement, investment earnings, and fines and forfeitures revenue (\$3,803,355).

Actual expenditures were \$5,136,683 lower than final budgeted expenditures. The reclassification of time within most of the departments in the General Government function resulted in a large unspent budget. The Law enforcement and corrections function showed actual expenditures less than the final budget by \$1,781,653. All functions within General Fund showed decreased spending in employee salaries and benefits in Fiscal Year 2022.

The majority of departments in the Legal and Judicial function of the General Fund expended less than was approved in the final amended budget by \$1,835,622.

The actual net change in fund balance was \$2,518,369 less than anticipated with the final budget. This is primarily the result of the General Fund receiving less interest earnings from investments than anticipated.

**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, 2022 amounted to \$1,158,681,119 (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:

- Montgomery County continues to grow; it is continually ranked in the top 100 fastest growing counties in the nation. 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 \$53,349,934.
- A variety of projects for both new infrastructure construction and for expansion or updating of existing infrastructure were ongoing during the year.
- Expenditures of \$33,460,344 were incurred for construction that was in progress throughout the year. Projects that were capitalized from ongoing construction throughout the year totaled \$47,800,090. These include the completion of the construction for the Tax Office Parking Lot, IT Repository Implementation, Security Improvements for Commissioner 1 and 2, Precinct 1 Parks Project, and construction of two Sheriff Substations.
- Vehicles and other various equipment items were acquired at a cost of \$17,808,872.
- Increases in assets for governmental and business-type activities were offset by depreciation expense of \$71,900,545 and \$4,037,706 respectively.

**Montgomery County, Texas**  
**Capital Assets (net of depreciation)**  
**September 30, 2022**  
**with Comparative Totals for September 30, 2021**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 150,581,013	\$ 139,776,532	\$ -	\$ -	\$ 150,581,013	\$ 139,776,532
Buildings	128,961,393	126,502,335	-	-	128,961,393	126,502,335
Improvements	5,805,210	5,307,078	-	-	5,805,210	5,307,078
Equipment	58,615,311	54,482,867	68,619	23,092	58,683,930	54,505,959
Infrastructure	705,043,718	667,620,454	67,325,659	71,347,332	772,369,377	738,967,786
Right to use equipment	833,456	-	-	-	833,456	-
Right to use building	3,048,806	-	-	-	3,048,806	-
Construction in progress	38,064,425	52,404,171	333,509	52,157	38,397,934	52,456,328
Total	<u>\$ 1,090,953,332</u>	<u>\$ 1,046,093,437</u>	<u>\$ 67,727,787</u>	<u>\$ 71,422,581</u>	<u>\$ 1,158,681,119</u>	<u>\$ 1,117,516,018</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, construction of the two Sheriff Substations and IT Repository Implementation. In addition, various large construction projects and renovations that are underway in the County include the CJIS Enhancements, Ed Chance Annex remodel, construction of the East County Annex, construction of the Forensics Center, ICAC remodel, and Sheriff range.

More information on the County’s capital assets can be found in Note 6 starting on page 41 of this report.

**Long-Term Liabilities**

At September 30, 2022, Montgomery County governmental activities had total bonded debt outstanding of \$464,200,000. 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, \$440,805,000 corresponds to general obligation debt, \$87,680,000 is in the form of revenue bonds and \$23,395,000 represents certificates of obligation.

Outstanding bonded debt for governmental activities decreased by \$22,475,000. This due to regularly scheduled principal payments and debt retired by refunding.

Outstanding bonded debt for the business-type activities, the Montgomery County Toll Road Authority decreased due to premium amortization.

The following table represents the entire long-term liabilities of the County at September 30, 2022 on a comparative basis.

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

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 440,805,000	\$ 452,590,000	\$ -	\$ -	\$ 440,805,000	\$ 452,590,000
Revenue bonds	-	-	87,680,000	87,680,000	87,680,000	87,680,000
Certificates of obligation	23,395,000	34,085,000	-	-	23,395,000	34,085,000
Leases	3,882,607	-	-	-	3,882,607	-
Financed purchases	14,478,760	10,459,863	-	-	14,478,760	10,459,863
Premiums, net of discounts	39,541,773	42,499,351	6,705,450	6,973,668	46,247,223	49,473,019
Compensated absences	13,708,766	14,091,141	-	-	13,708,766	14,091,141
Property casualty obligation	681,217	508,343	-	-	681,217	508,343
Medical obligation	9,719,203	9,906,736	-	-	9,719,203	9,906,736
Worker's comp obligation	2,065,253	2,029,591	-	-	2,065,253	2,029,591
OPEB liability	224,199,623	311,015,175	-	-	224,199,623	311,015,175
Total	<u>\$ 772,477,202</u>	<u>\$ 877,185,200</u>	<u>\$ 94,385,450</u>	<u>\$ 94,911,952</u>	<u>\$ 866,862,652</u>	<u>\$ 971,838,868</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 \$15,397,300, 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 8 beginning on page 43-47 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

- The unemployment rate for the County is currently 3.8%, which is lower than the rate of 5.2% a year ago. This equals the State's average unemployment rate, and slightly higher than the national average rate of 3.5%.
- The estimated debt service obligation increased by \$4,410,761 in fiscal year 2022 to \$47,667,023.
- 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 2022 budget is funding in the amount of \$6,000,000 for this endeavor.
- For fiscal year 2023, the County adopted the effective tax rate of \$0.3742/\$100 valuation.

All of these factors were considered in preparing the Adopted Budget of Montgomery County, Texas for the fiscal year ending September 30, 2023.

**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.

**BASIC  
FINANCIAL STATEMENTS**

MONTGOMERY COUNTY, TEXAS

EXHIBIT I

STATEMENT OF NET POSITION

SEPTEMBER 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash	\$ 255,500,589	\$ 199,885	\$ 255,700,474
Investments	125,501,204	31,508,821	157,010,025
Receivables:			
Taxes (net)	7,693,927	-	7,693,927
Accounts (net)	18,923,523	1,312,537	20,236,060
Interest	361,072	-	361,072
Due from other governments	82,133,839	-	82,133,839
Internal balances	(125,734)	125,734	-
Prepaid items	1,151,061	-	1,151,061
Net pension asset	47,475,152	-	47,475,152
Capital assets, net of accumulated depreciation			
Land	150,581,013	-	150,581,013
Buildings	228,931,455	-	228,931,455
Improvements	28,287,209	-	28,287,209
Equipment	160,059,675	96,198	160,155,873
Infrastructure	1,804,686,951	79,390,678	1,884,077,629
Right to use equipment	1,601,285	-	1,601,285
Right to use building	3,387,562	-	3,387,562
Construction in progress	38,064,425	333,509	38,397,934
Less: accumulated depreciation	<u>(1,324,646,243)</u>	<u>(12,092,598)</u>	<u>(1,336,738,841)</u>
Total assets	<u>1,629,567,965</u>	<u>100,874,764</u>	<u>1,730,442,729</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows from pensions	42,776,713	-	42,776,713
Deferred outflows from OPEB	76,448,833	-	76,448,833
Deferred charge on refunding	<u>6,348,036</u>	<u>-</u>	<u>6,348,036</u>
Total deferred outflows of resources	<u>125,573,582</u>	<u>-</u>	<u>125,573,582</u>
<b>LIABILITIES</b>			
Accounts payable	14,470,109	148,403	14,618,512
Retainage payable	4,113,231	-	4,113,231
Accrued liabilities	13,582,996	-	13,582,996
Accrued interest payable	1,904,932	182,667	2,087,599
Due to other governments	3,180	-	3,180
Unearned revenue	162,972,753	-	162,972,753
Litigation payable	600,000	-	600,000
Noncurrent liabilities:			
Due within one year:			
Long-term debt	30,347,121	500,000	30,847,121
Claims payable	3,116,418	-	3,116,418
Total OPEB liability	5,866,417	-	5,866,417
Due in more than one year:			
Long-term debt	505,464,785	93,885,450	599,350,235
Claims payable	9,349,255	-	9,349,255
Total OPEB liability	<u>218,333,206</u>	<u>-</u>	<u>218,333,206</u>
Total liabilities	<u>970,124,403</u>	<u>94,716,520</u>	<u>1,064,840,923</u>

The accompanying notes are an integral part of this financial statement.

## STATEMENT OF NET POSITION

SEPTEMBER 30, 2022

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows from leases	5,906,090	-	5,906,090
Deferred inflows from pensions	83,716,737	-	83,716,737
Deferred inflows from OPEB	106,002,233	-	106,002,233
Deferred charge on refunding	<u>1,720,263</u>	<u>-</u>	<u>1,720,263</u>
Total Deferred Inflows of Resources	<u>197,345,323</u>	<u>-</u>	<u>197,345,323</u>
<b>NET POSITION</b>			
Net investment in capital assets	628,629,683	(12,382,813)	615,334,646
Restricted for:			
General government	2,670,408	-	2,670,408
Financial administration	347,991	-	347,991
Culture and recreation	2,402,147	-	2,402,147
Law enforcement and corrections	4,488,631	-	4,488,631
Legal and judicial	4,043,770	-	4,043,770
Debt service	14,400,791	-	14,400,791
Road and bridge	16,533,500	-	16,533,500
Unrestricted	<u>(85,845,100)</u>	<u>18,541,057</u>	<u>(66,391,819)</u>
Total net position	<u>\$ 587,671,821</u>	<u>\$ 6,158,244</u>	<u>\$ 593,830,065</u>

Note: The County has issued bonds to acquire capital assets that were previously reported in business-type activities. However, in a prior year, capital assets in the amount of \$912,224 were contributed from the business-type activities to the governmental activities. Accordingly, the capital asset and related borrowing are reported in different activity columns but within the same primary government total column. As a result, the amount of net investment in capital assets and unrestricted net position do not crossfoot.

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**MONTGOMERY COUNTY, TEXAS**

**EXHIBIT II**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2022

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
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 62,428,086	\$ 6,148,335	\$ 672,300	\$ -	\$ (55,607,451)	\$ -	\$ (55,607,451)
Financial administration	14,938,386	12,685,932	-	-	(2,252,454)	-	(2,252,454)
Health and human services	54,989,968	2,224,798	46,056,141	-	(6,709,029)	-	(6,709,029)
Culture and recreation	16,498,100	906,121	216,126	-	(15,375,853)	-	(15,375,853)
Law enforcement and corrections	207,261,356	67,694,821	7,674,335	-	(131,892,200)	-	(131,892,200)
Legal and judicial	31,850,290	14,232,312	1,008,151	-	(16,609,827)	-	(16,609,827)
Transportation	101,183,154	21,355,278	184,236	62,534,969	(17,108,671)	-	(17,108,671)
Interest and fiscal charges	19,791,635	-	-	-	(19,791,635)	-	(19,791,635)
Total governmental activities	<u>508,940,975</u>	<u>125,247,597</u>	<u>55,811,289</u>	<u>62,534,969</u>	<u>(265,347,120)</u>	<u>-</u>	<u>(265,347,120)</u>
Business-type activities:							
Toll road	10,841,535	14,899,513	-	-	-	4,057,978	4,057,978
Total business-type activities	<u>10,841,535</u>	<u>14,899,513</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,057,978</u>	<u>4,057,978</u>
Total primary government	<u>\$ 519,782,510</u>	<u>\$ 140,147,110</u>	<u>\$ 55,811,289</u>	<u>\$ 62,534,969</u>	<u>(265,347,120)</u>	<u>4,057,978</u>	<u>(261,289,142)</u>
General revenues and transfers:							
Property taxes					267,085,811	-	267,085,811
Other taxes					5,278,277	-	5,278,277
Investment earnings					(470,139)	118,863	(351,276)
Gain on sale of capital assets					499,086	-	499,086
Miscellaneous					2,858,273	-	2,858,273
Total general revenues and transfers					<u>275,251,308</u>	<u>118,863</u>	<u>275,370,171</u>
Change in net position					9,904,188	4,176,841	14,081,029
Net position - beginning					<u>577,767,633</u>	<u>1,981,403</u>	<u>579,749,036</u>
Net position - ending					<u>\$ 587,671,821</u>	<u>\$ 6,158,244</u>	<u>\$ 593,830,065</u>

The accompanying notes are an integral part of this financial statement.

**MONTGOMERY COUNTY, TEXAS**

BALANCE SHEET  
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2022

	<u>General</u>	<u>Road and Bridge</u>	<u>Debt Service</u>
<b>ASSETS</b>			
Cash	\$ 154,067,046	\$ 23,934,711	\$ 11,360,367
Investments	114,392,930	3,653,287	627,866
Receivables:			
Taxes (net)	5,634,478	885,356	1,174,093
Accounts (net)	17,664,214	698,760	-
Interest	358,065	3,007	-
Due from other funds	-	-	1,238,465
Due from other governments	24,845,246	-	-
Prepaid items	-	-	-
Total assets	<u>316,961,979</u>	<u>29,175,121</u>	<u>14,400,791</u>
<b>LIABILITIES</b>			
Accounts payable	13,482,037	-	-
Retainage payable	4,113,231	-	-
Accrued liabilities	13,582,996	-	-
Due to other funds	26,648,632	3,998,271	-
Due to other governments	3,180	-	-
Unearned revenue	106,499,753	-	-
Total liabilities	<u>164,329,829</u>	<u>3,998,271</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue: property taxes	4,946,205	778,472	1,033,379
Unavailable revenue: court fines	4,927,568	-	-
Unavailable revenue: grant funds	-	-	-
Lease-related	5,469,606	436,484	-
Total deferred inflows of resources	<u>15,343,379</u>	<u>1,214,956</u>	<u>1,033,379</u>
<b>FUND BALANCES</b>			
Nonspendable - prepaid items	-	-	-
Restricted	-	15,755,028	13,367,412
Committed	1,380,130	8,206,866	-
Assigned	85,000,000	-	-
Unassigned	50,908,641	-	-
Total fund balances	<u>137,288,771</u>	<u>23,961,894</u>	<u>13,367,412</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 316,961,979</u>	 <u>\$ 29,175,121</u>	 <u>\$ 14,400,791</u>

The accompanying notes are an integral part of this financial statement.

**EXHIBIT III**

Grants	Pass-through Toll Projects	Road Bonds 2018B	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,081,946	\$ -	\$ 51,560,344	\$ 10,221,273	\$ 252,225,687
692,280	-	-	6,134,841	125,501,204
-	-	-	-	7,693,927
-	-	-	-	18,362,974
-	-	-	-	361,072
3,451,273	8,965,978	-	15,686,000	29,341,716
107,476	56,473,000	-	708,117	82,133,839
111	-	-	-	111
<u>5,333,086</u>	<u>65,438,978</u>	<u>51,560,344</u>	<u>32,750,231</u>	<u>515,620,530</u>
27,634	-	-	960,438	14,470,109
-	-	-	-	4,113,231
-	-	-	-	13,582,996
-	-	6,012,065	4,922,365	41,581,333
-	-	-	-	3,180
-	56,473,000	-	-	162,972,753
<u>27,634</u>	<u>56,473,000</u>	<u>6,012,065</u>	<u>5,882,803</u>	<u>236,723,602</u>
-	-	-	-	6,758,056
-	-	-	-	4,927,568
137,642	-	-	-	137,642
-	-	-	-	5,906,090
<u>137,642</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,729,356</u>
111	-	-	-	111
5,167,699	8,965,978	45,548,279	14,802,286	103,606,682
-	-	-	12,729,615	22,316,611
-	-	-	-	85,000,000
-	-	-	(664,473)	50,244,168
<u>5,167,810</u>	<u>8,965,978</u>	<u>45,548,279</u>	<u>26,867,428</u>	<u>261,167,572</u>
\$ <u>5,333,086</u>	\$ <u>65,438,978</u>	\$ <u>51,560,344</u>	\$ <u>32,750,231</u>	\$ <u>515,620,530</u>

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**MONTGOMERY COUNTY, TEXAS**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION**

SEPTEMBER 30, 2022

Total fund balances, governmental funds	\$ 261,167,572
Amounts reported for governmental activities in the Statement of Net Position are different	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statements, but are reported in the governmental activities of the Statement of Net Position.	1,090,209,839
Deferred losses on refundings are not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position.	6,348,036
Deferred gains on refundings are not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position.	(1,720,263)
Deferred outflows of resources for pension-related activities are not included in the fund financial statements, but are included in the Statement of Net Position.	42,776,713
Deferred outflows of resources for OPEB-related activities are not included in the fund financial statements, but are included in the Statement of Net Position.	76,448,833
Internal Service funds are used by the County's management to charge the costs of health insurance, workers' compensation insurance, and property and casualty insurance to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.	4,778,104
Some liabilities, such as long-term bonds payable, financed purchases, leases payable, and compensated absences, are not due and payable in the current period and are not included in the fund financial statements, but are reported in the Statement of Net Position.	
Bonds payable	(503,741,773)
Financed purchases	(14,478,760)
Leases payable	(3,882,607)
Compensated absences	(13,708,766)
Total OPEB liability	(224,199,623)
Interest on long-term debt	(1,904,932)
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	
Net pension asset	47,475,152
Property taxes	6,758,056
Court fines	4,927,568
Grants	137,642
Deferred inflows of resources for pension-related activities are not included in the fund financial statements, but are included in the Statement of Net Position.	(83,716,737)
Deferred inflows of resources for OPEB-related activities are not included in the fund financial statements, but are included in the Statement of Net Position.	<u>(106,002,233)</u>
Net position of governmental activities	\$ <u>587,671,821</u>

The accompanying notes are an integral part of this financial statement.

**MONTGOMERY COUNTY, TEXAS**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>General</u>	<u>Road and Bridge</u>	<u>Debt Service</u>
<b>REVENUES</b>			
Taxes	\$ 205,873,305	\$ 31,624,327	\$ 41,155,941
Fees and charges for services	19,707,962	1,845,316	-
Intergovernmental	1,434,194	390,392	401,547
Licenses and permits	2,350,327	8,050,055	-
Contract reimbursements	28,296,935	8,966,955	-
Inmate housing	-	-	-
Investment earnings	(1,669,849)	202,022	41,348
Fines and forfeitures	464,331	1,210,270	-
Commissions	241,489	-	-
Miscellaneous	1,116,284	608,681	-
Total revenues	<u>257,814,978</u>	<u>52,898,018</u>	<u>41,598,836</u>
<b>EXPENDITURES</b>			
Current:			
General government	60,401,877	-	-
Financial administration	14,665,183	-	-
Health and human services	12,573,993	1,654,081	-
Culture and recreation	10,888,839	3,609,998	-
Law enforcement and corrections	150,060,989	-	-
Legal and judicial	30,407,572	-	-
Transportation	1,055,476	40,893,142	-
Capital projects	-	-	-
Debt service:			
Principal retirement	2,793,589	-	20,970,000
Interest and fiscal charges	217,559	-	22,313,022
Total expenditures	<u>283,065,077</u>	<u>46,157,221</u>	<u>43,283,022</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	(25,250,099)	6,740,797	(1,684,186)
<b>OTHER FINANCING SOURCES/(USES)</b>			
Sale of capital assets	396,828	101,439	-
Insurance settlement	-	2,232,729	-
Transfers in	2,129,022	837,332	1,225,132
Transfers out	(2,413,282)	(4,225,794)	-
Issuance of refunding bonds	-	-	8,430,000
Premium on refunding bonds issued	-	-	1,732,781
Payment to refunded bonds escrow agent	-	-	(10,156,413)
Issuance of lease	8,131,117	-	-
Total other financing sources and uses	<u>8,243,685</u>	<u>(1,054,294)</u>	<u>1,231,500</u>
<b>NET CHANGE IN FUND BALANCES</b>	(17,006,414)	5,686,503	(452,686)
<b>FUND BALANCES, BEGINNING</b>	<u>154,295,185</u>	<u>18,275,391</u>	<u>13,820,098</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 137,288,771</u>	<u>\$ 23,961,894</u>	<u>\$ 13,367,412</u>

The accompanying notes are an integral part of this financial statement.

**EXHIBIT IV**

Grants	Pass-through Toll Projects	Road Bonds 2018B	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 278,653,573
-	-	-	4,857,340	26,410,618
60,468,600	-	923,622	29,781	63,648,136
-	-	-	-	10,400,382
-	-	-	1,407,759	38,671,649
-	-	-	33,940,900	33,940,900
10,269	-	666,857	279,214	(470,139)
-	-	-	869,624	2,544,225
95,513	-	-	-	337,002
198,578	-	-	31,221	1,954,764
<u>60,772,960</u>	<u>-</u>	<u>1,590,479</u>	<u>41,415,839</u>	<u>456,091,110</u>
255,030	-	-	3,053,924	63,710,831
-	-	-	-	14,665,183
42,005,990	-	-	-	56,234,064
31,839	-	-	-	14,530,676
9,152,850	-	-	37,724,675	196,938,514
233,157	-	-	710,536	31,351,265
8,319,958	-	-	-	50,268,576
-	1,480,705	12,960,028	35,482,848	49,923,581
25,482	-	-	2,399,389	26,188,460
4,384	-	-	115,590	22,650,555
<u>60,028,690</u>	<u>1,480,705</u>	<u>12,960,028</u>	<u>79,486,962</u>	<u>526,461,705</u>
744,270	(1,480,705)	(11,369,549)	(38,071,123)	(70,370,595)
-	-	-	819	499,086
-	-	-	-	2,232,729
359,342	-	-	1,339,534	5,890,362
(1,275,132)	-	-	(976,154)	(8,890,362)
-	-	-	-	8,430,000
-	-	-	-	1,732,781
-	-	-	-	(10,156,413)
-	-	-	-	8,131,117
<u>(915,790)</u>	<u>-</u>	<u>-</u>	<u>364,199</u>	<u>7,869,300</u>
(171,520)	(1,480,705)	(11,369,549)	(37,706,924)	(62,501,295)
<u>5,339,330</u>	<u>10,446,683</u>	<u>56,917,828</u>	<u>64,574,352</u>	<u>323,668,867</u>
<u>\$ 5,167,810</u>	<u>\$ 8,965,978</u>	<u>\$ 45,548,279</u>	<u>\$ 26,867,428</u>	<u>\$ 261,167,572</u>

**MONTGOMERY COUNTY, TEXAS**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED SEPTEMBER 30, 2022

Net change in fund balances - governmental funds balance sheet \$ (62,501,295)

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

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

Capital outlay	121,229,693
Depreciation	(72,979,228)
Disposal of capital assets	(8,353,909)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.

Property taxes	(395,136)
Court fines	2,186,685

Governmental funds report debt proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of debt principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities.

Issuance of debt	(8,131,117)
Principal repayment	26,182,092
Amortization of premiums	2,688,441

Internal Service funds are used by the County's management to charge the costs of health insurance, workers' compensation insurance, and property and casualty insurance to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.

(5,948,694)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in the governmental funds:

Interest	170,134
Pension income	24,870,987
Other postemployment benefits cost	(9,496,840)
Compensated absences	<u>382,375</u>

Change in net position of governmental activities \$ 9,904,188

**MONTGOMERY COUNTY, TEXAS**

**EXHIBIT VI**

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS

SEPTEMBER 30, 2022

	<u>Enterprise Fund</u>		<u>Internal Service</u>
	Toll Road		Funds
	Authority		
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 199,885	\$	3,274,902
Prepaid items	-		1,150,950
Investments	31,508,821		-
Accounts receivable	1,312,537		560,549
Due from other funds	<u>125,734</u>		<u>12,113,883</u>
Total current assets	<u>33,146,977</u>		<u>17,100,284</u>
Capital assets:			
Buildings	-		951,264
Improvements	-		2,394
Equipment	96,198		96,368
Infrastructure	79,390,678		-
Construction in progress	333,509		-
Less: accumulated depreciation	<u>(12,092,598)</u>		<u>(306,533)</u>
Total capital assets	<u>67,727,787</u>		<u>743,493</u>
Total assets	<u>100,874,764</u>		<u>17,843,777</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	148,403		-
Accrued interest payable	182,667		-
Claims payable	-		3,116,418
Litigation payable	-		600,000
Long-term debt	<u>500,000</u>		<u>-</u>
Total current liabilities	<u>831,070</u>		<u>3,716,418</u>
Noncurrent liabilities:			
Claims payable	-		9,349,255
Long-term debt	<u>93,885,450</u>		<u>-</u>
Total noncurrent liabilities	<u>93,885,450</u>		<u>9,349,255</u>
Total liabilities	<u>94,716,520</u>		<u>13,065,673</u>
<b>NET POSITION</b>			
Net investment in capital assets	(12,382,813)		743,493
Unrestricted	<u>18,541,057</u>		<u>4,034,611</u>
Total net position	<u>\$ 6,158,244</u>	\$	<u>4,778,104</u>

The accompanying notes are an integral part of this financial statement.

**MONTGOMERY COUNTY, TEXAS**

**EXHIBIT VII**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Enterprise Fund</u>	
	<u>Toll Road Authority</u>	<u>Internal Service Funds</u>
<b>OPERATING REVENUES</b>		
Fees and charges for service	\$ 14,899,513	\$ 49,734,870
Miscellaneous	-	47,903
Total operating revenues	<u>14,899,513</u>	<u>49,782,773</u>
<b>OPERATING EXPENSES</b>		
Maintenance and operations	620,419	-
Claims	-	50,873,575
Administrative	2,067,628	7,582,062
Miscellaneous	-	250,667
Depreciation and amortization	<u>4,037,706</u>	<u>25,163</u>
Total operating expenses	<u>6,725,753</u>	<u>58,731,467</u>
<b>OPERATING INCOME (LOSS)</b>	8,173,760	(8,948,694)
<b>NON-OPERATING REVENUES AND (EXPENSES):</b>		
Investment earnings	118,863	-
Interest and fiscal charges	<u>(4,115,782)</u>	<u>-</u>
Total non-operating revenues and (expenses)	<u>(3,996,919)</u>	<u>-</u>
Income (loss) before transfers	4,176,841	(8,948,694)
Transfer in	<u>-</u>	<u>3,000,000</u>
<b>CHANGE IN NET POSITION</b>	<u>4,176,841</u>	<u>(5,948,694)</u>
<b>TOTAL NET POSITION, BEGINNING</b>	<u>1,981,403</u>	<u>10,726,798</u>
<b>TOTAL NET POSITION, ENDING</b>	<u>\$ 6,158,244</u>	<u>\$ 4,778,104</u>

**MONTGOMERY COUNTY, TEXAS**

**EXHIBIT VIII**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Enterprise Fund</u>		
	<u>Toll Road Authority</u>		<u>Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 14,642,320		\$ 49,433,192
Miscellaneous receipts	-		47,903
Payments to vendors	(2,639,148)		(7,832,729)
Benefits Paid	-		(50,924,868)
Net cash provided (used) by operating activities	<u>12,003,172</u>		<u>(9,276,502)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash paid from other funds	-		4,861,740
Cash paid to other funds	(27,188)		-
Net cash provided (used) in noncapital financing activities	<u>(27,188)</u>		<u>4,861,740</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of capital assets	(342,912)		-
Interest paid on capital debt	(4,384,000)		-
Net cash used in capital financing activities	<u>(4,726,912)</u>		<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of investments	(7,653,558)		-
Interest received	118,863		-
Net cash provided (used) in investing activities	<u>(7,534,695)</u>		<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(285,623)		(4,414,762)
<b>CASH AND CASH EQUIVALENTS - BEGINNING</b>	<u>485,508</u>		<u>7,689,664</u>
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<u>\$ 199,885</u>		<u>\$ 3,274,902</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 8,173,760		\$ (8,948,694)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense and amortization	4,037,706		25,163
(Increase) decrease in prepaid item	-		5,154,308
(Increase) decrease in accounts receivable	(257,193)		(301,678)
Increase (decrease) in accounts payable	48,899		(5,826,604)
Increase (decrease) in litigation payable	-		600,000
Increase (decrease) in claims payable	-		21,003
Total adjustments	<u>3,829,412</u>		<u>(327,808)</u>
Net cash used in operating activities	<u>\$ 12,003,172</u>		<u>\$ (9,276,502)</u>

The accompanying notes are an integral part of this financial statement.

**MONTGOMERY COUNTY, TEXAS****EXHIBIT IX**STATEMENT OF NET POSITION  
FIDUCIARY FUNDS

SEPTEMBER 30, 2022

	Investment Trust Funds	Custodial Funds
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Cash	\$ 12,537,549	\$ 8,959,860
Taxes receivable	-	33,888
Total assets	<u>12,537,549</u>	<u>8,993,748</u>
<b>LIABILITIES</b>		
Accounts payable	-	2,342,903
Due to other entities	-	1,224,548
Total liabilities	<u>-</u>	<u>3,567,451</u>
<b>NET POSITION</b>		
Restricted for:		
Pool participants	12,537,549	-
Individuals and organizations	-	5,426,297
Total net position	<u>\$ 12,537,549</u>	<u>\$ 5,426,297</u>

**MONTGOMERY COUNTY, TEXAS**

**EXHIBIT X**

STATEMENT OF ASSETS AND LIABILITIES  
FIDUCIARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Investment Trust Funds	Custodial Funds
	<u>                    </u>	<u>                    </u>
<b>ADDITIONS</b>		
Fees	\$ -	\$ 833,169,283
Pending Seizures	-	2,420,430
Deposits Held	19,554,879	8,261,087
Tax revenues	-	4,128,362
Taxes collected on behalf of taxing entities	-	2,052,909,356
Interest income	-	44,754
Probation revenues	-	4,571
Total additions	<u>19,554,879</u>	<u>2,900,937,843</u>
<b>DEDUCTIONS</b>		
Bonds refunded	24,510	-
Collections distributed	938,700	958,600,029
Cases disposed	-	2,420,430
Disbursements to beneficiaries	15,621,489	4,275,411
Taxes disbursed to taxing entities	-	1,934,835,331
Operational expenses	-	400,524
Total deductions	<u>16,584,699</u>	<u>2,900,531,725</u>
<b>Net increase (decrease) in fiduciary net position</b>	2,970,180	406,118
<b>Net position - beginning</b>	<u>9,567,369</u>	<u>5,020,179</u>
<b>Net position - ending</b>	<u>\$ 12,537,549</u>	<u>\$ 5,426,297</u>

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**NOTES TO THE  
FINANCIAL STATEMENTS**

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**MONTGOMERY COUNTY, TEXAS**

Notes to the Financial Statements

September 30, 2022

**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 but 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 by a combination of debt proceeds and toll revenue. 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 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:**

GASB Statement No. 87, *Leases*, was adopted effective October 1, 2021. The statement addresses accounting and financial reporting for lease contracts. Statement No. 87 establishes standards for recognizing and measuring assets, liabilities, deferred outflows of resources, deferred inflows of resources, and revenues and expenses related to leases in the basic financial statements, in addition to requiring more extensive note disclosures. The adoption of this standard did not result in a restatement of beginning fund balance or net position, but assets and liabilities were recognized, and more extensive note disclosures were required.

#### **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 unit. The effect of inter-fund transfers has been removed from these statements, but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included in program revenues are reported as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Major revenue types, which have been accrued, are district and county clerk fees, justice of the peace fines, revenue from investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements are met.

## **Fund-level Statements**

Separate fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements. Non-major funds are aggregated into a single column in the fund financial statements. Detailed statements for non-major funds are presented within the Combining and Individual Fund Statements and Schedules.

**Governmental fund level financial statements** are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Property taxes levied prior to September 30 that were due October 1 have been assessed to finance the budget of the fiscal year ending September 30, 2022. 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 assets that are held in a trustee or agent capacity and are therefore not available to support County programs; these funds are not included in the government-wide statements. The County has two types of fiduciary funds. The ***Custodial Fund*** is used to account for assets held by the County in a custodial capacity for individuals, private organizations, and other governments. Custodial funds do not involve a formal trust agreement. The ***Investment Trust Funds*** are used to report activities from the external portion of individual investment accounts that are held in a trust.

The County reports the following *major governmental funds*:

**The General Fund** is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, and intergovernmental revenues. Primary expenditures are for general and financial administration, public safety, judicial operations, health and welfare, and capital acquisition.

**The Road and Bridge Special Revenue Fund** is used to account for rehabilitation, repair and maintenance of the County's roadways and bridges. The Road and Bridge Fund is financed by a designated part of the annual property tax levy, as well as certain statutory fees.

**Debt Service Fund** is used to account for the receipt and disbursement of funds to retire debt resulting from the issuance of general obligation bonds, certificates of obligation and lease revenue bonds. Financing is provided by a specific annual property tax levy and the investment interest earned thereon.

**Grants Fund** is used to account for the receipt and expenditure of federal, state, and local grant funds received by the County.

**Pass Through Toll Projects** is used to account for the specific road improvement projects associated with a Pass-Through Toll Agreement between the County and Texas Department of Transportation.

**Road Bonds Series 2018B** is used to account the County's issuance of \$89,010,000 in bonds that are being used to finance road improvements throughout 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, and accident and liability plan.

The County reports the following *fiduciary funds*:

**Investment trust Funds** account for the deposits, withdrawals, and earnings of the local government investment trust funds, an external investment pool for local governments.

**Custodial Funds** account for monies held for various agencies and entities, but not held in a trust. These agencies and entities collect and disburse monies related to clerk fees, sheriff bonds, motor vehicle registrations, and property taxes.

D) **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION OR FUND BALANCES:**

**1. Cash and Investments**

Cash and cash equivalents include amounts in demand deposits as well as bank certificates with a maturity date within three months of the date acquired by the County.

Investments for the County, except for certain investment pools are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost or net asset value; i.e. fair value.

The County is authorized by the Public Funds Investment Act of 1987 to invest idle funds in a) obligations of the United States and its agencies or instrumentalities, b) obligations of the State of Texas, c) obligations of states, agencies, political subdivisions, and municipalities having a rating of not less than A, and d) fully collateralized direct repurchase agreements.

**2. Receivables**

Property taxes are recognized as revenues in the period for which they are levied, regardless of the lien date. Property taxes for the County are levied based on taxable value on the lien date of January 1 prior to September 30 of the same year. They become due October 1 of that same year and delinquent after January 31 of the following year. Accordingly, receivables for prior-year levies delinquent at year end are reflected on the government-wide statement based on the full accrual method of accounting and under the modified accrual method in the fund statements.

Accounts receivable from other governments include amounts due from grantors in regards to approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements have been met and reimbursable costs are incurred.

**3. Inter-fund Transactions**

Outstanding balances of lending and borrowing type activities between funds are classified as "due from other funds" and "due to other funds," respectively, on the fund financial statements. Inter-fund activity has been eliminated for the government-wide statements.

**4. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and recorded as prepaid items in both government-wide and fund financial statements. The County reports prepaid items using the consumption method.

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):

<u>Assets</u>	<u>Years</u>
Buildings	5-50
Improvements	5-30
Equipment	5-15
Infrastructure	5-50
Right to use equipment	2-10
Right to use building	2-10

**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 assets that applies to future periods 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 Refunding Bonds – 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/(asset) 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 assets that applies to future periods 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 – recognized in the period the amount becomes available.
- Deferred Charges on Refunding Bonds – result from the difference in the carrying value of refunded debt and its reacquisition price.

## **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 in the reporting period in which they incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

## 10. Leases

The County has entered into various lease agreements as either lessee or lessor. Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate, if available. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.
- The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability or lease asset.

**Lessee.** The County is a lessee for noncancellable leases of equipment. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**Lessor.** The County is a lessor in an arrangement allowing the placement of a cellular tower on County property. In both the government-wide financial statements and the governmental fund financial statements, the County initially measures the lease receivable and a deferred inflow of resources for the present value of payments expected to be made during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments made. The deferred inflow of resources is recognized as revenue on a systematic basis over the life of the lease.

## 11. 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 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. The general fund is the only fund that can report positive unassigned fund balance.

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.

## **12. 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).

Liabilities for compensated absences are only be recognized in the fund statements to the extent the liabilities have matured and are payable out of current available resources. Compensated absences are accrued in the government-wide statements.

Each full-time regular employee earns ten days of excused leave per year, and from ten to twenty-five days of vacation time may be earned per year. A maximum of sixty days for excused leave may be accrued, and for those employees hired prior to September 1987, the number of days of excused leave accrued at September 30, 1987, may be paid only upon retirement. A maximum of twenty-five days of vacation may be accrued, and is paid upon retirement, resignation, or discharge from the County. Compensatory time is earned in accordance with the provisions of the Fair Labor Standards Act, as it applies to government employees.

## **13. 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 2022.

## **14. Net Position (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.

## **15. Pensions**

For purposes of measuring the net pension asset, 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 TCDRS’s Fiduciary Net Position have been determined on the same basis as they are reported by TCDRS. 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.

## **16. 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.

## **17. 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.

## **18. Program Revenues**

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as actual program revenues.

## **NOTE 2 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 Budget Office 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 2022, formal budgets were adopted for the General Fund, the Special Revenue Funds (except the Joe Corley Pass Through Fund), 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.

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.

**NOTE 3 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, 2022, the County's bank balance (collected funds) was \$255,775,060. 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, 2022, the County's business-type activities bank balance (collected funds) was \$199,885. 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, which provide a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

**Level 1** inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

**Level 2** inputs are inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly.

**Level 3** inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

As of September 30, 2022, the County's governmental activities had the following investments:

	Value	Fair Value Level	Percent of Total Investment	Weighted Average Maturity (Days)	Credit Risk
Investments measured at amortized cost:					
TEXPOOL	\$ 672,705		1%	25	AAAm
Texas FIT	15,109,084		12%	6	AAAmmf
TexSTAR	1,020,531		1%	12	AAAm
TEXCLASS Pool	6,103,345		5%	31	AAAm
Investments subject to fair value level:					
U.S. Government Sponsored Enterprise	46,846,951	Level 2	36%	238	AA+
U.S. Government Agency Securities	27,024,426	Level 1	22%	170	AA+
U.S. Government Agency Securities	19,410,286	Level 2	15%	74	AA+
Municipal Bonds	4,413,330	Level 1	4%	12	AA+
Municipal Bonds	4,900,546	Level 2	4%	9	AA+
Total	<u>\$ 125,501,204</u>		<u>100%</u>		
Portfolio weighted average maturity				140	

Of the investments reported at fair value, \$4,936,899 were valued using present value of expected future cash flow model. The remaining fair value investments of \$97,658,640 were valued using documented trade history in exact security.

As of September 30, 2022, the County's business-type activities had the following investments:

	Value	Fair Value Level	Percent of Total Investment	Weighted Average Maturity (Days)	Credit Risk
Investments measured at fair value:					
Money Market Funds	<u>\$ 31,508,821</u>	Level 1	100%	1	AAAm

The investments reported at fair value were valued using documented trade history in exact security.

Investment Pools are measured at amortized cost or net asset value (NAV) and are exempt for fair value reporting. U.S. Government Agency Securities and U.S. Treasury Notes 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.

Money Market Funds are measured at amortized cost and are exempt for fair value reporting.

The TexPool and TexSTAR investment pools are external investment pools measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, the investment pool must transact a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment 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 and Texas Fit investment pools are external investment pools measured at NAV. Their 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. has a redemption notice period of one day and may redeem daily. The investment pool's 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

As stated above, Standard and Poor’s has rated the investment pools and the 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 4    RECEIVABLES:**

A) ACCOUNTS RECEIVABLE:

Accounts receivable as of year-end for the County’s individual major and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Road and Bridge	Internal Service Funds	Toll Road Authority	Total
Accounts receivable:					
Fines	\$ 49,275,677	\$ -	\$ -	\$ -	\$ 49,275,677
Leases	5,469,606	452,181	-	-	5,921,787
Miscellaneous	7,267,040	246,579	560,549	1,312,537	9,386,705
Allowance	(44,348,109)	-	-	-	(44,348,109)
Total	<u>\$ 17,664,214</u>	<u>\$ 698,760</u>	<u>\$ 560,549</u>	<u>\$ 1,312,537</u>	<u>\$ 20,236,060</u>

B) 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 \$0.4083 per \$100, which means that the County has a tax margin of \$0.3917 per \$100, and could raise up to \$263,805,923 in additional taxes from the present assessed valuation of \$67,348,972,000 before the limit is reached.

The thirty years' property taxes receivable at September 30, 2022, as reported by the Tax Assessor-Collector are presented as follows:

	Taxes Receivable	Less: Allowance for Uncollectables	Net Taxes Receivable
General Fund	\$ 5,749,467	\$ 114,989	\$ 5,634,478
Road & Bridge Fund	903,424	18,068	885,356
Debt Service Fund	1,198,054	23,961	1,174,093
Total	<u>\$ 7,850,945</u>	<u>\$ 157,018</u>	<u>\$ 7,693,927</u>

Approximately 2.0% of the outstanding balance of property taxes receivable is not anticipated to be collected.

C) LEASE RECEIVABLE:

On October 1, 2021, the County entered into multiple leases as lessor for the use of aircraft hangars on County property by multiple organizations and individuals. The lessees are required to make monthly and annual payments ranging from \$51 to \$2,900, and \$164 to \$60,544, respectively. These leases bear interest rates of 3.8%.

A summary of the County's lease receivables as of September 30, 2022, is as follows:

Purpose of Lease	Interest Rate	Initial Year of Lease	Amount of Initial Lease Receivable	Interest Current Year	Amounts Receivable 9/30/2022	Amounts Receivable Within One Year
Right to use:						
Airport hangars	3.80%	2022	\$ 6,328,632	\$ 40,172	\$ 5,921,787	\$ 217,432
Total			<u>\$ 6,328,632</u>	<u>\$ 40,172</u>	<u>\$ 5,921,787</u>	<u>\$ 217,432</u>

**NOTE 5 DUE FROM OTHER GOVERNMENTS:**

At September 30, 2022, the following amounts were recorded as due to the County:

	Federal	State	Other	Total
General Fund	\$ 23,722,765	\$ 1,122,481	\$ -	\$ 24,845,246
Grants	612	106,864	-	107,476
Pass-through Toll	-	56,473,000	-	56,473,000
Nonmajor	-	-	708,117	708,117
Total	<u>\$ 23,723,377</u>	<u>\$ 57,702,345</u>	<u>\$ 708,117</u>	<u>\$ 82,133,839</u>

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

**NOTE 6 CAPITAL ASSETS:**

A) Governmental Activities: Capital assets activity in the governmental activities for the year ended September 30, 2022 was as follows:

Governmental activities:	Beginning Balance	Additions <sup>(1)</sup>	Deletions and Transfers <sup>(1)</sup>	Ending Balance
Capital assets not being depreciated				
Land (2)	\$ 139,776,532	\$ 8,659,831 <sup>(2)</sup>	\$ 2,144,650	\$ 150,581,013
Construction in progress	<u>52,404,171</u>	<u>33,460,344</u>	<u>(47,800,090)</u>	<u>38,064,425</u>
Total capital assets not being depreciated	<u>192,180,703</u>	<u>42,120,175</u>	<u>(45,655,440)</u>	<u>188,645,438</u>
Capital assets being depreciated				
Buildings (3)	221,684,026	-	7,247,429	228,931,455
Improvements (3)	26,665,442	228,322	1,393,445	28,287,209
Equipment (2)(3)	146,966,308	17,808,872 <sup>(2)</sup>	(4,715,505)	160,059,675
Infrastructure	1,715,369,833	61,074,718	28,242,400	1,804,686,951
Right to use equipment	1,601,285	-	-	1,601,285
Right to use building	<u>3,387,562</u>	<u>-</u>	<u>-</u>	<u>3,387,562</u>
Total capital assets being depreciated	<u>2,115,674,456</u>	<u>79,111,912</u>	<u>32,167,769</u>	<u>2,226,954,137</u>
Less accumulated depreciation for:				
Buildings	(95,181,691)	(5,573,004)	784,633	(99,970,062)
Improvements	(21,358,364)	(1,123,635)	-	(22,481,999)
Equipment	(92,483,441)	(13,310,052)	4,349,129	(101,444,364)
Infrastructure	(1,047,749,379)	(51,893,854)	-	(1,099,643,233)
Right to use equipment	-	(767,829)	-	(767,829)
Right to use building	<u>-</u>	<u>(338,756)</u>	<u>-</u>	<u>(338,756)</u>
Total accumulated depreciation	<u>(1,256,772,875)</u>	<u>(73,007,130)</u>	<u>5,133,762</u>	<u>(1,324,646,243)</u>
Total capital assets, being depreciated, net	<u>858,901,581</u>	<u>6,104,782</u>	<u>37,301,531</u>	<u>902,307,894</u>
Governmental activities capital assets, net	<u>\$ 1,051,082,284</u>	<u>\$ 48,224,957</u>	<u>\$ (8,353,909)</u>	<u>\$ 1,090,953,332</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 \$121,615,539 and \$12,034,446 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 government	\$ 5,564,041
Financial administration	32,385
Health and welfare	1,626,272
Culture and recreation	1,409,635
Law enforcement and corrections	9,359,008
Legal and judicial	213,060
Transportation	54,775,172
Capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	<u>27,557</u>
Total	<u>\$ 73,007,130</u>

B) Business-type Activities: Capital assets activity in the business-type activities for the year ended September 30, 2022 was as follows:

Business-Type Activities:	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated				
Construction in progress	\$ 52,157	\$ 281,352	\$ -	\$ 333,509
Total capital assets not being depreciated	52,157	281,352	-	333,509
Capital assets being depreciated				
Equipment	34,638	61,560	-	96,198
Infrastructure	79,390,678	-	-	79,390,678
Total capital assets being depreciated	79,425,316	61,560	-	79,486,876
Less accumulated depreciation for:				
Equipment	(11,546)	(16,033)	-	(27,579)
Infrastructure	(8,043,346)	(4,021,673)	-	(12,065,019)
Total accumulated depreciation	(8,054,892)	(4,037,706)	-	(12,092,598)
Total capital assets, being depreciated, net	71,370,424	(3,976,146)	-	67,394,278
Business-type activities capital assets, net	\$ 71,422,581	\$ (3,694,794)	\$ -	\$ 67,727,787

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	\$ 4,037,706
Total depreciation expense-business-type activities	\$ 4,037,706

C) CONSTRUCTION COMMITMENTS:

The County has entered into contracts for the construction, renovation, and improvement of real property. As of September 30, 2022, the County had contracts for various projects in the amount of \$65,221,438 and have paid to date \$46,959,148.

As of September 30, 2022, contracts entered into by the Montgomery County Toll Road Authority (business-type activities) for the SH 249 project amount to \$4,746,827 and have paid to date \$88,782.

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	\$ 828,011
Road and Bridge Fund	6,327,496
Grants Fund	3,714,358
Other Non-Major Funds	13,385,161
Internal service funds	161,466
Total Encumbrances	\$ 24,416,492

**NOTE 7 DISAGGREGATION OF OTHER LIABILITY 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, 2022 the following amounts were due to other governments:

Fund	State	Total
General	\$ 3,180	\$ 3,180

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, 2022, unearned revenues are presented below:

Fund	Description	Unearned
General	ARPA funding	\$ 96,066,907
General	ERA funding	3,997,139
General	Prepaid leases	4,347,175
General	Other	2,088,532
Pass Through Toll Projects	TXDOT Pass Through Toll contract	56,473,000
Total		<u>\$ 162,972,753</u>

**NOTE 8 LONG-TERM DEBT:**

General long-term debt consists of general obligation bonds, certificates of obligation, the County's accrued liability for compensated absences and compensatory time, leases, and financed purchases. 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, 2022 is presented:

	Interest Rate (%)	Issue Date	Maturity Date	Bonds Outstanding
General obligation bonds:				
Refunding Bonds, Series 2014A	5.0	2014	2025	\$ 46,340,000
Refunding Bonds, Series 2016	3.0-5.0	2016	2027	58,925,000
Road Bonds, Series 2016	2.0-5.0	2016	2027	50,065,000
Refunding Bonds, Series 2016A	3.0-5.0	2017	2030	32,680,000
Road Bonds, Series 2016A	4.0-5.0	2017	2042	67,540,000
Road Bonds, Series 2018	4.0-5.0	2018	2043	41,100,000
Refunding Bonds, Series 2018	4.0	2019	2030	26,965,000
Road Bonds, Series 2018B	3.5-5.0	2019	2040	87,300,000
Refunding Bonds, Series 2020	4.0-5.0	2020	2032	21,460,000
Refunding Bonds, Series 2021	4.0-5.0	2021	2043	8,430,000
Subtotal				<u>440,805,000</u>
Certificates of obligation bonds:				
Series 2010	3.0-5.4	2010	2039	<u>23,395,000</u>
Subtotal				<u>23,395,000</u>
Total				<u>\$ 464,200,000</u>

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, 2022 is as follows:

	Interest Rate (%)	Issue Date	Maturity Date	Bonds Outstanding
Senior Lien Revenue Bonds, Series 2018:	5.00	2018	2048	\$ 87,680,000
Total				\$ 87,680,000

**B) CHANGES IN LONG-TERM LIABILITIES:**

The following schedule illustrates changes in the County's Governmental Long-Term Liabilities for the year ended September 30, 2022. For each category, management has presented the portion that will be due within one year.

	Beginning Balance	Additions	Provisions (Reductions)	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
<b>Bonds payable:</b>					
General obligation	\$ 452,590,000	\$ 8,430,000	\$ (20,215,000)	\$ 440,805,000	\$ 21,490,000
Certificates of obligation	34,085,000	-	(10,690,000)	23,395,000	1,045,000
Less deferred amounts:					
Issuance discounts	(14,821)	18,958	(4,137)	-	-
Issuance premiums	42,514,172	1,732,781	(4,705,180)	39,541,773	-
Total bonds payable	<u>529,174,351</u>	<u>10,181,739</u>	<u>(35,614,317)</u>	<u>503,741,773</u>	<u>22,535,000</u>
Leases	4,988,847	-	(1,106,240)	3,882,607	1,401,271
Financed purchases	10,459,863	8,131,117	(4,112,220)	14,478,760	2,921,824
Property & casualty obligation	508,343	2,940,609	(2,767,735)	681,217	170,304
Workers' comp obligation	2,029,591	1,899,350	(1,863,688)	2,065,253	516,313
Medical obligation	9,906,736	36,127,232	(36,314,765)	9,719,203	2,429,801
Compensated absences	14,091,141	7,548,475	(7,930,850)	13,708,766	3,489,026
Total long-term liabilities	<u>\$ 571,158,872</u>	<u>\$ 66,828,522</u>	<u>\$ (89,709,815)</u>	<u>\$ 548,277,579</u>	<u>\$ 33,463,539</u>

The compensated absences liability in the governmental activities is liquidated by the General fund and special revenue funds.

The following schedule illustrates changes in the County's Business-Type Long-Term Liabilities for the year ended September 30, 2022. For each category, management has presented the portion that will be due within one year:

	Beginning Balance	Additions	Provisions (Reductions)	Ending Balance	Due Within One Year
<b>Business-Type Activities:</b>					
<b>Bonds payable:</b>					
Senior lien revenue bonds	\$ 87,680,000	\$ -	\$ -	\$ 87,680,000	\$ 500,000
Issuance premium	6,973,668	-	(268,218)	6,705,450	-
Total bonds payable	<u>94,653,668</u>	<u>-</u>	<u>(268,218)</u>	<u>94,385,450</u>	<u>500,000</u>
Business-type activities long-term liabilities	<u>\$ 94,653,668</u>	<u>\$ -</u>	<u>\$ (268,218)</u>	<u>\$ 94,385,450</u>	<u>\$ 500,000</u>

**Refunding Bonds Issued**

In December 2021, the County issued Limited Tax Refunding Bonds, Taxable Series 2021 in the amount of \$8,430,000, for the purpose of refunding a portion of existing bonds at a present value savings. The bonds carry an interest rate of 4-5%. The proceeds were used to refund \$9,935,000 of a previously issued bond, Certificates of Obligation, Series 2012A. The reacquisition price fell below the net carrying amount of the old debt by \$639,966. This amount is reported as a deferred inflow of resources and amortized over the remaining life of the refunding debt, which had a shorter remaining life than the refunded debt. The refunding reduced the County's total debt service payments by \$1,582,988 and generated an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,474,086.

C) ANNUAL DEBT SERVICE REQUIREMENTS TO MATURITY:

The following table lists the debt requirements, by debt type for governmental activities:

	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principle	Interest
2023	\$ 21,490,000	\$ 19,976,213	\$ 1,045,000	\$ 1,678,324
2024	22,610,000	18,873,713	1,075,000	1,617,655
2025	23,785,000	17,713,838	1,105,000	1,531,632
2026	25,030,000	16,493,463	1,140,000	1,440,844
2027	26,325,000	15,209,588	1,180,000	1,346,345
2028-2032	147,190,000	56,326,281	6,540,000	5,090,525
2033-2037	73,635,000	30,028,400	7,790,000	2,463,913
2038-2042	89,640,000	11,680,238	3,520,000	426,870
2043	11,100,000	240,475	-	-
Total	\$ 440,805,000	\$ 186,542,209	\$ 23,395,000	\$ 15,596,108

The following table lists the debt requirements, by debt type for business-type activities:

	Revenue Bonds	
	Principal	Interest
2023	\$ 500,000	\$ 4,384,000
2024	1,000,000	4,384,000
2025	1,500,000	4,359,000
2026	2,045,000	4,309,000
2027	2,145,000	4,234,000
2028-2032	12,455,000	19,530,750
2033-2037	15,890,000	16,254,000
2038-2042	20,280,000	12,072,750
2043-2047	25,885,000	6,736,250
2048	5,980,000	882,750
Total	\$ 87,680,000	\$ 77,146,500

D) PRIOR YEAR DEFEASANCE OF DEBT:

In prior years, the County defeased multiple debt issues by creating separate irrevocable trust funds. New debt was issued and the proceeds were used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until it is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed from the government-wide financial statements. As of September 30, 2022, defeased but outstanding debt from prior year refunding transactions consisted of the following:

Series	Amount
Pass-Through Toll Refunding Bonds, Series 2012	\$ 16,575,000
Certificates of Obligation, Series 2012A	9,935,000
Total defeased but outstanding debt	\$ 26,510,000

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, 2022, there were five (5) series of bonds outstanding with an aggregate principal payable of \$442,425,000. 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, 2022 there were fifty-five (55) series of Bonds outstanding with an aggregate principal payable of \$5,016,158,000. The Bonds will be repaid from payments required to be made under loan agreements between the issuing entity and the aforementioned parties.

F) FINANCED PURCHASES:

The County has entered into agreements for the financed purchase of certain radio and election equipment, and software. Annual payments range from \$359,496 to \$1,959,355, with interest rates ranging from 1.18% to 3.90% These agreements are classified as financed purchases because title passes to the County at the end of the agreement term, and are included as financed purchases in the Long-Term Debt portion of the government-wide statements. Principal and interest requirements to maturity are as follows:

	Financed Purchases	
	Principal	Interest
2023	\$ 2,921,824	\$ 297,984
2024	2,997,216	222,592
2025	2,700,351	159,960
2026	790,801	110,156
2027	805,668	95,289
2028-2032	4,262,900	241,897
Total	<u>\$ 14,478,760</u>	<u>\$ 1,127,878</u>

G) LEASES PAYABLE:

The County entered into multiple leases as lessee for the right to use various equipment and buildings. The County is required to make fixed monthly payments between \$5,447 and \$44,626. The leases bear interest of 3.8%. Principal and interest requirements to maturity are as follows:

	Leases Payable	
	Principal	Interest
2023	\$ 1,401,271	\$ 124,339
2024	726,942	82,426
2025	696,975	55,109
2026	738,667	27,689
2027	318,752	3,059
Total	<u>\$ 3,882,607</u>	<u>\$ 292,622</u>

**NOTE 9 INTERFUND 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, 2022 was as follows:

	Receivables	Payables
General Fund	\$ -	\$ 26,648,632
Road and Bridge Fund	-	3,998,271
Debt Service Fund	1,238,465	-
Grants Fund	3,451,273	-
Pass Through Toll Projects	8,965,978	-
Road Bonds Series 2018B Fund	-	6,012,065
Non-major Governmental Funds	15,686,000	4,922,365
Toll Road Authority	125,734	-
Internal Service Funds	12,113,883	-
Total	<u>\$ 41,581,333</u>	<u>\$ 41,581,333</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These amounts also include balances of working capital loans made to several nonmajor governmental funds, which the general fund expects to collect in the subsequent year.

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, 2022 were:

Transfer From	Transfer To	Amount	Purpose
General Fund	Grants	\$ 353,508	County match for grants
General Fund	Road and Bridge	78,224	Equipment replacement
General Fund	Nonmajor governmental	981,550	To fund operational expenditures
General Fund	Internal service	1,000,000	To fund self-insurance
Road and Bridge	General Fund	1,861,976	To fund operational expenditures
Road and Bridge	Grants	5,834	County match for grants
Road and Bridge	Nonmajor governmental	357,984	To fund operational expenditures
Road and Bridge	Internal service	2,000,000	To fund self-insurance
Grants	General Fund	50,000	To fund building remodel
Grants	Debt Service	1,225,132	To transfers BABS subsidy
Nonmajor governmental	General Fund	217,046	To fund operational expenditures
Nonmajor governmental	Road and Bridge	759,108	To fund major projects
Total		<u>\$ 8,890,362</u>	

Although interfund activity is reported in the fund financial statements, it has been eliminated in the government-wide financial statements, excluding transfers between the enterprise fund and governmental funds which will be reported in the government-wide financial statements.

**NOTE 10 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	Grants	Pass-through Toll Projects	Road Bonds 2018B	Other Governmental Funds
Non-Spendable:							
Prepaid	\$ -	\$ -	\$ -	\$ 111	\$ -	\$ -	\$ -
Total Non-Spendable	-	-	-	111	-	-	-
Restricted for:							
Capital projects	-	-	-	-	8,965,978	45,548,279	5,490,208
General government	-	-	-	13,658	-	-	3,321,223
Financial administration	-	-	-	347,991	-	-	-
Law enforcement and corrections	-	-	-	77,782	-	-	4,273,207
Legal and judicial	-	-	-	2,326,122	-	-	1,717,648
Transportation	-	-	-	2,402,146	-	-	-
Debt service	-	-	13,367,412	-	-	-	-
Road and bridge	-	15,755,028	-	-	-	-	-
Total Restricted	-	15,755,028	13,367,412	5,167,699	8,965,978	45,548,279	14,802,286
Committed for:							
Capital Projects	-	-	-	-	-	-	12,729,615
General government	288,264	-	-	-	-	-	-
Financial administration	10,093	-	-	-	-	-	-
Health and human services	24,564	185	-	-	-	-	-
Culture and recreation	11,051	622,601	-	-	-	-	-
Law enforcement and corrections	861,074	-	-	-	-	-	-
Legal and judicial	47,969	-	-	-	-	-	-
Transportation	137,115	7,584,080	-	-	-	-	-
Total Committed	1,380,130	8,206,866	-	-	-	-	12,729,615
Assigned for:							
OPEB	85,000,000	-	-	-	-	-	-
Total Assigned	85,000,000	-	-	-	-	-	-
Unassigned	50,908,641	-	-	-	-	-	(664,473)
Total Fund Balances	\$ 137,288,771	\$ 23,961,894	\$ 13,367,412	\$ 5,167,810	\$ 8,965,978	\$ 45,548,279	\$ 26,867,428

**NOTE 11 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, 2022 were \$1,254,815. Claims incurred but not reported (IBNR) at September 30, 2022, are estimated to be \$6,650,801. 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.

Changes in the health claims liability for the two fiscal years ended September 30, 2022 and September 30, 2021 are as follows:

	2022	2021
Unpaid claims, beginning of year	\$ 9,906,736	\$ 8,966,454
Incurred claims (includes IBNR)	36,127,232	37,197,586
Claim payments	(36,314,765)	(36,257,304)
Unpaid claims, end of year	\$ 9,719,203	\$ 9,906,736

During the year ended September 30, 2022, the plan received contributions in the amounts of \$38,629,286 and \$2,656,493 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 \$986,821 in administrative costs, and \$4,484,382 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 \$600,000 per individual claim in 2021.

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, 2022, the County expended \$340,427 for excess loss insurance premiums.

Changes in the Workers' Compensation liability for the two fiscal years ended September 30, 2022 and September 30, 2021 are detailed below:

	<u>2022</u>	<u>2021</u>
Unpaid claims, beginning of year	\$ 2,029,591	\$ 701,773
Incurred claims (includes IBNR)	1,899,350	2,127,636
Claim payments	<u>(1,863,688)</u>	<u>(799,818)</u>
Unpaid claims, end of year	<u>\$ 2,065,253</u>	<u>\$ 2,029,591</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

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 \$1,723,087 in premiums in fiscal year 2022, and recorded the expenditure in the Accident Liability Fund. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

During the fiscal year 2022, the County engaged in a third party to administer the Property and Casualty claims. Changes in the Property and Casualty liability for the fiscal ended September 30, 2022 is detailed below:

	<u>2022</u>	<u>2021</u>
Unpaid claims, beginning of year	\$ 508,343	\$ 420,706
Current year claims and changes in estimates (includes IBNR)	2,940,609	1,546,799
Claim payments	<u>(2,767,735)</u>	<u>(1,459,162)</u>
Unpaid claims, end of year	<u>\$ 681,217</u>	<u>\$ 508,343</u>

**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 2022.

**NOTE 12 DEFINED BENEFIT PENSION PLAN:**

**Plan Description**

The County participates in a 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 over nontraditional defined benefit pension plans. TCDRS in the aggregate issues an Annual Comprehensive Financial Report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034 Austin, TX, 78768-2034.

All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.

**Benefits Provided**

TCDRS provides retirement, disability and survivor benefits for all of eligible employees. Benefit terms are established by the TCDRS Act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, 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 eight 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 their employer.

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 governing body of the employer 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 contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

**Employees covered by benefit terms**

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	1,110
Inactive employees entitled to but not yet receiving benefits	1,954
Active employees	<u>2,572</u>
Total	<u>5,636</u>

## Contributions

The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer's governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the County were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rate for the County was 12.27% in calendar year 2021 and 12.54% in calendar year 2022. The County's contributions to TCDRS for the year ended September 30, 2022, were \$30,025,320, and \$10,000,000 more than the required contribution.

## Net Pension Liability/(Asset)

The County's Net Pension Asset (NPA) was measured as of December 31, 2021, and the Total Pension Liability (TPL) used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date.

## Actuarial Assumptions

The Total Pension Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50% per year
Overall payroll growth	3.00% per year
Investment rate of return	7.50% (Gross of administrative expenses)

There are no automatic cost of living adjustments (COLA's) and no COLA's are considered to be substantively automatic. Therefore, no assumption for future cost-of-living adjustments is included in the funding valuation. Each year, the county may elect an ad-hoc COLA for retirees.

Mortality rates for active members, retirees, and beneficiaries were based on the following:

Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled retirees	160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

All actuarial assumptions that determined the total pension liability as of December 31, 2021, were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 7.5%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. The application of the investment return assumption was changed for purposes of determining plan liabilities at the March 2022 meeting. All plan liabilities are now valued using an 7.6% discount rate.

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 capital market assumptions and information below are based on January 2022 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 long-term time horizon; the most recent analysis was performed in 2022. The target allocation and best estimates of geometric real rates return for each major asset class are summarized in the following table:

Asset Class	Benchmark	Target Allocation <sup>(1)</sup>	Geometric Real Rate of Return (Expected minus Inflation) <sup>(2)</sup>
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	3.80%
Global Equities	MSCI World (net) Index	2.50%	4.10%
International Equities - Developed	MSCI World Ex USA (net) Index	5.00%	3.80%
International Equities - Emerging	MSCI EM Standard (net) Index	6.00%	4.30%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	-0.85%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	1.77%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.25%
Distressed Debt	Cambridge Associates Distressed Securities Index <sup>(3)</sup>	4.00%	4.50%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	3.10%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	3.85%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(4)</sup>	6.00%	5.10%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index <sup>(5)</sup>	25.00%	6.80%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	1.55%
Cash Equivalents	90-Day U.S. Treasury	2.00%	-1.05%

<sup>(1)</sup> Target asset allocation adopted at the March 2022 TCDRS Board meeting.

<sup>(2)</sup> Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.6%, per Cliffwater's 2022 capital market assumptions.

<sup>(3)</sup> Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

<sup>(4)</sup> Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

<sup>(5)</sup> Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

## Discount Rate

The discount rate used to measure the total pension liability was 7.60%. 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/(asset) and net pension liability/(asset) 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 7.60% has been used. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

### Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 12/31/2020	\$ 650,842,613	\$ 601,793,931	\$ 49,048,682
Changes for the year:			
Service cost	22,347,342	-	22,347,342
Interest on total pension liability <sup>(1)</sup>	50,173,377	-	50,173,377
Effect of plan changes <sup>(2)</sup>	2,050,731		
Effect of economic/demographic gains or losses	( 795,845)	-	( 795,845)
Effect of assumptions changes or inputs	1,264,502	-	1,264,502
Refund of contributions	( 1,121,871)	( 1,121,871)	-
Benefit payments	( 25,391,477)	( 25,391,477)	-
Administrative expenses	-	( 404,051)	404,051
Member contributions	-	9,194,769	( 9,194,769)
Net investment income	-	133,502,009	( 133,502,009)
Employer contributions	-	28,780,197	( 28,780,197)
Other <sup>(3)</sup>	-	491,017	( 491,017)
Balance at 12/31/2021	<u>\$ 699,369,372</u>	<u>\$ 746,844,524</u>	<u>\$( 47,475,152)</u>

<sup>(1)</sup> Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

<sup>(2)</sup> Reflects plan changes adopted effective in 2022.

<sup>(3)</sup> Relates to allocation of system-wide items.

In the governmental activities, the net pension asset is typically liquidated by the General Fund.

### Sensitivity Analysis

The following presents the net pension liability/(asset) of the County, calculated using the discount rate of 7.60%, as well as what the County's net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60%) or 1-percentage-higher (8.60%) than the current rate:

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
	Total pension liability	\$ 802,888,265	\$ 699,369,372
Fiduciary net position	<u>746,844,524</u>	<u>746,844,524</u>	<u>746,844,524</u>
Net pension liability/(asset)	<u>\$ 56,043,741</u>	<u>\$( 47,475,152)</u>	<u>\$( 133,096,070)</u>

### Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. The report may be obtained on the Internet at [www.tcdrs.org](http://www.tcdrs.org).

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended September 30, 2022, the County recognized pension expense of \$5,155,234.

At September 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,568,655	\$ 636,676
Changes of assumptions	25,439,200	-
Net difference between projected and actual earnings	-	83,080,061
Contributions made subsequent to measurement date	14,768,858	-
Total	<u>\$ 42,776,713</u>	<u>\$ 83,716,737</u>

The \$14,768,858 reported as deferred outflows of resources related to pensions from County contribution subsequent to the measurement date, but before September 30, 2022, will be recognized as a reduction of net pension liability in the fiscal year ended September 30, 2023. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,		
2023	\$(	8,720,587)
2024	(	18,579,066)
2025	(	11,035,983)
2026	(	17,373,246)

**NOTE 13 OTHER POST-EMPLOYMENT BENEFITS (OPEB):**

**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 fulltime employment (for employees hired prior to October 1, 2009) or 25 continuous years of fulltime 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. The plan includes coverage for both active and retired members, and assets are commingled for the payment of such benefits. Therefore, the plan does not qualify as an OPEB Trust in accordance with paragraph 4 of GASB Statement No. 75.

**Employees Covered by Benefit Terms**

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	484
Active employees	<u>2,256</u>
Total	<u><u>2,740</u></u>

## Actuarial Assumptions

The County's total OPEB liability of \$224,199,623 was measured as of September 30, 2022 and was determined by an actuarial valuation as of that date. The total OPEB liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation Rate	2.50%
Salary Increases, including inflation	3.25%
Discount rate	4.40%

Mortality rates for active employees were based on the PubG.H-2010 Employee, Generational with MP-2021 for males or females, as appropriate.

Mortality rates for retirees were based on the PubG.H-2010 Healthy Annuitant Generational with MP-2021 for males or females, as appropriate.

## Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2021	\$ 311,015,175
Changes for the year:	
Service cost	14,885,377
Interest on the total liability	7,063,619
Difference between expected and actual experience	15,801,829
Changes in assumptions and other inputs	( 118,699,960)
Benefit payments	( 5,866,417)
Net changes	( 86,815,552)
Balance at 9/30/2022	<u>\$ 224,199,623</u>

## Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the County, calculated using the discount rate of 4.40%, 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 (3.40%) or 1-percentage-point higher (5.40%) than the current rate:

	1% Decrease in Discount Rate (3.40%)	Discount Rate (4.40%)	1% Increase in Discount Rate (5.40%)
County's total OPEB liability	\$ 269,394,675	\$ 224,199,623	\$ 188,967,056

## Healthcare Cost Trend Rate Sensitivity Analysis

The following presents the impact of the total OPEB liability if the Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the total OPEB liability.

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
County's total OPEB liability	\$ 185,450,439	\$ 224,199,623	\$ 275,661,379

**OPEB Expense, Deferred Inflows of Resources, and Deferred Outflows of Resources Related to OPEB**

For the year ended September 30, 2022, the County recognized OPEB expense of \$15,363,262. At September 30, 2022, the County reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 31,433,841	\$ 7,085,600
Changes in actuarial assumptions	45,014,992	98,916,633
Total	<u>\$ 76,448,833</u>	<u>\$ 106,002,233</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30,	
2023	\$( 6,585,733)
2024	( 6,585,733)
2025	( 6,585,733)
2026	( 6,614,697)
2027	( 10,165,598)
Thereafter	6,984,094

**NOTE 14 CONTINGENT LIABILITIES:**

A) GENERAL LIABILITIES:

For fiscal year 2022 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 \$933,308
- AFM (Excess Property) \$417,930
- Flood Damage \$12,795
- Workers' Compensation \$215,627
- Additional Coverages \$123,612

In addition, the County expended \$2,508,182 for damages in connection with 351 claims, for which the deductible had not been satisfied.

B) GRANTS:

The County receives various grant monies that are subject to audit and adjustment by the grantor agencies. Any disallowed expenditure will become a liability of the County. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

C) LITIGATION:

The County is a defendant in a number of lawsuits with claims for damages in excess of \$1,000,000. 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. These claims are accrued 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 11-D.

**NOTE 15 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 an 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, 2022, the County abated property taxes totaling \$1,345,352 under this program which includes fifteen (15) entities.

**NOTE 16 LOCAL GRANTS:**

During the fiscal year ended September 30, 2022, the County received \$475,515 in grants from local agencies and organizations.

<b>LOCAL FUNDING</b>	<b>Award Number</b>	<b>Expenditures</b>
<b><u>American Kennel Club</u></b>		
Adopt A K9 Grant	N/A	\$10,000
AKC K9	N/A	<u>10,000</u>
Total American Kennel Club		<u>20,000</u>
<u>Montgomery County Emergency Communication District</u>		
<b><u>PSAP Improvement Program</u></b>		
MCSO Comm Video Wall Upgrade	22PSAP	<u>27,790</u>
Total MCED PSAP		<u>27,790</u>
<b><u>The NRA Foundation</u></b>		
FY22 Training Grant - Constable 1	21TXE017	4,259
FY22 Training Grant - Sheriff's Office	21TXE016	<u>3,596</u>
Total NRA Foundation		<u>7,855</u>
<b><u>PETCO Foundation</u></b>		
2020-2021 PETCO Foundation Lifesaving Investment	N/A	<u>101,216</u>
Total PETCO Foundation		<u>101,216</u>
<b><u>Tri-County Health Alliance</u></b>		
EMT Training & Equipment		
Swift Water Rescue Training & Equipment	N/A	<u>3,353</u>
Total Tri-County Health Alliance		<u>3,353</u>
Total Local Grant Funding		<u>\$ 160,214</u>

**NOTE 17 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 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, 2023.

GASB Statement No. 92, *Omnibus 2020*, will improve financial reporting by improving the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2022.

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, will provide governments with sufficient time to apply the authoritative guidance addressed in the statement and will help to safeguard the reliability of their financial statements. The requirements of this statement will be effective for the County immediately.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2023.

GASB Statement No. 100, *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62 - The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement will become effective for reporting periods beginning after June 15, 2023, and the impact has not yet been determined.

GASB Statement No. 101, *Compensated Absences* - The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement will become effective for reporting periods beginning after December 15, 2023, and the impact has not yet been determined.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Taxes	\$ 204,206,081	\$ 204,206,081	\$ 205,873,305	\$ 1,667,224
Fees	18,023,868	18,731,624	19,707,962	976,338
Intergovernmental	950,000	1,546,742	1,434,194	(112,548)
Licenses and permits	2,195,000	2,251,093	2,350,327	99,234
Contract reimbursements	24,578,483	29,255,523	28,296,935	(958,588)
Investment earnings	810,580	810,580	(1,669,849)	(2,480,429)
Fines and forfeitures	700,000	716,121	464,331	(251,790)
Commissions	6,500	311,573	241,489	(70,084)
Miscellaneous	330,000	500,283	1,116,284	616,001
Total revenues	<u>251,800,512</u>	<u>258,329,620</u>	<u>257,814,978</u>	<u>(514,642)</u>
<b>EXPENDITURES</b>				
Current:				
General government	41,364,193	61,304,315	60,401,877	902,438
Financial administration	15,098,645	15,044,286	14,665,183	379,103
Health and human services	11,457,363	12,750,196	12,573,993	176,203
Culture and recreation	12,258,381	10,909,646	10,888,839	20,807
Law enforcement and corrections	142,814,762	151,842,642	150,060,989	1,781,653
Legal and judicial	31,873,270	32,243,194	30,407,572	1,835,622
Transportation	1,055,163	1,096,333	1,055,476	40,857
Debt service:				
Principal retirement	2,793,589	2,793,589	2,793,589	-
Interest and fiscal charges	217,559	217,559	217,559	-
Total expenditures	<u>258,932,925</u>	<u>288,201,760</u>	<u>283,065,077</u>	<u>5,136,683</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	(7,132,413)	(29,872,140)	(25,250,099)	4,622,041
<b>OTHER FINANCING SOURCES/(USES)</b>				
Sale of capital assets	200,000	417,341	396,828	(20,513)
Issuance of lease	-	8,131,117	8,131,117	-
Transfers in	6,000,315	8,129,339	2,129,022	(6,000,317)
Transfers out	-	(1,293,702)	(2,413,282)	(1,119,580)
Total other financing sources/(uses)	<u>6,200,315</u>	<u>15,384,095</u>	<u>8,243,685</u>	<u>(7,140,410)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(932,098)	(14,488,045)	(17,006,414)	(2,518,369)
<b>FUND BALANCES, BEGINNING</b>	<u>154,295,185</u>	<u>154,295,185</u>	<u>154,295,185</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 153,363,087</u>	<u>\$ 139,807,140</u>	<u>\$ 137,288,771</u>	<u>\$ (2,518,369)</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL  
ROAD AND BRIDGE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Road and Bridge Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Taxes	\$ 31,917,531	\$ 31,917,531	\$ 31,624,327	\$ (293,204)
Fees and charges for services	1,375,000	1,968,595	1,845,316	(123,279)
Intergovernmental	135,000	135,000	390,392	255,392
Licenses and permits	5,800,100	6,800,100	8,050,055	1,249,955
Contract reimbursements	-	8,871,142	8,966,955	95,813
Investment earnings	83,000	83,000	202,022	119,022
Fines and forfeitures	1,500,000	1,500,000	1,210,270	(289,730)
Miscellaneous	-	605,842	608,681	2,839
Total revenues	<u>40,810,631</u>	<u>51,881,210</u>	<u>52,898,018</u>	<u>1,016,808</u>
<b>EXPENDITURES</b>				
Current:				
Health and human services	1,519,352	1,893,986	1,654,081	239,905
Culture and recreation	3,584,919	3,976,507	3,609,998	366,509
Law enforcement and corrections	610,913	610,913	-	610,913
Transportation	34,669,902	48,101,405	40,893,142	7,208,263
Total expenditures	<u>40,385,086</u>	<u>54,582,811</u>	<u>46,157,221</u>	<u>8,425,590</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	<u>425,545</u>	<u>(2,701,601)</u>	<u>6,740,797</u>	<u>9,442,398</u>
<b>OTHER FINANCING SOURCES/(USES)</b>				
Sale of capital assets	-	99,358	101,439	2,081
Insurance settlement	-	2,231,598	2,232,729	1,131
Transfers in	(574,998)	1,476,605	837,332	(639,273)
Transfers out	-	(2,225,795)	(4,225,794)	(1,999,999)
Total other financing sources/(uses)	<u>(574,998)</u>	<u>1,581,766</u>	<u>(1,054,294)</u>	<u>(2,636,060)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(149,453)	(1,119,835)	5,686,503	6,806,338
<b>FUND BALANCES, BEGINNING</b>	<u>18,275,391</u>	<u>18,275,391</u>	<u>18,275,391</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 18,125,938</u>	<u>\$ 17,155,556</u>	<u>\$ 23,961,894</u>	<u>\$ 6,806,338</u>

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**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL  
GRANTS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Grants Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 72,184,170	\$ 60,468,600	\$ (11,715,570)
Investment earnings	-	-	10,269	10,269
Commissions	-	134,317	95,513	(38,804)
Miscellaneous	-	395,736	198,578	(197,158)
Total revenues	<u>-</u>	<u>72,714,223</u>	<u>60,772,960</u>	<u>(11,941,263)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	-	330,360	255,030	75,330
Health and human services	-	43,925,379	42,005,990	1,919,389
Culture and recreation	-	-	31,839	(31,839)
Law enforcement and corrections	-	7,180,275	9,152,850	(1,972,575)
Legal and judicial	-	662,176	233,157	429,019
Transportation	-	21,150,000	8,319,958	12,830,042
Debt service:				
Principal retirement	-	25,482	25,482	-
Interest and fiscal charges	-	4,384	4,384	-
Total expenditures	<u>-</u>	<u>73,278,056</u>	<u>60,028,690</u>	<u>13,249,366</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>(563,833)</u>	<u>744,270</u>	<u>1,308,103</u>
<b>OTHER FINANCING SOURCES/(USES)</b>				
Transfers in	-	366,879	359,342	(7,537)
Transfers out	-	(50,000)	(1,275,132)	(1,225,132)
Total other financing sources/(uses)	<u>-</u>	<u>316,879</u>	<u>(915,790)</u>	<u>(1,232,669)</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	(246,954)	(171,520)	75,434
<b>FUND BALANCES, BEGINNING</b>	<u>5,339,330</u>	<u>5,339,330</u>	<u>5,339,330</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 5,339,330</u>	<u>\$ 5,092,376</u>	<u>\$ 5,167,810</u>	<u>\$ 75,434</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

FOR THE YEAR ENDED SEPTEMBER 30, 2022

<b>Measurement Date December 31,</b>	<u><b>2014</b></u>	<u><b>2015</b></u>	<u><b>2016</b></u>
<b>Total Pension Liability</b>			
Service Cost	\$ 13,961,075	\$ 14,877,252	\$ 16,207,504
Interest total pension liability	29,231,819	31,734,340	34,011,062
Effect of plan changes	-	( 3,634,696)	419,483
Effect of assumption changes or inputs	-	4,204,219	-
Effect of economic/demographic (gains) or losses	1,603,366	( 3,796,129)	40,860
Refund of contributions	-	-	-
Benefit payments/refunds of contributions	( 13,944,641)	( 15,341,208)	( 16,391,080)
Net change in total pension liability	30,851,619	28,043,778	34,287,829
Total pension liability - beginning	<u>360,878,598</u>	<u>391,730,217</u>	<u>419,773,995</u>
Total pension liability - ending (a)	<u>\$ 391,730,217</u>	<u>\$ 419,773,995</u>	<u>\$ 454,061,824</u>
<b>Plan Fiduciary Net Position</b>			
Employer contributions	\$ 12,941,853	\$ 18,689,688	\$ 15,909,431
Member contributions	6,328,534	6,694,227	7,100,748
Investment income net of investment expenses	22,791,347	( 5,580,229)	27,516,524
Refund of contributions	-	-	-
Benefit payments refunds of contributions	( 13,944,641)	( 15,341,208)	( 16,391,080)
Administrative expenses	( 272,575)	( 266,281)	( 299,286)
Other	<u>200,508</u>	<u>( 135,551)</u>	<u>344,834</u>
Net change in plan fiduciary net position	28,045,026	4,060,646	34,181,171
Plan fiduciary net position - beginning	<u>339,456,166</u>	<u>367,501,192</u>	<u>371,561,838</u>
Plan fiduciary net position - ending (b)	<u>\$ 367,501,192</u>	<u>\$ 371,561,838</u>	<u>\$ 405,743,009</u>
Net pension liability (asset) - ending (a) - (b)	<u>\$ 24,229,025</u>	<u>\$ 48,212,157</u>	<u>\$ 48,318,815</u>
Fiduciary net position as a percentage of total pension liability	93.81%	88.51%	89.36%
Pensionable covered payroll	\$ 105,475,573	\$ 111,570,445	\$ 118,329,101
Net pension liability as a percentage of covered payroll	22.97%	43.21%	40.83%

Note: This schedule is required to have 10 years of information, but the information prior to 2014 is not available.

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
\$	16,423,336	\$ 16,637,887	\$ 17,129,790	\$ 18,556,721	\$ 22,347,342
	37,357,960	40,324,746	43,262,383	46,421,622	50,173,377
	-	-	-	-	2,050,731
	1,244,964	529,728	-	40,366,840	1,264,502
	1,078,188	-	772,539	3,289,996	( 795,845)
	-	-	-	-	( 1,121,871)
	<u>( 18,919,903)</u>	<u>( 20,494,775)</u>	<u>( 22,988,060)</u>	<u>( 24,213,173)</u>	<u>( 25,391,477)</u>
	37,184,545	36,997,586	38,176,652	84,422,006	48,526,759
	<u>454,061,824</u>	<u>491,246,369</u>	<u>528,243,955</u>	<u>566,420,607</u>	<u>650,842,613</u>
\$	<u>491,246,369</u>	<u>\$ 528,243,955</u>	<u>\$ 566,420,607</u>	<u>\$ 650,842,613</u>	<u>\$ 699,369,372</u>
\$	15,579,849	\$ 16,149,204	\$ 17,288,148	\$ 18,732,452	\$ 28,780,197
	7,638,026	7,896,955	8,453,724	9,160,154	9,194,769
	59,293,448	( 8,699,150)	76,147,612	56,036,387	133,502,009
	-	-	-	-	( 1,121,871)
	( 18,919,903)	( 20,494,775)	( 22,988,060)	( 24,213,173)	( 25,391,477)
	( 311,951)	( 372,454)	( 413,292)	( 440,343)	( 404,051)
	<u>54,609</u>	<u>152,956</u>	<u>156,618</u>	<u>163,881</u>	<u>491,017</u>
	63,334,078	( 5,367,264)	78,644,750	59,439,358	145,050,593
	<u>405,743,009</u>	<u>469,077,087</u>	<u>463,709,823</u>	<u>542,354,573</u>	<u>601,793,931</u>
\$	<u>469,077,087</u>	<u>\$ 463,709,823</u>	<u>\$ 542,354,573</u>	<u>\$ 601,793,931</u>	<u>\$ 746,844,524</u>
\$	<u>22,169,282</u>	<u>\$ 64,534,132</u>	<u>\$ 24,066,034</u>	<u>\$ 49,048,682</u>	<u>\$ ( 47,475,152)</u>
	95.49%	87.78%	95.75%	92.46%	106.79%
\$	126,975,182	\$ 131,615,924	\$ 140,895,394	\$ 152,669,237	\$ 153,055,354
	17.46%	49.03%	17.08%	32.13%	-31.02%

**MONTGOMERY COUNTY, TEXAS**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

FOR THE YEAR ENDED SEPTEMBER 30, 2022

<b>Fiscal Year Ended September 30</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Employer Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Pensionable Covered Payroll <sup>(1)</sup></b>	<b>Actual Contribution as a % of Covered Payroll</b>
2015	\$ 11,834,359	\$ 12,941,853	\$( 1,107,494)	\$ 105,475,573	12.27%
2016	12,194,650	18,689,688	( 6,495,038)	111,570,445	16.75%
2017	12,105,067	15,909,431	( 3,804,364)	126,429,336	12.58%
2018	13,751,412	15,579,849	( 1,828,437)	129,014,477	12.08%
2019	14,517,236	16,149,204	( 1,631,968)	136,590,609	11.82%
2020	15,230,792	17,288,148	( 2,057,356)	140,895,394	12.27%
2021	17,144,755	18,445,030	( 1,300,275)	150,326,244	12.27%
2022	20,025,320	30,025,320	( 10,000,000)	160,613,936	18.69%

(1) Payroll is calculated based on contributions as reported to TCDRS.

Note: This schedule is required to have 10 years of information, but the information prior to 2015 is not available.

## MONTGOMERY COUNTY, TEXAS

### NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

FOR THE YEAR ENDED SEPTEMBER 30, 2022

**Valuation Timing** Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which the contributions are reported.

#### **Methods and assumptions used to determine contributions rates:**

<b>Actuarial Cost Method</b>	Entry age
<b>Amortization Method</b>	Level percentage of payroll, closed
<b>Remaining Amortization Period</b>	17.2 years (based on contribution rate calculated in 12/31/2021)
<b>Asset Valuation Method</b>	5-year smoothed market
<b>Inflation</b>	2.50%
<b>Salary Increases</b>	Varies by age and service. 4.7% average over career including inflation.
<b>Investment Rate of Return</b>	7.50%, net of administrative and investment expenses, including inflation.
<b>Retirement Age</b>	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
<b>Mortality</b>	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
<b>Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions</b>	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected.
<b>Changes in Plan Provisions Reflected in the Schedule of Employer Contributions</b>	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: Employer contributions reflect that a 10% CPI COLA was adopted. Also, new Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule. 2020: No changes in plan provisions were reflected in the Schedule. 2021: No changes in plan provisions were reflected in the Schedule.

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY - RETIREE HEALTH INSURANCE PLAN  
AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

Measurement Date December 31,	2017	2018	2019	2020	2021
<b>Total OPEB Liability</b>					
Service cost	\$ 8,336,459	\$ 8,607,394	\$ 11,266,295	\$ 12,705,325	\$ 14,885,377
Interest on total OPEB liability	6,975,183	7,432,143	6,505,155	6,339,905	7,063,619
Changes of benefit terms	-	-	-	( 592,655)	-
Changes of assumptions	-	41,745,176	13,179,147	20,475,074	(118,699,960)
Difference between expected and actual experience of the total OPEB liability	231,712	( 13,337,971)	( 624,924)	24,238,340	15,801,829
Benefit payments	( 3,241,471)	( 4,524,987)	( 4,358,457)	( 5,745,608)	( 5,866,417)
Net change in total OPEB liability	12,301,883	39,921,755	25,967,216	57,420,381	( 86,815,552)
Total OPEB liability - beginning	<u>175,403,940</u>	<u>187,705,823</u>	<u>227,627,578</u>	<u>253,594,794</u>	<u>311,015,175</u>
Total OPEB liability - ending	\$ <u>187,705,823</u>	\$ <u>227,627,578</u>	\$ <u>253,594,794</u>	\$ <u>311,015,175</u>	\$ <u>224,199,623</u>
Covered-employee payroll	\$ 116,286,612	\$ 125,374,560	\$ 125,886,503	\$ 133,607,387	\$ 151,667,215
Total OPEB liability (asset) as a percentage of covered-employee payroll	161.42%	181.56%	201.45%	232.78%	147.82%

Notes to Schedule:

- No assets are accumulated in a trust for the plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.
- This schedule is required to have 10 years of information, but the information prior to 2017 is not available.

<b>Changes in Benefit Terms</b>	None				
<b>Changes of Assumptions</b>					
<b>Discount Rates</b>	3.83%	2.75%	2.41%	2.19%	4.40%
<b>Mortality Rates</b>	2018: RPH-2014 Employee and Healthy Annuity, Generational with MP-2018.				
	2019: PubG.H-2010 Employee and Healthy Annuitant, Generational with MP-2019.				
	2020: PubG.H-2010 Employee and Healthy Annuitant, Generational with MP-2020.				
	2021: PubG.H-2010 Employee and Healthy Annuitant, Generational with MP-2021.				
<b>Medical Trend</b>	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%				
	2020: 6.25% first year, decreasing 0.25% per year to an ultimate rate of 4.5%				
	2021: 6.0% first year, decreasing 0.25% per year to an ultimate rate of 4.5%				

**ADDITIONAL  
SUPPLEMENTARY INFORMATION**

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE  
GENERAL FUND

SEPTEMBER 30, 2022

	<u>General Fund</u>
<b>ASSETS</b>	
Cash	\$ 154,067,046
Investments	114,392,930
Receivables:	
Taxes (net)	5,634,478
Accounts (net)	17,664,214
Interest	358,065
Due from other governments	<u>24,845,246</u>
Total assets	<u>316,961,979</u>
<b>LIABILITIES</b>	
Accounts payable	13,482,037
Retainage payable	4,113,231
Accrued liabilities	13,582,996
Due to other funds	26,648,632
Due to other governments	3,180
Unearned revenue	<u>106,499,753</u>
Total liabilities	<u>164,329,829</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue: property taxes	4,946,205
Unavailable revenue: court fines	4,927,568
Leases	<u>5,469,606</u>
Total deferred inflows of resources	<u>15,343,379</u>
<b>FUND BALANCES</b>	
Committed	1,380,130
Assigned	85,000,000
Unassigned	<u>50,908,641</u>
Total fund balances	<u>137,288,771</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 316,961,979</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>TAXES</b>				
Ad valorem current	\$ 193,686,939	\$ 193,686,939	191,291,902	\$ (2,395,037)
Ad valorem delinquent	1,438,304	1,438,304	2,031,140	592,836
Penalty and interest	1,555,491	1,555,491	1,744,156	188,665
Sales tax	4,625,347	4,625,347	5,894,349	1,269,002
Miscellaneous taxes	2,425,000	2,425,000	3,856,570	1,431,570
Special assessments	475,000	475,000	1,055,188	580,188
Total taxes	<u>204,206,081</u>	<u>204,206,081</u>	<u>205,873,305</u>	<u>1,667,224</u>
<b>FEES AND CHARGES FOR SERVICES</b>				
General government	10,216,422	10,216,422	2,025,570	(8,190,852)
Financial administration	2,160,500	2,160,500	2,320,118	159,618
Health and human services	376,500	553,614	226,144	(327,470)
Culture and recreation	560,000	560,000	1,010,084	450,084
Law enforcement and corrections	3,169,446	3,217,458	3,155,402	(62,056)
Legal and judicial	801,000	1,206,269	10,038,819	8,832,550
Transportation	740,000	817,361	931,825	114,464
Total fees	<u>18,023,868</u>	<u>18,731,624</u>	<u>19,707,962</u>	<u>976,338</u>
<b>INTERGOVERNMENTAL</b>				
Federal grants	-	369,834	307,388	(62,446)
State grants	950,000	1,176,908	1,123,722	(53,186)
Other	-	-	3,084	3,084
Total intergovernmental	<u>950,000</u>	<u>1,546,742</u>	<u>1,434,194</u>	<u>(112,548)</u>
<b>LICENSES AND PERMITS</b>				
Beer licenses	205,000	205,000	267,404	62,404
Health permits	535,000	535,000	685,265	150,265
Recycle center permits	-	-	1,750	1,750
Animal control transport	5,000	5,000	2,915	(2,085)
Food service permits	600,000	600,000	744,045	144,045
Alarm permits	850,000	906,093	648,948	(257,145)
Total licenses and permits	<u>2,195,000</u>	<u>2,251,093</u>	<u>2,350,327</u>	<u>99,234</u>
<b>CONTRACT REIMBURSEMENTS</b>	<u>24,578,483</u>	<u>29,255,523</u>	<u>28,296,935</u>	<u>(958,588)</u>
<b>INVESTMENT EARNINGS</b>	<u>810,580</u>	<u>810,580</u>	<u>(1,669,849)</u>	<u>(2,480,429)</u>
<b>FINES AND FORFEITURES</b>	<u>700,000</u>	<u>716,121</u>	<u>464,331</u>	<u>(251,790)</u>
<b>COMMISSIONS</b>	<u>6,500</u>	<u>311,573</u>	<u>241,489</u>	<u>(70,084)</u>
<b>MISCELLANEOUS</b>	<u>330,000</u>	<u>500,283</u>	<u>1,116,284</u>	<u>616,001</u>
<b>TOTAL REVENUES</b>	<u>251,800,512</u>	<u>258,329,620</u>	<u>257,814,978</u>	<u>(514,642)</u>
<b>OTHER FINANCING SOURCES</b>				
Sale of capital assets	200,000	417,341	396,828	(20,513)
Issuance of lease	-	8,131,117	8,131,117	-
Transfers in	6,000,315	8,129,339	2,129,022	(6,000,317)
Total other financing sources	<u>6,200,315</u>	<u>16,677,797</u>	<u>10,656,967</u>	<u>(6,020,830)</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 258,000,827</u>	<u>\$ 275,007,417</u>	<u>\$ 268,471,945</u>	<u>\$ (6,535,472)</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>GENERAL GOVERNMENT</b>				
County Judge:				
Salaries	\$ 384,495	\$ 390,698	\$ 390,698	\$ -
Benefits	135,884	135,884	133,419	2,465
Operations	42,410	86,022	66,224	19,798
Total County Judge	<u>562,789</u>	<u>612,604</u>	<u>590,341</u>	<u>22,263</u>
Human Resources:				
Salaries	446,795	446,795	439,182	7,613
Benefits	177,939	177,939	167,401	10,538
Operations	59,578	59,485	43,113	16,372
Total Human Resources	<u>684,312</u>	<u>684,219</u>	<u>649,696</u>	<u>34,523</u>
Risk Management:				
Salaries	624,866	624,866	584,726	40,140
Benefits	257,880	257,880	232,286	25,594
Operations	95,365	90,361	81,823	8,538
Capital	-	19,894	19,894	-
Total Risk Management	<u>978,111</u>	<u>993,001</u>	<u>918,729</u>	<u>74,272</u>
County Clerk:				
Salaries	1,843,972	1,736,614	1,732,375	4,239
Benefits	915,977	897,148	818,970	78,178
Operations	57,270	57,063	51,166	5,897
Total County Clerk	<u>2,817,219</u>	<u>2,690,825</u>	<u>2,602,511</u>	<u>88,314</u>
Elections:				
Salaries	1,105,218	1,151,850	1,068,808	83,042
Benefits	333,919	337,486	333,596	3,890
Operations	223,755	381,187	448,890	(67,703)
Capital	-	8,131,117	8,079,172	51,945
Total Elections	<u>1,662,892</u>	<u>10,001,640</u>	<u>9,930,466</u>	<u>71,174</u>
Information Technology:				
Salaries	2,914,462	3,063,462	3,061,401	2,061
Benefits	1,129,425	1,142,151	1,141,581	570
Operations	5,874,221	6,462,725	6,327,099	135,626
Capital	-	711,199	605,980	105,219
Debt service:				
Principal retirement	776,006	776,006	776,006	-
Interest and fiscal charges	64,174	64,174	64,174	-
Total Information Technology	<u>10,758,288</u>	<u>12,219,717</u>	<u>11,976,241</u>	<u>243,476</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>GENERAL GOVERNMENT (cont'd)</b>				
Building Custodial Services:				
Salaries	2,234,408	2,118,908	2,078,093	40,815
Benefits	983,897	960,577	903,639	56,938
Operations	<u>340,993</u>	<u>434,354</u>	<u>424,136</u>	<u>10,218</u>
Total Building Custodial Services	<u>3,559,298</u>	<u>3,513,839</u>	<u>3,405,868</u>	<u>107,971</u>
 Building Maintenance and Construction:				
Salaries	2,745,507	2,649,366	2,585,299	64,067
Benefits	1,228,763	1,174,621	1,137,335	37,286
Operations	1,441,842	6,006,834	6,063,439	(56,605)
Capital	<u>-</u>	<u>8,577</u>	<u>3,698</u>	<u>4,879</u>
Total Building Maintenance and Construction	<u>5,416,112</u>	<u>9,839,398</u>	<u>9,789,771</u>	<u>49,627</u>
 County-wide:				
Salaries	262,500	133,033	-	133,033
Benefits	6,646,000	16,646,000	16,646,000	-
Operations	8,244,699	4,215,619	4,143,547	72,072
Debt service:				
Principal retirement	1,847,741	1,847,741	1,847,741	-
Interest and fiscal charges	<u>141,480</u>	<u>141,480</u>	<u>141,480</u>	<u>-</u>
Total County-wide	<u>17,142,420</u>	<u>22,983,873</u>	<u>22,778,768</u>	<u>205,105</u>
 Contingency:				
Operations	<u>53,697</u>	<u>144</u>	<u>-</u>	<u>144</u>
Total Contingency	<u>53,697</u>	<u>144</u>	<u>-</u>	<u>144</u>
 Permits:				
Salaries	365,497	401,497	399,153	2,344
Benefits	176,569	176,569	174,891	1,678
Operations	<u>16,390</u>	<u>16,390</u>	<u>14,843</u>	<u>1,547</u>
Total Permits	<u>558,456</u>	<u>594,456</u>	<u>588,887</u>	<u>5,569</u>
 <b>TOTAL GENERAL GOVERNMENT</b>	<b>\$ <u>44,193,594</u></b>	<b>\$ <u>64,133,716</u></b>	<b>\$ <u>63,231,278</u></b>	<b>\$ <u>902,438</u></b>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>FINANCIAL ADMINISTRATION</b>				
Court Collections:				
Salary	289,531	248,531	242,819	5,712
Benefits	145,079	136,798	118,361	18,437
Operations	85,460	75,857	38,835	37,022
Total Court Collections	<u>520,070</u>	<u>461,186</u>	<u>400,015</u>	<u>61,171</u>
County-wide:				
Operations	4,194,929	4,194,929	4,202,426	(7,497)
Total Commissioners Court	<u>4,194,929</u>	<u>4,194,929</u>	<u>4,202,426</u>	<u>(7,497)</u>
Non-departmental:				
Operations	-	-	77,540	(77,540)
Total Non-departmental	<u>-</u>	<u>-</u>	<u>77,540</u>	<u>(77,540)</u>
Purchasing Agent:				
Salary	775,050	775,050	773,483	1,567
Benefits	317,443	317,443	304,951	12,492
Operations	24,530	25,515	22,765	2,750
Total Purchasing Agent	<u>1,117,023</u>	<u>1,118,008</u>	<u>1,101,199</u>	<u>16,809</u>
County Auditor:				
Salary	1,719,900	1,719,900	1,653,713	66,187
Benefits	728,002	728,002	669,618	58,384
Operations	74,204	72,030	55,972	16,058
Total County Auditor	<u>2,522,106</u>	<u>2,519,932</u>	<u>2,379,303</u>	<u>140,629</u>
Budget Office:				
Salary	318,281	312,744	301,284	11,460
Benefits	122,694	122,694	107,951	14,743
Operations	11,000	11,387	9,586	1,801
Total Budget Office	<u>451,975</u>	<u>446,825</u>	<u>418,821</u>	<u>28,004</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>FINANCIAL ADMINISTRATION (cont'd)</b>				
County Treasurer:				
Salary	567,932	567,932	535,605	32,327
Benefits	243,694	243,694	219,109	24,585
Operations	36,450	29,581	27,060	2,521
Total County Treasurer	<u>848,076</u>	<u>841,207</u>	<u>781,774</u>	<u>59,433</u>
Tax Assessor/collector:				
Salary	3,437,388	3,233,578	3,233,578	-
Benefits	1,677,868	1,605,301	1,495,374	109,927
Operations	329,210	331,351	283,184	48,167
Total Tax Assessor/collector	<u>5,444,466</u>	<u>5,170,230</u>	<u>5,012,136</u>	<u>158,094</u>
Payroll:				
Salary	-	209,282	209,282	-
Benefits	-	75,285	75,285	-
Operations	-	7,402	7,402	-
Total Payroll	<u>-</u>	<u>291,969</u>	<u>291,969</u>	<u>-</u>
<b>TOTAL FINANCIAL ADMINISTRATION</b>	<u>15,098,645</u>	<u>15,044,286</u>	<u>14,665,183</u>	<u>379,103</u>
<b>HEALTH &amp; HUMAN SERVICES</b>				
Veterans Services:				
Salary	236,443	237,306	237,306	-
Benefits	106,392	105,530	103,335	2,195
Operations	9,825	11,664	11,404	260
Total Veterans Services	<u>352,660</u>	<u>354,500</u>	<u>352,045</u>	<u>2,455</u>
Commissioners Court:				
Operations	1,403,398	1,765,426	1,765,426	-
Total Commissioners Court	<u>1,403,398</u>	<u>1,765,426</u>	<u>1,765,426</u>	<u>-</u>
Non-departmental				
Operations	-	-	13,350	(13,350)
Total Non-departmental	<u>-</u>	<u>-</u>	<u>13,350</u>	<u>(13,350)</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>HEALTH &amp; HUMAN SERVICES (cont'd)</b>				
Child Welfare:				
Salaries	-	10,000	1,920	8,080
Operations	-	43,601	45,305	(1,704)
Total Child Welfare	-	53,601	47,225	6,376
Environmental Health:				
Salary	1,473,319	1,473,319	1,471,454	1,865
Benefits	604,768	604,768	583,086	21,682
Operations	77,350	85,998	76,950	9,048
Total Environmental Health	2,155,437	2,164,085	2,131,490	32,595
Animal Services:				
Salary	2,704,792	2,328,328	2,328,328	-
Benefits	1,311,040	1,090,557	1,090,557	-
Operations	1,073,770	1,366,193	1,310,081	56,112
Capital	-	342,500	342,500	-
Total Animal Services	5,089,602	5,127,578	5,071,466	56,112
Forensic Services:				
Salary	1,182,979	1,220,967	1,220,967	-
Benefits	383,880	366,269	349,996	16,273
Operations	724,235	738,451	732,430	6,021
Total Forensic Services	2,291,094	2,325,687	2,303,393	22,294
MCCD:				
Salary	121,710	122,156	122,156	-
Benefits	39,068	38,622	38,531	91
Operations	4,394	5,558	3,296	2,262
Total MCCD	165,172	166,336	163,983	2,262
Extension services:				
Salary	-	474,492	460,186	14,306
Benefits	-	259,407	207,657	51,750
Operations	-	59,084	57,772	1,312
Total Extension Services	-	792,983	725,615	67,368
<b>TOTAL HEALTH &amp; HUMAN SERVICES</b>	<b>11,457,363</b>	<b>12,750,196</b>	<b>12,573,993</b>	<b>176,203</b>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>CULTURE &amp; RECREATION</b>				
Historical Commission:				
Operations	30,000	30,000	32,733	(2,733)
Total Historical Commission	<u>30,000</u>	<u>30,000</u>	<u>32,733</u>	<u>(2,733)</u>
Heritage Museum:				
Operations	15,000	15,000	15,000	-
Total Heritage Museum	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Convention Center Complex:				
Salaries	470,850	455,850	449,524	6,326
Benefits	227,200	224,171	206,275	17,896
Operations	319,817	327,913	324,413	3,500
Total Convention Center Complex	<u>1,017,867</u>	<u>1,007,934</u>	<u>980,212</u>	<u>27,722</u>
Memorial Library:				
Salaries	6,256,410	5,980,660	5,980,660	-
Benefits	3,189,953	2,832,966	2,832,966	-
Operations	944,374	990,909	972,043	18,866
Capital	-	52,177	75,225	(23,048)
Total Memorial Library	<u>10,390,737</u>	<u>9,856,712</u>	<u>9,860,894</u>	<u>(4,182)</u>
Extension Agents:				
Salaries	484,492	-	-	-
Benefits	261,427	-	-	-
Operations	58,858	-	-	-
Total Extension Agents	<u>804,777</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL CULTURE &amp; RECREATION</b>	<u>12,258,381</u>	<u>10,909,646</u>	<u>10,888,839</u>	<u>20,807</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>LAW ENFORCEMENT &amp; CORRECTIONS</b>				
Non-departmental:				
Capital	-	7,681	7,681	-
Total non-departmental	-	7,681	7,681	-
Department Of Public Safety:				
Salaries	188,479	189,222	189,222	-
Benefits	96,837	96,094	93,954	2,140
Operations	450	450	450	-
Total Department Of Public Safety	285,766	285,766	283,626	2,140
District Attorney:				
Salaries	9,098,898	9,105,804	9,363,476	(257,672)
Benefits	3,324,860	3,350,870	3,285,036	65,834
Operations	584,530	508,419	902,197	(393,778)
Total District Attorney	13,008,288	12,965,093	13,550,709	(585,616)
Office Of Homeland Security and Emergency Management:				
Salaries	577,637	573,307	545,208	28,099
Benefits	218,826	219,836	199,004	20,832
Operations	25,275	342,458	274,079	68,379
Capital	-	7,688	7,688	-
Total Office Of Homeland Security and Emergency Management	821,738	1,143,289	1,025,979	117,310
Fire Marshal Investigations:				
Salaries	637,591	640,952	680,121	(39,169)
Benefits	231,287	218,297	227,316	(9,019)
Operations	68,556	97,538	127,505	(29,967)
Capital	-	7,681	14,063	(6,382)
Total Fire Marshal Investigations	937,434	964,468	1,049,005	(84,537)
Fire Marshal Inspections:				
Salaries	800,817	800,817	828,242	(27,425)
Benefits	300,550	314,550	309,145	5,405
Operations	76,081	116,064	102,749	13,315
Total Fire Marshal Inspections	1,177,448	1,231,431	1,240,136	(8,705)

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>LAW ENFORCEMENT &amp; CORRECTIONS (cont'd)</b>				
Juvenile Services:				
Salaries	3,968,224	3,968,224	3,889,721	78,503
Benefits	1,932,669	1,932,669	1,785,037	147,632
Operations	<u>213,211</u>	<u>220,938</u>	<u>156,859</u>	<u>64,079</u>
Total Juvenile Services	<u>6,114,104</u>	<u>6,121,831</u>	<u>5,831,617</u>	<u>290,214</u>
Adult Services:				
Salaries	-	2,706,592	3,435,720	(729,128)
Benefits	-	588,698	678,786	(90,088)
Operations	<u>54,826</u>	<u>228,538</u>	<u>39,949</u>	<u>188,589</u>
Total Adult Services	<u>54,826</u>	<u>3,523,828</u>	<u>4,154,455</u>	<u>(630,627)</u>
Bond Supervision:				
Salaries	-	586,445	-	586,445
Benefits	-	244,555	-	244,555
Operations	<u>-</u>	<u>19,000</u>	<u>917</u>	<u>18,083</u>
Total Bond Supervision	<u>-</u>	<u>850,000</u>	<u>917</u>	<u>849,083</u>
Commissions:				
Operations	-	90,558	97,924	(7,366)
Capital	<u>-</u>	<u>37,224</u>	<u>37,224</u>	<u>-</u>
Total Commissions	<u>-</u>	<u>127,782</u>	<u>135,148</u>	<u>(7,366)</u>
LEOSE:				
Operations	<u>-</u>	<u>24,852</u>	<u>21,560</u>	<u>3,292</u>
Total LEOSE	<u>-</u>	<u>24,852</u>	<u>21,560</u>	<u>3,292</u>
Sheriff:				
Salaries	43,834,711	44,577,062	43,962,959	614,103
Benefits	18,064,904	18,034,092	17,501,921	532,171
Operations	5,949,599	7,242,962	5,967,601	1,275,361
Capital	1,255,170	1,851,029	1,558,323	292,706
Debt service:				
Principal retirement	169,842	169,842	169,842	-
Interest and fiscal charges	<u>11,905</u>	<u>11,905</u>	<u>11,905</u>	<u>-</u>
Total Sheriff	<u>69,286,131</u>	<u>71,886,892</u>	<u>69,172,551</u>	<u>2,714,341</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>LAW ENFORCEMENT &amp; CORRECTIONS (cont'd)</b>				
Jail:				
Salaries	13,202,954	13,717,162	13,748,743	(31,581)
Benefits	6,604,869	6,121,892	6,134,817	(12,925)
Operations	<u>7,465,060</u>	<u>7,363,036</u>	<u>7,330,217</u>	<u>32,819</u>
Total Jail	<u>27,272,883</u>	<u>27,202,090</u>	<u>27,213,777</u>	<u>(11,687)</u>
Constable Pct 1:				
Salaries	3,633,363	3,638,453	3,853,890	(215,437)
Benefits	1,420,448	1,378,432	1,425,191	(46,759)
Operations	284,560	607,369	622,189	(14,820)
Capital	<u>-</u>	<u>28,998</u>	<u>23,499</u>	<u>5,499</u>
Total Constable Pct 1	<u>5,338,371</u>	<u>5,653,252</u>	<u>5,924,769</u>	<u>(271,517)</u>
Constable Pct 2:				
Salaries	1,742,701	1,770,554	1,885,792	(115,238)
Benefits	673,253	655,544	677,231	(21,687)
Operations	20,725	289,016	319,828	(30,812)
Capital	<u>-</u>	<u>109,632</u>	<u>75,611</u>	<u>34,021</u>
Total Constable Pct 2	<u>2,436,679</u>	<u>2,824,746</u>	<u>2,958,462</u>	<u>(133,716)</u>
Constable Pct 3:				
Salaries	4,485,482	4,653,690	4,712,289	(58,599)
Benefits	1,812,534	1,806,412	1,781,032	25,380
Operations	373,296	716,051	662,737	53,314
Capital	<u>-</u>	<u>3,896</u>	<u>40,800</u>	<u>(36,904)</u>
Total Constable Pct 3	<u>6,671,312</u>	<u>7,180,049</u>	<u>7,196,858</u>	<u>(16,809)</u>
Constable Pct 4:				
Salaries	3,251,731	3,441,575	3,530,582	(89,007)
Benefits	1,299,024	1,313,525	1,320,169	(6,644)
Operations	268,954	515,644	480,776	34,868
Capital	<u>-</u>	<u>55,861</u>	<u>52,848</u>	<u>3,013</u>
Total Constable Pct 4	<u>4,819,709</u>	<u>5,326,605</u>	<u>5,384,375</u>	<u>(57,770)</u>
Constable Pct 5:				
Salaries	3,347,197	3,241,582	3,459,309	(217,727)
Benefits	1,352,462	1,216,314	1,334,975	(118,661)
Operations	72,161	179,309	259,298	(79,989)
Capital	<u>-</u>	<u>67,529</u>	<u>37,529</u>	<u>30,000</u>
Total Constable Pct 5	<u>4,771,820</u>	<u>4,704,734</u>	<u>5,091,111</u>	<u>(386,377)</u>
<b>TOTAL LAW ENFORCEMENT &amp; CORRECTIONS</b>	\$ <u>142,996,509</u>	\$ <u>152,024,389</u>	\$ <u>150,244,700</u>	\$ <u>1,779,689</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>LEGAL &amp; JUDICIAL:</b>				
District Clerk				
Salaries	2,590,303	2,513,303	2,506,971	6,332
Benefits	1,332,288	1,316,736	1,258,876	57,860
Operations	63,110	37,917	35,109	2,808
Total District Clerk	<u>3,985,701</u>	<u>3,867,956</u>	<u>3,800,956</u>	<u>67,000</u>
County Attorney:				
Salaries	2,591,835	2,701,835	2,626,040	75,795
Benefits	976,013	975,750	943,112	32,638
Operations	98,475	309,157	287,035	22,122
Total County Attorney	<u>3,666,323</u>	<u>3,986,742</u>	<u>3,856,187</u>	<u>130,555</u>
Alternate Dispute Resolution:				
Operations	150,000	200,219	200,219	-
Total Alternate Dispute Resolution	<u>150,000</u>	<u>200,219</u>	<u>200,219</u>	<u>-</u>
Court Operations:				
Salaries	-	150,000	126,953	23,047
Benefits	-	59,526	42,600	16,926
Operations	962,750	715,495	629,649	85,846
Total Court Operations	<u>962,750</u>	<u>925,021</u>	<u>799,202</u>	<u>125,819</u>
Indigent Defense:				
Operations	8,026,398	7,877,562	6,934,602	942,960
Total Indigent Defense	<u>8,026,398</u>	<u>7,877,562</u>	<u>6,934,602</u>	<u>942,960</u>
Office of Court Administration:				
Salaries	881,419	865,753	903,712	(37,959)
Benefits	353,454	331,498	336,031	(4,533)
Operations	27,530	26,095	19,637	6,458
Total Office of Court Administration	<u>1,262,403</u>	<u>1,223,346</u>	<u>1,259,380</u>	<u>(36,034)</u>
County Court at Law 1:				
Salaries	416,472	411,510	407,939	3,571
Benefits	142,253	142,253	130,005	12,248
Operations	11,514	11,514	10,264	1,250
Total County Court at Law 1	<u>570,239</u>	<u>565,277</u>	<u>548,208</u>	<u>17,069</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>LEGAL &amp; JUDICIAL (cont'd)</b>				
County Court at Law 2:				
Salaries	700,356	709,388	709,388	-
Benefits	243,272	239,202	237,205	1,997
Operations	14,165	14,567	6,747	7,820
Total County Court at Law 2	<u>957,793</u>	<u>963,157</u>	<u>953,340</u>	<u>9,817</u>
County Court at Law 3:				
Salaries	614,556	622,333	622,333	-
Benefits	211,358	207,241	204,942	2,299
Operations	17,203	17,778	17,173	605
Total County Court at Law 3	<u>843,117</u>	<u>847,352</u>	<u>844,448</u>	<u>2,904</u>
County Court at Law 4:				
Salaries	422,193	422,193	419,382	2,811
Benefits	143,393	139,733	137,283	2,450
Operations	14,882	11,304	7,602	3,702
Total County Court at Law 4	<u>580,468</u>	<u>573,230</u>	<u>564,267</u>	<u>8,963</u>
County Court at Law 5:				
Salaries	411,830	411,830	409,180	2,650
Benefits	141,329	141,329	135,321	6,008
Operations	11,900	12,392	7,270	5,122
Total County Court at Law 5	<u>565,059</u>	<u>565,551</u>	<u>551,771</u>	<u>13,780</u>
County Court at Law 6:				
Salaries	-	64,079	59,750	4,329
Benefits	-	20,068	16,681	3,387
Operations	-	19,500	19,292	208
Total County Court at Law 6	<u>-</u>	<u>103,647</u>	<u>95,723</u>	<u>7,924</u>
9th District Court:				
Salaries	247,610	248,749	248,749	-
Benefits	102,472	105,885	105,885	-
Operations	13,820	12,487	12,272	215
Total 9th District Court	<u>363,902</u>	<u>367,121</u>	<u>366,906</u>	<u>215</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>LEGAL &amp; JUDICIAL (cont'd)</b>				
221st District Court:				
Salaries	257,444	288,718	276,417	12,301
Benefits	110,574	121,788	111,122	10,666
Operations	12,507	11,867	9,426	2,441
Total 221st District Court	<u>380,525</u>	<u>422,373</u>	<u>396,965</u>	<u>25,408</u>
284th District Court:				
Salaries	483,228	509,708	470,041	39,667
Benefits	185,197	191,323	176,807	14,516
Operations	13,977	14,258	8,081	6,177
Total 284th District Court	<u>682,402</u>	<u>715,289</u>	<u>654,929</u>	<u>60,360</u>
359th District Court:				
Salaries	307,181	317,188	317,188	-
Benefits	135,305	125,298	118,836	6,462
Operations	14,426	11,007	7,793	3,214
Total 359th District Court	<u>456,912</u>	<u>453,493</u>	<u>443,817</u>	<u>9,676</u>
410th District Court:				
Salaries	490,314	490,314	480,596	9,718
Benefits	186,402	186,402	176,419	9,983
Operations	11,900	12,490	11,253	1,237
Total 410th District Court	<u>688,616</u>	<u>689,206</u>	<u>668,268</u>	<u>20,938</u>
418th District Court:				
Salaries	504,116	504,116	500,550	3,566
Benefits	189,151	189,151	183,994	5,157
Operations	17,960	17,973	11,467	6,506
Total 418th District Court	<u>711,227</u>	<u>711,240</u>	<u>696,011</u>	<u>15,229</u>
435th District Court:				
Salaries	256,680	274,079	261,659	12,420
Benefits	110,423	116,279	109,190	7,089
Operations	17,425	19,786	19,559	227
Total 435th District Court	<u>384,528</u>	<u>410,144</u>	<u>390,408</u>	<u>19,736</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>LEGAL &amp; JUDICIAL (cont'd)</b>				
457th District Court:				
Salaries	407,563	408,615	408,615	-
Benefits	170,125	169,073	165,577	3,496
Operations	14,750	16,249	11,454	4,795
Total 457th District Court	<u>592,438</u>	<u>593,937</u>	<u>585,646</u>	<u>8,291</u>
Drug Court:				
Salaries	185,574	186,302	186,302	-
Benefits	72,998	82,269	79,295	2,974
Operations	770,922	661,958	501,058	160,900
Total Drug Court	<u>1,029,494</u>	<u>930,529</u>	<u>766,655</u>	<u>163,874</u>
Mental Health Court Services:				
Salaries	246,962	246,962	228,406	18,556
Benefits	123,310	123,310	104,912	18,398
Operations	11,800	11,800	8,683	3,117
Total Mental Health Court Services	<u>382,072</u>	<u>382,072</u>	<u>342,001</u>	<u>40,071</u>
Justice of the Peace 1:				
Salaries	670,318	670,318	638,150	32,168
Benefits	282,585	282,585	253,036	29,549
Operations	53,648	107,120	106,331	789
Total Justice of the Peace 1	<u>1,006,551</u>	<u>1,060,023</u>	<u>997,517</u>	<u>62,506</u>
Justice of the Peace 2				
Salaries	381,576	381,576	374,766	6,810
Benefits	167,225	167,225	157,423	9,802
Operations	43,435	116,659	84,020	32,639
Total Justice of the Peace 2	<u>592,236</u>	<u>665,460</u>	<u>616,209</u>	<u>49,251</u>
Justice of the Peace 3:				
Salaries	866,256	896,380	884,441	11,939
Benefits	439,157	426,392	420,697	5,695
Operations	33,507	33,507	29,679	3,828
Total Justice of the Peace 3	<u>1,338,920</u>	<u>1,356,279</u>	<u>1,334,817</u>	<u>21,462</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>LEGAL &amp; JUDICIAL (cont'd)</b>				
Justice of the Peace 4:				
Salaries	689,577	689,577	675,544	14,033
Benefits	330,063	330,063	314,775	15,288
Operations	<u>61,233</u>	<u>112,733</u>	<u>97,956</u>	<u>14,777</u>
Total Justice of the Peace 4	<u>1,080,873</u>	<u>1,132,373</u>	<u>1,088,275</u>	<u>44,098</u>
Justice of the Peace 5:				
Salaries	404,189	405,312	405,312	-
Benefits	169,452	168,329	165,627	2,702
Operations	<u>38,682</u>	<u>80,954</u>	<u>79,906</u>	<u>1,048</u>
Total Justice of the Peace 5	<u>612,323</u>	<u>654,595</u>	<u>650,845</u>	<u>3,750</u>
<b>TOTAL LEGAL &amp; JUDICIAL</b>	<u>31,873,270</u>	<u>32,243,194</u>	<u>30,407,572</u>	<u>1,835,622</u>
<b>PUBLIC TRANSPORTATION</b>				
Airport:				
Salaries	476,839	476,839	457,787	19,052
Benefits	198,954	198,954	184,864	14,090
Operations	<u>379,370</u>	<u>420,540</u>	<u>412,825</u>	<u>7,715</u>
Total Airport	<u>1,055,163</u>	<u>1,096,333</u>	<u>1,055,476</u>	<u>40,857</u>
<b>TOTAL PUBLIC TRANSPORTATION</b>	<u>1,055,163</u>	<u>1,096,333</u>	<u>1,055,476</u>	<u>40,857</u>
<b>TOTAL EXPENDITURES GENERAL FUND</b>	<u>258,932,925</u>	<u>288,201,760</u>	<u>283,065,077</u>	<u>5,136,683</u>
<b>OTHER FINANCING (USES)</b>				
Transfers out	<u>-</u>	<u>(1,293,702)</u>	<u>(2,413,282)</u>	<u>(1,119,580)</u>
<b>TOTAL OTHER (USES)</b>	<u>-</u>	<u>(1,293,702)</u>	<u>(2,413,282)</u>	<u>(1,119,580)</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING (USES)</b>	<u>\$ 258,932,925</u>	<u>\$ 286,908,058</u>	<u>\$ 280,651,795</u>	<u>\$ 6,256,263</u>

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**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

**MONTGOMERY COUNTY, TEXAS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2022

	Special Revenue	Capital Projects	Total
<b>ASSETS</b>			
Cash	\$ 7,489,727	\$ 2,731,546	\$ 10,221,273
Investments	3,383,487	2,751,354	6,134,841
Due from other funds	2,949,077	12,736,923	15,686,000
Due from other governments	708,117	-	708,117
Total assets	<u>14,530,408</u>	<u>18,219,823</u>	<u>32,750,231</u>
<b>LIABILITIES</b>			
Accounts payable	960,438	-	960,438
Due to other funds	4,922,365	-	4,922,365
Total liabilities	<u>5,882,803</u>	<u>-</u>	<u>5,882,803</u>
<b>FUND BALANCES</b>			
Restricted	9,312,078	5,490,208	14,802,286
Committed	-	12,729,615	12,729,615
Unassigned	(664,473)	-	(664,473)
Total fund balances	<u>8,647,605</u>	<u>18,219,823</u>	<u>26,867,428</u>
 Total liabilities and fund balances	 <u>\$ 14,530,408</u>	 <u>\$ 18,219,823</u>	 <u>\$ 32,750,231</u>

**MONTGOMERY COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Special Revenue	Capital Projects	Totals
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES</b>			
Fees and charges for services	\$ 4,857,340	\$ -	\$ 4,857,340
Intergovernmental	29,781	-	29,781
Contract reimbursements	1,407,759	-	1,407,759
Inmate housing	33,940,900	-	33,940,900
Investment earnings	93,663	185,551	279,214
Fines and forfeitures	869,624	-	869,624
Miscellaneous	7,677	23,544	31,221
Total revenues	<u>41,206,744</u>	<u>209,095</u>	<u>41,415,839</u>
<b>EXPENDITURES</b>			
Current:			
General government	3,053,924	-	3,053,924
Law enforcement and corrections	37,724,675	-	37,724,675
Legal and judicial	710,536	-	710,536
Capital projects	-	35,482,848	35,482,848
Debt service:			
Principal retirement	-	2,399,389	2,399,389
Interest and fiscal charges	-	115,590	115,590
Total expenditures	<u>41,489,135</u>	<u>37,997,827</u>	<u>79,486,962</u>
Deficiency revenues over expenditures	(282,391)	(37,788,732)	(38,071,123)
<b>OTHER FINANCING SOURCES/(USES)</b>			
Sale of capital assets	819	-	819
Transfers in	300,000	1,039,534	1,339,534
Transfers out	-	(976,154)	(976,154)
Total other financing sources/(uses)	<u>300,819</u>	<u>63,380</u>	<u>364,199</u>
<b>NET CHANGE IN FUND BALANCES</b>	18,428	(37,725,352)	(37,706,924)
<b>FUND BALANCES, BEGINNING</b>	<u>8,629,177</u>	<u>55,945,175</u>	<u>64,574,352</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 8,647,605</u>	<u>\$ 18,219,823</u>	<u>\$ 26,867,428</u>

## **NONMAJOR SPECIAL REVENUE FUNDS**

**Worthless Checks Fund 201** - 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 202** - 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.

**Jail Commissary Fund 203** - 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.

**Law Library Fund 204** - 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.

**Pre-Trial Diversion Fund 205** - 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.

**Records Management and Preservation Fund 206**- 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.

**Records Management County Fund 207** - 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 208** - to account for the receipt and expenditure of fees assessed by the district. Fees may only be spent on records management or preservation projects.

**District Clerk Record Preservation Fund 209** -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.

**Digital Preservation County and District Fund 210**- 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.

**Court Technology County and District Fund 211** - 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.

**Court Guardianship Fund 212** - 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 Service Fund 213** - to account for court reporter fees to defray the cost of providing court reporting services for the County.

**Courthouse Security Fund 214** - 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.

**Justice Court Building Security Fund 215** - 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 216** - 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 217** - 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.

**Vital Records Preservation Fund 218** - to account for fees collected for birth and death certificates. The funds are used for preservation of those records.

**Contract Elections Services Fund 219** - 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.

**Help America Vote Act (HAVA) Grant Fund 221** - 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.

**Joe Corley Pass Through Fund 222** - to account for reimbursements from United States Marshal Service (USM) and Immigration and Customs Enforcement (ICE) for the housing of federal inmates.

**Court Facility Fund 224** - to account for the construction, renovation, or improvement of facilities that house the courts or pay the principal of, interest on, and costs of issuance of bonds issued for the construction, renovation, or improvement of the facilities.

**Language Access Fund 225** - to account for language access services for individuals appearing before the court or receiving court services.

**MONTGOMERY COUNTY, TEXAS**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

SEPTEMBER 30, 2022

	Worthless Checks 201	Forfeitures 202	Jail Commissary 203
<b>ASSETS</b>			
Cash	\$ 12,565	\$ 1,521,671	\$ 1,640,589
Investments	-	-	-
Due from other funds	7,867	-	-
Due from other governments	-	-	-
Total assets	<u>20,432</u>	<u>1,521,671</u>	<u>1,640,589</u>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Due to other funds	-	44,561	113,314
Total liabilities	<u>-</u>	<u>44,561</u>	<u>113,314</u>
<b>FUND BALANCES</b>			
Restricted	20,432	1,477,110	1,527,275
Unassigned	-	-	-
Total fund balances	<u>20,432</u>	<u>1,477,110</u>	<u>1,527,275</u>
Total liabilities and fund balances	<u>\$ 20,432</u>	<u>\$ 1,521,671</u>	<u>\$ 1,640,589</u>

Law Library 204	Pre-Trial Diversion 205	Memo Totals from Page 91	Memo Totals from Page 93	Totals
\$ 580,487	\$ -	\$ -	\$ 3,734,415	\$ 7,489,727
-	-	3,308,657	74,830	3,383,487
-	44,374	1,286,866	1,609,970	2,949,077
<u>38,710</u>	<u>-</u>	<u>-</u>	<u>669,407</u>	<u>708,117</u>
<u>619,197</u>	<u>44,374</u>	<u>4,595,523</u>	<u>6,088,622</u>	<u>14,530,408</u>
-	-	-	960,438	960,438
<u>33,921</u>	<u>-</u>	<u>547,882</u>	<u>4,182,687</u>	<u>4,922,365</u>
<u>33,921</u>	<u>-</u>	<u>547,882</u>	<u>5,143,125</u>	<u>5,882,803</u>
585,276	44,374	4,047,641	1,609,970	9,312,078
-	-	-	(664,473)	(664,473)
<u>585,276</u>	<u>44,374</u>	<u>4,047,641</u>	<u>945,497</u>	<u>8,647,605</u>
<u>\$ 619,197</u>	<u>\$ 44,374</u>	<u>\$ 4,595,523</u>	<u>\$ 6,088,622</u>	<u>\$ 14,530,408</u>

**MONTGOMERY COUNTY, TEXAS**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

SEPTEMBER 30, 2022

	Records Management and Preservation 206	Records Management County 207	Records Management District Clerk 208	District Clerk Records Preservation 209
<b>ASSETS</b>				
Investments	\$ 2,914,208	\$ -	\$ 138,220	\$ 84,022
Due from other funds	<u>-</u>	<u>51,147</u>	<u>286,113</u>	<u>142,840</u>
Total assets	<u>2,914,208</u>	<u>51,147</u>	<u>424,333</u>	<u>226,862</u>
<b>LIABILITIES</b>				
Due to other funds	<u>547,882</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>547,882</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Restricted	<u>2,366,326</u>	<u>51,147</u>	<u>424,333</u>	<u>226,862</u>
Total fund balances	<u>2,366,326</u>	<u>51,147</u>	<u>424,333</u>	<u>226,862</u>
Total liabilities and fund balances	<u>\$ 2,914,208</u>	<u>\$ 51,147</u>	<u>\$ 424,333</u>	<u>\$ 226,862</u>

Digital Preservation County & District 210	Court Technology County & District 211	Court Guardianship 212	Court Reporter Service 213	Memo Totals to Page 89
\$ 172,207	\$ -	\$ -	\$ -	\$ 3,308,657
<u>390,395</u>	<u>30,669</u>	<u>19,660</u>	<u>366,042</u>	<u>1,286,866</u>
<u>562,602</u>	<u>30,669</u>	<u>19,660</u>	<u>366,042</u>	<u>4,595,523</u>
-	-	-	-	<u>547,882</u>
-	-	-	-	<u>547,882</u>
<u>562,602</u>	<u>30,669</u>	<u>19,660</u>	<u>366,042</u>	<u>4,047,641</u>
<u>562,602</u>	<u>30,669</u>	<u>19,660</u>	<u>366,042</u>	<u>4,047,641</u>
\$ <u>562,602</u>	\$ <u>30,669</u>	\$ <u>19,660</u>	\$ <u>366,042</u>	\$ <u>4,595,523</u>

**MONTGOMERY COUNTY, TEXAS**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

SEPTEMBER 30, 2022

	Courthouse Security 214	Justice Court Building Security 215	Justice Court Technology 216	Juvenile Case Manager 217
<b>ASSETS</b>				
Cash	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Due from other funds	141,699	413,657	474,758	1,100
Due from other governments	-	-	-	-
Total assets	<u>141,699</u>	<u>413,657</u>	<u>474,758</u>	<u>1,100</u>
<b>LIABILITIES</b>				
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Restricted	141,699	413,657	474,758	1,100
Unassigned	-	-	-	-
Total fund balances	<u>141,699</u>	<u>413,657</u>	<u>474,758</u>	<u>1,100</u>
 Total liabilities and fund balances	 <u>\$ 141,699</u>	 <u>\$ 413,657</u>	 <u>\$ 474,758</u>	 <u>\$ 1,100</u>

Vital Records Preservation 218	Contract Elections Services 219	HAVA Grant 221	Joe Corley Pass Through 222	Court Facility Fee 224	Language Access 225	Memo Totals to Page 89
\$ -	\$ 2,773,983	\$ -	\$ 960,432	\$ -	\$ -	\$ 3,734,415
-	74,830	-	-	-	-	74,830
78,648	-	313,647	-	139,407	47,054	1,609,970
-	669,407	-	-	-	-	669,407
<u>78,648</u>	<u>3,518,220</u>	<u>313,647</u>	<u>960,432</u>	<u>139,407</u>	<u>47,054</u>	<u>6,088,622</u>
-	6	-	960,432	-	-	960,438
-	4,182,687	-	-	-	-	4,182,687
-	<u>4,182,693</u>	-	<u>960,432</u>	-	-	<u>5,143,125</u>
78,648	-	313,647	-	139,407	47,054	1,609,970
-	(664,473)	-	-	-	-	(664,473)
<u>78,648</u>	<u>(664,473)</u>	<u>313,647</u>	<u>-</u>	<u>139,407</u>	<u>47,054</u>	<u>945,497</u>
<u>\$ 78,648</u>	<u>\$ 3,518,220</u>	<u>\$ 313,647</u>	<u>\$ 960,432</u>	<u>\$ 139,407</u>	<u>\$ 47,054</u>	<u>\$ 6,088,622</u>

**MONTGOMERY COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Worthless Checks 201	Forfeitures 202	Sheriff Commissary 203	Law Library 204
	<u>201</u>	<u>202</u>	<u>203</u>	<u>204</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 317	\$ -	\$ 2,049,070	\$ 346,993
Intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Inmate housing	-	-	-	-
Investment earnings	115	14,160	24,188	6,529
Fines and forfeitures	-	869,624	-	-
Miscellaneous	-	-	-	7,677
Total revenues	<u>432</u>	<u>883,784</u>	<u>2,073,258</u>	<u>361,199</u>
<b>EXPENDITURES</b>				
General government	-	-	-	-
Law enforcement and corrections	-	857,502	1,983,541	-
Legal and judicial	-	-	-	334,570
Total expenditures	<u>-</u>	<u>857,502</u>	<u>1,983,541</u>	<u>334,570</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	432	26,282	89,717	26,629
<b>OTHER FINANCING SOURCES/(USES)</b>				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Total other financing sources/(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	432	26,282	89,717	26,629
<b>FUND BALANCES, BEGINNING</b>	<u>20,000</u>	<u>1,450,828</u>	<u>1,437,558</u>	<u>558,647</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 20,432</u>	<u>\$ 1,477,110</u>	<u>\$ 1,527,275</u>	<u>\$ 585,276</u>

Pre-Trial Diversion 205	Memo Totals from Page 97	Memo Totals from Page 99	Totals
\$ 24,300	\$ 1,590,463	\$ 846,197	\$ 4,857,340
-	-	29,781	29,781
-	-	1,407,759	1,407,759
-	-	33,940,900	33,940,900
-	27,225	21,446	93,663
-	-	-	869,624
-	-	-	7,677
<u>24,300</u>	<u>1,617,688</u>	<u>36,246,083</u>	<u>41,206,744</u>
-	865,269	2,188,655	3,053,924
-	-	34,883,632	37,724,675
<u>23,722</u>	<u>343,419</u>	<u>8,825</u>	<u>710,536</u>
<u>23,722</u>	<u>1,208,688</u>	<u>37,081,112</u>	<u>41,489,135</u>
578	409,000	(835,029)	(282,391)
-	-	819	819
-	-	300,000	300,000
-	-	300,819	300,819
578	409,000	(534,210)	18,428
<u>43,796</u>	<u>3,638,641</u>	<u>1,479,707</u>	<u>8,629,177</u>
<u>\$ 44,374</u>	<u>\$ 4,047,641</u>	<u>\$ 945,497</u>	<u>\$ 8,647,605</u>

**MONTGOMERY COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Records Management and Preservation 206	Records Management County 207	Records Management District Clerk 208	District Clerk Records Preservation 209
<b>REVENUES</b>				
Fees and charges for services	\$ 975,654	\$ 31,151	\$ 231,375	\$ 25,520
Investment earnings	23,978	-	1,137	693
Total revenues	<u>999,632</u>	<u>31,151</u>	<u>232,512</u>	<u>26,213</u>
<b>EXPENDITURES</b>				
General government	865,269	-	-	-
Legal and judicial	-	-	5,983	-
Total expenditures	<u>865,269</u>	<u>-</u>	<u>5,983</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	134,363	31,151	226,529	26,213
<b>FUND BALANCES, BEGINNING</b>	<u>2,231,963</u>	<u>19,996</u>	<u>197,804</u>	<u>200,649</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 2,366,326</u>	<u>\$ 51,147</u>	<u>\$ 424,333</u>	<u>\$ 226,862</u>

Digital Preservation County & District 210	Court Technology County & District 211	Court Guardianship 212	Court Reporter Service 213	Memo Totals to Page 95
\$ 21,285	\$ 16,623	\$ 54,627	\$ 234,228	\$ 1,590,463
<u>1,417</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,225</u>
<u>22,702</u>	<u>16,623</u>	<u>54,627</u>	<u>234,228</u>	<u>1,617,688</u>
-	-	-	-	865,269
<u>-</u>	<u>22,974</u>	<u>127,464</u>	<u>186,998</u>	<u>343,419</u>
<u>-</u>	<u>22,974</u>	<u>127,464</u>	<u>186,998</u>	<u>1,208,688</u>
22,702	(6,351)	(72,837)	47,230	409,000
<u>539,900</u>	<u>37,020</u>	<u>92,497</u>	<u>318,812</u>	<u>3,638,641</u>
<u>\$ 562,602</u>	<u>\$ 30,669</u>	<u>\$ 19,660</u>	<u>\$ 366,042</u>	<u>\$ 4,047,641</u>

**MONTGOMERY COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Courthouse Security 214	Justice Court Building Security 215	Justice Court Technology 216	Juvenile Case Manager 217
<b>REVENUES</b>				
Fees and charges for services	\$ 376,157	\$ 129,902	\$ 106,074	\$ 11,295
Intergovernmental	-	-	-	-
Contract reimbursements	-	-	-	-
Inmate housing	-	-	-	-
Investment earnings	-	-	-	-
Total revenues	<u>376,157</u>	<u>129,902</u>	<u>106,074</u>	<u>11,295</u>
<b>EXPENDITURES</b>				
General government	-	-	-	-
Law enforcement and corrections	304,554	96,149	211,835	330,194
Legal and judicial	-	-	-	-
Total expenditures	<u>304,554</u>	<u>96,149</u>	<u>211,835</u>	<u>330,194</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	71,603	33,753	(105,761)	(318,899)
<b>OTHER FINANCING SOURCES/(USES)</b>				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	300,000
Total other financing sources/(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>300,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	71,603	33,753	(105,761)	(18,899)
<b>FUND BALANCES, BEGINNING</b>	<u>70,096</u>	<u>379,904</u>	<u>580,519</u>	<u>19,999</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 141,699</u>	<u>\$ 413,657</u>	<u>\$ 474,758</u>	<u>\$ 1,100</u>

Vital Records Preservation 218	Contract Elections Services 219	HAVA Grant 221	Joe Corley Pass Through 222	Court Facility Fee 224	Language Access 225	Memo Totals to Page 95
\$ 27,483	\$ -	\$ -	\$ -	\$ 148,232	\$ 47,054	\$ 846,197
-	-	29,781	-	-	-	29,781
-	1,407,759	-	-	-	-	1,407,759
-	-	-	33,940,900	-	-	33,940,900
-	21,446	-	-	-	-	21,446
<u>27,483</u>	<u>1,429,205</u>	<u>29,781</u>	<u>33,940,900</u>	<u>148,232</u>	<u>47,054</u>	<u>36,246,083</u>
10,474	2,147,824	30,357	-	-	-	2,188,655
-	-	-	33,940,900	-	-	34,883,632
-	-	-	-	8,825	-	8,825
<u>10,474</u>	<u>2,147,824</u>	<u>30,357</u>	<u>33,940,900</u>	<u>8,825</u>	<u>-</u>	<u>37,081,112</u>
17,009	(718,619)	(576)	-	139,407	47,054	(835,029)
-	819	-	-	-	-	819
-	-	-	-	-	-	300,000
-	<u>819</u>	-	-	-	-	<u>300,819</u>
17,009	(717,800)	(576)	-	139,407	47,054	(534,210)
<u>61,639</u>	<u>53,327</u>	<u>314,223</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,479,707</u>
<u>\$ 78,648</u>	<u>\$ (664,473)</u>	<u>\$ 313,647</u>	<u>\$ -</u>	<u>\$ 139,407</u>	<u>\$ 47,054</u>	<u>\$ 945,497</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
201 - WORTHLESS CHECKS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ -	\$ -	\$ 317	\$ 317
Investment earnings	-	-	115	115
Total revenues	<u>-</u>	<u>-</u>	<u>432</u>	<u>432</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	432	432
<b>FUND BALANCES, BEGINNING</b>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,432</u>	<u>\$ 432</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
202 - FORFEITURES FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Investment earnings	\$ -	\$ 3,127	\$ 14,160	\$ 11,033
Fines and forfeitures	<u>1,237,421</u>	<u>1,335,710</u>	<u>869,624</u>	<u>(466,086)</u>
Total revenues	<u>1,237,421</u>	<u>1,338,837</u>	<u>883,784</u>	<u>(455,053)</u>
<b>EXPENDITURES</b>				
Law enforcement and corrections:				
Salary	62,701	62,701	7,272	55,429
Benefits	27,030	27,030	2,747	24,283
Operations	1,107,690	1,197,882	847,483	350,399
Capital	<u>40,000</u>	<u>51,224</u>	<u>-</u>	<u>51,224</u>
Total expenditures	<u>1,237,421</u>	<u>1,338,837</u>	<u>857,502</u>	<u>481,335</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	26,282	26,282
<b>FUND BALANCES, BEGINNING</b>	<u>1,450,828</u>	<u>1,450,828</u>	<u>1,450,828</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 1,450,828</u>	<u>\$ 1,450,828</u>	<u>\$ 1,477,110</u>	<u>\$ 26,282</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
203 - SHERIFF COMMISSARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 1,920,931	\$ 2,762,013	\$ 2,049,070	\$ (712,943)
Investment earnings	<u>-</u>	<u>-</u>	<u>24,188</u>	<u>24,188</u>
Total revenues	<u>1,920,931</u>	<u>2,762,013</u>	<u>2,073,258</u>	<u>(688,755)</u>
<b>EXPENDITURES</b>				
Law enforcement and corrections:				
Salary	220,576	329,312	221,846	107,466
Benefits	103,231	154,313	99,736	54,577
Operations	1,597,124	2,158,124	1,661,959	496,165
Capital	<u>-</u>	<u>120,264</u>	<u>-</u>	<u>120,264</u>
Total expenditures	<u>1,920,931</u>	<u>2,762,013</u>	<u>1,983,541</u>	<u>778,472</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	89,717	89,717
<b>FUND BALANCES, BEGINNING</b>	<u>1,437,558</u>	<u>1,437,558</u>	<u>1,437,558</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 1,437,558</u>	<u>\$ 1,437,558</u>	<u>\$ 1,527,275</u>	<u>\$ 89,717</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
204 - LAW LIBRARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 366,544	\$ 366,544	\$ 346,993	\$ (19,551)
Investment earnings	-	-	6,529	6,529
Miscellaneous	-	-	7,677	7,677
Total revenues	<u>366,544</u>	<u>366,544</u>	<u>361,199</u>	<u>(5,345)</u>
<b>EXPENDITURES</b>				
Legal and judicial:				
Benefits	196,365	200,886	200,886	-
Operations	110,179	107,031	72,239	34,792
Capital	<u>60,000</u>	<u>61,445</u>	<u>61,445</u>	-
Total expenditures	<u>366,544</u>	<u>369,362</u>	<u>334,570</u>	<u>34,792</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	(2,818)	26,629	29,447
<b>FUND BALANCES, BEGINNING</b>	<u>558,647</u>	<u>558,647</u>	<u>558,647</u>	-
<b>FUND BALANCES, ENDING</b>	<u>\$ 558,647</u>	<u>\$ 555,829</u>	<u>\$ 585,276</u>	<u>\$ 29,447</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
205 - PRE-TRIAL DIVERSION FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 55,160	\$ 55,160	\$ 24,300	\$ (30,860)
Total revenues	<u>55,160</u>	<u>55,160</u>	<u>24,300</u>	<u>(30,860)</u>
<b>EXPENDITURES</b>				
Law enforcement and corrections:				
Salary	29,467	29,467	17,870	11,597
Benefits	20,693	20,693	3,629	17,064
Operations	<u>5,000</u>	<u>5,000</u>	<u>2,223</u>	<u>2,777</u>
Total expenditures	<u>55,160</u>	<u>55,160</u>	<u>23,722</u>	<u>31,438</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	578	578
<b>FUND BALANCES, BEGINNING</b>	<u>43,796</u>	<u>43,796</u>	<u>43,796</u>	-
<b>FUND BALANCES, ENDING</b>	<u>\$ 43,796</u>	<u>\$ 43,796</u>	<u>\$ 44,374</u>	<u>\$ 578</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
206 - RECORDS MANAGEMENT AND PRESERVATION FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 634,456	\$ 634,456	\$ 975,654	\$ 341,198
Investment earnings	-	-	23,978	23,978
Total revenues	<u>634,456</u>	<u>634,456</u>	<u>999,632</u>	<u>365,176</u>
<b>EXPENDITURES</b>				
General government:				
Salaries	328,001	335,019	231,984	103,035
Employee benefits	132,870	134,495	102,943	31,552
Supplies	173,585	281,517	197,114	84,403
Capital	-	<u>298,452</u>	<u>333,228</u>	<u>(34,776)</u>
Total expenditures	<u>634,456</u>	<u>1,049,483</u>	<u>865,269</u>	<u>184,214</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	(415,027)	134,363	549,390
<b>FUND BALANCES, BEGINNING</b>	<u>2,231,963</u>	<u>2,231,963</u>	<u>2,231,963</u>	-
<b>FUND BALANCES, ENDING</b>	<u>\$ 2,231,963</u>	<u>\$ 1,816,936</u>	<u>\$ 2,366,326</u>	<u>\$ 549,390</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
207 - RECORDS MANAGEMENT COUNTY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	<u>\$ 77,402</u>	<u>\$ 77,402</u>	<u>\$ 31,151</u>	<u>\$ (46,251)</u>
Total revenues	<u>77,402</u>	<u>77,402</u>	<u>31,151</u>	<u>(46,251)</u>
<b>EXPENDITURES</b>				
General government:				
Operations	12,500	12,500	-	12,500
Law enforcement and corrections:				
Salary	41,933	41,933	-	41,933
Benefits	<u>22,969</u>	<u>22,969</u>	<u>-</u>	<u>22,969</u>
Total expenditures	<u>77,402</u>	<u>77,402</u>	<u>-</u>	<u>77,402</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	31,151	31,151
<b>FUND BALANCES, BEGINNING</b>	<u>19,996</u>	<u>19,996</u>	<u>19,996</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 19,996</u>	<u>\$ 19,996</u>	<u>\$ 51,147</u>	<u>\$ 31,151</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
208 - RECORDS MANAGEMENT DISTRICT CLERK FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 104,740	\$ 104,740	\$ 231,375	\$ 126,635
Investment earnings	-	-	1,137	1,137
Total revenues	<u>104,740</u>	<u>104,740</u>	<u>232,512</u>	<u>127,772</u>
<b>EXPENDITURES</b>				
Legal and judicial:				
Salary	20,458	20,458	-	20,458
Benefits	4,282	4,282	-	4,282
Operations	<u>80,000</u>	<u>80,000</u>	<u>5,983</u>	<u>74,017</u>
Total expenditures	<u>104,740</u>	<u>104,740</u>	<u>5,983</u>	<u>98,757</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	226,529	226,529
<b>FUND BALANCES, BEGINNING</b>	<u>197,804</u>	<u>197,804</u>	<u>197,804</u>	-
<b>FUND BALANCES, ENDING</b>	<u>\$ 197,804</u>	<u>\$ 197,804</u>	<u>\$ 424,333</u>	<u>\$ 226,529</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
209 - DISTRICT CLERK RECORDS PRESERVATION FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 60,000	\$ 60,000	\$ 25,520	\$ (34,480)
Investment earnings	-	-	693	693
Total revenues	<u>60,000</u>	<u>60,000</u>	<u>26,213</u>	<u>(33,787)</u>
<b>EXPENDITURES</b>				
Legal and judicial: Operations	<u>60,000</u>	<u>60,000</u>	-	60,000
Total expenditures	<u>60,000</u>	<u>60,000</u>	-	60,000
<b>NET CHANGE IN FUND BALANCES</b>	-	-	26,213	26,213
<b>FUND BALANCES, BEGINNING</b>	<u>200,649</u>	<u>200,649</u>	<u>200,649</u>	-
<b>FUND BALANCES, ENDING</b>	<u>\$ 200,649</u>	<u>\$ 200,649</u>	<u>\$ 226,862</u>	<u>\$ 26,213</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
210 - DIGITAL PRESERVATION COUNTY AND DISTRICT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and Charges for Services	\$ -	\$ -	\$ 21,285	\$ 21,285
Investment Earnings	<u>-</u>	<u>-</u>	<u>1,417</u>	<u>1,417</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>22,702</u>	<u>22,702</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	22,702	22,702
<b>FUND BALANCES, BEGINNING</b>	<u>539,900</u>	<u>539,900</u>	<u>539,900</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 539,900</u>	<u>\$ 539,900</u>	<u>\$ 562,602</u>	<u>\$ 22,702</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
211 - COURT TECHNOLOGY COUNTY AND DISTRICT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 32,500	\$ 32,500	\$ 16,623	\$ (15,877)
Total revenues	<u>32,500</u>	<u>32,500</u>	<u>16,623</u>	<u>(15,877)</u>
<b>EXPENDITURES</b>				
Legal and judicial:				
Operations	32,500	40,274	21,636	18,638
Capital	-	-	1,338	(1,338)
Total expenditures	<u>32,500</u>	<u>40,274</u>	<u>22,974</u>	<u>17,300</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	(7,774)	(6,351)	1,423
<b>FUND BALANCES, BEGINNING</b>	<u>37,020</u>	<u>37,020</u>	<u>37,020</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 37,020</u>	<u>\$ 29,246</u>	<u>\$ 30,669</u>	<u>\$ 1,423</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
212 - COURT GUARDIANSHIP FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 70,000	\$ 70,000	\$ 54,627	\$ (15,373)
Total revenues	<u>70,000</u>	<u>70,000</u>	<u>54,627</u>	<u>(15,373)</u>
<b>EXPENDITURES</b>				
Legal and judicial:				
Operations	70,000	140,000	125,464	14,536
Capital	-	-	2,000	(2,000)
Total expenditures	<u>70,000</u>	<u>140,000</u>	<u>127,464</u>	<u>12,536</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	(70,000)	(72,837)	(2,837)
<b>FUND BALANCES, BEGINNING</b>	<u>92,497</u>	<u>92,497</u>	<u>92,497</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 92,497</u>	<u>\$ 22,497</u>	<u>\$ 19,660</u>	<u>\$ (2,837)</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
213 - COURT REPORTER SERVICE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 230,132	\$ 230,132	\$ 234,228	\$ 4,096
Total revenues	<u>230,132</u>	<u>230,132</u>	<u>234,228</u>	<u>4,096</u>
<b>EXPENDITURES</b>				
Legal and judicial:				
Salary	85,000	85,000	85,000	-
Benefits	16,932	17,162	17,162	-
Operations	128,200	128,249	83,786	44,463
Capital	-	-	1,050	(1,050)
Total expenditures	<u>230,132</u>	<u>230,411</u>	<u>186,998</u>	<u>43,413</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	(279)	47,230	47,509
<b>FUND BALANCES, BEGINNING</b>	<u>318,812</u>	<u>318,812</u>	<u>318,812</u>	-
<b>FUND BALANCES, ENDING</b>	<u>\$ 318,812</u>	<u>\$ 318,533</u>	<u>\$ 366,042</u>	<u>\$ 47,509</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
214 - COURTHOUSE SECURITY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	<u>\$ 275,000</u>	<u>\$ 315,000</u>	<u>\$ 376,157</u>	<u>\$ 61,157</u>
Total revenues	<u>275,000</u>	<u>315,000</u>	<u>376,157</u>	<u>61,157</u>
<b>EXPENDITURES</b>				
Law enforcement and corrections:				
Operations	<u>275,000</u>	<u>315,000</u>	<u>304,554</u>	<u>10,446</u>
Total expenditures	<u>275,000</u>	<u>315,000</u>	<u>304,554</u>	<u>10,446</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	71,603	71,603
<b>FUND BALANCES, BEGINNING</b>	<u>70,096</u>	<u>70,096</u>	<u>70,096</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 70,096</u>	<u>\$ 70,096</u>	<u>\$ 141,699</u>	<u>\$ 71,603</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
215 - JUSTICE COURT BUILDING SECURITY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	<u>\$ 106,030</u>	<u>\$ 106,030</u>	<u>\$ 129,902</u>	<u>\$ 23,872</u>
Total revenues	<u>106,030</u>	<u>106,030</u>	<u>129,902</u>	<u>23,872</u>
<b>EXPENDITURES</b>				
Law enforcement and corrections:				
Salary	<u>76,057</u>	<u>76,057</u>	<u>70,044</u>	<u>6,013</u>
Benefits	<u>29,973</u>	<u>29,973</u>	<u>26,105</u>	<u>3,868</u>
Total expenditures	<u>106,030</u>	<u>106,030</u>	<u>96,149</u>	<u>9,881</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>-</u>	<u>-</u>	<u>33,753</u>	<u>33,753</u>
<b>FUND BALANCES, BEGINNING</b>	<u>379,904</u>	<u>379,904</u>	<u>379,904</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 379,904</u>	<u>\$ 379,904</u>	<u>\$ 413,657</u>	<u>\$ 33,753</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
216 - JUSTICE COURT TECHNOLOGY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 65,204	\$ 102,804	\$ 106,074	\$ 3,270
Total revenues	<u>65,204</u>	<u>102,804</u>	<u>106,074</u>	<u>3,270</u>
<b>EXPENDITURES</b>				
Law enforcement and corrections:				
Operations	65,204	365,271	203,971	161,300
Capital	-	<u>6,500</u>	<u>7,864</u>	<u>(1,364)</u>
Total expenditures	<u>65,204</u>	<u>371,771</u>	<u>211,835</u>	<u>159,936</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	(268,967)	(105,761)	163,206
<b>FUND BALANCES, BEGINNING</b>	<u>580,519</u>	<u>580,519</u>	<u>580,519</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 580,519</u>	<u>\$ 311,552</u>	<u>\$ 474,758</u>	<u>\$ 163,206</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
217 - JUVENILE CASE MANAGER FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Fees and charges for services	\$ 336,316	\$ 336,316	\$ 11,295	\$ (325,021)
Total revenues	<u>336,316</u>	<u>336,316</u>	<u>11,295</u>	<u>(325,021)</u>
<b>EXPENDITURES</b>				
Law enforcement and corrections:				
Salary	218,644	218,644	216,643	2,001
Benefits	<u>117,668</u>	<u>117,668</u>	<u>113,551</u>	<u>4,117</u>
Total expenditures	<u>336,312</u>	<u>336,312</u>	<u>330,194</u>	<u>6,118</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	<u>4</u>	<u>4</u>	<u>(318,899)</u>	<u>(318,903)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>300,000</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>300,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	4	4	(18,899)	(18,903)
<b>FUND BALANCES, BEGINNING</b>	<u>19,999</u>	<u>19,999</u>	<u>19,999</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 20,003</u>	<u>\$ 20,003</u>	<u>\$ 1,100</u>	<u>\$ (18,903)</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
218 - VITAL RECORDS PRESERVATION FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ 17,100	\$ 17,100	\$ 27,483	\$ 10,383
Total revenues	<u>17,100</u>	<u>17,100</u>	<u>27,483</u>	<u>10,383</u>
<b>EXPENDITURES</b>				
General government:				
Operations	<u>17,100</u>	<u>17,100</u>	<u>10,474</u>	<u>6,626</u>
Total expenditures	<u>17,100</u>	<u>17,100</u>	<u>10,474</u>	<u>6,626</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	17,009	17,009
<b>FUND BALANCES, BEGINNING</b>	<u>61,639</u>	<u>61,639</u>	<u>61,639</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 61,639</u>	<u>\$ 61,639</u>	<u>\$ 78,648</u>	<u>\$ 17,009</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
219 - CONTRACT ELECTIONS SERVICE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Contract reimbursement	-	-	1,407,759	1,407,759
Investment earnings	-	-	21,446	21,446
Total revenues	-	-	1,429,205	1,429,205
<b>EXPENDITURES</b>				
General government:				
Salary	-	-	1,164,851	(1,164,851)
Benefits	-	-	222,699	(222,699)
Operations	-	-	760,274	(760,274)
Total expenditures	-	-	2,147,824	(2,147,824)
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	-	-	(718,619)	(718,619)
<b>OTHER FINANCING SOURCES</b>				
Sale of capital assets	-	-	819	819
Total other financing sources	-	-	819	819
<b>NET CHANGE IN FUND BALANCES</b>	-	-	(717,800)	(717,800)
<b>FUND BALANCES, BEGINNING</b>	53,327	53,327	53,327	-
<b>FUND BALANCES, ENDING</b>	\$ 53,327	\$ 53,327	\$ (664,473)	\$ (717,800)

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
221 - HAVA GRANT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Intergovernmental	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,781</u>	<u>\$ 29,781</u>
Total revenues	<u>-</u>	<u>-</u>	<u>29,781</u>	<u>29,781</u>
<b>EXPENDITURES</b>				
General government:				
Operations	<u>-</u>	<u>-</u>	<u>576</u>	<u>(576)</u>
Capital	<u>-</u>	<u>-</u>	<u>29,781</u>	<u>(29,781)</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>30,357</u>	<u>(30,357)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>-</u>	<u>-</u>	<u>(576)</u>	<u>(576)</u>
<b>FUND BALANCES, BEGINNING</b>	<u>314,223</u>	<u>314,223</u>	<u>314,223</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 314,223</u>	<u>\$ 314,223</u>	<u>\$ 313,647</u>	<u>\$ (576)</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
222 - JOE CORLEY PASS THROUGH FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Inmate housing	\$ <u>24,000,000</u>	\$ <u>33,940,900</u>	\$ <u>33,940,900</u>	\$ <u>-</u>
Total revenues	<u>24,000,000</u>	<u>33,940,900</u>	<u>33,940,900</u>	<u>-</u>
<b>EXPENDITURES</b>				
Law enforcement and corrections:				
Operations	<u>24,000,000</u>	<u>33,940,900</u>	<u>33,940,900</u>	<u>-</u>
Total expenditures	<u>24,000,000</u>	<u>33,940,900</u>	<u>33,940,900</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-	-
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
224 - COURT FACILITY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ -	\$ 42,425	\$ 148,232	\$ 105,807
Total revenues	<u>-</u>	<u>42,425</u>	<u>148,232</u>	<u>105,807</u>
<b>EXPENDITURES</b>				
Legal and judicial:				
Capital	-	21,250	8,825	12,425
Total expenditures	<u>-</u>	<u>21,250</u>	<u>8,825</u>	<u>12,425</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	21,175	139,407	118,232
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ 21,175</u>	<u>\$ 139,407</u>	<u>\$ 118,232</u>

**MONTGOMERY COUNTY, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
225 - LANGUAGE ACCESS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Fees and charges for services	\$ -	\$ -	\$ 47,054	\$ 47,054
Total revenues	<u>-</u>	<u>-</u>	<u>47,054</u>	<u>47,054</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	47,054	47,054
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,054</u>	<u>\$ 47,054</u>

## **NONMAJOR CAPITAL PROJECT FUNDS**

**Local Capital Projects 400** - to account for various county-wide projects, including Sheriff's office remodel and fleet operations as well as a Medical Examiner's office.

**Revenue toll Bonds Series 2010 401** - 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 402** - 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.

**Road Bonds Series 2016 404** - 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 405** - 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 406** - to account for the County's issuance of \$45,670,000 in bonds that are being used to finance road improvements throughout the County.

**Sheriff Projects 408** - 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.

**MONTGOMERY COUNTY, TEXAS**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECT FUNDS

SEPTEMBER 30, 2022

	Local Capital Projects 400	Revenue Toll Bonds Series 2010 401	Certificates of Obligation Series 2012 402
<b>ASSETS</b>			
Cash	\$ -	\$ 2,688,850	\$ 1,866
Investments	-	2,751,354	-
Due from other funds	<u>10,175,424</u>	<u>7,308</u>	<u>-</u>
Total assets	<u>10,175,424</u>	<u>5,447,512</u>	<u>1,866</u>
<b>LIABILITIES</b>			
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Restricted	-	5,447,512	1,866
Committed	<u>10,175,424</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>10,175,424</u>	<u>5,447,512</u>	<u>1,866</u>
Total liabilities and fund balances	<u>\$ 10,175,424</u>	<u>\$ 5,447,512</u>	<u>\$ 1,866</u>

Road Bonds 2016 404	Road Bonds 2016A 405	Road Bonds 2018 406	Sheriff Projects 408	Totals
\$ 9,547	\$ 11,477	\$ 19,806	\$ -	\$ 2,731,546
-	-	-	-	2,751,354
-	-	-	2,554,191	12,736,923
<u>9,547</u>	<u>11,477</u>	<u>19,806</u>	<u>2,554,191</u>	<u>18,219,823</u>
-	-	-	-	-
-	-	-	-	-
9,547	11,477	19,806	-	5,490,208
-	-	-	2,554,191	12,729,615
<u>9,547</u>	<u>11,477</u>	<u>19,806</u>	<u>2,554,191</u>	<u>18,219,823</u>
<u>\$ 9,547</u>	<u>\$ 11,477</u>	<u>\$ 19,806</u>	<u>\$ 2,554,191</u>	<u>\$ 18,219,823</u>

**MONTGOMERY COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECT FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Local Capital Projects 400	Revenue Toll Bonds Series 2010 401	Certificates of Obligation Series 2012 402
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 55,172	\$ 3,848
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>-</u>	<u>55,172</u>	<u>3,848</u>
<b>EXPENDITURES</b>			
Operations	-	-	-
Capital	19,730,903	-	485,335
Debt service:			
Principal retirement	2,399,389	-	-
Interest and fiscal charges	<u>115,590</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>22,245,882</u>	<u>-</u>	<u>485,335</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	<u>(22,245,882)</u>	<u>55,172</u>	<u>(481,487)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,039,534	-	-
Transfers out	<u>(976,154)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>63,380</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(22,182,502)	55,172	(481,487)
<b>FUND BALANCES, BEGINNING</b>	<u>32,357,926</u>	<u>5,392,340</u>	<u>483,353</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 10,175,424</u>	<u>\$ 5,447,512</u>	<u>\$ 1,866</u>

Road Bonds 2016 404	Road Bonds 2016A 405	Road Bonds 2018 406	Sheriff Projects 408	Totals
\$ 4,836	\$ 39,825	\$ 81,870	\$ -	\$ 185,551
-	-	-	23,544	23,544
<u>4,836</u>	<u>39,825</u>	<u>81,870</u>	<u>23,544</u>	<u>209,095</u>
9,416	1,752,820	2,495,234	-	4,257,470
18,137	871,851	3,166,890	6,952,262	31,225,378
-	-	-	-	2,399,389
-	-	-	-	115,590
<u>27,553</u>	<u>2,624,671</u>	<u>5,662,124</u>	<u>6,952,262</u>	<u>37,997,827</u>
<u>(22,717)</u>	<u>(2,584,846)</u>	<u>(5,580,254)</u>	<u>(6,928,718)</u>	<u>(37,788,732)</u>
-	-	-	-	1,039,534
-	-	-	-	(976,154)
-	-	-	-	63,380
(22,717)	(2,584,846)	(5,580,254)	(6,928,718)	(37,725,352)
<u>32,264</u>	<u>2,596,323</u>	<u>5,600,060</u>	<u>9,482,909</u>	<u>55,945,175</u>
<u>\$ 9,547</u>	<u>\$ 11,477</u>	<u>\$ 19,806</u>	<u>\$ 2,554,191</u>	<u>\$ 18,219,823</u>

**DEBT SERVICE FUND**

**Montgomery County Debt Service Fund 300** - 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**

**EXHIBIT E-1**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
300 - DEBT SERVICE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ 41,255,587	\$ 41,255,587	\$ 41,155,941	\$ (99,646)
Intergovernmental	2,015,460	2,015,460	401,547	(1,613,913)
Investment earnings	-	-	41,348	41,348
Total revenues	<u>43,271,047</u>	<u>43,271,047</u>	<u>41,598,836</u>	<u>(1,672,211)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	20,970,000	20,970,000	20,970,000	-
Interest and fiscal charges	22,301,047	22,212,673	22,207,530	5,143
Issuance costs	-	94,742	105,492	(10,750)
Total expenditures	<u>43,271,047</u>	<u>43,277,415</u>	<u>43,283,022</u>	<u>(5,607)</u>
Excess (deficiency) revenues over (Under) expenditures	<u>-</u>	<u>(6,368)</u>	<u>(1,684,186)</u>	<u>(1,677,818)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	1,225,132	1,225,132
Issuance of refunding bonds	-	8,430,000	8,430,000	-
Premium on refunding bonds issued	-	1,732,781	1,732,781	-
Payment to escrow agent	-	(10,156,413)	(10,156,413)	-
Total other financing sources (uses)	<u>-</u>	<u>6,368</u>	<u>1,231,500</u>	<u>1,225,132</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	(452,686)	(452,686)
<b>FUND BALANCES, BEGINNING</b>	<u>13,820,098</u>	<u>13,820,098</u>	<u>13,820,098</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 13,820,098</u>	<u>\$ 13,820,098</u>	<u>\$ 13,367,412</u>	<u>\$ (452,686)</u>

## **INTERNAL SERVICE FUNDS**

**Self-Insurance Medical Fund 500** - 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 fulltime employees and contributions from employees and retirees.

**Self-Insurance Workers' Compensation Fund 501** - 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 502** - 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.

**MONTGOMERY COUNTY, TEXAS**

**EXHIBIT F-1**

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS

SEPTEMBER 30, 2022

	Self-Insurance Medical 500	Self-Insurance Workers' Compensation 501	Self-Insurance Accident and Liability 502	Total
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 2,980,178	\$ 111,170	\$ 183,554	\$ 3,274,902
Receivables:				
Accounts (net)	-	551,849	8,700	560,549
Due from other funds	6,296,753	4,768,798	1,048,332	12,113,883
Prepaid items	<u>544,325</u>	<u>107,814</u>	<u>498,811</u>	<u>1,150,950</u>
Total current assets	<u>9,821,256</u>	<u>5,539,631</u>	<u>1,739,397</u>	<u>17,100,284</u>
Capital assets:				
Buildings	951,264	-	-	951,264
Improvements	2,394	-	-	2,394
Equipment	70,356	26,012	-	96,368
Less: accumulated depreciation	<u>(280,521)</u>	<u>(26,012)</u>	<u>-</u>	<u>(306,533)</u>
Total capital assets	<u>743,493</u>	<u>-</u>	<u>-</u>	<u>743,493</u>
Total assets	<u>10,564,749</u>	<u>5,539,631</u>	<u>1,739,397</u>	<u>17,843,777</u>
<b>LIABILITIES</b>				
Current liabilities:				
Claims payable	2,429,801	516,313	170,304	3,116,418
Litigation payable	<u>-</u>	<u>-</u>	<u>600,000</u>	<u>600,000</u>
Total current liabilities	<u>2,429,801</u>	<u>516,313</u>	<u>770,304</u>	<u>3,716,418</u>
Current liabilities:				
Claims payable	<u>7,289,402</u>	<u>1,548,940</u>	<u>510,913</u>	<u>9,349,255</u>
Total noncurrent liabilities	<u>7,289,402</u>	<u>1,548,940</u>	<u>510,913</u>	<u>9,349,255</u>
Total liabilities	<u>9,719,203</u>	<u>2,065,253</u>	<u>1,281,217</u>	<u>13,065,673</u>
<b>NET POSITION</b>				
Net investment in capital assets	743,493	-	-	743,493
Unrestricted	<u>102,053</u>	<u>3,474,378</u>	<u>458,180</u>	<u>4,034,611</u>
Total Net Position	<u>\$ 845,546</u>	<u>\$ 3,474,378</u>	<u>\$ 458,180</u>	<u>\$ 4,778,104</u>

**MONTGOMERY COUNTY, TEXAS**

**EXHIBIT F-2**

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Self-Insurance Medical 500	Self-Insurance Workers' Compensation 501	Self-Insurance Accident and Liability 502	Total
<b>OPERATING REVENUES</b>				
Fees and charges for services	\$ 45,839,362	\$ 1,696,617	\$ 2,198,891	\$ 49,734,870
Miscellaneous	-	-	47,903	47,903
Total operating revenues	<u>45,839,362</u>	<u>1,696,617</u>	<u>2,246,794</u>	<u>49,782,773</u>
<b>OPERATING EXPENSES</b>				
Claims	49,464,761	1,408,814	-	50,873,575
Administrative	6,222,825	372,416	986,821	7,582,062
Miscellaneous	1,882	-	248,785	250,667
Depreciation	25,163	-	-	25,163
Total operating expenses	<u>55,714,631</u>	<u>1,781,230</u>	<u>1,235,606</u>	<u>58,731,467</u>
<b>OPERATING INCOME/(LOSS)</b>	(9,875,269)	(84,613)	1,011,188	(8,948,694)
<b>TRANSFERS IN</b>	<u>3,000,000</u>	<u>-</u>	<u>-</u>	<u>3,000,000</u>
<b>CHANGE IN NET POSITION</b>	(6,875,269)	(84,613)	1,011,188	(5,948,694)
<b>TOTAL NET POSITION, BEGINNING</b>	<u>7,720,815</u>	<u>3,558,991</u>	<u>(553,008)</u>	<u>10,726,798</u>
<b>TOTAL NET POSITION, ENDING</b>	<u>\$ 845,546</u>	<u>\$ 3,474,378</u>	<u>\$ 458,180</u>	<u>\$ 4,778,104</u>

**MONTGOMERY COUNTY, TEXAS**

**EXHIBIT F-3**

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Self-Insurance Medical 500	Self-Insurance Workers' Compensation 501	Self-Insurance Accident and Liability 502	Total
Cash flows from operating activities:				
Receipts from customers	\$ 45,839,362	\$ 1,403,639	\$ 2,190,191	\$ 49,433,192
Miscellaneous receipts	-	-	47,903	47,903
Payments to vendors	(6,224,707)	(372,416)	(1,235,606)	(7,832,729)
Benefits paid	(46,387,093)	(1,379,504)	(3,158,271)	(50,924,868)
Net cash used by financing activities	<u>(6,772,438)</u>	<u>(348,281)</u>	<u>(2,155,783)</u>	<u>(9,276,502)</u>
Cash flows from noncapital financing activities:				
Cash paid from other funds	<u>2,228,166</u>	<u>372,596</u>	<u>2,260,978</u>	<u>4,861,740</u>
Net cash provided by financing activities	<u>2,228,166</u>	<u>372,596</u>	<u>2,260,978</u>	<u>4,861,740</u>
Net increase (decrease) in cash and cash equivalents	<u>(4,544,272)</u>	<u>24,315</u>	<u>105,195</u>	<u>(4,414,762)</u>
Cash and equivalents - beginning	<u>7,524,450</u>	<u>86,855</u>	<u>78,359</u>	<u>7,689,664</u>
Cash and equivalents - ending	<u>2,980,178</u>	<u>111,170</u>	<u>183,554</u>	<u>3,274,902</u>
Reconciliation of operating income (loss) to net cash provided (used) in operating activities:				
Operating income (loss)	(9,875,269)	(84,613)	1,011,188	(8,948,694)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation expense	25,163	-	-	25,163
(Increase) decrease in:				
Prepaid item	5,041,805	(6,352)	118,855	5,154,308
Accounts receivable	-	(292,978)	(8,700)	(301,678)
Increase (decrease) in:				
Accounts payable	(1,776,604)	-	(4,050,000)	(5,826,604)
Litigation payable	-	-	600,000	600,000
Claims payable	(187,533)	35,662	172,874	21,003
Total adjustments	<u>3,102,831</u>	<u>(263,668)</u>	<u>(3,166,971)</u>	<u>(327,808)</u>
Net cash used in operating activities	<u>\$ (6,772,438)</u>	<u>\$ (348,281)</u>	<u>\$ (2,155,783)</u>	<u>\$ (9,276,502)</u>

## **FIDUCIARY FUNDS**

**County Clerk Registry** – to account for registry funds remanded to the custody of the County Clerk until a court order determines their disposition.

**District Clerk Registry** – to account for registry funds remanded to the custody of the District Clerk until a court order determines their disposition.

**Adult Probation** – to account for the receipt and disbursement of funds received directly related to Adult Probation.

**County Clerk Fees** – to account for receipts and disbursement of funds received for misdemeanor court fees.

**County Clerk Cash Bond** – to account for funds held according to statutes in cases where cash bonds are ordered to be held. Funds are disbursed by order of the court.

**County Clerk Escrow** – to account for receipts and disbursements of funds received on account for recording documents and copies of records.

**County Attorney Worthless Checks** – to account for receipts and disbursement for fees and restitution for payment of worthless checks.

**District Attorney Pending Disbursement** – to account for funds either forfeited or from the sale of forfeited items. Funds are disbursed per a local agreement or returned to the original party.

**District Clerk Fees** – to account for the receipt and disbursement of court costs and filing fees on civil, family and criminal cases.

**Justice of the Peace Credit Card** – to account for credit card receipts received by Justice of the Peace.

**Sheriff Inmate Trust** – to account for county jail inmates' monies until they request payment or monies are returned to them upon their release.

**Sheriff Bail Bond Trust** – to account for monies received by the Sheriff's office for Cash Bonds.

**Sheriff Crime Lab** – to account for monies found at a crime scene and held until disposition of case.

**Treasurer Fund** – to account for monies received by the County Treasurer for collection of fees until their distribution.

**Treasurer State Fees** – to account for monies received by the County Treasurer for disbursement to the State of Texas or other entities.

**Treasurer Unclaimed Property** – to account for unclaimed property valued at less than one hundred dollars and presumed abandoned as defined by Chapters 72 and 75 of the Texas Property Code.

**Tax Assessor Motor Vehicle** – to account for motor vehicle payments collected by the County Tax Assessor-Collector for the State Comptroller and Texas Department of Motor Vehicles until their distribution.

**Tax Assessor Property Tax** – to account for property tax payments collected by the County Tax Assessor-Collector for other entities until their distribution.

**Tax Assessor Escrow** – to account for monies received by the County Tax Assessor-Collector for tax payments on special inventory items until their distribution.

**Tax Assessor Rendition**– to account for monies received by the County Tax Assessor-Collector for tax payments on personal property that is used for the production of income.

**MONTGOMERY COUNTY, TEXAS**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2022

	Investment Trust Funds			Custodial Funds	
	County Clerk Registry	District Clerk Registry	Total Investment Trust Funds	Adult Probation	County Clerk Court Fees
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,246,922	\$ 11,290,627	\$ 12,537,549	\$ 1,612,991	\$ 37,171
Taxes receivable	-	-	-	-	-
Total assets	1,246,922	11,290,627	12,537,549	1,612,991	37,171
<b>LIABILITIES</b>					
Accounts Payable	-	-	-	-	32,859
Due to other entities	-	-	-	-	4,312
Total liabilities	-	-	-	-	37,171
<b>NET POSITION</b>					
Restricted for:					
Pool participants	1,246,922	11,290,627	12,537,549	-	-
Individuals and organizations	-	-	-	1,612,991	-
Total net position	\$ 1,246,922	\$ 11,290,627	\$ 12,537,549	\$ 1,612,991	\$ -

Custodial Funds

County Clerk Cash Bond	County Clerk Escrow	County Attorney Worthless Checks	District Attorney Pending Disbursement	District Clerk Fees	Justice of the Peace Credit Card	Sheriff Inmate Trust
\$ 806,757	\$ 152,027	\$ 57,160	\$ 126,946	\$ 42,195	\$ 25,862	\$ 277,829
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>806,757</u>	<u>152,027</u>	<u>57,160</u>	<u>126,946</u>	<u>42,195</u>	<u>25,862</u>	<u>277,829</u>
-	108,909	57,160	126,946	38,306	25,862	277,829
<u>-</u>	<u>43,118</u>	<u>-</u>	<u>-</u>	<u>3,889</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>152,027</u>	<u>57,160</u>	<u>126,946</u>	<u>42,195</u>	<u>25,862</u>	<u>277,829</u>
-	-	-	-	-	-	-
<u>806,757</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 806,757</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MONTGOMERY COUNTY, TEXAS**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2022

	Custodial Funds				
	Sheriff Bail Bond Trust	Sheriff Crime Lab	Treasurer Fund	Treasurer State fees	Treasurer Unclaimed Property
<b>ASSETS</b>					
Cash and cash equivalents	\$ 160,001	\$ 114,098	\$ 432,406	\$ 759,211	\$ 16,474
Taxes receivable	-	-	33,888	-	-
Total assets	<u>160,001</u>	<u>114,098</u>	<u>466,294</u>	<u>759,211</u>	<u>16,474</u>
<b>LIABILITIES</b>					
Accounts Payable	-	-	52,276	-	-
Due to other entities	-	-	414,018	759,211	-
Total liabilities	<u>-</u>	<u>-</u>	<u>466,294</u>	<u>759,211</u>	<u>-</u>
<b>NET POSITION</b>					
Restricted for:					
Pool participants	-	-	-	-	-
Individuals and organizations	<u>160,001</u>	<u>114,098</u>	<u>-</u>	<u>-</u>	<u>16,474</u>
Total net position	<u>\$ 160,001</u>	<u>\$ 114,098</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,474</u>

Custodial Funds

<u>Tax Assessor Motor Vehicle</u>	<u>Tax Assessor Property Tax</u>	<u>Tax Assessor Escrow</u>	<u>Tax Assessor Rendition</u>	<u>Total Custodial Funds</u>	<u>Total Fiduciary Funds</u>
\$ 876,491	\$ 2,715,976	\$ 537,464	\$ 208,801	\$ 8,959,860	\$ 21,497,409
-	-	-	-	33,888	33,888
<u>876,491</u>	<u>2,715,976</u>	<u>537,464</u>	<u>208,801</u>	<u>8,993,748</u>	<u>21,531,297</u>
876,491	-	537,464	\$ 208,801	2,342,903	2,342,903
-	-	-	-	1,224,548	1,224,548
<u>876,491</u>	<u>-</u>	<u>537,464</u>	<u>208,801</u>	<u>3,567,451</u>	<u>3,567,451</u>
-	-	-	-	-	12,537,549
-	<u>2,715,976</u>	-	-	<u>5,426,297</u>	<u>5,426,297</u>
<u>\$ -</u>	<u>\$ 2,715,976</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,426,297</u>	<u>\$ 17,963,846</u>

**MONTGOMERY COUNTY, TEXAS**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
ALL FIDUCIARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Investment Trust Funds			Custodial Funds	
	County Clerk Registry	District Clerk Registry	Total Investment Trust Funds	Adult Probation	County Clerk Court Fees
<b>ADDITIONS</b>					
Fees	\$ -	\$ -	\$ -	\$ 4,560,624	\$ -
Pending Seizures	-	-	-	-	-
Deposits Held	818,788	18,736,091	19,554,879	427,705	2,779,287
Tax revenues	-	-	-	-	-
Taxes collected on behalf of taxing entities	-	-	-	-	-
Interest income	-	-	-	12,432	1,009
Probation revenues	-	-	-	4,571	-
<b>Total increases</b>	<u>818,788</u>	<u>18,736,091</u>	<u>19,554,879</u>	<u>5,005,332</u>	<u>2,780,296</u>
<b>DEDUCTIONS</b>					
Bonds refunded	24,510	-	24,510	-	-
Collections distributed	19,023	919,677	938,700	4,219,652	2,780,296
Cases disposed	-	-	-	-	-
Disbursements to beneficiaries	645,611	14,975,878	15,621,489	233,019	-
Taxes disbursed to taxing entities	-	-	-	-	-
Operational expenses	-	-	-	400,124	-
<b>Total decreases</b>	<u>689,144</u>	<u>15,895,555</u>	<u>16,584,699</u>	<u>4,852,795</u>	<u>2,780,296</u>
<b>Net increase (decrease) in fiduciary net position</b>	129,644	2,840,536	2,970,180	152,537	-
<b>Net position - beginning</b>	<u>1,117,278</u>	<u>8,450,091</u>	<u>9,567,369</u>	<u>1,460,454</u>	<u>-</u>
<b>Net position - ending</b>	<u>\$ 1,246,922</u>	<u>\$ 11,290,627</u>	<u>\$ 12,537,549</u>	<u>\$ 1,612,991</u>	<u>\$ -</u>

Custodial Funds

County Clerk Cash Bond	County Clerk Escrow	County Attorney Worthless Checks	District Attorney Pending Disbursement	District Clerk Fees	Justice of the Peace Credit Card	Sheriff Inmate Trust
\$ -	\$ 4,588,644	\$ -	\$ -	\$ 4,656,647	\$ 964,795	\$ -
-	-	-	2,420,430	-	-	-
781,334	-	-	-	-	-	3,496,207
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	548	-	3,609	-	-
-	-	-	-	-	-	-
<u>781,334</u>	<u>4,588,644</u>	<u>548</u>	<u>2,420,430</u>	<u>4,660,256</u>	<u>964,795</u>	<u>3,496,207</u>
-	-	-	-	-	-	-
22,299	4,588,644	148	-	4,660,256	964,795	-
-	-	-	2,420,430	-	-	-
513,495	-	-	-	-	-	3,496,207
-	-	-	-	-	-	-
-	-	400	-	-	-	-
<u>535,794</u>	<u>4,588,644</u>	<u>548</u>	<u>2,420,430</u>	<u>4,660,256</u>	<u>964,795</u>	<u>3,496,207</u>
245,540	-	-	-	-	-	-
<u>561,217</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 806,757</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MONTGOMERY COUNTY, TEXAS**

COMBINING STATEMENT OF CHANGES IN DICUCIARY NET POSITION  
ALL FIDUCIARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

Custodial Funds					
Sheriff Bail Bond Trust	Sheriff Crime Lab	Treasurer Fund	Treasurer State fees	Treasurer Unclaimed Property	Tax Assessor Motor Vehicle
\$ -	\$ -	\$ 21,645,612	\$ 5,191,028	\$ -	\$ 190,110,957
-	-	-	-	-	-
698,250	74,979	-	-	3,325	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>698,250</u>	<u>74,979</u>	<u>21,645,612</u>	<u>5,191,028</u>	<u>3,325</u>	<u>190,110,957</u>
-	-	-	-	-	-
647,050	21,643	21,645,612	5,191,028	54,886	190,110,957
-	-	-	-	-	-
10,050	22,490	-	-	150	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>657,100</u>	<u>44,133</u>	<u>21,645,612</u>	<u>5,191,028</u>	<u>55,036</u>	<u>190,110,957</u>
41,150	30,846	-	-	(51,711)	-
<u>118,851</u>	<u>83,252</u>	<u>-</u>	<u>-</u>	<u>68,185</u>	<u>-</u>
<u>\$ 160,001</u>	<u>\$ 114,098</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,474</u>	<u>\$ -</u>

Custodial Funds

Tax Assessor Property Tax	Tax Assessor Escrow	Tax Assessor Rendition	Total Custodial Funds	Total Fiduciary Funds
\$ 600,763,901	\$ 596,464	\$ 90,611	\$ 833,169,283	\$ 833,169,283
-	-	-	2,420,430	2,420,430
-	-	-	8,261,087	27,815,966
4,128,362	-	-	4,128,362	4,128,362
2,051,853,061	1,056,295	-	2,052,909,356	2,052,909,356
23,690	2,184	1,282.00	44,754	44,754
-	-	-	4,571	4,571
<u>2,656,769,014</u>	<u>1,654,943</u>	<u>91,893</u>	<u>2,900,937,843</u>	<u>2,920,492,722</u>
-	-	-	-	24,510
723,600,870	-	91,893	958,600,029	959,538,729
-	-	-	2,420,430	2,420,430
-	-	-	4,275,411	19,896,900
1,933,180,388	1,654,943	-	1,934,835,331	1,934,835,331
-	-	-	400,524	400,524
<u>2,656,781,258</u>	<u>1,654,943</u>	<u>91,893</u>	<u>2,900,531,725</u>	<u>2,917,116,424</u>
(12,244)	-	-	406,118	3,376,298
<u>2,728,220</u>	<u>-</u>	<u>-</u>	<u>5,020,179</u>	<u>14,587,548</u>
<u>\$ 2,715,976</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,426,297</u>	<u>\$ 17,963,846</u>

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## **STATISTICAL SECTION**

**STATISTICAL SECTION**  
(unaudited)

This part of Montgomery County's annual comprehensive 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

**Financial Trends** - These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

I, II, III, IV

**Revenue Capacity** - These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

V, VI, VII, VIII

**Debt Capacity** - 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

**Economic and Demographic Indicators** - 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

**Operating Information** - These schedules contain service and infrastructure, along with capital asset 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, XIX, XX,  
XXI

**Sources:** Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year. Schedules presenting government-wide information include information beginning in that year.

## **FINANCIAL TRENDS**

**MONTGOMERY COUNTY, TEXAS**

Net Position by Component

Last Ten Fiscal Years  
(accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental activities				
Net investment in capital assets	\$ 364,555,659	\$ 266,597,783	\$ 314,750,807	\$ 386,697,807
Restricted	61,986,405	71,863,955	54,197,228	63,131,106
Unrestricted	<u>(37,107,523)</u>	<u>59,772,088</u>	<u>90,395,375</u>	<u>70,203,109</u>
Total Governmental activities net position	<u>389,434,541</u>	<u>398,233,826</u>	<u>459,343,410</u>	<u>520,032,022</u>
Business -type activities				
Net investment in capital assets	-	-	45,949,353	60,315,827
Unrestricted	<u>-</u>	<u>-</u>	<u>(1,064,882)</u>	<u>(4,635,780)</u>
Total business-type activities net position	<u>-</u>	<u>-</u>	<u>44,884,471</u>	<u>55,680,047</u>
Primary government				
Net investment in capital assets	364,555,659	266,597,783	360,700,160	447,013,634
Restricted	61,986,405	71,863,955	54,197,228	63,131,106
Unrestricted	<u>(37,107,523)</u>	<u>59,772,088</u>	<u>89,330,493</u>	<u>65,567,329</u>
Total primary government net position	<u>\$ 389,434,541</u>	<u>\$ 398,233,826</u>	<u>\$ 504,227,881</u>	<u>\$ 575,712,069</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**

2017	2018	2019	2020	2021	2022
\$ 452,183,891	\$ 559,976,686	\$ 495,582,352	\$ 577,556,834	\$ 583,889,669	\$ 628,629,683
73,859,730	72,875,709	47,671,390	40,148,718	53,879,775	44,887,238
<u>41,952,110</u>	<u>(135,469,650)</u>	<u>(31,485,989)</u>	<u>(55,006,560)</u>	<u>(60,001,811)</u>	<u>(85,845,100)</u>
<u>567,995,731</u>	<u>497,382,745</u>	<u>511,767,753</u>	<u>562,698,992</u>	<u>577,767,633</u>	<u>587,671,821</u>
62,599,944	44,945,936	39,385,042	3,651,930	(8,687,077)	(12,382,813)
<u>(5,928,310)</u>	<u>2,992,728</u>	<u>(781,011)</u>	<u>(630,083)</u>	<u>10,668,480</u>	<u>18,541,057</u>
<u>56,671,634</u>	<u>47,938,664</u>	<u>38,604,031</u>	<u>3,021,847</u>	<u>1,981,403</u>	<u>6,158,244</u>
514,783,835	604,922,622	534,967,394	581,208,764	574,290,368	615,334,646
73,859,730	72,875,709	47,671,390	39,518,635	53,879,775	44,887,238
<u>36,023,800</u>	<u>(132,476,922)</u>	<u>(32,267,000)</u>	<u>(51,984,713)</u>	<u>(48,421,107)</u>	<u>(66,391,819)</u>
<u>\$ 624,667,365</u>	<u>\$ 545,321,409</u>	<u>\$ 550,371,784</u>	<u>\$ 568,742,686</u>	<u>\$ 579,749,036</u>	<u>\$ 593,830,065</u>

**MONTGOMERY COUNTY, TEXAS**

Changes in Net Position

Last Ten Fiscal Years  
(accrual basis of accounting)

	2013	2014	2015	2016
<b>Expenses</b>				
Governmental Activities:				
General Administration	\$ 49,084,269	\$ 52,627,252	\$ 57,411,391	\$ 57,650,555
Judicial	29,981,281	32,077,111	32,772,811	34,705,287
Legal	3,170,292	3,548,986	3,456,782	4,074,382
Elections	2,081,998	2,438,670	2,025,750	2,431,498
Financial Administration	6,748,425	6,813,820	6,885,418	7,545,414
Public Facilities	57,821,137	66,496,215	63,860,067	72,057,612
Public Safety	65,088,893	69,458,813	70,860,690	110,534,947
Health and Welfare	22,722,536	25,315,219	25,349,849	27,909,010
Culture and Recreation	10,121,267	10,285,291	9,949,881	10,445,137
Conservation	1,170,933	748,622	1,279,756	1,480,246
Public Transportation	76,521,763	89,687,467	74,721,871	80,106,170
Debt Service	29,179,720	17,797,503	18,147,345	18,137,058
General Government	-	-	-	-
Financial Administration	-	-	-	-
Health and Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Law Enforcement and Corrections	-	-	-	-
Legal and Judicial	-	-	-	-
Transportation	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Governmental Activities Expenses	<u>353,692,514</u>	<u>377,294,969</u>	<u>366,721,611</u>	<u>427,077,316</u>
Business-type activities:				
Toll Road	-	-	4,572,677	1,506,873
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>4,572,677</u>	<u>1,506,873</u>
Total expenses	<u>353,692,514</u>	<u>377,294,969</u>	<u>371,294,288</u>	<u>428,584,189</u>

TABLE II

2017	2018	2019	2020	2021	2022
\$ 65,159,730	\$ 69,064,470	\$ 91,013,764	\$ -	\$ -	\$ -
37,787,341	37,498,575	40,484,282	-	-	-
4,038,642	4,055,102	4,294,105	-	-	-
2,142,405	2,418,834	2,158,108	-	-	-
8,001,174	8,825,650	13,400,718	-	-	-
71,243,441	74,896,281	86,664,558	-	-	-
83,664,853	103,791,920	109,220,683	-	-	-
30,656,288	30,287,821	30,341,024	-	-	-
11,037,207	10,719,438	11,626,582	-	-	-
1,704,745	1,903,911	1,637,399	-	-	-
81,958,847	89,720,534	87,913,321	-	-	-
19,419,455	28,471,590	8,202,241	-	-	-
-	-	-	71,095,578	56,472,280	62,428,086
-	-	-	12,120,208	13,824,548	14,938,386
-	-	-	91,519,021	100,350,590	54,989,968
-	-	-	14,238,359	17,038,107	16,498,100
-	-	-	128,465,299	191,334,228	207,261,356
-	-	-	32,123,928	32,266,182	31,850,290
-	-	-	81,487,052	89,511,711	101,183,154
-	-	-	<u>16,328,138</u>	<u>20,592,102</u>	<u>19,791,635</u>
<u>416,814,128</u>	<u>461,654,126</u>	<u>486,956,785</u>	<u>447,377,583</u>	<u>521,389,748</u>	<u>508,940,975</u>
<u>1,307,118</u>	<u>5,773,776</u>	<u>8,113,188</u>	<u>52,005,679</u>	<u>10,009,249</u>	<u>10,841,535</u>
<u>1,307,118</u>	<u>5,773,776</u>	<u>8,113,188</u>	<u>52,005,679</u>	<u>10,009,249</u>	<u>10,841,535</u>
<u>418,121,246</u>	<u>467,427,902</u>	<u>495,069,973</u>	<u>499,383,262</u>	<u>531,398,997</u>	<u>519,782,510</u>

**MONTGOMERY COUNTY, TEXAS**

Changes in Net Position

Last Ten Fiscal Years  
(accrual basis of accounting)

	2013	2014	2015	2016
<b>Program Revenues</b>				
Governmental Activities:				
Fees, Fines, Forfeitures and Charges for Services				
General Administration	38,371,600	36,601,588	48,745,095	41,420,399
Judicial	7,504,357	8,945,991	13,933,298	14,825,718
Legal	484,413	484,963	437,628	541,310
Elections	182	317	198	144,118
Financial Administration	3,700,987	4,525,655	5,073,087	5,154,306
Public Facilities	30,568,848	34,120,105	28,945,676	34,745,935
Public Safety	14,140,176	15,900,947	4,418,006	21,269,829
Health and Welfare	16,494,475	17,947,526	17,606,018	16,628,893
Culture and Recreation	287,822	309,567	339,773	156,840
Conservation	228,653	216,727	169,779	172,656
Public Transportation	7,538,461	10,634,088	10,721,201	11,921,478
Operating Grants and Contributions	8,669,829	10,302,710	9,562,198	13,138,023
Capital Grants and Contributions	92,305,068	60,564,053	94,908,316	89,527,655
General Government	-	-	-	-
Financial Administration	-	-	-	-
Health and Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Law Enforcement and Corrections	-	-	-	-
Legal and Judicial	-	-	-	-
Transportation	-	-	-	-
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	-	-	-	-
Total Governmental Activities Program Reve	<u>220,294,871</u>	<u>200,554,237</u>	<u>234,860,273</u>	<u>249,647,160</u>
Business-type activities:				
Toll Road	-	-	49,795,550	12,302,449
Total business-type activities revenues	<u>-</u>	<u>-</u>	<u>49,795,550</u>	<u>12,302,449</u>
 Total Revenues	 <u>220,294,871</u>	 <u>200,554,237</u>	 <u>234,860,273</u>	 <u>284,655,823</u>
Net (Expense)/Revenue				
Governmental Activities	(133,397,643)	(176,740,732)	(131,861,338)	(177,430,156)
Business-type Activities	<u>-</u>	<u>-</u>	<u>45,222,873</u>	<u>10,795,576</u>
<b>Net (Expense)</b>	<u>(133,397,643)</u>	<u>(176,740,732)</u>	<u>(86,638,465)</u>	<u>(166,634,580)</u>

TABLE II

2017	2018	2019	2020	2021	2022
41,240,937	44,732,374	49,534,765	-	-	-
9,131,103	9,628,757	10,449,839	-	-	-
555,769	606,306	614,110	-	-	-
7,327	204	111	-	-	-
5,385,447	5,664,153	8,136,059	-	-	-
32,057,716	32,319,163	41,586,131	-	-	-
21,919,270	21,723,535	27,405,344	-	-	-
16,300,319	17,565,029	18,136,433	-	-	-
303,209	276,036	238,088	-	-	-
143,524	186,637	164,125	-	-	-
9,451,945	9,912,023	10,567,121	-	-	-
14,153,836	18,248,825	11,580,740	-	-	-
58,853,193	70,300,531	59,283,879	-	-	-
-	-	-	9,121,497	13,134,435	6,148,335
-	-	-	8,109,129	7,123,886	12,685,932
-	-	-	3,055,498	2,756,402	2,224,798
-	-	-	1,522,967	764,986	906,121
-	-	-	54,321,946	57,522,812	67,694,821
-	-	-	6,471,109	12,400,015	14,232,312
-	-	-	10,952,444	11,552,267	21,355,278
-	-	-	81,513,686	97,333,400	55,811,289
-	-	-	65,784,276	59,882,215	62,534,969
<u>209,503,595</u>	<u>231,163,573</u>	<u>237,696,745</u>	<u>240,852,552</u>	<u>262,470,418</u>	<u>243,593,855</u>
<u>2,298,705</u>	<u>5,172,109</u>	<u>9,255,106</u>	<u>5,097,422</u>	<u>11,432,092</u>	<u>14,899,513</u>
<u>2,298,705</u>	<u>5,172,109</u>	<u>9,255,106</u>	<u>5,097,422</u>	<u>11,432,092</u>	<u>14,899,513</u>
<u>211,802,300</u>	<u>236,335,682</u>	<u>246,951,851</u>	<u>245,949,974</u>	<u>273,902,510</u>	<u>258,493,368</u>
(207,310,353)	(230,490,553)	(249,260,404)	(206,525,031)	(258,919,330)	(265,347,120)
<u>991,587</u>	<u>(601,667)</u>	<u>1,141,918</u>	<u>(46,908,257)</u>	<u>1,422,843</u>	<u>4,057,978</u>
<u>(206,318,766)</u>	<u>(231,092,220)</u>	<u>(248,118,486)</u>	<u>(253,433,288)</u>	<u>(257,496,487)</u>	<u>(261,289,142)</u>

**MONTGOMERY COUNTY, TEXAS**

Changes in Net Position

Last Ten Fiscal Years  
(accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Taxes				
Property Taxes	175,901,469	186,842,153	203,539,676	229,719,148
Other Taxes	1,970,594	2,456,460	2,804,782	2,757,791
Investment Earnings	459,052	669,309	529,535	2,179,522
Gain on sale of capital assets	-	-	-	-
Miscellaneous	30,938,482	844,937	589,453	539,171
Transfers	-	-	338,402	-
Total Governmental Activities	<u>209,269,597</u>	<u>190,812,859</u>	<u>207,801,848</u>	<u>235,195,632</u>
Business-type activities:				
Investment Earnings	-	-	-	-
Miscellaneous	-	-	-	-
Transfers	-	-	(338,402)	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>(338,402)</u>	<u>-</u>
Net (Expense)/Revenue				
Governmental Activities				
Business-type Activity				
Total Primary Government	<u>209,269,597</u>	<u>190,812,859</u>	<u>207,463,446</u>	<u>235,195,632</u>
Change in Net Position				
Governmental Activities	75,871,954	14,072,127	75,940,510	57,765,476
Business-type Activities	-	-	44,884,471	10,795,576
<b>Change in Net Position</b>	<u>\$ 75,871,954</u>	<u>\$ 14,072,127</u>	<u>\$120,824,981</u>	<u>\$ 68,561,052</u>

TABLE II

2017	2018	2019	2020	2021	2022
248,120,144	235,309,431	248,026,503	254,870,342	260,177,425	267,085,811
2,788,410	3,095,156	3,228,697	3,243,389	5,593,927	5,278,277
3,977,715	7,144,114	11,880,106	6,328,584	2,789,294	(470,139)
-	-	-	-	539,926	499,086
387,973	371,322	521,360	716,538	2,037,399	2,858,273
-	8,301,324	-	(7,784,462)	2,900,000	-
<u>255,274,242</u>	<u>254,221,347</u>	<u>263,656,666</u>	<u>257,374,391</u>	<u>274,037,971</u>	<u>275,251,308</u>
-	170,021	1,728,673	305,192	436,713	118,863
-	-	-	24,500	-	-
-	(8,301,324)	(12,205,224)	7,784,462	(2,900,000)	-
<u>-</u>	<u>(8,131,303)</u>	<u>(10,476,551)</u>	<u>8,114,154</u>	<u>(2,463,287)</u>	<u>118,863</u>
<u>255,274,242</u>	<u>246,090,044</u>	<u>253,180,115</u>	<u>265,488,545</u>	<u>271,574,684</u>	<u>275,370,171</u>
47,963,889	23,730,794	14,396,262	50,849,360	15,118,641	9,904,188
<u>991,587</u>	<u>(8,732,970)</u>	<u>(9,334,633)</u>	<u>(38,794,103)</u>	<u>(1,040,444)</u>	<u>4,176,841</u>
<u>\$ 48,955,476</u>	<u>\$ 14,997,824</u>	<u>\$ 5,061,629</u>	<u>\$ 12,055,257</u>	<u>\$ 14,078,197</u>	<u>\$ 14,081,029</u>

**MONTGOMERY COUNTY, TEXAS**

Governmental Fund Balances

Last Ten Fiscal Years  
(modified accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	2,010,097	1,442,838	3,425,360	3,119,811
Committed	5,909,899	2,292,056	10,793,467	16,794,364
Assigned	36,450,842	44,517,198	42,441,944	50,680,646
Unassigned	<u>35,336,437</u>	<u>39,722,291</u>	<u>40,938,206</u>	<u>40,619,824</u>
Total General Fund	<u>\$ 79,707,275</u>	<u>\$ 87,974,383</u>	<u>\$ 97,598,977</u>	<u>\$ 111,214,645</u>
All Other Governmental Funds				
Nonspendable	\$ 2,654,365	\$ 1,533,898	\$ 192,207	\$ 106,290
Restricted	97,079,589	77,236,101	74,035,446	133,836,974
Committed	25,354,566	16,133,816	10,299,674	23,988,996
Unassigned	<u>11,718,578</u>	<u>14,409,545</u>	<u>23,422,966</u>	<u>9,731,586</u>
Total All Other Governmental Funds	<u>\$ 136,807,098</u>	<u>\$ 109,313,360</u>	<u>\$ 107,950,293</u>	<u>\$ 167,663,846</u>

**TABLE III**

2017	2018	2019	2020	2021	2022
\$ -	\$ -	\$ -	\$ 536,501	\$ -	\$ -
2,855,149	2,121,503	5,684,101	2,313,003	-	-
29,242,336	15,443,950	11,469,969	43,995,330	14,368,536	1,380,130
59,173,918	75,082,330	80,000,000	85,000,000	85,000,000	85,000,000
44,683,463	44,851,001	45,735,841	52,313,298	54,926,649	50,908,641
<u>\$ 135,954,866</u>	<u>\$ 137,498,784</u>	<u>\$ 142,889,911</u>	<u>\$ 184,158,132</u>	<u>\$ 154,295,185</u>	<u>\$ 137,288,771</u>
\$ 813,310	\$ 618,735	\$ 566,167	\$ 862,252	\$ 862,252	\$ 111
164,046,153	149,293,950	185,555,764	149,654,490	122,823,385	103,606,682
25,603,027	34,489,497	37,479,986	24,017,824	45,688,045	20,936,481
8,956,249	12,119,931	16,116,571	14,249,765	-	( 664,473)
<u>\$ 199,418,739</u>	<u>\$ 196,522,113</u>	<u>\$ 239,718,488</u>	<u>\$ 188,784,331</u>	<u>\$ 169,373,682</u>	<u>\$ 123,878,801</u>

**MONTGOMERY COUNTY, TEXAS**  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	2013	2014	2015	2016
<b>Revenues</b>				
Taxes	\$ 178,176,320	\$ 189,037,048	\$ 206,377,981	\$ 231,994,520
Licenses and Permits	7,933,209	8,559,827	8,175,139	9,029,910
Fees and Charges for Services	19,145,966	18,355,114	18,446,593	20,616,445
Intergovernmental	47,182,714	33,269,063	38,700,051	35,983,483
Charges for Services	2,892,355	4,968,141	4,088,981	6,715,271
Investment Earnings	459,053	669,336	529,538	2,179,437
Contract Reimbursements	28,960,527	28,370,644	36,963,546	30,184,415
Inmate Housing	29,373,490	32,383,821	27,265,236	32,712,111
Fines and Forfeitures	4,392,610	4,792,027	4,458,853	3,920,461
Commissions	-	-	-	-
Miscellaneous	5,557,556	1,920,078	3,512,456	5,419,640
Total Revenues	<u>324,073,800</u>	<u>322,325,099</u>	<u>348,518,374</u>	<u>378,755,693</u>
<b>Expenditures</b>				
General Administration	22,145,663	26,136,632	29,982,617	24,481,407
Judicial	28,623,495	30,585,284	32,286,937	33,444,158
Legal Services	2,963,853	3,332,642	3,388,347	3,892,560
Elections	1,887,236	2,512,216	1,888,438	2,241,412
Financial Administration	6,237,056	6,346,867	6,806,814	7,067,579
Public Facilities	55,409,376	63,531,573	59,634,179	66,801,231
Public Safety	62,574,123	66,190,543	72,849,381	81,417,910
Health and Welfare	22,365,117	23,979,722	25,246,552	27,300,562
Culture and Recreation	8,800,215	8,967,110	9,182,400	9,432,186
Conservation	1,074,697	1,065,899	1,219,373	1,426,722
Public Transportation	34,898,188	42,400,671	44,760,403	51,782,691
General Government	-	-	-	-
Financial Administration	-	-	-	-
Health and Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Law Enforcement and Corrections	-	-	-	-
Legal and Judicial	-	-	-	-
Transportation	-	-	-	-
Capital Projects	18,177,561	27,503,608	-	20,246,230
Debt Service:				
Principal Retirement	20,185,150	19,460,000	20,115,000	21,360,000
Interest and Fiscal Charges	23,025,209	17,618,628	18,941,447	18,743,285
Issuance Costs	590,333	435,540	-	448,473
Payment to Escrow Agent	-	-	-	-
Total Expenditures	<u>308,957,272</u>	<u>340,066,935</u>	<u>326,301,888</u>	<u>370,086,406</u>
Excess/(Deficiency) Revenues over (under)				
Expenditures	4,631,779	(17,741,836)	22,216,486	8,669,287
<b>Other Financing Sources/(Uses)</b>				
Transfers In	98,091,394	23,737,039	25,524,507	29,359,836
Transfers Out	(98,091,394)	(23,737,039)	(25,611,105)	(29,359,836)
Grant Funds Not Reimbursed	-	-	-	(6,862)
Issuance of Lease	218,758	949,101	622,106	595,566
Issuance of General Obligation Debt	-	-	-	51,662,323
Issuance of Refunding Bonds	15,880,000	101,760,000	-	60,402,677
Payment to Escrow Agent	(60,594,395)	(118,083,208)	-	(73,331,090)
Sale of Capital Asset	65,000,000	-	-	-
Insurance Settlement	-	-	-	-
Issuance of Other Bonds	13,350,000	-	-	-
Discounts/Premiums on Debt Issuance	4,353,152	13,889,313	-	22,414,184
Total Other Financing Sources/(Uses)	<u>38,207,515</u>	<u>(1,484,794)</u>	<u>535,508</u>	<u>61,736,798</u>
Net Change in Fund Balances	<u>\$ 42,839,294</u>	<u>\$ (19,226,630)</u>	<u>\$ 22,751,994</u>	<u>\$ 70,406,085</u>
Debt Service as a percentage of noncapital expenditures	14.8%	11.9%	12.0%	11.6%

TABLE IV

	2017	2018	2019	2020	2021	2022
\$	248,079,254	\$ 235,558,082	\$ 251,359,371	\$ 254,873,331	\$ 266,083,987	\$ 278,653,573
	9,095,653	9,582,174	9,705,450	8,012,194	8,578,063	10,400,382
	19,492,864	20,621,186	21,304,523	27,793,565	32,613,619	26,410,618
	36,524,346	24,293,498	13,418,137	93,239,083	97,333,400	63,648,136
	5,983,326	5,232,263	6,524,779	6,328,586	-	-
	3,977,718	7,144,114	11,880,104	-	2,789,294	(470,139)
	30,249,586	31,308,893	39,108,799	24,964,089	27,001,551	38,671,649
	29,992,842	30,230,873	39,713,354	25,302,982	27,006,691	33,940,900
	4,110,711	3,969,571	5,186,820	3,229,299	1,973,656	2,544,225
	-	-	-	99,476	278,536	337,002
	<u>2,285,873</u>	<u>2,144,850</u>	<u>2,811,764</u>	<u>3,511,054</u>	<u>1,245,657</u>	<u>1,954,764</u>
	<u>389,792,173</u>	<u>370,085,504</u>	<u>401,013,101</u>	<u>447,353,659</u>	<u>464,904,454</u>	<u>456,091,110</u>
	24,239,114	25,165,171	39,407,456	-	-	-
	35,387,322	35,505,352	37,587,719	-	-	-
	3,735,549	3,835,022	3,959,026	-	-	-
	1,876,697	2,221,687	1,981,614	-	-	-
	7,218,354	8,188,900	12,455,185	-	-	-
	65,622,460	68,625,017	77,635,311	-	-	-
	84,951,030	100,770,822	106,708,303	-	-	-
	29,583,589	28,826,687	28,609,063	-	-	-
	9,606,214	9,620,128	10,102,334	-	-	-
	1,887,050	1,740,210	1,878,707	-	-	-
	40,502,071	37,721,235	36,406,775	-	-	-
	-	-	-	46,852,040	52,310,282	63,710,831
	-	-	-	11,113,124	12,789,987	14,665,183
	-	-	-	91,543,464	98,296,437	56,234,064
	-	-	-	13,409,897	13,292,124	14,530,676
	-	-	-	132,602,060	171,532,125	196,938,514
	-	-	-	28,286,368	29,160,280	31,351,265
	-	-	-	36,493,642	38,755,172	50,268,576
	32,157,497	58,521,214	53,225,077	53,860,646	59,179,600	49,923,581
	27,260,000	31,887,580	16,740,000	12,970,000	18,170,000	26,188,460
	19,787,766	20,165,827	24,015,802	23,975,029	23,248,068	22,650,555
	429,966	194,194	434,383	-	-	-
	<u>31,789,234</u>	<u>-</u>	<u>7,305,270</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>416,033,913</u>	<u>432,989,046</u>	<u>458,452,025</u>	<u>451,106,270</u>	<u>516,734,075</u>	<u>526,461,705</u>
	(26,241,740)	(62,903,542)	(57,438,924)	(3,752,611)	(51,829,624)	(70,370,595)
	18,440,387	38,365,985	26,322,995	1,803,869	57,564,427	5,890,362
	(18,003,397)	(28,076,427)	(26,296,028)	(9,588,329)	(58,664,427)	(8,890,362)
	-	-	(106,864)	-	-	-
	758,256	255,949	12,515,094	1,665,337	3,885,418	8,131,117
	73,725,000	45,670,000	89,010,000	-	-	-
	47,775,000	-	26,965,000	-	23,235,000	8,430,000
	(51,269,830)	-	-	-	(28,371,834)	(10,156,413)
	-	-	-	-	491,692	499,086
	-	-	-	-	-	2,232,729
	-	-	(28,245,645)	-	-	-
	<u>11,311,438</u>	<u>5,335,327</u>	<u>5,873,492</u>	<u>-</u>	<u>4,589,671</u>	<u>1,732,781</u>
	<u>82,736,854</u>	<u>61,550,834</u>	<u>106,038,044</u>	<u>(6,119,123)</u>	<u>2,729,947</u>	<u>7,869,300</u>
\$	<u>56,495,114</u>	<u>(1,352,708)</u>	<u>48,599,120</u>	<u>(9,871,734)</u>	<u>(49,099,677)</u>	<u>(62,501,295)</u>
	13.5%	13.7%	10.4%	9.8%	10.5%	12.1%

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## **REVENUE CAPACITY**

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**MONTGOMERY COUNTY, TEXAS**

**TABLE V**

Taxable Assessed Value and Actual Value of Property <sup>(1) (2)</sup>

Last Ten Fiscal Years

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>
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
2020	49,260,474	10,558,652	5,406,116	5,723,311	(12,589,352)	58,359,201	0.4475
2021	52,920,923	11,241,365	5,895,682	5,648,425	(13,812,025)	61,894,370	0.4312
2022	57,076,944	12,930,380	5,922,877	5,759,769	(14,340,998)	67,348,972	0.4083

<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: Texas Comptroller of Public Accounts, Property Tax Open Records

**MONTGOMERY COUNTY, TEXAS**

Property Tax Rates<sup>(1)</sup> - Direct and Overlapping Governments

Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>MONTGOMERY COUNTY, TEXAS:</u>				
General Fund	\$ 0.3715	\$ 0.3657	\$ 0.3544	\$ 0.3547
Special Revenue Funds	0.0464	0.0464	0.0464	0.0486
Debt Service Fund	<u>0.0659</u>	<u>0.0717</u>	<u>0.0759</u>	<u>0.0734</u>
Total Montgomery County, Texas	<u>0.4838</u>	<u>0.4838</u>	<u>0.4767</u>	<u>0.4767</u>
<u>OVERLAPPING GOVERNMENTS:</u>				
Special Districts:				
Blaketree M.U.D. #1	-	-	-	1.3500
Chateau Woods M.U.D.	0.2486	0.2592	0.2616	0.2498
Cleveland M.U.D. #1	-	-	-	-
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
Conroe Municipal Mgmt Dist #1	-	-	-	-
Conroe Municipal Mgmt Dist #2	-	-	-	-
Corinthian Point M.U.D.	0.5393	0.5393	0.4791	0.4355
East Montgomery County M.U.D. #3	0.9500	0.9500	0.9500	0.9500
East Montgomery County M.U.D. #4	-	-	-	1.2500
East Montgomery County M.U.D. #6	-	-	1.4000	1.4000
East Montgomery County M.U.D. #7	-	-	-	-
East Montgomery County M.U.D. #12	-	-	-	-
East Plantation U.D.	0.7090	0.7090	0.6700	0.6300
Far Hills U.D.	0.4820	0.5000	0.4740	0.6500
Grand Oaks M.U.D	1.3500	1.3500	1.0320	1.2500
Harris County ID #17	-	-	-	-
Harris-Montgomery County Mgt Distr.	-	-	-	-
Harris County M.U.D #386	0.9400	0.7200	0.5000	0.4650
Kings Manor M.U.D.	0.8300	0.8100	0.7900	0.7400
Lake Conroe Hills M.U.D.	0.5000	0.5000	0.4750	0.4650
Lazy River I.D.	0.5627	0.5662	0.5564	0.5213
Hendricks - Defined Area	-	0.5000	0.9850	0.9850
Lone Star Community College	0.1198	0.1160	0.1081	0.1079
Magnolia East M.U.D.	-	-	-	-
Montgomery County D.D. #6	0.2100	0.2050	0.1925	0.1700
Montgomery County D.D. #10	0.4500	0.4500	0.4400	0.4400
Montgomery County F.W.S.D. #6	0.3385	0.3462	0.3770	0.3800
Montgomery County Hospital Dist	0.0729	0.0727	0.0725	0.0710
Montgomery County M.U.D. #6	0.0800	0.0750	0.0750	0.0750
Montgomery County M.U.D. #7	0.1675	0.1645	0.1645	0.1645
Montgomery County M.U.D. #8	0.2651	0.2651	0.2651	0.2651
Montgomery County M.U.D. #9	0.6000	0.6000	0.4555	0.4182
Montgomery County M.U.D. #15	1.2400	1.2400	1.1970	0.1038
Montgomery County M.U.D. #16	1.2600	1.0300	1.2000	0.9300
Montgomery County M.U.D. #18	0.3800	0.3800	0.3600	0.3400
Montgomery County M.U.D. #19	0.3243	0.3000	0.2800	0.2500
Montgomery County M.U.D. #24	1.1800	1.2800	1.2800	1.1954

TABLE VI

	2017	2018	2019	2020	2021	2022
\$	0.3419	\$ 0.3437	\$ 0.3423	\$ 0.3329	\$ 0.3142	\$ 0.2981
	0.0486	0.0486	0.0486	0.0486	0.0510	0.0479
	0.0762	0.0744	0.0758	0.0660	0.0660	0.0623
	0.4667	0.4667	0.4667	0.4475	0.4312	0.4083
	1.3500	1.3500	1.3500	1.3500	1.2500	1.2500
	0.2463	0.2741	0.2950	0.3350	0.3350	0.3315
	-	-	-	-	0.7500	0.7500
	1.2100	1.2100	1.2100	1.2100	1.1400	1.1200
	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
	-	-	0.9000	0.9000	0.9000	0.9000
	-	-	-	0.9000	-	-
	0.4019	0.3900	0.3650	0.3696	0.3807	0.4015
	0.9500	1.2000	0.9000	0.9000	0.9000	0.9000
	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500
	1.3000	1.3000	1.3000	1.3000	0.6300	1.2400
	-	1.3000	1.3000	1.3000	1.3000	1.3000
	-	-	-	1.3500	1.3500	1.3500
	0.5000	0.5400	0.5400	0.5400	0.5400	0.5400
	0.6500	0.6740	0.6740	0.6740	0.6730	0.6700
	1.0500	1.0200	1.0000	1.0000	1.0000	0.9500
	1.2500	1.2500	1.2500	-	-	-
	-	-	-	1.2500	1.2500	1.2500
	0.4650	0.4650	0.4650	0.4900	0.4900	0.4900
	0.7100	0.7000	0.7000	0.6800	0.6500	0.6300
	0.4550	0.4550	0.4500	0.4500	0.4500	0.4500
	0.4721	0.4829	0.4896	0.4725	0.4440	0.4556
	0.9850	0.9850	0.9850	0.9850	0.9670	-
	0.1078	0.1078	0.1078	0.1078	0.1078	0.1078
	-	-	-	1.5000	1.5000	1.5000
	0.1700	0.1600	0.1400	0.1400	0.1400	0.1400
	0.4400	0.4400	0.4400	0.4400	0.4400	0.4200
	0.3000	0.2977	0.3100	0.3089	0.3037	0.3185
	0.0665	0.0664	0.0599	0.0589	0.0588	0.0567
	0.0750	0.0750	0.0700	0.0800	0.0800	0.0750
	0.1645	0.1645	0.1250	0.1250	0.1250	0.1150
	0.2651	0.3000	0.3000	0.3000	0.2968	0.3150
	0.4059	0.4059	0.4059	0.4059	0.3950	0.4000
	0.9169	0.8900	0.8700	0.8200	0.7800	0.7300
	0.9089	0.8694	-	0.9600	0.9600	0.9600
	0.3300	0.3300	0.3300	0.3300	0.3200	0.2900
	0.2250	0.2000	0.1800	0.1800	0.1750	0.1670
	1.1500	1.1500	1.1250	1.1200	1.1200	1.1200

**MONTGOMERY COUNTY, TEXAS**

Property Tax Rates<sup>(1)</sup> - Direct and Overlapping Governments

Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Special Districts (continued):				
Montgomery County M.U.D. #36	\$ 0.0350	\$ 0.0350	\$ 0.0550	\$ 0.0550
Montgomery County M.U.D. #39	0.4200	0.4150	0.4150	0.4000
Montgomery County M.U.D. #40	0.1500	0.1400	0.1300	0.0900
Montgomery County M.U.D. #42	1.1500	1.2500	1.2500	1.1700
Montgomery County M.U.D. #46	0.2550	0.2400	0.2300	0.2250
Montgomery County M.U.D. #47	0.2450	0.2450	0.2450	0.2450
Montgomery County M.U.D. #56	1.0000	1.0000	0.9964	0.8600
Montgomery County M.U.D. #60	0.2275	0.2175	0.1975	0.1850
Montgomery County M.U.D. #67	0.3125	0.3025	0.2800	0.2575
Montgomery County M.U.D. #83	1.0500	0.9800	0.9000	0.8200
Montgomery County M.U.D. #84	1.2500	1.2000	1.0200	0.9500
Montgomery County M.U.D. #88	1.3900	1.3900	1.3900	1.3900
Montgomery County M.U.D. #89	1.0900	1.0600	1.0600	0.9500
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	1.1000	1.0100	0.9300	0.8400
Montgomery County M.U.D. #95	1.3500	1.3500	1.3500	1.3000
Montgomery County M.U.D. #96	-	-	-	-
Montgomery County M.U.D. #98	1.2250	1.2250	1.2100	1.1650
Montgomery County M.U.D. #99	1.0400	1.0400	1.0400	1.0400
Montgomery County M.U.D. #100	-	-	-	-
Montgomery County M.U.D. #105	-	-	1.3500	1.3500
Montgomery County M.U.D. #107	0.7000	0.7000	0.7000	0.7000
Montgomery County M.U.D. #108	-	-	-	-
Montgomery County M.U.D. #111	-	-	-	-
Montgomery County M.U.D. #112	1.1000	1.1000	1.1000	1.0272
Montgomery County M.U. D #113	1.1900	1.1700	1.1200	1.0200
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	1.3700
Montgomery County M.U.D. #121	-	-	-	-
Montgomery County M.U.D. #126	-	-	0.9000	0.9000
Montgomery County M.U.D. #127	-	-	1.3500	1.3500
Montgomery County M.U.D. #128A	-	-	-	-
Montgomery County M.U.D. #132	-	-	-	0.7000
Montgomery County M.U.D. #137	-	-	1.3500	1.3500
Montgomery County M.U.D. #138	-	-	-	0.8800
Montgomery County M.U.D. #139	-	-	-	1.4500
Montgomery County M.U.D. #140	-	-	-	-
Montgomery County M.U.D. #141	-	-	-	1.3500
Montgomery County M.U.D. #142	-	-	-	-
Montgomery County M.U.D. #144	-	-	-	-
Montgomery County M.U.D. #145	-	-	-	-
Montgomery County M.U.D. #147	-	-	-	-
Montgomery County M.U.D. #148	-	-	-	-
Montgomery County M.U.D. #149	-	-	-	-
Montgomery County M.U.D. #150	-	-	-	-
Montgomery County M.U.D. #151	-	-	-	-

**TABLE VI**

	2017	2018	2019	2020	2021	2022
\$	0.0350	\$ 0.0350	\$ 0.0350	\$ 0.0350	\$ 0.0350	\$ 1.1200
	0.3550	0.3550	0.3550	0.3550	0.3550	0.0361
	-	-	-	-	-	-
	1.1300	1.1100	1.0800	1.0700	1.0700	1.0150
	0.2125	0.2125	0.2125	0.2097	0.2097	0.2097
	0.2450	0.2450	0.2450	0.2450	0.2450	0.2093
	0.8300	0.7300	0.7200	0.7200	0.6700	0.6600
	0.1650	0.1650	0.1650	0.1650	0.1650	0.1600
	0.2375	0.2175	0.1600	0.1600	0.1600	0.1550
	0.7700	0.7500	0.7400	0.7400	0.7400	0.7400
	0.9000	0.8800	0.8800	0.8000	0.8800	0.9350
	1.3800	1.3800	1.3800	1.3800	1.3700	1.3500
	0.8852	0.8828	0.8200	0.7950	0.7550	0.7100
	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
	0.7600	0.8000	0.8000	0.7850	0.7650	0.7650
	1.3000	1.2500	1.2500	1.2200	1.1900	1.1600
	1.4800	1.4800	1.4800	1.4800	1.4800	1.4800
	1.1350	1.1200	1.0850	1.0700	1.0647	1.0500
	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
	-	-	-	-	-	1.3500
	1.3500	1.3500	1.3500	1.3500	1.3500	1.2500
	0.7000	0.6900	0.6800	0.6500	0.6200	0.5900
	-	-	-	-	1.0375	1.0375
	-	-	-	1.3500	1.3500	1.3500
	1.0207	1.0000	0.9800	0.9500	0.9200	0.9000
	0.9100	0.9000	0.8900	0.8800	0.8700	0.8300
	1.3500	1.3500	1.3200	1.3000	1.2800	1.2200
	1.3700	1.3200	1.2900	1.2400	1.2100	1.1100
	-	-	0.9900	0.9900	0.9000	0.9900
	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000
	1.3500	1.3500	1.3500	1.3500	1.3500	1.3500
	-	1.1000	1.1000	1.1000	-	1.3500
	0.7000	0.7000	0.7000	0.7000	0.7000	0.7000
	1.3500	1.3500	1.3500	1.3500	-	1.3500
	0.8800	0.8800	0.8800	0.8800	0.8800	0.8800
	1.4500	1.4500	1.4500	1.4000	1.4000	1.3000
	-	-	-	-	-	1.2500
	1.3500	1.3500	1.3500	1.3500	1.3500	1.3300
	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	-	-	-	-	1.5000	1.5000
	-	-	1.4500	1.3500	1.2500	1.2500
	-	-	-	-	-	0.9000
	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000
	-	-	-	0.9000	0.9000	0.9000
	-	-	-	1.3500	1.3500	1.3500
	-	-	-	1.3500	1.3500	1.3500

**MONTGOMERY COUNTY, TEXAS**

Property Tax Rates<sup>(1)</sup> - Direct and Overlapping Governments

Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Special Districts (continued):				
Montgomery County M.U.D. #164	\$ -	\$ -	\$ -	\$ -
Montgomery County M.U.D. #165	-	-	-	-
Montgomery County M.U.D. #166	-	-	-	-
Montgomery County M.U.D. #174	-	-	-	-
Montgomery County M.U.D. #191	-	-	-	-
Montgomery County U.D. #2	0.5700	0.5700	0.5700	0.5000
Montgomery County U.D. #3	0.4515	0.4515	0.4513	0.0900
Montgomery County U.D. #4	0.4100	0.4100	0.3800	0.0800
Montgomery County W.C.I.D. #1	0.8100	0.8100	0.8100	0.7600
New Caney M.U.D.	0.7100	0.7100	0.6797	0.6797
New Caney M.U.D. Hendricks Defined Area	-	-	-	-
New Caney M.U.D. Valley Ranch	-	-	-	0.7800
Point Aquarius M.U.D.	0.7032	0.7032	0.6631	0.6000
Porter M.U.D.	0.5150	0.5150	0.5150	0.4800
Rayford Road M.U.D.	0.6100	0.6000	0.5800	0.5500
River Plantation M.U.D.	0.3200	0.3200	0.3200	0.3200
Roman Forest Cons. M.U.D.	0.2200	0.2200	0.2100	0.2045
Roman Forest P.U.D. #3	No Tax	1.0000	0.1080	1.1200
Roman Forest P.U.D. #4	1.1540	1.1540	1.1657	1.1730
South Montgomery County M.U.D.	0.2266	0.2258	0.2175	0.1743
Spring Creek U.D.	1.0000	1.0000	1.0000	1.0000
Stanley Lake M.U.D.	0.5000	0.5200	0.5300	0.5300
Texas National M.U.D.	1.0823	1.1330	1.1330	1.1300
Valley Ranch Medical Center MD	-	-	-	-
Valley Ranch M.U.D. #1	1.4000	1.4000	1.4000	1.2000
Valley Ranch Town Center MD	-	-	-	-
Wood Trace M.U.D. #1	0.7500	0.7500	1.5000	1.5000
Woodlands Metro-Center M.U.D.	0.1750	0.1650	0.1650	0.1550
Woodlands M.U.D. #1	-	-	-	-
Woodlands M.U.D. #2	0.1500	0.1300	0.1100	0.1000
Woodlands R.U.D. #1	0.4063	0.3600	0.3600	0.3200
Woodridge M.U.D.	1.5000	1.5000	1.3000	1.3000
Emergency Service District #1	0.0964	0.0964	0.1000	0.1000
Emergency Service District #2	0.1000	0.1000	0.1000	0.1000
Emergency Service District #3	0.0990	0.0954	0.0955	0.1000
Emergency Service District #4	0.0961	0.1000	0.0917	0.0808
Emergency Service District #5	0.1000	0.1000	0.1000	-
Emergency Service District #6	0.1000	0.1000	0.1000	0.1000
Emergency Service District #7	0.0998	0.0996	0.0967	0.1000
Emergency Service District #8	0.1000	0.0960	0.0946	0.0926
Emergency Service District #9	0.0917	0.0855	0.0814	0.1000
Emergency Service District #10	0.1000	0.1000	0.0980	0.0970
Emergency Service District #11	0.1000	0.1000	0.1000	-
Emergency Service District #12	0.0996	0.1000	0.0983	0.1000
Emergency Service District #14	0.1000	0.0951	0.0885	0.1000
Total Special Districts	<u>50.8762</u>	<u>51.7637</u>	<u>56.8722</u>	<u>61.8591</u>

TABLE VI

2017	2018	2019	2020	2021	2022
\$ -	\$ -	\$ -	\$ 1.3500	\$ 1.3500	\$ 1.3500
-	-	-	1.3500	1.3500	1.3500
-	-	-	-	1.3500	1.3500
-	-	-	-	-	1.3500
-	-	-	-	-	1.3500
0.4700	0.4600	0.4600	0.4750	0.4750	0.4750
0.0900	0.0900	0.0900	0.0899	0.0900	0.9000
0.0775	0.0775	0.0775	0.0875	0.1000	0.1000
0.7600	0.7820	0.7820	0.7476	0.7476	0.7500
0.6797	0.5994	0.5700	0.5300	0.5000	0.4650
-	-	-	-	-	0.4295
-	-	-	-	-	-
0.5700	0.5600	0.5200	0.5000	0.4700	0.4300
0.4800	0.4800	0.4640	0.4600	0.4400	0.4100
0.5300	0.5100	0.5100	0.5000	0.5000	0.4940
0.3200	0.3200	0.3200	0.3200	0.3223	0.3160
0.1850	0.1593	0.1546	0.1340	0.1253	0.1172
1.1088	0.9500	0.9500	0.5600	0.5600	0.5600
1.1748	1.1656	1.1749	1.1749	1.1749	1.1749
0.1660	0.1600	0.1600	0.1600	0.1600	0.1600
1.0000	1.0000	1.0000	1.0000	0.9900	0.9700
0.5300	0.5300	0.5500	0.5500	0.5448	0.5300
1.1330	1.1330	1.1330	1.1330	1.0996	1.0988
-	0.3500	0.3500	0.4000	0.4000	-
1.1500	1.1500	1.0000	1.1000	1.1000	1.1000
-	0.9000	1.1500	0.9700	1.0000	-
1.3500	1.3500	1.3500	1.3500	1.3300	1.2800
0.1250	0.1050	0.0900	0.0900	0.0900	0.0700
0.0900	0.0800	0.0750	0.0750	0.0750	0.0700
-	-	-	-	-	-
0.2600	0.2150	0.2000	0.2000	0.1900	0.1800
1.2700	1.2700	1.2600	1.2600	1.2600	1.2600
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.1000	0.1000	0.1000	0.1000	0.1000	0.9920
0.0981	0.1000	0.1000	0.1000	0.1000	0.1000
0.0981	0.1000	0.1000	0.0939	0.0912	0.1000
-	-	-	-	-	-
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.0906	0.1000	0.1000	0.1000	0.1000	0.0999
0.1000	0.0972	0.1000	0.1000	0.1000	0.1000
0.1000	0.1000	0.1000	0.1000	0.1000	0.0987
-	-	-	-	-	-
0.1000	0.1000	-	-	-	-
0.1000	0.1000	0.1000	0.1000	0.1000	0.0990
<u>64.6184</u>	<u>67.8395</u>	<u>69.4557</u>	<u>80.8031</u>	<u>80.5994</u>	<u>89.7062</u>

**MONTGOMERY COUNTY, TEXAS**

Property Tax Rates<sup>(1)</sup> - Direct and Overlapping Governments

Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Cities:</b>				
Cleveland	\$ 0.7800	\$ 0.7800	\$ 0.7800	\$ 0.7800
Conroe	0.4200	0.4200	0.4200	0.4200
Magnolia	0.4786	0.4786	0.4629	0.4629
Montgomery	0.4155	0.4155	0.4155	0.4155
Oak Ridge North	0.5744	0.5244	0.4822	0.4598
Panorama Village	0.6844	0.6741	0.6591	0.6743
Patton Village	0.3779	0.3818	0.3818	0.3459
Roman Forest	0.4819	0.4819	0.4819	0.4945
Shenandoah Village	0.3137	0.2664	0.2404	0.2399
Splendora	0.2723	0.2720	0.2473	0.2473
Stagecoach	0.5000	0.5429	0.5353	0.5207
Willis	0.5208	0.5363	0.6077	0.5961
Woodbranch Village	0.3544	0.3496	0.3597	0.3597
Woodlands Township	0.3173	0.2940	0.2500	0.2300
Woodloch	0.4950	0.4971	0.8125	0.6566
Auburn Trail Defined Area	0.9850	0.5750	0.6190	0.7110
Auburn Trail II Defined Area	-	0.5750	0.6190	0.7110
Houston (County Line City)	<u>0.6388</u>	<u>0.6388</u>	<u>0.6311</u>	<u>0.6011</u>
Total Cities	<u>8.6100</u>	<u>8.7034</u>	<u>9.0054</u>	<u>8.9263</u>
<b>School Districts:</b>				
Cleveland I.S.D.	1.3150	1.3150	1.3150	1.3150
Conroe I.S.D.	1.2900	1.2850	1.2800	1.2800
Humble I.S.D.	1.5200	1.5200	1.5200	1.5200
Magnolia I.S.D.	1.3995	1.3995	1.3895	1.3795
Montgomery I.S.D.	1.3400	1.3400	1.3400	1.3400
New Caney I.S.D.	1.5400	1.6700	1.6700	1.6700
Richards I.S.D.	1.0400	1.0400	1.0400	1.0400
Splendora I.S.D.	1.3155	1.3155	1.3155	1.3155
Tomball I.S.D.	1.3600	1.3600	1.3600	1.3400
Willis I.S.D.	<u>1.3700</u>	<u>1.3900</u>	<u>1.3900</u>	<u>1.3900</u>
Total School Districts	<u>13.4900</u>	<u>13.6350</u>	<u>13.6200</u>	<u>13.5900</u>
<b>TOTAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS</b>				
	<u>\$ 73.4599</u>	<u>\$ 74.5859</u>	<u>\$ 79.9743</u>	<u>\$ 84.8521</u>

NOTE: The County's property tax rate may only be changed in a public hearing.

<sup>(1)</sup> Per \$100 of assessed valuation.  
Source: Montgomery County Tax Office website

TABLE VI

2017	2018	2019	2020	2021	2022
\$ 0.7700	\$ 0.7700	\$ 0.7700	\$ 0.7700	\$ 0.7600	\$ 0.7550
0.4175	0.4175	0.4175	0.4375	0.4375	0.4375
0.4629	0.4709	0.4675	0.4645	0.4529	0.4051
0.4155	0.4155	0.4000	0.4000	0.4000	0.4000
0.4409	0.4470	0.4807	0.4900	0.4712	0.4723
0.6604	0.6852	0.6748	0.6779	0.6732	0.6534
0.2606	0.2606	0.2850	0.2850	0.2558	0.2558
0.4945	0.7385	0.7538	0.7530	0.6954	0.6561
0.2195	0.2099	0.1799	0.1799	0.1799	0.1799
0.2616	0.4103	0.4103	0.4103	0.3852	0.3423
0.5000	0.4595	0.4595	0.4595	0.4500	0.4367
0.5953	0.6351	0.6697	0.5869	0.6295	0.5683
0.3685	0.3784	0.2306	0.2207	0.2044	0.3067
0.2300	0.2300	0.2273	0.2240	0.2231	0.2231
0.5659	0.5000	0.5000	0.3600	0.3444	0.3361
0.7150	0.7150	0.7150	0.7000	0.7088	0.7015
0.7150	0.7150	0.7071	0.7000	0.7100	0.7050
<u>0.5464</u>	<u>0.5864</u>	<u>0.5883</u>	<u>0.5679</u>	<u>0.5618</u>	<u>0.5508</u>
<u>8.6395</u>	<u>9.0448</u>	<u>8.9370</u>	<u>8.6871</u>	<u>8.5431</u>	<u>8.3856</u>
1.3800	1.4150	1.4150	1.3450	1.2497	1.2470
1.2800	1.2800	1.2800	1.2300	1.2125	1.1760
1.5200	1.5200	1.5200	1.4184	1.3841	1.3389
1.3795	1.3795	1.3795	1.3095	1.2744	1.8720
1.3700	1.3700	1.3700	1.3075	1.2798	1.2600
1.6700	1.6700	1.6700	1.5684	1.4761	1.4603
1.0400	1.0400	1.0600	0.9900	0.9639	1.0770
1.3155	1.6000	1.1700	1.4984	1.4051	1.4055
1.3400	1.3400	1.3400	1.2900	1.2900	1.2500
<u>1.3900</u>	<u>1.3900</u>	<u>1.3900</u>	<u>1.2700</u>	<u>1.2171</u>	<u>1.1720</u>
<u>13.6850</u>	<u>14.0045</u>	<u>13.5945</u>	<u>13.2272</u>	<u>12.7527</u>	<u>13.2587</u>
<u>\$ 87.4096</u>	<u>\$ 91.3555</u>	<u>\$ 92.4539</u>	<u>\$ 103.1649</u>	<u>\$ 102.3264</u>	<u>\$ 111.7589</u>

**MONTGOMERY COUNTY, TEXAS**

**TABLE VII**

Principal Taxpayers

Current Year and Nine Years Ago

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2022 Assessed Valuation <sup>(1)</sup></u>	<u>Percentage of Total Assessed Valuation <sup>(2)</sup></u>
Entergy Texas Inc.	Utilities	\$ 878,574,216	1.32%
Wal-Mart Real Estate Business Trust	Retail	315,158,315	0.47%
Woodlands Land Dev LP	Land Development	269,552,473	0.40%
Mckesson Corporation	Medical	207,184,428	0.31%
HH Woodlands Tower Holdings LLC	Commercial	206,071,200	0.31%
The Woodlands Mall Associates	Retail	194,306,149	0.29%
IMI MSW LLC	Retail	140,022,810	0.21%
Ball Metal Container Corp	Manufacturing	138,237,564	0.21%
Kingwood Medical Plaza Ltd	Medical	132,012,430	0.20%
BMEF Jones Forest LLC	Commercial	114,500,000	0.17%
		<u>\$ 2,595,619,585</u>	<u>3.89%</u>

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2013 Assessed Valuation <sup>(1)</sup></u>	<u>Percentage of Total Assessed Valuation <sup>(3)</sup></u>
Wal Mart Real Estate Business Trust/ Sams Club	Retail	251,733,842	0.69%
Entergy, Texas Inc	Electric Utility	236,368,741	0.64%
Denbury Onshore LLC	Oil & Gas	206,310,720	0.56%
Woodlands Land Development LP	Land Development	146,635,174	0.40%
Conroe Regional Medical Center/ Kingwood Medical Plaza	Medical	148,308,971	0.40%
Anadarko Realty Co	Oil & Gas	137,104,330	0.37%
Canrig Drilling Tech Ltd	Oil & Gas	114,681,030	0.31%
Hughes Christensen Company	Oil & Gas	78,550,790	0.21%
Consolidated Communications of Texas	Communications	74,561,920	0.20%
Huntsman Petrochemical Corporation	Manufacturing	61,147,404	0.17%
		<u>\$ 1,455,402,922</u>	<u>3.96%</u>

(1) Source: Montgomery Central Appraisal District  
 (2) Net Assessed Valuation - 2022 \$ 66,762,788,413  
 (3) Net Assessed Valuation - 2013 \$ 36,706,371,252

**MONTGOMERY COUNTY, TEXAS****TABLE VIII**Property Tax Levies and Collections <sup>(1)</sup>

Last Ten Fiscal Years

Fiscal Year	Collected in first period			Collections in subsequent periods	Total collections	
	Levy	Amount	Percentage		Amount	Percentage
2013	175,204,298	173,007,132	98.7%	1,893,892	174,901,024	99.8%
2014	186,703,380	184,735,498	98.9%	1,638,583	186,374,081	99.8%
2015	203,804,943	201,321,741	98.8%	2,154,776	203,476,517	99.8%
2016	229,000,765	226,359,011	98.8%	2,177,702	228,536,713	99.8%
2017	247,075,115	243,625,647	98.6%	3,013,999	246,639,646	99.8%
2018	235,828,214	232,005,266	98.4%	1,511,213	233,516,479	99.0%
2019	250,896,287	246,268,100	98.2%	1,240,348	247,508,448	98.6%
2020	256,035,175	253,326,012	98.9%	1,603,207	254,929,219	99.6%
2021	262,518,017	259,958,007	99.0%	942,824	260,900,831	99.4%
2022	269,936,405	267,258,714	99.0%	-	267,258,714	99.0%

<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

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## **DEBT CAPACITY**

**MONTGOMERY COUNTY, TEXAS**

Ratios of Outstanding Debt by Type <sup>(1)</sup>

Last Ten Fiscal Years

Fiscal Year	Governmental Activities					
	General Obligation Bonds	Revenue Bonds	Certificates of Obligation	Lease Obligation	Financed Purchases	Net Premiums and Discounts
2013	\$ 261,590,000	\$ 75,075,000	\$ 109,930,000	\$ -	\$ 11,209,724	\$ 12,589,534
2014	278,565,000	67,995,000	74,555,000	-	9,942,261	28,256,466
2015	269,415,000	60,585,000	71,000,000	-	7,694,658	26,085,333
2016	315,110,000	52,825,000	58,535,000	-	5,893,321	43,468,294
2017	376,370,000	16,420,000	50,750,000	-	3,777,887	46,503,251
2018	408,885,000	-	49,090,000	-	13,953,358	47,447,713
2019	474,975,000	-	47,375,000	-	11,578,902	48,232,661
2020	463,775,000	-	45,605,000	-	10,674,041	44,196,827
2021	452,590,000	-	34,085,000	-	10,459,863	42,499,351
2022	440,805,000	-	23,395,000	3,882,607	14,478,760	39,541,773

<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.

<sup>(3)</sup> Personal income for 2017 - 2022 is not available.

**TABLE IX**

Business-type Activities		Total Primary Government	Percent of Personal Income <sup>(2)</sup>	Per Capita <sup>(2)</sup>
Revenue Bonds	Net Premiums and Discounts			
\$ -	\$ -	\$ 470,394,258	1.77%	\$ 957
-	-	459,313,727	1.40%	913
-	-	434,779,991	1.35%	838
-	-	475,831,615	1.51%	885
-	-	493,821,138	N/A	877
87,680,000	7,778,322	614,834,393	N/A	1,077
87,680,000	7,510,104	677,351,667	N/A	1,146
87,680,000	7,231,952	659,162,820	N/A	1,085
87,680,000	6,973,668	634,287,882	N/A	987
87,680,000	6,705,450	616,488,590	N/A	920

**MONTGOMERY COUNTY, TEXAS**

Ratios of Net General Bonded Debt Outstanding <sup>(1)</sup>

Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Net Premiums and Discounts	Business-type Activities
	General Obligation Bonds	Revenue Bonds <sup>(4)</sup>	Certificates of Obligation		Revenue Bonds
2013	\$ 261,590,000	\$ 75,075,000	\$ 109,930,000	\$ 12,589,534	\$ -
2014	278,565,000	67,995,000	74,555,000	28,256,466	-
2015	269,415,000	60,585,000	71,000,000	26,085,333	-
2016	315,110,000	52,825,000	58,535,000	43,468,294	-
2017	376,370,000	16,420,000	50,750,000	46,503,251	-
2018	408,885,000	-	49,090,000	47,447,713	87,680,000
2019	474,975,000	-	47,375,000	48,232,661	87,680,000
2020	463,775,000	-	45,605,000	44,196,827	87,680,000
2021	452,590,000	-	34,085,000	42,499,351	87,680,000
2022	440,805,000	-	23,395,000	39,541,773	87,680,000

<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.

**TABLE X**

<u>Business-type Activities</u>	<u>Net Premiums and Discounts</u>	<u>Total Primary Government</u>	<u>Percentage of Actual Value of Property <sup>(2)</sup></u>	<u>Per Capita <sup>(3)</sup></u>
\$	-	\$ 459,184,534	1.25%	\$ 934
	-	449,371,466	1.14%	894
	-	427,085,333	0.98%	823
	-	469,938,294	0.95%	874
	-	490,043,251	0.90%	870
	7,778,322	600,881,035	1.18%	1,052
	7,510,104	665,772,765	1.23%	1,127
	7,231,952	648,488,779	1.11%	1,068
	6,973,668	623,828,019	1.01%	971
	6,705,450	598,127,223	0.89%	893

**MONTGOMERY COUNTY, TEXAS**

Legal Debt Margin <sup>(1)</sup>

Last Ten Fiscal Years

	2013	2014	2015	2016
Assessed value <sup>(2)</sup>	\$ 36,706,371	\$ 39,366,970	\$ 43,654,262	\$ 49,315,310
Debt limit <sup>(3)</sup>	9,176,593	9,841,743	10,913,566	12,328,828
Debt applicable to limit total bonded debt	446,595	493,740	463,080	487,680
Less: Assets in Debt Service Funds available for payment of principal	<u>(17,795)</u>	<u>(20,906)</u>	<u>(32,453)</u>	<u>(48,577)</u>
Total debt applicable to limit	<u>428,800</u>	<u>472,834</u>	<u>430,627</u>	<u>439,103</u>
Legal debt margin	<u>\$ 8,747,794</u>	<u>\$ 9,368,910</u>	<u>\$ 10,482,939</u>	<u>\$ 11,889,725</u>
Total debt applicable to the limit as a percent of debt limit	4.67%	4.80%	3.95%	3.56%

<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 rates 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**

	2017	2018	2019	2020	2021	2022
\$	54,402,996	\$ 50,848,283	\$ 54,237,296	\$ 58,359,200	\$ 61,894,370	\$ 61,589,203
	13,600,749	12,712,071	13,559,324	14,589,800	15,473,593	15,397,300
	443,870	508,054	708,230	689,947	522,927	495,008
	<u>(28,250)</u>	<u>(15,757)</u>	<u>(12,708)</u>	<u>(14,717)</u>	<u>(13,820)</u>	<u>(13,367)</u>
	<u>415,620</u>	<u>492,297</u>	<u>695,522</u>	<u>675,230</u>	<u>509,107</u>	<u>481,641</u>
\$	<u>13,185,129</u>	<u>\$ 12,219,774</u>	<u>\$ 12,863,802</u>	<u>\$ 13,914,570</u>	<u>\$ 14,964,486</u>	<u>\$ 14,915,659</u>
	3.06%	3.87%	5.13%	4.63%	3.38%	3.13%

**MONTGOMERY COUNTY, TEXAS**

**TABLE XII**

Direct and Overlapping Debt

September 30, 2022

	Debt Outstanding	Percentage Applicable to Montgomery County <sup>(1)</sup>	Amount Applicable to Montgomery County
Montgomery County, Texas	\$ 522,103,140	100.0%	\$ 522,103,140
<b>TOTAL DIRECT DEBT</b>	<b>522,103,140</b>		<b>522,103,140</b>

OVERLAPPING GOVERNMENTS:

Special Districts:			
Blaketree MUD #1	16,070,000	100.0%	16,070,000
Clovercreek MUD	4,200,000	100.0%	4,200,000
Conroe MUD #1	19,445,000	100.0%	19,445,000
Conroe Municipal Management District # 1	63,450,000	100.0%	63,450,000
Corinthian Point MUD #2	3,395,000	100.0%	3,395,000
E. Montgomery Co MUD #3	25,775,000	100.0%	25,775,000
East Montgomery Co MUD #4	10,250,000	100.0%	10,250,000
East Montgomery Co MUD #5	45,467	100.0%	45,467
East Montgomery Co MUD #6	48,011,663	100.0%	48,011,663
East Montgomery Co MUD #7	19,667,871	100.0%	19,667,871
East Plantation UD	5,090,000	100.0%	5,090,000
Far Hills UD	9,225,000	100.0%	9,225,000
Grand Oaks MUD	5,260,000	100.0%	5,260,000
Harris-Montgomery Cos MUD # 386	132,255,000	7.9%	10,434,920
Kings Manor MUD	9,730,000	70.1%	6,821,703
Lone Star College Sys	639,345,000	27.8%	177,482,172
Montgomery Co DD # 10	12,460,000	100.0%	12,460,000
Montgomery Co MUD # 8	22,040,000	100.0%	22,040,000
Montgomery Co MUD # 84	27,110,000	100.0%	27,110,000
Montgomery Co MUD # 88	19,370,000	100.0%	19,370,000
Montgomery Co MUD # 9	25,095,000	100.0%	25,095,000
Montgomery Co MUD # 95	54,585,000	100.0%	54,585,000
Montgomery Co MUD # 99	21,445,000	100.0%	21,445,000
Montgomery Co MUD # 105	57,960,000	100.0%	57,960,000
Montgomery Co MUD # 107	20,510,000	100.0%	20,510,000
Montgomery Co MUD # 111	27,380,000	100.0%	27,380,000
Montgomery Co MUD # 112	39,500,000	100.0%	39,500,000
Montgomery Co MUD # 113	124,135,000	100.0%	124,135,000
Montgomery Co MUD # 115	40,660,000	100.0%	40,660,000
Montgomery Co MUD # 119	90,145,000	100.0%	90,145,000
Montgomery Co MUD # 121	19,925,000	100.0%	19,925,000
Montgomery Co MUD # 126	22,955,000	100.0%	22,955,000
Montgomery Co MUD # 127	21,290,000	100.0%	21,290,000
Montgomery Co MUD # 132	10,855,000	100.0%	10,855,000
Montgomery Co MUD # 137	21,905,000	100.0%	21,905,000
Montgomery Co MUD # 138	16,520,000	100.0%	16,520,000
Montgomery Co MUD # 142	8,760,000	100.0%	8,760,000

**MONTGOMERY COUNTY, TEXAS**

**TABLE XII**

Direct and Overlapping Debt

September 30, 2022

	Debt Outstanding	Percentage Applicable to Montgomery County <sup>(1)</sup>	Amount Applicable to Montgomery County
Special Districts:(Continued)			
Montgomery Co MUD # 148	4,195,000	100.0%	4,195,000
Montgomery Co MUD # 15	40,320,000	100.0%	40,320,000
Montgomery Co MUD # 16	2,130,000	100.0%	2,130,000
Montgomery Co MUD # 164	5,000,000	100.0%	5,000,000
Montgomery Co MUD # 18	7,715,000	100.0%	7,715,000
Montgomery Co MUD # 24	7,440,000	100.0%	7,440,000
Montgomery Co MUD # 36	1,370,000	100.0%	1,370,000
Montgomery Co MUD # 39	9,760,000	100.0%	9,760,000
Montgomery Co MUD # 42	8,590,000	100.0%	8,590,000
Montgomery Co MUD # 46	55,475,000	100.0%	55,475,000
Montgomery Co MUD # 47	13,325,000	100.0%	13,325,000
Montgomery Co MUD # 56	2,130,000	100.0%	2,130,000
Montgomery Co MUD # 60	6,940,000	100.0%	6,940,000
Montgomery Co MUD # 67	17,360,000	100.0%	17,360,000
Montgomery Co MUD # 83	11,920,000	100.0%	11,920,000
Montgomery Co MUD # 89	16,485,000	100.0%	16,485,000
Montgomery Co MUD # 90	6,135,000	100.0%	6,135,000
Montgomery Co MUD # 92	10,215,000	100.0%	10,215,000
Montgomery Co MUD # 94	23,585,000	100.0%	23,585,000
Montgomery Co MUD # 98	14,435,000	100.0%	14,435,000
Montgomery Co MUD #108	2,440,000	100.0%	2,440,000
Montgomery Co MUD #128A	18,750,000	100.0%	18,750,000
Montgomery Co MUD #139	52,195,000	100.0%	52,195,000
Montgomery Co MUD #141	11,850,000	100.0%	11,850,000
Montgomery Co MUD #166	8,660,000	100.0%	8,660,000
Montgomery Co MUD #96	11,000,000	100.0%	11,000,000
Montgomery Co UD # 2	5,235,000	100.0%	5,235,000
Montgomery Co UD # 3	3,480,000	100.0%	3,480,000
Montgomery Co UD # 4	15,990,000	100.0%	15,990,000
Montgomery WC&ID # 1	19,039,997	100.0%	19,039,997
New Caney MUD	50,948,524	100.0%	50,948,524
Point Aquarius MUD	9,100,000	100.0%	9,100,000
Porter MUD	4,930,000	100.0%	4,930,000
Porter MUD	3,690,000	100.0%	3,690,000
Porter MUD	22,015,000	100.0%	22,015,000
Porter MUD-Hendricks Defined Area	11,715,000	100.0%	11,715,000
Rayford Rd MUD	21,710,000	100.0%	21,710,000
River Plantation MUD	8,610,000	100.0%	8,610,000
Roman Forest Cons MUD	10,825,000	100.0%	10,825,000
Roman Forest PUD # 4	765,000	100.0%	765,000

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**MONTGOMERY COUNTY, TEXAS**

**TABLE XII**

Direct and Overlapping Debt

September 30, 2022

	<u>Debt Outstanding</u>	<u>Percentage Applicable to Montgomery County <sup>(1)</sup></u>	<u>Amount Applicable to Montgomery County</u>
Special Districts:(Continued)			
Southeast Regional Management District	18,530,000	87.0%	16,113,688
Southern Montg Co MUD	8,140,000	100.0%	8,140,000
Spring Creek UD	60,330,000	100.0%	60,330,000
Stanley Lake MUD	21,225,000	100.0%	21,225,000
Texas National MUD	6,220,000	100.0%	6,220,000
The Woodlands Metro Ctr MUD	8,080,000	100.0%	8,080,000
The Woodlands RUD # 1	31,180,000	98.8%	30,808,958
Valley Ranch MUD # 1	34,260,000	100.0%	34,260,000
Valley Ranch Town Center Management Dis	20,560,000	100.0%	20,560,000
Wood Trace MUD #1	30,845,000	100.0%	30,845,000
Woodridge MUD	<u>21,890,000</u>	<u>100.0%</u>	<u>21,890,000</u>
Total Special Districts	<u>2,534,553,522</u>		<u>1,945,174,963</u>
Cities:			
Cleveland	16,490,000	3.8%	626,620
Conroe	431,220,000	100.0%	431,220,000
Houston	3,163,795,000	0.4%	11,706,042
Magnolia	38,021,696	100.0%	38,021,696
Montgomery	8,355,000	100.0%	8,355,000
Oak Ridge North	12,920,000	100.0%	12,920,000
Panorama Village	2,410,000	100.0%	2,410,000
Patton Village	3,463,000	100.0%	3,463,000
Roman Forest	2,995,000	100.0%	2,995,000
Shenandoah	18,455,000	100.0%	18,455,000
Splendora	4,960,000	100.0%	4,960,000
Willis	22,620,000	86.3%	19,523,322
Woodlands	<u>19,333,000</u>	<u>100.0%</u>	<u>19,333,000</u>
Total Cities	<u>3,745,037,696</u>		<u>573,988,680</u>
School Districts			
Cleveland I.S.D.	305,904,989	1.3%	3,946,174
Conroe I.S.D.	1,616,515,000	100.0%	1,616,515,000
Magnolia I.S.D.	120,530,000	100.0%	120,530,000
Montgomery I.S.D.	409,105,000	100.0%	409,105,000
New Caney I.S.D.	561,995,000	98.7%	554,408,068
Richards I.S.D.	6,280,000	23.4%	1,472,032
Splendora I.S.D.	47,845,000	100.0%	47,845,000
Tomball I.S.D.	685,985,000	6.7%	46,166,791
Willis I.S.D.	<u>372,460,000</u>	<u>100.0%</u>	<u>372,460,000</u>
Total School Districts	<u>4,126,619,989</u>		<u>3,172,448,064</u>
TOTAL OVERLAPPING DEBT	<u>10,406,211,207</u>		<u>5,691,611,706</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u>\$ 10,928,314,347</u>		<u>\$ 6,213,714,846</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

**MONTGOMERY COUNTY, TEXAS**

Pledged-Revenue Coverage

Last Ten Fiscal Years

Year	Lease Revenue Bonds <sup>(1)</sup>			Debt Service		Coverage
	Lease Payments	Less: Operating Expenses	Net: Available Revenue	Principal	Interest	
2013	\$ 19,053,761	\$ 17,818,794	\$ 1,234,967	\$ 1,715,150	\$ 1,728,330	0.36
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
2020	-	-	-	-	-	-
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-

**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	
\$	25,969,528	\$ 6,785,000	\$ 3,589,583	2.50
	29,275,155	7,080,000	3,356,300	2.86
	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
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-

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**DEMOGRAPHIC AND  
ECONOMIC INFORMATION**

**MONTGOMERY COUNTY, TEXAS**

**TABLE XIV**

Demographic and Economic Statistics

Last Ten Fiscal Years

<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>
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%
2020	607,391	N/A	N/A	142,313	134,755	8.2%
2021	642,633	N/A	N/A	149,834	141,108	5.1%
2022	669,853	N/A	N/A	143,564	132,297	3.8%

<sup>(1)</sup> Source: Conroe Lake Conroe Chamber of Commerce

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

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

Information for fiscal years 2011 through 2016 from The Bureau of Economic Analysis website  
 Personal income information for 2017, through 2022 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**

**TABLE XV**

Principal Employers

Current Year and Nine Years Ago

2022 Employer <sup>(3)</sup>	Employees	Percentage of Total County Employment <sup>(2)</sup>
Conroe Independent School District	4,596	1.67%
Memorial Hermann - The Woodlands Medical Center	2,974	1.08%
St. Lukes Health	1,857	0.67%
Houston Methodist The Woodlands Hospital	1,850	0.67%
Alight Solutions	1,530	0.55%
Lone Star College	1,362	0.49%
Texas Children's	1,148	0.42%
Chevron Phillips Chemical Company	1,070	0.39%
Woodforest National Bank	1,029	0.37%
Entergy Texas	977	0.35%
	<u>18,393</u>	<u>6.67%</u>

2013 Employer <sup>(1)</sup>	Employees	Percentage of Total County Employment <sup>(2)</sup>
Conroe Independent School District	6,110	2.49%
Anadarko Petroleum	3,481	1.42%
Montgomery County, Texas	2,089	0.85%
Aon Hewitt	1,800	0.73%
Magnolia Independent School District	1,552	0.63%
New Caney Independent School District	1,501	0.61%
Memorial Herman - The Woodlands	1,400	0.57%
St. Luke's The Woodlands Hospital	1,348	0.55%
Willis Independent School District	841	0.35%
Woodforest National Bank	816	0.33%
	<u>20,938</u>	<u>8.53%</u>

<sup>(1)</sup> Source: <http://socrates.cdr.state.tx.us/iSocrates/Employers/EmployerContacts2.asp>.  
Information has been derived from the South Montgomery County Economic Development Partnership and the SOCRATES database listed above.

<sup>(2)</sup> Total County Employment for 2012 and 2021: 225,179 and 275,749 respectively.  
Source: <http://www.wrksolutions.com>

<sup>(3)</sup> Source: <http://www.edpartnership.net>

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## **OPERATING INFORMATION**

**MONTGOMERY COUNTY, TEXAS**County Employees by Function <sup>(1)</sup>

Last Ten Fiscal Years

<b>Function</b>	2013	2014	2015	2016	2017	2018
General Administration	132	130	132	125	125	123
Judicial	289	291	297	296	304	301
Legal Services	32	33	32	33	34	34
Elections	11	11	12	15	15	13
Financial Administration	103	99	93	98	102	99
Public Facilities	404	398	415	416	420	433
Public Safety	662	679	714	742	762	777
Health and Welfare	48	46	47	48	89	91
Culture and Recreation	161	162	163	140	141	140
Conservation	21	10	19	10	20	23
Public Transportation	226	230	232	249	259	258
General Government	-	-	-	-	-	-
Financial Administration	-	-	-	-	-	-
Health & Human Services	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-
Law Enforcement & Corrections	-	-	-	-	-	-
Legal & Judicial	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
	<u>2,089</u>	<u>2,089</u>	<u>2,156</u>	<u>2,172</u>	<u>2,271</u>	<u>2,292</u>

<sup>(1)</sup> Source: Montgomery County Budget Office.

**TABLE XVI**

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
119	-	-	-
284	-	-	-
34	-	-	-
15	-	-	-
98	-	-	-
371	-	-	-
1011	-	-	-
90	-	-	-
120	-	-	-
23	-	-	-
213	-	-	-
-	233	232	485
-	115	116	123
-	117	124	134
-	174	213	208
-	1,297	1,429	1,604
-	342	238	265
-	<u>227</u>	<u>227</u>	<u>255</u>
<u>2,378</u>	<u>2,505</u>	<u>2,579</u>	<u>3,074</u>

**MONTGOMERY COUNTY, TEXAS**

Operating Indicators by Function

Last Ten Fiscal Years

<b>Function</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
General Government				
Construction permits issued <sup>(1)</sup>	4,336	4,947	4,754	4,052
Estimated value of construction <sup>(1) (2)</sup>	1,344,371	2,019,423	1,381,849	1,414,524
Health inspections performed <sup>(3)</sup>	14,968	15,623	17,274	16,552
Birth certificates filed <sup>(4)</sup>	5,325	5,392	6,602	5,766
Death certificates filed <sup>(4)</sup>	2,384	2,638	2,820	2,874
Marriage license applications <sup>(4)</sup>	2,630	2,795	4,505	2,927
Registered voters <sup>(5)</sup>	265,424	274,536	289,000	308,597
Number of voting precincts <sup>(5)</sup>	86	89	89	90
Public Safety - Sheriff				
Total arrests <sup>(6)</sup>	22,758	24,679	22,523	21,483
Average number of inmates <sup>(6)</sup>	1,033	1,152	1,058	999
Calls for service <sup>(6)</sup>	333,548	346,749	317,501	411,796
Number of accidents investigated <sup>(6)</sup>	1,356	2,385	4,184	4,937
Miles patrolled <sup>(6)</sup>	5,906,651	5,747,155	5,876,771	4,063,212
Gallons of gas used <sup>(6)</sup>	465,391	468,806	490,073	368,033
Culture and Recreation - Libraries (tentative)				
Number of items checked out <sup>(7)</sup>	1,996,503	2,018,491	2,055,189	2,066,886
Number of libraries <sup>(7)</sup>	7	7	7	7
Volumes in collection <sup>(7)</sup>	691,892	686,870	665,009	694,536
Number of library visits <sup>(7)</sup>	1,184,833	1,108,782	1,107,085	1,105,760
Library programs attendance <sup>(7)</sup>	118,959	124,738	130,780	134,163

<sup>(1)</sup> Source: Montgomery County Engineer.

<sup>(2)</sup> Dollar values are in thousands.

<sup>(3)</sup> Source: Montgomery County Health Department.

<sup>(4)</sup> Source: Montgomery County Clerk.

<sup>(5)</sup> Source: Montgomery County Elections Administrator.

<sup>(6)</sup> Source: Montgomery County Sheriff's Department.

<sup>(7)</sup> Source: Montgomery County Memorial Library System Annual Report.

TABLE XVII

2017	2018	2019	2020	2021	2022
4,381	5,549	5,057	6,857	9,720	10,392
1,386,391	1,514,299	1,582,931	1,742,289	2,339,301	2,855,453
16,197	16,719	15,406	13,599	9,844	8,606
6,996	8,144	6,436	6,450	6,905	7,011
3,643	4,437	3,167	3,716	4,465	3,727
2,869	4,420	2,871	2,824	3,024	3,445
315,946	330,768	339,779	364,581	384,248	407,364
90	96	96	100	100	111
22,473	18,855	22,402	18,481	19,061	7,189
933	944	937	859	942	931
355,936	610,315	672,825	411,121	399,930	294,957
5,931	6,063	6,125	7,638	9,322	7,324
4,232,396	3,952,673	4,279,456	4,732,334	5,652,288	5,135,316
368,412	343,644	388,891	407,036	414,531	447,385
2,192,792	2,547,829	2,820,839	1,973,871	2,433,970	2,651,209
7	7	7	7	7	7
711,777	717,314	703,658	677,853	641,105	651,563
1,075,000	923,129	901,935	498,055	473,879	656,351
169,467	150,020	169,079	102,934	40,531	66,700

**MONTGOMERY COUNTY, TEXAS**

Capital Asset and Infrastructure Statistics by Function

Last Ten Fiscal Years

<b>Function</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
General Government Office Buildings/Courthouses <sup>(1)</sup>	43	38	44	49
Public Safety - Sheriff Sheriff's Vehicles <sup>(2)</sup> Academy Square Footage <sup>(1)</sup>	463 13,800	467 13,800	505 13,800	512 13,800
Public Transportation County Roads (miles) <sup>(3)</sup> Bridges <sup>(3)</sup>	2,685 159	2,703 159	2,704 160	2,751 160
Public Facilities Park Acreage <sup>(4)</sup> Convention Center Square Footage <sup>(5)</sup> Community Centers <sup>(2)</sup>	2,061 56,000 17	2,061 56,000 17	2,089 56,000 17	2,089 56,000 17
Culture and Recreation	171,400	171,400	171,400	173,800

<sup>(1)</sup> Montgomery County Risk Management Department. Includes the offices of the four County Commissioners.

<sup>(2)</sup> Montgomery County Auditor's Office Capital Assets Listing.

<sup>(3)</sup> Montgomery County Engineer.

<sup>(4)</sup> Montgomery County Parks Divisions in the Commissioners' offices.

<sup>(5)</sup> Montgomery County Civic Center Complex.

<sup>(6)</sup> Montgomery County Memorial Library System Annual Report.

**TABLE XVIII**

2017	2018	2019	2020	2021	2022
49	49	49	49	51	51
555	648	650	627	714	733
13,800	13,800	13,800	13,800	13,800	13,800
2,771	2,811	2,843	2,878	2,931	2,981
160	160	160	160	283	287
2,089	2,289	2,289	2,289	2,289	1,343
56,000	56,000	56,000	56,000	56,000	56,000
17	17	17	17	17	16
173,800	173,800	173,800	173,800	173,800	173,800

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Capital Assets Used in the Operation of Governmental Activities  
Schedule by Source

September 30, 2022

**GOVERNMENTAL ACTIVITIES CAPITAL ASSETS:**

Land	\$	150,581,013
Buildings		228,931,455
Improvements other than buildings		28,287,209
Equipment		160,059,675
Infrastructure		1,804,686,951
Right to use equipment		1,601,285
Right to use building		3,387,562
Construction in progress		38,064,425

**TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS** \$ 2,415,599,575

**INVESTMENT IN GOVERNMENTAL ACTIVITIES CAPITAL ASSETS  
BY SOURCE:**

General Fund	\$	403,877,575
Special Revenue activities		1,970,313,732
Capital Projects activities		40,358,242
Internal Service activities		1,050,026

**TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS** \$ 2,415,599,575

This schedule presents only the capital asset balances related to governmental activities. Accordingly, the capital assets reported in internal service funds are included in the above amounts.

**MONTGOMERY COUNTY, TEXAS**

Capital Assets Used in the Operation of Governmental Activities  
Schedule by Function and Activity

September 30, 2022

Function and Activity	Total	Land	Buildings
<b>GENERAL ADMINISTRATION:</b>			
Building Maintenance	\$ 1,596,869	\$ -	\$ 171,407
Custodial Services	813,688	30,715	174,371
Civic Center	18,072,391	88,214	15,586,323
Commns/Info Services	25,396,740	-	86,904
County Buildings	100,597,436	-	97,971,816
County Clerk	272,918	-	-
County Land	6,744,886	6,495,072	-
Elections Administrator	12,052,017	3,000	582,570
Risk Management	<u>1,130,858</u>	<u>-</u>	<u>951,264</u>
<b>TOTAL GENERAL ADMINISTRATION</b>	<u>166,677,803</u>	<u>6,617,001</u>	<u>115,524,655</u>
<b>FINANCIAL ADMINISTRATION</b>			
County Auditor	20,945	-	-
County Treasurer	11,890	-	-
Purchasing Agent	85,995	-	-
Tax Assessor/Collector	332,616	20,631	-
Budget Office	<u>34,822</u>	<u>-</u>	<u>-</u>
<b>TOTAL FINANCIAL ADMINISTRATION</b>	<u>486,268</u>	<u>20,631</u>	<u>-</u>
<b>HEALTH AND HUMAN SERVICES</b>			
Extension Agents	1,583,895	8,183	815,958
Mental health Treatment Facility	32,709,541	2,631,689	28,503,746
Community Development	11,692,093	563,626	10,614,528
Recycling Stations	265,594	-	61,318
Public Health	<u>8,545,188</u>	<u>159,705</u>	<u>6,136,990</u>
<b>TOTAL HEALTH AND HUMAN SERVICES</b>	<u>54,796,311</u>	<u>3,363,203</u>	<u>46,132,540</u>

**TABLE XX**

Improvements Other than Buildings	Equipment	Infrastructure	Right to use Equipment	Right to use Building
\$ 32,788	\$ 1,361,920	\$ -	\$ 30,754	-
6,155	586,776	-	15,671	-
1,577,781	472,014	-	348,059	-
1,061,451	22,447,688	-	1,800,697	-
651,711	-	36,490	1,937,419	-
-	267,662	-	5,256	-
119,913	-	-	129,901	-
70,469	11,163,867	-	232,111	-
2,393	155,422	-	21,779	-
<u>3,522,661</u>	<u>36,455,349</u>	<u>36,490</u>	<u>4,521,647</u>	<u>-</u>
-	20,945	-	-	-
-	11,890	-	-	-
-	85,995	-	-	-
226,105	85,880	-	-	-
-	34,822	-	-	-
<u>226,105</u>	<u>239,532</u>	<u>-</u>	<u>-</u>	<u>-</u>
758,485	-	-	1,269	-
1,114,493	433,399	-	26,214	-
-	504,569	-	9,370	-
53,478	150,585	-	213	-
231,247	2,010,398	-	6,848	-
<u>2,157,703</u>	<u>3,098,951</u>	<u>-</u>	<u>43,914</u>	<u>-</u>

**MONTGOMERY COUNTY, TEXAS**

Capital Assets Used in the Operation of Governmental Activities  
Schedule by Function and Activity

September 30, 2022

Function and Activity	Total	Land	Buildings
<b>CULTURE &amp; RECREATION</b>			
Memorial Library	25,101,766	3,637,627	16,764,357
Parks	29,478,725	9,310,958	4,338,293
<b>TOTAL CULTURE &amp; RECREATION</b>	<b>54,580,491</b>	<b>12,948,585</b>	<b>21,102,650</b>
<b>LAW ENFORCEMENT AND CORRECTIONS</b>			
Emergency Management	24,543,979	-	629,431
Fire Marshal	999,795	-	-
Constables	10,266,920	22,813	462,577
Sheriff	78,398,050	3,183,488	18,587,844
District Attorney Forfeitures	518,504	-	14,838
District Attorney	188,036	-	-
Jail	6,412,225	-	5,778,404
Juvenile Probation	1,913,754	-	1,467,231
Adult Probation	13,151	-	13,151
<b>LAW ENFORCEMENT AND CORRECTIONS</b>	<b>123,254,414</b>	<b>3,206,301</b>	<b>26,953,476</b>
<b>LEGAL and JUDICIAL SERVICES</b>			
Courts	72,288	-	-
District Clerk	7,121	-	7,121
Justice of Peace	3,198,289	-	2,946,780
Law Library	718,072	-	-
<b>LEGAL and JUDICIAL SERVICES</b>	<b>3,995,770</b>	<b>-</b>	<b>2,953,901</b>
<b>PUBLIC TRANSPORTATION</b>			
Engineer	39,483	-	-
Traffic Operations	2,213,157	306	1,391,216
Commissioners' Operations	1,911,425,134	120,633,682	7,687,402
Airport	60,066,319	1,688,128	7,185,614
<b>TRANSPORTATION</b>	<b>1,973,744,093</b>	<b>122,322,116</b>	<b>16,264,232</b>
<b>SUBTOTAL</b>	<b>2,377,535,150</b>	<b>\$ 148,477,837</b>	<b>\$ 228,931,454</b>
Construction in progress	38,064,425		
<b>TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS</b>	<b>\$ 2,415,599,575</b>		

**TABLE XX**

Improvements Other than Buildings	Equipment	Infrastructure	Right to Use Equipment	Right to Use Building
50,692	4,649,090	-	-	-
15,829,474	-	-	-	-
<u>15,880,166</u>	<u>4,649,090</u>	<u>-</u>	<u>-</u>	<u>-</u>
434,939	23,479,609	-	-	-
-	999,795	-	-	-
68,913	9,712,617	-	-	-
1,719,275	51,864,019	2,620,139	-	423,285
23,181	480,485	-	-	-
-	188,036	-	-	-
16,697	617,124	-	-	-
-	446,523	-	-	-
-	-	-	-	-
<u>2,263,005</u>	<u>87,788,208</u>	<u>2,620,139</u>	<u>-</u>	<u>423,285</u>
926	71,362	-	-	-
-	-	-	-	-
35,467	216,042	-	-	-
-	718,072	-	-	-
<u>36,393</u>	<u>1,005,476</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	39,483	-	-	-
-	821,635	-	-	-
3,364,594	27,202,009	1,752,537,447	-	-
834,364	863,119	49,495,094	-	-
<u>4,198,958</u>	<u>28,926,246</u>	<u>1,802,032,541</u>	<u>-</u>	<u>-</u>
<u>\$ 28,284,991</u>	<u>\$ 162,162,852</u>	<u>\$ 1,804,689,170</u>	<u>\$ 4,565,561</u>	<u>\$ 423,285</u>

**MONTGOMERY COUNTY, TEXAS**

**TABLE XXI**

Capital Assets Used in the Operation of Governmental Activities  
Schedule of Changes by Function and Activity

September 30, 2022

Function and Activity	Capital Assets October 1, 2021	Additions	Deletions	Capital Assets September 30, 2022
<b>GENERAL ADMINISTRATION:</b>				
Building Maintenance	\$ 1,599,788	\$ 106,872	\$ 109,791	\$ 1,596,869
Custodial Services	675,347	157,083	18,742	813,688
Civic Center	17,748,473	429,480	105,562	18,072,391
Commns/Info Services	22,998,247	2,510,409	111,916	25,396,740
County Buildings	98,660,017	1,937,419	-	100,597,436
County Clerk	383,616	5,256	115,954	272,918
County Land	6,614,985	129,901	-	6,744,886
Elections Administrator	4,108,212	7,998,135	54,330	12,052,017
Risk Management	1,101,066	29,792	-	1,130,858
<b>TOTAL GENERAL ADMINISTRATION</b>	<u>153,889,751</u>	<u>13,304,347</u>	<u>516,295</u>	<u>166,677,803</u>
<b>FINANCIAL ADMINISTRATION:</b>				
County Auditor	20,945	-	-	20,945
County Treasurer	11,890	-	-	11,890
Purchasing Agent	36,931	2,286,524	2,237,460	85,995
Tax Assessor/Collector	106,512	226,104	-	332,616
Budget Office	-	34,822	-	34,822
<b>TOTAL FINANCIAL ADMINISTRATION</b>	<u>176,278</u>	<u>2,547,450</u>	<u>2,237,460</u>	<u>486,268</u>
<b>HALTH AND HUMAN SERVICES</b>				
Extension Agents	1,582,626	1,269	-	1,583,895
Mental Health Treatment	32,662,775	46,766	-	32,709,541
Community Development	11,598,328	96,665	2,900	11,692,093
Recycling Stations	265,381	213	-	265,594
Public Health	9,140,617	538,659	1,134,088	8,545,188
<b>TOTAL HEALTH AND HUMAN SERVICES</b>	<u>55,249,727</u>	<u>683,572</u>	<u>1,136,988</u>	<u>54,796,311</u>

**MONTGOMERY COUNTY, TEXAS**

**TABLE XXI**

Capital Assets Used in the Operation of Governmental Activities  
Schedule of Changes by Function and Activity

September 30, 2022

Function and Activity	Capital Assets October 1, 2021	Additions	Deletions	Capital Assets September 30, 2022
<b>CULTURE &amp; RECREATION:</b>				
Memorial Library	25,104,118	416,610	418,962	25,101,766
Parks	29,263,939	266,879	52,093	29,478,725
<b>TOTAL CULTURE &amp; RECREATION</b>	<u>54,368,057</u>	<u>683,489</u>	<u>471,055</u>	<u>54,580,491</u>
<b>PUBLIC SAFETY:</b>				
Emergency Management	23,001,597	1,555,494	13,112	24,543,979
Fire Marshal	885,824	113,971	-	999,795
Constables	8,870,571	1,912,542	516,193	10,266,920
Sheriff	65,892,487	19,212,542	6,706,979	78,398,050
District Attorney Forfeitures	518,504	-	-	518,504
District Attorney	326,665	97,030	235,659	188,036
Jail	6,417,471	-	5,246	6,412,225
Juvenile Probation	1,913,754	-	-	1,913,754
Adult Probation	13,151	-	-	13,151
<b>TOTAL PUBLIC SAFETY</b>	<u>107,840,024</u>	<u>22,891,579</u>	<u>7,477,189</u>	<u>123,254,414</u>
<b>LEGAL AND JUDICIAL</b>				
Courts	124,789	-	52,501	72,288
District Clerk	85,304	-	78,183	7,121
Justice of Peace	3,155,337	58,177	15,225	3,198,289
Law Library	656,627	61,445	-	718,072
<b>TOTAL LEGAL AND JUDICIAL</b>	<u>4,022,057</u>	<u>119,622</u>	<u>145,909</u>	<u>3,995,770</u>
<b>PUBLIC TRANSPORTATION:</b>				
Engineers	49,958	-	10,475	39,483
Traffic Operations	1,870,974	390,583	48,400	2,213,157
Commissioners' Operations	1,820,540,243	95,341,166	4,456,275	1,911,425,134
Airport	52,455,072	7,927,391	316,144	60,066,319
<b>TOTAL PUBLIC TRANSPORTATION</b>	<u>1,874,916,247</u>	<u>103,659,140</u>	<u>4,831,294</u>	<u>1,973,744,093</u>
Construction in progress	52,404,171	33,460,344	47,800,090	38,064,425
<b>TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS</b>	<u>\$ 2,302,866,312</u>	<u>\$ 177,349,543</u>	<u>\$ 64,616,280</u>	<u>\$ 2,415,599,575</u>

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